



ANTI-DUMPING NOTICE NO. 2013/64

Power Transformers

Exported from the People's Republic of China, the Republic of Indonesia, the Republic of Korea, Taiwan, Thailand and the Socialist Republic of Vietnam

Initiation of an Investigation into Alleged Dumping

Customs Act 1901 – Part XVB

The Anti-Dumping Commissioner (Commissioner) has initiated an investigation following an application lodged by Wilson Transformer Company Pty Ltd, a manufacturer of power transformers (“the goods”) in Australia. The application seeks the publication of a dumping duty notice in respect of power transformers exported to Australia from the People's Republic of China (China), the Republic of Indonesia (Indonesia), the Republic of Korea (Korea), Taiwan, Thailand and the Socialist Republic of Vietnam (Vietnam).

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;
- Loss of market share;
- Price undercutting;
- Price suppression;
- Reduced revenues;
- Reduced profits;
- Reduced profitability;
- Reduced orders on hand;
- Reduced capacity utilization; and
- Reduced employment.

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

A notice under subsection 269TC(4) of the *Customs Act 1901* (the Act) advising initiation of this investigation was published in *The Australian* newspaper on 29 July 2013.

The Goods

The goods the subject of the application are power transformers. The applicant provided further details as follows:

liquid dielectric power transformers with power ratings of equal to or greater than 10 MVA (mega volt amperes) and a voltage rating of less than 500kV (kilo volts) whether assembled or unassembled, complete or incomplete

Incomplete power transformers are subassemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of power transformers. The active part of a power transformer consists of one or more of the following when attached to or otherwise assembled with one other:

- the steel core;
- the windings;
- electrical insulation between the windings; and
- the mechanical frame.

Distribution transformers are not the subject of this application. Distribution transformers are smaller transformers that have design and manufacturing technology which is different from power transformers.

The goods are currently classified to the tariff subheading 8504.22.00 (statistical code 40) and 8504.23.00 (statistical codes 26 and 41) of Schedule 3 to the *Customs Tariff Act 1995*. The general rate of duty is 5% and applies to power transformers imported from China, Korea and Taiwan. Power transformers from Indonesia, Thailand and Vietnam are duty free.

Investigation Process

The investigation period is 1 July 2010 to 30 June 2013. The Anti-Dumping Commission (the Commission) will examine exports to Australia of the goods during that period to determine whether dumping has occurred. The Commission will examine details of the Australian market from 1 July 2008 for injury analysis purposes.

Where the Minister for Home Affairs (Minister) 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 amount of 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 Minister may, by public notice, impose interim dumping duties.

Lodgement of Submissions

Interested parties, as defined by subsection 269T(1) of 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 **9 September 2013**, addressed to:

The Director
Operations 1
Anti-Dumping Commission
5 Constitution Avenue
Canberra ACT 2600

Or by email Operations1@adcommission.gov.au, or by fax to + 61 2 6275 6990.

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

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.

The Commissioner must maintain a public record of each inquiry. The public record must contain, among other things, a copy of all submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the inquiry.

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 the Commissioner 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 "In-Confidence".

Interested parties must also lodge a non-confidential version or a summary of their submission in accordance with the requirement above, which will be placed on the public record. Parties must provide two copies of each version.

Public Record

Documents included in the public record are available at www.adcommission.gov.au. Alternatively, the public record may be examined at the Commission office by contacting the Case Manager on the details provided below.

Provisional Measures

A preliminary affirmative determination may be made no earlier than 60 days after the date of initiation provided that there appears to be sufficient grounds for the publication of a dumping duty notice. In accordance with section 269TD of the Act, provisional measures, in the form of securities in respect of interim dumping duty that may become payable on the goods may be imposed where a preliminary affirmative determination has been made.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable the Commission to report to the Minister within the legislative timeframe. A statement of essential facts will be placed on the public record by 18 November 2013, or by such later date as the Minister may allow in accordance with section 269ZHI of the Act. The statement will set out the essential facts on which the Commissioner proposes to base a recommendation to the Minister. That statement will invite interested parties to respond to the issues raised within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts will be taken into account in completing the report and recommendation to the Minister, unless to do so would in the Commission's opinion, prevent the timely preparation of the report.

Report to the Minister

A recommendation to the Minister will be made in a report on or before 31 December 2013 (or such later date as the Minister may allow), unless the Commissioner terminates the investigation.

The Minister must make a declaration within 30 days after receiving the report, or due to special circumstances, such longer period as the Minister considers appropriate.

Review Officer

Certain parties 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 the Commissioner to terminate the investigation, or a decision of the Minister after considering the Commissioner's report.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the case manager on +61 2 6275 6729, fax number +61 2 6275 6990 or Operations1@adcommission.gov.au.

Paul Benussi
A/g National Manager Operations
Anti-Dumping Commission

29 July 2013