



# University of Southern Queensland

## USQ Contractor Questionnaire

### Part A - To be completed by the Organisation contracting with USQ (please complete items 1 to 21):

1.	Name of Contractor Organisation: ..... ABN of Contractor Organisation: ..... Please indicate your entity type: <i>Sole Trader / Company / Trust / Partnership / Other</i> Is Contractor Organisation registered for GST? <i>Yes / No</i> <i>(Where the contractor has no ABN, generally the payment will be made to the person via the HR- Payroll Office.)</i>		
2.	Please describe the type of services that you will provide to USQ under the contract: .....		
3.	With regard to the type of services described at item 2, will you be engaging any other person to perform all or part of these services? <i>Yes / No</i> If "yes":- <ul style="list-style-type: none"> <li>• How many people will you engage?.....</li> <li>• Will any of these people be named individually in the contract or in the schedule to the contract?              If "yes" please give names:.....</li> <li>• Are any of these people your employees for the purposes of payroll tax?.....</li> </ul>		
4.	Have you paid all workers compensation insurance premiums payable in respect of the work done or to be done under the contract? <i>Yes / No</i>		
5.	Does your organisation operate as a bona fide <b>employment agency</b> , providing labour hire services either to the world at large or to a class of persons (such as government agencies, universities etc) by procuring the services of individual/s for the University, but remunerating the individual/s and taking responsibility for all the PAYG, taxation, insurance and superannuation as required under the relevant state and federal legislation? <i>Yes / No</i>		
6.	During the financial year, approximately what percentage of your total revenue is, or will be, sourced from the University? .....%		
7.	Do you have Public Liability Insurance? Limit \$..... <i>(please note that you may be asked to supply a Certificate of Currency for this cover)</i>	Yes	No
8.	Do you have Professional Indemnity Insurance? Limit \$..... <i>(please note that you may be asked to supply a Certificate of Currency for this cover)</i>	Yes	No
9.	Do you regularly provide the type of services described at item 2 to principals other than the University, such as the general public?	Yes	No
10.	Will your organisation supply all of the necessary transport, tools, equipment and office space required in the performance of this work?	Yes	No
11.	Will you bear any commercial risk in respect of providing these services to the University?	Yes	No
12.	Do you advertise your services to the general public or to a particular class of persons (such as government agencies, universities, construction companies etc)? If "yes" what media do you use? <i>yellow pages / internet / other?</i> .....	Yes	No
13.	Will you be invoicing USQ in the form of an hourly rate for each hour worked or a daily rate for each day worked?	Yes	No
14.	Will you be invoicing USQ in the form of a fixed fee for the work performed or, if progressive payments required, will these be based on completed tasks or contract milestones?	Yes	No
15.	Does your organisation have business premises that are physically separate from any personal residence and from any premises belonging to your clients?	Yes	No
16.	Will you be providing services to USQ for more than 90 days (where any time worked on a day is counted as one day) in aggregate during the financial year?	Yes	No
17.	Is the object of your contract to achieve a specific result (that is, based on a specific task or series of tasks)?	Yes	No
18.	Would your organisation be liable for the cost of rectifying any defect in the work performed under this contract?	Yes	No





# University of Southern Queensland

## USQ Contractor Questionnaire

### INSTRUCTIONS:

For questions 9 – 19 and 22 – 29 you will note that the answer boxes are paired with one answer shaded and the alternative answer unshaded. Please calculate how many shaded and unshaded boxes you have selected in this range. Write the number of shaded items in the shaded box and the number of unshaded items in the unshaded box (opposite). The total of both boxes together should be 18. If more shaded than non-shaded boxes have been selected, please contact the Taxation & Insurance Accountant on 4631 2913 for direction.

### Policy, Procedure & Definitions - regarding Contractors

1. The **USQ Contractor Questionnaire** is designed to be completed prior to any contract being requested or drafted. **All questions in the Questionnaire must be answered and the form must be signed by all relevant parties.**
2. Legal Office will not proceed with a request unless the USQ Contractor Questionnaire is completed and signed by both the proposed contractor and the USQ Manager/or Project Officer responsible for the contract.
3. Prior to 1 July 2008 a genuine independent contractor was not caught for Qld Payroll Tax, however since July 2008 even genuine independent contractors may be caught for payroll tax under the new legislation, which is designed to harmonise with the legislation already enacted in the other states.
4. These questions are designed to assist the University to identify potential contractors whose labour component may be subject to Payroll Tax, WorkCover insurance premiums, and the 9% Superannuation Guarantee Charge. Once identified we can ensure that the University fulfils its obligations under both State and Commonwealth legislation.
5. Question 4 in Part A should always be answered in the affirmative. If the Contractor Organisation cannot guarantee that any "WorkCover payable" has been paid, then we should not be using that organisation.
6. Under an employment agency or labour hire arrangement, a contract exists between the agency and its client (USQ), and between the agency and the worker, but there is no contract between the client (USQ) and the worker; the worker is an employee of the employment agency which is responsible for all state & federal taxes, PAYG etc. Employment Agency agreements with USQ are not subject to payroll tax (Payroll Tax Act Part 2 Div 1B).
7. A recruitment agency (also known as a placement agency or job placement agency) places a worker with an employer who is a client of the agency. A contract/agreement exists between the agency and the client (USQ), and/or between the agency and the worker. **A contract/agreement also exists between the worker and the client.** The nature of the relationship between the client and the worker is **determined by the contract** (eg employer & employee or principal & contractor). Either way the responsibility for any payroll tax will fall to the client (USQ), not the agency. (Payroll Tax Part 2 Div 1A).
8. Public Liability insurance cover will always be held by a contractor who is truly in business for themselves. USQ expects all third parties contracting with USQ to hold a minimum \$10 million insurance cover and to supply a Certificate of Currency from their insurer as proof of this cover. USQ should not contract with an organisation which does not carry Public Liability insurance cover (see Part A Question 7 – contractor must complete \$ limit).
9. Professional Indemnity Insurance cover will always be held by a contractor who is offering a professional service and is in business for themselves. Depending on the size of the contract and the potential exposure to risk that their services may create, USQ expects a minimum of \$2 million and possibly anything up to \$5 million in Professional Indemnity cover. A Certificate of Currency should be requested from the contractor as proof of this cover. Advice should be sought from the Director of Financial Reporting & Budgets and Legal Office regarding the level of cover considered appropriate for a particular contract (see Part A Question 8 – contractor must complete \$ limit).
10. Principal Activities (or core activities) and Present Functions (see Question 22) are generally performed by employees of the University and will tend to indicate an employer-employee relationship rather than one of principal-contractor. Where USQ exercises control over what work is done, the manner in which it is done, where the place of performance is USQ premises using USQ equipment, and USQ bears the commercial risk, then together these elements would indicate an employment relationship
11. Where a person undertakes a contract that is wholly or principally (>50%) for labour then that contract will be subject to Super Guarantee Charge (SGC). This rule also applies specifically to directors, artists and sportspersons - that is, any contract involving the exercise of intellectual, artistic, musical, physical or other personal skills including activities in connection with the making of film, tape or disc, TV or radio broadcasting.