



AUDITOR GENERAL
for
Western Australia

SUMMARY OF THE PERFORMANCE EXAMINATION

GROUNDS FOR IMPROVEMENT:
Government Owned or
Controlled Contaminated Sites

Report No. 6 – November 2002

Why we did the examination

The incidence of contaminated sites with large clean-up costs appears to be becoming more common and community concern is growing. Our heavy reliance on groundwater and our predominantly sandy soils make us especially vulnerable to land contamination. In severe cases, land contamination can also pose a risk to human health.

This examination was undertaken in the knowledge that insufficient information is currently available to estimate the public sector's financial liabilities. However, dealing with land contamination is going to be a challenging, long term and costly issue for the public sector. Only careful planning and management is likely to succeed in delivering an effective response.

What we did

We selected 10 landholding government agencies to review:

- how well advanced they were in identifying their contaminated sites; and
- their ability to assess the associated health, environmental and financial risks that they face.

What we found

- The State has a high risk exposure to land contamination. Many agencies are major landowners and are also active in land acquisition, disposal and leasing.
- Most of the agencies are not yet able to provide a reliable estimate of the number of contaminated sites that they own or control. There is no authoritative definition of a contaminated site within Western Australia to assist with identification.
- Only Western Power and LandCorp had management policies, practices and systems in place that were generally consistent with best practice for the identification of contaminated sites and the assessment of associated risks.

- The other eight agencies met best practice to varying degrees, in differing areas, and all had management systems in place that addressed land contamination.
- Most agencies need to improve their knowledge of land uses within their property portfolios. Documenting this information is the starting point for agencies seeking to gain a better understanding of their own land contamination risks.
- Many agencies appear reluctant to commit the required resources to address these issues as they face:
 - an uncertain legislative environment – new legislation having been imminent for several years;
 - possibly substantial investigation costs – with the government’s funding approach still unclear; and
 - the absence of a clear whole-of-government approach to setting priorities – identified as a problem in 1995.

What we recommended

Government should:

- introduce environmental legislation into Parliament to govern the identification and management of contaminated sites; and
- identify an agency, or agencies, to take a lead role in assessing and managing land contamination across the public sector.

The lead agency, or agencies, should:

- develop an inter-agency approach to identify, assess and remediate those contaminated sites that pose the greatest threats to human health and the environment.

Landholding agencies should:

- manage all future land transactions to avoid unknowingly receiving contaminated land from other parties, or unknowingly transferring it to them; and
- progressively adopt a systematic approach to:
 - identifying their sites most likely to be contaminated;
 - prioritising sites for further investigation; and
 - developing and documenting an open and transparent course of action for sites found to be contaminated.

A copy of the report can be accessed at www.audit.wa.gov.au/

For further information contact by E-mail: info@audit.wa.gov.au