

**From:** s 22  
**To:** s 22  
**Cc:** s 22  
**Subject:** RE: Meeting Summary - NCM Industry Suppliers - RAT Supply - 28 Dec 2021 - 3:30-4:30pm and 5:00 -6:00 pm [SEC=OFFICIAL]  
**Date:** Wednesday, 29 December 2021 8:03:37 AM

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Thanks – will pass this to the PM for the discussion this morning

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**From:** Frame, Alison s 22  
**Sent:** Wednesday, 29 December 2021 7:06 AM  
**To:** s 22 @pm.gov.au>  
**Cc:** Joe Buffone s 22 s 22 Neil, John s 22 ; Flint, Matthew s 22  
**Subject:** Meeting Summary - NCM Industry Suppliers - RAT Supply - 28 Dec 2021 - 3:30-4:30pm and 5:00 -6:00 pm [SEC=OFFICIAL]

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As discussed yesterday Joe has prepared the summary below from NCM discussions yesterday.

Regards,  
Alison

***Summary from industry NCM re Rapid Antigen Testing distribution***

*DG EMA co-chaired an industry NCM yesterday from 3:30 – 4:30 pm with the Department of Health and PM&C. The NCM had approximately 25 participants representing suppliers/sponsors and distributors of TGA approved Rapid Antigen Testing (RATs) kits and the 4 major supermarkets to understand supply and distribution pressures for RATs kits and to seek insights of demand from retailers. As RATs continue to be used as a screening tool with PCR testing system under strain.*

*The NCM participants were provided with the current situation relating to 7.3m Commonwealth RAT holdings and primary purpose being for Residential Aged Care Facilities and Indigenous Communities with outbreaks. It was also stated that there are a number of policy positions being considered in relation to testing. These are being considered with the following intent:*

- 1. To ease the pressure on the PCR testing system.*
- 2. To minimise disruption to health sector and critical infrastructure*
- 3. To cater for vulnerable settings such as residential aged care services, disability services and indigenous communities.*
- 4. To speed up testing process to minimise disruption to individuals and business*

5. *To facilitate movement across domestic borders.*

*It was acknowledged that the information government was seeking may be commercial in confidence. Each representative was requested to give an indication of the supply situation and what issues Government may be able to assist with.*

*Industry advice:*

- *Risks are global demand and competition for RAT's and freight. Chinese new year likely to impact production and stock.*
- *All indicated that macro supply was not seen as a major issue if demand can be managed. Indications were between 1.5m to 4.5m per week supply lines with ongoing increases from mid-January, this would need to be validated. 1 supplier s 47G indicated 10m per week.*
- *General indication was that if demand remained stable supply would cover through to early January 2022, and supply can be increased significantly from that point.*
- *Require forward outlook on demand and a timeline to give suppliers confidence to invest in stock and that Government policy is consistent and will not be detrimental to investment in stock.*
- *Visibility/transparency of forward insight into Government policy position noting supply was not an issue, they just need forewarning*
- *Public messaging to minimise demand surge (panic buying or hoarding)*
- *Freight costs are increasing 25 to 35% as the majority of stock is transported by air. The ability for industry to collaborate and leverage freight costs.*
- *Information/ clarification on Government's macro model to increase supply and flatten demand pressures – e.g. government subsidy or direct procurement, noting industry wants minimal disruption to existing model*
- *current supply chain not to be recreated and leverage existing mechanisms and network*
- *visibility of government procurement methodology*
- *assistance getting supply through customs to ensure that there are no delays*
- *consideration of freight issues, noting air was most efficient (and sea is unviable)*
- *maintaining supply to DCs, Critical Infrastructure and health system remains critical.*
  - *ACCC to be consulted to determine how industry can collaborate to leverage off freight movements and details supply and demand data can be shared at NCMs.*
  - *Additional detail of supply data and stock holdings has been requested from suppliers and retailers, this is to be provided directly to Department of Health and treated as Commercial in Confidence.*





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[REDACTED]

*Kind Regards*

Joe Buffone PSM  
Director General  
Emergency Management Australia Group  
Department of Home Affairs

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