

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

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY AND SCIENCE

TOPIC: Steel Imports

REFERENCE: Written Question – Senator Carr

QUESTION No: BI-75

In relation to the Anti-Dumping Commission:

1. Has there been an increase in the volume of steel imports in the last 6 months? If so, what is the nature of that increase?
2. Has there been an increase in the number of inquiries to the Anti-Dumping Commission relating to steel dumping?
3. What measures are being taken to ensure that any increase in applications to the Commission can be dealt with in a timely manner?
4. Does the Commission have any estimates of the extent of circumvention of existing duties? What is being done to tackle circumvention?

ANSWER

1. According to published Australian Bureau of Statistics (ABS) data, Australian imports of iron and steel were worth around A\$2.29 billion in the six months from November 2014 to April 2015 – some 1 per cent lower than in the preceding six months (May 2014 to October 2014) and 11 per cent higher on a year-on-year basis (November 2013 to April 2014).
2. See the answer to Question BI-60.
3. The Commission is currently piloting a number of resourcing strategies to assist in managing the ongoing high workload. Both of these strategies provide scalable resourcing and additional capacity. The department has also committed additional staffing resources to the Commission for the next two years.
4. The extent of circumvention of existing anti-dumping duties is difficult to accurately estimate, given these activities by their nature are not easily identifiable.

In June 2013, a new anti-circumvention framework to address circumvention activities by foreign exporters and importers in order to avoid anti-dumping duties was established, and subsequently amended in January 2014. In February 2015, the outcome of Australia's first anti-circumvention inquiry was implemented. This inquiry found that aluminium extrusions exported by a particular Chinese exporter to certain importers were sold at a loss in the Australian market (in order to avoid the intended effect of duty). As a result, the anti-dumping duties applying to aluminium extrusions sourced from this Chinese exporter increased from 10.1% to 57.6%.

In April 2015, a key Government reform, a new regulation to address the slight modification of goods was introduced. In response to three applications from Australian steel producers, the Anti-Dumping Commission is currently conducting investigations into allegations that foreign exporters across four countries are slightly modifying goods (i.e. hollow structural section and zinc coated galvanised steel) in order to avoid anti-dumping duties.