



24 December 2015

Jason Banks
Director General
Department of Environment Regulation
Locked Bag 33
CLOISTERS SQUARE WA 6850

Dear Mr Banks,

Publication of Annual Audit Compliance Reports

The Chamber of Commerce and Industry of Western Australia (CCI) welcomes the opportunity to comment on the Department of Environment Regulation's (DER) Draft Guidance Statement on the Publication of Annual Audit Compliance Reports.

CCI is the peak organisation representing business in Western Australia. With a membership of about 9,000 businesses across all sectors of the economy, CCI aims to build a competitive and productive business environment in Western Australia by promoting free enterprise through advocacy and essential services that make it easier to do business. CCI's vision is for Western Australia to be a world-leading place to live and do business.

There is considerable community interest in the health of the environment and Western Australia's business community supports reforms that streamline and improve the transparency of environmental regulation.

Annual Audit Compliance Report form

Public disclosure of Annual Audit Compliance Reports (AACR) would increase the amount of information available to the public on the compliance of individual licensees with their environmental obligations. However, for the publication of this information to improve transparency it needs to be interpreted correctly. It is therefore incumbent on the DER to ensure that AACRs are in a format that facilitates the correct reporting and interpretation of this information.

CCI has identified that some sections of the draft AACR form should be revised to enhance the ability of licensees to report information accurately and to assist in their interpretation.

1. Section B — Statement of compliance with licence conditions

This section of the form asks the question "Did you comply with your licence conditions during the reporting period?". Answered in the affirmative the statement implies that the licensee has not complied with any of its licence conditions, even though non-compliance may relate to only a subset of licence conditions. Amending the

question to ask “Were all conditions of the licence complied with during the reporting period?” would avoid this implication.

2. *Section C — Declaration*

This section of the form contains two declarations, the first being that the information in the AACR is true and correct, and the second that the licensee consents to the AACR being published on the DER’s website. Notwithstanding that the licensee may wish to answer differently to each of the two declarations, the licensee’s consent to publish its AACR appears to be redundant given the DER’s intention to publish all AACRs. Instead of seeking a licensee’s consent to publish the AACR, the form may more usefully ask the licensee whether the AACR contains confidential information which the DER should redact prior to publishing.

Signing Annual Audit Compliance Reports

The provision in the Draft Guidance Statement that “licensees are no longer required to obtain the approval of the CEO of DER in respect of persons authorised to sign AACRs” is supported as it will reduce the administrative burden for licensees seeking an authorised person to sign an AACR on their behalf, particularly for licensees that have a large number of licences.

Integration with other reporting requirements

Under the existing Annual Audit Compliance Reports Guideline for Industry Licences, the DER undertook to negotiate the timing of the submission of AACRs to align with other reporting requirements. The submission of AACRs with other reporting requirements is convenient for licensees as there may be synergies in the preparation of these documents. An equivalent provision should be included in the revised Annual Audit Compliance Reports Guideline so that this convenience is retained.

For further information on this submission, please contact Matthew Sargeant, Principal Economist on [REDACTED] or [REDACTED].

Yours sincerely,

[REDACTED]

Dale Leggett
Director of Policy