

17 August 2018

Ms Leisa Baynham  
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**Public File**

Dear Ms Baynham

**Investigation No. 482 – Review of measures inquiry – aluminium extrusions exported from P R China**

I. Background

I refer to Australian Dumping Notice (ADN) No 2018/111 announcing the commencement of a review of anti-dumping measures applicable to all exporters of aluminium extrusions from China, except for exports by Guangdong Jiangsheng Aluminium Co., Ltd (“Jiangsheng”) and Guangdong Zhongya Aluminium Company Limited (“Zhongya”).

The review also includes a review of countervailing measures applicable to all exporters in China (except for exports by Jiangsheng).

Capral Limited (“Capral”) was the applicant company that requested the original measures. Capral is the largest manufacturer of aluminium extrusions in Australia, and is therefore an interested party to this review of measures.

Capral provides this submission to confirm its participation in this review of measures investigation.

II. Investigation period

The investigation period in this review inquiry is 1 July 2017 to 30 June 2018. Capral is aware that primary aluminium prices as reflected in London Metals Exchange (LME) published prices have increased by between [number range] per cent following the review investigation period covered by Review inquiry 392 (where the investigation period was 1 January 2016 to 31 December 2016).

Current anti-dumping measures applicable to Chinese exporters are therefore well below current pricing levels for aluminium extrusions and applicable interim dumping duties are inadequate.

III. Capral financial data

Attached for your consideration is Capral’s updated financial data completed for the investigation period in Investigation 482 (i.e. up until 30 June 2018).

Capral has completed Confidential Appendices A3 (Turnover), A5 (Other production), A6.1 (Domestic Sales), A6.2 (export sales) and A7 (Injury – other factors).

If you have any questions concerning the attached updated financial data (Confidential Attachment 1), please do not hesitate to contact me.

IV. Relevant considerations for verification

In the most recent review investigation involving exports of goods from China (i.e. Review No. 392), the Assistant Minister accepted that primary aluminium costs in China were distorted by the government and this had a significant impact on the selling price for aluminium extrusions sold in China. It was reaffirmed and accepted by the Assistant Minister that a 'particular market situation' applied in China in respect of aluminium extrusions (i.e. the goods") sold domestically.

Capral submits that a particular market situation for the goods has continued during the investigation period of Investigation No. 482 (i.e. 1 July 2017 to 30 June 2018) and that it is necessary to surrogate a benchmark primary aluminium price in the Chinese exporter's cost records.

Capral refers the Anti-Dumping Commission ("the Commission") to the following methodology for an appropriate replacement cost for purchased aluminium (as per Investigation No. 362) that must reflect the sum of:

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

The Chinese exporter's aluminium cost in their respective constructed normal value must, as a minimum, reflect the sum of these costs.

V. Model matching

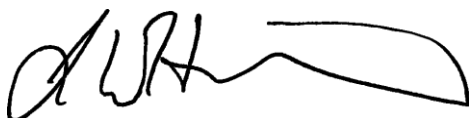
Aluminium extrusions are manufactured and sold in the following finished: mill finish, painted, powder coated and anodised. The Commission has previously, for model matching purposes, compared production cost for each type of finish, and exported goods by finish, when determining normal values and applicable dumping margins.

Capral notes that in Investigation 447 the Commission undertook model matching of aluminium extrusions exported by United Aluminium Industries Limited ("UAI") on the basis of finish type and alloy type, including taking into account temper grade and micron level. For model matching purposes, full account of alloy type, temper grade and micron level are correctly considered.

Capral will provide the Commission with a further submission on its preferred methodology for model matching purposes.

Capral looks forward to assisting the Commission with its inquiries in this review of measures investigation involving exports of the goods from China. If you have any questions concerning the attached updated financial data, please let me know. I can be contacted on (02) 8222 0113 or you may contact Capral's representative Mr John O'Connor on (07) 3342 1921.

Yours sincerely



Luke Hawkins  
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