

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Additional Budget Estimates Hearing 2013-14
27 February 2013

AGENCY/DEPARTMENT: Anti-Dumping Commission

TOPIC: Increase in Anti-Dumping Applications

REFERENCE: Question on Notice, 27 February 201, page 28)

QUESTION No.: AI-10

Senator KIM CARR: Do you think there is any evidence that an increase in the number of complaints reflects an increase in the prevalence of dumping?

Mr Seymour: That is a very good question. It is probably a question I could take on notice only in the sense that what I would like to do is go back and do a bit more research on those market behaviours to answer it.

Senator KIM CARR: Give us an indication of the evidence that supports the view that you take. Clearly, there is a view within industry that dumping has become more prevalent, particularly since the global economic crisis.

ANSWER

The table below outlines the number of dumping/countervailing investigations undertaken by the Anti-Dumping Commission and the measures imposed over the current and three previous financial years. This data indicates that there is not a direct correlation between an increase in the number of investigations and an increase in dumping (in terms of the measures applied).

	2013-14 YTD	2012-13	2011-12	2010-11
Dumping/subsidy investigations	26	15	25	11
Measures imposed	12	12	2	4
% of investigations resulting in measures	46%	80%	8%	36%

NB: The statutory time limit of up to 155 days for these activities means that not all investigations initiated in a particular financial year will be finalised in the same financial year.

Historically, the number of anti-dumping applications increases during and subsequent to periods of economic decline. This reflects the international and domestic competitive pressures on Australian industries. During periods of economic growth Australian industries are less likely to lodge anti-dumping applications, regardless of whether or not dumping has occurred, as identified by the Productivity Commission in its review of Australia's anti-dumping system¹.

¹ This review was completed in December 2009.

Evidence obtained during anti-dumping investigations, and supported by a recent administrative review of anti-dumping arrangements², indicates that several economic factors, have contributed to the increased number of anti-dumping applications, including:

- Increased attractiveness of the Australian market to foreign exporters, (i.e. due to the appreciation of the Australian dollar); and
- Increased competitive pressures placed on Australian markets and industries, especially given the recent downturn in the Australian manufacturing sector.

While these economic factors can cause injury to Australian industries, they do not relate to dumping. Anti-dumping measures cannot be applied to address these factors.

In addition, other non-economic factors may also be contributing to the increased number of applications, including an enhanced profile of the Commission, and improved accessibility of the anti-dumping system, including to new and broader stakeholder groups (i.e. downstream users).

² This review was completed in December 2012 by the Hon John Brumby.