

30 June 2014

Mr Adam Yacono
Manager
Anti-Dumping Commission
C/o Australian Customs and Border Protection Service
Customs House
1010 La Trobe Street
DOCKLANDS VICTORIA 3008

Public File

Dear Mr Yacono

Hot Rolled Structural Sections (HRSS) exported from Japan, Korea, Taiwan and Thailand – Independent opinion on grade equivalents

OneSteel Manufacturing Pty Ltd (“OneSteel”) submits that the central issue in the current HRSS investigation is the identification of the goods sold in the various domestic markets that most closely resemble the goods exported to Australia.

To assist in improving the understanding of the relevant criteria for identifying domestic grades that closely resemble AS/NZS 3679.1 -300 (“G300”), OneSteel has commissioned an independent assessor to prepare an expert report on the products most properly comparable with the exported G300 complying with AS/NZ 3679.1.

The independent expert report is attached for the Commission’s guidance. The qualifications of the independent assessor are also included in the attachment.

Briefly, the independent assessment confirms that:

1. Based on mechanical properties

- The closest domestic grades of HRS to the exported G300 (compliant with AS/NZ 3679.1) include goods of Grade SM490A, SM490B and SM490C (to JIS G 3106), and SN490B and SN490C (to JIS G 3136).
- Grade SS400 is not even the closest to the redundant grade AS/3679.1 – 250 (G250”), let alone G300.
- Yield strength is a more important factor in evaluating design capacity of steel than tensile strength.

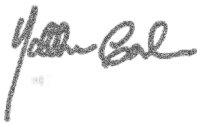
2. Based on chemical properties

- There is no equivalent for SS grades such as SS400 or SS490 as JIS G3101 doesn’t specify limits for carbon equivalents.
- The closest domestic grades of HRS to the exported G300 (compliant with AS/NZ 3679.1) include goods of Grade SM490B and SM490C (to JIS G 3106), and SN490B and SN490C (to JIS G 3136). While these grades have the same requirement for the carbon equivalent, it is more difficult to achieve than the carbon equivalent for SM490A because of the less stringent limitation on carbon content in SM490A product.

OneSteel submits that the independent assessment should provide the basis for preliminary dumping margin findings for Hyundai Steel Co, Tung Ho, TS Steel Co, Ltd, and Feng Hsin Iron and Steel Co., Ltd. The assessment will also impact yet-to-be-determined normal value assessments for SYS of Thailand.

If you have any questions concerning this letter please do not hesitate to contact OneSteel's representative Mr John O'Connor on (07) 3342 1921 or Mr Matt Condon of OneSteel on (02) 8424 9880.

Yours sincerely



Matt Condon
Manager – Trade Development
OneSteel Manufacturing Pty Ltd

Attachment – Independent Report