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Trade Measures Branch  
5 Constitution Avenue  
Australian Customs Service  
Canberra ACT 2600

[australiansystem@customs.gov.au](mailto:australiansystem@customs.gov.au)

Dear Sir/Madam

A3P welcomes the opportunity to make the following comments as a submission to the Joint Study of the Administration of Australia's Anti-Dumping System.

A3P is the national representative body for the Australian plantation products and paper industry. A3P's 31 Member Companies have sales revenues of \$5.14 billion per annum and directly employ 13,500 people predominately in rural and regional Australia in centres such as Mt Gambier, Morwell, Tumut, Albury, Oberon and Gympie. The Australian plantation products and paper industry harvests 16 million cubic metres of logs each year which are converted into a wide range of products including 3 million cubic metres of softwood sawn timber and 3.2 million tonnes of paper.

Wood and paper products are internationally traded commodities and Australian wood and paper products manufacturers face significant competition from low cost producers around the globe. Globalisation is increasing this competition. Rapid expansion in paper manufacturing capacity particularly in Asia in recent years has substantially increased competitive pressures on Australian manufacturers and increased concerns about the potential for dumping of product in the Australian market.

Australian paper manufacturers have been involved in anti-dumping actions for some years and see the continued availability of a strong

anti-dumping and countervailing measures regime and maintenance of safeguard provisions as vital to the future of the Australian industry. A4 copy paper and greyback cartonboard are two products which have been the subject of dumping investigations in recent times. The plantation timber industry has not been actively involved in anti-dumping activities to date but has recently had reason to make some preliminary investigations regarding the requirements and operation of the anti-dumping system.

The concerns expressed by A3P members in relation to this review relate primarily to access to the anti-dumping system rather than to the conduct of investigations or the outcomes reached.

It is accepted that simple, unsubstantiated assertions should not provide sufficient grounds for initiation of an anti-dumping investigation. However, the task of providing a basis for a claim is a significant and costly exercise. This is particularly the case when dealing with relatively small enterprises, where there are a significant number of players in an industry and/or where there are a large number of like but not identical products in the market place.

For example the Australian sawntimber industry recently sought information on the pricing of softwood sawntimber in a number of countries. Information was obtained on the basis of tariff classifications. For some countries statistics were only available at a relatively high level (six digit tariff classification). However, even where data was available on a ten digit code basis this could not distinguish between different sizes of materials (sawntimber) which may have significantly different values in the market place. In such instances industry needs to be able to work with Customs to identify a more appropriate basis for determination of like goods.

In relation to the information requirements and standards imposed by Customs in considering anti-dumping applications, A3P members have expressed concern about the willingness of Customs to accept company accounting procedures and standards. More specifically Customs did not accept procedures for the allocation of expenses as accurately reflecting actual costs of production even though these procedures were widely used and endorsed by internal and external audit.

A3P members have also expressed significant concern about the failure of the Customs Dumping Liaison function to adequately address the needs of industry. The advice provided by Customs to industry has varied, apparently purely as a result of the staff involved rather than any substantive change to the nature of the case

concerned. In some cases the Customs staff have been difficult, unnecessarily formal and rigid in their dealings with industry which has meant that relatively simple issues and questions have not been addressed in a timely manner. The negative nature of certain dealings between industry and Customs make companies reluctant to bring forward specific examples of the failings of the administration of the anti-dumping system.

A3P would like to recommend that the Dumping Liaison Unit should operate on a "case management team" basis providing consistent advice and continuing support to the industry throughout the process. A liaison team with specific communication skills who could spend time understanding the client and assisting industry would be invaluable and a large step forward.

Any questions in relation to this submissions should be directed to Mr Richard Stanton, Manager – Policy (02 6273 8111 or richard.stanton@a3p.asn.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'NF 4'.

Neil Fisher  
*Chief Executive Officer*