



AUSTRALIAN
ALUMINIUM
COUNCIL LTD

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Dear Commissioner

***Re: Aluminium Extrusions Exported to Australia from the People's Republic of China
Initiation of Review of Anti-Dumping Measures No 609***

The Australian Aluminium Council (the Council) welcomes the opportunity to make a supporting statement with regard to Review of Measures Investigation No. 609.

The Australian aluminium industry has been operating in Australia since 1955, and over the decades has been a significant contributor to the Australian economy. Alongside many decades of economic contribution, the industry is globally comparatively young and well maintained. The industry includes six bauxite mines which collectively produce over 100 Mt per annum making Australia the world's largest producer of bauxite. The six alumina refineries produce around 20 Mt per annum of alumina and Australia is the world's largest exporter of alumina. There are four aluminium smelters; in addition to downstream processing including more than 20 extrusion presses and Australia is the seventh largest global producer of aluminium. Aluminium is Australia's largest manufacturing export. As such, the industry should be considered as four value-add processes which each have their own globally significant standing. Australia's aluminium industry is a key employer and contributor in the communities in which we operate. In 2021 we:

- Directly employed more than 17,000 people;
- Provided income for another 60,000 families;
- Paid more than \$1B in wages, at a rate nearly double the Australian manufacturing average;
- Spent more than \$4 B in our local communities; and
- Contributed around \$14B to the Australian economy in export revenue.

Within the regions in which the industry operates, there is not only high-quality direct employment at mines, refineries and smelters, but also the opportunities for local manufacturers to grow where the aluminium industry provides a baseline of work on which they can then build.

It is important to recognise Australia's manufacturing sector is facing intense near-term challenges securing and maintaining internationally competitive gas and electricity contracts, mounting inflationary pressures and labour shortages. For the last two years, the COVID-19 pandemic has underscored the importance of manufacturing domestically, both in terms of economic and employment contribution, supporting a productive and resilient economy, and addressing supply chain challenges. This has also demonstrated the advantages of not only the ability to value add within

an almost exclusively domestic supply chain but also the importance of local industry which provides the underpinning market for our dependent contracting and manufacturing sector. Australia's manufacturing sector provides not only current regional jobs, but also supports the smart Australian jobs of the future.

While Australia exports the majority of the primary aluminium it produces (1.4 of 1.5 Mt), around 120,000 tonnes of it is further manufactured domestically. This is an important market for billet from Australian smelters. Every tonne of **imported** aluminium extrusion material impacts on the Australian portfolio and ultimately cash margin.

The Australian extrusion market in total is estimated at around 190,000 tonnes. Australia's extruders have a nameplate capacity of 150,000 tonnes, however at the moment around 30,000 tonnes is idled. Support for the Australian aluminium manufacturing sector could see a growth in domestic production; and more jobs for Australians.

The Australian Aluminium Council therefore would support the Commissioner in recommending the Minister take steps to ensure that the anti-dumping and countervailing measures applicable to exports of aluminium extrusions from China are reviewed to compare pricing levels to ensure that dumped import prices do not cause material injury to the value-add Australian aluminium extrusion industry.

If you have any further questions about this supporting statement, please do not hesitate to contact me.

Kind regards,



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