

fact sheet - types of employment

If you are looking for work or employing staff, you will need to be aware of the different types of employment, and the associated legal obligations, requirements and conditions. Whether you are in the job market or hiring, AMT recommends that you seek legal advice before entering into work-related contracts or agreements.

The Health Professionals and Support Services Award 2010 came into effect on 1 January 2010. Along with the 10 minimum entitlements set out in the National Employment Standards (NES), this Award is a safety net that cannot be altered to the disadvantage of the employee.

EMPLOYEE

An employee can be full or part-time permanent or casual. Employees:

- work standard hours under the direction of an employer on an ongoing basis
- bear no financial risk (this is the responsibility of their employer)
- are paid on a regular basis (weekly, fortnightly, monthly)
- are paid annual leave, personal leave, carer's leave, and long service leave if they are permanent or a 25% loading if they are casual.
- have income tax deducted by their employer
- have superannuation contributions paid into a nominated fund by their employer
- generally have their equipment supplied by their employer (e.g. massage table and towels).

Full time permanent employees work a maximum of 38 hours per week and are entitled to all benefits.

Part time permanent employees work fewer than 38 hours per week on a regular schedule and are entitled to all benefits on a pro rata basis.

Casual employees are generally employed on an hourly or daily basis, with no guarantee of hours. Notice periods do not apply to casuals upon termination of employment. Therapists who are employed on the basis of commission or piecework rates (i.e. they are paid a set percentage of the massages they perform) are legally considered to be casual employees.

CONTRACTOR

A contractor works under contract for a specific job. They do not usually work regularly for one employer and they can choose whether they will do a particular job. Contractors:

- bear the risk for making a profit or loss on each job
- pay their own superannuation and tax, including GST
- set their own hours
- are contracted for a specific period of time or a particular job
- invoice the person who hired them to do the job
- may be responsible for finding a replacement if they are unable to complete a job due to ill health
- generally use their own massage table and supplies

The Australian Government's business website has lots of practical resources for employers and small business owners. You can use their contractor decision tool to determine whether you are being employed as - or are employing - a contractor or an employee:

<http://www.business.gov.au/business-topics/business-structures-and-types/independent-contractors/Pages/independent-contractors-decision-tool.aspx>

The ATO's employee/contractor decision tool will also assist employers to comply with Commonwealth tax and superannuation obligations.

<https://www.ato.gov.au/Calculators-and-tools/Employee-or-contractor/>

Please see our accompanying Fact Sheets on 'Agreements and Contracts' and the 'Health Professionals and Support Services Award' for more information about wages and conditions for Remedial Massage Therapists.

