



Minister for Industry
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Hon Lily D'Ambrosio MP

The Secretary
Senate Economics Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Ms Tony Matulick

Submission to the Senate Economics Legislation Committee Inquiry into the *Customs Amendment (Anti-Dumping Measures) Bill (No.1) 2015* and the *Customs Tariff (Anti-Dumping) Amendment Bill 2015*

I am writing in relation to the Senate Economics Legislation Committee Inquiry into the *Customs Amendment (Anti-Dumping Measures) Bill (No.1) 2015* and the *Customs Tariff (Anti-Dumping) Amendment Bill 2015*.

The Victorian Government is committed to creating and sustaining Victorian jobs. Our *Plan for Jobs and Growth* recognises the importance of creating a competitive business environment, attracting investment, supporting regional economies and buying locally.

I embrace the benefits that genuine competition can deliver to consumers. However, predatory dumping practices put Victorian jobs at risk. A robust anti-dumping regime is critical to ensuring that Victorian producers are competing with the rest of the world on a level playing field, preventing overseas producers from engaging in predatory pricing by exporting goods to Australia at prices below their 'normal' value in order to damage Victorian industries.

The Victorian Government will review anti-predatory legislation in other jurisdictions and take these findings to COAG. I will continue to consult with Victorian businesses on these issues, listening closely to their concerns about how to improve the current anti-dumping framework. It is crucial that the Abbott Government acts on anti-dumping to protect Victorian businesses and Victorian jobs.

A level playing field with international competitors is a fundamental pre-requisite for the ongoing viability and growth of domestic manufacturing. This was noted in the Review into Anti-Dumping Arrangements conducted in 2012 by John Brumby.

Investigations undertaken by the Australian Anti-Dumping Commission have substantiated the existence of dumping practices that have had a material impact on key manufacturing sectors in Victoria and nationally. In 2014, the Commission found that 103 Italian exporters were dumping tinned tomatoes in Australia at the expense of Victorian producers such as SPC Ardmona.

Australian Paper and steel maker Arrium are two other Victorian companies that have made complaints to the Anti-Dumping Commission that they are being unfairly disadvantaged by overseas competitors using predatory pricing to undercut them.

The Victorian Government therefore supports continuation of a strong, effective and efficient anti-dumping regime that is fully and consistently enforced.

Given the evolving nature of the economy and the global trading environment, the Victorian Government believes it is important that Australia's anti-dumping regime be reviewed within two years to ensure it is effective and efficient; and is providing a level of protection against dumping that is consistent with that of other leading economies such as the USA, Canada and the European Union. For example:

- rather than the discretionary imposition of duties where dumping is found to exist, the USA and Canada impose duties automatically
- Canada and the European Union impose a public interest test for dumping cases
- the USA and the European Union apply differential treatment of non-market economies and economies in transition respectively.

The Victorian Government considers that it is important that Australia's anti-dumping regime is accessible and affordable to businesses of all sizes. In this regard, the proposed introduction of fees for appeals to the Anti-Dumping Review Panel requires careful consideration. It is important to ensure that the level of fees does not create a barrier to businesses seeking a review of decisions by the Anti-Dumping Commission. The impact of the introduction of fees for appeals to the Review Panel should also be considered as part of a review of the operation of the anti-dumping regime.

The Victorian Government also believes it is important to have a formal mechanism for obtaining the views of key stakeholders on issues relating to dumping practices and their redress. Therefore, the Victorian Government supports retention of the International Trade Remedies Forum or the establishment of an equivalent body with appropriate representation from business and trade unions. The Forum is a vehicle for stakeholders to provide feedback and advice and to government on the operation of Australia's anti-dumping regime; implementation of reforms to the regime; and opportunities to further improve the regime's effectiveness and efficiency.

Yours sincerely

Hon Lily D'Ambrosio MP
Minister for Industry

Date 15/4/2015