



Anti-Dumping Notice No. 2017/161

**Public notice under subsection 269TC(4)
of the *Customs Act 1901***

Steel Pallet Racking

**Exported from the People's Republic of China and
Malaysia**

Initiation of an Investigation into alleged dumping

Customs Act 1901 – Part XVB

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated an investigation following an application lodged by Dematic Pty Ltd, a manufacturer of steel pallet racking (the goods) in Australia. The application seeks the publication of a dumping duty notice in respect of steel pallet racking exported to Australia from the People's Republic of China (China) and Malaysia.

The application alleges that the goods have been exported to Australia at prices less than their normal value and that the dumping has caused material injury to the Australian industry through:

- loss of sales volume
- price suppression
- loss of profits
- reduced profitability
- reduced revenue
- declining asset value
- reduced capital investment
- reduced return on investment
- reduced employment
- reduced capacity utilisation
- reduced cashflow

The non-confidential version of the application, which contains the basis of the alleged dumping and injury, is available on the public record.

Particulars of the reasons for the decision to initiate this investigation are in *Anti-Dumping Commission Consideration Report No. 441*, which is available on the public record.

The date of initiation of this investigation is the date of publication of this notice.

The Goods

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

Steel Pallet racking, or parts thereof, assembled or unassembled, of dimensions that can be adjusted as required (with or without locking tabs and/or slots, and/or bolted or clamped connections), including any of the following - beams, uprights (up to 12m) and brace (with or without nuts and bolts).

Further information

The goods are adjustable static racking structures capable of carrying and storing product loads, and components used to make static racking structures.

Adjustable racking is a structure typically made from cold-formed or hot rolled steel structural members and includes components such as plates, rods, angles, shapes, sections, tubes and the like. Welding, bolting or clipping are the typical methods to assemble them. It may be racking installed within a building.

A typical storage configuration comprises upright frames perpendicular to the aisles and independently adjustable, positive locking beams parallel to the aisle, spanning between the upright frames, and brace designed to support unit load actions.

The racking layout and components used are designed to get the best efficiency for the shape and volume of the items stored. The applicable Australian Standard is AS4084-2012.

Tariff classification

The goods are generally, but not exclusively, classified to the following tariff classification in Schedule 3 to the *Customs Tariff Act 1995* as 7308.90.00 (statistical code 58)

The tariff classification and statistical code may include goods that are both subject and not subject to this investigation. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods, the subject of this investigation.

Investigation Process

The investigation period is from 1 October 2016 to 30 September 2017. I will examine exports to Australia of the goods during this period to determine whether dumping has occurred. I will examine details of the Australian market from 1 October 2013 for injury analysis purposes.

Where the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary)¹ is satisfied, as to goods of any kind, that:

- (a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Parliamentary Secretary may, by public notice, impose interim dumping duties.²

Where there are grounds for the Parliamentary Secretary to publish a dumping duty notice in respect of the goods, I will examine whether the trade in the dumped goods give rise to retrospective notices being published pursuant to section 269TN of the *Customs Act 1901*(the Act), and make recommendations to the Parliamentary Secretary accordingly.

Public Record

I must maintain a public record of each investigation. Documents included in the public record are available at www.adcommission.gov.au.

The public record will contain, among other things, a copy of the application, *Anti-Dumping Commission Consideration Report No. 441* and copies of all non-confidential submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the investigation.

Lodgement of Submissions

Interested parties, as defined by subsection 269T(1) of the *Customs Act 1901 (the Act)*, are invited to lodge submissions concerning the publication of the dumping duty notice sought in the application, no later than the close of business on **20 December 2017**, addressed to:

The Director
Investigations 4
GPO Box 2013
Canberra ACT 2601
Australia

¹ On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science. For the purposes of this investigation, the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

² In accordance with section 269TG of the *Customs Act 1901*.

or by email to investigations4@adcommission.gov.au, or by fax to (03) 8539 2499.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that I am not obliged to have regard to a submission received after the date above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties should also note that I am directed³ to consider the matters set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* in certain circumstances. This is available at www.legislation.gov.au.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

Lodgement of Exporter Questionnaires

Exporters of the goods to Australia are invited to participate in this investigation by completing the exporter questionnaire and the associated spreadsheets by 20 December 2017.

The exporter questionnaire and the associated spreadsheets are available under the case information for ADC 441 (which can be found under 'Cases' on the Anti-Dumping Commission's (Commission) website, www.adcommission.gov.au). Alternatively, exporters can email investigations4@adcommission.gov.au upon receipt of this letter

³ Certain powers and functions under the *Customs (Extensions of Time and Non-cooperation) Direction 2015* have been delegated to the Anti-Dumping Commission's General Managers (Anti-Dumping Notice No. 2017/10, available at www.adcommission.gov.au refers).

and the Commission will forward the exporter questionnaire and spreadsheets for completion.

Provisional Measures

Pursuant to section 269TD of the Act, I will make a preliminary affirmative determination (PAD) provided I am satisfied that there appears to be sufficient grounds for the publication of a dumping duty notice or there appears that there will be sufficient grounds for the publication of a dumping duty notice subsequent to the importation of the goods into Australia. This can occur no earlier than day 60 of an investigation.

In accordance with section 269TD of the Act, the Commonwealth may apply provisional measures, including the taking of securities under section 42 of the Act, in respect of interim dumping duty that may become payable on the goods, where a PAD has been made.

Where a PAD is not made 60 days after initiation of the investigation, the Customs (Preliminary Affirmative Determinations) Direction 2015 (the PAD Direction) directs me to publish a status report providing reasons why a PAD was not made. The PAD Direction is available on the Federal Register of Legislation website, www.legislation.gov.au.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Parliamentary Secretary within the legislative timeframe. In accordance with section 269TDAA of the Act, a statement of essential facts will be placed on the public record by 3 March 2018, or by such later date as allowed in accordance with section 269ZHI of the Act.⁴ The statement will set out the essential facts on which I propose to base my recommendations to the Parliamentary Secretary. Interested parties are invited to lodge submissions in response to the statement within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts within 20 days of that statement being placed on the public record will be taken into account in completing the report and recommendation to the Parliamentary Secretary.

Report to the Parliamentary Secretary

A recommendation to the Parliamentary Secretary will be made in a report on or before 17 April 2018 (or such later date as allowed under section 269ZHI), on the basis of the examination of exportations of the goods to Australia during the investigation period, unless I terminate the investigation.

⁴ On 19 January 2017, the Parliamentary Secretary delegated the powers and functions of the Minister under section 269ZHI of the Act to the Commissioner of the Anti-Dumping Commission. Refer to ADN No. 2017/10 for further information.

The Parliamentary Secretary must make a declaration within 30 days after receiving the report, or such longer period as the Parliamentary Secretary considers appropriate.

Anti-Dumping Review Panel

Certain persons will have the right to seek review with the Anti-Dumping Review Panel in accordance with Division 9 of Part XVB of the Act of either a decision by me to terminate the investigation, or a decision of the Parliamentary Secretary to publish or not to publish a dumping duty notice after considering my report.

Interested Party List

Throughout the investigation, the Commission will maintain an internal list of interested parties. Updates on the investigation will be sent to parties on this list. If you would like to be added to the interested party list, please email investigations4@adcommission.gov.au.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the Case Manager on telephone number +61 2 6276 1462, or investigations4@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

13 November 2017