

Anti-Dumping Commission

Anti-Dumping Notice No. 2016/65

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

Steel shelving units

Exported from the People's Republic of China

Initiation of an Investigation into Alleged Dumping and Subsidisation

Customs Act 1901 - Part XVB

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated an investigation following an application lodged by Summit Select Pty Ltd (the applicant), a manufacturer of steel sheving units (steel shelving – the goods) in Australia. The application seeks the publication of a dumping duty notice and a countervailing duty notice in respect of the goods exported to Australia from the People's Republic of China (China).

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

- loss of sales volume;
- reduced market share;
- price suppression;
- loss of profits;
- · reduced profitability;
- · reduced revenue;
- · reduced employment; and,
- reduced capacity utilisation.

The non-confidential version of the application, which contains the basis of the alleged dumping and subsidisation, 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. 355*, which is available on the public record.

The date of initiation of this investigation is the date of publication of this notice, which will be 4 July 2016.

The Goods

The goods subject of the application are:

Unassembled steel framed shelving or workbench units with 2,3,4,5 or 6 shelves; the frame of which is either partially or totally:

- coated with paint or powder coated;
- galvanised; or
- made from colour bonded steel.

Typically, the shelves of the units are made of medium density fibreboard (MDF), particle board, melamine or steel, however other materials may be used.

Usually, the units are pre-packed for sale in a kit form, containing all or the majority of the components required to assemble the finished unit.

The applicant provided further details as follows:

Goods excluded from the application are:

- wall mounted bracket and strip shelving;
- plastic shelving;
- predominantly melamine and timber shelving units used for home furnishing;
- industrial shelving;
- slotted angle shelving;
- · shelving units with wire shelves; and
- custom-made shelving units (designed and made specifically for a specified project application).

Tariff classification

The goods are generally, but not exclusively, classified to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*:

- 9403.10.00 (statistical code 40); and
- 9403.20.00 (statistical code 19)

These tariff classifications and statistical codes 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.

Imports of the goods from China are not subject to Customs duties.

Investigation Process

The investigation period is 1 April 2015 to 31 March 2016. I will examine exports to Australia of the goods during this period to determine whether dumping and subsidisation have occurred. I will examine details of the Australian market from 1 April 2011 for injury analysis purposes.

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

- (a) a countervailable subsidy has been received in respect of the goods that have been exported to Australia, and may be received in respect of like goods that may be exported to Australia in the future; 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 countervailing duties.³

Where there are grounds for the Parliamentary Secretary to publish a dumping or countervailing duty notice in respect of the goods, I will examine whether the circumstances of section 269TN of the *Customs Act 1901* (the Act) have been met and whether retrospective notices should be published pursuant to section 269TN of the Act, and make recommendations to the Parliamentary Secretary accordingly.

As the application alleges matters relevant to the Parliamentary Secretary's consideration of the lesser duty rule, I will examine these matters to inform the

¹ On 20 September 2015, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Science.

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

³ In accordance with section 269TJ of the Customs Act 1901.

Parliamentary Secretary's consideration of the level of duty to be applied in any dumping and countervailing duty notice.

Public Record

I must maintain a public record of each investigation. Documents included in the public record are available at www.adcommission.gov.au or can examined at the Commission's office by contacting the Case Manager on the details provided below.

The public record will contain, among other things, a copy of the application, *Anti-Dumping Commission Consideration Report No. 355* and a copy 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 Act, are invited to lodge submissions concerning the publication of a dumping or a countervailing duty notice sought in the application, no later than the close of business on 10 August 2016, addressed to:

The Director
Operations 4
GPO Box 1632
Melbourne VIC 3001
Australia

or by email to operations4@adcommission.gov.au, or by fax to +61 3 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 now directed 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").

Provisional Measures

Pursuant to section 269TD of the Act, I will make a preliminary affirmative determination (PAD) provided I am satisfied, under section 269TD of the Act, that there appears to be sufficient grounds for the publication of a dumping or countervailing duty notice or there appears that there will be sufficient grounds for the publication of a dumping or countervailing 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 or countervailing 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* (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 22 October 2016⁴, or by such later date as the Parliamentary Secretary may allow in accordance with section 269ZHI of the Act. 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.

⁴ As this is a Saturday, the statement of essential facts will be published on the following business day, being Monday 24 October 2016.

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 6 December 2016 (or such later date as the Parliamentary Secretary may allow 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.

The Parliamentary Secretary must make a declaration within 30 days after receiving the report, or, if the Parliamentary Secretary considers there are special circumstances that prevent the decision being made within that period, 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 or countervailing duty notice after considering my report.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the Case Manager on telephone number +61 3 8539 2464, fax number +61 3 8539 2499 or email at operations4@adcommission.gov.au

Dale Seymour Commissioner

Anti-Dumping Commission

27 June 2016