

**Economics Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Industry, Innovation and Science Portfolio  
2015-16 Additional Budget Estimates  
11 February 2016

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**DEPARTMENT:** DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

**TOPIC:** Feger and La Doria

**REFERENCE:** Question on Notice (Hansard, 11 February 2016, page 122-123)

**QUESTION No.:** AI-27

Senator XENOPHON: Going back to the issue of circumvention, my understanding was that the interim dumping duties were payable by importers, in the event dumping is confirmed on Feger and La Doria, since 11 September 2015. My understanding is that those prices have basically stayed down because the basis for those interim duties was to prevent further injury to SPC. Has there been an investigation commenced in respect of circumvention in respect of Feger and La Doria?

Mr Seymour : Not at the moment, because those rates that you refer to back in 2015 were securities taken by the Australian Border Force on behalf the government. With this decision, we have now essentially set the new rates for both exporters, and this decision, as of yesterday, converts those to interim dumping duties, and it is on that basis that they would be applied.

Senator XENOPHON: From a technical point of view though, does that mean that, from the time that the securities were imposed on 11 September 2015, you cannot consider issues of circumvention from that date? You can only consider them from the time that duties were formally imposed?

Mr Seymour : That is good question actually, and it is quite a novel question—

Senator XENOPHON: It is not a trick question, because I do not know what the answer is. If you could take that on notice.

Mr Seymour : I will take that on notice and make the following observation: this is a reactive system; it necessarily has to be a reactive system. The challenge to the model—

Senator XENOPHON: I am wondering whether the reaction can start from the date—

Mr Seymour : is when you can kick-start the reactive nature of the system.

Senator XENOPHON: Yes, but let us not talk about reactors though—

CHAIR: You will get a reaction.

Senator XENOPHON: Yes; that is right. My broad understanding is it may well have been that circumvention may apply. If the policy intent is to prevent further injury to SPC during the course of the investigation and there were securities imposed, or interim dumping duties—

Mr Seymour : Securities.

Senator XENOPHON: securities rather, sorry—then I wonder whether there is a capacity

there to consider issues of circumvention back from the date of those securities? If you could take that on notice—

Mr Seymour : In converting them to interim dumping duties, that applies to the date of the original decision. So any anticircumvention activity by us on request by the applicant, which I guess would be SPC Ardmona, would apply back to that date in any case.

Senator XENOPHON: If you could take that on notice.

## **ANSWER**

Once anti-dumping or countervailing measures are in place, Australian industry can make an application for a circumvention inquiry on the basis that those measures are being circumvented.

The earliest possible date of effect of any alteration to a dumping or countervailing duty notice following an anti-circumvention inquiry is the date the anti-circumvention inquiry was initiated.