LOOKING TO EMPLOY?

WHAT ARE THE OPTIONS?

Employment status is a compulsory title you must give someone in the workplace. An employee needs to know if it's casual, part time or full time employment upon offering a position.

FULL TIME & PART TIME EMPLOYMENT

HOURS

Full time employees generally work 38 hours a week. There can be exceptions to this, if the additional hours are considered reasonable, however generally speaking full time means 38 hours per week.

Part time employees have permanent hours, however, to be considered part time they need to be less than 38 hours. When the part time hours have been decided on between an employee and employer, they can't be arbitrarily changed or reduced.

WAGES

Full time and part time employees earn a consistent wage based on their agreed hours. If "reasonable" overtime is agreed upon in your contract, then generally speaking these employees are not entitled to additional pay for overtime. There are some exceptions to this if jobs are paid on an hourly basis.

ENTITLEMENTS

The best way to check which entitlements are applicable to you is it check the <u>Fair Work Australia</u> website. Full time and part time employees are entitled to 4 weeks paid annual leave, two weeks paid personal or carers leave and two days compassionate leave. This is pro-rata for part time employees based on their hours worked.

FULL TIME & PART TIME EMPLOYMENT (continued)

DISMISSAL

All employees are protected under discrimination laws. This includes but is not limited to employees being unfairly dismissed due to their gender, race, age, ethnicity, sexuality or being treated less favourably. It is noteworthy to mention that unfair dismissal laws can differ depending on the status of employment. This basically means that once you have been employed for 6 months or more these laws will protect you, after 6 months you can not be unfairly dismissed.

SUPERANNUATION

All employees regardless of their status are entitles to super contributions from their employer.

CASUAL EMPLOYMENT

HOURS

Casuals are employed on an "as needed" basis. They have no guarantee of regular work or hours. They can work irregular hours rather than a fixed roster. Employers are not under any obligation to give casual work, and in turn, casuals are entitled to decline shifts with reasonable notice.

WAGES

Casual employees are paid on an hourly rate and receive 25% loading to cover the benefits they don't receive, such as less job security or holiday pay. A casual employee is required to be paid for every hour they work.

CASUAL EMPLOYMENT

(continued)

ENTITLEMENTS

Casual employees are not entitled to any paid leave. They are entitled to take leave from work, however there is no financial compensation for it.

Generally speaking, casual employees are not protected from unfair dismissal. The exception is if a casual employee has been employed for at least six months on a regular and systematic basis. This can give a reasonable expectation of continuing employment on that basis, which means they could possibly be protected for unfair dismissal despite being a casual employee. These certain cases will depend on the individual circumstances of the casual employee's employment.

SUPERANNUATION

All employees, regardless of their employment status, have an entitlement to superannuation payable by their employer.

FLEXIBILITY

Full time and part time employees don't have as much flexibility as casuals. Leave is applied by seeking approval from a manager.

Casuals can decline shifts and take extended periods of leave. However this is a two way street, just as casuals can take extended periods of leave, workplaces can have extended periods of time without requiring casuals. Lots of job flexibility comes with less job security.

CONTRACTOR

Contractors run their own business and sell their services to others.

Some of the main differences between contractors and employees are:

REMUNERATION

An employee is paid for the hours worked; the task completed; or a commission fee determined by the type of work on their contract.

A contractor is usually on a set fee for a task and on completion of that task is paid. There are also contractors that are paid per hour but generally speaking once that task is completed whether the payment is in a lump sum or for the hours worked, new tasks and conditions would need to be negotiated.

CONTROL

An employer has control over an employee as far as:

- What the task is.
- How the task is to be completed.
- Where the work should be done.

When engaging with a contractor the only thing that you have control over is the timeline.

THE ABILITY TO DELEGATE OR OUTSOURCE

When giving an employee a job or task, this is their task or job. Provided they have the right tools and training it is their task to complete.

When giving a job or task to a contractor, they are at liberty to delegate or outsource the work as they see fit.

CONTRACTOR (continued)

Main differences between contractors and employees, continued....

TEAM WORK

As as employee you have an obligation to sometimes work collaboratively and cohesively within a team. You are also a representative of that business.

A contractor, whilst sometimes it is in the best interest of the project, is under no obligation to work under the umbrella of an employee and doesn't represent any business other than their own unless otherwise arranged.

WORKPLACE RIGHTS

Contractors do have workplace rights and protections but have different responsibilities relating to insurance, tax and superannuation.

RISK

An employee is covered under the workplace in most circumstances.

Contractors bear the commercial risk of any costs arising out of injury or defective work.



POINTS TO CONSIDER REGARDING EMPLOYMENT

If you are an employee and contemplating full time, part time or casual work, you need to consider what sort of job security you need.

As an employer, you need to consider the consistency of the work versus the continuity of staff. If you are having to hire and retrain casuals all the time this can bring inefficiencies and an expense to your business.

Is it better to have more expensive staff (casuals) and not have to worry with annual leave and sick leave or would you prefer the committed nature of a full time employment agreement? It is best to remember both as an employee and employer the pros and cons to all employment agreements. For the best outcomes both parties need to be honest about their expectations and requirements in order to create a lasting workplace employment agreement .