

ARE YOU AN INDEPENDENT CONTRACTOR?

This check-list will assist you in determining whether or not you are a bona fide independent contractor. If you answer “yes” to all (or most of) the statements listed below, then your status as an independent contractor is reasonably secure. It is, however, the overall way you work that is important. You need to acknowledge, and the people for whom you do work must acknowledge, that neither of you wishes to engage in an “employer–employee” relationship. Making sure you follow this ‘20-point’ assessment will help you avoid any uncertainty.

	Yes	No
1. I became an independent contractor - and remain so, of my own free will.	<input type="checkbox"/>	<input type="checkbox"/>
2. I trade as either an individual, a partnership, a registered business name or a Pty Ltd company.	<input type="checkbox"/>	<input type="checkbox"/>
3. I advertise for business.	<input type="checkbox"/>	<input type="checkbox"/>
4. My primary objective is the achievement of an ‘end result’.	<input type="checkbox"/>	<input type="checkbox"/>
5. I am paid by invoice for completed work - although hourly rates may be used as a convenient basis for calculating invoice amounts.	<input type="checkbox"/>	<input type="checkbox"/>
6. I accept that work lasts for the term of each particular job or contract.	<input type="checkbox"/>	<input type="checkbox"/>
7. I freely accept the financial terms contained within the contracts I enter into.	<input type="checkbox"/>	<input type="checkbox"/>
8. I acknowledge and accept that the basis of agreement between myself and the other party is what is contained in the contract.	<input type="checkbox"/>	<input type="checkbox"/>
9. I acknowledge that no part of the financial consideration of the contracts I enter into has been withheld for holiday pay, sick leave, long service leave, superannuation, or any other statutory ‘employment-related’ provision.	<input type="checkbox"/>	<input type="checkbox"/>
10. I profit from my work but also acknowledge that there are risks associated with running my own business as an independent contractor.	<input type="checkbox"/>	<input type="checkbox"/>
11. I accept work on the basis of offer and free acceptance. I am not obliged to accept work and I may reject work if I so desire.	<input type="checkbox"/>	<input type="checkbox"/>
12. I reserve the right to employ or sub-contract any aspect of the work I do to another person.	<input type="checkbox"/>	<input type="checkbox"/>
13. I reserve the right to employ an apprentice or trainee in the execution of the contracts I enter into.	<input type="checkbox"/>	<input type="checkbox"/>
14. I control the way I work however discussions with and direction from my clients may be a normal commercial need.	<input type="checkbox"/>	<input type="checkbox"/>
15. I have discretion and flexibility regarding work performance including start and finish times.	<input type="checkbox"/>	<input type="checkbox"/>
16. I accept responsibility for any defective or remedial work which was my doing.	<input type="checkbox"/>	<input type="checkbox"/>
17. I provide my own tools and equipment depending on the needs of the job.	<input type="checkbox"/>	<input type="checkbox"/>
18. My taxation obligations are managed through the PAYG & PSI systems.	<input type="checkbox"/>	<input type="checkbox"/>
19. I provide my own public liability and sickness and accident insurance cover.	<input type="checkbox"/>	<input type="checkbox"/>
20. All contracts I enter into whether verbal or in writing are consistent with the above principles.	<input type="checkbox"/>	<input type="checkbox"/>

**Independent Contractors of Australia’s standard disclaimer applies to this document
(see <http://www.contractworld.com.au> for details).**

It should not be treated as professional advice, but as a guide to understanding only.