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INDEPENDENT CONTRACTORS OF AUSTRALIA

The Workforce of the Future



Real
people
in the real world.

BACKGROUND

Independent Contractors of Australia (ICA) was established in 1999, with the aim to create a powerful and well respected national association for independent contractors. *ICA* is a not for profit association incorporated under the *Associations Incorporation Act (1981)* of Victoria.

ICA was formed with the objective of protecting the rights of independent contractors in Australia to be treated fairly, justly and equitably and to be allowed to work free from intimidation or harassment from bureaucrats, the Australian Taxation Office, political parties, unions and others.

ICA is governed by a Board under the rules established by the Articles of Association.

ICA strives for excellence in representing independent contractors' interests and in providing them with the information they need to thrive in the Australian workforce. *ICA* took a lead role in the development and passage of the *Independent Contractors Act 2006* through the Commonwealth Parliament. *ICA* will continue to work with all political parties and industry to enshrine the right of all Australians to have a choice between employment and contracting.

ICA is the foremost body in Australia established to champion the profile, status and well being of people choosing to work as independent contractors and to protect their rights.

MISSION

- *to present to Government and the public a clear and positive view of independent contractors;*
- *to provide an ideal legal and professional framework in which independent contractors can thrive and feel legally secure;*
- *to support members by creating an environment that allows them to grow within the economy;*
- *to provide members with access to relevant services including education, literature and news updates.*

OBJECTIVES

The objectives for which *ICA* has been established are:

1. to uphold and defend the right of all eligible Australians to engage in the labour market as free and independent contractors, and to be fully and unambiguously recognised by governments, tax officials and regulators as independent contractors;
2. to engage in lobbying and public debate to ensure that the Australian community is constantly reminded that freedom is indivisible, and that if Australians' rights to engage freely in the labour market are impaired or denied, then the rights of all Australians to live in freedom will be at risk;
3. to take advantage of opportunities to entrench within the common law the distinctions which the courts, over many years, have made between employment and contract in labour market relationships;
4. to do all such other things as the association or the committee shall think incidental or conducive to the attainment of the aforesaid objects.

FROM THE PRESIDENT

Welcome to Independent Contractors of Australia.

The defining element of independent contractors is that they work through commercial contracts instead of employment contracts, thus they are "in business".

ICA is a unique organisation in so far as it seeks to represent the interests of BOTH independent contractors and the businesses that engage them. ICA is not interested in a "them and us" mentality. In business we all have one need in common – fairness. We all have responsibilities and obligations to each other.

The purpose of this brochure is to introduce the 'new' ICA. We are moving into an era in which we will continue our active representation of independent contractor's aspirations, but do so in conjunction with member organisations engaging contractors, while activating a wide range of value-add services to our members. In this I am supported by a highly experienced and talented Board all of whom either work as independent contractors or engage them.

The Board is committed to adding to our extensive range of services for Members over the next 12 months.

I invite you now to join us in our mission by becoming a member by completing the online Application Form at www.contractworld.com.au .

If you would like to have more information before you decide, go to our website.

NORMAN LACY, PRESIDENT ICA



ACHIEVING OBJECTIVES

ICA seeks to achieve its objectives by:

- **Education.** To assist independent contractors to understand their status and rights under the law. This is a primary role of the web site.
- **Networking.** To assist independent contractors across all industry sectors to network on issues of common interest. Attacks against independent contractors in one sector must be seen and defended as attacks on all independent contractors.
- **Lobbying.** To undertake public and private lobbying to ensure that legislation and regulation treats independent contractors with justice and equity. The chief lobbying power comes from the ability of ICA to network as proven in its 2001 effort in relation to the '*Personal Services Income (Tax)*' legislation and in 2005-6 with the '*The Independent Contractors' Act*'.

BENEFITS OF MEMBERSHIP

By joining *ICA*, you get the backing of a highly respected national association that can help you to obtain the best support for your business.

Benefits include:

- professional information in key areas of business including legal, taxation and O H & S areas;
- powerful networks with business affiliates and associates for Members benefit;
- support for your right to work freely and independently as an independent contractor;
- lobbying of Government for the fair treatment of independent contractors;
- ongoing education for members on topics relevant to independent contractors;
- having access to various buying groups, providing incentives and savings on products relating to your business and personal interests; *
- a tender database, that will be used to log all contracts/opportunities that come up through the workforce where an independent contractor is needed. *

* In development during 2007

MEMBERSHIP CATEGORIES

Contractor Full Membership

- Available to all Independent Contractors,
 - Access to all services, including professional information, full website access, updates, attendance at seminars, reduced rates for education programs,
 - Up to 4 representatives on Board.
- FEE: \$100.00 pa or \$200.00 for 3 years

Contractor Affiliate Membership

- Available to anyone,
 - Access to all website areas.
- FEE: \$50 pa or \$100 for 3 years

Company Full Membership

- Available to Companies who engage independent contractors,
 - Access to all services, including professional information, full website access, updates, attendance at seminars, reduced rates for education programs,
 - Up to 3 representatives on Board.
- FEE: Based on employee and/or contractor numbers: 1-50 = \$1,000, 51-100 = \$2,000, 101-200 = \$4,000, 201+ = \$6,000 pa

Company Affiliate Membership

- Available to Companies who provide products and services to independent contractors,
 - Access to all services, including professional information, full website access, updates, attendance at seminars, reduced rates for education programs
- FEE: \$4,000 pa

Industry Membership

- Available to Industry Associations whose members engage independent contractors,
 - Access to all services, including professional information, full website access, updates, attendance at seminars, reduced rates for education programs
 - Up to 3 representatives on Board.
- FEE: Based on number of member companies: 1-25 = \$1,000, 26-50 = \$2,000, 51-100 = \$4,000, 101-200 = \$8,000, 201+ = \$12,000 pa

Prices are exclusive of GST

Industry and Company Applicants should contact ICA's office. Application Forms for Contractor Membership are available online at www.contractworld.com.au.

ICA BOARD

THE HON NORMAN LACY	President (Former Minister for Educational Services and the Arts, Government of Victoria)
STEVE HATTON	Deputy President (Managing Director, Best Practice Skills P/L, Former Chief Minister of NT)
DANIKA BAKALICH	(Chief Executive Officer, Information Technology Contract & Recruitment Association)
MATTHEW FRANCESCHINI	(Chief Executive Officer, Entity Solutions)
STEVE HARRISON	(Managing Director, Australian Independent Contractors Agency P/L; Former National Secretary, AWU)
GLENN HUTCHINSON	(General Manager, Raykon Group WA)
JUDY MAYNARD	(Managing Director, Odco Contracting Systems Australia P/L)
DR TUI McKEOWN	(Lecturer, Faculty of Business and Economics, Monash University)
PAULA NADAS	(Policy Manager, National Office, Family Day Care Australia, NSW)
PETER STRONG	(Principal, Alternative Bookshop, ACT)
JAMES TAYLOR	(Managing Director, Fleets)
KEN PHILLIPS	Executive Director



THE INDEPENDENT CONTRACTORS ACT 2006

In the 2004 Federal election campaign, the Howard Government committed itself to introduce legislation specifically to protect the status of independent contractors. *ICA* welcomed this development and, during 2005 and 2006 lobbied privately and publicly on the details of the proposed Act.

Representations were made to all major political parties as well as the media. *ICA* is continuing these efforts in 2007.

The legislation gives new protections for independent contractors that have not been available before.

Specifically, it contains provisions for the:

- review of unfair contracts,
- prevention of sham contracts,
- voiding of State laws that deem independent contractors to be employees for industrial relations purposes.

DECLARATION OF INDEPENDENT CONTRACTORS' RIGHTS

(May 2003)

Who are independent contractors?

Independent contractors are people who have rejected the bondage of employment. They are not employees and do not want to be employees. They want to be free to work flexibly and efficiently in their own time, and in ways that best suit them, to achieve the required results.

Independent contractors, under law, have equal rights with their contracting parties to control their working contracts. There are no employers. Power is determined by the marketplace, and the balance will swing over time from one side to another in tune with supply and demand. The state does not need to assume power it should not have.

What do independent contractors want?

Independent contractors have basic rights that include:

- The right to have their status as workers under 'contracts for services' determined only by the authority of independent courts ruling within historically established legal principles.
- The right not to have their legal status violated by bureaucrats, regulators and parties with vested interests in ways that force independent contractors to become employees.
- The right to business tax and legal treatment as applies to all entities working under contracts for services, and not to be artificially forced into employee-type tax and legal treatment.

Within these rights, independent contractors accept that they work within business regulatory regimes that involve obligations to treat their contract parties with fairness and justice within the law. In turn, those same business regulatory and legal regimes provide independent contractors with key protections which deliver fairness and justice under the law in a way not available to employees.

Independent contractors:

- Reject the claim that "employment" regulation is the only form of protection available to workers who supply their labour.
- Deliberately seek out contractor status, in the full knowledge that it involves business risks (which are not taken by employees), in the confident expectation that they will achieve reward and success in their own business (which, again, are not available to employees).

Freedom

Workers must not be denied the right to choose freely between the two working options of being an independent contractor or an employee.

INTRODUCING KEN PHILLIPS, EXECUTIVE DIRECTOR, ICA



Ken Phillips is an independent contractor operating as his own business, as a researcher, commentator, lobbyist and strategist on labour and workplace reform issues. He has been Executive Director of *ICA* since 2000.

Amongst his many activities, Ken Phillips is a published authority on independent contractor issues, directs research on industrial relations versus trade practices and other issues, and promotes the management concept of 'markets in the firm'. He also consults to businesses on reform strategies. Through his articles in the ***Australian Financial Review***, ***The Age***, other newspapers and think-tank and academic journals, he is known for approaching labour issues from outside normal perspectives.

Ken Phillips was *ICA*'s representative at the 2003 and 2006 ***International Labour Organisation*** debates on the '*Scope of Employment Relationship*.' This culminated in a 2006 ILO Recommendation protecting the legitimacy of independent contractors and the commercial contract. He is a principle lobbyist on the Independent Contractors Act.

Ken Phillips has published a book entitled '*Independence and the Death of Employment*'.

ICA WEBSITE

The *ICA* website at **www.contractworld.com.au** has been established for *ICA* Members, whether they are contractors, corporations or industry associations. Members have their own secured section specifically designed for 'Members Only' access. There is also a general area designed for the public.

The *ICA* website is an incredibly useful resource with a wide range of information suitable for every aspect of being an Independent Contractor.

Some of the areas on the website are:

- News Desk
- Development of a Contract Tender Database
- Buying Group Information & Contacts
- Alliance Partners Section
- Dedicated Contractor area
- Advertising Section



INDEPENDENT CONTRACTORS OF AUSTRALIA

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