

# Employee? Or contractor?



## Who does **your** business really need?

Employees and contractors are very different things in the eyes of the law and getting it wrong can be expensive! As a general rule of thumb, if they're not really in business for themselves, they're probably not really contractors. This checklist gives an overview of some of the key differences to help work out what your business actually needs... but if in doubt, as always, get some advice.

### Employees:

- ☐ Use your equipment to do the work and/or wear your uniform
- ☐ Work when and where you require
- ☐ Are available for work as required in their agreement
- ☐ May need to ask permission to work elsewhere as well
- ☐ Are paid the payrate you set for every hour worked
- ☐ Are reimbursed for expenses (petrol etc)

### Contractors:

- ☐ Use their own tools or equipment to do the work
- ☐ Work on their own schedule, provided it meets the deadline
- ☐ Invoice you and pay their own tax and levies
- ☐ Negotiate, tender or set their own rates for the work required
- ☐ Can be liable for mistakes and breaches if these aren't remedied
- ☐ Generally do not require training or supervision