

WAGE AUDIT SERVICES MANUAL

Wage Audit Services Manual

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1. Initiating Wage Audits

Scheme Agents must only allocate wage audits to auditors that have been appointed to the panel. A list of the wage auditors on the panel and their blended hourly rates applicable is attached.

1.1 Initiating Party to implement Wage Audits

1.1.1 Wage Audits may only be initiated by the issue of a Direction to a Panellist by one of the following:

- (a) a Scheme Agent, but only in relation to an Employer to whom it provides or has provided workers compensation insurance;
- (b) a Scheme Agent or Scheme Agents jointly upon the instructions of the Nominal Insurer; or
- (c) the Nominal Insurer.

1.1.2 A Scheme Agent who is the Initiating Party must issue an Employer Notification to all Employers that will be affected by a Wage Audit to whom it provides or has provided workers compensation insurance. Employer Notifications must be issued at the same time as the issue of a Direction. That Direction must identify the Panellist conducting the Wage Audit and the period the subject of the Wage Audit.

1.1.3 If directed by the Nominal Insurer, or if a Scheme Agent determines to do so itself, a Scheme Agent may arrange Wage Audits, but must use either:

- (a) the Panellist nominated by the Nominal Insurer; or
- (b) a Panellist listed in the attached list of approved Wage Audit Panel Members.

Please note that the panel wage auditor, Office of State Revenue (OSR) is only to be allocated wage audits when the wages declared is greater than \$600,000.

1.2 Scheme Agent to act promptly on instructions of Nominal Insurer

1.2.1 Scheme Agents must act as instructed by the Nominal Insurer in relation to the implementation, conduct, variation and termination of Wage Audits.

1.2.2 A Scheme Agent receiving instructions from the Nominal Insurer must issue a Direction to a Panellist regarding any Employer identified by the Nominal Insurer within 20 Business Days of receipt of those instructions. The Nominal Insurer may extend this period in its sole discretion by notice in writing to the Scheme Agent.

1.2.3 If the Nominal Insurer instructs a Scheme Agent to initiate a Wage Audit, the Nominal Insurer will instruct the Scheme Agent of the policy period to be audited and identify any specific issues or reporting requirements that are to be addressed in the Wage Audit. The Scheme Agent must include these matters in its Direction to the Panellist.

1.3 Initiating Parties to monitor the Panellists and provide reports

1.3.1 During a Wage Audit the Initiating Party must:

- (a) monitor the Panellist's compliance with its obligations under any agreement;
- (b) reconcile all Invoices against the services performed;
- (c) use its reasonable endeavours to promptly resolve a Panellist's failure to comply with its material obligations under any agreement or any inconsistency or error in any Invoices to the satisfaction of the relevant parties. If a resolution cannot be made, then:

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- (i) if the Initiating Party is a Scheme Agent the issue must be promptly referred to Nominal Insurer for Nominal Insurer's final and binding determination;
- (ii) if the Initiating Party is not an Scheme Agent, the Nominal Insurer will make a final and binding determination;
- (d) ensure that data and reports provided to the Nominal Insurer and/or the Initiating Party are in a format prescribed by the Nominal Insurer to enable all information to be efficiently entered into the Wage Audit Database.

1.4 Scheme Agent responsibilities in respect to Wage Audits

1.4.1 In respect of every Wage Audit where a Scheme Agent is an Initiating Party that Scheme Agent must do the following:

- (a) enter the information referred to in clause 1.3.1 (d) into the Wage Audit Database within either of the following times and in accordance with the requirements of the Nominal Insurer:
 - (i) if the Initiating Party is a Batch Submitter, within 20 Business Days of the end of the month in which the Initiating Party receives that information;
 - (ii) for any other Initiating Party, within 20 Business Days of receipt of that information by the Initiating Party;
- (b) provide reports (and specified information) in response to any requests by the Nominal Insurer. Such reports and/or information must be provided as soon as reasonably practicable and be in the form required by the Nominal Insurer;
- (c) at all times:
 - (i) act and conduct itself in a prudent, respectful and professional matter; and
 - (ii) perform its obligations with all due skill and care;
- (d) calculate the premium that is payable by an Employer following receipt of the Final Report;
- (e) notify the Employer of any reimbursement of monies paid by that Employer under an insurance premium; or
- (f) notify the Employer of any adjustment requiring the payment of any shortfall in premium paid or payable by an Employer.

1.5 Directions to any Panellist

1.5.1 Subject to any instructions from the Nominal Insurer to the contrary, Initiating Parties may issue, vary or withdraw Directions to any Panellist in relation to any Wage Audit(s).

1.6 Scheme Agents to provide assistance

1.6.1 Any Panellist performing a Wage Audit may request from a Scheme Agent any information relevant to that Wage Audit and in the possession or control of the Scheme Agent. The Scheme Agent will promptly comply with that request and make such information available to the Panellist.

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2 Reports

2.1 Reports by the Scheme Agents

2.1.1 Without limiting any other clause in this Manual, the Scheme Agent must provide the following reports to the Nominal Insurer:

- (a) reports of any problems or issues that will prevent the commencement, conduct or completion of a Wage Audit. This report must be made promptly upon the Scheme Agent becoming aware of any such problems or issues; and
- (b) reports (and specified information) in response to any requests of Nominal Insurer. The Scheme Agents must provide such reports and/or information as soon as reasonably practicable and in the form required by Nominal Insurer.

3 Indemnity

3.1 General Indemnity from Scheme Agent to Nominal Insurer

3.1.1 Each Scheme Agent must separately indemnify the Nominal Insurer, and its officers, employees and agents in respect of any loss as a result of:

- (a) any unlawful, negligent, reckless or wrongful act or omission of the Scheme Agent (or its employees, agents or sub-contractors or their employees) of its obligations under this Manual for or a Wage Audit for which the Scheme Agent is an Initiating Party or in which the Scheme Agent has participated; or
- (b) any breach by the Scheme Agent (or its employees, agents or subcontractors or their employees) of its obligations under this Manual.

3.1.2 Each Scheme Agent's indemnity under clause 3.1.1 shall be reduced proportionally to the extent that any unlawful, negligent, or wrongful act or omission of the Nominal Insurer or its officers, employees and agents caused or contributed to the loss.

4 Documents

4.1 Ownership of reports

4.1.1 The Scheme Agents acknowledge that all Intellectual Property in any reports, data or databases produced pursuant to this Manual is owned by the Nominal Insurer.

4.1.2 If requested by the Nominal Insurer, the Initiating Party must promptly provide to Nominal Insurer access to any reports or data relevant to a Wage Audit.

5 Miscellaneous

5.1 Assignment

5.1.1 A Scheme Agent cannot assign or otherwise dispose of any rights or obligations under this Manual.

5.2 Privacy

5.2.1 The Scheme Agents will comply with any applicable Commonwealth and State privacy legislation and take all steps to facilitate the compliance by Nominal Insurer with all privacy legislation applicable to it.

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6 Attachment A List of Wage Audit Panel Members

Wage Audit Panel Members

Attachment A

Panel Members	Contact Details	Contract Number	Blended Hourly Rate GST inclusive	Small Medium Large
1 Ernie Apostolus & Geoffrey Attwood Minchinbury NSW ABN: 18 893 215 839	Mr Ernie Apostolas 22 Alicante Street Minchinbury NSW 2770 Ph: 0403 677 380 Fax: 02 9832-1064	300896	\$84.70	S/M
2 Bentleys MRI Sydney P/L Sydney NSW ABN: 74 093 336 899	Mr Robert Ryn Level 3 31 Market Street Sydney NSW 2000 Ph: 02 9994-1015 Fax: 02 9994-1001	300896	\$128.26	M/L
3 Bradil P/L Wyoming NSW ABN: 29 891 306 843	Mr Ray Hildridge 37 Bourbon Street Wyoming NSW 2250 Ph: 0412 466 418 Fax: 02 4329-1327	300896	\$110.00	S/M
4 Cicicrew P/L Milperra NSW ABN: 30 003 648 566	Mr Roger Wilson 12 Sinai Avenue Milperra NSW 2214 Ph: 02 9772-2809 Fax: 02 9792-6220	300896	\$94.60 Secretarial duties of \$60.50/hour	S/M
5 Commercial Audit Services Pty Ltd Hornsby NSW ABN: 66 003 888 051	Mr Don Greenwood 4/75 Pacific Highway Waitara NSW 2077 Ph:02 9487-5800 Fax: 02 9487-5900	300896	\$96.80	S/M
6 C.A. Coulton G.T. Isaac & B.M. Ross (T/A Coulton Isaac Barber) Parramatta ABN: 41 493 773 202	Mr. Troy Dobson Suite 6 Blaxland House. 5-7 Ross Street Parramatta NSW Ph 02 9683 5999 Fax 02 9683 6313	300896	\$117.15	M/L
7 Deloitte Touche Tohmatsu Sydney NSW ABN: 74 490 121 060	Mr. Richard Rassi Grosvenor Place 225 George Street Sydney NSW 2000 Ph 02 9322-7676 Fax 02 9322-7168	300896	\$162.80	M/L
8 Ernst & Young Australia Sydney NSW ABN: 75 288 172 749	Ms. Madeleine Mattera C/- Ernst & Young 321 Kent Street Sydney NSW 2000 Ph: 02 9248-5976 Fax: 02 9248-5205	300896	\$214.50	M/L

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Panel Members	Contact Details	Contract Number	Blended Hourly Rate GST inclusive	Small Medium Large
9 Victor J Lewis T/asForsythes Newcastle NSW ABN: 51 545 060 858	Mr. Victor J Lewis Level 5 Hunter Mall Chambers. 175 Scott St NSW 2300 Ph 02 4926-2699 Fax 02 4929-1435	300896	\$107.00	S/M
10 Herbert & Associates P/L (T/A Herbert Consultancy) Willoughby NSW ABN 89 096 085 611	Mr. William Herbert 319A Penshurst Street Willoughby. NSW 2068 Ph 02 9882-3001 Fax 02 9882-3002	300896	\$114.40	S/M
11 Brian Holliday West Pymble ABN: 47 493 950 651	17 Binalong Street West Pymble NSW 2073 Ph 02 9498-7062 Fax 02 9498-7062	300896	\$106.80	S/M
12 Horwath (NSW) P/L (T/A Horwath Sydney) Sydney NSW ABN: 13 001 263 332	Mande Ilic Level 10 1 Market Street Sydney NSW 2000 Ph: 02 9372-0769 Fax 02 9372-0606	300896	\$137.50	M/L
13 The Partnership (Bentley MRI and Taggart Partners) Hamilton NSW ABN: 73 757 985 085	Mr. Christopher Dumas 63 Lindsay Street Hamilton NSW 2303 Ph 02 4969-5377 Fax 02 4961-6810	300896	\$165.00	M/L
14 Konekt Australia P/L (KAL) Sydney NSW ABN: 64 083 660 093	Ms Fiona Carr Level 10 97-99 Bathurst St. Sydney NSW 2000 Ph: 02 9440-9333 Fax: 02 8440-5858	300896	\$80.85 Phone Calls \$1.00 each call	S/M
15 Office of State Revenue Parramatta NSW ABN: 77 456 270 638	Manager Contracts & Procurements Lang Centre 132 Marsden Street Parramatta NSW Ph: 02 9689-8245 Fax: 02 9689-6331	300896	\$104.35 Allocate only where Payroll >\$600,000.	L
16 P & J Brough P/L Panania NSW ABN: 73 002 788 598	Mr John Brough Level 1 70 Anderson Avenue Panania NSW PH: 02 9771-2884 Fax: 02 9771-5801	300896	\$112.20 (Charge of \$66.00 ph for typing)	S/M

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Panel members	Contact Details	Contract Number	Blended Hourly Rate GST inclusive	Small Medium Large
17 PKF Chartered Accountants and Business Advisers Sydney NSW ABN: 83 236 985 726	MR Adrian Whiting Level 10 1 Margaret Street Sydney NSW 2000 Ph: 02 9240-9977 Fax:02 9240--9821	300896	\$121.00	M/L
18 Paul Quinlivan (T/A East Coast Loss Adjusting Audit Services) Neutral Bay NSW ABN: 14 870 486 217	Mr Paul Quinlivan 199/4 Young Street Neutral Bay NSW 2089 Ph: 02 9969-0001 Fax: 02 9953-5981	300896	\$73.37	S
19 S R Sheth & Co P/L Sydney NSW ABN: 60 001 414 688	Mr Suhrid Sheth Level 7 225 Clarence St Sydney NSW 2000 Ph: 02 9279-0888 Fax: 02 9279-0800	300896	\$77.00	S/M
20 Purkiss Cullen P/L Ourimbah NSW ABN: 26 756 348 361	Paul Bolton Business and Investment North Loop Road Ourimbah NSW 2258 Ph: 02 4362-2700 Fax 02 4362-2797	300896	\$127.00	S/M
21 Robert G Tesoriero (T/A Lawson Roberts Business Services) North Sydney NSW ABN: 29 534 112 319	Robert Tesoriero Level 1, 44 Miller Street, North Sydney NSW 2060 Ph 02 4736 3866 Fax 02 4736-3868	300896	\$96.80 (Additional fee of \$66.00 ph for typing & admin)	S/M
22 Walter Turnbull P/L Sydney ABN: 97 099 740 879	Level 17, 55 Clarence St. Sydney NSW 2000 PH 02 9299-4678 Fax 02 9299-3131	300896	\$126.50	M/L
23 William G Allport & Co P/L Helensvale QLD ABN: 98 002 129 268	Mr William Allport 5 Lee Anne Crescent Monterey Keys QLD 4212 Ph: 07 5573-5451 Fax: 07 5573-6421	300896	\$88.00 (Fee of \$27.50 ph for typing)	S/M