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Australian Government
**Department of Industry,
Science and Resources**

Ms Naomi Menon
Director, Competition Exemptions
Australian Competition and Consumer Commission
Via Exemptions@acc.gov.au

Re: Water Services Association of Australia Limited – Application for authorisation AA1000657 – interested party consultation

Dear Ms Menon

The Department of Industry, Science and Resources (the department) welcomes the opportunity to make a submission as part of the Australian Competition and Consumer Commission's public consultation process on the application for authorisation by the Water Services Association of Australia (WSAA).

The Government recognises the importance of supporting the development of Australia's industrial capability and improving the resilience of supply chains. The Government has established the \$15 billion National Reconstruction Fund to facilitate increased flows of finance into the Australian economy through targeted investment to diversify and transform Australian industry, create secure well-paid jobs, and boost sovereign capability. Through the Buy Australia Plan, the Government is working to leverage government purchasing power and improve procurement processes to help build industry capability and strengthen domestic supply chains.

Within the department, the Office of Supply Chain Resilience (OSCR) leads whole-of-government coordination to identify and manage critical vulnerabilities in Australia's supply chains. OSCR collaborates with other government agencies, industry, and international partners to build secure, transparent, and reliable supply chains. Industry is often best placed to manage supply chain risk and where appropriate, OSCR is supportive of industry-led solutions to improve the resilience of Australia's critical supply chains.

Drinking water, including the stable supply of water treatment chemicals, is critical for Australian's health and safety and OSCR has identified water treatment chemicals as a critical supply chain for Australia's national interest. Gaseous chlorine is a primary water treatment chemical used in Australia to make drinking water safe for consumption, playing an essential role in safeguarding public health.

The department is aware that there are no suitable alternatives to gaseous chlorine readily available to make drinking water safe for consumption and there are significant challenges with importation

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by individual entities. In addition, Australia currently relies on a single domestic manufacturer of gaseous chlorine, which increases the vulnerability to potential disruption.

Noting that water treatment chemicals are a critical and vulnerable supply chain, the Department is supportive of industry-led efforts to strengthen supply chain resilience and Australia's capability to manufacture water treatment chemicals.

If you require further information regarding our support for this application, please contact OSCR.

Yours sincerely,



Donna Looney

Head of Division, Sovereign Capability and Supply Chains

Department of Industry, Science and Resources

5 February 24

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