



ANTI- DUMPING NOTICE NO. 2013/75

Hot Rolled Structural Steel Sections

Exported from Japan, the Republic of Korea, Taiwan and Thailand

Initiation of an Investigation into Alleged Dumping

Customs Act 1901 – Part XVB

The Anti-Dumping Commissioner has initiated an investigation following an application lodged by OneSteel Manufacturing Pty Ltd (OneSteel), a manufacturer of hot rolled structural steel sections (HRS, “the goods”) in Australia. The application seeks the publication of a dumping duty notice in respect of HRS exported to Australia from Japan, the Republic of Korea (Korea), Taiwan and Thailand.

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:

- price depression;
- price suppression;
- reduced profits and profitability;
- reduced domestic revenues;
- reduced production capacity utilisation;
- reduced employment; and
- reduced attractiveness for reinvestment.

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 24 October 2013.

The Goods

The goods subject of the application are:

Hot rolled structural steel sections in the following shapes and sizes, whether or not containing alloys:

- *universal beams (I sections), of a height greater than 130mm and less than 650mm;*
- *universal columns and universal bearing piles (H sections), of a height greater than 130mm and less than 650mm;*
- *channels (U sections and C sections) of a height greater than 130mm and less than 400mm; and*
- *equal and unequal angles (L sections), with a combined leg length of greater than 200mm.*

Sections and/or shapes in the dimensions described above, that have minimal processing, such as cutting, drilling or painting do not exclude the goods from coverage of the application.

Goods excluded from this application are:

- *hot rolled 'T' shaped sections, sheet pile sections and hot rolled merchant bar shaped sections, such as rounds, squares, flats, hexagons, sleepers and rails; and*
- *sections manufactured from welded plate (e.g. welded beams and welded columns).*

Tariff classification

Hot rolled non-alloy steel sections:

Goods identified as hot rolled non-alloy steel sections, as per the shapes and sizes described above, are classified to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*:

- 7216.31.00 statistical code 30 (*channels – U and C sections*);
- 7216.32.00 statistical code 31 (*universal beams – I sections*);
- 7216.33.00 statistical code 32 (*universal column and universal bearing piles – H sections*); and
- 7216.40.00 statistical code 33 (*equal and unequal angles – L sections*).

For the tariff subheadings outlined above, the general rate of duty is 5% for goods imported from Japan and free for imports from Korea, Taiwan and Thailand.

The Commission received advice from the Tariff Policy section of the Australian Customs and Border Protection Service, indicating tariff subheading 7216.50.00 may be applicable to C sections, only in circumstances whereby these goods are differentiated by industry members and consumers from U sections. The Commission notes that OneSteel considers these products to be interchangeable and the Commission will seek further clarification on this matter during the course of the investigation.

Hot rolled other alloy steel sections:

Goods identified as hot rolled other alloy steel sections, as per the specified shapes and sizes described above, are classified to tariff subheading 7228.70.00 in Schedule 3 of the *Customs Tariff Act 1995*. The applicable duty rate for imports from Japan, Korea and Taiwan is 5%, and Thailand is free.

Tariff Concession Orders (TCO) 0513491 and 0513492 may apply to such goods, that are classified to tariff subheading 7216.32.00 and 7228.70.00, respectively.

Investigation Process

The investigation period is 1 October 2012 to 30 September 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 2009 for injury analysis purposes.

Where the Minister for Industry (the 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 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 **3 December 2013**, addressed to:

The Director
Operations 3
Anti-Dumping Commission
1010 La Trobe Street
Melbourne VIC 3008

Or by email operations3@adcommission.gov.au or by fax to +61 3 9244 8902.

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 must also lodge a non-confidential version or a summary of their submission, which will be placed on the public record. 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 "For Official Use Only". The non-confidential version should be clearly marked "Public Record".

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 not 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 **11 February 2014**, or by such later date as the Minister may allow in accordance with section 269ZH1 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.

Report to the Minister

A recommendation to the Minister will be made in a report on or before **28 March 2014** (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 Panel

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 telephone number +61 3 9244 8270, fax number +61 3 9244 8902 or email operations3@adcommission.gov.au.

Scott Wilson
Acting National Manager, Operations
Anti-Dumping Commission
24 October 2013