



Australian Government
Anti-Dumping Commission

INVESTIGATION 254

ALLEGED DUMPING OF CERTAIN HOLLOW STRUCTURAL SECTIONS EXPORTED FROM THE KINGDOM OF THAILAND

STATEMENT OF ESSENTIAL FACTS NO. 254

May 2015

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ABBREVIATIONS

\$	Australian dollars
ACBPS	Australian Customs and Border Protection Service
ADN	Anti-Dumping Notice
The Act	Customs Act 1901
The applicant	AusTube Mills Pty Ltd
APT	Australian Pipe and Tube Pty. Ltd.
ATM	AusTube Mills Pty Ltd
The Commissioner	The Commissioner of the Anti-Dumping Commission
The Commission	The Anti-Dumping Commission
CFR	Cost and freight
CHS	Circular hollow sections
COGS	Cost of goods sold
CON254	Anti-Dumping Commission's consideration report for the investigation
CTM	Cost to make
CTMS	Cost to make & sell
CTS	Cost to sell
EBIT	Earnings before interest and tax
FOB	Free On Board
HDG	hot-dipped galvanised
HRC	Hot-rolled coil
HSS	Certain hollow structural sections (as defined in Section 3.1 of this report)
ITM	Independent Tube Mills Pty Ltd
ILG	In-line galvanised
NIP	Non-injurious Price
Orrcon	Orrcon Steel Pty Ltd
PAD	Preliminary Affirmative Determination
RHS	Rectangular hollow sections
SEF	Statement of Essential Facts
SHS	Square hollow sections
the goods	the goods the subject of the application (also referred to as the goods under consideration or GUC)
the Minister	the Minister for Industry and Science
the Parliamentary Secretary	the Parliamentary Secretary to the Minister for Industry and Science
USP	Unsuppressed Selling Price

1 SUMMARY AND RECOMMENDATIONS

1.1 Introduction

This Statement of Essential Facts (SEF) Number 254 is in response to an application by Austube Mills Pty. Ltd. (ATM) in relation to the allegation that dumped hollow structural sections (HSS) exported to Australia from the Kingdom of Thailand (Thailand) caused material injury to the Australian industry producing like goods.

This SEF sets out the facts on which the Commissioner of the Anti-Dumping Commission (the Commissioner) proposes to base a recommendation to the Parliamentary Secretary to the Minister for Industry and Science (the Parliamentary Secretary)¹ in relation to ATM's application.

1.2 Preliminary findings

The Anti-Dumping Commission (the Commission) has found that HSS exported to Australia from Thailand was exported at dumped prices during the investigation period, the volumes of dumped goods were not negligible and that exports of those goods at dumped prices caused material injury to the Australian industry.

Based on these findings, and subject to any submissions received in response to this SEF, the Commissioner proposes to recommend that the Parliamentary Secretary publish a dumping duty notice in respect of all exports of HSS from Thailand.

1.3 Application of law to facts

1.3.1 Authority to make decision

Division 2 of Part XVB of the *Customs Act 1901* (the Act)² sets out, among other matters, the procedures to be followed and the matters to be considered by the Commissioner in conducting investigations in relation to the goods covered by an application for the purpose of making a report to the Parliamentary Secretary.

1.3.2 Application

On 10 June 2014, Austube Mills Pty. Ltd. (ATM) lodged an application requesting that the Minister for Industry (the Minister) publish a dumping duty notice in respect of hollow structural sections (HSS) exported to Australia from the Kingdom of Thailand (Thailand).

ATM alleges that the Australian industry has suffered material injury caused by HSS exported to Australia from Thailand at dumped prices. ATM claims that material injury in respect of HSS from Thailand commenced in June 2012 following the imposition of anti-dumping measures on exports from the People's Republic of China (China), the Republic

¹ The Minister for Industry and Science delegated responsibility for anti-dumping matters to the Parliamentary Secretary, and accordingly, the Parliamentary Secretary is the relevant decision maker for this investigation

² All legislative references in this report are to the *Customs Act 1901*, unless otherwise stated.

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of Korea (Korea), Malaysia and Taiwan. ATM observed an increase in exports from Thailand following the imposition of measures. ATM identified the injurious effects as:

- lost sales volumes;
- lost market share;
- price depression;
- price suppression;
- reduced profit;
- reduced profitability;
- reduced capital investment;
- reduced research and development expenditure;
- reduced return on investment;
- reduction in capacity utilisation for like goods;
- write-down of goodwill associated with the HSS business;
- reduction in employment levels; and
- reduced attractiveness to re-invest.

After consideration of the application, an investigation was initiated on 21 July 2014, and public notification of the initiation of the investigation was published in *The Australian* on that day.

Anti-Dumping Notice (ADN) No. 2014/49 refers to the initiation of the investigation, and is available on the public record for this investigation at www.adcommission.gov.au.

The investigation period examined for the purpose of assessing dumping is 1 July 2013 to 30 June 2014. Injury analysis commenced from 1 July 2011 for the purpose of analysing the condition of Australian industry.

1.3.3 Preliminary affirmative determination

The Commissioner, after having regard to the application, submissions and other relevant information, was satisfied that there appears to be sufficient grounds for the publication of a dumping duty notice in respect of HSS exported to Australia from Thailand, and made a preliminary affirmative determination (PAD)³ to that effect on 16 March 2015. PAD No. 254 contains details of the decision and is available on the public record.

To prevent material injury to the Australian industry occurring while the investigation continues, securities are being taken in respect of any interim dumping duty that may become payable in respect of HSS exported to Australia from Thailand, entered for home consumption on or after 16 March 2015.

³ Section 269TD

1.4 Statement of essential facts

The Commissioner must, within 110 days after the initiation of an investigation, or such longer period as the Parliamentary Secretary allows, place on the public record a SEF on which the Commissioner proposes to base a recommendation in relation to the application.

In formulating the SEF, the Commissioner must have regard to the application, and any submissions concerning publication of the notice that are received by the Commission within 40 days of the date of initiation of the investigation.⁴ The Commissioner may also have regard to any other matters considered relevant.⁵

The public notice of the initiation advised that the SEF for the investigation would be placed on the public record by 10 November 2014. The Parliamentary Secretary under s. 269ZHI of the Act extended the deadline for the publication of the SEF for the investigation to 6 February 2015 and then further extended deadline to 9 March 2015 and 28 May 2015. Anti-Dumping Notices Nos. 2014/125, 2015/15 and 2015/35 were issued on 10 November 2014, 6 February 2015 and 10 March 2015 respectively, notifying the decisions to extend the due date of the SEF.

Interested parties are invited to make submissions to the Commission in response to the SEF within 20 days of the SEF being placed on the public record (by 17 June 2015). The Commissioner is not obliged to have regard to a submission made in response to this SEF received after this date, if to do so would prevent the timely preparation of the final report.⁶ The Commissioner will make final recommendations in a report to the Parliamentary Secretary due on or before 13 July 2015.

1.5 Findings and conclusions

The Commission's findings and conclusions are based on available information at this stage of the investigation, which are explained in greater detail in the remainder of this report.

1.5.1 The goods and like goods (Chapter 3)

The Commission considers that locally produced HSS is like to the goods the subject of the application.

1.5.2 Australian industry (Chapters 4)

The Commission is satisfied there is an Australian industry producing 'like goods' to the goods the subject of the investigation.

⁴ Subsection 269TDAA(2)(a)

⁵ Subsection 269TDAA(2)(b)

⁶ Subsection 269TDAA(3)

1.5.3 Australian market (Chapter 5)

The Australian market for HSS is predominately supplied by locally produced HSS and imports from Thailand, Taiwan, Korea, China, India, and Japan; with small volumes of imports from other countries.

1.5.4 Dumping (Chapter 6)

The Commission's preliminary assessment indicates that:

- HSS has been exported to Australia from Thailand in the investigation period at dumped prices;
- the margin of dumping was not negligible; and
- the volume of dumped goods was not negligible.

The dumping margins determined are set out in Table 1 below:

Exporters	Preliminary dumping margin
Sahathai Steel Pipe Public Company Limited	5.7%
Pacific Pipe Public Company Limited	15.1%
Samchai Steel Industries Public Company Limited	19.8%
Uncooperative exporters	29.7%

Table 1: Dumping margin summary

1.5.5 Economic condition of the Australian industry (Chapter 7)

The Commission has preliminarily assessed that the Australian industry producing like goods has suffered injury in the form of:

- price suppression;
- reduced profits and profitability;
- reduced domestic revenues;
- reduced capital investment;
- reduced return on investment;
- write-down of goodwill associated with the HSS business;
- reduced research and development expenditure;
- reduced production and capacity utilisation; and
- reduced employment.

1.5.6 Has dumping caused material injury? (Chapter 8)

The Commission is satisfied that dumping of HSS exported from Thailand caused material injury to the Australian industry producing like goods.

1.5.7 Will dumping and material injury continue? (Chapter 9)

The Commission is satisfied that dumping and material injury will continue if interim dumping duties are not imposed.

1.5.8 Non-injurious price (Chapter 10)

The Commission has made the assessment that the non-injurious price (NIP) can be determined by setting the unsuppressed selling price (USP) equal to ATM's cost to make and sell (CTMS) during the investigation period uplifted by Australian Bureau of Statistics' (ABS') profit rate for primary metal and metal product manufacturing industry's profit rate for 2008-2009 period.

The Commission has compared the NIP with the calculated weighted average normal values for each of the cooperating exporters and determined that the NIP will not be the operative measure for exports of HSS from Thailand as it was observed that the corresponding NIP was higher than the normal values for all exporters from Thailand.

1.5.9 Proposed measures and securities (Chapter 11 and 12)

For imports of HSS from Thailand, the Commission recommends that interim dumping duties be calculated via the ad valorem method (i.e. a percentage of export price) for all exporters.

Securities have been and will continue to be taken in respect of HSS exported from Thailand at the revised rates outlined in the below table, effective from 1 June 2015 (having been revised as part of this SEF following the PAD).

Exporter / Manufacturer	Effective Rate of Securities	Duty Method
Saha Thai	5.7%	Ad valorem
Pacific Pipe	15.1%	Ad valorem
Samchai	19.8%	Ad valorem
Uncooperative/ all other Exporters	29.7%	Ad valorem

Table 2: Effective rate of securities and duty methods

2 BACKGROUND

2.1 Initiation

On 10 June 2014, Austube Mills Pty. Ltd. (ATM) lodged an application requesting that the Minister for Industry publish a dumping duty notice in respect of hollow structural sections (HSS) exported to Australia from Thailand.

ATM alleges that the Australian industry has suffered material injury caused by HSS exported to Australia from Thailand at dumped prices. ATM claims that material injury in respect of HSS from Thailand commenced in June 2012 following the imposition of anti-dumping measures on exports from China, the Korea, Malaysia and Taiwan. Following the imposition of measures, ATM observed an increase in the goods exported from Thailand. ATM identified the injurious effects as:

- lost sales volumes;
- lost market share;
- price depression;
- price suppression;
- reduced profit;
- reduced profitability;
- reduced capital investment;
- reduced research and development expenditure;
- reduced return on investment;
- reduction in capacity utilisation for like goods;
- write-down of goodwill associated with the HSS business;
- reduction in employment levels; and
- reduced attractiveness to re-invest.

After consideration of the application, an investigation was initiated on 21 July 2014, and public notification of the initiation of the investigation was published in *The Australian* on that day.

Anti-Dumping Notice (ADN) No. 2014/59 refers to the initiation of the investigation, and is available on the public record.

2.2 Previous cases

Several investigations, (including reinvestigations, reviews and continuation inquiries) have been conducted into HSS and specific sub-categories of the goods exported from various countries over a number of years.

The more recent of these investigations are discussed in **Attachment 1**.

2.3 Preliminary affirmative determination

On 16 March 2015, in accordance with subsection 269TD(14) of the Act, the Commissioner made a PAD that there appears to be sufficient grounds for the publication of a dumping duty notice in respect of HSS exported to Australia from Thailand and gave public notice of this determination under subsection 269TD(4)(a) of the Act.

In making the PAD, the Commissioner had regard to the application, submissions received within 40 days after the date of initiation of the investigation, and other matters considered relevant.⁷ PAD 254 contains details of the decision and is available on the public record.

To prevent material injury to the Australian industry occurring while the investigation continues, securities are being taken pursuant to section 42 of the Act in respect of any interim dumping duty that may become payable in respect of HSS from Thailand entered for home consumption on or after 16 March 2015.

2.4 Statement of essential facts extensions

Pursuant to section 269ZHI of the Act, the Commission sought, and was granted by the Parliamentary Secretary, three extensions to publish this SEF.

The details and reasons for the extensions are outlined in ADN Nos. 2014/125, 2015/15 and 2015/35, which available at www.adcommission.gov.au. The last extension required the Commission to publish this SEF on or before 28 May 2015.

2.5 Responding to this statement of essential facts

This SEF sets out the facts on which the Commissioner proposes to base his final recommendations to the Parliamentary Secretary. It represents an important stage in the investigation and informs interested parties of the facts established to date and allows them to make submissions in response. It is important to note that this SEF may not represent the final views of the Commissioner.

Interested parties have 20 days to respond to the SEF. Responses to this SEF should be provided to the Commission no later than 17 June 2015.

The Commissioner will consider submissions received in relation to this SEF in making his final report to the Parliamentary Secretary on or before 13 July 2015. The Commissioner is not obliged to have regard to any submission made in response to the SEF received after 17 June 2015, if to do so would, in the opinion of the Commissioner, prevent the timely preparation of the final report to the Parliamentary Secretary.⁸

⁷ Subsection 269TD(2)

⁸ Subsection 269TDAA(3)

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The final report will set out the Commission's findings of fact in relation to the investigation and recommend whether or not a dumping duty notice should be published, and the extent of any interim duties that are, or should be, payable.

Submissions should preferably be emailed to operations4@adcommission.gov.au.

Alternatively, submissions may be sent to fax number +61 3 8539 2499, or posted to:

Director - Operations 4
Anti-Dumping Commission
GPO Box 1632
Melbourne VIC 3001
AUSTRALIA

Confidential submissions must be clearly marked accordingly and a non-confidential version of any submission is required for inclusion on the public record. A guide for making submissions is available at www.adcommission.gov.au.

The public record contains non-confidential submissions by interested parties, the non-confidential versions of the Commission's visit reports and other publicly available documents. It is available in hard copy by request in Melbourne or online at www.adcommission.gov.au.

Documents on the public record should be read in conjunction with this SEF.

2.6 Submissions received from interested parties

The Commission has received a number of submissions from interested parties during the course of the investigation. Each submission has been considered by the Commission in reaching the preliminary conclusions contained within this SEF. The submissions received are listed in **Attachment 2**.

3 THE GOODS AND THE LIKE GOODS

3.1 Findings

The Commission considers that locally produced HSS is like to the goods under consideration.

3.2 Legislative framework

Subsection 269TC(1) of the Act provides that the Commissioner shall reject an application for a dumping duty notice if, inter alia, the Commissioner is not satisfied that there is, or is likely to be established, an Australian industry in respect of like goods.

In making this assessment, the Commissioner firstly determines that the goods produced by the Australian industry are 'like' to the imported goods. Subsection 269T(1) defines like goods as:

Goods that are identical in all respects to the goods under consideration or that, although not alike in all respects to the goods under consideration, have characteristics closely resembling those of the goods under consideration.

An Australian industry can apply for relief from injury caused by dumped imports even if the goods it produces are not identical to those imported. The Australian industry must however produce goods that are 'like' to the imported goods.

Where the locally produced goods and the imported goods are not alike in all respects, the Commissioner assesses whether they have characteristics closely resembling each other against the following considerations:

- physical likeness;
- commercial likeness;
- functional likeness; and
- production likeness.

3.3 Goods description

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

Certain electric resistance welded pipe and tube made of steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes, whether or not including alloys. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include pre-galvanised, hot-dipped galvanised (HDG), and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21 mm up to and including 165.1 mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 950.0 mm. CHS with other

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than plain ends (such as threaded, swaged and shouldered) are also included within the goods coverage.

Excluded goods

The following categories of HSS are excluded from the application:

- *conveyor tube made for high speed idler rolls on conveyor systems, with inner and outer fin protrusions removed by scarfing (not exceeding 0.1mm on outer surface and 0.25mm on inner surface), and out of round standards (i.e. ovality) which do not exceed 0.6mm in order to maintain vibration free rotation and minimum wind noise during operation);*
- *precision RHS with a nominal thickness of less than 1.6 mm (i.e. not used in structural applications); and*
- *stainless steel CHS and RHS sections.*

3.4 Tariff classification

The application stated that the goods are classified under the following tariff classifications and statistical codes:

- *7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37);*
- *7306.50.00 (statistical code 45);*
- *7306.61.00 (statistical codes 21, 22, 25 and 90); and*
- *7306.69.00 (statistical code 10).*

Based on information provided in the application, Australian Customs and Border Protection Service (ACBPS) Tariff Policy and Implementation Branch confirmed that the goods are correctly classified to tariff subheadings:

- *7306.30.00: circular hollow sections;*
- *7306.61.00: rectangular or square hollow sections;*
- *7306.69.00: other non-circular cross-sections; and*
- *7306.50.00: other circular cross-sections of other alloys of steel,*

in Schedule 3 to the Customs Tariff Act 1995.

The goods exported to Australia from Thailand under the Thailand Free Trade Agreement are free from duty as of 1 January 2010.

The Commission notes that there are numerous Tariff Concession Orders applicable to the relevant tariff subheadings.

3.5 Claims by interested parties

The Commission has not received submissions from interested parties in relation to the goods subject to investigation and like goods assessment. However, during importer verification visit, two of the importers raised the following arguments in terms of the goods and like goods.

During its verification visit, Commercial Metals Pty Ltd (CMC) noted that in this dumping investigation, the applicant (ATM) included square and rectangular goods up to and including 950mm in perimeter. CMC claimed that ATM's local production could achieve a perimeter of only 600mm and questioned the inclusion of goods up to 950mm. CMC claimed that larger size square and rectangular HSS are used in structural applications and would not be able to be replaced with products manufactured by the Australian industry, and should be excluded from the goods under consideration.

Similarly, ThyssenKrupp Mannex Pty. Ltd. (TKM) also claimed that there were certain sizes that Australian industry did not produce but were covered in the application.

3.5.1 Verification of Australian industry's manufacturing capabilities

During the verification visit to ATM, the verification team questioned ATM's capability to manufacture all the sizes of HSS products that are covered in the application. ATM stated that it manufactures RHS up to and including 800mm perimeter. ATM further explained that the next standard size for RHS was 1000mm. ATM explained that 950mm was chosen in the application to ensure that RHS having perimeters slightly larger than 800mm would not be imported in an attempt to circumvent any measures that may result from this investigation. ATM also stated that it was capable of manufacturing CHS up to and including 165mm outer diameter which is the size limit sought for CHS in its application. To support its claim, ATM provided the verification team with an operational capabilities table showing all mills, slitters and their manufacturing capabilities and capacities in all ATM facilities. This table is available at **Confidential Attachment 3**.

The Commission reviewed ATM's operational capabilities table and observed that ATM had the capacity to manufacture all the products covered in its application with the exception of HDG HSS and RHS between 800mm and 950mm.

3.6 Like goods assessment

The Commission has determined that ATM undertakes at least one substantial process of manufacture in producing HSS in Australia, and therefore that there is an Australian industry producing like goods.

The Commission considers that ATM, a member of the Australian industry, produces goods that are like to the goods under consideration for the following reasons:

- physical likeness - the goods are produced in similar grades, weights, standards and appearance;
- commercial likeness - the goods directly compete with Australian produced goods and are interchangeable. The pricing behaviour in the market indicates

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that the imported goods and the like goods produced by Australian manufacturers are completely interchangeable. The goods are sold to the same types of end users (distributors, fabricators and retailers) and for the same purposes and end uses;

- functional likeness - the goods are used to perform the same function and have the same end-use; and
- production likeness - the goods are manufactured in a similar process.

Having regard to the above, the Commission is satisfied that the Australian industry produces like goods to the goods the subject of the application, as defined in s.269T(1).

For goods that are unable to be manufactured by the Australian industry, the Commission notes that an exemption from anti-dumping measures may be granted on application.

4 THE AUSTRALIAN INDUSTRY

4.1 Finding

The Commission has found that there is an Australian industry consisting of ATM, Orrcon Steel Pty Ltd (Orrcon) and Australian Pipe and Tube Pty Ltd (APT) that produce like goods in Australia.

4.2 Australian industry producing like goods

Subsection 269T(2) specifies that, for goods to be regarded as being produced in Australia, they must be wholly or partly manufactured in Australia. Subsection 269T(3) requires that for goods to be considered as partly manufactured in Australia, at least one substantial process in the manufacture of the goods must be carried out in Australia.

In its application, ATM relied on ACBPS' previous findings in Investigation 177 in asserting that HSS manufactured in Australia is 'like goods' to imported HSS from the nominated countries. ATM identifies itself, Orrcon and APT (formerly Independent Tube Mills) as the members of Australian industry producing like goods. Orrcon, in its submission received on 13 October 2014 confirmed that it manufactures like products.⁹

In support of its claims ATM submitted a product brochure listing the numerous types of HSS produced and sold by ATM.

The Commission has inspected ATM's Newcastle plant and observed the production process and dispatch facility. The Commission observed the production process as follows:

- Raw material feed of hot-rolled coil (HRC) which are generally black/uncoated or pre-galvanised are delivered to ATM by its suppliers.
- HRCs are loaded into a slitter and uncoiled then slit to various widths, edges trimmed, then re-rolled into smaller slit coils ready for use in the pipe and tube mills.
- The slit coil is then loaded into an accumulator where it is unrolled and fed into a mill for formation into pipe and tube. As the loaded coil ends, the following coil is butt welded to the preceding coil, and the accumulator allows a continuous flow of coil into the production process.
- If the end product will be coated internally, the internal coating is applied at this stage before the forming process. The slit coil is then cold formed through a series of rolls into a circular pipe. The pipe is welded along the seam, using an electric resistance welding process, into a continuous hollow round tubular shape.

⁹ <http://www.adcommission.gov.au/cases/Documents/008-Submission-Australianindustry-Allparties.pdf>

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- The round tubular pipe is then further formed through rollers into square, rectangular and other shapes/cross sections as required (or left circular).
- The product is surface-finished by applying various protective coatings such as paint, varnish or oil. Galvanised HSS, made from pre-galvanised HRC is repair-galvanised along the weld line.
- Each length of HSS is given a unique identifier number¹⁰ and date and time stamped, cut to length, bundled and placed in racks ready for storage or despatch to customers.
- The ends of the bundled HSS are painted with a coded colour to identify its gauge (wall thickness).¹¹

A diagrammatic summary of ATM's Newcastle production process is attached to this report as **Confidential Attachment 4**.

The Commission has observed that ATM manufactures a comprehensive range of HSS, in various shapes (rectangular (RHS), square (SHS), circular (CHS), oval and others), finishes, sizes (diameters and perimeters), gauges (wall thicknesses), lengths and grades. Therefore, the Commission considers that ATM undertakes at least one substantial process of manufacture in producing HSS in Australia. As a result, the Commission is satisfied that there is an Australian industry producing like goods.

¹⁰ To satisfy traceability requirements of AS/NZ 1163 standard.

¹¹ Except N.O.P. (no oil or paint) products.

5 AUSTRALIAN MARKET

5.1 Preliminary finding

There is an Australian market for HSS, which the Commission estimates was approximately 380,000 tonnes during the investigation period (1 July 2013 to 30 June 2014).

5.2 Background

The Commission understands that the Australian HSS market is supplied from local production and imports. Apart from the applicant, Orrcon and APT are the only other known members of the Australian industry.¹²

The Commission identifies Thailand, China, Korea, Malaysia, Japan, India and Taiwan as the main sources of import supply. Anti-dumping measures currently apply to the goods exported from China, Korea, Malaysia and Taiwan. An analysis of the ACBPS import database indicates that other sources of import supply include Vietnam, United Arab Emirates, South Africa and New Zealand.

5.3 Market Structure

5.3.1 Australian Producers

As discussed in section 4.2, the Australian HSS industry is comprised of three entities. The application was lodged by ATM on behalf of the Australian industry producing HSS. Orrcon has publicly indicated its support of the application; while APT did not express its support or objection.

Of these entities, ATM and Orrcon accounted for more than an estimated 98 per cent of the Australian production of like goods during the investigation period.

ATM's sales of its own production accounted for an estimated 60 per cent of sales by Australian industry members (with the majority of remaining sales by the Australian industry being made by Orrcon). ATM estimated that its own sales accounted for approximately 30 per cent of the total Australian market.

The Commission requested and received information from ATM during the investigation supporting this position.

5.3.2 Importers

Following the initiation of the investigation, the Commission performed a search of ACBPS' import database and identified potential importers of HSS from Thailand. Six of these importers were identified as 'major' importers.

¹² OneSteel Oil & Gas Pipe Pty Ltd. (a division of former OneSteel now known as Arrium Ltd) was considered to be member of the Australian HSS Industry however ceased production on 31 May 2012.

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Letters were sent to the two 'minor' importers informing them of the investigation and inviting submissions to the investigation. The major importers were sent Importer Questionnaires.

The Commission undertook verification visits to the following importers:

- Commercial Metals Pty. Ltd (CMC);
- ThyssenKrupp Mannex Pty Ltd.(TKM);
- Marubeni-Itochu Steel Oceania Pty. Ltd. (MISO); and
- Stemcor Australia Pty. Ltd. (Stemcor).

The Commission estimates that the above companies collectively accounted for more than 95 per cent of the volume of the goods imported from Thailand during the investigation period.

5.4 Market size and share

In its application, ATM estimated the Australian HSS market size from FY2010/11 to FY2013/14 using its own sales volumes, Australian Bureau of Statistics' import statistics and Thai Customs' website.

The sales data submitted by ATM in relation to its own sales has been verified by the Commission, as outlined in the *Australian Industry Verification Report 254* (available on the Public Record). This sales data was found to be complete, relevant and accurate.

For the purposes of its Consideration Report for the investigation, the Commission compared the import volumes in the application to data in the ACBPS import database for the relevant tariff classification and statistical code. This analysis showed that import volumes listed in the ACBPS database was similar to the ABS data relied upon by ATM and the Commission considered the ABS data to be reasonably accurate for the purposes of its Consideration Report.

Since initiation of the investigation, the Commission has found that the ACBPS data (and hence the ABS data utilised by ATM) also includes importations of:

- i. stainless steel hollow structural sections;
- ii. cold drawn hollow structural sections;
- iii. other products that are not "the goods" the subject of this investigation; and
- iv. a number of transactions that appear to have unreasonable volumes or unit prices due to decimal errors in imports declarations submitted by the customs brokers.

Therefore, the Commission sought to cleanse the data to by eliminating the imports transactions which appear to be not the goods. The Commission considers that the cleansed data in ACBPS' import database, which was cross checked during the importer and exporter verification visits, provides a reasonable estimate of import volumes.

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Figure 1 below depicts Australian HSS market volume and relative market shares of Australian industry, Thai imports and other “cleansed” imports from ACBPS database.

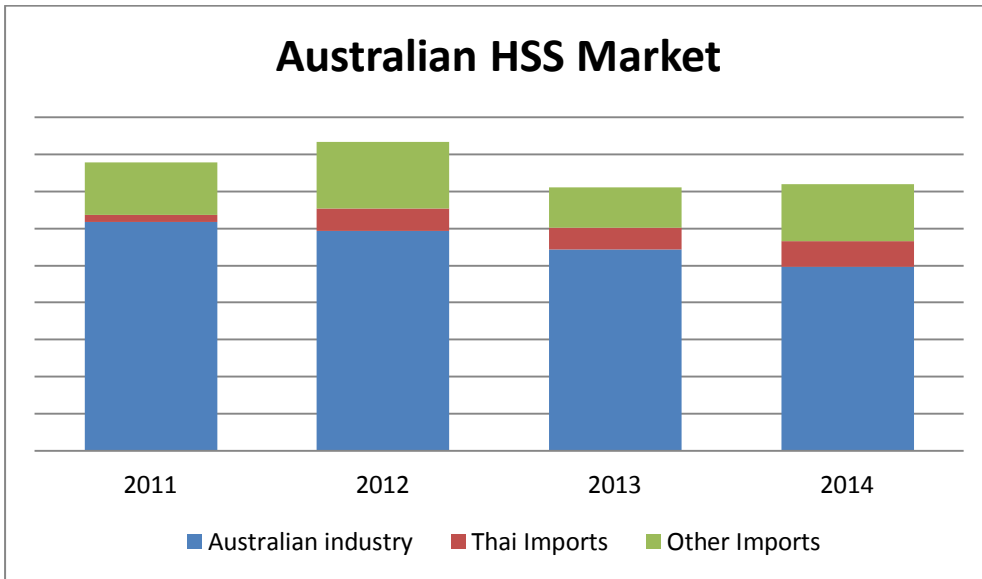


Figure 1: Australian HSS market volume and shares

6 DUMPING INVESTIGATION

6.1 Findings

The Commission finds that certain HSS exported to Australia from Thailand during in the investigation period was dumped and that the volume of dumped goods was not negligible

The Commission's comparison of dumped volumes of HSS exported from Thailand with the total volume of HSS imports over the investigation period is at **Confidential Appendix 1**.

6.2 Introduction

Dumping occurs when a product from one country is exported to another country at a price less than its normal value. The export price and normal value of goods are determined under section 269TAB and section 269TAC of the Act respectively.

This Chapter explains the preliminary results of the investigation by the Commission into whether HSS was exported from Thailand at dumped prices during the investigation period.

6.3 Exporters

At the commencement of the investigation, the Commission contacted all exporters of the goods within the relevant tariff subheading for HSS (see section 3.4), as identified in the ACBPS import database.

6.3.1 Exporter Questionnaires

The Commission contacted each identified supplier of the goods and invited them to complete an Exporter Questionnaire, which requested information necessary to determine whether goods were exported at dumped prices.

The Exporter Questionnaire sought information regarding the exporters' commercial operations and the goods exported to Australia, as well as information regarding the exporters' foreign and domestic sales, economic and financial details and relevant costing information.

The Commission received substantially complete questionnaire responses that were assessed as being substantially complete from:

- Sahathai Steel Pipe Public Company Limited (Saha Thai);
- Pacific Pipe Public Co. Ltd (Pacific Pipe); and
- Samchai Steel Industries Public Company Limited (Samchai).

6.3.2 Verification of data

The Commission conducted a verification visit of Saha Thai and a truncated verification of Samchai. Pacific Pipe has had data verified previously on two occasions. Data provided by Pacific Pipe in response to the Exporter Questionnaire relevant to this investigation was cross checked against previous verified data and was considered reasonable for the purpose of calculating a dumping margin in this investigation.

The verification visit reports for each of the visited cooperating exporters are available on the Commission's website at <http://www.adcommission.gov.au>.

Individual dumping margins are calculated based on verified and unverified information for each of the cooperating exporters above.

6.4 Sahathai Steel Pipe Public Company Limited

6.4.1 Export price

Export prices for Saha Thai were established in accordance with subsection 269TAB(1)(a) of the Act, using the prices payable by the importer, by model, excluding any part of that price that relates to post-exportation charges.

Saha Thai's export price calculations are at **Confidential Appendix SAHA 1**.

6.4.2 Normal value

In comparing export models to domestic models of HSS, the Commission initially matched identical domestic models with the export models. Where there were insufficient sales of the identical model, the Commission first matched another model beginning with different impact testing requirements, then ends, then thickness range then lastly finish. In matching a model that is not identical, the Commission made specification adjustments accordingly (see Section 6.4.3 below).

Normal values were established in accordance with subsection 269TAC(1) of the Act using Saha Thai's domestic invoice prices for like goods, by model, where those sales were arms length transactions in the ordinary course of trade and in sufficient volumes.¹³

Saha Thai's normal value calculations are at **Confidential Appendix SAHA 2**.

6.4.3 Adjustments

The Commission is satisfied that there is sufficient information to justify the following adjustments, in accordance with subsection 269TAC(8) of the Act, and considers these adjustments are necessary to ensure a fair comparison of normal values and export prices:

¹³ For domestic sales to be considered suitable, the volume of domestic sales must represent at least 5 per cent of the volume of Australian sales both the aggregate level and on a model by model comparison s.269 TAC(14) of the Act refers.

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Domestic credit terms	Deducted cost for domestic credit terms
Domestic inland freight	Deducted cost for domestic freight
Specification adjustment	Add or deducted price extras for model differences
Export packaging	Add cost for export packaging
Export inland freight, handling and port charges	Add cost of export inland freight, handling and port charges

Table 4 – Summary of adjustments for Saha Thai

Saha Thai provided new evidence in support of its duty drawback adjustment claim¹⁴ a short time before the due date for SEF. The Commission has been unable to consider Saha Thai’s new information prior to the publication of the SEF. However, the Commission calculates that the impact of duty drawback adjustment will be material in Saha Thai’s resulting dumping margins. In assessing the new information, the Commission will consider whether the duty paid on imported HRC modified domestic and/or export price(s).¹⁵

Saha Thai sells Australian Standard products in its domestic market in sufficient volumes. The products selected in model matching are manufactured to the same allowable weight tolerances with Saha Thai’s Australian exports. Accordingly, the Commission do not consider an adjustment for weight tolerance or grade adjustment necessary to enable a fair comparison to the export price.

Calculations of adjustments for Saha Thai are at **Confidential Appendix SAHA 3**.

6.4.4 Dumping margin

The dumping margin for Saha Thai was established in accordance with subsection 269TACB(2)(a) of the Act by comparing the quarterly weighted average export prices to the corresponding quarterly weighted average normal values for the investigation period. The dumping margin in respect of HSS exported to Australia by Saha Thai for the investigation period is 5.7 per cent.

The preliminary dumping margin calculation is at **Confidential Appendix SAHA 4**.

¹⁴ For detailed discussion about the duty drawback issue, please see the Exporter Verification Report on the Public Record.

¹⁵ s.269 TAC(8)(c)

6.5 Pacific Pipe Public Company Limited

6.5.1 Export price

Export prices were established in accordance with subsection 269TAB(1)(a) of the Act, using Pacific Pipe’s export invoice prices, by model, excluding any part of that price that relates to post-exportation charges.

Pacific Pipe’s export price calculations are at **Confidential Appendix PACIFIC 1**.

6.5.2 Normal value

In comparing export models to domestic models of HSS, the Commission initially matched identical domestic models with the export models. Where there were insufficient sales of the identical model (see footnote 13 for definition of insufficient volume of sales), the Commission first matched another model beginning with different impact testing requirements, then finish and lastly shape¹⁶. In matching a model that is not identical, the Commission made specification adjustments accordingly.

Normal values were established in accordance with subsection 269TAC(1) of the Act using Pacific Pipe’s quarterly weighted average domestic invoice prices for like goods, by model, where those sales were in the ordinary course of trade and in sufficient volumes. Adjustments to normal values to allow for comparison between export and domestic sales were calculated pursuant to subsection 269TAC(8).

The Commission calculated Pacific Pipe’s dumping margin using Pacific Pipe’s small but sufficient volume¹⁷ of AS 1163 domestic sales in the model matching for the purposes of this SEF. The Commission considers its approach reasonable based on the publicly available information received to date.

Pacific Pipe’s export price calculations are at **Confidential Appendix PACIFIC 2**.

6.5.3 Adjustments

The Commission is satisfied that there is sufficient information to justify the following adjustments, in accordance with subsection 269TAC(8) of the Act, and considers these adjustments are necessary to ensure a fair comparison of normal values and export prices:

Domestic credit terms	Deducted cost for domestic credit terms
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¹⁶ Only rectangular and square hollow sections are considered comparable.

¹⁷ For domestic sales to be considered suitable, the volume of domestic sales must represent at least 5 per cent of the volume of Australian sales both the aggregate level and on a model by model comparison s.269 TAC(14) of *the Act* refers.

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Domestic inland transport	Deducted domestic inland transport costs
Domestic handling & other costs	Deducted domestic handling & other costs
Level of trade	Deducted a level of trade adjustment to account for selling cost differences
Export inland freight	Add cost of export inland freight
Export handling cost	Add cost for export handling
Specification adjustment	Add or deducted specification adjustments between different models
Bank charges	Add cost for export bank charges
Export credit terms	Add cost of export credit terms

Table 5 – Summary of adjustments for Pacific Pipe

The Commission calculated the selling prices based on actual weights for Pacific Pipe’s domestic and export sales. The Commission is of the view that by calculating the selling prices based on actual weights rather than theoretical weights, effects of any tolerances that are allowable by different product standards are eliminated and no weight tolerance adjustment is required.

The following adjustments claimed by Pacific Pipe are not applied in dumping margin calculations for SEF:

Sales commissions paid to Pacific Pipe’s related party Tamose Trading (TMS)

Pacific Pipe claims a favourable adjustment for the differences in sales commissions it pays to its related party TMS for its domestic and export sales. In assessment of Pacific Pipe’s claim, the Commission had regard to the following:

- these commissions are intercompany payments;
- there is not enough information or documentation provided about the nature and purpose of these commissions;

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- there is no evidence showing that these commissions actually paid in order to cover the cost of sale transactions.

Duty drawback for imported HRC

The Commission notes Pacific Pipe's data was verified by the Commission. Pacific Pipe's verification report for Investigation 177¹⁸ states that¹⁹:

“Most imported HRC is used in exported product and locally produced HRC is used in product sold on the domestic market. No import duty is paid in either case. We did not allow the adjustment claimed for duty drawback.”

The Commission calculated that Pacific Pipe's volume of HRC imports are very close to its total exports of finished products. Therefore, the Commission is of the view that the findings of Investigation 177 on drawback issue is still valid and a duty drawback adjustment is not warranted.

Calculations of adjustments for Pacific Pipe are at **Confidential Appendix PACIFIC 3**.

6.5.4 Dumping margin

The dumping margin for Pacific Pipe was established in accordance with subsection 269TACB(2)(a) of the Act by comparing the quarterly weighted average export prices to the corresponding quarterly weighted average normal values for the investigation period. The dumping margin in respect of HSS exported to Australia by Pacific Pipe for the investigation period is 15.1 per cent.

This preliminary dumping margin calculation is at **Confidential Appendix PACIFIC 4**.

6.6 Samchai Steel Industries Public Company Limited

6.6.1 Export price

Export prices were established in accordance with subsection 269TAB(1)(a) of the Act, using Samchai's export invoice prices, by model, excluding any part of that price that relates to post-exportation charges.

Samchai's export price calculations are at **Confidential Appendix SAMCHAI 1**.

6.6.2 Normal value

In comparing export models to domestic models of HSS, the Commission had regard to the following characteristics of models:

- standard (AS1163 or AS1074);

¹⁸ International Trade Remedies Branch Report No.177 – certain hollow structural sections from the People's Republic of China, the Republic of Korea, Malaysia, Taiwan and Thailand (Investigation 177).

¹⁹ Pacific Pipe's verification visit report is available under the archived cases section of www.adcommission.gov.au

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- shape (square, rectangle or circle hollow sections);
- finish (black, galvanised or painted);
- end type (plain or threaded); and
- thickness.

Where there were insufficient volumes of domestic sales of an identical export model, the Commission compared the export price with the next closest matching domestic model and applied an adjustment, either upwards or downwards if required, based on the export price extras.

Normal values were established in accordance with subsection 269TAC(1) of the Act using Samchai's domestic invoice prices for like goods, by model, where those sales were arms length transactions in the ordinary course of trade and in sufficient volumes.

Samchai's normal value calculations are at **Confidential Appendix SAMCHAI 2**.

6.6.3 Adjustments

The Commission is satisfied that there is sufficient information to justify the following adjustments, in accordance with subsection 269TAC(8) of the Act, and considers these adjustments are necessary to ensure a fair comparison of normal values and export prices:

Domestic inland freight	Deducted cost for domestic freight
Specification adjustment	Add or deducted price extras for model differences
Export inland freight, handling and port charges	Add cost of export inland freight, handling and port charges

Table 6 – Summary of adjustments for Samchai

Samchai sells Australian Standard products in its domestic market in sufficient volumes. The Commission compared domestic selling prices of Samchai's Australian Standard products with its exports prices to Australia. Accordingly, the Commission does not consider an adjustment for weight tolerance or grade adjustment necessary to enable a fair comparison to the export price.

Calculations of adjustments for Samchai are at **Confidential Appendix SAMCHAI 3**.

6.6.4 Dumping margin

The dumping margin for Samchai was established in accordance with subsection 269TACB(2)(a) of the Act by comparing the quarterly weighted average export prices to the corresponding quarterly weighted average normal values for the investigation period. The dumping margin in respect of HSS exported to Australia by Samchai for the investigation period is 19.8 per cent.

This preliminary dumping margin calculation is at **Confidential Appendix SAMCHAI 4**.

6.7 Determination of dumping margin – uncooperative and all other exporters

The Commission is treating all exporters of HSS from Thailand in the investigation period other than Saha Thai, Pacific Pipe and Samchai as 'uncooperative exporters', as defined in s.269T(1).

The Commission examined and considered a range of options for determining export price for uncooperative and all other exporters, including:

- export price data from the ACBPS import database;
- export price data from importer visits where that data related to exports from the uncooperative and all other exporters;
- export price data from ATM's application; and
- export price data from the cooperating exporters.

The Commission considers the most directly relevant and therefore best information available would be the export price data obtained from the cooperating exporters.

The Commission has therefore determined an export price pursuant to s.269TAB(3) after having regard to all relevant information. Specifically, the Commission has used the lowest quarterly export price of those that were established for Saha Thai, Pacific Pipe and Samchai.

The Commission has determined normal value for the uncooperative exporters pursuant to subsection 269TAC(6) after having regard to all relevant information. Specifically, the Commission has used the highest normal value of those that were established for Saha Thai, Pacific Pipe and Samchai in the investigation period.

The preliminary dumping margin for uncooperative exporters from Thailand is 29.7 per cent.

These calculations are at **Confidential Appendix 2**.

6.8 Volume of dumped exports

Pursuant to subsection 269TDA(3) of the Act, the Commissioner must terminate an investigation if satisfied that the total volume of goods that are dumped is a negligible volume. Subsection 269TDA(4) defines a negligible volume as a volume that is less than 3 per cent of the total volume of goods imported into Australia over the investigation period.

As outlined in Section 5.4, the Commission estimated the size of the Australian market. Based on this information, the Commission is satisfied that, when expressed as a

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percentage of the total imported volume of the goods, the volume of dumped goods from Thailand was greater than 3 per cent and therefore not negligible.

7 ECONOMIC CONDITION OF THE AUSTRALIAN INDUSTRY

7.1 Findings

Having regard to the information contained in the application and verified during the Commission's verification visit to ATM, the Commission considers that the Australian industry has experienced injury in the form of:

- price suppression;
- reduced profits and profitability;
- reduced domestic revenues;
- reduced capital investment;
- reduced return on investment;
- write-down of goodwill associated with the HSS business;
- reduced research and development expenditure;
- reduced production and capacity utilisation; and
- reduced employment.

7.2 Introduction

This Chapter reports on the economic condition of the Australian industry and provides an assessment as to whether the industry has suffered injury. The analysis of injury to the Australian industry is based on verified information from ATM. The Commission is satisfied that the verified data presented by ATM is complete, accurate and relevant to its production and sales of HSS, and is sufficient for the purpose of assessing the injury to the Australian industry. A report of the Australian industry verification visit is available on the public record.

It is estimated that ATM represent more than 60 per cent of the volume of sales of HSS manufactured by the Australian industry in the investigation period. Therefore, the Commission is of the view that the injury experienced by ATM can be considered to be injury experienced by the Australian industry as a whole.

7.3 Legislative framework

Under section 269TG(1) and (2) of the Act, one of the matters that the Parliamentary Secretary must be satisfied of in order to publish a dumping duty notice is that, because of the dumping, material injury has been, or is being caused, or has been threatened to the Australian industry producing like goods.

7.4 Commencement of injury, and analysis period

As specified in *Consideration Report 254*, the Commission established an injury analysis period commencing 1 July 2011. ATM claimed that HSS exported to Australia from

Thailand has caused injury to the Australian industry since June 2012 after the imposition of measures in respect of certain other countries following Investigation 177.²⁰

7.5 Volume effects

The Commission compared import volume estimates provided in ATM's application with data in ACBPS' import database after cleansing the data as explained in section 5.4 and sales volumes provided in the Exporter Questionnaires for the injury assessment period.

This analysis shows that while the data provided by ATM pertaining to import volumes of HSS from Thailand are reasonable, the volumes of imports of the goods from other countries are overstated with occasional decimal errors and with imports of products that are not the goods.

Therefore, the cleansed import volumes from the ACBPS database together with ATM's verified sales data have been utilised in the volume analysis below.

7.5.1 Sales Volume

ATM's verified sales volumes of its own products for all finishes of HSS over the injury analysis period are illustrated in Figure 2 below.

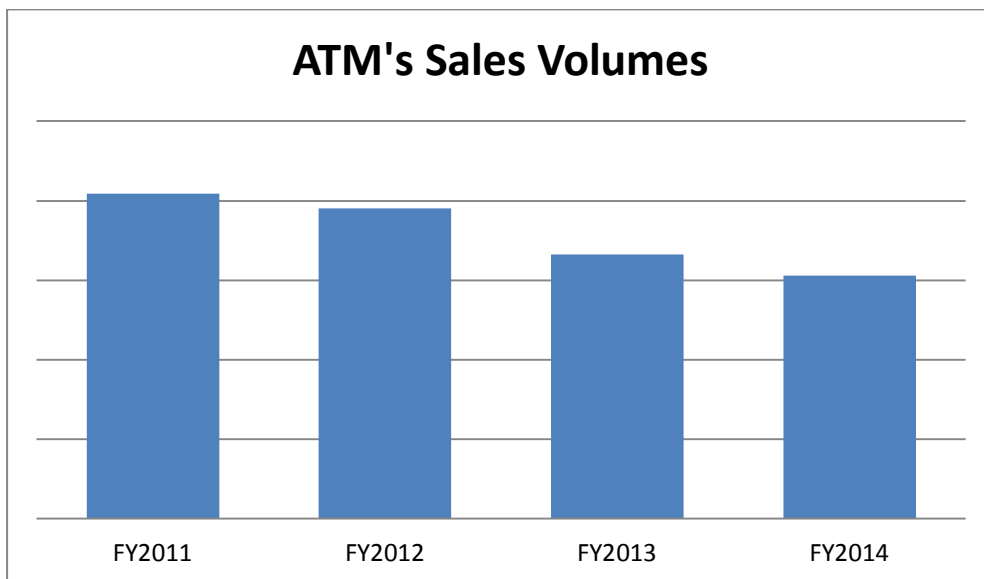


Figure 2: ATM's sales volumes of its own products for all finishes of HSS between 2011 and 2014 financial years

7.5.2 Market Share

Figure 3 below shows market share movements of the Australian industry (ATM, Orrcon and APT), imports from Thailand and imports from other countries (excluding imports by ATM) in the Australian HSS market for the period FY2010/11 to FY2013/14 based on the verified data in ATM's application and data from the cleansed ACPBS import database.

²⁰ As a result of Investigation 177, a dumping duty notice in respect of goods exported from China, Korea, Malaysia and Taiwan and a countervailing duty notice in respect of goods exported from China was published on 3 July 2012.

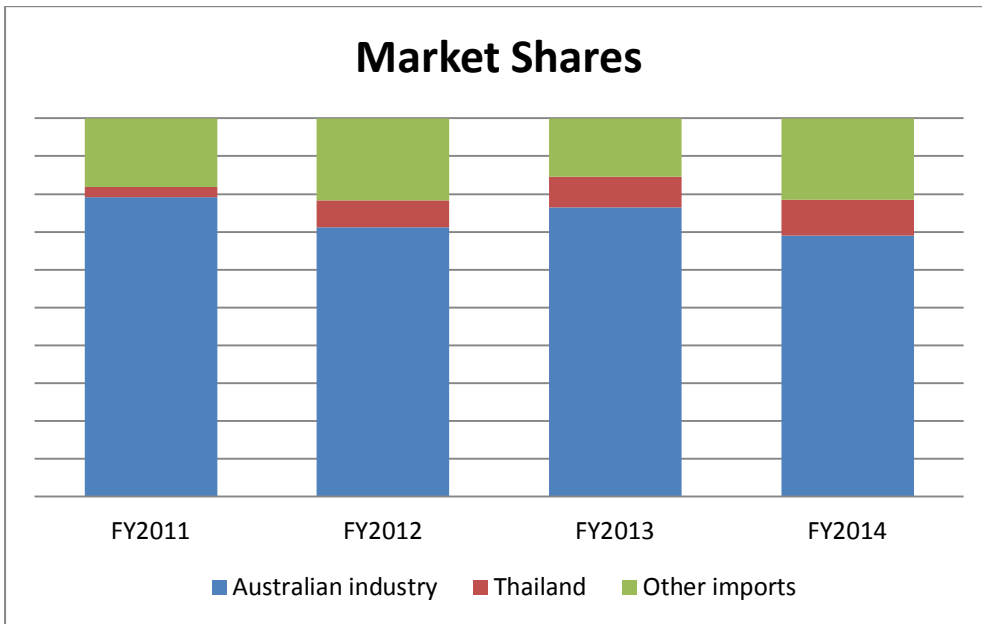


Figure 3: Distribution of market shares between 2011 and 2014 financial years

This graph shows that the Australian industry’s market share improved in FY 2012/13 following the imposition of anti-dumping measures on other countries, corresponding with a drop in the market share of imports from countries other than Thailand. In FY 2013/14, the market share of imports from Thailand and other countries both increased at the expense of the Australian industry market share.

The graph also shows that the market share of imports from countries other than Thailand (including countries subject to anti-dumping measures) has returned to the same level as to prior to the imposition of measures. The Commission notes the market share of imports from Thailand has increased slightly during the investigation period.

7.6 Price effects

ATM’s verified sales data used for this analysis excluded export sales and sales of HSS imported from other countries. HSS imported by ATM was excluded from HSS import data analysed.

Import price and volume data was sourced from completed importer questionnaires, with the Commission undertaking verification of the data prior to analysis.

The volume of import sales included in the price effects analysis represents an estimated 95 per cent of the import volume of HSS from Thailand included in the ACBPS import database.

The Commission considers that, as this sales data represents a significant proportion of total imports for the FY2013/14, it allows a reasonably representative and accurate assessment of price effects on the Australian industry.

7.6.1 Price suppression

Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. An indicator of price suppression may be the margin between revenues and costs.

Movements in ATM's weighted average annual unit sales revenues and CTMS are illustrated in Figures 4 and 5 below.

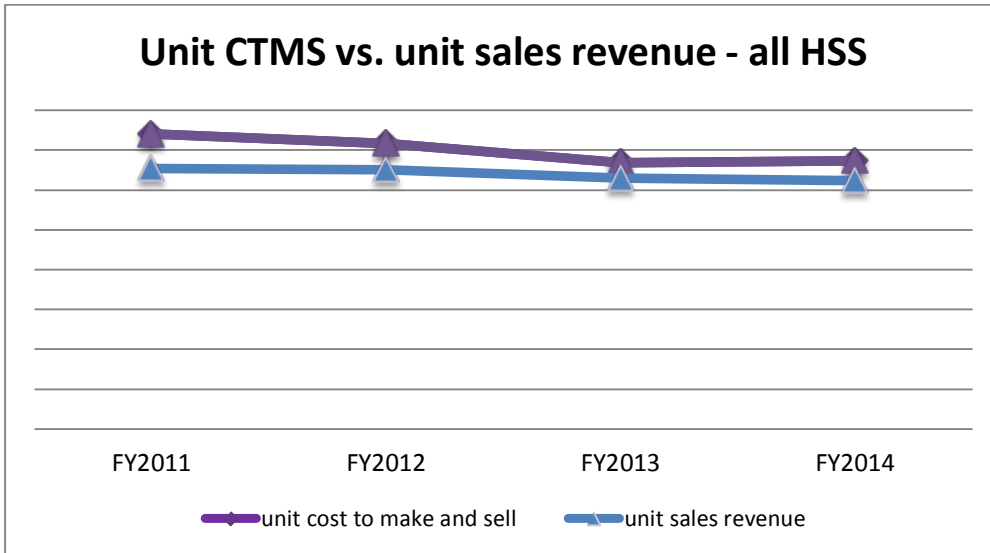


Figure 4: ATM's average unit CTMS vs. average unit sales revenue for its own HSS products

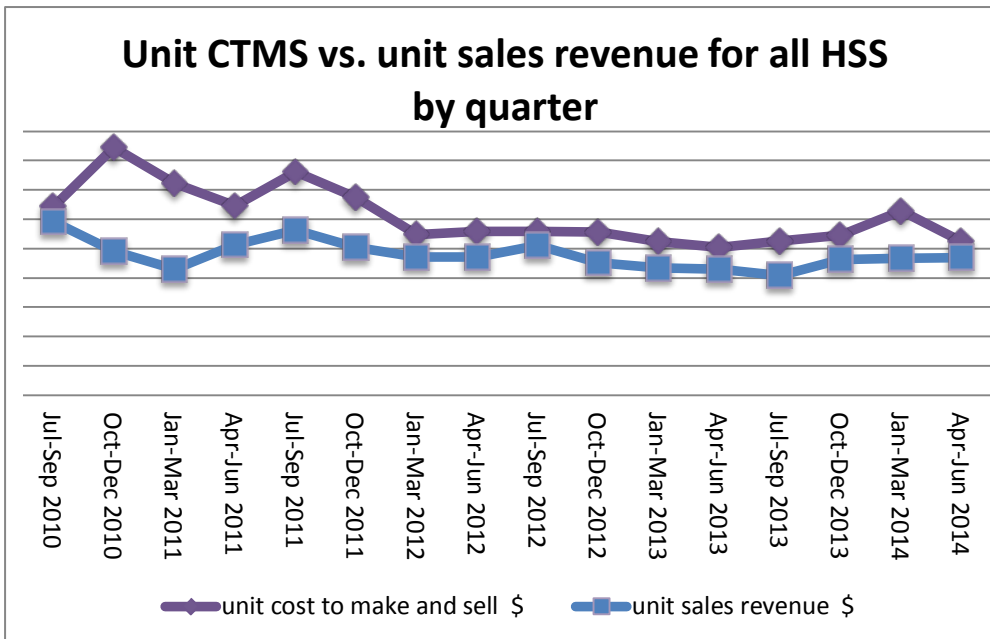


Figure 5: ATM's average unit CTMS vs. average unit sales revenues for ATM's own HSS products by quarters

The Commission notes the above graphs suggest that ATM's prices:

- were suppressed between June 2013 to June 2014 and ATM was not able to increase its selling prices to recover increases in costs (though a price increase did occur in FY2014, it did not increase to the point where the full CTMS was recovered).

The Commission considers that ATM has suffered price suppression in FY2013/14.

7.7 Profit effects

The Commission has verified the profit and profitability (profits measured as a percentage of revenue) information provided by ATM in its application. The analysis indicates that ATM's profits and profitability in respect of domestic HSS sales have been negative since FY2011.

Movements in ATM's quarterly and annual profits and profitability are illustrated in Figures 6 and 7 below.

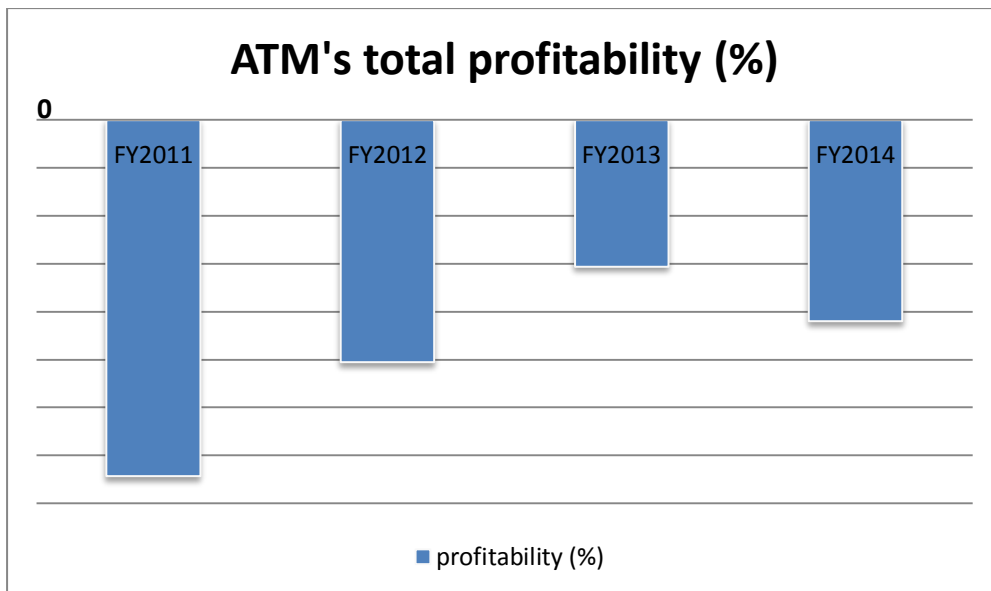


Figure 6: ATM's total profitability (total gain or loss / total sales revenue)

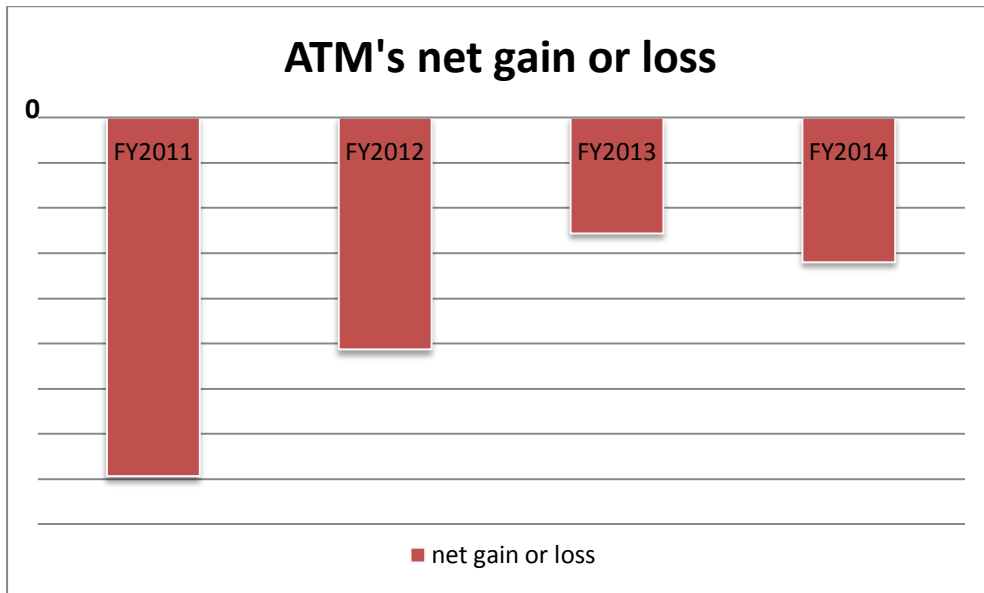


Figure 7: ATM's total net annual loss

From the graphs above, the Commission notes that ATM's profits and profitability have been consistently negative during the injury assessment period. ATM's loss decreased between FY2011/12 and FY2012/13 before increasing in FY2013/14.

7.8 Other economic factors

In its application, ATM claimed that it has experienced injury in respect of the following other economic / injury factors:

- reduced domestic revenues;
- reduced capital investment;
- reduced return on investment;
- write-down of goodwill associated with the HSS business;
- reduced research and development expenditure;
- reduced production and capacity utilisation; and
- reduced employment levels.

To support its claims regarding other economic injury factors, in its application ATM provided Confidential Appendix A7 for HSS for the period FY2010/11 to FY2013/14. The Commission has reviewed the data contained in Confidential Appendix A7 and found that the information submitted appears to support ATM's claims.

At the Australian industry verification visit, the Commission verified the accuracy of ATM's recorded employment numbers and capacity utilisation figures.

Reduced Domestic Revenues

Figure 8 below support ATM's injury claims in its application and shows that ATM's domestic sales values are on a constant reduction trend.

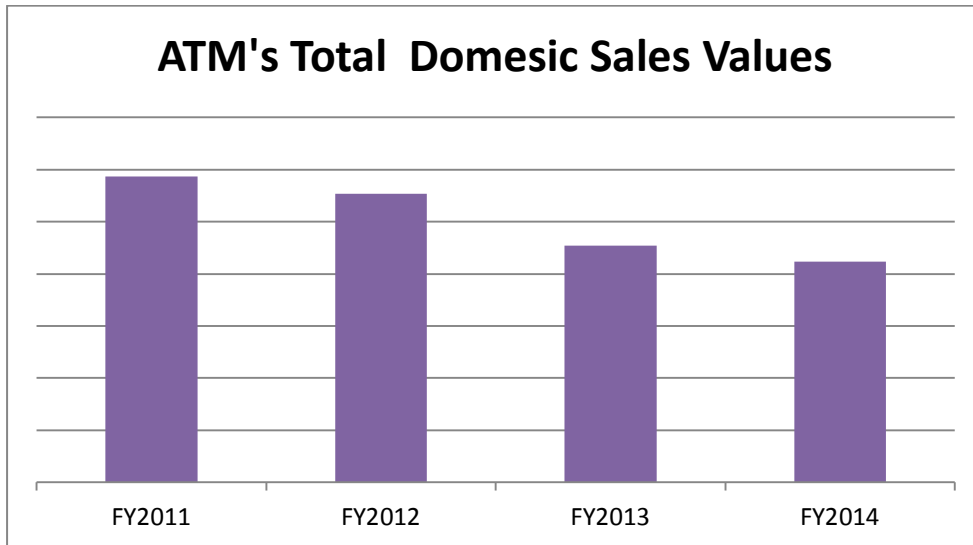


Figure 8: ATM's total domestic sales values

Employment Numbers

The Commission verified that over the period of FY2010/11 to FY2013/14, ATM's employee numbers (dedicated to the manufacture of HSS) decreased by 32 per cent.

Capacity Utilisation

At the Australian industry verification visit, ATM provided the Commission with a spreadsheet it used to calculate total manufacturing capacities of all mills in its three manufacturing facilities and their capacity utilisation figures with respect to the calculated total capacity figure in Confidential Appendix A7. The Commission verified the accuracy of ATM's manufacturing capacity calculations and the actual production rates. The Commission therefore verified that the capacity utilisation figures ATM provided in its application represents a true and fair account of its actual total production capacity and actual realised production figures.

Figure 9 below shows ATM's capacity utilisation rates for production of like goods.

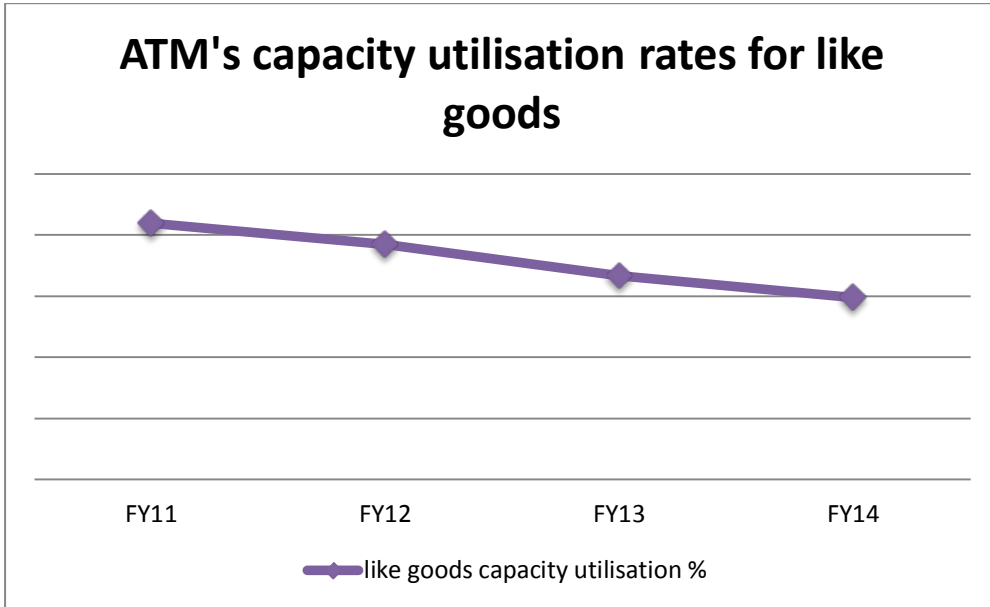


Figure 9: ATM's capacity utilisation rates for like goods

Capital Investment

ATM's capital investment for the production of HSS has decreased significantly from FY2010/11 to FY2011/12 and recovered slightly in FY2012/13. Capital investment has slightly declined from FY2012/13 to 2013/14. Figure 10 below shows that ATM's capital investment has reduced significantly between FY2010/11 and FY2013/14.

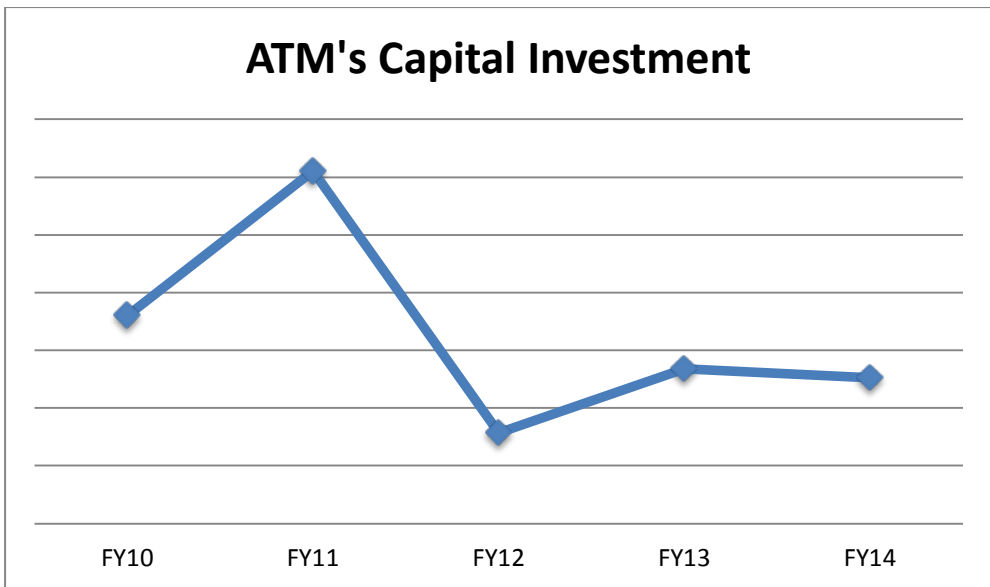


Figure 10: ATM's capital investment for production of the goods

Return on Investment

ATM provided its return on capital employed figures for the injury assessment period in Confidential Appendix 7 of its application. The Commission observed that the return on capital employed²¹ (ROCE) increased between FY2010/11 and FY2011/12 but declined sharply in FY2012/13. While ROCE improved in FY2013/14 it failed to yield positive returns.

Reduced research and development (R&D) expenditure

ATM's Confidential Appendix 7 shows that R&D expenditure for HSS has increased between FY2011 and FY2012 but reduced significantly since FY2012 to levels well below FY2011.

Write-down of goodwill associated with the HSS business

In its application, ATM did not provide sufficient information to support its claims that it lost goodwill associated with its HSS business. However, the Commission notes that on 6 February 2013, Arrium Ltd made an ASX release where it announced that it wrote down all the goodwill in its Austube Mills business.

7.9 Determination of injury indicators

Based on the analysis detailed above, there appear to be sufficient grounds to support the claim that ATM has experienced injury during the injury analysis period in the form of:

- price suppression;
- reduced profits and profitability;
- reduced domestic revenues;
- reduced capital investment;
- reduced return on investment;
- write-down of goodwill associated with the HSS business;
- reduced research and development expenditure;
- reduced production and capacity utilisation; and
- reduced employment.

²¹ ATM states that return on capital (funds) employed is the standard measure for return on investment for Arrium Ltd. companies and reported its return on capital employed instead of return of investment.

8 HAS DUMPING CAUSED MATERIAL INJURY?

8.1 Finding

Based on verified and unverified information and data available at the time of making the SEF, the Commission has made an assessment that HSS exported to Australia from Thailand at dumped prices caused material injury to the Australian industry producing like goods.

The Commission has further analysed and assessed causation factors identified in PAD 254 and has further considered submissions by interested parties. As a result the Commission has preliminarily determined that the Australian industry has suffered injury caused by dumping in the form of:

- price suppression;
- reduced profits and profitability; and
- reduced revenue.

8.2 Introduction

The Commission has established that during the period of investigation, exports of HSS from Thailand were dumped and that the Australian industry has suffered injury.

Subsection 269TAE(1) of the Act outlines the factors that the Parliamentary Secretary may take into account in determining whether material injury to an Australian industry has been or is being caused or threatened. The following section of this report provides a summary of the Commission's key considerations in its causation assessment.

8.3 Volume injury

8.3.1 ATM's claims

ATM's claims in relation to effects on volume caused by the dumped imports of HSS from Thailand are detailed in *Consideration Report 254* and the *ATM Verification Visit Report*. In brief, ATM claims that:

- sales volumes have decreased; and
- it lost market share due to importation of dumped HSS.

8.3.2 Sales Volumes

During the Commission's verification visit, ATM submitted circumstantial evidence that it has lost some sales to imported products from Thailand.

The detailed analysis of the cleansed ACBPS import data in Figure 11 below shows the volumes of HSS imported from Thailand between 2010 and 2014²² calendar years versus volumes of HSS imported from countries subject to anti-dumping measures and from

²² 2014 volumes are up to the end of investigation period

other countries that are not subject to this investigation and are not subject to anti-dumping measures.

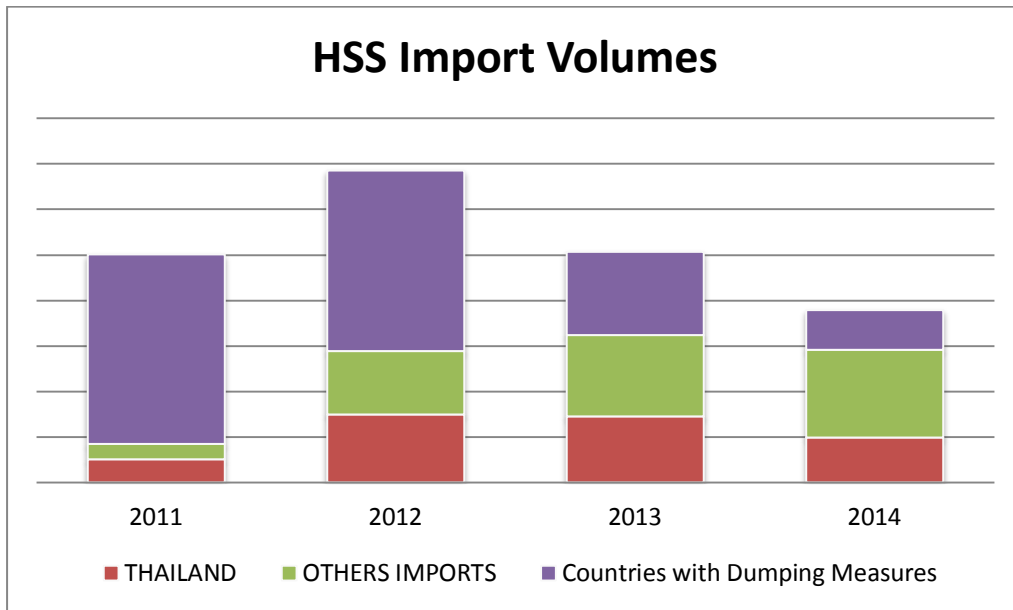


Figure 11: Comparison of volumes of HSS imports between 2010-2014 calendar years

Figure 12 below shows the level of contraction in the Australian HSS market and Figure 2 in Section 7.5.1 shows ATM’s domestic sales volumes between FY2011 and FY2014.

Despite a significant contraction in the total Australian HSS market, the volume of imported HSS from Thailand significantly increased between calendar year (CY)²³ 2011 and CY2012, remained constant in CY2013 and reduced in CY2014.²⁴ However, Figure 11 above shows that notwithstanding the contraction of the Australian HSS market, the imports from other countries that are not subject to anti-dumping measures have shown the largest amount of increase.

The Commission notes that the reduced demand resulting from a downturn in the overall HSS market is likely to have contributed to ATM’s reduced sales volumes during the investigation period. Figure 11 above displays that during the injury analysis period, volumes of HSS imported from Thailand have fluctuated. Australian industry’s loss of sales volume appears to be due to increase of imports of HSS exported from the “other” countries that are not subject to this investigation or anti-dumping measures imposed.

²³ Volume trends are analysed using cleansed ACBPS database data in calendar years

²⁴ CY2014 figure is obtained by annualising the first 7 months volumes

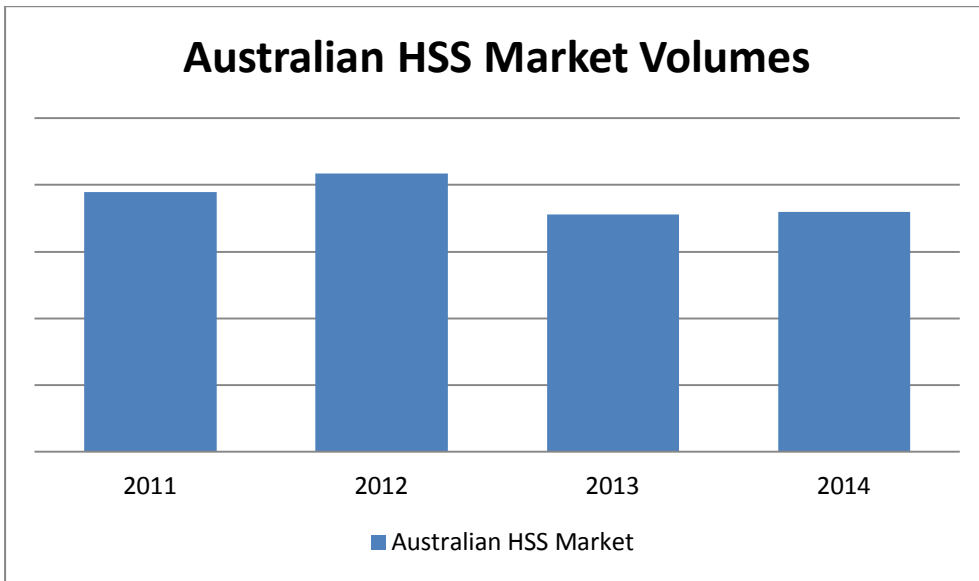


Figure 12: Total Australian HSS market volume

Based on the information gathered from the cleansed ACBPS import database and verified data from ATM, the Commission considers that it is not clear whether the dumped imports from Thailand have caused the Australian industry material injury in the form of reduced sales volumes.

8.3.3 Market Share

As discussed in Section 7.5.2 of this report, the Australian industry has lost market share between FY2012 to FY 2014. It is also observed that during that period, export volumes and market share of the imports of HSS from Thailand have fluctuated but was on an increasing trend.

The ACBPS' import data as depicted in Figure 13²⁵ below shows that during the injury analysis period, the proportion of HSS imported from Thailand with respect to total HSS imports has also increased.

²⁵ Years depicted on y axis of Figure 13 are calendar years

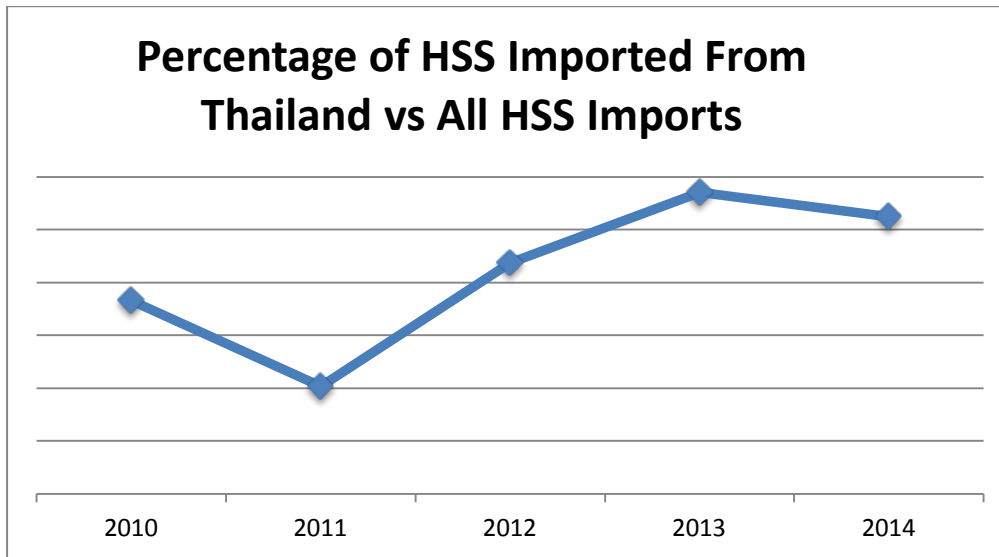


Figure 13: Percentage of Thai HSS imports with respect to total HSS imports

ATM claims that injury to the Australian industry caused by imports from Thailand commenced in June 2012, following the imposition of measures on certain other countries exporting HSS to Australia. The Commission notes that, Figure 3 in Section 7.5.2 does not indicate that the Australian industry has lost market share to Thailand. This is contrary to the claim of lost market share to exports from Thailand by ATM during the investigation period. ATM claims in its application that it was able to hold its market share only by means of reducing its prices below its cost to make and sell levels.

In addition, Figure 11 shows that the volume of the imports from “other” countries that are not subject to this investigation and do not have anti-dumping duties imposed shows the highest rate of increase in a contracting Australian domestic HSS market. The Commission considers that the increase in volumes of imports from “other” countries during the investigation period is significant. The Commission notes that Figure 3 in Section 7.5.2 shows the market share of the other countries combined with the market share of the countries that do have measures imposed while Figure 11 clearly shows that import volumes from the countries that have anti-dumping measures have significantly declined over the injury assessment period. Therefore, Figure 3 does not represent the significant of rate of increase of imports from “other” countries.

As a result, the Commission is of the view that the Australian industry has not experienced injury in the form of lost market share due to the dumped imports of HSS from Thailand and it appears that the Australian industry has lost market share to HSS imports from “other” countries not subject to anti-dumping measures.

8.4 Price injury

8.4.1 Size of the dumping margins

Subsection 269TAE(1)(aa) requires the Parliamentary Secretary to have regard to the size of each of the dumping margins, worked out in respect of goods of that kind that have been exported to Australia.

The dumping margins outlined in Section 6, ranging between 5.7 per cent and 19.8 per cent, are above negligible (two per cent) and enabled importers of HSS to have a competitive advantage on price compared to the Australian industry.

8.4.2 Price undercutting

The Commission considers that, whilst there may be slight differences in the characteristics of HSS from domestic and imported sources, evidence suggests that imported and domestically produced HSS are substituted by end users. The degree of product differentiation is not significant.

In addition, the Commission has found that it is not uncommon for purchasers of HSS to procure supply from more than one source, including a combination of imported and domestically produced HSS. HSS purchasers have the ability to compare prices of domestically produced HSS with imported HSS, and there is evidence that indicates the prices of imported products are regularly used as leverage in price negotiations with ATM.

In this context, the Commission considers the market for HSS in Australia is price sensitive.

The Commission has undertaken an analysis of price undercutting claims by ATM. The analysis is based on verified sales data from importers visited by the Commission and ATM (**Confidential Appendix 3**). The volume of import sales included in the price undercutting analysis represents over 95 per cent of the import volume of HSS from Thailand included in the ACBPS import database.

8.4.2.1 Comparison of overall weighted average FIS prices

The Commission compared weighted average free into store (FIS) prices of the imported goods sold by importers, to ATM's net selling price delivered for each product, at a comparable level of trade. The Commission's analysis found that the prices of the imported goods from Thailand undercut ATM's domestic selling prices for all of the 12 months during the investigation period.

For all importers, the overall undercutting range was 7.2 per cent to 21.0 per cent. The analysis showed price undercutting for all importers over the investigation period.

8.4.2.2 Comparison of weighted average FIS prices of RHS AS1163-C350L0 Black products

The Commission compared the weighted average FIS prices over the investigation period of imported RHS AS1163-C350L0 Black goods sold by visited importers against ATM's weighted average FIS prices for RHS AS1163-C350L0 Black products.²⁶ In doing so, the Commission only compared the sales by importers where the grades and finish of the products are identifiable on the sales listings. The Commission noted that in a particular

²⁶ It is noted that there were no or minimal volumes of sales of AS1163-C350L0 sold by some visited importers during the investigation period

importer's sales listing, the impact test designation (L0) was not provided on the sales product definitions. The Commission then calculated a L0 premium for C350 Black products by adding calculated average profit of the importer from sales of HSS over the investigation period to the verified price extra charged by the exporter for impact testing.

For the importers included in this analysis, the Commission's calculations showed that the importers' prices undercut ATM's prices by 3.7 percent over the investigation period.

8.4.2.3 Price undercutting determination

The Commission notes that price undercutting could not be demonstrated for every grade, customer, month and level of trade for each importer analysed due to limitations of sales data from the importers.

However, the Commission considers there is sufficient evidence from the price undercutting analysis to conclude that the dumping at the levels outlined in Section 6 (in the range of 5.7 per cent to 19.8 per cent) created a competitive benefit to importers, and demonstrates that the Australian industry faced price pressure from imported goods.

The information collected from the Australian industry and importers support ATM's claim that the Australian HSS market shows significant price sensitivity and price is the major criteria in customers' purchasing decisions. The Commission also understand that the product and brand differentiation is minimal as long as the products sold satisfy the standards' (i.e. AS/NZS 1163) chemical, mechanical, quality and tolerance criteria. The Commission therefore considers that price undercutting has had a significant injury effects on Australian industry.

8.4.3 Price Suppression

Price suppression in terms of Article 3.2 of the World Trade Organization Anti-Dumping Agreement, is where price increases for the Australian industry's products, which otherwise would have occurred, have been prevented to a significant degree.

The analysis shows that throughout the injury assessment period, ATM's CTMS exceeded its selling prices of the goods. The Commission considers that, noting the significance of the dumping margins as discussed in Section 6, without the presence of dumping, it is likely that ATM would be in a position to maintain pricing at levels necessary to cover its CTMS.

The Commission has compared the weighted average export prices from Thailand in CY2013 and between January 2014 and July 2014 from the ACBPS import database with export prices from four countries that have anti-dumping measures imposed.²⁷ Figures 14 and 15 show that Thai export prices are considerably lower than the prices of the countries' that have anti-dumping measures imposed. This is consistent with ATM's claims about Thai prices being price leaders in the market.

²⁷ China, Malaysia, Taiwan and Korea (with no specific order)

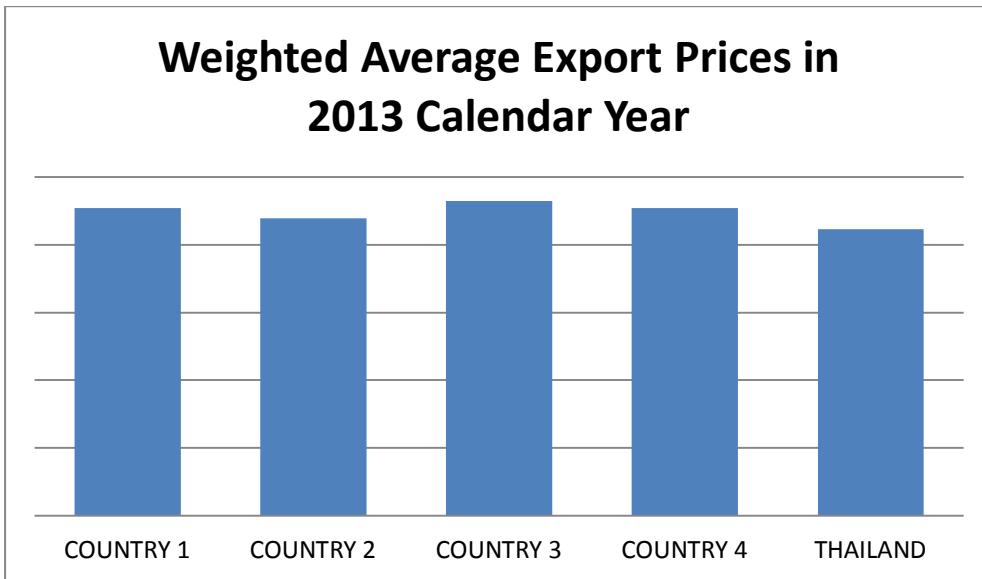


Figure 14: Weighted average export price comparison in CY2013

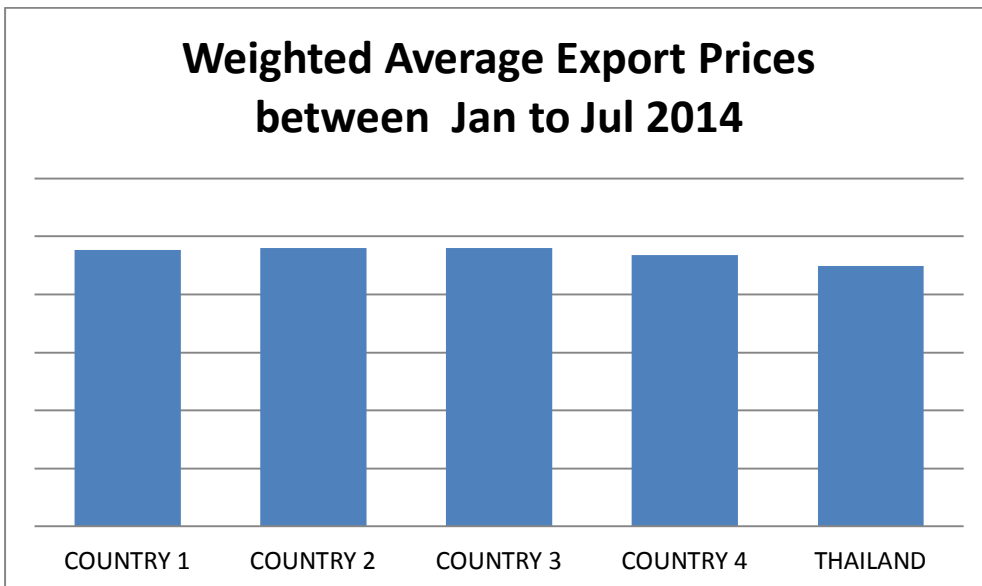


Figure 15: Weighted average export price comparison between January and July 2014

As a result, the Commission is satisfied that ATM has been unable to increase its price as it is required to compete with dumped Thai imports and accordingly has suffered material injury in the form of price suppression.

8.5 Profit effects

The price undercutting and dumping margins outlined in Section 8.4.2.3 and Chapter 6 show that the impact of dumping is detrimental to the Australian industry's profit and profitability.

The Commission calculated the possible weighted average effect of the dumping margins on the imports of HSS from Thailand using the sales volumes of the cooperating

importers over the investigation period (**Confidential Appendix 4**). The Commission is satisfied that an increase in price, equal to the weighted average effect of dumping margins applied to imports from Thailand, will be sufficient to have taken ATM out of a negative profit position. It is the Commission's view that due to the impact of dumped HSS from Thailand, ATM's injury in terms of price and profit effects is greater than that likely to have occurred in the normal ebb and flow of business in the contracting market.

The Commission therefore considers that as a direct consequence of the price injury caused by dumping, ATM has experienced reduced profits and profitability.

8.6 Other causes of injury

Under s. 269TAE(2A) of the Act, in determining material injury for the purposes referred to in s. 269TAE(1), the Minister must consider whether any injury to an industry, or hindrance to the establishment of an industry, is being caused or threatened by a factor other than the exportation of goods, such as:

- a) the volume and prices of imported like goods that are not dumped; or
- b) the volume and prices of importations of like goods that are not subsidised; or
- c) contractions in demand or changes in patterns of consumption; or
- d) restrictive trade practices of, and competition between, foreign and Australian producers of like goods; or
- e) developments in technology; or
- f) the export performance and productivity of the Australian industry.

Any such injury or hindrance from the above factors must not be attributed to the exportation of those goods.

The Commission has considered the factors outlined in s. 269TAE(2A) and the factors that are raised by interested parties throughout the investigation and has addressed the following other possible causes of injury:

- contraction in the market;
- increase in imports of alloyed HSS which have not been included in the goods definition of the previous anti-dumping investigation for HSS (and therefore are not subject to anti-dumping measures);and

8.6.1 ATM's choice of distribution and selling system (limiting access to direct purchases from ATM to larger 'franchised' distributors, thereby encouraging them to source imports). Contraction in the market

As detailed in Section 8.3.2, the Australian HSS market showed an overall contraction trend throughout the injury assessment period. The Commission understands that the reduction in demand from construction and mining industries may have contributed to the contraction.

Figure 16 below depicts ATM's sales volumes in relation to total Australian HSS market volumes. Figure 16 shows that ATM's sales volumes diminished faster than the

contraction in the market. Therefore, the Commission considers that the injury cannot be associated with the contraction in the market alone.

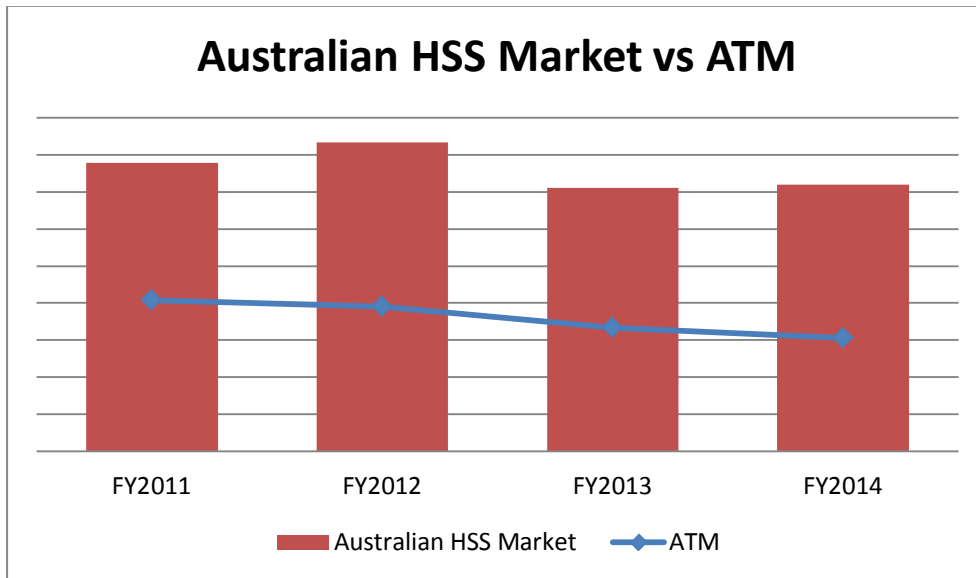


Figure 16: ATM’s sales volumes in relation to total Australian HSS market volumes

8.6.2 Increase in imports of alloyed HSS

Interested parties claimed that an increase in alloyed HSS during the investigation period might have contributed to Australian industry’s injury as these imports are not subject to anti-dumping duties.

The Commission acknowledges that certain alloyed HSS is being imported into Australia but notes that the injury suffered by the Australian industry due to the dumped imports from Thailand cannot be associated with alloyed HSS imports.

8.6.3 ATM’s choice of distribution and selling system

Some interested parties claimed that ATM refused to supply domestically manufactured HSS to some distributors or end users directly. As a result, interested parties explained that they were forced to purchase HSS from imported sources.

This issue was discussed with ATM during the verification visit and it is understood that, whilst some purchasers of HSS may not be able to purchase Australian manufactured HSS at a point in the supply chain that they are satisfied with (i.e. direct from ATM rather than via their distribution networks) it is apparent that locally manufactured HSS is available for purchase further along the supply chain. It is also noted that any unwillingness on the part of the Australian industry to sell at any point in the supply chain may influence purchasers to look to imported sources of HSS, rather than purchase Australian manufactured HSS.

However, the Commission considers the Australian industry’s decision to not to sell directly to customers that do not satisfy its internal criteria is a business decision to maintain the viability of its distributors, with whom it had contractual and commercial agreements in place.

8.6.4 Imports of HSS from countries that are not subject to dumping or countervailing duties

As analysed in Section 8.3.2, HSS imports from countries that are not subject to dumping and/or countervailing duties have increased significantly after imposition of duties by Investigation 177 (Figure 11 refers). While the Commission considers that the increase in imports from the countries that are not subject to dumping duties may have contributed to the injury, due to differences in the product mix imported from different countries, it is not possible to assess or quantify the extent of the injury that may have been caused by these imports. The Commission notes that, ATM, in its application identifies Thai imports as the major source of in the market it competes. The Commission, therefore, is of the view that although imports from other countries that may have contributed to the scale of material injury the Australian industry has experienced throughout the injury assessment period, the data is not strong enough to diminish the validity of the Commission's previous material injury and causation findings.

8.7 Conclusion – causal link

The Commission has established a connection between imports of HSS from Thailand at dumped prices and the fact that prices of HSS at dumped prices sold in Australia undercut the Australian industry prices of HSS throughout the investigation period.

The price undercutting and associated price pressures have contributed to price suppression for the Australian industry, which has resulted in negative profitability.

The Commission considers that other possible causes of injury do not detract from the assessment that dumping has caused material injury to the Australian industry.

It is the Commission's view that there are sufficient grounds to establish that the price suppression, reduced profits, reduced profitability and reduced revenues, suffered by the Australian industry producing like goods were caused by dumping and that the injury suffered by the Australian industry as a result of the dumping was material.

9 WILL DUMPING AND MATERIAL INJURY CONTINUE?

9.1 Preliminary findings

The Commission is of the view that exports of HSS from Thailand in future may be at dumped prices, and that continued dumping may cause further material injury to the Australian industry.

9.2 Introduction

Pursuant to subsection 269TG(2) of the Act, where the Parliamentary Secretary is satisfied that material injury to an Australian industry producing like goods has been caused by dumping, anti-dumping measures may be imposed on future exports of like goods if the Parliamentary Secretary is satisfied that the dumping and material injury may continue.

9.3 Will dumping continue?

The Commission's dumping analysis found dumping margins between 5.7 per cent and 19.8 per cent for HSS from Thailand during the investigation period.

The Commission notes that forward orders exist for exports from Thailand and that the HSS exported from Thailand has a significant market share (approximately 8 per cent in 2013 and 9 per cent between January and July 2014) and influence in the Australian market.

The Commission has examined import volumes from the ACBPS import database occurring during and post the investigation period. The Commission observes that import volumes from Thailand for the six month period following the end of the investigation period, that is July to end of December 2014, are higher than verified volumes during the investigation period. Similarly, the Commission observes that the weighted average FOB export prices as recorded in the ACBPS import database are similar and in some instances lower than the declared export prices reported in the ACBPS import database during the investigation period.

Based on these observations and the dumping margins found, the Commission considers that dumping will continue if anti-dumping measures are not imposed.

ACBPS import data for 1 July 2014 to 31 December 2014 is at **Confidential Appendix 5**.

9.4 Will material injury continue?

The Commission has reviewed the Australian industry's performance over the injury analysis period and has made a finding that HSS exported at dumped prices from Thailand has caused material injury to the Australian industry.

The Commission considers that the continuation of price competition from dumped imports from Thailand is likely to have a continuing adverse impact on the Australian industry.

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Based on the available evidence, the Commission considers that exports of HSS from Thailand in the future may be at dumped prices and that continued dumping may cause further material injury to the Australian industry.

10 NON INJURIOUS PRICE

10.1 Preliminary assessment

The Commissioner has made the preliminary assessment that the non-injurious price (NIP) can be determined by setting the unsuppressed selling price (USP) equal to ATM's CTMS during the investigation period plus the Australian Bureau of Statistics' (ABS') profit rate for primary metal and metal product manufacturing industry's profit rate for 2008-2009 period.

The Commission compared the NIP with the calculated weighted average normal values for each of the cooperating exporters. It was observed that the corresponding NIP was higher than the normal values for all exporters from Thailand therefore subsection 8(5B)(b) of the *Customs Tariff (Anti-Dumping) Act 1975* is not satisfied. As a result, the NIP will not be the operative measure for exports of HSS for all exports from Thailand.

10.2 Introduction

Duties may be applied where it is established that dumped imports have caused or threatened to cause material injury to the Australian industry producing like goods. The level of dumping duty imposed by the Parliamentary Secretary cannot exceed the margin of dumping, but the Parliamentary Secretary must have regard to the desirability of fixing a lesser amount of duty if it is sufficient to remove the injury.²⁸

Pursuant to subsection 8(5BAA) of the *Customs Tariff (Anti-Dumping) Act 1975*, the Parliamentary Secretary is not required to have regard to the desirability of fixing a lesser amount of duty in certain circumstances. However, this does not limit the Parliamentary Secretary from having regard to fixing a lesser level of duty if considered reasonable in the circumstances.

The lesser duty provision is given effect through the calculation of a NIP. Subsection 269TACA of the Act identifies the NIP of the goods exported to Australia as the minimum price necessary to remove the injury caused by dumping.

Anti-dumping duties are based on free-on-board (FOB) prices in the country of export. Therefore a NIP is calculated in FOB terms for the country of export.

The Commission generally derives the NIP by first establishing a price at which the Australian industry might reasonably sell its product in a market unaffected by dumping. This price is referred to as the USP.

The Commission's preferred approach to establishing USPs observes the following hierarchy:

- industry selling prices at a time unaffected by dumping;
- constructed industry prices – industry CTMS plus profit; or

²⁸ Subsection 8(5B) of the *Customs Tariff (Anti-Dumping) Act 1975*

- selling prices of un-dumped imports.

Having calculated the USP, the Commission then calculates a NIP by deducting the costs incurred in getting the goods from the export FOB point (or another point if appropriate) to the relevant level of trade in Australia. The deductions normally include overseas freight, insurance, into-store costs and amounts for importer expenses and profit.

10.3 Australian Industry

At the Australian industry verification meeting, ATM stated that it believed that the construction of industry prices would be an appropriate way of calculating the USP. However, ATM did not comment on what it considers to be a reasonable rate of profit to be added to the constructed selling prices to come up with an USP.

10.4 Interested parties

The Commission outlined the methodology and Australian industry's profit rate that is used in calculation of the USP in the PAD published on 16 March 2015. Since the publication of the PAD, the Commission has received a submission from ATM on 26 May 2015.²⁹ On its submission, ATM argued that the Commission should calculate an USP based on ATM's CTM&S during the investigation period (July 2013 to June 2014) plus the amount of profit determined for the period January to September 2008. Due to the timing of that submission, the Commission was unable have regard to the arguments raised in this submission in the SEF. The Commission will re-consider its approach having regard to this submission and any other submissions that the interested parties submit within the 20 days period after the SEF.

10.5 The Commission's assessment

As there were no objections to the Commission's approach in calculation of the NIP in the PAD, the Commission considers that it is reasonable to adopt the constructed industry selling prices approach to calculating USP. The Commission is of the view that ATM's CTMS during the investigation period for its galvanised³⁰ HSS should be used in constructed industry selling prices.

In order to decide a period that Australian industry's profits were not affected by dumping, the Commission refers to the findings of Trade Measures Branch Report Number 144³¹ on HSS which stated that:

...the Australian HSS industry performed strongly in the first three quarters of 2008 in terms of profits and profitability before the onset of the global financial crisis.

Therefore, the Commission considers that it is reasonable to use ABS' published profit rate for primary metal and metal product manufacturing industry for 2008-2009³² in

²⁹ ATM's submission is available in the Commission's website.

³⁰ Includes inline galvanised and pre-galvanised HSS

³¹ REP144 – in relation to investigation No 144.

³² ABS' published profit rate for primary metal and metal product manufacturing industry for 2008-2009 is 5.3 per cent

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calculating USP.

To calculate NIP, the Commission has calculated average amounts for overseas freight, insurance, into store costs, importer expenses and profit based on the verified data from the importers. These free into store costs are then deducted from the calculated USP to come up with a NIP. Preliminary NIP calculations are at **Confidential Appendix 6**.

11 PROPOSED MEASURES

11.1 Preliminary finding

The Commissioner proposes to recommend to the Parliamentary Secretary that a dumping duty notice be published in respect of HSS exported to Australia by all exporters from Thailand.

11.2 Forms of duty

The available forms of duty when implementing measures are prescribed in the *Customs Tariff (Anti-Dumping) Regulation 2013* and include:

- combination of fixed and variable duty method;
- floor price duty method;
- fixed duty method (\$X per tonne); or
- ad valorem duty method (i.e. a percentage of the export price).

11.3 Submissions

At the time of publishing this SEF, the Commission has received a submission from ATM on 26 May 2015 in regards to the approach it followed in the PAD. In its submission, ATM states that it does not consider that *ad valorem* measures appropriate in a market with declining market demand. ATM argues in its submission that *ad valorem* measures do not prevent ongoing dumping at a lower price point offsetting the cost imposed of duties. Due to the timing of that submission, the Commission was unable have regard to the arguments raised in this submission in the SEF. The Commission will re-consider its approach having regard to this submission and any other submissions that the interested parties submit within the 20 days period after the SEF.

11.4 Commissioner's preliminary assessment

The Commissioner proposes to recommend that interim dumping duty be calculated by ad valorem duty method. The Commission's considers that the ad valorem method is suitable for goods with many different model or grade levels of varying unit prices like HSS.

The Commission calculated that the NIP is higher than the corresponding normal value of every exporter from Thailand. This means that the normal value is the operative measure and the interim dumping duties will be set in accordance with the full margins of dumping.

12 REVISION OF SECURITIES

12.1 Current provisional securities

On 16 March 2015, the Commissioner made a PAD and required that securities be taken pursuant to section 42 of the Act on imports of HSS from Thailand entered into home consumption on or after 16 March 2015.

Securities were calculated based on verified and unverified information and data available at the time of making the PAD and were imposed at the following rates:

Exporter / Manufacturer	Effective level of securities
Sahathai Steel Pipe Public Company Limited	12.4%
Pacific Pipe Public Company Limited	15.6%
Samchai Steel Industries Public Company Limited	18.4%
Uncooperative and all other exporters	30.6%

Table 3: PAD preliminary provisional measures summary

12.2 Amended provisional securities

Following the PAD, the Commission further verified information and data provided to it and recalculated the dumping margins. The Commissioner considers it is appropriate to amend the securities as part of this SEF to reflect the revised dumping margins.

As a result, the ACBPS will require and take securities under section 42 of the Act in respect of interim dumping duty that may become payable. Securities will apply in respect of imports of on imports of HSS from Thailand entered into home consumption on or after 1 June 2015 at the rates specified in the Table 4 below:

Exporter / Manufacturer	Effective Rate of Securities	Duty Method
Sahathai Steel Pipe Public Company Limited	5.7%	Ad valorem
Pacific Pipe Public Company Limited	15.1%	Ad valorem
Samchai Steel Industries Public Company Limited	19.8%	Ad valorem
Uncooperative and all other exporters	29.7%	Ad valorem

Table 4: Revised preliminary provisional measures

The Commission will publish a public notice on 1 June 2015 in *The Australian* newspaper advising interested parties of the revision to the rate of securities. The Commission will also publish an ADN to advise interested parties of the revised rate of securities.

13 APPENDICES AND ATTACHMENTS

Attachment 1	Recent previous cases summary
Attachment 2	List of submissions
Confidential Attachment 3	ATM's operational capabilities table
Confidential Attachment 4	ATM's Newcastle Plant's production schema
Confidential Appendix 1	Comparison of Thai HSS imports with total HSS imports
Confidential Appendix 2	DM calculations for uncooperative exporters
Confidential Appendix 3	Price undercutting analysis
Confidential Appendix 4	Profit effects analysis
Confidential Appendix 5	ACBPS import data beyond the investigation period
Confidential Appendix 6	Non-injurious price analysis
Confidential Appendix SAHA 1	Export prices
Confidential Appendix SAHA 2	Normal value calculations
Confidential Appendix SAHA 3	Adjustments
Confidential Appendix SAHA 4	Dumping margin calculations
Confidential Appendix PACIFIC 1	Export prices
Confidential Appendix PACIFIC 2	Normal value calculations
Confidential Appendix PACIFIC 3	Adjustments
Confidential Appendix PACIFIC 4	Dumping margin calculations
Confidential Appendix SAMCHAI 1	Export prices
Confidential Appendix SAMCHAI 2	Normal value calculations
Confidential Appendix SAMCHAI 3	Adjustments
Confidential Appendix SAMCHAI 4	Dumping margin calculations