

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2016-17 Supplementary Budget Estimates
20 October 2016

DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Tindo Solar

REFERENCE: Question on Notice (Hansard, 20 October 2016, page 102)

QUESTION No.: SI-22

Senator XENOPHON: I am asking about dumping, I am asking about Tindo Solar, and I am asking about the issue of material injury. The commissioner has helpfully said that in this case they have found that dumping has taken place, in breach of WTO rules, but because there is not material injury, no action is going to be taken. The investigation was terminated. Mr Seymour, you are saying it is because you cannot establish harm to the business. Is that correct?

Mr Seymour: I need to be satisfied that there is a causal link, and I was not satisfied that a causal link existed.

Senator XENOPHON: Have you been able to establish how much below cost the panels from China are being brought into the country?

Mr Seymour: This is a very substantive matter, in terms of both my first termination report and my second termination report. I can step you through the detail but it will be a complex matter.

Senator XENOPHON: Perhaps you could give some of this to us on notice, because it is important but I am also concerned about time constraints. But I just want to understand this: what is the order of magnitude of the below cost—roughly; I am not going to hold you to it—that we are talking about?

ANSWER

If goods exported to Australia are found to be dumped, the magnitude of the dumping is known as the “dumping margin”. The dumping margin is the difference between the price of the exported goods and the “normal value” of those goods.

The normal value of goods exported to Australia is usually the price for comparable goods sold in the ordinary course of trade in the exporter's domestic market. Normal values may also be “constructed” using the cost of production of the exported goods plus amounts for the selling, general and administrative expenses and profit as if those goods had been sold on the exporter's domestic market instead of being exported. In the case of photovoltaic (PV) panels exported to Australia from China this constructed method was used to establish normal values for all exporters.

The dumping margins found were as follows:

Exporter / Manufacturer	Dumping Margin
Changzhou Trina Solar Energy Co. Ltd; and Trina Solar (Changzhou) Science and Technology Co. Ltd	19.9%
ET Solar Energy Limited; ET Solar Industry Limited; and ET Energy Co., Ltd	19.8%
Wuxi Suntech Power Co., Ltd	38.8%
ReneSola Jiangsu Limited and ReneSola Zhejiang Limited	16.1%
All other exporters (Weighted average)	21.1%