

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2017 - 2018 Budget Estimates
31 May – 1 June 2017

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Applications for anti circumvention inquiries for the practice of transhipment

REFERENCE: Questions on Notice (Hansard, 31 May 2017, page 93)

QUESTION No.: BI-215

Senator XENOPHON: Can you tell me what the commission is doing about transhipment?

Mr Seymour: Yes. We have what we refer to as our anticircumvention powers to investigate allegations of transhipment and any other form of circumvention that takes place. The transhipment is one of a number of tests that we would look to to satisfy ourselves that those products have indeed come through that form.

Senator XENOPHON: So there is a way to measure it and test it?

Mr Seymour: Yes. We would undertake an anticircumvention inquiry and we would test to see whether those allegations are real or not.

Senator XENOPHON: How many applications for anticircumvention inquiries have you received for this practice of transhipment?

Mr Seymour: I might have to come back to you on the detail. There has been, surprisingly, a relatively small number of—

Senator XENOPHON: Why do you say 'surprising'—because you think there is more transhipment going on?

Mr Seymour: When the legislation was amended we went to great pains to communicate to our stakeholders that this was a new and powerful aspect to the legislation. We have had six or so cases to date. I will come back with the detail on that. I thought there might be more.

ANSWER

The Anti-Dumping Commission has completed six anti-circumvention inquiries. No applications have to date been received regarding transhipment (prescribed in the anti-circumvention framework as export of goods through one or more countries).

Circumvention activities take various forms and exploit different aspects of the anti-dumping and countervailing system. The outcome of these activities is that the relevant goods do not attract the intended dumping or countervailing duty. In addition to export of goods through one or more third countries (transhipment), circumvention activities include: slight modification of goods; assembly of parts in Australia; assembly of parts in a third country; arrangements between exporters; avoidance of the intended effect of duty; and any additional circumstances prescribed by regulation.