

News

Nearly eight million people thinking about joining gig economy, study reveals

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By **Annie Makoff**

More employment rights called for to help 'empower' gig workers

Almost a fifth (18 per cent) of working-age people "would consider" some form of gig work in the future, according to a major new study, which equates to almost eight million people across the UK.

The report, by the Royal Society for the Encouragement of Arts, Manufactures and Commerce, revealed there are currently 1.1 million gig economy workers in the UK, a similar workforce size to NHS England.

The research argued that gig workers should be given more control to hold employers to account and advocated changing employment rights to "empower" gig economy workers.

"Our survey, the biggest ever of its type, shows the potential for the gig economy to grow at great speed over the coming years," said Brhmie Balaram, the report's lead author. "In the short term, this means we must tackle the debate about the employment status of gig workers and clarify the law.

"But to truly transform gig workers' experiences of the labour market, we need an approach that goes way beyond legal housekeeping."

The report's recommendations included shifting the burden of proof to show gig workers are not employees onto companies, imposing tougher penalties on firms that hide behind employment status legislation and scrapping tribunal fees for workers challenging their employment status, as well as fast-tracking the tribunal process for such claims.

The report also called for "wider reform" and "shared regulation" encompassing the government, companies and workers to create a Charter for Good Work in the Gig Economy.

Terry Koutsios, managing director and founder of freelance marketplace website fivesquid.com, said it was "about time" that more laws were considered to protect freelancers and contractors as the gig economy had been "gaining momentum" over the past five years.

The report comes shortly after the European Commission put forward proposals to extend rights and protections for gig economy workers who are missing out on social protections such as health insurance, unemployment benefits and paid parental leave.

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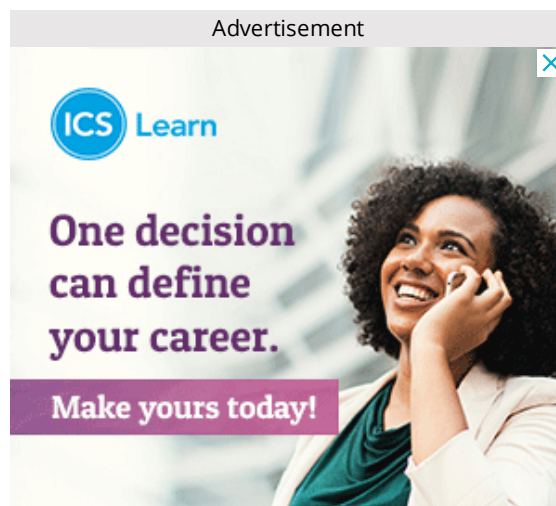
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He warned that the “aborted changes” to the self-employed national insurance contributions announced in the budget, along with the “anticipated focus” of the Taylor review, meant some of the “traditional benefits” of the self-employment model were likely to be eroded in the UK.

Earlier this month, Matthew Taylor, head of the eponymous governmental review into employment practice, advocated the introduction of a premium rate for zero-hours contracts to deter unscrupulous employers from pushing job risks and insecurity on to workers, while in March a CIPD report revealed that 63 per cent of gig economy workers wanted the government to step in to provide a basic level of rights.

Andrea Broughton, principal research fellow at the Institute for Employment Studies, told *People Management* that, while it was important to make sure there were adequate protections for workers, the diversity of sectors, skills levels, earning capacity and personal situations across the gig economy meant the subject was complex.

Any changes to the regulation of the gig economy should be “flexible enough” to cover the diversity of these workers, Broughton added.



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