

17 November 2022

Mr Tim King
Case Manager
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Dear Mr King

Public File

Reinvestigation No. 591 - Aluminium extrusions exported from Malaysia and Vietnam

I. Executive Summary

Capral Limited ("Capral") highlights with the Commissioner that the volumes of dumped imports from Malaysia and Vietnam account for a not insignificant share of total imports of the goods into Australia during the investigation period. Capral demonstrated that the dumped exports had undercut Capral's selling prices resulting in loss of sales volumes and price suppression. The identified customers cannot be dismissed as accounting for a "small" volume of sales. These customers are representative of the broader impact of the dumping that account for approximately 17.4 per cent of total import volumes during the period.

Capral reiterates that the dumping (also at significant levels) of exports from Malaysia and Vietnam will likely cause a recurrence of material injury that the measures are intended to prevent. With well-established distribution links into the Australian market, exporters will, in the absence of measures, seek to exploit the removal of the measures and increase export volumes to Australia (at dumped prices).

Capral requests that the Commissioner reconsider the recommendation in Report 591 and substitute a recommendation that the Minister take steps to secure the continuation of measures on aluminium extrusions from Malaysia and Vietnam.

II. Import volumes

Capral's application for the continuation of anti-dumping measures on exports of aluminium extrusions from Malaysia and Vietnam detailed that the import volumes from Malaysia and Vietnam during the investigation period 1 July 2020 to 30 June 2021 were 11,459 tonnes and 4,158 tonnes respectively.

Table 1 summarizes the import volumes from Malaysia and Vietnam contrasted with other key sources of supply from 2017/18.

Table 1 – imports of aluminium extrusions 2017/18 to 2020/21 (years ending June)(metric tonnes)

Country	2017/18	2018/19	2019/20	2020/21	As % 2020/21
China	48,396,165	53,368,195	43,463,454	45,363,481	50.5%
Indonesia	3,664,215	2,999,717	9,690,700	17,060,461	19.0%
Malaysia	12,789,263	15,402,561	13,367,711	11,459,444	12.8%
Vietnam	1,325,823	2,009,231	5,334,300	4,158,385	4.6%
Other	14,709,450	11,586,445	11,289,824	11,806,544	13.1%

Total	80,884,916	85,366,149	83,145,989	89,848.315	100%
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Source: ABS Import statistics.

Table 1 confirms that imports from Malaysia and Vietnam exceed the negligible volume levels for dumped goods of 3 per cent of total import volumes respectively (subsection 269TDA(4)) and accounted for 17.4 per cent of total imports into Australia during the period. Report 591 confirmed that all exports to Australia from Malaysia (except by Alumac Industries Sdn Bhd) and Vietnam during the investigation period were at dumped levels above negligible levels.

Capral contends that the dumped volumes from Malaysia and Vietnam during 2020/21 were of sufficient volumes to influence market selling prices (including those offered by Capral).

In response to Statement of Essential Facts No. 591 ("SEF 591") Capral provided evidence where it had lost sales volumes and/or experienced price suppression at customers who were also sourcing the goods from Malaysia and/or Vietnam. At Section 1.2 of Report 591 the Commissioner contends that the affected customers (as evidenced by Capral) accounted for "very small volumes in the context of the overall market".

Capral strongly rejects the Commissioner's viewpoint.

As indicated in Capral's 8 November 2022 submission, the customer volumes to which the price undercutting relates demonstrates that the dumped exports from Malaysia and Vietnam have caused and, will likely cause, material injury to the Australian industry through lost sales volumes and price suppression. The identified customers volumes cannot be considered to be the only customer impacted by the dumped selling prices from Malaysia and Vietnam – it is reasonable to conclude that further customer volumes would be influenced by the dumping as the import data confirms imports from Malaysia and Vietnam accounted for 17.4 per cent of total import volume in 2020/21.

In 2021/22, imports from Malaysia and Vietnam have continued – as reflected in Table 2.

Table 2 – imports of aluminium extrusions 2021/22 (year ending June)

Country	2021/22 (tonnes)
Malaysia	8,542,415
Vietnam	4,947,699

Source: ABS Import statistics.

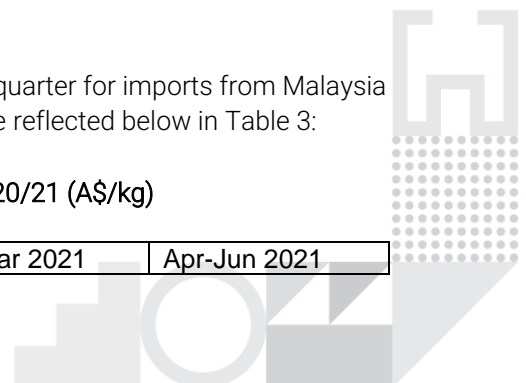
Table 2 confirms that post the investigation period in invest 591 import volumes from Malaysia and Vietnam have continued. Whereas the volumes from Malaysia have declined, imports from Vietnam have increased (aided by the dumping margins confirmed in Report 591).

III. Import prices from Malaysia and Vietnam

Capral's application confirmed (Table 5) export prices (weighted average) per quarter for imports from Malaysia and Vietnam during the 2020/21 period. The declared A\$FOB export prices are reflected below in Table 3:

Table 3 – export prices for aluminium extrusions ex Malaysia and Vietnam 2020/21 (A\$/kg)

	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021
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Malaysia	4.104	4.096	4.049	4.175
Vietnam	4.216	4.115	4.103	3.806

Source: ABS Import statistics.

Report 591 established that the exports to Australia from Malaysia (except exports by Alumac Industries Sdn Bhd) and all exports from Vietnam were at dumped prices. The export prices from Malaysia were lower than the export prices for Vietnam in three of the four quarters, however, in the April-June 2021 quarter export prices from Vietnam. The reduction in export prices from Vietnam in the April-June 2021 quarter resulted in an increase in quarterly export volumes from Vietnam in each of the successive quarters in 2021/22 – only achievable due to the dumping as confirmed in Report 591.

The Commissioner’s conclusions that the dumped exports from Malaysia and Vietnam were “not likely” to cause a recurrence of material injury is incorrect. The dumped volumes from Malaysia (dumping margins in the range 6.7% to 27.0%) and Vietnam (5.2% to 9.0%) whether individually or in aggregate are not “insignificant”, “insubstantial” or “Immaterial” and cannot be dismissed as a likely cause of material injury to the Australian industry. Additionally, the size of the dumping margins confirmed by the Commissioner support a finding that dumping will likely cause material injury to the Australian industry.

IV. Likely recurrence of material injury

Capral’s 8 November 2022 submission established that the identified importers from Malaysia and Vietnam were regular importers of the goods from the nominated countries. The importer associated with Vietnamese exports to Australia has long been involved with exports of the goods to Australia – in the current importer ownership entity and previous entities.

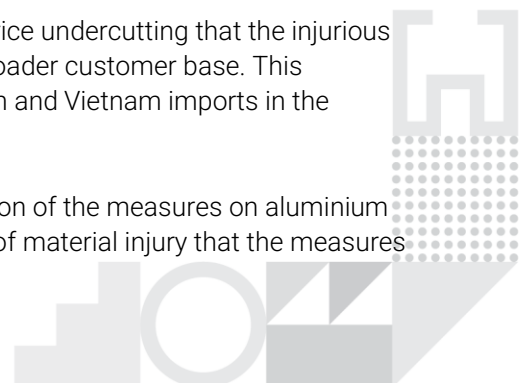
The continued import volumes from Malaysia and Vietnam confirm that exporters in both countries have maintained distribution links into the Australian market and will continue to export to Australia in the absence of the measures. The expiration of the measures will remove the constraint to export at non-dumped prices and permit the importers to increase volumes at dumped and injurious prices. The Australian industry will unequivocally experience a recurrence of dumping (as evidence in Report 591) that the dumping measures were intended to prevent.

V. Recommendation

The import volumes of dumped aluminium extrusions from Malaysia and Vietnam during the 2020/21 investigation period exceeded the negligible levels of subsection 269TDA(4). The evidence confirming price undercutting from dumped imports from Malaysia and Vietnam cannot be rejected as representing a “small” volume of sales in the Australian market as the import statistics confirm that the dumped imports extend well beyond the customer’s volumes as evidenced by Capral.

It cannot be concluded based upon customer’s sales volumes influenced by price undercutting that the injurious dumping did not have a more pervasive and demonstrable impact across a broader customer base. This viewpoint is evidenced by the percentage of import volumes held for Malaysian and Vietnam imports in the investigation period of 12.8 per cent and 4.6 per cent respectively.

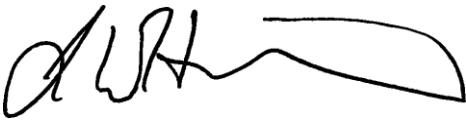
The correct and preferred decision by the Minister therefore is that the expiration of the measures on aluminium extrusions exported from Malaysia and Vietnam will likely cause a recurrence of material injury that the measures are intended to prevent.



Capral requests the Commissioner to rescind the recommendation in Report 591 and substitute a recommendation to the Minister that he take steps to secure the continuation of the measures on aluminium extrusions exported to Australia from Malaysia and Vietnam.

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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