



Anti-Dumping Review Panel Conference Summary

2016/49 Deep Drawn Stainless Steel Sinks

Panel Member	Jaclyne Fisher
Date	13 February 2017
Participants	Jaclyne Fisher (ADRP member), Justin Wickes (Anti-Dumping Commission), David Peters (Anti-Dumping Commission)

Record of Anti-Dumping Review Panel (ADRP) Conference with the Anti-Dumping Commission held under Section 269ZZHA of the *Customs Act 1901* (Customs Act) in relation to an application from Milena Australia Pty Ltd (Milena) for a review of a decision by the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary) to publish a notice under s 269ZDB(1)(a)(iii) of the Customs Act (the Reviewable Decision) in respect of Deep Drawn Stainless Steel Sinks.

Conference Summary

Teleconference call commenced at 1430hrs

1. Jaclyne Fisher (Reviewing Member) opened the conference call and participants introduced themselves.
2. The Reviewing Member confirmed the conference call protocol, and that all participants were aware of the user guide available on the ADRP Website. The Reviewing Member outlined that the conference call was being recorded, and that the transcript would be used to prepare a summary of the meeting. The Reviewing Member also clarified the process in which to raise an issue during the conference.
3. The Reviewing Member advised that the conference was being held pursuant to section 269ZZHA of the Customs Act and that a non-confidential summary would be published on the ADRP website.



4. The Reviewing Member stated that the purpose of the conference was to obtain further information from the ADC in relation to the review of measures of Deep Drawn Stainless Steel Sinks exported from the People's Republic of China and imported by Milena, in relation to the assessment of the normal value. The Reviewing Member reminded the ADC that the conference allows the Panel to ask parties to clarify an argument, claim or specific detail in the application or the reports. It is not a formal hearing of the review and is not an opportunity for parties to argue the case. Further, the Panel can only have regard to information provided at the conference that relates to relevant information (within the meaning of section 269ZZK(6) of the Act) and any conclusions reached at the conference based on that relevant information.
5. Milena contends that the normal value should not have been constructed under section 269TAC(2)(c) of the Act. In addition, that assessment of the cost to make and sell using a benchmark of Platts prices for the cost of Grade 304 stainless steel cold-rolled coil is incorrect and the profit calculation is incorrect due to insufficient consideration of the commercial likeness of other goods of the exporter.
6. The Reviewing Member requested that the ADC demonstrate, with reference to the confidential spreadsheets relating to ADC Report 352 (REP 352), where the calculations of the domestic cost to make and sell are shown (for profit calculation purposes) and what models are included in its calculation as the confidential spreadsheets provided in REP 352 do not include this data.

The ADC indicated that the figures summarised in REP 352 had been gathered from the confidential spreadsheets of domestic cost to make sell for SCEA included in the Confidential Duty Assessment Report (DA) 65 and 66. This information had been directly extracted from the SCEA exporter questionnaire.

7. The confidential spreadsheet attachments to the Report of DA 65 and 66 show that there are multiple domestic sales made by the exporter, SCEA. The Reviewing Member asked the ADC whether the profit used in REP 352 had been calculated as the weighted average of all those sales.



The ADC advised that all of the domestic sales of stainless steel sinks during the period had been used to calculate the profit as they were considered like goods and this information was from Confidential DA 65 and 66 Report.

8. The grounds raised by the applicant included why the normal value was constructed and in addition, the commercial likeness of the domestic goods when using these to calculate the profit in the construction of the normal value. In REP 352 in paragraph 5.3, there is a statement that “there were insufficient sales of like goods in China that would be relevant for determining normal values under subsection 269TAC(1)” and also a comment in the next paragraph, “there were key differences between goods sold domestically and for export that rendered the domestic sales unsuitable for use in determining the normal value”. The Reviewing Member requested that the ADC elaborate on these key differences between the domestic sales and export sales, given the domestic sales were used to calculate the profit and considered like goods. In addition, the Reviewing Member requested any other material relied upon by the ADC in relation to the commercial likeness of the domestic goods.

The ADC indicated that in the confidential exporter’s questionnaire (page 25) there is a table comparing the exported goods and the domestic goods which summarises the differences. The Reviewing Member indicated that this information was not in the material that had been supplied to her. The ADC undertook to provide a copy of this document as it had been assumed that this was in the information pack provided to the Panel. The ADC also agreed to elaborate on the differences between the export goods and the domestic goods which rendered the prices of such goods unsuitable for normal value assessment. The ADC indicated that the goods were still like goods as they met the definition outlined in the original investigation (REP 238) but there were differences that would have been difficult to make adjustments in relation to comparison with the export price. The ADC commented that the issue related to whether the sales were relevant for determining the normal value in REP 352. The ADC will provide the background information used in REP 352.



9. The Reviewing Member noted that the exporter, SCEA, made comment on one difference between the domestic goods and the exported goods related to the [REDACTED] (Confidential Manufacturing Information). The Reviewing Member asked the ADC to explain whether this impacted on the assessment of the normal value, and whether it necessitated any adjustments?

The ADC indicated that as the normal value had been constructed under section 269TAC(2)(c) it should not have any impact, but that this information would be confirmed as they did not have all of the information at this conference. The ADC also noted that there was additional information in Confidential DA 65 and 66 Report relating to the determination of importer and exporter and the role of the intermediary which had been relied upon in REP 352, though not all of this information had been outlined.

10. In REP 352, paragraph 5.3.2 dealing with the submission of Milena in response to SEF 352 relating to the cost of production. The Reviewing Member asked the ADC to outline more information as to the comments in the 'Commissioner's Assessment'.

The ADC indicated that this issue (of competitive market costs) had been dealt with extensively in REP 238 as part of the original investigation, so it had chosen to not repeat all of this information. The ADC also commented that it had followed broadly the same methodology and approach as had been adopted in the original investigation (REP 238) in undertaking this review of measures.

11. The Reviewing Member requested that the ADC provide to the ADRP Secretariat clarification on the particular items identified above, as soon as possible, to enable further consideration of these issues as the review must be with the Minister by early March.



Conference call ended at 1543 hrs

Note: The ADC supplied the additional confidential exporter information requested above subsequent to the meeting.