

21 April 2017

The Director
Operations 5
Anti-Dumping Commission
Level 4, SAP House
224 Bunda Street
CANBERRA ACT 2600

Email: operations5@adcommission.gov.au

Public File

Dear Sir/Madam

Investigation No. 391 – Accelerated Review – Tongliao Jiaojian Aluminium Co., Ltd of P R China

I refer to the application for an accelerated review involving exports by Tongliao Jiaojian Aluminium Co., Ltd (“Jiaojian”) of the People’s Republic of China (“China”).

Jiaojian is a new exporter (having not exported during the original investigation period in Inquiry No. 148) seeking a determination of variable factors for its own exports so that it is not subject to the country-wide rate for dumping and countervailing duties. Jiaojian has requested that ascertained variable factors be based upon its own domestic sales, costs and other relevant financial information.

Normal values for Chinese aluminium extrusions exporters are based upon a constructed cost methodology. On the basis that the exporter’s production and selling costs have been validated, a benchmark aluminium price is substituted into the exporter’s cost of production.

Capral draws to the attention of the Anti-Dumping Commission (“the Commission”) that in the first four months of 2017 the LME monthly cash price and MJP has risen considerably (by 12.15 per cent in USD since Dec 16) and it is important that any determination on variable factors applicable to Jiaojian reflects the higher LME and MJP cash price for aluminium.

Additionally, Capral reminds the Commission that purchased aluminium must reflect the sum of:

- Aluminium at prevailing London Metal Exchange (“LME”) cash rate; plus
- Billet premiums; plus
- Major Japanese Port (“MJP”) premium that is applicable to all aluminium purchases in South East Asia, including Chinese manufacturers.

The aluminium purchase price for Jiaojian should, as a minimum reflect the sum of these costs.

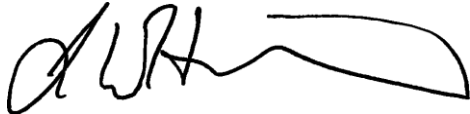
In addition, Capral would draw to the attention of the Commission the experiences from Investigations 248 and 362 that confirm the higher costs incurred by manufacturers for export packaging that includes: steel trolleys, wooden crates and inter leave paper.

The Commission is requested to ensure that Jiaojian’s normal value is adjusted accordingly for the additional packing costs for exported goods.

Capral further requests that the Commission recommend to the Parliamentary Secretary that the form of measures to be applied to Jiaojian be based upon the combination method, consistent with all other exporters of aluminium extrusions exported to Australia from China.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 8222 0113 or Capral's representative Mr John O'Connor on (07) 3342 1921.

Yours sincerely

A handwritten signature in black ink, appearing to read 'LHAWKINS', with a long horizontal flourish extending to the right.

Luke Hawkins
General Manager – Supply and Industrial Solutions