# **Defend your rights to be your own boss** Are you a small business owner? It's time to defend your rights.

More than 1.1 million people are engaged as independent contractor – supporting a range of small businesses across Australia.

Independent contractors have worked hard to establish strong relationships with their clients and enjoy the freedom and flexibility to choose how they work.

But the Federal Government is making it harder for independent contractors to be their own boss.

New industrial relation laws spell trouble for many small business owners who rely on independent contractors.





# What is the Government proposing?

The 'employee-like' policy was part of the Government's broader 'Secure Jobs' policy in the lead up to the last election which set out a range of policies they said would help increase 'job security' by tackling 'insecure employment'.

The Government has never explained what 'insecure employment' actually is, and the 'Secure Jobs' policies don't actually do anything to help workers in traditional full-time jobs. Instead, the policies are designed to make any arrangements other than traditional employment relationships much harder to start, continue or use.

These new reforms will force independent contractors to be treated like employees. This is not about setting minimum standards for independent contractors. It's about the Government letting unions get in the middle of people's care and support arrangements.

This policy was not asked for and is not needed. The Government is strongly urged not to proceed with this legislation.

## Who is affected?

The proposed method to implement the Government's 'employee-like' policy has always been expressed in a broad or vague manner such that it leaves the door open to be applied



far broadly.

The unintended consequence of this legislation is that it will directly affect independent contractors in other sectors right across the economy including construction, IT, health, aged care and support, freelancers and professional services.

This includes well-established forms of work that are more accurately characterised as small business rather than 'employee-like' including the use of independent contractors.

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#### Why is this bad?

It is well understood that many people choose to work as an independent contractor to give them flexibility and freedom to choose the hours they work, the projects they work on, who they work for and negotiate their own fees and conditions.

The Fair Work Commission will also need to consider if it should create certain 'minimum standards' to apply to a contractor arrangement, even if it is proven to be a genuine independent contractor situation.

These 'minimum standards' are likely to cover things such as:

• When work can and cannot be performed;

- How work is sought, offered and accepted;•Limit people paying for services at a mutually agreed price.
- Minimum insurances and expenses that must be covered by the arrangement;
- How much the arrangement should be paid and terms of that payment;
- Hours when work can and cannot be performed;
- Who gets to decide what jobs can and can't be done, and for who the jobs are done; and
- How any future arrangements are made and how they should operate.

Setting standards covering things like these will have a serious and negative impact and take away many of the existing rights for self-employed Australians and

independent contractors.

#### How will this hurt small business?

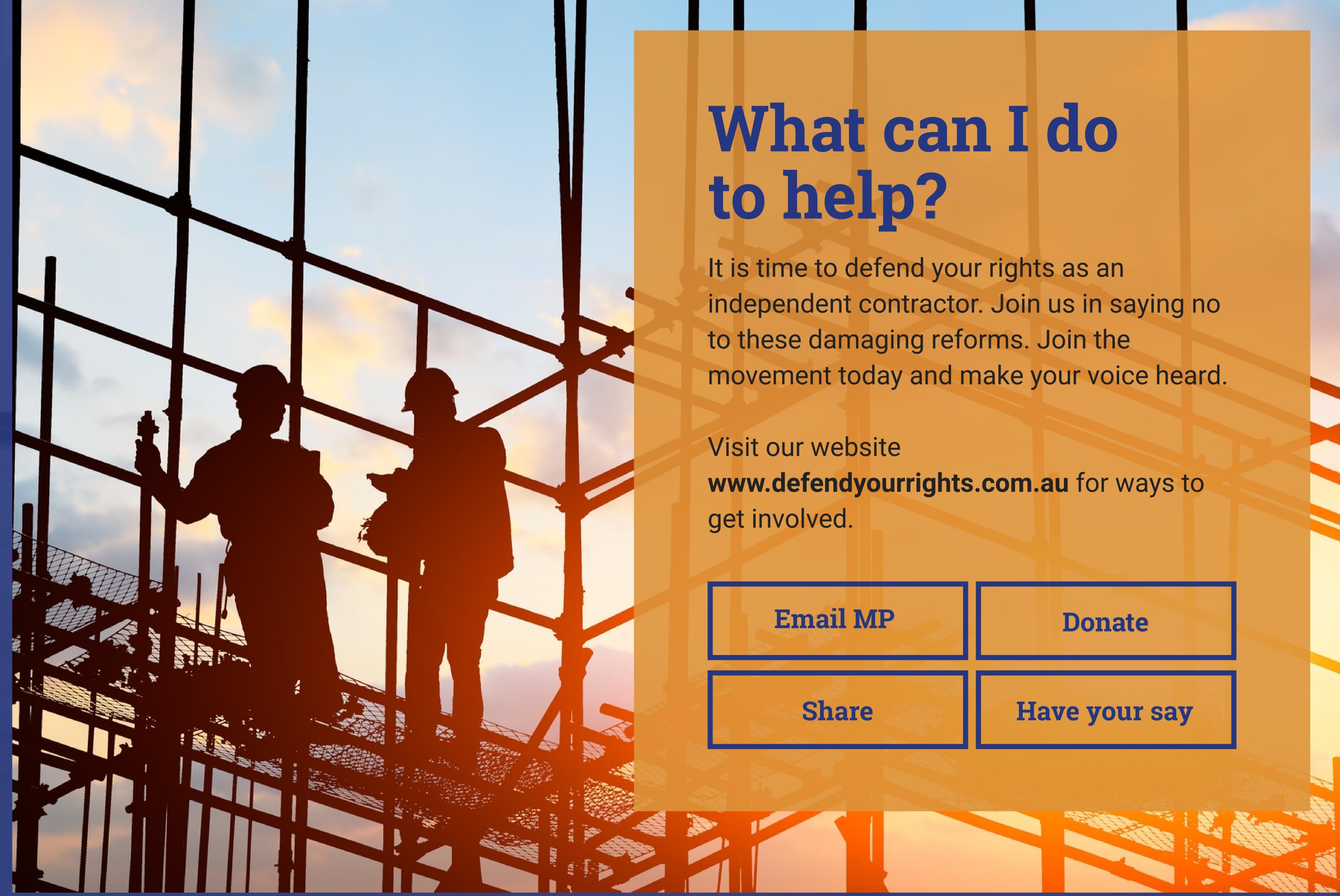
The adverse impacts and ramification for small business cannot be understated if the policy is implemented in a manner foreshadowed by the Government. It would fundamentally upend the small business community and leave many Australians vulnerable. It will also create a range of new hurdles, barriers and red-tape for all forms of work that doesn't fit the traditional full-time employee model. This removes crucial flexibility and freedoms for small businesses to be able to operate in a complex economic environment.

#### How will this hurt clients and consumers?

It would create a range of negative impacts for the community and introduce a significant amount of uncertainty that is simply unnecessary. We know Australians are grappling with a lot of cost of living challenges from rising interest rates, high inflation and climbing bills. These changes add another layer of cost for businesses who ultimately have no choice but to pass this bill on to consumers.

#### When will this happen?

Legislation is expected to be introduced in the second half of 2023.



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