

## Supplier Wage Audit Unit – Frequently Asked Questions

This document is for Western Australian (WA) **Government entities**.

### What is the purpose and remit of the SWAU?

The Supplier Wage Audit Unit (SWAU) conducts audits of Suppliers to government agencies to ensure they have met their industrial relations obligations for their employees.

### How are Suppliers chosen for audits?

Suppliers are selected based on several factors, including risk assessments, data monitoring, and regular reviews of relevant sources of information.

### What authority does the SWAU have to conduct audits?

The authority for the SWAU to conduct audits is established in the contract or the general terms and conditions of the contract.

### How can our agency request an audit of a Supplier?

Agencies can request audits by contacting the SWAU and providing details of the Supplier and the suspected non-compliance. The SWAU will consider the request and discuss the contract details with the Agency to determine if the audit should proceed.

### What is the typical duration of an audit?

Audits usually take between 3 to 7 months, and this depends on the size of the contract and the number of employees that conduct work associated with the contract. In some instances, more complex cases may take longer. The SWAU will provide regular updates to the Agency throughout the process.

### What is the audit process?

A SWAU officer will contact the Agency's contract manager or procurement manager to notify them of the selected contract for audit. The SWAU will discuss the details of the contract and specific contractual clauses with the Agency to confirm appropriate audit authority.

Once agreed, a template letter will be provided for the Agency to provide to the Supplier. The next step is that an entrance meeting will be conducted involving the Agency, the SWAU, and the Supplier's nominated contact person, to discuss the audit process and required records. After the entrance meeting, the SWAU will communicate directly with the Supplier, providing the Agency with regular updates.

At the end of the audit, the SWAU will hold an exit meeting with the Supplier and the Agency to discuss the findings.

## **What action is taken if a Supplier is found non-compliant?**

If a Supplier is found to be non-compliant, the SWAU will discuss the findings with the Agency. There are various courses of action available that may include the SWAU referring the Supplier to a Regulator and the Agency will need to consider what contractual action will be taken. The action will depend on the severity of the findings.

## **What happens if a Supplier disputes the findings of an audit?**

The findings are discussed with the Supplier during the audit and at the exit meeting. At any point, they can provide additional information or documentation to contest the findings. The SWAU will review the new information and, if necessary, conduct further assessment before finalising the audit.

## **Can our agency share the audit report with other parties?**

The audit report is intended for the agency's procurement team and contract owner/manager. If someone requests a copy, the agency should seek advice from the SWAU before sharing any part of the report.

## **What support is available if non-compliance is found?**

The SWAU provides guidance and support to agencies to address non-compliance and implement corrective measures. The support and guidance will vary depending on the nature of the non-compliance.

## **What are the consequences for our agency if a Supplier is found non-compliant?**

Depending on the severity of the non-compliance, consequences can range from corrective action plans to potential impacts on the continuation of the contract. The SWAU is available to support the Agency through the necessary steps to address the issue.

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