

12 February 2018

The Director
Investigations 3
Anti-Dumping Commission
Level 35
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Melbourne Victoria 3000

Email: investigations3@adcommission.gov.au

Public File Version

Dear Sir/Madam

Investigation No. 442 - Aluminium extrusions exported from P R China and Thailand – Re submission on behalf of Alpha Energy Pty Ltd

I refer to the submission on behalf of Alpha Energy Pty Ltd (“Alpha”) of 27 November 2017 (Ref: EPR Document No. 13), an importer of aluminium extrusions from one of the two Chinese exporters not presently the subject of anti-dumping measures (i.e. Guangdong Jiangsheng Aluminium Co., Ltd (“Jiangsheng”) and Guangdong Zhongya Aluminium Co., Ltd (“Zhongya”).

Alpha has raised certain issues that it considers to be relevant to the Anti-Dumping Commission’s (“the Commission”) investigation No. 442. Specifically, these matters include:

- The importation of goods that Alpha contends are “sets” that it further alleges are not goods covered by Capral’s application; and
- Goods imported have not caused material injury to the Australian industry.

In respect of the first matter, Capral recognises that complete ‘kits’ of goods are not included within the goods description that covers goods the subject of measures. Where the imported goods are *bona fide* kits (i.e. complete, not requiring any further addition of materials), these goods are not included within the goods description. However, where components are imported and described as “kits” when in fact these goods are an incomplete kit, the goods are included within the goods description.

Alpha contends that the imported goods (presumably, Alpha’s imports) are ‘negligible to the overall industry’ and, in Alpha’s opinion, would not be ‘commercially viable’ for a local manufacturer to produce. The limited information detailed in the public version of EPR Document 13 does not provide an indication of the volumes of the goods in question, nor does it permit the reviewer to comment on whether in fact it is/is not commercially viable to manufacture the goods in question.

Capral, therefore, cannot reliably comment upon Alpha’s assertions.

Alpha further contends that Capral has quoted for the goods in question. Capral has not been able to identify in its recent records a quotation for the supply of aluminium extrusions to Alpha. Capral requests that it be furnished with the quotation for the supply of goods so that it can comment on the viability of the stated offer.

It is noted that Alpha has stated that Capral's offer was at "*a price which would appear to be less than the imported goods are actually being sold to the importer*". Capral is concerned by this statement. The Commission is aware that since the end of 2016, LME prices aluminium have increased considerably and that a price quotation prior to the price increases would undoubtedly be below recently traded prices for imported aluminium extrusions.

Alpha's statement, therefore, must be considered in the context of quoted LME aluminium prices at the time.

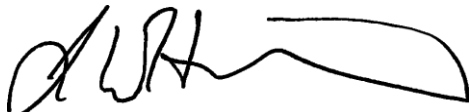
Capral rejects Alpha's contention that the injury sustained by the Australian industry may be due to Capral's own pricing policies. Capral refers the Commission to its application (the subject of Investigation No. 442) that sufficiently demonstrates that it has been [injury] in the 2016/17 investigation period by the dumped exports from China (by Jiangsheng and Zhongya) and by exports from Thailand. Alpha's claim that the material injury to Capral (and the Australian industry) is therefore not sustainable.

Capral highlights with the Commission the statement made by Alpha that the '*aluminium extrusion rail is not sold on the local Chinese market*'. In the event this statement is accurate, the Commission will construct normal values for the aluminium extrusion rail model for comparison with the goods exported to Australia. Only after this exercise has been undertaken can an assessment of dumping be confirmed.

In closing, Capral reiterates that only 'kits' that are complete (and not individual components described as a 'kit') are considered to be goods not covered by the application. Capral rejects Alpha's claims that injury experienced by the Australian industry is from Capral's own pricing – Capral's application for measures counters this suggestion. Finally, Capral draws to the attention of the Commission Alpha's statement that aluminium extrusion rail is allegedly not sold on the Chinese domestic market – a matter for the Commission to validate during its exporter verification visits.

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



Luke Hawkins
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