

Ottawa, Friday, August 31, 1990

IN THE MATTER OF a request made under subsection 76(2) of the *Special Import Measures Act* for a review of the finding of material injury of the Anti-dumping Tribunal in Inquiry No. ADT-4-80 dated June 23, 1980, as continued by the Canadian Import Tribunal in Review No. R-11A-85 dated December 20, 1985, respecting:

**HARDBOARD PANELS SUITABLE FOR USE AS DOORSKINS
ORIGINATING IN OR EXPORTED FROM POLAND**

DECISION

On April 26, 1990, the Canadian International Trade Tribunal issued a Notice of Expiry (LE-90-004) requesting views on whether the aforementioned finding should be reviewed. Having considered representations in support of a review of the finding, the Tribunal has decided, pursuant to subsection 76(3) of the *Special Import Measures Act*, that a review is not warranted.

Arthur B. Trudeau

Arthur B. Trudeau
Presiding Member

Sidney A. Fraleigh

Sidney A. Fraleigh
Member

Charles A. Gracey

Charles A. Gracey
Member

Robert J. Martin

Robert J. Martin
Secretary



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STATEMENT OF REASONS

BACKGROUND

The Canadian International Trade Tribunal (the Tribunal), on April 26, 1990, in a Notice of Expiry (LE-90-004), gave notice that the finding of the Anti-dumping Tribunal (Inquiry No. ADT-4-80) of June 23, 1980, which was continued on December 20, 1985 (Review No. R-11A-85), with respect to material injury caused by the dumping of hardboard panels suitable for use as doorskins originating in or exported from Poland, was scheduled to expire on December 19, 1990. Interested parties requesting or opposing a review of the finding were invited to file submissions addressing, with respect to the subject goods, the issues of supply and demand, the vulnerability of the industry to dumped imports, the effect of such imports on prices, production, sales, market shares and profits, and the propensity to dump, in Canada and elsewhere, by exporters in Poland.

The Tribunal has considered a submission to review and to continue the finding presented on behalf of Canoxel Hardboard Division of Canadian Pacific Forest Products Limited (Canoxel), the only manufacturer of doorskins in Canada. Canadian Forest Products Ltd. supported this submission. There were no other submissions.

Doorskins, the subject goods, are panels that cover a hollow or solid core door. They may be made from various types of plywood or from hardboard. They are made of simple, commodity brownboard, smooth on one side and with the screenback of the production process showing on the other, not finished in any way and that, when forming part of the door, is painted.

In the submission, it was argued that the industry, although having demonstrated its ability to compete in the highly competitive markets for the subject goods, remained vulnerable to a renewal of dumping from the subject country and that there would be a resumption of dumping in the Canadian market if the finding were rescinded.

The argument that dumping would resume in the Canadian market was based on the assumption that because Poland was allegedly dumping hardboard panels in the United States, there would be a resumption of dumping of doorskins by Poland in Canada. Most of the information provided in support of this argument related to hardboard panels. It included

copies of invoices of two sales of hardboard panels along with verbal price quotes for Russian commodity board in the US market. The submission did not include information on prices for doorskins, but suggested that their prices would be similar to those for hardboard panels. In addition, US import data for selected harmonized system tariff and statistical items were provided showing values, quantities and unit values for imports of "Baltic" board from the USSR and Poland in 1989 and the first quarter of 1990. The economic problems of both Poland and the USSR were also cited as being likely to intensify the desire of those countries to earn hard currency through increased exports. Finally, the submission noted that, although there have been virtually no imports into Canada of the subject goods from Poland since the original finding and that Brazil is the primary source of important imports of doorskins, Statistics Canada had reported two small shipments of commodity board from the USSR in 1989 and 1990.

REASONS FOR DECISION

When considering a request to review a finding pursuant to subsection 76(3) of the *Special Import Measures Act*, the Tribunal needs to be satisfied, on the basis of the facts available, that a review is warranted.

The submission in support of a review included facts and statistics alleging that, because there was dumping of hardboard panels by the USSR and Poland in the United States, dumping of doorskins by Poland in Canada would resume if the finding were rescinded. The Tribunal has examined the facts and statistics, as clarified by counsel for Canexel, and does not find them to be of sufficient scope and relevance to provide an adequate basis on which to undertake a review of the finding. Nearly all the factual information relates to hardboard panels exported from the USSR and Poland into the United States. Finally, the contention that Poland and the USSR will dump to earn hard currency remains a matter of conjecture and speculation in the absence of specific evidence.

The facts of this case show that there have been virtually no imports of doorskins from Poland since 1980. The industry provided no information on which to conclude that exports from Poland would resume in the foreseeable future. Therefore, the Tribunal is not satisfied that a review of the finding is warranted.

Arthur B. Trudeau

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