



ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE

Continuation of construction of the Perth Freight Link in the face of significant environmental breaches

Additional information

- Response to recommendation provided by the Australian National Audit Office



Senator Peter Whish-Wilson
Chair
Environment and Communications References Committee
By email: ec.sen@aph.gov.au

Dear Senator

Continuation of construction of the Perth Freight Link in the face of significant environmental breaches

I am writing in response to the Environment and Communications References Committee report: *Continuation of construction of the Perth Freight Link in the face of significant environmental breaches*, tabled in Parliament 6 March 2017. The report made one recommendation to the Australian National Audit Office (ANAO). The recommendation and the ANAO's response are set out below.

Recommendation 4: The committee recommends that the Australian National Audit Office (ANAO) conduct an audit of the Perth Freight Link project including in relation to:

- whether appropriate steps were taken to protect the Commonwealth's interests and obtain value for money in respect to the \$1.2 billion in Commonwealth funding committed to the Western Australian government for the Perth Freight Link project;
- the effectiveness of federal environmental protection laws, in particular the extent to which the Department of the Environment and Energy:
 - complied with its own policies (specifically including Offsets policy and protection of species with Recovery Plans),
 - adequately assessed impacts on matters of national significance during the assessment process,
 - adequately investigated and enforced compliance with approval conditions,
 - adequately responded to evidence significant and systematic breaches with management plans were being ignored by the state government;
- the adequacy of penalties to the approval holder for non-compliance under federal environmental protection laws; and
- political interference with the environmental assessment and compliance process.

ANAO response: The committee's recommendation to conduct an audit of the Perth Freight Link project was considered in the context of the development of the ANAO's 2017–18 Annual Audit Work Program. Recent audit coverage of large transport infrastructure projects

in the audits of East West Link and WestConnex Projects has included an examination of the steps taken to protect the Commonwealth interests and obtain value for money.

The objectives of the EPBC Act, which is administered by the Department of the Environment and Energy (Environment), include the protection of matters of national environmental significance. The ANAO has broad audit coverage in the Environment portfolio, and has previously examined specific aspects of Environment's monitoring of compliance with the EPBC Act.

On the basis of this audit coverage, I have decided not to undertake a performance audit examining the Perth Freight Link project at this time.

Yours sincerely

Grant Hehir
Auditor-General