

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
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DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: A4 copy paper

REFERENCE: Question on Notice (Hansard, 20 October 2016, page 97-98)

QUESTION No.: SI-21

Senator KIM CARR: Can I go to the issue of paper? I understand that you have had a preliminary affirmative determination with regard to paper. You released a preliminary affirmative determination in September, confirming that the A4 copy paper exported to Australia from Brazil, China and Thailand during the investigation period was at dumped prices. Can you give an update on that investigation?

Mr Seymour: The investigation continues as a preliminary affirmative determination that I made under the act, which requires securities be taken against certain exporters from certain countries. It is a complex and large investigation in relation to four countries—Brazil, China, Indonesia and Thailand. There are allegations of a market situation—the very point you were raising. Countervailing subsidies exist in relation to two of the countries, being China and Indonesia. There are 11 exporters and nine importers, and the governments of China and Indonesia are both very actively involved in the investigation. We have received almost 50 submissions. This is going to be one of those large and complex investigations. We have also received large quantities of information and data on trade flows from independent sources to assist with assessing the complex market situation claims in relation both to China and to Indonesia. On that last point, I would just add that investigations that relate to market situations are by their nature very sensitive with governments of those countries. So, obviously, we are very careful to take a very fact-based evidence-led approach to how we analyse and determine outcomes.

Senator KIM CARR: Fair enough. Your preliminary affirmative determination covers the dumping. Why did it exclude countervailing measures?

Mr Seymour: Because I do not have enough information in front of me at the moment to make a judgement that securities ought to be taken under the act. I need sufficient evidence.

Senator KIM CARR: You are saying that there is not sufficient evidence at this point—

Mr Seymour: At this point in time, and so the investigation continues.

Senator KIM CARR: It took you 171 days from the initiation of the investigation to the publication date. Why so long?

Mr Seymour: As I just explained, it is a very large and very complex investigation—

Senator KIM CARR: Because of the regions—

Mr Seymour: There are multiple players on all sides. I am not prepared to make a preliminary affirmative determination, where legally I am able to take securities on imports of certain goods, unless I have sufficient information to do so.

Senator KIM CARR: Right, now—

Mr Seymour: So I give everyone the benefit of the doubt in making sure that I get to that threshold.

Senator KIM CARR: Okay. But in the case of Brazil, China and Indonesia, the United States recently found that they had been dumping copy paper. The governments of China and Indonesia, they found, had been subsidising the industry in the same cases. Is that correct?

Mr Seymour: I do not actually have a brief in front of me that explains all the other investigations by the jurisdictions globally on copy paper, but I am aware that there are a number of measures in place.

Senator KIM CARR: All right. Will you take that on notice, then?

Mr Seymour: I will.

ANSWER

Yes— the United States Department of Commerce did find that uncoated paper exported from China and Indonesia had been subsidised.

The United States Department of Commerce case into uncoated paper differs in a number of respects to the Anti-Dumping Commission's (Commission) investigation into A4 copy paper. Firstly, the goods investigated by the United States are slightly different to the goods the Commission is currently investigating. Secondly, the case covered a different investigation period of 1 January 2014 to 31 December 2014— whereas the Commission investigation period relates to 2015. Making comparisons between different investigation outcomes in different jurisdictions is difficult due to different legislative frameworks operating in each jurisdiction.