



Types of employment

This fact sheet highlights the types of working arrangements that can exist in the workplace and how they differ from each other.

A number of working arrangements can apply when employers engage workers. It is important to understand the different arrangements as they can affect the terms and conditions of employment.

Full time permanent

Most full time permanent employees work between 38 to 40 hours per week on a regular, ongoing basis. Full time permanent employees are eligible for such entitlements as paid annual, bereavement, parental, sick and carer's leave, and public holidays.

Part time permanent

Part time permanent employees work on a regular, ongoing basis but work fewer hours than full time employees. Part time employees may work a set number of hours on specific days. They get the same entitlements as full time permanent employees, but on a pro-rata basis according to the hours worked.

Casual

A casual is an employee who may be hired on an hourly, daily or weekly basis and there are a variety of employment arrangements covering casual employment. Generally, casual employment is categorised by a short term or irregular period of employment. There is no guarantee of ongoing work and no requirement for the employee to be available for work.

Industrial instruments may require an employer to notify the employee of their engagement as a casual, and limit the duration a person can be employed as

a casual. Casual employees are not entitled to annual, sick or carer's leave or any public holidays. Casual employees are eligible for long service leave, and may be eligible for parental leave.

Fixed term

Fixed term employees are employed to do a job for an agreed length of time. Many employers hire fixed term employees to do work on a specific project or to fill in for employees who may be on leave. Fixed term employees are eligible for entitlements such as paid annual, bereavement, sick and carer's leave, and public holidays in relation to the term of their contract of employment.

Commission

Persons whose services are remunerated wholly by commission or percentage reward are not classified as employees for the purposes of the *Minimum Conditions of Employment Act 1993*. People in this category may be paid on a 'commission only' basis which means they only receive money when they sell or achieve a specific target. A person can also be appointed on a 'commission and retainer' basis. In this situation, the person may be classified as an employee and may be eligible for entitlements under relevant legislation and/or an industrial instrument.

Piece work

Persons whose services are remunerated wholly at piece rates are not classified as employees for the purposes of the *Minimum Conditions of Employment Act 1993*. Being paid a piece rate means the person receives a set amount for completing a specific task that can be counted or measured. For example, payment based on a number of boxes of fruit packed or tonnage of timber cut. A person may be classified as a employee and may be eligible for entitlements under relevant legislation and/or an industrial instrument.

Independent contractor

Independent or 'sub' contractors are not employees. The difference between a contractor and an employee can be complex. Independent contractors differ from employees primarily because they will generally run their own business, control the way they work, supply their own tools and be paid upon completion of a job.

Apprentice

Apprentices are employed on an agreement that provides for a fixed term, employment based training program. The apprenticeship agreement may be between two to five years and depends on how long it takes to become a qualified tradesperson. An apprenticeship combines on-the-job experience with off site training.

Traineeship

Traineeships are registered training agreements for a fixed term that provide employment based training. Traineeships often have a term of 12 months, focusing on on-the-job training and at times can have off site training.

Probation?

Probation is a set period of time that may be used by employers to make sure employees can do the work they were employed to perform. A probationary period can range from one to six months, depending upon the work and the industry. Work done during a probationary period is paid, and employees are eligible for entitlements to leave and public holidays. Probation does not apply to casual employment.

Need more information?

If you require more information about State awards, flexible employment options or redundancy provisions, contact Wageline on 1300 655 266.

Wageline – 1300 655 266

8.30am – 5.00pm weekdays
except Wednesday 9.00am – 5.00pm

This information is provided by the Department of Commerce as a general guide only and is not designed to be comprehensive nor to render legal advice. Readers should not rely on the contents of this information without first obtaining legal advice.

The Department of Commerce does not accept liability for any claim which may arise from any person acting on, or refraining from acting on, this information.

This publication is available in other formats on request to assist people with special needs.

National Relay Service: 13 36 77
Quality of service feedback line: 1800 30 40 59

Regional Offices

Goldfields/Esperance	(08) 9026 3250
Great Southern	(08) 9842 8366
Kimberley	(08) 9169 2811
Mid-West	(08) 9964 5644
North-West	(08) 9185 0900
South-West	(08) 9722 2888