



How can you hire your support worker as a contractor?

Information to support you

An Easy Read fact sheet





How to use this Easy Read fact sheet



WA's Individualised Services (WaiS) wrote this fact sheet. When you see the words 'we' or 'us', it means WaiS.



We wrote this fact sheet in an easy to read way.

We use pictures to explain some ideas.

Bold
Not bold

We wrote some important words in **bold**.

This means the letters are thicker and darker.

We explain what these bold words mean.



You can ask for help to read this fact sheet.

A friend, family member or support person may be able to help you.

Can you hire your worker as a contractor?



A **support worker** is someone who is paid to provide their support.

We also call them a 'worker'.



You need to know if your worker is an **employee**.

An employee is someone who:

- gets paid to do a job
- works for you.

If they're not an employee, then you need to know if they are a **sole trader contractor**.



A sole trader contractor is a worker who:

- runs their own business
- is not an employee.

We also call them a 'contractor'.



If you want to hire your worker as a contractor, there are rules to follow.

What your contractor must do



Your **income** is the money you earn from working.



When you work, you might pay some of your income to the ATO.

We call this **taxation**.



And when you pay your contractor for their work, they pay some of their income to the ATO.

We call this **income tax**.

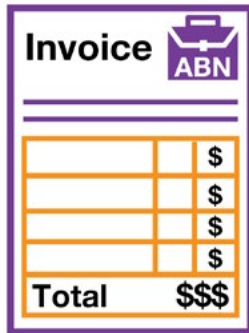


If your worker is a contractor, they must:

- tell the ATO how much money they earn
- pay their income tax.

Your contractor will send you invoices for the work they do.

A contractor's invoice includes:



- a list of what services they provided
- how much their services cost
- the amount you must pay
- their Australian Business Number (ABN).



An ABN is a number you need to have when you run a business or company in Australia.



Your contractor should have their own ABN.

If they don't have an ABN, they can use the 'ATO Statement by Supplier form'.

What you must do

Having a safe place to work

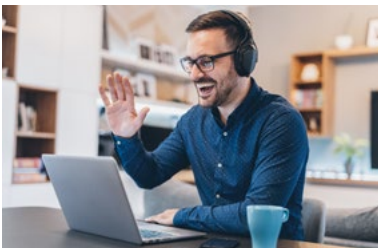


If your worker is a contractor, you must make sure they are as safe as possible when they work for you.



To help them get ready, you can give them:

- information
- training.



Information and training can make sure where your contractor works is as safe as possible.

For example, in your home.

Protecting your contractor



If your worker is a contractor, you might need to protect them if they get hurt at work.



You can apply for **workers compensation insurance**.



This is a service you pay for to protect workers who get hurt at work.

It helps you:

- pay your contractor like they are still working
- protect your contractor if they are hurt when they work for you.

For example, paying their medical bill.

Asking if your contractor has insurance



You can ask your contractor if they have **public liability insurance**.



This is a service that protects your contractor if:

- someone who doesn't work for them gets injured when they deliver a service
- they damage someone's personal items, like a computer.



Not everyone needs their contractor to have this insurance.

So you only have to ask for this if you need it.



You can also ask your contractor if they have **car insurance**.



This is a service that protects your contractor if they drive a car.



You can ask your contractor if they have up to date:

- car insurance
- driver's licence
- car registration.

Keeping some pay from your contractor



If your worker is a contractor, you must also think about paying their **superannuation**.



This is money people save for when they retire.

We sometimes call superannuation ‘super’.



You might need to pay your contractor’s super if they:

- do work for you
- and
- don’t need to use tools or equipment.



Asking your contractor to get an ABN



Not everyone can get an ABN.



To get an ABN, someone must sell a service or product.



And they must do activities for their business.

For example, a person might have meetings for their business.



The law says that not all people with an ABN are contractors.



But to become a contractor, there is a list of things your contractor must do or have.

For example, having an ABN.



Your contractor can't get an ABN if they provide services as an employee.



They also can't get an ABN if they do activities for fun.

For example, making candles for themselves but not for their business.

More information

There are different websites you can visit for more information.

There is a tool on the Australian Taxation Office (ATO) website.

This tool will help you check if your worker is an employee or a contractor.



www.ato.gov.au/calculators-and-tools/employee-or-contractor

You can find the ATO Statement by Supplier form on the ATO website.



www.ato.gov.au/forms

You can find more information about workers compensation insurance on the Work Cover WA website.



www.workcover.wa.gov.au

You can find more information about having a safe place to work on the Government of Western Australia's website.



www.commerce.wa.gov.au/worksafe/employers-your-responsibilities

You can find more information about ABNs on the ATO website.



www.ato.gov.au/Business/Employee-or-contractor

Contact us



If you have any questions, please contact us.



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You can visit our website.

www.waindividualisedservices.org.au



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