

Contracting and The Right(s) Stuff

Dave Chaplin, CEO, ContractorCalculator:

Is it true to say that contractors don't have rights? Well, they do have some, but not the sort that employees take for granted as part of employment legislation.

Our [Contractor Doctor](#) has recently had a spate of questions about contractor rights. Can a client replace a contractor with cheap labour from India? Yes. Does the contractor have a leg to stand on? No. Can a client prematurely terminate a contractor before the contract end date? Yes. Can the contractor do anything about it? Well, as long as the notice period is adhered to, then no.

The whole point about contracting is that contractors are, well, contractors, and not employees. Contractors are in a business-to-business relationship with their clients or agencies, and therefore have recourse only to contract law, not employment law, if something goes wrong.

But as for rights... forget it. Facing the risks of running your own contracting business, as opposed to the relative security of employment, is one of the major reasons contractors are able to earn so much more than employees. You can't have your cake and eat it.

As a result, having a basic working knowledge of contract law is an essential business skill for every contractor to have. The basics are very easy to grasp, and understanding them will help you spot the stage at which you need to seek professional advice. If you want to brush up on your contract law, then chapter 7 of the new [Contractors' Handbook](#) is well worth a read.

We see so many contractors suffering as a result of their lack of knowledge of contract law, many of whom have been taken for a very expensive ride by a client or agency. Most of these cases could have been forestalled if the contractor had been a bit more savvy and known when to call in the lawyers.

In fact, some of them could have saved themselves a whole lot of pain, simply by reading their contract before signing it. When things go wrong, our Contractor Doctor is regularly asked, 'Does this clause in my contract apply to me?'. You signed it, so yes, every clause counts.

The contracting lifestyle has so much to recommend it. Even during difficult economic times, like those we're now facing, there is potential for significantly increased incomes, the ability to choose to work on the most interesting projects, and the flexibility to take time off between contracts.

But this lifestyle comes at a price, which is understanding your new place in the world as a contractor, not an employee. So forget about 'rights', and make sure you understand how contract law affects you.

 <p>Dave Chaplin CEO ContractorCalculator</p> <p><i>Market Commentator</i></p>	 <p>View all our commentators</p>	<p>Dave Chaplin is a former IT contractor in the City of London, and is founder and CEO of ContractorCalculator, and author of the Contractors' Handbook.</p> <p>Started in 1999, ContractorCalculator (this site) is the leading independent website for the UK contracting industry – most of whom are highly skilled knowledge workers.</p> <p>Read Full Profile...</p>
--	--	--

Published: Tuesday, February 24, 2009

[Tweet](#)

© 2011 All rights reserved. Reproduction in whole or in part without permission is prohibited. Please see our [copyright notice](#). If you want to use any content you have seen on this site then please [request our media pack](#) and ask for details of our Content Licencing Service.

Readers Comments...

 Be the first to comment on this article

Also of interest...

Related Guides:

[I am being harassed by a client's employee - what are my rights?](#)

Related Calculators:

[Contractor Financial Profile Calculator](#)



ABCe verified website - last audit confirmed **130,682 monthly unique visitors**

© Copyright 2011 Byte-Vision Limited UK. All rights reserved [Copyright notice](#)