



Verification file note Orrcon Manufacturing Pty Ltd

Continuation inquiry 689

Precision pipe and tube steel (PP&T) exported from the People's Republic of China (China) and the Republic of Korea (Korea)

Inquiry period: 1 July 2024 to 30 June 2025

Injury analysis period: from 1 July 2021

An onsite verification of Orrcon Manufacturing Pty Ltd (Orrcon) was conducted. The following information submitted by Orrcon was verified:

- response to the Australian industry Questionnaire (RAQ)
- data and information submitted in Orrcon's application for the continuation of the dumping and subsidy measures currently applying to PP&T.

	Location	Date(s)
Production site tour	29 Morrow Rd O'Sullivan Beach SA 5166	10 November 2025
Data verification	121 Evans Rd Salisbury QLD 4107	25 November 2025 to 27 November 2025

The commission is publishing this file note to communicate the commission's verification findings of the verification. The commission conducted the verification, in line with the commission's verification procedures outlined in [Anti-Dumping Notice \(ADN\) 2016/30](#)¹.

Information about the Australian market and claims regarding injury will be addressed in the statement of essential facts, currently due 9 April 2026.

Finding 1: Orrcon is an Australian industry member manufacturing like goods

The commission observed Orrcon manufacturing the goods (at its O'Sullivan Beach mill) and finds that Orrcon is an Australian industry member manufacturing like goods in the inquiry period.

Finding 2: Assessment of Orrcon's data

The commission has verified the data Orrcon submitted is complete, relevant and accurate for use in Continuation inquiry 689.

Identified exceptions were immaterial and resulted from formula errors. These exceptions were easily corrected.

¹ The commission's website at www.adcommission.gov.au.

Orrcon made a submission² to change the order of the MCC categories listed in the initiation notice³. The submission did not request that MCC categories are added or removed. The commission accepted Orrcon's proposal.

Finding 3: Orrcon's sales are arms length

The commission finds that Orrcon's PP&T prices did not appear to be influenced by the commercial or other relationship between Orrcon and its related and unrelated customers in the inquiry period.

Orrcon sold PP&T to both unrelated distributors and related distributors in the inquiry period.

The commission assessed Orrcon's price-setting mechanism and found that Orrcon's price-setting was similar regardless of the customer's relationship to Orrcon. For some related distributors, rebates were applied for specific PP&T models. The rebates were specific and applied for a limited period. The rebates caused an immaterial price difference between related and unrelated customers.

The commission also assessed and compared the on sales of PP&T from Orrcon's related distributors to unrelated customers in the Australian market.

Finding 4: Orrcon's purchase of raw materials is arms length

Orrcon buys black and zinc galvanised hot-rolled coil (HRC) and cold-rolled coil (CRC) from related party BlueScope Steel (AIS) Pty Ltd.

A small amount of zinc-aluminium coated CRC is imported by Orrcon and used in the production of PP&T.

The commission finds all purchases of steel coils are arms length.

Finding 5: Economic condition of the Australian industry

The commission finds there was a decline in the economic condition of the Australian industry over the injury analysis period. See Table 1.

Note: Orrcon's financial year is the same as the inquiry period. Accordingly, "FY" is the 1 July – 30 June period.

	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Volume (MT)	100	75	76	61
Price (AUD/MT)	100	96	80	79
CTMS (AUD/MT)	100	94	90	94
Profit (AUD/MT)	100	120	-52	-111
Profitability (%)	100	124	-65	-141

Table 1: Index - Economic condition of the Australian industry

² Electronic Public Record (EPR 689) – [document 4](#).

³ EPR 689 – [document 2](#).

Finding 6: Other injury factors

The commission finds there was a decline in other injury factors over the injury analysis period. See Table 2.

	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Revenue (AUD)	100	72	62	49
Capacity (MT)⁴	100	100	100	100
Capacity utilisation (%)	100	75	76	61
Productivity (MT per person)	100	89	88	77
Employment (# persons)	100	84	87	79
Hours worked	100	82	94	77
Wages (AUD)	100	65	75	61
Average wage (AUD per person)	100	77	87	78
Assets - P&E (AUD)	100	139	320	412
Capital investment (AUD)	100	500	1,531	1,169
ROIC (using Capex & Profit)	100	19	-3	-6
Inventory turnover ratio (based on COGS)	100	72	102	114
Stock turnover days	100	132	92	82

Table 2: Index – Other injury factors

Orrcon manufacturing did not claim injury and did not submit data for Research and Development expenses.

⁴ Orrcon's capacity from FY 21-22 declined compared with its capacity in the original investigation (REP 550).