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CUSTOM WHEELS &
MOTORCYCLE PRODUCTS
the individual way

Public file version

15 May 2012

Ms. Joanne Reid
Director, Operations 2
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Dear Ms. Reid,

Reference : Dragway Engineering response to SEF No. 181

Dragway welcomes the Anti Dumping investigation and the Preliminary determination although we do not agree with the percentage of effect on Australian manufacturers. Since the investigation commenced and as a direct result of low cost ARWs from China, Dragway has been forced to lay off another two long-term employees who have been with us for 15 years and 18 years respectively. In doing so we have lost a further twenty percent of our workforce and their skillset. This is significant for Dragway as a regional SME.

It is unfortunate that Customs did not visit the Dragway factory. Customs would have seen the not insignificant investment in plant and equipment that is idled. Dragway has taken on non-ARW work in a bid to keep the doors open but this alternate work does not provide full-time employment or utilization of capacity.

Dragway considers that the loss of small, medium and large manufacturing businesses in Australia, arising from dumped exports from China, is not confined solely to the automotive sector and these losses are evident in the number of For Sale and For Lease signs in industrial and commercial areas across the country.

Dragway would like to see sufficient measures on ARWs from China to restore the Australian industry, in effect bringing us back to a level playing field. It would increase our demand for aluminium and related supplies from other Australian companies and safeguard our future in manufacturing in Australia as well as the job prospects for future generations.

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Victoria: Main Rd, Kingslake West Vic. 3757

Queensland: 5/20 Booran Dve. Logan City Qld. 4114

Tel: (03) 5788 5470

Tel: (07) 3808 3605



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We are still unable to fathom how the Chinese manufacturers can export finished ARWs to Australia at prices that are below the cost to cast and heat-treat the raw blanks.

Dragway also submits that ARWs from China may not comply with Australian Standard AS1638 for wheels. In our experience many wouldn't meet that Australian Standard despite being marked with a "JWL" logo (representing alternate Japanese Standards). Dragway has its own wheel testing facilities and has been requested on several occasions by importers to test imported ARWs. Many of these imported wheels have failed- not even passing one of the tests stipulated by AS1638.

We frequently hear of incidents where members of the public have taken wheels with cracking, split spokes and air leaks back to the Australian importer only to be told that the wheel is discontinued in China and nothing can be done.

Whilst not directly related to this Anti Dumping investigation, surely there should be a requirement where all types and sizes of imported wheels are verified to AS1638 instead of relying solely on the marking on wheels to safeguard the public ?

We have included our previous correspondence so you have our file complete and also photos of wheels that have failed.

Yours sincerely,

Ian Splatt
Managing Director