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Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretariat,

RE: Inquiry into recent trends in and preparedness for extreme weather events

The Australia National Retailers Association (ANRA) appreciates the opportunity to make a submission to the Senate's Environment and Communications References Committee inquiry into recent trends in and Australia's preparedness for extreme weather events.

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 around 500,000 people and account for more than \$100 billion in annual turnover.

ANRA's contribution to this inquiry relates to item (c) in the Terms of Reference –

an assessment of the preparedness of key sectors for extreme weather events, including major infrastructure (electricity, water, transport, telecommunications), health, construction and property, and agriculture and forestry;

Retailers play a key role in their local communities, including when natural disasters occur; during events like drought, bushfires, heat-waves, floods and storm surges. This sector is particularly important for regional areas, when townships can sometimes be cut off for extended periods of time. At its extreme, this isolation can mean the complete loss of normal logistics links (such as road and rail) for many weeks – making it critically important that retailers, especially non-discretionary retailers, can still get supplies to stores and ensure households can continue to access basic necessities like food, clean water and clothing.

The most recent experience in which ANRA was directly involved in post-disaster relief efforts was during the Queensland floods of early 2011. In this situation numerous major highways and roads were severally damaged in several sections, which made it impossible for trucks to access key centers such as Mount Isa, Weipa, Cairns and Townsville via their usual logistics systems. In addition, some members had stores and stock that was damaged after being inundated by flood-water.

Despite this challenge, the use of 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 - meant that households in isolated areas did not go without basic necessities for survival.

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 damaged by flood-water.

In many instances the changed delivery methods involved a significant increase in transport and logistics costs (estimated at multiple times the cost for delivery under more normal circumstances). However, none of these additional costs were passed on in the form of higher prices for Queensland consumers.

ANRA was an active participant in the Transport Resupply Taskforce, convened by Emergency Management Queensland. This involved working with various elements of the Queensland Government during the floods to ensure critical supplies could continue to move into isolated areas. ANRA members report that this Taskforce was a largely positive experience and its work ensured that a number of communities did not face the severe shortages of food and other essential items that they would otherwise have done.

Based on this experience, however, ANRA has some observations that may be useful when developing systems to improve the response to future such events.

- **There was no mechanism for any dialogue with retailers initially** – retailers were not involved in emergency planning and ANRA members also reported difficulties in gaining access to sufficient information in the early stages of the response effort – particularly information about road and rail closures, the extent of damage to these networks and guidance on when (if at all) road and rail infrastructure would be accessible again. The flow of information improved somewhat as recovery efforts progressed and only after ANRA was included in the emergency response process.
- **ADF participation** - ANRA members reported what they perceive to be significant obstacles to Australian Defence Force (ADF) participation in recovery efforts. These included highly conditional requirements for the use of transport vehicles (for example, ADF vehicles had to be fuelled by ADF-approved supply sources rather than other more practical sources of similar grade products) or as a result of what appeared to be pressure on Emergency Management Queensland to use commercial logistical solutions in preference to ADF networks. It was also clear there needs to be some level of agreement on how goods are physically packed and stored for transport between commercial and ADF stakeholders. Indeed, re-packing goods to suit the different required configurations resulted in significant delays to the flow of much-needed supplies.
- **Trading hour regulations** - 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.

ANRA's experience from the emergency response efforts in Queensland suggests it is crucial the all levels of government across Australia develop an appropriate structure for retailers and government to interact in future situations and in advance for emergency planning purposes. Such a structure would need to be put into place immediately once a threat is identified as a possible risk - and not wait until after a disaster has occurred.

Considerable work was done post-disaster in Queensland and ANRA is pleased to highlight that an appropriate structure is now in place. This was a direct result of the lessons learned during the recent flooding events.

I trust that ANRA's experience with re-stocking isolated or damaged stores during the Queensland floods can be of assistance to this Committee's inquiry.

Yours sincerely,

Margy Osmond
Chief Executive Officer