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MEDIA RELEASE

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Shorten broken promise delivers new weapon to Labor/Union attack on contractors/self employed

The Budget has added onerous new reporting and red-tape requirements for independent contractors in the construction sector to the Gillard Labor Government's multi-pronged assault on legitimate contracting and self employed arrangements.

This new impost, demanded by the union movement to enable it to control the working arrangements of all who enter a work-site, amounts to another Gillard Government broken promise.

While not as well publicised as the Prime Minister's *'there will be no carbon tax under a government I lead'* broken promise, Assistant Treasurer, Bill Shorten pledged not to change personal service income tax law *"or make life difficult for self-employed working people"* (AFR, 13 Oct 2010, p.3).

This is another instalment in the Gillard Labor Government's concerted and coordinated campaign to hound and harass small business people out of legitimate contracting arrangements and into employee-employer relationships that facilitate union intervention and control.

The livelihoods of up to 2 million Australians are at risk from this Gillard Government-union strategy to force more independent contractors and self employed people into their industrial relations web and shackles.

The Budget certainly *'makes life more difficult for self employed working people'* by creating a new complex red-tape and reporting requirement for engaging independent contractors.

The Fair Work Ombudsman, Australian Tax Office and Australian Building and Construction Commissioner have all already been tasked to target independent contractors and self employed people to force many into union-controlled workplace arrangements.

A successful campaign before the last election spearheaded by the Coalition forced a Government back down of punishing tax law changes and caused the Government and unions to change tack.

Following secret strategy meetings between Government Ministers and unions that were first denied and then belatedly acknowledged, *'Plan B'* was hatched to hound independent contractors and self employed people into the ground using compliance arms of the Commonwealth.

The Budget announcement seeks to force businesses to report on other businesses to aid and abet the Commonwealth agencies that the Gillard Government has tasked to go after independent contractors.

Unfairly labelling tens of thousands of legitimate self-employed and independent contractors as *"shams"* and *"a threat to the integrity of the taxation system and a threat to working conditions of employees"* without foundation, is no basis for using Commonwealth compliance agencies to advance this self-serving Labor agenda.

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