Industrial Relations (Transparency & Accountability of Industrial Organisations) Submission 003-supplementary



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22 May 2013

The Research Director Legal Affairs and Community Safety Committee Parliament House George St Brisbane QLD 4000

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**Dear Committee Members** 

## Worker Definition for Workers Compensation

In its submission to the Committee on the *Industrial Relations (Transparency and Accountability of Industrial Organisations) and Other Acts Amendment Bill 2013* HIA supported the proposed changes to the definition of "worker" for workers compensation purposes.

In expressing its support for the proposal to change to definition of worker to align with the Tax Office's approach to PAYG tax withholding, HIA noted that its preference remained for a more definitive and predictable approach to the definition based on GST registration. The GST based approach was the cornerstone of HIA's original submission to the Committee.

While acknowledging that a PAYG based approach would be preferable to the current worker definition, HIA strongly supports the Supplementary Submission to the Committee made by Master Builders on 21 May 2013.

The strongest arguments for a GST-based approach are

- Its ability to be conclusively determined in advance of any hiring decision;
- A genuine and material reduction in administrative burden, especially for smaller businesses; and
- Clarity for the businesses that are engaged by another about their own workers compensation coverage.

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The Master Builders submission has clearly detailed these and other benefits of the GST-based approach to determining who is a worker and the residual problems associated with the proposed PAYG approach.

HIA strongly commends the GST-based approach to the Committee and would be happy to elaborate further on these issues.

Yours sincerely HOUSING INDUSTRY ASSOCIATION LIMITED

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