

30 June 2014

The Director
Operations 4
Anti-Dumping Commission
5 Constitution Avenue
Canberra ACT 2601
AUSTRALIA

Dear Director

Review 248 : Countervailable Subsidies and Market Situation Non-Confidential Public Records

This submission is made on behalf of Independent Extrusions Pty Ltd (INEX), a member of the Australian aluminium extrusion industry and is in relation to Review 248. This submission fully supports the two Capral Submissions pertaining to “countervailable subsidies” and “market situation”.

INEX operates aluminium extrusion plants in New Zealand (Hamilton) and Australia (Loganlea, Qld and Dandenong, Vic). We directly employ over 250 people and have associated companies employing over 1,000 people.

Since October 2010 the volume of extrusions imported from China and entering Australia appears to have reduced to about 37,000 Mt annually. However the total Australian market has also retracted. It is also relevant that we have experienced a vast increase of imported extrusions from other South East Asia counties and question their original “country of origin”.

Some Chinese extruders have withdrawn from supplying the Australian market and some have increased their pricing since October 2010, due to duty and countervailing charges, however many have not. These Chinese extrusion companies that have not increased their prices are setting the market price at which aluminium extrusion is sold in Australia.

It is difficult to comprehend that the highest cost producer of aluminium in the world can export extrusions to Australia and sell them at prices F.I.S. Australia of less than A\$1.00/kg over the LME price, plus international metal premiums.

It is clear that with the continuation of imports from China to Australia the extrusion market has been grossly influenced by the supply of extrusions ex-China. This influence covers a number of factors for Australasian extruders, the greatest being the market price.

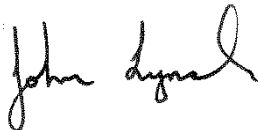
- Material is being imported and sold on the Australian market at prices that don't give INEX an opportunity to compete and achieve a satisfactory financial return on investment.

- The constant downward pressure on prices has led to an inability to compete in higher volume sectors of the market and thus restricting us from growing in market share.
- The necessity to reduce margins in order to compete with imports has impacted negatively on our profitability and as a consequence may limit our future capital expenditure programme.
- The availability of low priced imports has led to market prices being suppressed below CPI increases and the consequential erosion of margins year on year.

INEX welcomes this review 248 into dumping, countervailing and subsidisation of certain aluminium extrusions exports from the Peoples Republic of China into Australia.

If you require any further information, or if you require any clarification, please contact me.

Yours sincerely



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