

## Australia Post LPO Award Coverage and Classification Guidance

### Background

It is of fundamental importance to Australia Post that everyone who performs Australia Post work is paid fairly and in accordance with their minimum entitlements under Workplace Laws. Australia Post also has obligations under the *Fair Work Act 2009* (Cth) to take reasonable steps to ensure that this is the case in relation to the employees of its Licensees.

Through its Licensee assessment programs, Australia Post has identified that some Licensees are facing challenges in determining the correct award coverage and classification for employees, and in reconciling the activities performed in Licenced Post Offices (**Australia Post Work**) with the description of typical duties provided for in the *General Retail Industry Award 2020 (GRIA)*. Therefore, as part of its broader program of work around supporting Licensees to ensure they are meeting their obligations under Workplace Laws, Australia Post has developed the below guidance on employee award coverage and classification.

### Summary

This guidance includes:

1. A classification guide to assist Licensees in determining the appropriate classification for employees covered by the GRIA;
2. A number of case examples to further assist Licensees in determining:
  - A. the correct classification for employees under the GRIA when a Licensee is operating a retail store;
  - B. the Modern Award that applies to employees when a Licensee is operating a retail store whilst also holding a Mail Contractor Agreement with Australia Post (i.e. GRIA vs *Road Transport and Distribution Award 2020 (RTDA)*); and
  - C. whether a worker is properly classified as an employee or independent contractor.

**The below information has been provided for general information and guidance purposes only. This does not constitute legal advice or Australia Post's recommendation. It is not intended to be a substitute for legal advice and should not be relied upon as such. Licensees are responsible for ensuring they comply with their obligations under workplace laws and should always seek specific legal or other independent advice about their individual circumstances.**

### In-conjunction businesses

There will be other circumstances where licensees will operate in-conjunction business (e.g. an LPO in-conjunction with a petrol station, pharmacy or fast-food outlet) and employees work in one or across both businesses. Australia Post recognises that award coverage in these types of scenarios can be difficult to determine. We recommend that you seek independent advice to ensure you are complying with the correct award if you are operating an in-conjunction business.

## 1. Classification guidance - General Retail Industry Award 2020

Australia Post has prepared the following material to assist Licensees in determining the award classification of employees covered by the GRIA.

Under the GRIA, an employee's classification will be determined by the skill level that they are required to exercise to carry out their role. The key consideration for an employee progressing to a higher classification level is that they are performing work at a higher skill level than the classification before it. The indicative duties under a classification in GRIA are a useful reference, however they are an indication only and an employee doesn't need to perform all or even one of the tasks, job titles or duties to fit within the classification. The key consideration for determining the appropriate classification is the employee's skills, duties, responsibilities and experience.

Tasks and functions that are performed within LPOs vary in terms of their level of complexity. Staff who perform more complex tasks that require greater skill or responsibility will be a higher classification under GRIA. A good example is looking at the types of transactions performed by Counter Operators:

- Some transactions (such as merchandise sales and postal transactions) are simple and do not require employees to undertake any specific training or to hold particular accreditations. These employees are likely to be Level 1 Employees under the GRIA.
- Other transactions (such as completing the daily balance of the employee's terminal) are more complex, require the employee to take more responsibility and complete on the job training. Similarly, employees who are able to perform their duties without close supervision will be performing work at a higher skill level. These employees are likely to be Level 2 Employees under the GRIA.
- Further still, transactions such as banking, ID&V, EIS, passport and other financial transactions require the employee to have completed specific Australia Post training, such as Anti-Money Laundering and Counter Terrorism Financing Training and Privacy Training. These transactions involve an additional level of responsibility. These employees are likely to be Level 3 Employees under the GRIA.

It is important to note that employee award classification under the GRIA will generally change over time as an employee develops skills and experience. For example, a new recruit performing simple postal transactions with limited relevant experience, may commence as Level 1 but is likely to progress to a Level 2 over a period of 6-12 months as their level of skill and experience develops and they require less supervision.

**Table 1** provides a high-level summary of the classifications and indicative duties under the GRIA.

**Table 2** summarises common duties undertaken by employees in LPOs and aligns these to the relevant GRIA classifications.

Table 1 – Summary of GRIA Classifications

GRIA Classification	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8
<b>Summary of GRIA Classification</b>								
Summary of GRIA classification	<ul style="list-style-type: none"> <li>Initial recruits</li> <li>Limited relevant experience</li> <li>Working under close direction</li> </ul>	Higher level of skill/ experience level than Level 1	<ul style="list-style-type: none"> <li>Higher level of skill/ experience than Level 2</li> <li>Provides supervisory assistance to a section manager or team leader</li> <li>Opens/ closes premises</li> <li>Security of cash</li> </ul>	<ul style="list-style-type: none"> <li>Higher skill level of skill/experience than Level 3</li> <li>Supervisor/2IC</li> <li>Supervision of up to 4 sales staff (including self)</li> <li>Stock control and buying or ordering requiring the exercise of discretion</li> <li>Clerical officer</li> <li>Level 2 duties: initial processing and recording of information for reconciliation of accounts, invoices, and payroll data</li> </ul>	<ul style="list-style-type: none"> <li>Higher level of skill/experience than Level 4</li> <li>Supervision of more than 4 sales staff (including self)</li> </ul>	<ul style="list-style-type: none"> <li>Higher skill level of skill/ experience than Level 5</li> <li>Manager (including wage and salary records and banking)</li> <li>Providing specialised advice on products and services</li> <li>Responding to customer problems utilising a high degree of interpersonal skills</li> </ul>	<ul style="list-style-type: none"> <li>Higher level of skill/experience than Level 6</li> <li>Only require limited guidance in performing their role</li> <li>Supervision of employees in lower levels including allocating duties, coordinating workflow and ensuring quality of work</li> </ul>	<ul style="list-style-type: none"> <li>Higher skill level of skill/experience than Level 7</li> <li>May have relevant Diploma qualification</li> </ul>

Table 2 – Common LPO duties aligned to GRIA classifications

GRIA Classification	Indicative LPO duties							
	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8
Non-Financial	Mail receipt, mail despatch, PO Box and mail sorting, mail delivery <b>Note:</b> employees who are engaged on mail sorting duties alone may remain at Level 1 subject to their duties and responsibilities remaining unchanged throughout their employment.							
Sales/ Financial Transactions	Sales and financial transactions requiring no specific Australia Post accreditation, such as postage sales, assessment, acceptance; merchandise sales; BillPay; My Post transactions. <b>Note:</b> employees will generally progress from Level 1 to Level 2 in a 6-12-month period depending on their skills and experience.							
Financial/ Banking Transactions	Daily balance of employee's terminal advance and associated money handling or performing duties at a higher skill level without close supervision.							
EIS Transactions	Financial/banking transactions requiring completions of Police Checks, AMLCTF Training and/or Privacy Training, such as cash withdrawals, cash and cheque deposits, money orders, prepaid Visa Cards and Western Union money transfers.							
ID&V Transactions	EIS transactions requiring completions of Police Checks, Processing ID Services Training, Processing ID Services EIS Training, AMLCTF Training and/or Privacy Training.							
Passport transactions	ID&V transactions requiring completions of Police Checks, specific transaction training, AMLCTF Training and/or Privacy Training, such as processing Working with Children Checks, Police Checks and Key Pass Identification applications.							
Operations	Processing passport applications and renewals requiring completions of Police Checks, specific transaction training, AMLCTF Training and/or Privacy Training.							
LPO Administration	Opening and closing premises; ensuring security of cash; works alone with responsibilities for security and running of LPO.							
	Stock control and buying or ordering requiring the exercise of discretion; Clerical officer Level 2 duties, including reconciliation of accounts, invoices, and payroll data.				Staff training and supervision (up to 4 staff, including self); daily office balance; daily cheque remittance. Has delegated management responsibilities when Manager or Licensee is not present and may include a manager of an LPO with no staff to supervise.			
Supervision and Business Management	Supervision of 4 or more employees.							
	A higher level of skill/experience than Level 4 <b>Note:</b> progression from Level 4 to Level 5 will vary. The length of time that the person has been employed, the number of employees they supervise and size of the LPO's operations will be relevant considerations.							
	Performance of some management duties such as preparing cash payment summaries, banking reports, calculating wage and salary records, purchasing and inventory control. Will usually have title of Manager and name may be on the LPO agreement.						Performs all managerial duties including staff rostering, staff payroll, BAS, superannuation, reconciliation and account balancing, banking, co-ordination of workflow, allocation of duties and supervision of staff.	
	Will have more discretion and judgement over the running of the LPO than a Level 6 and will have significant experience working in LPOs.						Performs all duties of a Level 7 and has a relevant Diploma qualification. Generally, manages a large LPO or in conjunction business or performs other company activities.	

The above information has been provided for general information and guidance purposes only. This does not constitute legal advice or Australia Post's recommendation. It is not intended to be a substitute for legal advice and should not be relied upon as such. Licensees are responsible for ensuring they comply with their obligations under workplace laws and should always seek specific legal or other independent advice about their individual circumstances.

## 2. Case examples

The below case examples are intended to provide guidance to Licensees to assist in determining:

- A. The correct classification of employees under the GRIA;
- B. The most appropriate Modern Award that applies to employees when a Licensee is operating a retail store whilst also holding a Mail Contractor Agreement with Australia Post (i.e. GRIA vs RDTA); and
- C. Whether a worker is properly classified as an employee or independent contractor.

### A. Classifying employees under the *General Retail Industry Award 200*

Case Example	Likely Classification Level under the GRIA
<p>1. Sarah has recently started working for an LPO as a retail employee. Sarah's work is performed under the close supervision and instruction of a more senior retail employee at the LPO.</p> <p>Sarah's duties include:</p> <ul style="list-style-type: none"> <li>• Handling or distributing mail (including mail/post office box sorting).</li> <li>• Simple postal transactions, such as lodging and accepting payments for parcels.</li> <li>• Displaying and presenting goods for sale in the LPO.</li> <li>• Pre-packing, packaging, weighing of goods for sale or dispatch.</li> <li>• Processing the sale and receiving payment.</li> <li>• Loss prevention.</li> <li>• Providing information and advice/assistance to customers.</li> </ul>	<p>Sarah is likely to be classified as a <b>Retail Employee Level 1</b> under the GRIA.</p> <p>The duties captured at this level include:</p> <ul style="list-style-type: none"> <li>• The receiving and preparation for sale and or display of goods in or about any shop.</li> <li>• The pre-packing or packing, weighing, assembling, pricing or preparing of goods or provisions or produce for sale.</li> <li>• The display, shelf filing, replenishing or any other method of exposure or presentation for sale of goods.</li> <li>• The sale or hire of goods by any means.</li> <li>• The receiving, arranging or making payment by any means.</li> <li>• The recording by any means of a sale or sales.</li> <li>• The wrapping or packing of goods for despatch and the despatch of goods.</li> <li>• The delivery of goods.</li> <li>• Window dressing and merchandising.</li> <li>• Loss prevention.</li> <li>• The provision of information, advice and assistance to customers.</li> </ul>

Case Example	Likely Classification Level under the GRIA
<p>2. Azeem has been employed at an LPO as a retail employee for 1 year. Azeem was initially classified as a Retail Employee Level 1 under the GRIA. However, over time Azeem has gained experience in the operations of the LPO, has developed his skills and product knowledge that allow him to upsell and to value add to customer transactions. He has also taken on additional responsibility and requires less supervision. His tasks include:</p> <ul style="list-style-type: none"> <li>• The daily balancing of his terminal and money handling.</li> <li>• Handling or distributing mail (including mail/post office box sorting).</li> <li>• Simple postal transactions.</li> </ul>	<p>Azeem’s classification under the GRIA is likely to have changed over time as he has developed his skills and experience in the role. He is likely to be classified as a <b>Retail Employee Level 2</b> under the GRIA. The duties captured at this level include:</p> <ul style="list-style-type: none"> <li>• Australia Post work such as the daily balancing of terminal and money handling without close supervision.</li> <li>• Performing work at a retail establishment at a higher skill level than a Retail Employee Level 1.</li> </ul>
<p>3. Martin has been employed at an LPO for 2 years. Martin’s duties are limited to sorting mail; he sorts letters into PO Boxes and prepares cards to advise customers that they have a parcel awaiting collection.</p>	<p>Martin is likely to be classified as a <b>Retail Employee Level 1</b> under the GRIA as he only performs mail sorting tasks. These tasks are routine in nature and there is limited opportunity for skill development. Therefore, while Martin continues to perform only mail sorting tasks, he is likely to remain a Retail Employee Level 1 regardless of the length of his employment.</p>
<p>4. Ling is employed at an LPO as a retail employee. Ling’s duties include:</p> <ul style="list-style-type: none"> <li>• Performing more complex Australia Post transactions such as ID&amp;V, EIS, banking and passport applications, all of which require her to have completed specific training and involve more responsibility.</li> <li>• Opening and closing the premises and associated security. This involves her setting up the tills for trade in the morning and ensuring that the LPO is ready for trade. At closing, she ensures that the tills are balanced, cash is secured and that the premises are secure.</li> <li>• Working alone with responsibility for the security and general running of the LPO.</li> <li>• Security of cash and reconciliation of daily takings.</li> <li>• Placing and receiving orders according to defined guidelines set by her manager.</li> </ul>	<p>Ling is likely to be classified as a <b>Retail Employee Level 3</b> under the GRIA. The duties captured at this level include:</p> <ul style="list-style-type: none"> <li>• Performing work at a retail establishment at a higher level than a Retail Employee Level 2.</li> <li>• Opening and closing of premises and associated security.</li> <li>• Security of cash.</li> </ul> <p>More complex Australia Post transactions such as ID&amp;V, EIS, banking and passport applications, which require the employee to complete additional training and which carry a higher level of skill and responsibility will be captured by Level 3 or above.</p>

Case Example	Likely Classification Level under the GRIA
<p>5. David is employed at an LPO as a Supervisor/2IC. David’s duties include:</p> <ul style="list-style-type: none"> <li>• Supervision of up to 3 other employees at the LPO.</li> <li>• Stock control and buying/ordering stock using his discretion as to what stock is ordered, how much is ordered and/or when it is ordered.</li> <li>• Processing and recording information relating to reconciliation of accounts, invoices and payroll data.</li> <li>• Performing more complex Australia Post transactions such as ID&amp;V, EIS, financial transactions and passport applications.</li> </ul>	<p>David is likely to be classified as a <b>Retail Employee Level 4</b> under the GRIA. The duties captured at this level include:</p> <ul style="list-style-type: none"> <li>• Performing work at a retail establishment at a higher level than a Retail Employee Level 3.</li> <li>• Management of a defined section/department.</li> <li>• Supervision of <u>up to 4 sales staff</u> (including self).</li> <li>• Stock control.</li> <li>• Buying/ordering requiring the exercise of discretion as to price, quantity and quality of stock.</li> <li>• Clerical Officer Level 2 duties, which include maintaining records that relate to reconciliation of accounts, invoices and payroll data.</li> </ul>
<p>6. Sisina is employed at an LPO. The LPO is small, with 1 terminal and only one person works in the LPO at any one time.</p> <ul style="list-style-type: none"> <li>• The Licensee works as the Manager of the LPO 3 days in week A and 2 days in week B.</li> <li>• Sisina works as the Manager 2 days in week A and 3 days in week B. Sisina opens and closes and does all the cash management and reconciliation tasks required of a Manager.</li> <li>• Sisina looks after stock control and orders stock requiring the exercise of discretion.</li> <li>• Sisina also manages the LPO when the Licensee goes on holidays.</li> </ul>	<ul style="list-style-type: none"> <li>• Sisina is most likely a <b>Retail Employee Level 4</b> classification under the GRIA because she has delegated management responsibilities when the Manager or Licensee is not present.</li> <li>• Although Sisina does not supervise any employees, in her role as Manager of the LPO she performs a range of tasks and duties that require her to exercise her discretion such as stock ordering, cash management, and reconciliation of accounts.</li> <li>• When the Licensee goes on holidays, Sisina may be entitled to a higher duties allowance if she is performing duties at a higher classification. This will not impact her ongoing classification unless the higher duties become part of her role permanently.</li> </ul>
<p>7. Samantha is employed at an LPO as a Supervisor. Samantha’s duties include:</p> <ul style="list-style-type: none"> <li>• Supervision of 5 other employees at the LPO.</li> <li>• Performing more complex Australia Post transactions such as ID&amp;V, EIS, banking and passport applications.</li> </ul>	<p>Samantha is likely to be classified as a <b>Retail Employee Level 5</b> under the GRIA because she has supervisor responsibilities and the retail tasks and transactions she performs require a higher level of skill than simple postal transactions. The duties captured at this level include:</p> <ul style="list-style-type: none"> <li>• Supervising <u>4 or more</u> employees.</li> <li>• Performing work in or in connection with a retail establishment at a higher level than a Retail Employee Level 4.</li> </ul>

Case Example	Likely Classification Level under the GRIA
<p><b>8.</b> A small LPO has 3 employees: Raj, Ben and Anastasia. There are 2 terminals at the LPO and no PO Boxes.</p> <ul style="list-style-type: none"> <li>• The LPO is open from 9.00am to 5.00pm, 5 days per week Monday - Friday.</li> <li>• The Licensee works 1 day a week in the LPO 10.00am to 3.00pm.</li> <li>• Raj is the Manager of the LPO and works 38 hours per week. He works every day from 8.45am to 5.15pm. Raj does <b>all</b> the tasks required to manage the LPO including stock ordering, rostering of employees, EIS transactions, banking transactions, reconciliations and account balancing. Raj exercises significant discretion, initiative and judgment in his role and coordinates the workflow of other staff.</li> <li>• Ben and Anastasia work 2 days a week each from 10.30am to 3.30pm. They do not open or close the LPO. They have completed AP training for: <ul style="list-style-type: none"> <li>○ Banking transactions, Western Union, prepaid Visa cards etc.</li> <li>○ ID&amp;V and EIS transactions (Working with Children Checks, police checks and Keypass identification).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Raj is likely to be classified as a <b>Retail Employee Level 7</b> under the GRIA because he is the manager of the LPO. He has significant responsibility for the LPO and he performs <b>all</b> managerial duties, including reconciliations, staff rosters and coordinating staff and is required to exercise significant discretion, initiative and judgement.</li> <li>• Ben and Anastasia are likely to be classified as a <b>Retail Employee Level 3</b> under the GRIA because they perform more complex transactions such as ID&amp;V and EIS, which require them to have completed specific training and carry a higher level of skill and responsibility.</li> </ul>
<p><b>9.</b> A large LPO has 5 employees, Ruth, Billy, Kim, Todd and Antonio. The LPO is full service and offers banking, EIS and passport transactions, has PO Boxes, and has a mail run. The LPO is open 6 days per week.</p> <ul style="list-style-type: none"> <li>• The Licensee works in the business 5 days a week on front terminal. When the Licensee is working the Licensee is the Manager. The Licensee completes the rosters, payroll and all managerial tasks.</li> <li>• Antonio is trained to perform all services including passport applications and interviews. He has a key to the LPO and is responsible for opening/closing the LPO from time to time. On Saturdays when the Licensee is not working, Antonio has delegated</li> </ul>	<ul style="list-style-type: none"> <li>• Antonio is likely to be classified as a <b>Retail Employee Level 5</b> under the GRIA as he has delegated management responsibilities when the Manager or Licensee is not present on Saturdays. He is likely to be a Level 5 as he supervises 4 or more other employees and is performing work at a higher skill level as he has been completing these duties for a number of years and does not require supervision.</li> <li>• Ruth is likely to be classified as a <b>Retail Employee Level 1</b> under the GRIA, as she completes simple postal transactions and is a new recruit who is still developing her skills and does not have responsibility of doing cash balances on terminals.</li> </ul>

Case Example	Likely Classification Level under the GRIA
<p>management responsibilities and supervises the other 4 staff. Antonio has been working at the LPO for 5 years and has performed delegated management duties for 2 years.</p> <ul style="list-style-type: none"> <li>Ruth has been employed by the LPO for 1 month and only does front terminal work, simple postal transactions and merchandise sales. She does not have the responsibility of doing cash balances on the terminals.</li> <li>Billy has worked at the LPO for 2 years. He works on the front terminal and does some mail sorting. He has not completed the relevant training to perform EIS or banking transactions and only performs simple postal transactions and sales of merchandise. He will balance the terminal he has worked on at the end of his shift.</li> <li>Kim and Todd only work on the front terminals. They both perform most services such as banking transactions, Keypass ID applications, and Working with Children Checks, however, they have not been trained to do passport applications/interviews.</li> </ul>	<ul style="list-style-type: none"> <li>Billy is likely to be classified as a <b>Retail Employee Level 2</b>. He has more experience working in an LPO than Ruth and he performs duties at a higher level than Ruth. In addition, Billy is required to balance the terminal he has worked on during his shift.</li> <li>Kim and Todd are likely to be classified as a <b>Retail Employee Level 3</b> under the GRIA as they perform work at a higher level than Billy and have more responsibility. They perform more complex Australia Post transactions which require them to complete specific training and carry a higher level of skill and responsibility.</li> </ul>

## B. GRIA vs RTDA

Where an employer is covered by more than one award, an employee is covered by the award classification from the award that is most appropriate to the work the employee performs and the environment in which the employee normally performs their work.

**The below information has been provided for general information and guidance purposes only. This does not constitute legal advice or Australia Post’s recommendation. It is not intended to be a substitute for legal advice and should not be relied upon as such. Licensees are responsible for ensuring they comply with their obligations under workplace laws and should always seek specific legal or other independent advice about their individual circumstances.**

Case Example	GRIA or RTDA?
<p><b>1.</b> Kavitha has been employed at an LPO for 6 months. The Licensee operates a retail store and also holds a Mail Contractor Agreement with Australia Post. During her shift, Kavitha works behind the counter in the retail store and performs simple postal transactions and also delivers mail for a couple of hours as part of the Licensee’s separate Mail Contractor Agreement.</p>	<p>The GRIA is likely apply to Kavitha. This is because:</p> <ul style="list-style-type: none"> <li>• The environment in which Kavitha performs her work is the retail store.</li> <li>• Although Kavitha is performing some delivery work, she is also performing retail work behind the counter.</li> <li>• Kavitha’s tasks and duties are more closely aligned with a classification under the GRIA than the RTDA classifications.</li> <li>• The indicative duties under the GRIA include traditional retail tasks as well as the delivery of goods.</li> <li>• The RTDA classifications do not include any retail tasks and duties, only delivery and road transport tasks.</li> <li>• Given the length of Kavitha’s employment and that she only performs simple tasks and duties, she is likely to be a classified as a <b>Retail Employee Level 1</b> under the GRIA.</li> </ul>
<p><b>2.</b> Jonathan is employed by a Licensee operating out of an LPO retail store. In addition to operating the LPO, the Licensee also holds a Mail Contractor Agreement with Australia Post. Jonathan is solely engaged by the Licensee to perform delivery work using a light vehicle under the Mail Contractor Agreement and he does not perform any work in the retail store. The</p>	<p>The RTDA is likely to apply to Jonathan. This is because:</p> <ul style="list-style-type: none"> <li>• The Licensee is operating in both the ‘general retail’ and ‘road transport and distribution’ industries; but</li> <li>• The environment in which Jonathan works and the specific duties he performs are more aligned to the ‘road transport and distribution</li> </ul>

	<p>Licensee has separate employees who perform work in the retail store and the mail contractor business, and these employees do not cross over (i.e. there is a clear delineation of duties and allocation of work between the LPO retail store and mail contractor businesses).</p>	<p>industry' and the RTDA classifications (i.e. the transport by road of goods) than the GRIA.</p> <ul style="list-style-type: none"> <li>• Jonathan does not perform any retail work or other tasks and duties that fall under the GRIA classifications.</li> <li>• It is likely that Jonathan would be classified as a <b>Grade 2 Transport Worker under the RTDA</b> as he uses a light vehicle to complete deliveries.</li> </ul>
<p>3.</p>	<p>Alex works at the same LPO as Jonathan, where the Licensee operates the retail store and also holds a Mail Contractor Agreement to deliver mail on behalf of Australia Post. Alex only works in the retail part of the business. He does not perform any delivery work. Alex has worked at the LPO for four years, and performs all the retail services offered including banking, ID&amp;V, EIS transactions and passport applications. Alex is also responsible for balancing his terminal at the end of each shift and helps the LPO manager by providing supervisory assistance to the less experienced employees.</p>	<p>The GRIA is likely to apply to Alex. This is because:</p> <ul style="list-style-type: none"> <li>• Alex does not perform any mail delivery duties that fall under the RTDA.</li> <li>• Alex works in the retail store part of the business.</li> <li>• The retail store tasks and duties that he performs are more aligned to the work covered by the GRIA classifications.</li> <li>• Given the types of complex Australia Post transactions Alex performs and his level of experience, it is likely that Alex would be classified as a <b>Retail Employee Level 3</b>.</li> </ul>

### C. Classifying workers as employees or independent contractors

Case Example		Employee or Independent Contractor?
1.	<p>Hasma is engaged by a Licensee to perform delivery duties under a Mail Contractor Agreement that the Licensee holds with Australia Post. Hasma is treated by the Licensee as an independent contractor and is required to issue invoices to the Licensee for the work she performs. Hasma's agreement with the Licensee does not clearly define the nature of their relationship. Hasma is engaged by the Licenses as an individual, performs the delivery work using a vehicle provided by the Licensee and cannot delegate work to other people.</p>	<p>Whilst the Licensee is treating Hasma as an independent contractor, it is likely that she is an employee at law and entitled to receive minimum pay and entitlements under the <i>Fair Work Act 2009 (Cth)</i> and a relevant Modern Award. Hasma is not carrying out the work using her own vehicle or equipment. Hasma is not operating a separate business or entity to carry out the work.</p> <p>The majority of work performed by mail contractor delivery drivers (i.e. delivery of mail/parcels using light vehicles) will fall within the scope of the <b>Transport Worker Grade 2</b> classification in the RTDA.</p>
2.	<p>Jason is engaged by a Licensee to perform delivery duties under a Mail Contractor Agreement that the Licensee holds with Australia Post. Jason is treated by the Licensee as an independent contractor and is required to issue invoices to the Licensee for the work he performs. Jason is engaged by the Licensee through a corporate entity (Jason Deliveries Pty Ltd), provides his own vehicle and his agreement with the Licensee clearly states that their relationship is one of Principal and Independent Contractor.</p>	<p>It is likely that Jason is an independent contractor at law. He would still be entitled to be paid at least in line with an employee performing the same work as well as other on costs associated with the services, such as vehicle operating costs, fuel, an allowance for superannuation and workers compensation. The delivery of mail / parcels using a light vehicle would generally be referable to a <b>Transport Worker Grade 2</b> under the RTDA.</p>

**For more information:**

You can get free unlimited Employment Relations advice from the Australian Retailers Association (**ARA**) hotline (phone 1300 368 041).

You can find more information about your Workplace Laws obligations under the Fair Work Act and Awards through the Fair Work Ombudsman's (**FWO**) website ([www.fairwork.gov.au](http://www.fairwork.gov.au)) and hotline (phone 13 13 94). The FWO produce a number of fact sheets to help you understand your obligations, including on the following topics:

- Hiring employees
- The National Employment Standards
- Employment contracts
- Record keeping
- Paying employees
- Tax and superannuation
- The difference between independent contractors and employees

The FWO also has information available in a range of languages and provides a Translating and Interpreting Service (phone 131 450).

If you are unsure about your obligations to your employees, it is your responsibility to seek legal or other independent advice on your circumstances.