

Allan Fels' and Fred Brenchley's article in the AFR – "*A Club Worth Dumping*" (Tuesday 4 April 2006) – takes the conspiracy theory to such levels of unreality that I thought it imperative to put on the record the actual facts of the situation.

Firstly, the recent inquiry the Government has announced on the administration of the anti-dumping system is a public review in every sense where the Government has sought, through widespread advertisements, input from all interested parties. The review is being undertaken jointly by Customs, Department of Industry, Tourism and Resources and DFAT. Anyone who knows the administrative profile of these agencies would never describe their position as supporting some shadowy "anti-dumping club". Take a look at last year's debate on China and Market Economy Status and its impact on our anti-dumping system if you want a clear example of the absolute absence of any sort of "club" operating in Canberra. On that issue, manufacturers had to fight the fiercest of battles to ensure our anti-dumping system wasn't substantially undermined.

Secondly, to confuse the "basic right of consumers to cheap goods, or of process industries to low-cost inputs", with the practice of predatory priced dumping is to ignore the commercial realities behind the intention of "dumpers". In the long-run, dumping practice is the complete antithesis of "consumers rights" because companies who dump will ultimately either go out of business because of the unsustainable pricing practice or else capture a market to control prices. All of this is to the detriment, not the benefit, of consumers. Further, the WTO has long recognised the need to defend local manufacturing industry against such predatory practices and Australia's system is consistent with the WTO anti-dumping agreement. To this extent Australia is no different to other countries who are part of WTO. Indeed, it should be recognised that China for example since they joined the WTO in 2000 has, by a considerable margin, initiated more anti-dumping cases than Australia.

Finally, to suggest that an issues paper is "buried on Customs' website" where the paper is directly and clearly related to the review at hand, or that products being investigated for dumping are "so boring the media rarely pays attention", denies the fact of almost universal ready access to websites as a preferred source of information and the regular analysis, certainly given in this paper, to matters relating to imports and anti-dumping activities.

If the authors believe there is some "club" in operation, they should take the time to talk to the legion of companies who are shutting down parts or all of their operations in Australia because of the impact of dumping. Many of these find the anti-dumping system so difficult they can't even access the process to fight their case. If there is a "club" operating, manufacturers certainly don't know about it!

There is a very real need to review the anti-dumping system to ensure that it will deliver outcomes in an "efficient transparent and equitable manner" and all parties have the same opportunity to put their case.

Yours sincerely
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