Advice 1 - Terms and Conditions of engagement/employment

Catherine has come to you seeking your advice. You are a management advisor OR workplace lawyer working at a specialist workplace advisory firm.

Catherine has told you that she has been terminated from her job after 3 years.

Catherine has provided you with the following information:

* Catherine has her own business called Fashion Services.  Fashion Services is not incorporated (ie: it is not a Proprietary Limited company).
* Other than Catherine, there are no employees of Fashion Services.
* Fashion Services entered into a contract with Best Fashion Pty Ltd to supply the fashion designing services of Catherine to Best Fashions Pty Ltd.

The contract between Best Fashion Pty Ltd and Fashion Services provides for the following:

(1) Fashion Services are paid a flat hourly rate of $65 per hour by Best Fashion Pty Ltd for each hour worked by Catherine;

(2) The rate of $65 per hour is inclusive of GST;

(3) Each month Fashion Services will provide Best Fashion Pty Ltd with a tax invoice;

(4) Fashion Services must have their own workers compensation insurance;

(5) Fashion Services may only provide the services of Catherine and not supply any other person to Best Fashion Pty Ltd;

(6) Catherine is required to report to the Design Manager of Best Fashion Pty Ltd; and

(7) Fashion Services is required to provide their own design software.

Whilst engaged in the contract, Catherine:

(1) Is provided with an office and a computer by Best Fashion Pty Ltd;

(2) Must obtain permission from the Design Manager if she is to be absent from Best Fashion Pty Ltd;

(3) Is required to attend meetings and fashion shows as the representative of Best Fashion Pty Ltd;

(4)  Must work regular hours of 40 per week at Best Fashion Pty Ltd; and

(5) Must design clothes and these designs become the property of Best Fashion Pty Ltd.

Catherine is seeking your advice as to whether she was an employee of Best Fashion Pty Ltd or not.

In your advice, make sure you

* reference applicable case law, and
* include an assessment of the risks to both Catherine *and* Best Fashion Pty Ltd in relation to whether she is an employee or independent contractor.

Requirements

* Referencing: AGLC 4 (for LLB students), Harvard (for non-LLB students);
* Font: Arial, 12 font
* Spacing: 1.5 line spacing
* Word document ONLY (not PDF).
* Bibliography
* Word limit: 1200 words. (10% +/- rule applies)
* Headings and numbered paragraphs are permitted