



Australian Government

Australian Government response to the
House of Representatives Standing Committee on Agriculture
and Industry report:

Circumvention: closing the loopholes

MARCH 2016

**GOVERNMENT RESPONSE TO THE 2015 HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON AGRICULTURE AND INDUSTRY REPORT ON ITS
INQUIRY INTO AUSTRALIA'S ANTI-CIRCUMVENTION FRAMEWORK IN
RELATION TO ANTI-DUMPING MEASURES:
CIRCUMVENTION: CLOSING THE LOOPHOLES**

The Government welcomes the report on Australia's anti-circumvention framework in relation to the anti-dumping and countervailing system by the House of Representatives Standing Committee on Agriculture and Industry (the Committee), tabled on 1 June 2015. The Government thanks the Committee for its careful deliberations and notes the Committee's conclusion that, in relation to the circumvention of measures:

Overall the Committee is of the opinion that most of what can be done at the moment has been done and that it is prudent to observe the effects of the latest rulings before further steps are contemplated. (Forward, pvii)

The Government notes the recommendations of the Committee, including that:

- the Minister should preference a combination of duties as the default position in anti-dumping cases, unless a single duty is more suitable (Recommendation 1)
- the Anti-Dumping Commissioner provide biannual briefing to the Committee on proposed legislative or regulatory changes, progress on anti-circumvention cases, and changes to Anti-Dumping Commission (the Commission) processes for the remainder of the 44th Parliament (Recommendation 2); and
- the Commission and the Department of Industry, Innovation and Science fully examine all investigative processes, with a view to meeting the prescribed timeframes for anti-dumping and anti-circumvention investigations, and report back to the Committee (Recommendation 3).

The Government has demonstrated its commitment to improving the effectiveness and efficiency of Australia's anti-dumping system through its 2014 reforms package, passed by the Parliament on 13 May 2015. These reforms place a greater onus on cooperation with investigations, impose more stringent deadlines for submissions, reduce unnecessary red tape, provide greater information and support for small and medium enterprises, and improve the anti-dumping merits review process.

Having considered the Committee's report and submissions provided by stakeholders, the Government's response to each of the recommendations is outlined below.

Recommendation 1 – Noted.

It is the Anti-Dumping Commission's current practice to apply the most appropriate form of duty in accordance with the circumstances of each case. Should a legislative change be made in order to set a combination of duty as the default position, it would only be good practice to apply such a duty in the appropriate case circumstances.

The Government agrees with the Committee's finding that the issue of establishing and imposing the most appropriate form of duty is highly complex. In response, the Government

will consult with stakeholders to clarify existing practice in regards to the application of various forms of duty and increase transparency. Consultation will include the International Trade Remedies Forum.

Recommendation 2 - Agreed in principle.

The Government acknowledges the complexity of the anti-dumping system, its impact on stakeholders and the need for greater transparency through reporting. The Government considers that the most efficient and effective means of achieving greater transparency is for the Commission to improve upon its existing public website and departmental Annual Reporting.

The Commission will, where possible, expand its reporting metrics to better address those areas of interest identified by the Committee, including proposed legislative or regulatory changes; changes to and improvements to the processes of the Commission; and details of anti-circumvention case load, progress and outcomes.

Recommendation 3 - Agreed in principle.

The Government acknowledges the Committee's concerns on the timeliness of anti-dumping investigations. A recent review of the Commission's processes has identified potential administrative and operational efficiencies. The Commission is working towards implementing process improvements to better meet changing demands and stakeholder expectations. Progress towards these outcomes will be included in the existing public website and departmental Annual Reporting.