



Australian Paper

a member of the Nippon Paper Group

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12 November 2013

The Director, Operations 2
Anti-Dumping Commission
5th Floor, Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Re: Dumping investigation ADC 225 - Copy paper exported from China

We refer to the submission 005 dated 18 October 2013 made by Michael Perroux of Ecocern Pty. Ltd.

That submission presents distorted, incorrect and defamatory statements about our company, Paper Australia Pty Ltd trading as Australian Paper. We cannot, therefore allow these statements to remain on the public record without formal rebuttal.

We have added our comments in **BOLD ITALICS** to the text of Michael Perroux' email (in blue) below.

Sent: Friday, 18 October 2013 6:01 PM

To: Anti-Dumping Commission Operations 2 **Subject:** ANTI DUMPING NOTICE

Dear Scott,

When considering the anti-dumping submission be Australian Paper that is Nippon Daishou the following should be considered

- ***For the record, Australian Paper is, since June 2009, owned by Nippon Paper Industries Co. Ltd., (NPI) listed on the Tokyo stock exchange (not Nippon Daishou).***
1. This organization almost has a total monopoly in Australia in the area of fine paper and stationery in that it has taken almost every importer, manufacturer and wholesaler over in an effort to force it's products on the market.
 - ***While Australian Paper is the only manufacturer of fine paper in Australia, its annual fine paper sales in Australia make up only 159,000 tonnes in an Australian market of 645,000 tonnes per annum – this is less than 25%. The remaining 75%+ is all imported, often at price levels below those in the exporter's own country.***
 - ***Australian Paper does manufacture both envelopes and some paper stationery products, but is by no means the only Australian manufacturer. Again, as with***

fine paper, the market is dominated by imports, often from countries with much lower wages and poorer working conditions than Australia.

- *Neither Australian Paper nor NPI owns any paper distributors or wholesalers in Australia. Before June 2010, when Australian Paper was owned by PaperlinX, that company owned two paper merchants, but, even then, there were numerous other paper distributors such as the BJ Ball Group which includes 6 separate paper merchants.*
 - *There is certainly no way that anyone can force products on the Australian market. Rather, because of its location, it has full access to the world's producers, with at most a 5% duty, and often zero, and with sea freight costs often lower than the land freight rates for Australian Paper's products in Australia.*
2. This organization does not made a real 100% post-consumer recycled copy paper but has taken over the importers of this product and stopped the importation.
- *Australian Paper does manufacture 100% recycled copy paper. This paper, 'Reflex 100% Recycled' is FSC certified and is Certified Carbon Neutral to the Federal Government's own Australian National Carbon Offset Standard based on full life cycle assessment. It also uses 100% post-consumer deinked pulp in its manufacture. This complies with the definition of post-consumer waste in AS/NZS ISO 14021.*
 - *There is no mill broke (other than mill broke of the 100% recycled paper itself) used in the production of 100% recycled paper by Australian Paper.*
 - *There is no new wood pulp used in the production of 100% recycled paper by Australian Paper.*
 - *Neither Australian Paper nor NPI has taken over any importers of recycled paper. Australian Paper imports a very small volume of recycled paper of a type which, because of very low demand, it would be uneconomic to produce in Australia*
 - *It is certainly not possible to stop importation of any paper and there are a number of imported 100% recycled products available from various paper merchants, some of which make claims to being 'post-consumer'.*
3. This organization sells some stationery products below the cost of local manufacture.
- *Australian Paper remains committed to the manufacture of high quality Stationery products at their facility in Preston, which employs 255 people.*
 - *The Australian market for Stationery, like Copy Paper, is dominated by imports often from countries with much lower wages and poorer working conditions than Australia.*
 - *In order to compete with cheap imports, Australian Paper has focused on a range of significant cost saving measures, in order to make the sales of these Stationery products a profitable business for Australian Paper and ensure the sustainability of these Australian jobs.*
4. This organization is subject to a local boycott due to its policy of using old growth wood chip, some illegally logged World Heritage Forest and its shocking reputation in relation to sustainability.
- *Australian Paper does not use old growth or illegally logged wood in its products.*
 - *All wood is sourced from plantation owners or forests managed by Government agencies. Australian Paper does not purchase any wood from outside Victoria.*
 - *Of the wood used by Australian Paper:*

- **64% is plantation**
 - **31% is re-growth wood directly sourced from certified, sustainably managed natural forests supplied through the Victorian State Government.**
 - **5% is re-growth sawmill waste sourced from independent sawmills which source their wood through the Victorian Government**
 - **97% of our wood was sourced from Forest Managers certified to the Australian Forestry Standard (AFS) which is globally endorsed by the PEFC, and/or the FSC**
 - **A copy of our 2011 sustainability report can be found on Australian Paper's website at:**
 - **www.australianpaper.com.au/media/3591906/aust4192-sustainability-report-2011-web.pdf**
 - **Release of the 2012 Sustainability report is imminent**
5. This organization does not consider it necessary not to pollute and dumps chemical waste into our ocean.
- **Water is recycled in Australian Paper's main Maryvale Mill approximately 6 times before being released back to the Latrobe River.**
 - **In fact neither of Australian Paper's Mills discharge any effluent directly into the ocean.**
 - **Water is only discharged by Australian Paper after being treated to the highest standards, either through our own treatment facilities at Maryvale and Shoalhaven mills or via the 'Gippsland Water Factory' treatment facility followed by the 'Dutson Downs' treatment facility both operated by Gippsland Water.**
 - **All discharges are licensed by the State EPA and subjected to intensive monitoring.**
 - **Australian Paper is also the largest industrial producer of renewable energy in Victoria and does this as 24 x 7 base load energy, unlike most renewable energy producers other than hydro.**
6. The importation of real 100% post-consumer recycled paper manufactured in for example, paper mills in Europe, with a closed loop whitening system with an absolutely minimal carbon foot print should be applauded as such a sustainable product is not made in Australia nor will it be with the current monopoly system of manufacture here. All made from recovered paper with no mill broke or wood chip content.
- **Our practices in manufacture of 100% recycled paper are equal to those in European mills, and do not have the carbon burden of a long ocean voyage.**
 - **Australian Paper is in the process of building its own \$90 million recovered paper recycling plant to allow it to greatly expand its production of recycled fine papers. We hope that the Australian market responds by increasing its use of recycled papers.**
 - **There is no mill broke (other than mill broke of the 100% recycled paper itself) used in the production of 100% recycled paper by Australian Paper.**
 - **There is no new wood pulp used in the production of 100% recycled paper by Australian Paper.**
7. Recently the president on Nippon paper was forced to resign as he took the blame for lying about paper being recycled when it wasn't.
- **In January 2008, before it purchased Australian Paper, Nippon Paper Group reported to the relevant Japanese Authorities that three of its group companies had wrongly overstated recycled content in some of their products. Nippon**

issued a formal public apology at that time and these issues were fully rectified more than 5 years ago.

- **This issue has no connection to Australian Paper whatsoever.**
- **Australian Paper's 100% recycled copy paper is FSC certified and its recycled content is audited as a part of the FSC system.**

I think that all illegally logged wood chip products should be seized upon importation inclusive of Nippon Paper Daihou products (Australian Paper). (Not Australian at all).

- **Australian Paper is an Australian company and has operated its manufacturing facilities in Australia since 1939 directly employing over 1,300 Australian workers, and supporting, directly and indirectly almost 6,000 full time Australian jobs to manufacture fine and packaging paper in Australia from Australian raw materials, adding to Australia's GDP and assisting Australia's trade balance.**
- **Australian Paper does not, and has not used illegally logged wood.**
- **100% of the wood procured by Australian Paper is from legally harvested, Victorian sources.**

Our submission is for the Public Record in its entirety.

Yours Sincerely

Garry Jones

Planning & Development Manager

Australian Paper