

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry and Science Portfolio
2015-16 Budget Estimates
3-4 June 2015

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY AND SCIENCE

TOPIC: Investigation statistics

REFERENCE: Question on Notice (Hansard, 4 June 2015, page 71)

QUESTION No.: BI-59

Senator XENOPHON: I have three questions to put on notice and I figure it may be helpful to put them on notice now. Could the department or the commission please outline firstly, the number of preliminary affirmative determinations of PADs published within 60 days from the date of initiation of an investigation, and the average number of days taken to publish PADs. Secondly, the number of times that the commissioner has accepted data from interested parties without conducting on-site verification of the data received, regardless of the nature of an investigation or inquiry—that is, a dumping investigation, review inquiry or a duty assessment. Thirdly, the average number of days taken for exporters to fully respond with a verifiable response to the commission's exporters questionnaire, and the number of responses to the commission's exporter questionnaire that exceeded the statutory compliance period of 37 days. Finally, the gross amount of duties collected and the net amount of duties collected following subsequent duty assessments. That is it. Thank you very much. I am sorry that we had a clash there, Minister.

Senator Ronaldson: Senator, can we just go back a step. There is no reason why you cannot continue asking Mr Sexton about what is involved in the case you were raising. All I was saying was that he had said that he was uncomfortable about that particular question. There is no reason why you should not pursue this. I know your passionate interest. There is no reason why you should not pursue it, as long as the officer can say, 'I am uncomfortable about that part because it is ongoing'.

ANSWER

Australia's Anti-Dumping legislation allows for a Preliminary Affirmative Determination (PAD) to be made at any time during an investigation. However a PAD cannot be made earlier than day 60 after the initiation of an investigation.

In order to make a PAD, the Commissioner must be satisfied that there appears to be sufficient grounds that dumping and/or subsidisation has occurred and that this is causing injury to the Australian industry producing like goods. This involves using preliminary data to calculate preliminary dumping and/or subsidy margins. As at 30 April 2015 financial YTD, PADs were made during the course of 7 investigations. None were made at day 60. The average number of days from the initiation of these 7 investigations to the public notification of a PAD was 228 days.

The Commission takes a risk management approach to exporter verification activities. It is not possible for the Commission to undertake on-site verification exercises in relation to all cooperative exporters in all types of investigations, reviews and other inquiries. After carefully assessing the risks, the Commission makes decisions about how many countries and which exporters should be subject to on-site verification or other types of verification.

The Commission will generally aim to visit the largest exporters of the product under investigation from a particular country to ensure the majority of goods exported at allegedly dumped/subsidised

prices are covered by its on-site verifications. Where the number of exporters is large such that full on-site verification coverage is impractical, a sampling exercise may be undertaken. Typically, the Commission will have sufficient resources to cover up to three exporters for a country, or less per country if the investigation involves multiple countries.

The Commission may also use means other than on-site verification to gain satisfaction as to the reliability and completeness of the exporter data. The Commission has, for example, conducted verification by web based facilities to interrogate financial information. The Commission can also:

- check export prices against data contained in the Customs and Border Protection’s import database;
- compare cost and price data among exporters (including exporters subject of on-site verification exercises);
- compare cost and price data with other independent variables, such as comparing exporters’ purchase prices for raw materials with published data.

The Commission does not keep comparison data on the number of on-site verifications verses other types of verification.

The Commission does not collectively track, or formally report on, the number of days across all investigations for the completion of exporter questionnaires due to the high volume and practicality. However, on a case by case basis each individual case manager monitors questionnaire deadlines and focuses on encouraging compliance with the 37 day deadline for submissions. Where extensions are requested, senior management reviews and approves requests on a case by case basis.

Interim dumping and countervailing duty collected for financial year 2014-15 to 30 April 2015, is \$26,389,093. The net amount of final dumping duties collected during the financial year 2014-15 to 30 April 2015 is \$24,477,494. This figure takes into account refunds paid.

Duty or refund type	...	2014-15 to 30 April 2015
Interim dumping duty (IDD)	...	\$17,619,418
Interim countervailing duty (ICD)	...	\$8,769,675
Refunds IDD and ICD	...	-\$1,911,599
Net		\$24,477,494