



Mr Joe Saunders
Director, Adjudication
Australian Competition and Consumer Commission
23 Marcus Clarke Street
CANBERRA, ACT, 2601

Reference: MTAA application - AA1000479

Dear Mr Saunders

Thank you for your letter of 17 April 2020 seeking the views of Department of Industry, Science, Energy and Resources (**the Department**) on an application by Medical Technology Association of Australia Ltd (MTAA) for authorisation by the Australian Competition and Consumer Commission (ACCC) under the *Competition and Consumer Act 2010*.

The application, dated 24 March 2020, and amended on 14 April 2020, was made on behalf of the MTAA and its members, and other relevant businesses in the medical technology industry who are not MTAA members (**the Applicants**). It sought authorisation for the Applicants to make and give effect to arrangements, and to exchange information, for the purpose of facilitating the supply of, and access to, medical technology and supplies in response to the current COVID-19 pandemic.

The Department supports the interim authorisation and the substantive application for authorisation including the conditions to regularly update the ACCC on specified matters.

The COVID-19 pandemic has increased the global demand for medical equipment necessary for the treatment of COVID-19 patients, with export restrictions placing additional constraints on securing supplies of medical equipment and medical consumables. Coordination through the Applicants will ensure measures are in place to mitigate any shortages or supply chain issues relating to medical equipment and supplies in the near future. This will help address the increased demands on the health system arising from the COVID-19 pandemic.


On this basis, public benefits of a temporary coordinated effort across the sector to address these challenges outweighs the short-term risks of sharing information and coordinating supply, and will ensure ongoing and equitable access to essential medical equipment and supplies, including ICU ventilators, COVID-19 testing kits and personal protective equipment for Australians.

The Department notes that the Applicants' application for authorisation anticipates that other businesses may participate in the proposed conduct, and subsequently in the amended application the Applicants advised the ACCC of additional members. In the Department's view, the public benefits of the proposed conduct are likely to be further enhanced if the Applicants continue to collaborate with all members of the sector, including businesses who are not members and businesses who are in supply chains not normally part of the medical technology/equipment sector.

The Department sees collaboration across the medical technology/equipment and supplies sector, including both members and non-members of the MTAA, as an essential factor in mitigating

possible competitive detriments that could arise from the authorisation. Broad collaboration will ensure that the information collected and the benefits of the other proposed coordination measures during the authorisation period are shared beyond membership of the MTAA. Limiting the initial authorisation period to twelve months, as per the application by the Applicant, also substantially reduces possible competition risks.

Yours sincerely



Nick Purtell
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Coordination and Triage
Health Industry Coordination Group

May 2020