



Canadian International
Trade Tribunal

Tribunal canadien du
commerce extérieur

CANADIAN
INTERNATIONAL
TRADE TRIBUNAL

Dumping and Subsidizing

DETERMINATION AND REASONS

Preliminary Injury Inquiry
No. PI-2017-002

Polyethylene Terephthalate Resin

*Determination issued
Tuesday, October 17, 2017*

*Reasons issued
Wednesday, November 1, 2017*

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IN THE MATTER OF a preliminary injury inquiry, pursuant to subsection 34(2) of the *Special Import Measures Act*, respecting:

POLYETHYLENE TEREPHTHALATE RESIN

PRELIMINARY DETERMINATION OF INJURY

The Canadian International Trade Tribunal, pursuant to the provisions of subsection 34(2) of the *Special Import Measures Act*, has conducted a preliminary injury inquiry into whether the evidence discloses a reasonable indication that the alleged injurious dumping and subsidizing of polyethylene terephthalate resin (PET resin) having an intrinsic viscosity of at least 0.70 deciliters per gram but not more than 0.88 deciliters per gram, including PET resin that contains various additives introduced in the manufacturing process, as well as blends of virgin PET resin and recycled PET containing 50 percent or more virgin PET resin content by weight, originating in or exported from the People's Republic of China, the Republic of India, the Sultanate of Oman and the Islamic Republic of Pakistan (the subject goods), have caused injury or retardation or are threatening to cause injury to the domestic industry.

This preliminary injury inquiry follows the notification, on August 18, 2017, that the President of the Canada Border Services Agency had initiated an investigation into the alleged injurious dumping and subsidizing of the subject goods.

Pursuant to subsection 37.1(1) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby determines that the evidence discloses a reasonable indication that the alleged injurious dumping and subsidizing of the subject goods have caused injury to the domestic industry.

Jean Bédard

Jean Bédard
Presiding Member

Daniel Petit

Daniel Petit
Member

Rose Ritcey

Rose Ritcey
Member

The statement of reasons will be issued within 15 days.

Tribunal Panel: Jean Bédard, Presiding Member
Daniel Petit, Member
Rose Ritcey, Member

Support Staff: Peter Jarosz, Counsel
Mark Howell, Lead Analyst
Rhonda Heintzman, Analyst
Shiu Li, Analyst
Christiane Schuchhardt, analyst

PARTICIPANTS:

	Counsel/Representatives
Compagnie Selenis Canada	Paul Conlin Benjamin Bedard Linden Dales
OCTAL SAOC FZC	Carly Haynes Greg Tereposky Vincent DeRose Jennifer Radford Daniel Hohnstein Chirani Mudunkotuwa Stéphanie Desjardins
M/s G-Pac Corporation	Jesse Goldman George W.H. Reid Margaret Kim Julia Webster
Novatex limited	Jesse Goldman George W.H. Reid Margaret Kim Julia Webster
Consulate General of Pakistan	Muhammad Aamer
A. Lassonde Inc.	Peter Clark Renée Clark

Please address all communications to:

The Registrar
Secretariat to the Canadian International Trade Tribunal
333 Laurier Avenue West
15th Floor
Ottawa, Ontario K1A 0G7
Telephone: 613-993-3595
Fax: 613-990-2439
E-mail: citt-tcce@tribunal.gc.ca

STATEMENT OF REASONS

BACKGROUND

1. The Canadian International Trade Tribunal (the Tribunal) commenced this preliminary injury inquiry on August 21, 2017, concerning the alleged injurious dumping and subsidizing of polyethylene terephthalate (PET) resin originating in or exported from the People's Republic of China (China), the Republic of India (India), the Sultanate of Oman (Oman) and the Islamic Republic of Pakistan (Pakistan) (the subject goods).¹
2. This preliminary inquiry stems from a complaint filed by Compagnie Selenis Canada (the complainant) and the initiation of dumping and subsidizing investigations on August 18, 2017, by the President of the Canada Border Services Agency (CBSA).
3. For the period from April 1, 2016, to March 31, 2017, the CBSA estimated that the subject goods were dumped by the following margins of dumping: 13.8 percent for China, 32.8 percent for India, 31.4 percent for Oman and 25.6 percent for Pakistan, expressed as a percentage of the export price.² The CBSA estimated that the subject goods were subsidized by the following amounts of subsidy: 22.8 percent for China, 12.2 percent for India, 20.4 percent for Oman and 14.6 percent for Pakistan, expressed as percentage of the export price.³
4. The Tribunal received written submissions from the complainant as well as parties opposing the complaint, namely, OCTAL SAOC FZC (OCTAL), a producer of PET resin in Oman, and the Consulate General of Pakistan.
5. PET is typically called "polyester" when used for fibers or fabrics and "PET" or "PET resin" when used for bottles, jars, containers and packaging applications. The goods subject to this preliminary inquiry are set out in the CBSA's product definition.⁴ The subject goods are typically used in the production of plastic beverage bottles, in packaging for food and manufactured products, in containers for household and automotive products, and in industrial strapping. The most common use for PET resin containers is to package carbonated soft drinks and bottled water.
6. The complainant submitted that it suffered material injury due to the dumping and subsidizing of the subject goods. In support of these allegations, the complainant provided evidence of increased volumes of imports of the subject goods, price undercutting, price depression, loss of market share, loss of sales volumes, reduced net sales revenues, gross margins and net profits, and loss of employment.
7. It also submitted that the dumping and subsidizing of the subject goods is threatening to cause injury to it. The complainant alleged that the subject countries will continue to export significant volumes of dumped and subsidized goods to Canada and that these goods will cause injury to it in the future. Further, the complainant argued that the prices of the subject goods are likely to undercut and depress domestic prices.

1. The CBSA did not initiate an investigation into the alleged dumping of the subject goods from Turkey: Exhibit PI-2017-02-05, Vol. 1H at 32.
2. *Ibid.* at 50.
3. *Ibid.* at 59.
4. *Ibid.* at 34.

8. OCTAL submitted that the evidence does not disclose a reasonable indication that the dumping and subsidizing of the subject goods has caused injury or is threatening to cause injury to the domestic industry. OCTAL submitted arguments regarding higher material costs in North America and the complainant's declining export sales.

LEGISLATIVE FRAMEWORK

Reasonable Indication

9. The Tribunal's mandate in a preliminary injury inquiry is set out in subsection 34(2) of the *Special Import Measures Act*,⁵ which requires the Tribunal to determine "... whether the evidence discloses a reasonable indication that the dumping or subsidizing of the [subject] goods has caused injury or retardation or is threatening to cause injury."

10. The term "reasonable indication" is not defined in *SIMA*, but is understood to mean that the evidence need not be "... conclusive, or probative on a balance of probabilities ..."⁶

11. The Tribunal has previously been satisfied that the threshold for the "reasonable indication" standard was met where:⁷

- the alleged injury or threat of injury is substantiated by evidence that is sufficient in the sense that it is "relevant, accurate and adequate"; and,
- in light of the evidence, the allegations stand up to a "somewhat probing examination", even if the theory of the case might not seem convincing or compelling.

12. The Tribunal is aware that, by expressing the standard in the above manner in recent years, there has been a perception that the Tribunal has raised the bar for satisfying the standard. The Tribunal can neither raise nor lower the bar. The bar has been set by Parliament. It is a low bar. The Tribunal has always maintained that the reasonable indication standard is lower than the standard that applies in a final injury inquiry under section 42 of *SIMA*.⁸

13. The Tribunal expects that the evidence at the preliminary phase of proceedings will be significantly less detailed and comprehensive than the evidence in a final injury inquiry. Not all the evidence is available at the preliminary phase, and there is no oral hearing to fully probe what is available. Accordingly, the evidence will not be tested to the same extent as it would be during a final injury inquiry. The Tribunal will give complainants the benefit of the doubt.

5. R.S.C., 1985, c. S-15 [*SIMA*].

6. *Ronald A. Chisholm Ltd. v. Deputy M.N.R.C.E.* (1986), 11 CER 309 (FCTD).

7. *Gypsum Board* (5 August 2016), PI-2016-001 (CITT) [*Gypsum Board*] at para. 16; *Concrete Reinforcing Bar* (12 August 2014), PI-2014-001 (CITT) [*Reinforcing Bar*] at para. 15; *Silicon Metal* (21 June 2013), PI-2013-001 (CITT) at para. 16; *Unitized Wall Modules* (3 May 2013), PI-2012-006 (CITT) [*Unitized Wall Modules*] at para. 24; *Liquid Dielectric Transformers* (22 June 2012), PI-2012-001 (CITT) at para. 86.

8. *Grain Corn* (10 October 2000), PI-2000-001 (CITT) at 7.

14. While complaints will be read generously, the outcome of preliminary inquiries must not be taken for granted.⁹ Simple assertions are not sufficient.¹⁰ Complaints, as well as the cases of parties opposed, must be supported by positive evidence that is sufficient and relevant, in that it addresses the necessary requirements in *SIMA* and the relevant factors of the *Special Import Measures Regulations*.¹¹

Injury and Threat of Injury Factors

15. In making its preliminary determination, the Tribunal takes into account the factors prescribed in section 37.1 of the *Regulations*, including the import volumes of the dumped and subsidized goods, the effect of the dumped and subsidized goods on the price of like goods, the resulting economic impact of the dumped and subsidized goods on the domestic industry and, if injury or threat of injury¹² is found to exist, whether a causal relationship exists between the dumping and subsidizing of the goods and the injury or threat of injury.

16. In this regard, “domestic industry” is defined in subsection 2(1) of *SIMA* by reference to the domestic production of “like goods”. Accordingly, the Tribunal must first determine what constitutes “like goods” to the subject goods. Once that determination has been made, the Tribunal must determine what constitutes the “domestic industry” for purposes of its injury analysis.

17. Given that the CBSA has determined that the subject goods originating or exported from China, India, Oman and Pakistan have been both dumped and subsidized, the Tribunal, in considering the issue of injury, must also determine whether it would be appropriate to make an assessment of the cumulative effects of the subject goods from all of the subject countries taken together (cumulation) and of the dumping and subsidizing of the subject goods taken together (cross-cumulation).

PRELIMINARY ISSUES

18. Before examining the allegations of injury and threat of injury, the Tribunal must identify the like goods to the subject goods and the domestic industry that produces the like goods. The analysis of these preliminary issues is required because subsection 2(1) of *SIMA* defines “injury” as “. . . material injury to a domestic industry” and “domestic industry” as “. . . the domestic producers as a whole of the like goods or those domestic producers whose collective production of the like goods constitutes a major proportion of the total domestic production of the like goods . . .”.

9. *Reinforcing Bar* at paras. 18-19.

10. Article 5 of the World Trade Organization (WTO) *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994* [the *Anti-dumping Agreement*] and Article 11 of the WTO *Agreement on Subsidies and Countervailing Measures* [the *SCM Agreement*] require an investigating authority to examine the accuracy and adequacy of the evidence provided in a dumping and subsidizing complaint to determine whether there is sufficient evidence to justify the initiation of an investigation, and to reject a complaint or to terminate an investigation as soon as an investigating authority is satisfied that there is not sufficient evidence of dumping and subsidizing or injury. Article 5 of the *Anti-dumping Agreement* and Article 11 of the *SCM Agreement* also specify that simple assertions that are not substantiated with relevant evidence cannot be considered sufficient to meet the requirements of the articles.

11. S.O.R./84-927 [*Regulations*].

12. In its consideration of whether there is a reasonable indication that the dumping and subsidizing of the subject goods are threatening to cause injury, the Tribunal is guided by subsection 37.1(2) of the *Regulations*, which prescribes factors to be taken into account for the purposes of its threat of injury analysis.

Like Goods and Classes of Goods

19. The complainant submitted that like and subject goods in this case are commodity products that compete with one another in the Canadian market place, are fully interchangeable and constitute a single class of goods.¹³ No other submissions regarding classes of goods were made. The Tribunal, in view of this fact, will conduct its analysis on the basis that PET resin produced in Canada that is of the same description as the subject goods is “like goods” in relation to the subject goods and that there is one class of goods.

Domestic Industry

20. *SIMA* defines “domestic industry” as the domestic producers as a whole of the like goods or those domestic producers whose collective production of the like goods constitutes a major proportion of the total domestic production of the like goods.

21. The complainant is the only producer in Canada of PET resin.¹⁴ The complainant submitted that it accounted for all Canadian production of like goods in 2016 and is not aware of any other domestic producers of like goods.¹⁵ The Tribunal is satisfied that the complainant represents the entire domestic production of the like goods and finds accordingly.

Cumulation and Cross-Cumulation

22. In the context of a final injury inquiry, subsection 42(3) of *SIMA* requires the Tribunal to make an assessment of the cumulative effect the dumping or subsidizing of goods that are imported into Canada from more than one subject country if the Tribunal is satisfied that certain conditions are met. Specifically, the Tribunal must be satisfied that

- (1) the margin of dumping or the amount of subsidy in relation to the goods from each of the countries is not insignificant, and that the volume of goods imported into Canada from any of those countries is not negligible; and
- (2) an assessment of the cumulative effect of the subject goods would be appropriate taking into account the conditions of competition between the goods from any of the subject countries, the other dumped or subsidized goods, and like goods.¹⁶

23. While subsection 42(3) of *SIMA* deals with final injury inquiries, the Tribunal normally considers that it is exceptional not to cumulate the subject goods in a preliminary injury inquiry when the available evidence appears to justify cumulation.¹⁷

24. As the CBSA determined that the estimated margins of dumping and amounts of subsidy for all the subject countries are not insignificant and that the estimated volumes of dumped imports are not negligible,¹⁸ the Tribunal finds that the first condition under subsection 42(3) of *SIMA* is met.

13. Exhibit PI-2017-002-02.01, Vol. 1 at 33.

14. Since the domestic industry is composed of a single company, the Tribunal notes that there is little to no public information on the record in respect of the production and financial performance of the domestic industry.

15. Exhibit PI-2017-002-02.01, Vol. 1 at 33.

16. *Galvanized Steel Wire* (22 March 2013), PI-2012-005 (CITT) [*Galvanized Steel Wire*] at para. 39.

17. *Corrosion-resistant Steel Sheet* (2 February 2001), PI-2000-005 (CITT) at 4, 5.

18. Exhibit PI-2017-002-05, Vol. 1H at 50, 59 and 60.

25. The parties did not submit information on the issue of cumulation or, specifically, the conditions of competition for PET resin. With respect to the conditions of competition,¹⁹ the evidence on the record at this stage indicates that PET resin is a commodity product and that the subject goods are interchangeable between themselves and with the like goods.²⁰ Information in the complaint also indicates that the subject goods and the like goods compete directly in the same geographic markets and are distributed through the same channels.²¹ No evidence was submitted that contradicts these conclusions. Therefore, the Tribunal is satisfied that the second condition is met and considers it appropriate to conduct an assessment of the cumulative effect of the subject goods from all sources for the purposes of this preliminary injury inquiry.

26. This investigation involves subject goods from multiple countries that are both dumped and subsidized. Where subject goods from multiple countries are both dumped and subsidized during a preliminary inquiry, the Tribunal considers that it is not necessary or practicable to disentangle their effects. The recent WTO panel report in *Canada – Welded Pipe* strongly indicates that such an approach is correct.²² The Tribunal will therefore assess the impact of the dumped and subsidized goods on the domestic industry cumulatively in this preliminary inquiry.

INJURY ANALYSIS

27. The Tribunal must next determine whether the evidence discloses a reasonable indication of injury, taking into account the factors prescribed in section 37.1 of the *Regulations*.

Import Volume of Dumped and Subsidized Goods

28. The complainant, relying on Statistics Canada data, submitted that total PET imports fell by 1.6 percent in a growing market from 2014 to 2015 and by another 1.9 percent in 2016.²³ In contrast, the complainant pointed to significant growth in the volume of imports from the subject countries in 2016, especially as compared to non-subject imports. The complainant also submitted that the same import trends continue when comparing Q1 2016 to Q1 2017, when total PET imports decreased while imports from the subject countries increased.²⁴

29. Since the CBSA did not initiate an investigation against PET resin from Turkey, the Tribunal adjusted the figures provided by the complainant by deducting the volume and value of Turkish imports from the volume and value of subject goods from the remaining subject countries for the purposes of this preliminary inquiry. The analysis shows that imports of subject goods decreased by 11 percent from 2014 to 2015 and increased by 21 percent from 2015 to 2016, resulting in an overall increase of 7 percent between 2014 and 2016. Imports of subject goods increased a further 27 percent in the first quarter of 2017 compared to the same period of 2016. Imports from non-subject countries increased by 5 percent in 2015 and

19. In assessing the conditions of competition, the Tribunal has previously taken into consideration such factors as the degree to which the subject goods from each country are (in relation to each other and in relation to the like goods) interchangeable, are present in the same geographic markets at the same time, are distributed through the same channels or use the same means of transportation. See *Flat Hot-rolled Carbon and Alloy Steel Sheet and Strip* (17 August 2001), NQ-2001-001 (CITT) at 16.

20. Exhibit PI-2017-002-02.01, Vol. 1 at 33.

21. *Ibid.* at 284.

22. *Canada – Anti-dumping Measure on Imports of Certain Carbon Steel Welded Pipe from the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu* (21 December 2016), WTO Doc. WT/DS482/R, Report of the Panel [*Canada – Welded Pipe*], at paras. 7.99-7.103.

23. Exhibit PI-2017-002-02.01, Vol. 1 at 99.

24. *Ibid.* at 313.

decreased by 15 percent in 2016. Imports of non-subject goods decreased by 38 percent in the first quarter of 2017 relative to the first quarter of 2016.²⁵

30. The CBSA's confidential import data shows an increase in imports of subject goods in 2015 as well as in 2016. The CBSA estimates that imports of subject goods increased 70 percent between 2014 and 2016.²⁶ The CBSA's public data show a similar trend in the volume of imports of subject goods as a percentage of total imports with a significant increase from 2014 to 2016 (from 39.8 to 47.1 percent).²⁷

31. The Tribunal finds that these estimates reasonably indicate a significant increase, in absolute terms, in the volume of subject goods. The Tribunal's confidential record also indicates a significant increase in the volume of subject goods relative to domestic sales and production.²⁸

32. On the basis of the above, the Tribunal finds that the evidence discloses a reasonable indication that there has been a significant increase in the absolute and relative volumes of imports of the subject goods from the subject countries.

Effect on Price of Like Goods

33. The complainant submitted that the price of the subject goods aggressively undercut and depressed its prices, causing it to lose sales and market share.²⁹

34. The complaint indicated that the prices of the subject goods have consistently and significantly undercut Canadian prices throughout the period of inquiry (POI), which covers the period from 2014 to 2016 and the first quarter of 2017. Average prices of imports from the subject countries were the lowest-priced source in 2014 compared to the complainant's prices and imports from all other countries.³⁰ This margin deepened in 2015, 2016 and in the first quarter of 2017.³¹ The complainant submitted that, in 2016, the average price of subject goods was \$1,232/MT, while the average price of all other imports was \$1,678/MT.³² The complainant argued that price competition among the subject countries, with China as the low-price leader, forced all subject countries to lower their prices, leading to a significant drop of all prices, including its own, in the Canadian market in 2016.³³ The complainant also provided a list of specific sales-related injury allegations indicating that sales were lost or made at reduced prices throughout the POI because of dumped and subsidized imports from the subject countries.

35. Having reviewed the evidence submitted by the complainant, the Tribunal finds it to be relevant, accurate and adequate to reasonably support its allegations for the purposes of this preliminary injury inquiry. Bearing in mind the lower standard applicable at this stage, this evidence reasonably indicates that

25. *Ibid.* at 313 and 314.

26. Exhibit PI-2017-002-03.02 (protected), Vol. 2B at 206.

27. Exhibit PI-2017-002-05, Vol. 1H at 38-39.

28. Calculated based on information in the confidential complaint, Exhibit PI-2017-002-03.01 (protected), Vol. 2 at 100 and 266, as well as the CBSA's confidential complaint analysis, Exhibit PI-2017-002-03.02 (protected), Vol. 2B at 206.

29. The complainant alleged price suppression but did not provide any details to support the allegation: Exhibit PI-2017-002-02.01, Vol. 1 at 97.

30. *Ibid.* at 100-101.

31. *Ibid.* Vol. 1 at 101.

32. *Ibid.* at 102.

33. *Ibid.*

the dumping and subsidizing of the subject goods has negatively affected the prices of the like goods throughout the POI.

36. The complainant's estimates of average prices indicate a clear and consistent trend of significant price undercutting from 2014 to the first quarter of 2017.³⁴ The margin of price undercutting by subject imports increases with every year of the period, being at its largest in the first quarter of 2017.

37. With respect to the allegation of price depression, pricing and market information submitted by the complainant indicates that the prices of subject goods have followed a downward trend from 2014 to 2016, thus supporting these allegations.³⁵ Although the downward trend did not continue in the first quarter of 2017,³⁶ the Tribunal does not consider that this change in the last quarter of the period reverses the impact of the prior price effects. On the contrary, in the first quarter of 2017, the prices of subject goods undercut domestic prices by an even wider margin than previously, all while the volume of subject goods increased when compared to the first quarter of 2016.

38. The effect of price undercutting and depression of the subject goods is also supported by the confidential statement of evidence of Mr. Adam Davis,³⁷ which documents a number of instances where the prices of the subject goods undercut domestic prices and/or forced the domestic industry to lower its prices in an attempt to compete with the low prices of the subject goods. The Tribunal finds this evidence of specific injury allegations to be reasonably reliable for the purposes of the preliminary injury inquiry, bearing in mind that such evidence will need to be fully tested in the context of a final injury inquiry.

39. Overall, the Tribunal finds that the evidence discloses a reasonable indication that the dumping and subsidizing of the subject goods resulted in price undercutting and price depression.

Resultant Impact on the Domestic Industry

40. As part of its analysis under paragraph 37.1(1)(c) of the *Regulations*, the Tribunal must consider the impact of the dumped and subsidized goods on the state of the domestic industry and, in particular, all relevant economic factors and indices that have a bearing on the state of the domestic industry.

41. In a preliminary injury inquiry, the Tribunal must determine whether the evidence discloses a reasonable indication of a causal link between the dumping and subsidizing of the subject goods and the injury on the basis of the resultant impact of the volume and price effects of the dumped and subsidized goods on the domestic industry. The standard is whether there is a reasonable indication that the dumping and subsidizing of the subject goods have, *in and of themselves*,³⁸ caused injury. The Tribunal must further consider, pursuant to paragraph 37.1(3)(b) of the *Regulations*, whether the reasonable indication of injury is attributable to factors other than the dumping and subsidizing of the subject goods.

34. *Ibid.* at 100.

35. *Ibid.* at 314.

36. *Ibid.* at 313.

37. Exhibit PI-2017-002-03.01 (protected), Vol. 2 at 160-177.

38. *Gypsum Board* at para. 44; *Copper Rod* (30 October 2006), PI-2006-002 (CITT) at paras. 40, 43; *Galvanized Steel Wire* at para. 75; *Circular Copper Tube* (22 July 2013), PI-2013-002 (CITT) at para. 82.

42. The complainant submitted that the dumping and subsidizing of the subject goods had caused injury to it in the form of reduced sales and market share, and negative effects on net sales revenues, gross margins, net profits and employment.³⁹

43. The complainant further submitted that it was only able to maintain its market share “at the cost of deteriorating and unsustainable financial results.”⁴⁰

44. Having considered the evidence adduced by the complainant on the confidential and public records in light of the relevant factors, the Tribunal agrees that the domestic industry experienced very poor financial performance during the POI. The complainant’s confidential financial statements indicate that it was consistently in a financially unsustainable position throughout the entire POI.

45. Evidence submitted by the complainant also indicates that the number of direct employees involved in the production of PET resin fell from 2014 to the first quarter of 2017, resulting in fewer work hours and lower wages paid between 2014 and 2016.⁴¹

46. The Tribunal finds that the evidence on the record of this preliminary injury inquiry provides a reasonable indication that the price effects of the dumping and subsidizing of the subject goods had a negative impact on the state of the domestic industry and caused injury to the domestic industry.

47. Furthermore, there was little in the way of evidence and submissions concerning the effect of the imports of the subject goods on other relevant industrial performance factors and indicators such as capacity utilization, productivity, return on investment, cash flow and inventories. This does not negate the Tribunal’s conclusion in this preliminary investigation that the evidence provides a reasonable indication that the dumping and subsidizing of the subject goods had a negative impact on the state of the domestic industry. The Tribunal will undertake a more detailed consideration of these other indicators as part of an inquiry pursuant to section 42 of *SIMA* on the basis of the additional information to be gathered during that process.

Causation, Non-Dumping and Non-Subsidizing Factors

48. In response to the above allegations, OCTAL, a party opposed to the complaint, submitted that the complainant had failed to provide evidence regarding two factors that have a bearing on the causal link between imports of the subject goods and the state of the domestic industry. These two other factors are higher material costs in North America and the complainant’s declining export sales.⁴² The Tribunal has considered these factors in its determination.

49. Regarding declining export sales, the Tribunal’s analysis focuses on sales for the domestic market. A decline or increase in exports does not necessarily affect the Tribunal’s decision on whether there is a reasonable indication that the dumping and subsidizing of the subject goods has caused injury.⁴³

39. Exhibit PI-2017-002-02.01, Vol. 1 at 97-98.

40. *Ibid.* at 107.

41. Exhibit PI-2017-002-03.01 (protected), Vol. 2 at 102; Exhibit PI-2017-002-02.01, Vol. 1 at 111.

42. Exhibit PI-2017-002-06.01, Vol. 3 at paras. 6-13 and 14-19.

43. The Tribunal could, for example, examine in the course of its final injury inquiry whether financial allocations were properly made between export and domestic sales and thus whether the financial impact of the subject goods to domestic production for domestic consumption is accurately presented.

50. With respect to material costs, the Tribunal notes that they may in fact have had an impact on the financial performance of the domestic industry and, as such, are worthy of further probing and analysis in a final injury inquiry.

51. For the purposes of this preliminary injury inquiry, the evidence, including that concerning the impact of these two other factors, is sufficient to disclose a reasonable indication that the dumping and subsidizing of the subject goods have caused injury in and of themselves.

52. As there is a reasonable indication that the dumping and subsidizing of the subject goods have caused injury, the Tribunal will exercise judicial economy and not consider whether there is a reasonable indication that the dumping and subsidizing of the subject goods are threatening to cause injury.

CONCLUSION

53. On the basis of the foregoing analysis, the Tribunal determines that the evidence discloses a reasonable indication that the dumping and subsidizing of the subject goods has caused injury to the domestic industry.

Jean Bédard
Jean Bédard
Presiding Member

Daniel Petit
Daniel Petit
Member

Rose Ritcey
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Member