



**Hon Kevin Andrews MP
Minister for Employment and Workplace Relations
Minister Assisting the Prime Minister for the Public Service**

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MEDIA RELEASE

Action To Protect Independent Contractors

The Minister for Employment and Workplace Relations, Kevin Andrews, today released a discussion paper calling for submissions on proposals to protect independent contractors.

The Howard Government's 2004 election policies included creating a new Independent Contractors Act to protect the status of independent contractors and protect them from unnecessary regulation by workplace relations laws.

"The discussion paper released today is the first step towards delivering on the commitment made to the Australian people that we would prevent the workplace relations system being used to undermine the status of independent contractors. "Independent contracting is an increasingly important form of working arrangement, with contractors working in fields as diverse as housing construction, transport and information technology."

"The Government supports a workplace relations framework that maximises choices for workers and businesses and minimises regulatory constraints. However, the current competing and complex state and federal systems allowed too much interference by third parties in situations where people are essentially running their own businesses and we don't believe that's appropriate," Mr Andrews said.

The discussion paper also covers issues concerning labour hire workers, a growing area of employment in Australia. Further consultation with stakeholders will occur before the legislation is settled later this year.

The main areas of reform that the paper addresses include:

- preventing federal awards and agreements from containing clauses which restrict the use of independent contractors or labour hire workers, or which seek to put conditions on their engagement (for example, prescribing they have the same conditions as employees);
- protecting independent contracting arrangements (including 'Odco' arrangements) as commercial arrangements, not employment arrangements, under the law;
- addressing inappropriate State and Territory legislation which 'deems' independent contractors to be employees for the purpose of workplace relations regulation, including by overriding that legislation where appropriate; and
- ensuring that 'sham' arrangements are not legitimised and preventing State and Territory legislation from impacting negatively on labour hire and contracting arrangements.

The paper is available at <http://www.dewr.gov.au/news/>
Submissions are due by 11 May 2005.

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