

6th April 2011

The Honorable Justice Catherine Holmes Commissioner Queensland Floods Commission of Inquiry Mr Jim O'Sullivan QC (Deputy Commissioner) Mr Phillip Cummins (Deputy Commissioner)

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Dear Commissioner

RE: Queensland Floods Commission of Inquiry

The Australia National Retailers Association (ANRA) appreciates the opportunity to make a submission to the Queensland Floods Commission of Inquiry.

ANRA represents the leading national retailers in Australia, across the full range of retail products and services. Members of ANRA include Australia's most trusted household names in supermarkets, department stores and specialty retailers. Combined ANRA members employ over 450,000 people and account for around \$100 billion in annual turnover.

ANRA members are proud of their role(s) in recent efforts to maintain supplies of food, bottled water and other essential items into many flood-affected areas across Queensland. 1 Many employees ensured that stores remained open, where practical, despite personal loss and hardship, while others opened temporary stores in place of existing stores that had been inundated by flood-water. ANRA members and their logistical contractors also employed novel methods for overcoming constraints in the transport networks, incorporating aspects of the road, rail, air and sea freight networks from as far away as Adelaide, Sydney and Darwin. This meant households in relatively isolated areas – in Mount Isa, Weipa, Cairns and Townsville, for example – did not go without basic necessities for survival.

I note that ANRA members did not pass on the significant increase in transport and logistics costs (estimated at multiple times the cost for delivery under more normal circumstances) in the form of higher prices for Queensland consumers.

ANRA's members report a largely positive experience – notably as participants in the Transport Resupply Taskforce, convened by Emergency Management Queensland – in dealing with various elements of the Queensland Government during the recent floods.

Indeed, it is likely that a number of communities would have faced severe shortages of food and other essential items without the spirit of co-operation demonstrated by ANRA members and the Queensland Government.

¹ Primarily Coles and Woolworths supermarkets.

There are, however, some aspects of the recent emergency management efforts that could have been done better and represent important lessons to be incorporated in any future planning.

Retail is a critical part of most communities and their role is essential in supporting communities in times of great difficulty and in helping to return communities to normality as quickly as possible. Yet the key retailers at the decision making level were not included in any planning process prior to the floods. Once it became clear what an essential service they provided, the Queensland Premier's Office and key bureaucrats in the Premier's Department, worked quickly and effectively to bring retail into the loop. However this late entry meant that initially ANRA members reported numerous difficulties in gaining access to sufficient information on the response effort – particularly information about:

- road and rail closures
- the extent of damage to these networks
- guidance on when (if at all) road and rail infrastructure would be accessible again
- Hierarchy of decision making

The flow of information improved dramatically as the recovery efforts progressed, particularly as the result of direct engagement with affected ANRA members' logistical contractor and daily phone hook-ups with EMQ.

The *Trading (Allowable Hours)* Act 1990 also created a constraint for ANRA members to provide essential items because of the trading restrictions placed on large retailers during certain public holidays — notably on New Year's Day. ANRA acknowledges that a large number of members' stores are located within designated trading zones and therefore not severely affected by the trading restrictions. Other stores were able to open after Queensland's Attorney General provided appropriate direction under Queensland's disaster management laws, but this did not occur without the perverse situation arising where large retailers had to ask for permission to open their stores to supply essential food and other items to Queensland's flood-affected communities.

The need to devolve this decision making to a local level also complicated the capacity for swift decision making in difficult circumstances. For example local Councils were able to veto local supermarkets opening on days they would normally be required to close but needed to open and service customers with essential items.

In the Federal sphere, despite significant efforts by EMQ to improve the process, ANRA members have identified a number of obstacles to co-operation between the Australian Defense Forces (ADF) and commercial stakeholders. These included:

- unreasonable pressure on EMQ to ensure commercial logistical solutions in preference to ADF networks in emergency situations
- need for some level of agreement on how goods are physically packed and stored for transport in these situations - re-packing goods to suit the different required configurations for defense and commercial vehicles resulted in significant delays to the flow of muchneeded supplies

ANRA members' experience of the emergency response efforts has encouraged a review of their own emergency response protocols. Their experiences also suggest it is crucial the Queensland Government develops an appropriate structure for retailers and Government to be part of the planning phase for major disaster management and an immediate engagement strategy. Such a structure would need to be put into place immediately once a threat is identified and not after a disaster has occurred.

ANRA and its members would commend the Queensland Government for acting quickly to engage with the retail sector when they were alerted to the needs of communities and retailers during the difficult December/January period. We are also taking part in the recovery discussions in relation to transport and roads and look forward to contributing to future disaster planning.

Thank you for considering ANRA's views on the response to recent flooding across Queensland. Should you have any questions about ANRA's submission please contact

Yours sincerely,

Margy Osmond Chief Executive Officer