

19 June 2020

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Anti-Dumping Commission
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Dear Mr Crooks

Investigations No. 544 - Review of variable factors - Aluminium Extrusions exported from Malaysia and Vietnam - Exporter Questionnaire Responses

I. Background

The following exporters have provided Exporter Questionnaire Responses (“EQRs”) as part of review of variable factors inquiry No. 544 involving aluminium extrusions exported from Malaysia and Vietnam:

- Alumac Industries Sdn Bhd (“Alumac”);
- East Asia Aluminium Company Limited (“EAA”);
- Premium Aluminium (M) Sdn Bhd (“Premium Aluminium”).

Capral Limited (“Capral”) has examined the EQRs placed on the EPR and provides the following comments in respect of each of the responses.

II. Alumac

Alumac sells aluminium extrusions on both the domestic market in Malaysia and export markets. The company does not have an export agent, does not utilise price lists, bases prices on monthly average LME and sells on export market in US dollars. Alumac is not vertically integrated and does not remelt aluminium ingot/scrap.

Alumac exports mill finish, powder coated and anodised grades to Australia. Alumac sells the export grades also on the domestic market, hence the Anti-Dumping Commission (“the Commission”) can compare sales made in the ordinary course of trade with the export sales to Australia.

Alumac indicates that its packing for domestic and export sales involves plastic wrapping and wooden crates. Goods destined for export are fumigated. The export crates are recycled on domestic sales.

III. East Asia Aluminium

EAA maintains price lists for sales on the domestic market in Vietnam – a price list for distributors and a price list for retailers. Most domestic sales are made ex-factory, however, EAA can use its own fleet to deliver goods to the customer’s premises.

EAA confirms that finish determines the level of pricing for the subject goods. Prices are normally lower for distributors than retailers or end-users.

Discounts are paid to distributors with which contracts are held.

EAA states that it “does not keep separate records of packing cost for export sales and domestic sales”. EAA claims that it does not use trolleys, stillages or otherwise for its export sales to Australia. Capral is aware (as confirmed by the Commission in earlier investigations including Invest 362, 392, and 482) that exporters do use wooden crates and stillages for goods exported to Australia.

The Commission may consider applying relevant costs for the provision of these services to EAA’s normal value based upon costs incurred by other exporters.

Capral notes at Part E-5 to EAA’s EQR that it has made a request for an adjustment for a “new mould” on its domestic market sales, which it has not incurred on export sales. Each sale – whether domestic or export, would have an amount built-in for the cost recovery of moulds (or dies) used in the manufacture of the extrusions. An adjustment for moulds used on domestic sales would not permit fair comparison between domestic and export sales and EAA’s claim must therefore be rejected.

IV. Premium Aluminium

Premium Aluminium did not export aluminium extrusions to Australia during the investigation period (i.e. 2019 calendar year).

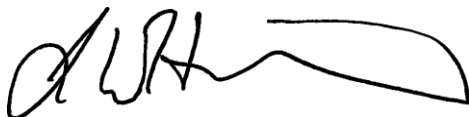
The Commission, therefore, will be required to determine export prices for Premium Aluminium in accordance with subsection 269TAB(2B) based upon either Premium Aluminium’s export prices to a third country (subsection 269TAB(2B)(b)) or based upon export prices for other exporters in Malaysia to Australia during the investigation period (subsection 269TAB(2B)(c)).

It is evident that Premium Aluminium has provided the Commission with detailed information of domestic sales of the subject goods during the investigation period. The Commission will require detailed information from other cooperative exporters in Malaysia to establish export prices for the grades that Premium Aluminium has previously exported to Australia.

As Premium Aluminium has not exported to Australia during the investigation period it has not identified whether there exist differing packing costs between domestic and export markets. Capral recommends the Commission apply adjustments to Premium Aluminium’s normal values for differing packing costs between domestic and export sales, to reflect the typical industry practice of using wooden crates and stillages (including container fumigation) for export sales to Australia.

If you have any questions concerning this submission concerning the exporter supplementary questionnaire responses, 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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