AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2011/40

Certain electric cables exported from the People’s Republic of China

Initiation of an investigation into alleged dumping

The Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (Customs and Border Protection) has initiated an investigation, following an application lodged by Advance Cables Pty Ltd, Olex Cables Pty Ltd and Prysmian Power & Telecom Cables & Systems Pty Ltd, manufacturers of certain electric cables in Australia. The application seeks the publication of a dumping duty notice in respect of electric cables exported to Australia from the People’s Republic of China.

The application alleges that electric cables have been exported to Australia at prices less than their normal value and that the dumping has caused material injury to the Australian industry through:

- loss of sales;
- reduced market share;
- price undercutting;
- price depression;
- price suppression;
- reduced profits;
- reduced profitability;
- underutilisation of production capacity;
- reduced return on investment;
- staff retrenchments; and
- an inability to raise capital.

The non-confidential version of the application, available on the public record to interested parties, as defined by subsection 269T(1) of the Customs Act 1901 (the Act), contains the basis of the alleged dumping.

A notice under subsection 269TC(4) of the Act advising initiation of this investigation was published in The Australian newspaper on 9 September 2011.

The goods

The goods the subject of the application are described as follows:

The goods under consideration are single and multi-core cables insulated with polymeric materials intended for use in electric installations at working voltages up to and including 1 kV with the following characteristics:

- suitable for connection to mains power supply; and
- comply with Australian Standards AS/NZS 5000.1 or AS/NZS 5000.2.

The goods under consideration fall into the following categories:

- flat cables, insulated and sheathed, with two cores and earth and with conductor area up to three square millimetres;
- building wire, insulated, unsheathed, single core and with conductor area from two to three square millimetres; and
- single core double insulated cable, insulated and sheathed and with conductor area from 12 to 60 square millimetres.
The goods are classified to the tariff subheading 8544.49.20 (statistical codes 40 and 41) of Schedule 3 to the Customs Tariff Act 1995. The general rate of duty is currently 5%. Imports from China are subject to the Developing Country Status duty rate of 4%.

Investigation process

The investigation period is July 2010 to June 2011. Customs and Border Protection will examine exports to Australia of the goods during that period to determine whether dumping has occurred. Customs and Border Protection will examine details of the Australian market from July 2007 for injury analysis purposes.

Where the Minister for Home Affairs (Minister) is satisfied, as to goods of any kind, that:

(a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and

(b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Minister may, by public notice, impose interim dumping duties.

Lodgement of submissions

Interested parties are invited to lodge submissions concerning the publication of the dumping duty notice sought in the application no later than the close of business on 19 October 2011, addressed to:

Director Operations 1  
International Trade Remedies Branch  
Australian Customs and Border Protection Service  
Customs House  
5 Constitution Avenue  
CANBERRA ACT 2601

Or by email: tmops1@customs.gov.au

Interested parties wishing to participate in the investigation must ensure that submissions are lodged promptly. Interested parties should note that the CEO is not obliged to have regard to a submission received by Customs and Border Protection after the end of the period mentioned above if to do so would, in the CEO’s opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

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

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or

- satisfy the CEO that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked “In-Confidence”.
Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above. In either case, interested parties must provide two copies of each for the public record.

Documents included in the public record are available at http://adpr.customs.gov.au/Customs/. Alternatively, the public record may be examined at the office address below during business hours by contacting International Trade Remedies Branch on 02 6275 6066.

International Trade Remedies Branch  
Customs House  
5 Constitution Avenue  
CANBERRA ACT 2601

Provisional measures

A preliminary affirmative determination may be made not earlier than 60 days after the date of initiation provided that there appears to be sufficient grounds for the publication of a dumping duty notice. In accordance with section 269TD of the Act, provisional measures, in the form of securities in respect of interim dumping duty that may become payable on the goods, may be imposed where a preliminary affirmative determination has been made.

Statement of essential facts

The dates specified in this notice for lodging submissions must be observed to enable Customs and Border Protection to report to the Minister within the legislative timeframe. A statement of essential facts will be placed on the public record by 28 December 2011, or by such later date as the Minister may allow in accordance with section 269ZHI of the Act. The statement will set out the essential facts on which the CEO proposes to base a recommendation to the Minister. That statement will invite interested parties to respond to the issues raised within 20 days of the statement being placed on the public record.

Report to the Minister

Submissions received in response to the statement of essential facts will be taken into account in completing the report and recommendation to the Minister. A recommendation to the Minister will be made in a report on or before 13 February 2012 (or such later date as the Minister may allow), unless the CEO terminates the investigation.

Review Officer

Certain parties will have the right to seek review in accordance with Division 9 of Part XVB of the Act of either a decision by the CEO to terminate the investigation, or a decision of the Minister after considering the CEO’s report.

Customs and Border Protection contact

Enquiries concerning this notice may be directed to the case manager on telephone number 02 6275 6729, fax number 02 6275 6990 or email tmops1@customs.gov.au.

Justin Wickes  
A/g National Manager - Operations  
International Trade Remedies Branch  
CANBERRA ACT  
9 September 2011