



**AUSTRALIAN
CUSTOMS SERVICE**

Australian Customs Dumping Notice
No. 2000/045

CUSTOMS ACT 1901 - PART XVB

**INITIATION OF AN INVESTIGATION INTO THE
ALLEGED DUMPING OF CERTAIN DISC BRAKE ROTORS FROM
ITALY, TAIWAN AND THE PEOPLE'S REPUBLIC OF CHINA**

The application

The Australian Customs Service has initiated an investigation into an application lodged by Disc Brakes Australia Pty Ltd for a dumping duty notice in respect of certain disc brake rotors (rotors) exported to Australia from Italy, Taiwan and The People's Republic of China.

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

- price undercutting;
- price depression;
- price suppression;
- loss of market share;
- sales at a loss;
- reduced cash flow; and
- reduced profitability.

The public version of the application, available to interested parties on request, contains the basis of the complaint.

The goods

The goods under investigation are disc brake rotors of a kind used as replacement components in used motor vehicles limited to one and a half ton passenger, light commercial and four wheel drive motor vehicles. The rotors are finished, ready for sale and installation without any further operations. The rotors are made of grey cast iron and range in diameter from 8 to 16 inches (20.32 to 40.64 centimetres) and in weight from 8 to 45 pounds (3.63 to 20.41 kilograms).

The goods under consideration are classified under the *Customs Tariff Act 1995* as follows:

DESCRIPTION	Tariff Item	Stat. Code 1/7/93-30/6/97	Stat. Code 1/7/97-31/12/97	Stat. Code 1/1/98-Current
Passenger Motor Vehicles	8708.39.91	55 or 56	80	03
Other than Passenger Motor Vehicles	8708.39.99	61 or 62	81	07

The general rate of duty is 15% (for Italy) and the developing country rate of duty is 10% (for China and Taiwan) for rotors for passenger motor vehicles. Rotors for light commercial and 4 wheel drive vehicles are subject to a general rate of duty of 5%.

Investigation process

The period of investigation will be from 1 July 1999 and Customs will examine exports to Australia of the goods under consideration since that date to determine whether dumping has occurred. Customs will examine details of the Australian market from 1 July 1995 for injury analysis.

In reaching its findings Customs must consider whether:

- (a) the export price of the goods that have already been exported to Australia is less than the normal value of those goods; and
- (b) the export price of the goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (c) because of that, material injury to the Australian industry producing like goods has been caused and is likely to continue.

Lodgement of submissions

A notice under subsection 269TC(4) of the *Customs Act 1901* advising initiation of this investigation will be published in the *Financial Review* on 22 September 2000. Interested parties are invited to provide written submissions in response to that notice.

Interested parties are advised to lodge submissions no later than the close of business on 30 October 2000, addressed to:

The Director
Trade Measures, Operations 1
Australian Customs Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Interested parties may be granted an extension of time for lodgement of a submission, provided the request is in writing and is reasonable and practical given the circumstances. Parties responding by 30 October 2000 will have an opportunity to lodge supplementary submissions in reply to matters raised by other parties. The due date for any supplementary submissions is 19 November 2000.

All interested parties wishing to participate in the investigation must ensure that submissions are lodged promptly. The legislation confers upon Customs the power to disregard submissions received after specified periods if there is insufficient time remaining for their proper consideration.

Submissions lodged in confidence must be clearly marked "confidential". In addition, two non-confidential copies of the submission must be provided.

Section 269ZJ of the *Customs Act 1901* requires that if a person claims information is confidential, or claims that publication of the information would adversely affect their business, that person:

- must provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information, or
- must satisfy the CEO of Customs that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

The attention of interested parties is also drawn to the World Trade Organization Anti-Dumping Agreement, Article 6.5.2, which states:

If the authorities find that a request for confidentiality is not warranted and if the supplier of the information is either unwilling to make the information public or to authorise its disclosure in generalised or summary form, the authorities may disregard such information unless it can be demonstrated to their satisfaction from appropriate sources that the information is correct.

This provision is reflected in s. 269ZJ of the Customs Act.

Non-confidential submissions, and a copy of relevant correspondence between Customs and other persons, will be made available to interested parties through the public record. The public record may be examined at the Australian Customs Service, 5 Constitution Avenue, Canberra. To access the public record, contact Mr Phil Hilyard on telephone number (02) 6275 6057.

Provisional measures

The dates specified in this notice for lodging submissions must be observed to enable Customs to report to the Minister within the legislative timeframe. A preliminary affirmative determination may be made not less than 60 days from the date of initiation. Provisional measures may be imposed after the preliminary determination has been made.

Statement of essential facts

A statement of essential facts will be placed on the public record by 8 January 2001 (or by such later date as the Minister may allow in accordance with s. 269ZHI of the Customs Act 1901). The statement will set out the material findings of fact on which Customs intends to base its recommendation to the Minister. That statement will invite interested parties to respond, within 20 days, to the issues raised therein.

Report to the Minister

Submissions received in response to the statement will be taken into account in compiling the report and recommendation to the Minister. The report to the Minister is due within 45 days after the statement of essential facts is issued (ie 22 February 2001).

Customs contact

Enquiries about this notice may be directed to Steve Cooper on telephone (02) 6275 6295, facsimile (02) 6275 6990 or e-mail steve.cooper@customs.gov.au. Customs dumping notices are available on the internet at <http://www.customs.gov.au/notices/index.htm>

(J.H. Jeffery)
Deputy Chief Executive Officer
FOR CHIEF EXECUTIVE OFFICER
CANBERRA, ACT

20 September 2000