

Dear Committee Members,

I am writing to you in my capacity as National General Secretary of the Shearers and Rural Workers Union (SRWU). The SRWU represents Workers whose jobs are generally in rural areas and are short-term, seasonal, itinerant and often are lowly paid.

It has come to the attention of the SRWU that workers are being pushed off being "Workers" and are being made "contractors" by unscrupulous employers, taxation accountant Conmen and Conwomen and Bludging, lying and Devious workers compensation insurance companies. The burden of being an Individual contractor is being put onto workers by employers who don't want to pay the costs of workers compensation, superannuation or being bound by Occupational health and Safety or be bound by the rulings of the Australian Taxation Office (ATO). Most importantly, the employers see this as a way of dodging their obligations, or to avoid, the long arm of the Fair work Act and the Federal pastoral industry Award. The big concern for the SRWU is also for workers who are deemed as not eligible to be covered for workers compensation by insurance companies that are contributed to by employers who think that the premiums that they pay are actually covering the workers that they employ.

A Shearer named Christopher Canty from Longwood, North East Victoria, better known as "the Fox", with more than 40 years experience as a Shearer was injured at a shearing shed at Longwood in Victoria in 2013. The cocky put in the paper-work to his workcover insurance company. The insurance company, QBE, then informed the Shearer, Mr Canty, that he was ineligible for cover as he was a Contractor, not a worker. Their decision was based on the fact that Chris Cant had worked for more than 20 employers in the financial year (as most Shearers do). Each of these employers had sent Fox a Taxation Group Certificate or PAYE payment summary, and had contributed to a workcover insurance company, if they were required to. As Mr Canty was a member of the SRWU, he came to us and after a protracted battle with QBE, we had a victory over this unscrupulous organisation. Sadly there are a lot of Shearing industry workers that are not members of the SRWU and so have to cop it in the neck when an insurance company "deems" them to be an individual contractor, not a worker. We do not know how many insurance companies are trying this Bullshit on.

The Australian Taxation Office (ATO) has designated a whole list of occupations as 'Pay as You Earn (PAYE)' taxpayers. I made contact with the ATO and asked them if Shearers and other shearing workers were regarded as PAYE taxpayers. The answer was a sound YES. If a Shearer or other shearing industry worker is being deemed as an independent contractor, then this is also a breach of ATO rules and regulations and guide lines.

The reason the Commonwealth Government, the Fairwork Office and the Australian Tax payer should be alarmed, is that the deeming of Shearers and shearing industry workers, and other people that work in occupations that are Seasonal, itinerant and rural (and often lowly paid) will be a possible burden on Various Government Departments. If a worker is excluded from workers compensation by being deemed to be a contractor and do not get their own insurance (through negligence, ignorance or poverty) they will become a burden on the government Department that covers the sick, injured or infirmed. If they don't contribute to their own Superannuation, as they would get normally from an employer, they will have to access the Age pension years before they might otherwise need to. If those workers are deemed as independent contractors, and so are excluded from the protection of

the fairwork Act, then this Committee and all workers should be alarmed. Avoidence of the Fairwork Act , in what ever shape of form should be condemned amd be prevented at all cost.

Yours in Unity,

Bernard Constable, Secretary, Shearers and Rural Workers Union