



NEW INQUIRY

Independent Contracting and Labour Hire Arrangements – Are they working?

New forms of employment arrangements characterise the Australian workforce of today. Amongst the changes in forms of employment is a rise in independent contractors and labour hire placements. The House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation is to inquire into the use of independent contractors and labour hire arrangements.

Workplace reform over the last decade has sought to introduce more flexibility into possible employment arrangements for both employers and workforce participants. Employees form around 60 per cent of the work force. Additionally, independent contractors, such as owner managers of unincorporated businesses, represent around 12 per cent of the workforce. Labour hire and employment services placements have increased by over 30 per cent between 1998 and 2002. (ABS Cat. 6359.0, ABS Cat. 8558.0)

Referred by the Hon Kevin Andrews MP, the Australian Government Minister for Employment and Workplace Relations, the Committee has been asked to inquire into and report on:

- the status and range of independent contracting and labour hire arrangements;
- ways independent contracting can be pursued consistently across state and federal jurisdiction;
- the role of labour hire arrangements in the modern Australian economy; and
- strategies to ensure independent contract arrangements are legitimate.

The Committee Chair, Mr Phillip Barresi, said “Entrepreneurship is an important part of the Australian culture and many Australians choose to work as independent contractors. It’s vital to support that flexibility, but also ensure that proper protections are in place that clarify obligations such as health and safety, tax requirements and other entitlements for both contractors and those employed through labour hire services.”

“The House Employment Committee includes both government and opposition members from most states and territories. We will be working together cooperatively to assess and make recommendations on these employment arrangements,” Mr Barresi said.

Interested persons and organisations are invited to make written submissions to the inquiry by **11 March 2005**, after which the committee will hold public hearings.

Further details on the inquiry, including the complete terms of reference, background documents, membership of the Committee and advice on making submissions can be obtained on the Committee’s website at www.aph.gov.au/house/committee/ewrwp or by contacting the committee secretariat on (02) 6277 4162 or emailing ewrwp.reps@aph.gov.au

For media comment, please contact the Committee Chair, Phil Barresi, on (03) 9873 8351

For background information, contact the Committee Secretary, on (02) 6277 4162