

29 January 2021

Mr Gavin Crooks  
Assistant Director  
Investigations 3  
Anti-Dumping Commission  
Level 35  
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### Public File

Dear Mr Crooks

#### **Investigations No. 540 and 541 – Submissions by Press Metal Berhad concerning Statement of Essential Facts**

##### I. Introduction

I refer to Press Metal Berhad's ("PMB") submissions recently placed on the Electronic Public Record ("EPR"), namely

- Submission concerning the "Scope of Review";
- Submission addressing determination of Non-Injurious Price; and
- Submission addressing material injury and causation.

The three submissions were received by the Anti-Dumping Commission ("the Commission") on 22 January 2021.

Capral Limited ("Capral") draws to the attention of the Commission that submissions in response to the Statement of Essential Facts 540 and 541 ("SEF's 540 & 541") closed on 4 January 2021. Any concerns that PMB may have had with the SEFs 540 and 541 should have been brought to the attention of the Commission by the scheduled closing date for submissions – not at this late stage of the investigation.

Capral anticipates that the Commission will have limited time to undertake a full and complete analysis and response to the matters raised by PMB at this late stage of the inquiries.

Capral has sought to address the matters raised in each of the submissions hereunder.

##### II. Scope of Review

Capral notes that the representations made on behalf of PMB essentially relate to the position of the "exporter" post the 19 November 2019 change in ownership of the manufacturing assets of the previous entity responsible for the production of aluminium extrusions in Malaysia.

Capral does not disagree with the assertion that exports by PMB Aluminium Sdn Bhd ("PMBA") post 19 November 2019 are the subject of the "all other exporter" rate of interim dumping duty ("IDD").

Capral further notes that PMBA will be making an application for an accelerated review seeking individual treatment of variable factors for the new exporter.

### III. Non-injurious price

The PMB submission on non-injurious price (“NIP”) seeks to criticise the Commission about the “required assessment” as to the determination of the NIP and that the recommended NIP is (in PMB’s view) incorrect.

PMB’s recommendations on an appropriate NIP are three-fold. Firstly, the non-injurious price has been considered by the Commission taking into consideration its preferred methodology (refer Section 10.4 of SEFs 540 and 541). As indicated, the Commission “*first seeks to establish a price at which the Australian industry might reasonable sell its product in a market unaffected by dumping.*” The Commission explained that as per Invest 362, the NIP can be determined by reference to the un-dumped export price from Malaysia.

Secondly, the assertion that “*no non-injurious prices are required*” as the investigation should be terminated is incorrect as the SEFs 540 and 541 have confirmed that the Australian industry has been adversely impacted by the dumping by the Malaysian exporters. The PMB representations then go on to reference a market price unaffected by dumping “less costs and expenses after exportation”. This is in fact what the Commission has recommended the NIP should be for each of the Malaysian exporters – that is, a undumped price for each exporter for supply into the Australian market.

Finally, the suggestion that the NIP be set at zero for the uncooperative exporters would result in a likely increase in exports at dumped prices by the uncooperative exporters – particularly if the LME price were to increase. This recommendation is considered farcical and without regard to the injurious impact of the dumping that has occurred by the Malaysian exporters.

### IV. Material injury and causation

PMB’s submission on material injury and causation – at this particularly late stage of the investigation – details definitions of dumping and injury that is material, raises questions of what was considered and what was not considered by the Commission, queries whether Capral’s economic performance is representative of the industry, and more.

Capral does not consider that this PMB submission can be readily considered by the Commission. Many of the matters raised are items that are particularly relevant at the commencement of an investigation (including representation of Australian industry members).

Capral does not propose to address each and every discussion point identified in the PMB submission. However, Capral would highlight that the assertion at B-6 of PMB’s submission is incorrect as in previous investigations G James and Independent Extrusions Pty Ltd (“INEX”) has assisted the Commission’s inquiries and provided the Commission with financial information for the purposes of industry assessment (refer Section 4.4 of Report 362). PMB’s claims about the Commission’s apparent absence of information of other industry members is therefore incorrect.

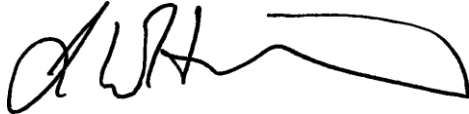
Capral disputes PMB’s unfounded statements that Capral’s reduction in profits from 2016 to 2019 was due to reduced sales volumes that was caused by the contraction in the construction industry. On the contrary, the import volumes from Malaysia increased in 2018 and further again in 2019 to be almost 40 per cent above the levels of 2017. This growth in imports had a material impact on the Australian industry as the dumped exports from Malaysia undercut the Australian industry’s selling prices by between 3 per cent and 27 per cent.

PMB’s assertions concerning the incidence of material injury sustained by the Australian industry are not based upon facts but rather mere assertions and assumptions. A very strong and clear causal link between the dumped exports from Malaysia and the injury sustained by the Australian industry is evident, supporting the Commission’s preliminary findings and recommendations for the imposition of interim dumping duties.

For these reasons, Capral requests the Commission to dismiss the assertions and broad generalisations of PMB as they are not based upon actual data and information from the investigation period that can be readily validated.

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

A handwritten signature in black ink, appearing to read 'LHAWKINS', with a long horizontal flourish extending to the right.

Luke Hawkins  
General Manager – Supply and Industrial Solutions