

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: Anti-Dumping Commission

REFERENCE: Written Question – Senator Carr

QUESTION No.: SI-56

1. Please provide a copy of the Anti-Dumping Commission's original report, the Analysis of Steel and Aluminium Markets Report to the Commissioner of the Anti-Dumping Commission, which was provided to the Government on 4 April 2016. Please include a copy of the letter from the Commissioner to the Minister, which was attached to the report.
2. Has the Anti-Dumping Commission provided Government with any recommendations on improvements to the anti-dumping system within the last 12 months? If so, please outline the nature of these recommendations.
3. Please provide a breakdown outlining any differences between the Analysis of Steel and Aluminium Markets Report to the Commissioner of the Anti-Dumping Commission, which was handed to Government on 4 April 2016 and the updated report dated August 2016, which is published on the Commission's website.
4. How would anti-dumping investigations differ if a country being investigated was not considered a 'market economy' for anti-dumping purposes?
5. Please provide an update on the last meeting of the International Trade Remedies Forum (ITFR), including the outcomes of the meeting, what actions have been taken since the previous meeting, the formation and workplans of any subcommittees, and the date of the next meeting.
6. Has the International Trade Remedies Forum (ITRF) and/or any of its subcommittees been asked to provide advice on China's market economy status? If so, please provide an update on the nature of the advice being sought and the timeframes for advice being provided. If not, will this issue be on the agenda for the next meeting of the ITRF?
7. Consideration report number 341 (dated 29 March 2016) on the Anti-Dumping Commission's website includes a table (page 23) summarising the estimated dumping margins in relation to A4 copy paper exported to Australia. Please outline whether the Anti-Dumping Commission's estimated dumping margins are noted in column 3 of the table and at what stage of the investigation these margins were assessed.
8. In relation to the application from Australian Paper regarding dumped A4 copy paper from China, Thailand, Indonesia and Brazil is there a difference between the dumping margins found at the start of the investigation, compared to your most recent assessment? If so, please provide a detailed breakdown of the factors by country and mill that have resulted in changes from your original estimates.

ANSWER

Response to question 1

- The Anti-Dumping Commission's *Analysis of Steel and Aluminium Markets* report was provided to the then Minister for Industry, Innovation and Science, the Hon Christopher Pyne MP on 4 April 2016, along with a covering letter from the Commissioner of the Anti-Dumping Commission (Commissioner) outlining the report's key findings.
- The report and cover letter are attached.

Response to question 2

- The Commissioner has made a number of recommendations to the Government regarding the operation of the Anti-Dumping System. These recommendations were made in relation to the Commissioner's report into the *Analysis of Steel and Aluminium Markets* from April 2016 and the updated version of this report provided to Government in August 2016. The updated report has been published and the cover letter is attached.

Response to question 3

- The updated *Analysis of Steel and Aluminium Markets* report published on the Anti-Dumping Commission's website takes into account recent developments relevant to the Steel and Aluminium markets, including:
 - the most recent indicators of current conditions in steel and aluminium markets
 - outcomes from the OECD's High Level Symposium on steel held in late April 2016
 - relevant information on recent investigations and inquiries involving steel and aluminium products by the Commission and by trade remedies agencies in other jurisdictions.
- The updated (August) version of the *Analysis of Steel and Aluminium Markets* report did not include recommendations to the Government on the operation of the Anti-Dumping System as they were provided in the Commissioner's covering letter which accompanied the report.

Response to question 4

- The normal value of goods exported from that country would be calculated differently. For non-market economies, normal value is constructed in accordance with subsection 269TAC(4) of the *Customs Act 1901*. For economies in transition, normal value is determined in accordance with subsection 269TAC(5D) and (5F) having regard to all relevant information, and may be determined in one of the manners that applies to non-market economies.

Response to question 5

- Minutes from the 9 September 2016 meeting of the International Trade Remedies Forum (Forum) are available on the Commission's website.
- The Forum met again on 12 December 2016. Minutes from this meeting will be made available once the Forum endorses them at its next meeting.
- At the September meeting of the Forum, the Commissioner proposed the establishment of three sub-committees on the following themes:
 - subsidies
 - compliance and anti-circumvention
 - access for small-medium enterprises (SMEs) to the anti-dumping system.
- Since that meeting, the memberships and terms of reference of these three sub-committee have been finalised.
- Each sub-committee has met at least three times since their establishment in November 2016. The sub-committees have identified priority areas for reform.

Response to question 6

- Neither the Forum nor any of its sub-committee have been asked to provide advice on China's market economy status.
- This issue was not on the agenda for the 12 December 2016 Forum meeting.

Response to question 7

- These dumping margins were assessed prior to initiation of the investigation during what is termed the "consideration stage", where the Commission screens the Australian industry's application for anti-dumping measures and decides whether an investigation is warranted. During this time the only evidence available to the Commission is the information contained in the Australian industry's application and data from the Department of Immigration and Border Protection's (DIBP's) import database. The estimated dumping margins in column 3 of the relevant table are based on a comparison of export price information from the DIBP database and applicant's estimates of normal values.

Response to question 8

- A comparison of the range of dumping margins found at each stage of the investigation and the evidence on which each was based is shown in the following table.

Investigation stage	Initiation	1st Preliminary Affirmative Determination	2nd Preliminary Affirmative Determination
Date	12 April 2016	29 September 2016	4 November 2016
Brazil	18.9% to 47.0%	5.7% to 24.4%	2.9% to 31.9%
China	20.3% to 50.1%	4.0% to 17.8%	-0.9% to 40.0%
Indonesia	63.7% to 72.7%	-20.0% to 18.8%	4.4% to 86.6%
Thailand	15.6% to 15.4%	18.4% to 23.1%	13.4% to 23.7%
Evidence relied upon	Applicant's estimate and DIBP database	Information submitted by importers and exporters and verified by the Commission	