



4 April 2011

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The Honourable Justice Catherine Holmes  
 Queensland Floods Commission of Inquiry  
 PO Box 1738  
 Brisbane QLD 4001

Dear Judge



***Property Council of Australia – Submission to the Queensland Floods Inquiry***



After the natural disasters of early 2011 Queensland needs to recover, rebuild and reignite its economy. Not only must we reconstruct our communities with resilience, we must also address the issues eroding Queensland's competitiveness and investment appeal.



The Property Council is Australia's peak industry body representing those with property investment and development interests with in access of 2200 stakeholders nationally and 350 member companies in Queensland alone. Our members help shape, build and finance our cities and communities and have a long-term interest in the future of Queensland's urban areas.



It is imperative that the hearsay and conjecture that is currently permeating the discussion on future development in Queensland is quickly replaced by facts and government action. Failure to do so will only worsen Queensland's housing affordability crisis as the construction of new homes will fall further behind demand. Property Council members have already reported that developments are stalled at the operational works stage as Councils are unsure how to proceed following the flood event in January 2011.



**Invest in infrastructure**

We cannot afford to postpone investment in critical infrastructure needed across Queensland because of the need to invest in rebuilding flood damaged infrastructure. We need to rebuild communities and invest in the engineering solutions that will help mitigate future disasters whilst at the same time building the other critical economic and social infrastructure needed across the State.



The Property Council has urgently called on Local, State and Federal Governments to not postpone current infrastructure projects – which are already critically needed. These programs need to run concurrent with the floods recovery process if we are to kickstart the economy and restore investor confidence in Queensland.



**Restore investor confidence**

We need to ensure that we do not respond to the floods with knee-jerk restrictions that will stifle appropriate development and investment, as the critical task at hand is to get people back into their homes and businesses as soon as possible. It is important to note that Queensland is competing with other states for private sector investment as developers with a national





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presence allocate capital across state boundaries. Unless the Commission achieves a timely assessment of the type of flood event, the scale of the flood and its impacts on future developments, developers will direct equity to projects in other jurisdictions.

The Property Council would welcome the establishment of a unit or office within Government that is specifically tasked with identifying and removing unnecessary roadblocks to major development projects. The property industry would like to see a “whole of government” approach to major developments that recognises the social and economic value of these projects and seeks to deliver a coordinated and timely response from the various state and local agencies involved.

In addition to the key issues above, the Property Council also puts forward comments on the following four categories identified by the Queensland Floods Commission of Inquiry (QFCI):

1. Private insurers and their responsibilities

The private insurance industry needs to simplify definitions around insurable flood events, so that it will be easy for policy holders to understand what type of flooding event they hold insurance coverage for.

2. The response to the 2010/2011 flood events, particularly measures taken to inform the community and protect life, private and public property

Property Council members noted that it was difficult to get up to date information as the flood event unfolded. There needs to be clarity as to where information can be sourced during an emergency. Access to accurate, up to date information was problematic on the following critically important websites: Bureau of Meteorology, State Emergency Services, Energex, Brisbane City Council and various Queensland Government websites.

These sites were difficult to access due to the volume of hits, and in addition the sites were not straight forward to navigate. There is a clear need for a powerful single emergency response website (and hotline) where each key service delivery organisation feeds into for headline information - with various links to key information.

Property Council members have reported poor handling of the initial evacuation from the Brisbane CBD area. There were instances where this was handled poorly by building managers, but more broadly there was not enough information about exiting the CBD itself resulting in some panic situations. It is recommended that evacuation management plans should incorporate evacuation out of the CBD (or immediate area if located elsewhere) for major emergencies, including floods.

The lack of advance notice for the shut down of essential services to the Brisbane CBD was also viewed as problematic since many building owners were using lifts to relocate equipment and stock to higher levels.



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### 3. Measures to manage the supply of essential services

Several Property Council members noted that it would be crucial for Energex to review where it places its infrastructure in flood prone areas. The initial recovery was significantly slowed down due to Energex infrastructure being inundated by flood water.

### 4. Land use planning

A thorough assessment is required of how many properties have been impacted that were previously thought to be flood immune (Q100 levels vs Q2011 flood event).

The Property Council urges the QFCI to closely consider what mitigation measures could be put in place before land use changes are considered. A mitigation measures study should include Wivenhoe storage capacity; overflow capacity in the hinterland; storm water system and the use of one way valves; and the placement of essential services in property developments (away from basement level in flood prone areas).

The Property Council further submits that permissible height levels need to be raised in line with any increase in a new Defined Flood Level. This could be an impetus for multi-unit developments with podium parking in flood prone areas to get good community outcomes.

It is important that any measures that would affect land use focus on mitigation of possible flood impacts and not on sterilisation of flood prone areas. The Property Council sends a clear message that it would be concerned about any rezoning to sterilise land – the decision to develop should rest with the property or land owner. Similarly, already approved development projects should proceed at the land owner's discretion and should be left to market forces. The Property Council also notes that a variety of innovative, flood-resilient building designs - where habitable areas and rooms for electrical equipment are built above the defined flood level - are readily available.

It should also be noted that any mitigation measures prescribed to development will add costs to the bottom line of projects and heighten affordability issues. It would be more cost effective to use Wivenhoe's full mitigation capacity or install higher walls at Wivenhoe than to add additional costs onto every development project in a flood prone area. It is important to recognise that "flood proofing" new developments will have an effect on the existing built environment, which would mean higher levels of inundation for existing properties.

The Property Council has welcomed the introduction of an interim flood level by Brisbane City Council as it has provided clarity to the development sector. However, it will be important to understand what type of event we were faced with in January, and what the potential mitigation capacity of Wivenhoe is before we revert to a permanent Q2011 + 0.5. In particular, it will be important to establish what impact management of storage capacity immediately prior to and during the 2011 flood event had on the 2011 flood level.



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The significant recovery underway presents a unique and strategic opportunity to rebuild our communities with enhanced sustainability and resilience. The Property Council supports the work of Green Cross Australia and is aware of the opportunities presented by the Green Cross "Build it Back Green" initiative and commends it to the QFCI.

To rebuild Queensland, we must restore Queensland's property sector.



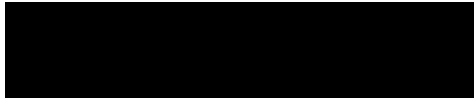
The Property Council strongly supports the establishment of the Queensland Floods Commission of Inquiry and the Queensland Reconstruction Authority, and stands ready to provide information and expertise as required.



Engagement with the private sector, and especially the property industry, will be critical as we face the challenge of rebuilding Queensland - to ensure that measures and policies are workable and will provide good community outcomes.



Yours sincerely



**KATHY MAC DERMOTT**  
Executive Director

