

**Hollow Gold Jewellery
from Italy:
Termination Report**

TR800/D/00/6

13 July 2001

To: Hon Paul Swain
Minister of Commerce

Proceedings

1. On 12 June 2001 the Manager, Trade Remedies Group, acting under delegated authority from the Chief Executive of the Ministry of Economic Development, formally initiated an investigation into the alleged dumping of hollow 9-carat gold jewellery from Italy. The goods are chains, necklaces, bracelets, bangles and earrings.
2. Application for an investigation was made by Marc Bendall Ltd (Bendall) and supported in writing by two of the three other companies that make up the industry. The companies supporting the application were Aztec Gold Ltd (Aztec) and Capro Three Ltd (Capro).
3. It was estimated from figures provided by the industry at the time of the initiation of the investigation, that Bendall made up [text deleted due to confidentiality] percent of the industry, Aztec [text deleted due to confidentiality] percent and Capro [text deleted due to confidentiality] percent.
4. An investigation cannot be initiated unless section 10(3) of the Act is met. Section 10(3) provides that:
 - (3) An investigation shall not be initiated unless the Secretary is satisfied that the collective output of those New Zealand producers who have, in writing, expressed support for the application constitutes --
 - (a) Twenty-five percent or more of the total New Zealand production of like goods produced for domestic consumption (assessed during the most recent representative period, being not less than 6 months); and
 - (b) More than 50 percent of the total production of like goods produced for domestic consumption (as so assessed) by those New Zealand producers who have, in writing, expressed support for or opposition to the application.
5. The withdrawal of support by Aztec and Capro means that the level of support to initiate an investigation is no longer met. Therefore it is considered that the grounds for termination in section 11(1) of the Act are made out.

Termination

6. Section 11(1) of the Act provides as follows:
 - (1) Where the Minister, at any time before making a final determination under section 13 of this Act, is satisfied in respect of some or all of the goods under investigation, that --
 - (e) New Zealand producers who previously expressed support for the application for the investigation have withdrawn that support in writing to such an extent that, by reason of section 10(3) of this Act, the investigation could not have been initiated, --
the Minister shall --
 - (f) Terminate the investigation with respect to those goods; and
 - (g) Give notice of such termination.

7. Support for the application for the investigation has been withdrawn in writing by both Aztec and Capro.

Conclusion

8. The withdrawal of support for the application in writing by Aztec and Capro meet the criteria for the termination of the investigation under section 11(1)(e) of the Act, and you are therefore required to terminate the investigation.

Recommendation

9. If you are satisfied that those producers who previously expressed support for the application for the investigation have withdrawn that support in writing to such an extent that, by reason of section 10(3) of this Act, the investigation could not have been initiated, it is recommended that, pursuant to section 11(1) of the Act, you terminate the investigation and sign the attached *Gazette* notice notifying the termination of the investigation.

Gazette signed by Hon. Paul Swain
Minister of Commerce
22 July 2001