

ABN 41 009 690 859

#### **HEAD OFFICE**

405 Newman Road Geebung Queensland Australia 4034 PO Box 543 Virginia BC Q 4014 Ph: (07) 3637 6444

Fax: (07) 3265 2111 everhard@everhard.com.au

#### Application for Review - Anti-Dumping EPR-238 (REP238)

#### Name, street and postal address, and form of business of the applicant

Everhard Industries Pty Ltd 405 Newman Road, Geebung, Qld, 4034 PO Box 543, Virginia BC, Qld, 4014

Name, title/position, telephone and facsimile numbers and e-mail address of a contact within the organisation.

Doug Stanaway, CEO/National Sales & Marketing Manager

Ph: 07 3637 6444 Fax: 07 3265 2111

Email: dougstanaway@everhard.com.au

Name of consultant/adviser (if any) representing the applicant and a copy of the authorisation for the consultant/adviser.

Not applicable

Full description of the imported goods to which the application relates.

The goods the subject of the application (the goods) are:

Deep drawn stainless steel sinks with a single deep drawn bowl having a volume of between 7 and 70 litres (inclusive), or multiple drawn bowls having a combined volume of between 12 and 70 litres (inclusive), with or without integrated drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel and whether or not including accessories.

Additional product information:

The application contains the following further information in relation to the goods the subject of the application.

For the purposes of this definition, the term "deep drawn" refers to a manufacturing

#### APPLICATION FOR REVIEW OF

## DECISION OF THE MINISTER WHETHER TO PUBLISH A DUMPING DUTY NOTICE OR COUNTERVAILING DUTY NOTICE

Under s 269ZZE of the *Customs Act 1901* (Cth), I hereby request that the Anti-Dumping Review Panel reviews a decision by the Minister responsible for Australian Customs and Border Protection Service:

to publish:

® a dumping duty notice(s), and/or

® a countervailing duty notice(s)

OR

not to publish:

® a dumping duty notice(s), and/or

® a countervailing duty notice(s)

in respect of the goods which are the subject of this application.

I believe that the information contained in the application:

- provides reasonable grounds to warrant the reinvestigation of the finding or findings that formed the basis of the reviewable decision that are specified in the application
- provides reasonable grounds for the decision not being the correct or preferable decision, and
- · is complete and correct to the best of my knowledge and belief.

I have included the following information in an attachment to this application:

Name, street and postal address, and form of business of the applicant (for example, company, partnership, sole trader).

Name, title/position, telephone and facsimile numbers and e-mail address of a contact within the organisation.

Name of consultant/adviser (if any) representing the applicant and a copy of the authorisation for the consultant/adviser.

Full description of the imported goods to which the application relates.

The tariff classification/statistical code of the imported goods.

A copy of the reviewable decision.

Date of notification of the reviewable decision and the method of the notification.

A detailed statement setting out the applicant's reasons for believing that the reviewable decision is not the correct or preferable decision.

a statement identifying what the applicant considers the correct or preferable decision should be, that may result from the grounds the applicant has raised in the application. There may be more than one such correct or preferable decision that should be identified, depending on the grounds that have been raised.

Signature: Decampany/Entity:

Signature: Decampany/Entity:

Standard Company/Entity:

Date: 21 1 4 115

[If the application contains material that is confidential or commercially

the information being put forward.

sensitive] an additional non- confidential version, containing sufficient detail to give other interested parties a clear and reasonable understanding of

process using metal forming technology to produce a smooth basin with seamless, smooth, and rounded corners. Deep drawn stainless steel sinks are available in various shapes and configurations and may be described in a number of ways including flush mount, top mount, or undermount (to indicate the attachment relative to the countertop). Stainless steel sinks with multiple deep drawn bowls that are joined through a welding operation to form one unit are covered by the scope of the investigations. "Finished or unfinished" refers to whether or not the imported goods have been surface treated to their intended final "finish" for sale. Typically, finishes include brushed or polished.

Deep drawn stainless steel sinks are covered by the scope of the investigation whether or not they are sold in conjunction with accessories such as mounting clips, fasteners, seals, sound-deadening pads, faucets (whether attached or unattached), strainers, strainer sets, rinsing baskets, bottom grids, or other accessories.

Excluded from the definition of the goods the subject of this application are stainless steel sinks with fabricated bowls. Fabricated bowls do not have seamless corners, but rather are made by notching and bending the stainless steel, and then welding and finishing the vertical corners to form the bowls. Stainless steel sinks with fabricated bowls may sometimes be referred to as "fabricated sinks".

Deep drawn stainless steel sinks are commonly used in residential and non-residential installations including in kitchens, bathrooms, utility and laundry rooms. When used in the context of bathrooms, deep drawn stainless steel sinks may there be referred to, for marketing purposes, as "wash basins". As noted above, deep drawn stainless steel sinks may have may, or may not, have a single (or multiple) integrated drain board that forms part of the sink structure, designed to direct water into the sink bowl.

#### The tariff classification/statistical code of the imported goods.

The goods are currently classified to tariff subheading 7324.10.00 (statistical code 52) in Schedule 3 of the Customs Tariff Act 1995.

#### A copy of the reviewable decision.

A copy of the reviewable decision has been included as Attachment 4. This can also be found at <a href="http://www.adcommission.gov.au/cases/documents/102-FinalReport-Anti-DumpingCommission.pdf">http://www.adcommission.gov.au/cases/documents/102-FinalReport-Anti-DumpingCommission.pdf</a>

#### Date of notification of the reviewable decision and the method of the notification.

Notice of the Parliamentary Secretary's decision was published in The Australian newspaper and the Commonwealth of Australia Gazette on 26 March 2015.

# A detailed statement setting out the applicant's reasons for believing that the reviewable decision is not the correct or preferable decision.

A statement setting out the reasons for believing that the reviewable decision is not the correct or preferable decision, and what the correct or preferable decision should be has been included as Attachment 3.

A statement identifying what the applicant considers the correct or preferable decision should be, that may result from the grounds the applicant has raised in the application. There may be more than one such correct or preferable decision that should be identified, depending on the grounds that have been raised.

A statement setting out the reasons for believing that the reviewable decision is not the correct or preferable decision, and what the correct or preferable decision should be has been included as Attachment 3

Yours sincerely



CEO/National Sales & Marketing Manager

#### Attachments:

Attachment 1. Comparison - Lipped stainless steel laundry bowls compared to insert/benchtop bowls.

Attachment 2. CLR Maintenance Group – Plumbing Report

Attachment 3. Statement for Application for Review of Anti-Dumping EPF-238 (REP238)

Attachment 4. ADN - final report



ABN 41 009 690 859

P O Box 543 Virginia Qld 4014 Phone 07 3637 6444 Fax 07 3265 2111

RE: Dumping Investigation into Stainless Steel Sinks Exported from China – Lipped Stainless Steel Bowls for Laundry Units – Submission by Everhard Industries Pty Ltd

#### 1. Lipped Stainless Steel Laundry Tub Bowls

The Lipped SS Laundry Tub Bowls that Everhard imports are manufactured in three different sizes (capacities) to suit various applications and laundry configurations. They are available in 30Lt, 45Lt and 70Lt bowl configurations (capacities). The unique lipped top edge of the Lipped SS Laundry Tub Bowls is designed to lock-in and firmly secure the bowls to one of our metal or Australian-made polymer cabinets. These are then sold as a complete free standing laundry unit. The Lipped SS Laundry Tub Bowls cannot be used in any other application. Further, the Lipped SS Laundry Tub Bowls are not manufactured in Australia.

Both Everhard and Milena (laundry unit manufacturer, competitor) manufacture injection moulded lipped polymer bowls in Australia. Such bowls are also fitted to either a metal or polymer cabinet for the Australian market to provide the consumer with a choice at the point of purchase.

#### 2. Lipped Stainless Steel Laundry Tub Bowls are not "like goods"

Lipped SS Laundry Tub Bowls are not "like goods" for the purposes of this investigation.

Lipped SS Laundry Tub Bowls are not interchangeable with drop-in / benchtop sinks, which are the subject goods of this investigation due to their shape, configuration and application. In particular, Lipped SS Laundry Tub Bowls have a unique design and can only be used with cabinets that are also designed to accommodate such specific "lipped" bowls. Due to their specific design, Lipped SS Laundry Tub Bowls cannot be used in a bench top. Bench top laundry sinks cannot be used on a cabinet without a "lip" as the bowl would simply fall off the cabinet.

The pictures below show the differences between a Lipped SS Laundry Tub Bowl which is assembled with Australian-made cabinets into standalone laundry units and a bench top laundry sink.



Nugleam Supreme – 45 Lt stainless steel lipped laundry bowl fitted to an Australian made polymer cabinet. Sold as a free standing unit.



Nugleam Standard – 45Lt stainless steel lipped laundry bowl fitted to a powder coated metal cabinet. Sold as a free standing laundry unit.



Benchline – 45Lt stainless steel benchtop sink. Will not fit a metal or polymer cabinet and can only be fitted to a benchtop application.

There is no manufacturer of Lipped SS Laundry Tub Bowls in Australia. Tasman Sinkware Pty Ltd (Tasman), the applicant of this investigation, does not manufacture, import or sell Lipped SS Laundry Tub Bowls. Given the unique feature and application of Lipped SS Laundry Tub Bowls, their importation cannot cause material injury to an Australian manufacturer of the deep drawn stainless steel sinks. Further, given that there are no like or directly competitive goods manufactured or offered for sale in Australia, Lipped SS Laundry Tub Bowls should be considered being eligible for exemption from any measures that may be applied following the completion of the investigation in according with the Customs Tariff (Anti-Dumping) Act 1975.

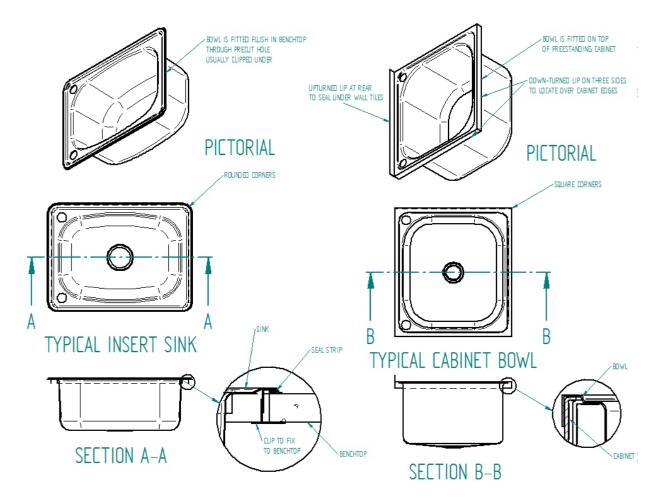
#### 3. Physical likeness

The image below shows the physical differences between lipped bowls and Drop in / Benchtop sinks.

As shown in section A-A of the image, a Drop in / Benchtop sink has a flat surface on the bottom of the lip where it sits and is secured to a benchtop. Along this edge is a stainless steel bracket where clips are fitted and used to pull the flat lip down tight on a benchtop once the foam strip has been put in place and sealant used to seal the bowl to the benchtop.

In comparison, section B-B of the image shows that a lipped bowl is generally more square in dimensions and clearly has the lipped top edge all the way around the top of the bowl where the cabinet and bowl sit and lock together, and the front and two side edges are pressed down to also ensure that the bowl is sitting and locked onto the cabinet. The other major noticeable difference is the upturned lip at the rear of the bowl which will sit flush with the vertical wall that the free standing laundry unit is pushed against; and wall tiles will be secured to the wall and over the tile strip to ensure that water does not leak in behind the tiles and cause any type of rot to the frame and walls in a laundry.

The physical differences described above are significant and determine that Drop in / Benchtop sinks can only be fitted to a benchtop while lipped bowls can only be fitted to a free standing cabinet, either metal or poly cabinet.



#### **Commercial likeness**

Due to the significant physical differences between Drop in / Benchtop sinks and lipped bowls, the two types of sinks are obviously not directly competitive in the market. It is undisputable that Drop in / Benchtop sinks cannot be used for a free standing cabinet while lipped bowls cannot be fitted to a benchtop. Since there is no manufacturer of lipped bowls in Australia, the sinks produced by the Australian industry do not bear "commercial likeness" with lipped bowls.

#### **Functional likeness**

While lipped bowls can only be used for a free standing laundry unit, Drop in / Benchtop sinks have a much wider application and can be used in different areas of a home other than laundry area such as kitchen, bar and bathroom.

#### 4. Application of Lipped Stainless Steel Laundry Tub Bowls

Everhard has manufactured stand-alone laundry tub and cabinets from various materials since 1926 – initially pre-cast concrete, then injection-moulded polymer.

In the early 1980s, Everhard began manufacturing drop-in / benchtop polymer laundry bowls. In the 1990s, Everhard began importing stainless steel drop-in laundry bowls. Everhard introduced both of these products to meet a market need not being addressed by the standalone product.

Everhard is unaware of any Australian manufacturer / importer or any Australian builder who would regard the drop-in /benchtop and stand-alone tub as being interchangeable.

Free standing laundry units are generally used in the lower end laundry applications or by volume building companies due to its lower installation cost as compared to the drop-in / benchtop models which have to be fitted to a manufactured bench top cabinet. That bench top cabinet will usually be designed with drawers and other additions to meet the individual laundry layout requirements of the home owner.

To contend that benchtop laundry sinks (in stainless steel and polymer) perform the same function as a stand-alone tub and cabinet unit is to argue that Holden Barinas and Holden Caprice are interchangeable.

Everhard entered the drop-in/benchtop laundry bowl market in the 1980s and 1990s because of significant consumer demand for this higher-end, higher-cost product. Nevertheless the majority of laundry units installed in new Australian homes are stand-alone laundry tub and cabinet using Lipped SS Laundry Tub Bowls.

To the best of Everhard's knowledge, there are only two Australian manufacturers of laundry tub bowls and stand-alone laundry tub and cabinet units, that is, Everhard and Milena . Both Everhard and Milena manufacture polymer drop-in laundry sinks and stand-alone polymer bowls and cabinets in Australia.

In contrast, Tasman manufactures stainless steel sinks used as drop-in / benchtop laundry bowls in Australia.

The table below shows the different types of laundry products that are manufactured or imported by Australian producers.

Free Standing Laundry Units – Local Manufacturers Vs Importers

	S/S Bowls	Poly	Metal	Polymer	Assessories
		Bowls	Cabinet	Cabinet	
Everhard	Import	Local	Import	Local	Local
Milena	Import	Local	Not known	Local	Not known
Clarke	Import	No	Import	No	No
Tasman	No	No	No	No	No
Others	Import	No	Import	No	No

#### 5. Everhard

Everhard is a family owned business established in Brisbane in 1926. The company manufactures, imports & distributes products used by the building & plumbing industries. The company's first product was a pre-cast concrete laundry tub & stand. The company has continuously manufactured & marketed laundry units for the past 88 years. Some of its laundry products are now imported. These laundry units are sold nationally to recognised hardware and plumbing merchants along with other Everhard products. We are a SME – we employ about 125 people.

Everhard will suffer material harm if stainless steel laundry bowls which are imported from China (that are to be fitted to Australian made polymer cabinets) are subject to anti-dumping duties, This will add considerable cost to the Australian made laundry unit which in turn will have a higher manufactured cost and in turn a higher price than other fully imported laundry units which are imported from China which are currently considered to not be "like goods".

Our polymer cabinets are injection moulded and assembled at our Geebung plant and are then fitted with either a stainless steel or polymer bowl to form a free standing laundry unit. The polymer bowl and accessories are also manufactured at our Geebung plant with the "Lipped" Stainless Steel laundry tub bowl being the only component that is imported from China.

All "Lipped "Stainless Steel laundry tub bowls being imported into Australia either with an imported cabinet and accessories or to be fitted to an Australian made polymer cabinet should be deemed not "like goods" and be exempted from the investigation.

Should you have any queries or need further information, please do not hesitate to contact us.

Yours faithfully

**Doug Stanaway** 

Chief Executive Officer /

National Sales & Marketing Manager

#### **Attachment 2. – CLR Maintenance Group – Plumbing Report**

C.L.R. MAINTENANCE GROUP CONCRETING (ALL TYPES) PLUMBING & DRAINAGE STEEL FABRICATION

ADDRESS: - 22-24 GARDEN DR.

BURPENGARY. 4505 PHONE :- 0417717603 A/HRS :- 38884424

FAX :- 38884124

A.B.N. :- 27989260318

B.S.A. :- 1012049

Date :- 26/11/14

**Client:-** Everhard Industries.

405 Newman Road Geebung.

#### To Whom it may Concern

#### Dear Sir/Madam:

I have been asked if I would be able to provide some comment on behalf of Everhard Industries Pty Ltd with regards the differences in use and installation between free standing cabinet style (lipped) and Bench top / insert style laundry units that are offered by Everhard and other companies for installation into residential laundry rooms.

I am a plumber by trade and have been working in the industry for over twenty years and during this time installed numerous laundry units from many manufacturers although the type and style is generally selected by the builder or the home owner.

Bench top / Insert type laundry bowls are fitted where there is a bench or cabinet work built into the laundry room. These units can also be used as a sink for a wet bar or butlers kitchen but rely on a solid bench or cabinetry for support. The bowl is placed into a precut opening and is held in place by clips which attach to lugs welded at positions around the underside of the bowl edge. The bowl is normally sealed to the bench top by using a flexible foam strip that is trapped in a groove in the edge of the bowl between the bowl and the bench top surface.

The free standing cabinet style laundry unit is often used by builders of new homes as it gives the new home owner more freedom in the layout of the new laundry. The free standing cabinet is still fixed in position in the room however the washing machine could be put on either side of the cabinet if it is placed along a wall. The lipped bowl used in the free standing style cabinet is a major part of the structure of the cabinet itself. The lipped bowl fits over the top edges of three sides of the cabinet and gives the unit rigidity. It is also the rear upturned tiling strip that holds the unit against the wall although sometimes the rear braces are also screwed to the wall. The upturned lip that is tiled over is also what provides the seal against the laundry wall.

I have been also asked to comment as to how an insert bowl could be substituted in a cabinet and vice versa.

It may be possible to use a cabinet style (lipped) bowl in a bench but it would require extensive modification. It would be necessary to cut away all of the side lips both down turned and up turned to be able to try to seal the bowl to the bench top. It would not be possible to seal the bowl to the bench without removing the lips as the rear upturned lip would leave an opening for vermin to get in and under the bowl and create a health hazard. If all the lips were cut away it would also be necessary to grind smooth all of the edges or it would be a significant safety hazard on the raw edge of the stainless steel.

Also it would still be very difficult to seal the bowl to the bench as there would be no recess to trap the seal strip and hold in place while the bowl was fixed in place. Which is a further issue as there would be no way to attach the clips to the bowl without welding to the underside of the bowl surround which would cause marks and burns to the top surface of the bowl surround. In all my time as a plumber I have never been asked to perform this modification or try and fit a lipped laundry bowl into this configuration.

In the same way it would be extremely difficult to use a bench top / insert mount bowl in a freestanding style laundry cabinet. Without the downturned lip there is no way to position the bowl positively on the top of the cabinet. It may be possible to get some of the clips to align under the edges of the cabinet walls however it is going to leave a straight edge of thin stainless steel exposed all around which would be a sever safety hazard. Also without the upturned lip on the rear of the bowl there would be no reliable seal at the rear of the unit against the wall which in turn would allow water to enter the inside of the cabinet and become a health risk with the possible buildup of mould. Generally bench top /insert type bowls all come with rounded corners so there are no sharp points to catch on when wiping around the sink, so it would leave openings in the cabinet top unless it completely overhangs the cabinet which as pointed out previously would leave a straight edge of stainless steel that would be like a knife if someone rubbed against or past the bowl edge while doing laundry. Instead of fitting the bowl directly to the cabinet it could be possible to place a section of bench top on top of the standard cabinet and mount the bowl in the standard manner, however there are no provisions for fixing a bench top to a standard cabinet and fixing any brackets through the sides would be unsightly.

I hope this assists with clearing up the confusion that has been related to me by the Everhard staff member.

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JACK RITCHIE - DIRECTOR

License No: 15649

# Attachment 3. – Statement of Application for Review of Anti-Dumping EPF-238 (REP238)



ABN 41 009 690 859

#### **HEAD OFFICE**

405 Newman Road Geebung Queensland Australia 4034 PO Box 543 Virginia BC Q 4014 Ph: (07) 3637 6444 Fax: (07) 3265 2111 everhard@everhard.com.au

Anti-Dumping Review Panel c/o Legal Services Branch Department of Industry and Science 10 Binarra Street Canberra City ACT 2601

Ref: DS/PP 019.0904.15

Application for Review - Anti-Dumping EPR-238 (REP238)

Re: Interested parties notification - final decisions in relation to Anti-Dumping Commission investigation into deep drawn stainless steel sinks [SEC=UNCLASSIFIED]

There has been an error made in the decision by the Minister in relation to Anti-Dumping EPR-238 (REP238). Stainless steel lipped laundry bowls are not "like goods" to the goods produced by Australian industry.

Everhard Industries wishes to appeal against the recent ADC decision to apply a duty to stainless steel lipped laundry tub bowls which are imported into Australia and fitted to our Australian made polymer cabinets.

Everhard Industries is an Australian owned family business that has been manufacturing laundry products since 1926 (almost 90 years) in Brisbane. Currently we manufacture and supply the largest range of laundry units in Australia. We sell to Australian companies such as Bunnings, Masters, Reece, Tradelink and many other hardware and plumbing merchants.

We have earned our reputation as a very good supplier to these customers by offering excellent service, but more importantly by providing quality products at affordable pricing.

We have prided ourselves on making as much of our product as possible in Australia. We only began substituting imports for locally made product in the 90s when it became very clear that we could not be competitive selling fully Australian-manufactured goods.

With the recent decision by the Commission to apply a duty to lipped stainless steel laundry bowls that are imported into Australia and fitted to an Australian-made polymer cabinet, we have no other option than to object to the Commission's decision.

In previous submissions to the Commission dated 29/09/2014 and 3/12/2014, Everhard Industries pointed out to the Commission that Tasman (the Australian Industry) did not manufacture a stainless steel lipped laundry bowl in Australia and therefore this type of bowl should not be considered the goods under this investigation because no material injury can be caused to the Australian manufacturer. Numerous searches on the Tasman website and promotional material confirms that they do not manufacture, or even re-sell, this type of laundry product in Australia.

In our submissions we pointed out that lipped bowls are not interchangeable with Tasman's bowls. It is impossible to fit a lipped stainless steel laundry bowl to anything other than a purpose-built cabinet which can be made from either metal or polymer. These bowls are designed and shaped to fit onto the purpose-designed cabinet to provide rigidity to the unit. Tasman do <u>NOT</u> manufacture this type of laundry unit. *See further information attached, Attachment 1. and Attachment 2.* 

In your earlier correspondence you advised that complete laundry units (cabinet and lipped bowl) whether in flat pack or assembled configuration were deemed to be 'not the goods', however a lipped stainless steel laundry bowl by itself was 'the goods'.

Everhard Industries imports stainless steel bowls for fitting into benchtops that are similar to those sold by Tasman. We do not accept that we were involved in dumping these into the Australian market but we do not appeal the decision to impose a duty on this product (insert or benchtop application).

Everhard Industries imports complete laundry units in a flat pack configuration (metal cabinets and lipped bowls) and assembles them here in Australia. Again we do not object to the ADC decision that these are 'not the goods'.

However we also import lipped stainless steel bowls in both 35L and 45L sizes by themselves that we fit onto our Australian-made polymer cabinets. (These are identical to the bowls that are imported with our cabinets as flat packs.)

Laundry units consisting of an imported lipped stainless steel bowl in an Australian-made polymer cabinet are a significant percentage of our laundry tub business. The polymer cabinets are also used with lipped polymer bowls which we manufacture here in Australia.

The current ADC ruling has led to the perverse outcome that the fully imported product (a lipped bowl and a cabinet) is not subject to the duty, but the same bowl when imported for use with an Australian-made cabinet is subject to duty.

If this decision is not reversed, we will need to consider having all our polymer cabinets (currently manufactured at our Geebung, Brisbane plant and sold nationally) made overseas and brought in as flat packs so that we can remain competitive.

We estimate that this would result in at least five full-time staff positions at our Geebung plant being made redundant and further indirect reductions in our need for staff because of the reduced manufacturing and the reduced recoveries on machines and plant.

If the polymer cabinets were to be made overseas and imported because of this ADC decision, polymer bowls would then be the only laundry product that we manufactured in Australia. The resultant under-utilisation of plant and machinery would then force us to consider abandoning Australian manufacture of laundry products altogether with a further significant reduction in jobs.

Everhard appreciates that the mission of the ADC is to protect Australian manufacturers from unfair competition causing material injury.

We submit that the current ruling which includes stainless steel lipped bowls in the range of dutiable goods has exactly the opposite outcome from that intended. It does not protect Tasman who do not manufacture this product and it causes harm to Everhard by threatening our ability to continue manufacturing laundry products in Australia.

We request that the ADC reverse its decision to impose duty on stainless steel lipped laundry bowls.

Yours sincerely

**Doug Stanaway** 

CEO/National Sales & Marketing Manager



## **ANTI-DUMPING NOTICE NO. 2015/41**

### Deep drawn stainless steel sinks

## **Exported from the People's Republic of China**

# Findings in Relation to a dumping and subsidisation investigation

#### Customs Act 1901 - Part XVB

I, Dale Seymour, Commissioner of the Anti-Dumping Commission (the Commissioner) have completed the investigation, which commenced on 18 March 2014, into the alleged dumping and subsidisation of certain deep drawn stainless steel sinks (the goods), exported to Australia from the People's Republic of China (China).

The goods are currently classified to tariff subheading 7324.10.00 (statistical code 52) in Schedule 3 of the *Customs Tariff Act 1995*. These goods are subject to 5% Customs duty.

A full description of the goods is available in Anti-Dumping Notice (ADN) No. 2014/20. This ADN is available at <a href="https://www.adcommission.gov.au">www.adcommission.gov.au</a>.

Findings and recommendations were reported to the Parliamentary Secretary to the Minister for Industry and Science (the Parliamentary Secretary) in *Anti-Dumping Commission Report No. 238* (REP 238). REP 238 outlines the investigations carried out by the Anti-Dumping Commission (the Commission) and recommends the publication of a dumping duty notice and a countervailing duty notice in respect of the goods.

The Parliamentary Secretary has considered REP 238 and has accepted the recommendations and reasons for the recommendations, including all material findings of fact or law on which the recommendations were based, and particulars of the evidence relied on to support the findings.

Notice of the Parliamentary Secretary's decision was published in *The Australian* newspaper and the *Commonwealth of Australia Gazette* on 26 March 2015.

On 19 February 2015, I terminated the subsidisation investigation into the goods exported by Primy Corporation Limited and Zhongshan Jiabaolu Kitchen and Bathroom Products Co., Ltd. *Termination Report No. 238* (TER 238) sets out the reasons for these terminations. This report is available on the Commission's website.

In REP 238, it was found that:

 certain deep drawn stainless steel sinks exported from China to Australia were dumped with margins ranging from 5.0% to 49.5%, and subsidised with margins ranging from 3.3% to 6.4%;

- the dumped and subsidised exports caused material injury to the Australian industry producing like goods; and
- continued dumping and subsidisation may cause further material injury to the Australian industry.

The duty that has been determined is an amount worked out in accordance with the ad valorem duty method, as detailed in the table below.

Particulars of the dumping and subsidy margins established for each of the exporters and the effective rates of duty are set out in the following table.

Exporter	Dumping Margin	Subsidy Margin	Effective Rate of Combined Interim Countervailing Duty and Interim Dumping Duty*	Duty Method
Zhuhai Grand Kitchenware Co., Ltd	12.5%	3.3%	12.5%	Ad valorem duty method
Primy Corporation Limited	5.0%	N/A – countervailing investigation terminated	5.0%	Ad valorem duty method
Zhongshan Jiabaolu Kitchen & Bathroom Products Co., Ltd	15.4%	N/A – countervailing investigation terminated	15.4%	Ad valorem duty method
Jiangmen New Star Hi-Tech Enterprise Ltd.	10.4%	3.4%	10.7%	Ad valorem duty method
Elkay (China) Kitchen Solutions Co., Ltd.	10.4%	3.4%	10.7%	Ad valorem duty method
Franke (China) Kitchen System Co., Ltd	10.4%	3.4%	10.7%	Ad valorem duty method
Xinhe Stainless Steel Products Co., Ltd	10.4%	3.4%	10.7%	Ad valorem duty method
Guangzhou Komodo Kitchen Technology Co., Ltd.	10.4%	3.4%	10.7%	Ad valorem duty method
Rhine Sinkwares Manufacturing Ltd. Huizhou	10.4%	3.4%	10.7%	Ad valorem duty method
Yuyao Afa Kitchenware Co., Ltd	10.4%	3.4%	10.7%	Ad valorem duty method

Jiangmen City HeTangHengWeiDa Kitchen & Sanitary Factory	10.4%	3.4%	10.7%	Ad valorem duty method
Uncooperative and all other exporters	49.5%	6.4%	52.6%	Ad valorem duty method

<sup>\*</sup> The calculation of combined dumping and countervailing duties is not simply a matter of adding the dumping and subsidy margins together for any given exporter, or group of exporters. Rather, the collective interim dumping duty and interim countervailing duty imposed in relation to the goods, is the sum of:

- the subsidy rate calculated for all countervailable programs, and
- the dumping rates calculated, less an amount for the subsidy rate applying to Program 1.

In addition, the Parliamentary Secretary has granted exemptions from imposed interim dumping duties and interim countervailing duties in relation to the following sub-sets of deep drawn stainless steel sinks, based on a finding that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions having regard to the custom and usage of trade:

- Cleaner's sinks that are comprised of a deep drawn stainless steel bowl and stainless steel splashback or upturned rear edge that is designed for fixture against a wall; and
- Hand wash basins that are comprised of:
  - o a deep drawn stainless steel bowl with a rounded or concave basin bottom (i.e. not flat-bottomed); and
  - a stainless steel splash back or upturned rear edge that is designed for fixture against a wall.

Anti-dumping measures apply to goods (other than those exempted items listed above), that are exported to Australia on or after 13 August 2014. Interim dumping duties (IDD) apply to goods that were exported to Australia after the Commissioner made a preliminary affirmative determination to the day before the Parliamentary Secretary decision was published; however only dumping securities that have not expired will be converted to interim dumping duties<sup>1</sup>.

Pursuant to section 12 of the *Customs Tariff (Anti-Dumping) Act 1975*, conversion of securities to IDD will not exceed the level of security taken. This means:

• If the rate at which interim dumping duty is imposed is **higher** than the rate at which the security was taken - the security will be converted to IDD at the dumping security rate.

#### Alternatively:

• If the rate at which interim dumping duties are imposed is **lower** than the rate at which securities was taken - the securities will be converted to IDD at the IDD ad valorem rate.

<sup>&</sup>lt;sup>1</sup> Within the time limitations of section 45 of the Act.

For those securities that will be converted at the rate at which the security was taken, the rate of conversion will reflect the rates of securities imposed on 24 October 2014 and 23 December 2014 (as applicable).

Importers will be contacted by the Australian Customs and Border Protection Service (ACBPS) detailing the required conversion or acquittal action for each security taken.

Affected parties should contact the Commission on 1300 884 159 or +61 2 6275 6066 (outside Australia) or at <a href="mailto:clientsupport@adcommission.gov.au">clientsupport@adcommission.gov.au</a> for further information regarding the actual duty liability calculation in their particular circumstance.

To preserve confidentiality, the export price, normal value and amount of countervailable subsidisation applicable to the goods will not be published. Bona fide importers of the goods can obtain details of the rates from the Dumping Liaison Officer in their respective capital city.

Clarification about how measures are applied to 'goods on the water' is available in Australian Customs Dumping Notice No. 2012/34, available at the Commission's website.

Interested parties may seek a review of this decision by lodging an application with the Anti-Dumping Review Panel in accordance with the requirements in Division 9 of Part XVB of the Act within 30 days of the publication of the Parliamentary Secretary's notice.

REP 238 has been placed on the Commission's public record, which may be examined at the Commission office by contacting the Case Manager on the details provided below. Alternatively, the public record is available at <a href="https://www.adcommission.gov.au">www.adcommission.gov.au</a>.

Enquiries about this notice may be directed to the case manager on telephone number +61 2 6275 6173, fax number 1300 882 506 or +61 2 6275 6888 (outside Australia) or email at <a href="mailto:operations2@adcommission.gov.au">operations2@adcommission.gov.au</a>.

Dale Seymour Commissioner Anti-Dumping Commission

26 March 2015