

Survey report

March 2017

To gig or not
to gig? *Stories*
from the modern
economy



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To gig or not to gig? Stories from the modern economy

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Introduction

‘The gig economy has not, as yet, fundamentally changed the nature of work in the UK. Over the past 20 years the share of people in permanent employee jobs has remained high by international standards and has not greatly changed.’

The gig economy has so far proved hard to define, hard to measure and hard to interpret. Some see it as part of a general shift of work towards less secure and more exploitative employment; others see it as creating a new form of flexible working that gives individuals new choices about how, when and where they work. The lack of definition and measurement has led to wildly different claims about its size and rate of expansion, with many surveys and studies notable for their lack of comparability. It is small wonder that policy-makers and others are struggling to come to terms with the phenomenon and what it might mean for employment practice, employment regulation and the quality of work.

The gig economy has not, as yet, fundamentally changed the nature of work in the UK. Over the past 20 years the share of people in permanent employee jobs has remained high by international standards and has not greatly changed.¹ We have seen more change in the composition of the rest of the labour market, with an increased share of people working on their own as self-employed without employees and a falling share of people working as temporary employees, unpaid family members or on government employment schemes.

The conventional employment statistics, however, do not provide a complete picture because some forms of atypical work cut

across the distinctions between permanent and temporary. For example, many people on zero-hours contracts and many agency workers have permanent contracts. Moreover, employment law recognises a category of ‘worker’ between employee and self-employed which is not reflected in the employment numbers. Similarly, we may not be very good at measuring highly marginal activity, and people doing a few hours a week or an occasional ‘gig’ may not report it as a second job in surveys.

The main issue, however, is not so much about the employment status alone, and the number of people in atypical work, but in the reasons they opt for more flexible forms of employment. The results from a number of surveys show that between 14% and 33% of people in atypical work are only in these roles because they could not get regular employment (see Table 1). According to the data from the current report, just 14% of people engaged in the gig economy because they could not get a traditional job with an employer. We can therefore say that most people are in atypical employment because it suits their individual needs and circumstances at the time, and this is more true for people in the gig economy than for others.

However, even if those who do this sort of work because they have no choice are a minority, these are not trivial percentages. They show that there is a degree of

¹ The share of permanent employees (total employees minus temporary employees) was 79% in 1996, 82% in 2008 and 79% in 2016 – all figures Q4, seasonally adjusted.

mismatch between the sort of jobs people want and the sort of jobs the labour market is delivering. People work in these ways for a variety of reasons and it does not mean that they are enthusiastic or content about all aspects. Even for those in them out of choice, there are some significant drawbacks, such as availability of work and the security of income, where many gig economy workers feel at a disadvantage.

The decision by the Government to launch a major review of modern working practices in November 2016 is a recognition that new technology and business models can blur the lines between employers' freedoms and obligations and individuals' rights and responsibilities. These developments have brought a new dimension to many long-

standing challenges to the UK's regulatory framework in managing the sometimes grey area between self-employment and regular employment with a single employer. That framework, largely based on the traditional employee-employer relationship, may no longer be entirely fit for purpose.

This research, which is designed to help inform the Government-commissioned review being led by RSA Chief Executive Matthew Taylor, explores the experiences of people engaged in the gig economy and their views on what it is like to work in this way. It is particularly focused on gig economy participants who trade their time and skills through the Internet and online platforms, providing a service to a third party as a form of paid employment.

Table 1: Choice and atypical work (%)

Group	Measure	Share
Temporary employees	Could not find permanent job (ONS 2016 Q4)	30
Zero-hour contracts	Dissatisfied with contract (CIPD 2013)	27
	Could not get a job with fixed hours (UKCES 2013)	33
Self-employed	Started in last 5 years to escape unemployment (RSA 2014)	27
	Started in last 5 years and would prefer to be employee (Resolution Foundation 2014)	28
Gig economy workers	Could not get a traditional job with an employer (CIPD 2017)	14

Sources: OFFICE FOR NATIONAL STATISTICS. (2016) *Labour market release*. London: ONS.

CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2013) *Zero-hours contracts: myth and reality*. London: CIPD. Available at: <https://www.cipd.co.uk/knowledge/fundamentals/emp-law/terms-conditions/zero-hours-reality-report>

UK COMMISSION FOR EMPLOYMENT AND SKILLS. (2013) *Employee views on flexible contracts*. London: UKCES. Available at: <https://www.gov.uk/government/publications/employee-views-on-flexible-contracts>

RSA. (2014) *Salvation in a start-up?* London: RSA. Available at: <https://www.thersa.org/discover/publications-and-articles/reports/salvation-in-a-start-up>

RESOLUTION FOUNDATION. (2014) *Just the job or a working compromise?* London: Resolution Foundation. Available at: <http://www.resolutionfoundation.org/app/uploads/2014/05/Just-the-job-or-a-working-compromise.pdf>

1 How many people work in the gig economy?

The gig economy can be defined as a way of working that is based on people having temporary jobs or doing separate pieces of work, each paid separately, rather than working for an employer. This research is particularly focused on gig economy participants who trade their time and skills through online platforms (websites or apps), providing a service to a third party as a form of paid employment.

Prevalence of gigging

The proportion of UK adults who are working aged 18–70 who could be said to be engaged in any sort of paid employment in the gig economy, for example, performing tasks online, providing transport or physically delivering food or other goods is just 4%.

Part-time workers who are working less than eight hours a week are

more likely to have taken part in gig economy work in the last 12 months (8%) than part-time workers working between 8 and 29 hours a week (5%) and those working full-time (4%).

In all, 7% of full-time students say they have participated in gig economy work in the last 12 months, as have 6% of respondents who classify themselves as unemployed.

Table 2: Proportion of respondents that have participated in different forms of work via an online platform in the last 12 months (%)

	All UK adults who are working (n=2,511)	Working full-time (n=1,881)	Working part-time (8–29 hours) (n=551)	Working part-time (less than 8 hours) (n=79)	Full-time student (n=173)	Retired (n=804)	Unemployed (n=196)
Provided transport using my vehicle (for example Uber, BlaBlaCar, etc)	1	1	1	1	3	0	1
Rented out my vehicle (for example Easycar, Zipcar, etc)	1	1	0	0	0	0	1
Rented or shared my accommodation (for example AirBnB, Tripping.com, Homeaway, etc)	2	2	2	3	5	1	1
Delivered food or goods (for example Deliveroo, City Sprint)	1	1	1	2	3	0	1
Performed short-term jobs via online platforms that connect people looking for services (for example TaskRabbit, Upwork, PeoplePerHour, etc)	2	1	3	4	3	1	2
Sold things via online platforms (for example eBay, Etsy, etc)	9	9	11	7	12	3	9
Other work arranged through an online platform	1	1	1	1	0	0	1
Don't know/can't remember	3	3	3	5	5	1	3
Not applicable – I have never done this	84	85	81	79	74	95	80
Net provided transport	1	1	1	1	3	0	2
Net gig workers	4	4	5	8	7	1	6

Case study

Mary, 59, has been working intermittently in the gig economy since 2013, when she was made redundant from her job in London as a legal secretary as a result of her role being outsourced overseas.

Unable to find a permanent job in London, Mary sold her flat in the capital and moved to Southend-on-Sea, where she has worked in the gig economy while she continues to try and find permanent work.

Most recently she has worked for a small agency called Just The Job, which specialises in finding people to do short-term office and administrative work, any kind of domestic work, gardening and waiting.

Mary will be contacted by the agency's proprietor when there is suitable administrative or secretarial work available and will decide if she wants to take the job.

The other type of gig work she has been doing is through an online service called PeoplePerHour. Clients put jobs on the site and anyone can bid for them.

Mary explained: *'You make a hidden bid saying how much you would charge to do the job, which only the client who has posted the job can see. The trouble is, anyone in the world can bid for the jobs, so you are competing with people who live in India who can afford to charge less to do the work.'* Mary usually charges between £7.20 and £8.00 an hour depending on the type of work. A typical job will earn Mary about £40, of which £3.75 would be taken as an administrative charge by the site.

The biggest problem with gig economy work from Mary's perspective is that there is not enough of it. *'I probably average about four hours a week with Just The Job and I've only had two jobs through PeoplePerHour in the last six months.'*

'I do like the flexibility, which means I can work when I want to, but I would like a permanent job, either full-time or part-time. I've always worked since I left school at 18 and I find not working quite stressful, besides worries over money.'

Mary was offered a permanent job as a legal secretary with a London law firm a year ago, working remotely from home. However, she was not able to accept the job because the broadband speed where she lives is not fast enough.

She would like the opportunity to retrain or improve her skills to make her more competitive in the jobs market, but as she is not able to claim benefits because she is above the means-tested threshold for Jobseeker's Allowance, she does not have any support from Jobcentre Plus or spare income to invest in her own development.

She does not believe there is a need to regulate to improve employment rights of people in the gig economy but believes that inevitably this type of work will suit some people better than others. *'If you already have a regular job and can slowly build up your hours in the gig economy, that is probably the best situation to be in,'* she said.

‘Overall, the proportion of people who have heard of the gig economy is fairly low, with just a fifth of all UK adults having heard of the term.’

The survey shows that gig economy workers are quite likely to be doing more than one type of gig-economy-type work. About half (51%) of gig economy workers say they have done short-term tasks online, while 31% say they have delivered food or goods and a fifth report they have provided transport using their own vehicle. Gig economy workers are also on average much more likely than the UK working-age adult to have sold things online (31%) or to have rented or shared their accommodation (12%) or vehicle (12%).

Awareness of the gig industry

Overall, the proportion of people who have heard of the gig economy is fairly low, with just a fifth of all UK adults having heard of the term. Men (27%) are significantly more likely to say they have heard of the term gig economy than women (13%).

People aged 18–39 are most likely to say they have heard of the term (23%), with those aged 60–70 least likely to have done so. Even among gig economy participants, awareness of the term is fairly low, with just 35% of gig economy workers saying they had heard of the term.

Once explained, about half of UK adults say they are aware of the gig economy, increasing to 60% among 18–29-year-olds. About four out of ten people aged 50–70 report they are aware of the gig economy. Again, men (56%) are more likely to be aware of the gig economy than women (46%). Two-thirds of gig economy workers say they are aware of the gig economy. See Table 4.

Table 3: Proportion of UK adults who have heard of the term ‘gig economy’ (%)

	All UK adults (n=5,019)	Men (n=2,398)	Women (n=2,621)	18–29 (n=796)	30–39 (n=1,062)	40–49 (n=1,170)	50–59 (n=1,111)	60–70 (n=880)	Gig economy workers (n=417)
Yes	20	27	13	23	23	20	17	15	35
No	80	73	87	77	77	80	83	85	65

Table 4: Proportion of UK adults who are aware of the gig economy whether or not they had heard of the term ‘gig economy’ (%)

	All UK adults (n=5,019)	Men (n=2,398)	Women (n=2,621)	18–29 (n=796)	30–39 (n=1,062)	40–49 (n=1,170)	50–59 (n=1,111)	60–70 (n=880)	Gig economy workers (n=417)
Yes	51	56	46	60	56	50	44	40	63
No	49	44	54	40	44	50	56	60	37

The survey suggests the gig economy will continue to grow. Of UK working-age adults who have not participated in gig economy work in the last 12 months 12% say they are thinking about trying different forms of gig economy activity over the next year.

The most commonly cited type of work survey respondents say they are considering is performing short-term jobs via online platforms, with 10% citing this, followed by delivering food or goods (2%) and ‘other’ work arranged through an online platform (2%). See Table 6.

Gig workers

A high proportion of gig economy workers (58%) are permanent employees, engaging in gig economy activity on top of their more ‘traditional’ employment. In all, almost six in ten gig economy workers classify themselves as permanent employees, compared with about eight in ten of all other

workers. This was also reflected in some of the case study interviews, where some gig economy workers report they are juggling gig economy work with their main job to boost their income. See the case study on page 8.

However, gig economy workers are twice as likely to be self-employed (20%) as the other-worker sample (10%) and are much more likely to be temporary employees (8%) than other workers (3%).

The survey also shows 5% of gig economy workers are on some type of government-supported training programme. A further 3% of gig economy workers are fixed-term employees, compared with 1% among other workers.

The survey highlights the short-term nature of much gig economy activity. Half of gig economy respondents have been involved in the gig economy activity they currently do for a year or less, with a fifth of gig economy respondents

saying they have been engaged in the activity they currently do for up to three months (see Table 5). This is perhaps not surprising given the high proportion of respondents who say they are working in the gig economy as a back-up or a stop gap or to achieve a short-term financial objective. The case study interviews also suggest many gig economy workers dip in and out of gig economy type work depending on their personal circumstances.

A fifth (21%) of gig economy respondents report they have been involved in the same gig economy activity for between 12 months and two years. Just 15% of gig economy respondents say they have been involved in the same gig activity for three years or more. How long respondents say they have been involved in the gig economy activity they currently do is little affected by their age or gender.

Table 5: Length of time gig economy workers have been involved in the gig economy activity they currently do (%)

	Gig economy workers
Up to 3 months	19
3–6 months	13
6–12 months	18
12–18 months	13
18 months to 2 years	8
2–3 years	7
3–5 years	3
5–10 years	2
More than 10 years	1
Don't know/can't remember	16

Base: n=417

Case study

Susan uses a number of online platforms to find work in the evenings as a tutor, which she balances with working part-time teaching maths in a secondary school.

Aged 63, she lives with her partner in Slough and says that she started working in the gig economy to provide much needed supplementary income.

She has worked on and off as a tutor since her children were small and in recent years has used online platforms such as Tutor Hunt and Winchmore Tutors.

Susan works three days a week as a teacher and will combine this with two to three evenings of tutoring work. She charges between £25 and £30 an hour, depending on how far she has to travel, and is able to do a maximum of two tutorials an evening.

She uses the money from the tutoring to help pay her share of the rent and to help support the upbringing of her grandchildren.

Susan is feeling under quite a lot of pressure because of her work commitments, but says that it is her job as a secondary school teacher that gives her most stress and anxiety.

'The tutoring is a lot more satisfying than the teaching. I enjoy working with students one to one and feel like I'm making a difference. The teaching [in school] is frustrating and pretty stressful.'

'Ideally I'd like to stop working but I can't afford to. I've got no work-life balance; I have not got time to exercise and my diet is poor as I haven't got time to plan meals properly. My health is going down the tubes at the moment.'

Table 6: Proportion of UK adults who have NOT done at least one gig economy activity in the last 12 months who are thinking about trying different forms of gig economy activities over the next 12 months (%)

	All UK adults (n=4,109)	Men (n=1,972)	Women (n=2,137)	18-29 (n=562)	30-39 (n=766)	40-49 (n=981)	50-59 (n=988)	60-70 (n=812)
Providing transport using my vehicle (for example Uber, BlaBlaCar, etc)	1	1	1	1	1	1	1	1
Renting out my vehicle (for example Easycar, Zipcar, etc)	0	1	0	0	1	0	0	1
Delivering food or goods (for example Deliveroo, City Sprint)	2	2	2	4	4	1	2	1
Performing short-term jobs via online platforms that connect people looking for services (for example TaskRabbit, Upwork, PeoplePerHour, etc)	10	8	12	13	13	11	9	5
Other work arranged through an online platform	2	1	2	2	2	1	2	2
Don't know	12	12	13	11	16	15	13	7
Not applicable – I am not interested in doing this	75	78	72	73	68	73	75	87

Table 7: Employment status of gig workers and other workers (%)

	Gig economy workers (n=311)	Other workers (n=2,292)
Permanent employee	58	78
Temporary employee	8	3
Self-employed/freelancer	20	10
Unpaid family worker (that is, those who work in a family business who do not receive a formal wage or salary but benefit from the profits of that business)	3	0
On a government-supported training programme (which involves some form of work, work experience, apprenticeship or work-related training)	5	0
Fixed-term employee	3	2
Agency worker	1	1
Zero-hours worker	1	2
Other casual worker	0	1
Seasonal worker	0	0
Other	1	1
Don't know	0	1

2 Is gig work a viable source of income?

Availability of gig work and the income it brings are critical for those who already rely on gigging as the main source of their earnings or would like to do more gig work.

Gig work as a job

The survey suggests that most people involved in the gig economy have another job. Just a quarter of gig economy participants say that the gig economy work they do is their main job, while nearly seven in ten say no and 8% don't know. Men

(26%) are marginally more likely than women (24%) to report their gig work is their main job. Age appears to make little difference to the likelihood of gig economy participants relying on this work as their main job; however, people aged 40–49 are more likely to say their gig economy work is their main job (29%) (see Table 8).

A more important factor appears to be how well-off people are (Table 9). Almost a third (31%) of gig economy respondents who

say they are living comfortably or doing alright say that the gig economy work is their main job, compared with just 20% of those who report they are finding it difficult financially or very difficult. This is likely to reflect that those gig economy participants with higher or in-demand skills can afford to be more dependent on gig work because they are rewarded more highly than their gig economy peers who are involved in lower-skilled activities (see Table 10).

Table 8: Proportion of gig economy workers who say that the gig economy work they do is their main job (%)

	Gig economy workers (n=417)	18–29 (n=112)	30–39 (n=153)	40–49 (n=70)	50–59 (n=54)	60–70 (n=31)
Yes	25	25	25	29	25	19
No	67	71	66	55	62	75
Don't know	8	4	9	17	13	6

Table 9: Proportion of gig economy workers who say that the gig economy work that they do is their main job (%)

	Living comfortably/ doing alright (n=210)	Finding it difficult/ very difficult (n=78)
Yes	31	20
No	60	73
Don't know	9	7

A common theme coming through in the case studies is that most interviewees would like more gig economy work than they are currently receiving. This was also a significant survey finding, with six in ten (60%) gig economy participants saying they don't get enough work on a regular basis, compared with 26% who say they do receive enough work.

Men (30%) are more likely than women (23%) to say they get enough work on a regular basis. People aged 18–29 are most likely to report they don't receive enough work on a regular basis, with 64% falling into this category, compared with just 55% of those aged 30–39, who are least likely to say this is the case.

Perhaps not surprisingly, respondents who describe themselves as living comfortably or

doing alright are much more likely to say they receive enough work from the gig economy than those who say they are finding it difficult or very difficult financially (see Table 10).

Earnings

Gig economy workers typically earn a relatively small proportion of their total income from their gig economy work over the course of a year. A fifth of gig economy workers say that their gig economy activity earned them up to 5% of their total income over the last year.

About half of gig economy workers who report they provide transport using their vehicle, for example Uber drivers, report that this work provided 20% or less of their total income in the last year, compared with 8% who say they earned 50% or more of their total income in this way.

'Gig economy workers typically earn a relatively small proportion of their total income from their gig economy work over the course of a year.'

Table 10: Proportion of gig economy workers who say that, overall, they get enough work on a regular basis working in the gig economy (%)

	Gig economy workers (n=417)	Gig economy workers, by age							Living comfortably/doing alright (n=210)	Finding it difficult/very difficult (n=78)
		Men (n=211)	Women (n=206)	18–29 (n=112)	30–39 (n=153)	40–49 (n=70)	50–59 (n=54)	60–70 (n=31)		
Yes	26	30	23	24	29	28	24	30	38	10
No	60	57	64	64	55	58	63	61	47	79
Don't know	13	13	13	12	16	14	13	8	16	11

Case study

Maddie, 42, has worked as a freelance editor and proofreader on and off since about 2011 and typically earns between £600 and £1,000 a month working part-time.

Maddie lives in Glossop near Manchester with her partner, who has a permanent job in IT development. She says overall she enjoys the freedom and flexibility of working in the gig economy.

'The work is very variable and I tend to work when it is available, but I get to work the hours I choose. Even if there is a relatively tight deadline of a day or two, I can still set aside the hours that most suit me to work,' she said.

She gets most of her work through online platforms such as Professoor, which is a UK provider, and OneSpace, which is an international platform.

Maddie started a theatre studies degree after leaving school at 18, but it did not suit her and she dropped out. She worked mainly in retail before stopping work to have a family.

She subsequently worked in local government and for two local regulatory bodies in administrative roles before studying part-time for a degree in business mathematics in 2009. Maddie began proofreading and editing while studying for her degree, which she finished in 2013. She did get a permanent job working for a bank after graduating but did not enjoy the culture and left after about six months. Maddie now prefers working as an independent contractor in the gig economy over permanent employment.

'I don't really like office culture – I'd much rather work at home and choose the work I do and when I want to work. The days when employers take care of you are gone. I'd rather have a very clear deal where you know what is required of you and what you are going to get in return.'

Looking ahead, she can see herself continuing to work as a freelance proofreader and editor as well as doing some more consultancy work on projects with employers.

Maddie said one of the reasons she is able to enjoy working in the gig economy is that her partner has a permanent job, which gives her added financial security and freedom to take on the type of work she wants to do.

She believes the Government should crack down on abusive practices, such as where employers don't pay the Living Wage because they don't pay workers for time spent travelling between jobs.

Maddie also believes the Government should take action against companies which require gig economy workers to be available for work or penalise them if they are not available, for example, by offering them less work in the future.

She said: *'There is a place for the gig economy. Many companies need to bring in people with different skills from time to time and want to do this in a flexible way. Unfortunately, there have been plenty of examples where companies are not acting properly and this does not help the cause.'*

Similarly, 41% of gig economy workers who deliver goods or services say this type of gig economy activity earned them 20% or less of their total income over the last year, while just 17% report that this work earned them 50% or more of their total income (see Table 11).

Six in ten (58%) of gig economy workers who performed short-term jobs via online platforms estimate that this type of work earned them 20% or less of their total income, in contrast to 12% who say this type of gig economy activity accounted for 50% or more of their total annual income.

The average amount gig economy workers report they earn per hour is low. The median hourly rate reported by gig economy workers who have provided transport using their vehicles or who have delivered food or goods is just £6. Median hourly pay among gig

economy workers who performed short-term jobs online and other work via an online platform is slightly higher at £7 per hour and £7.70 per hour respectively. This data should perhaps be treated with some caution, as respondents may be using different ways of calculating their earnings, for example including or excluding administration time associated with completing certain tasks, or expenses, for example. See Table 12.

Despite the typically low hourly rate reported by many gig economy respondents, just over half (51%) say they are satisfied or very satisfied with the level of income they receive from their gig economy work. This is likely to be explained by the fact that most gig economy workers see their gig economy income as supplementary rather than as their main source of income.

‘The average amount gig economy workers report they earn per hour is low.’

Table 11: Proportion of their total income gig economy workers earned from different types of gig economy activity over the last year (%)

	All gig economy workers who have provided transport using their vehicle (n=87)	Gig economy workers who delivered food or goods (n=123)	Gig economy workers who performed short-term jobs via online platforms that connect people looking for services (n=213)	Gig economy workers who did other work arranged via an online platform (n=65)
Up to 5% of all the income I received from paid work in the last 12 months	21	19	32	40
5–20%	33	23	26	15
20–50%	24	18	23	10
50–75%	5	8	5	8
More than 75% of all the income I received from paid work in the last 12 months	3	9	7	11
Don't know	14	23	6	16

Most positive in this respect are gig economy respondents who provide transport using their vehicle, with 60% saying they are satisfied or very satisfied with the level of income they receive, compared with 9% who are dissatisfied (see Table 13).

More than half of gig economy workers who performed short-term jobs via online platforms say they are satisfied with their level of income; however, a fifth are dissatisfied.

Among gig economy workers, those who delivered food or goods are least satisfied with their level of income, with just 39% saying they are satisfied in contrast to 18% who are dissatisfied.

Table 12: Average hourly rate reported by gig economy workers for different types of gig economy activity (%)

	All gig economy workers who have provided transport using their vehicle (n=74)	Gig economy workers who delivered food or goods (n=101)	Gig economy workers who performed short-term jobs via online platforms that connect people looking for services (n=191)	Gig economy workers who did other work arranged via an online platform (n=59)
Up to £3 per hour	20	21	20	23
£3–£5 per hour	16	14	15	12
£5–£7 per hour	20	22	17	11
£7–£9 per hour	18	22	10	14
£9–£12 per hour	16	13	19	22
More than £12 per hour	9	8	20	19
Median £ per hour	6.00	6.00	7.00	7.70

Table 13: Proportion of gig economy workers who are satisfied with the level of income they receive (%)

	All gig economy workers* (n=417)	All gig economy workers who have provided transport using their vehicle (n=87)	Gig economy workers who delivered food or goods (n=123)	Gig economy workers who performed short-term jobs via online platforms that connect people looking for services (n=213)	Gig economy workers who did other work arranged via an online platform (n=65)
Very satisfied	17	24	13	17	9
Satisfied	38	37	27	36	43
Neither satisfied nor dissatisfied	25	20	23	22	20
Dissatisfied	15	7	11	16	17
Very dissatisfied	5	2	7	4	4
Don't know	10	10	20	5	8
Net satisfied	51	60	39	53	51
Net dissatisfied	19	9	18	21	21

*The data may not add up to 100 due to the effect of combining the data from different gig economy types.

Case study

London-based Paul, 31, has been balancing his full-time job as a secondary school teacher with working as a Deliveroo delivery cyclist for the last year to boost his income. He says the high cost of living in London and particularly renting meant that he needed the supplementary income provided by Deliveroo to give him extra money for socialising and to save.

Paul has a degree in engineering and worked as an engineer for seven years before deciding he wanted to become a teacher and studying for a PGCE in secondary science. He typically works Thursday and Friday evenings and weekends for Deliveroo, averaging about three hours a shift.

‘Overall I would say it has been a positive experience. I started doing it to boost my income and for the exercise. I’ve found that my salary doesn’t go far enough in London and this works really well as an additional supplementary source of income for me.’

‘If it was your main source of income it would not work nearly so well because the work is variable. If I have a slow evening or day at the weekend, it is okay for me, but if you are depending on it then it could be quite stressful.’

Paul says he gets paid an average of about £10 an hour, which he thinks is a reasonable rate for the work. However, he is less satisfied with the level of control exercised by Deliveroo. *‘You are self-employed but in lots of ways it seems you get treated as an employee. If you turn down two jobs in a row you are automatically logged out of the app. They [the company] also monitor how long you take to do your deliveries and how long you stand about at the restaurants [between accepting jobs]. I’ve heard that people have been called into head office to be given feedback about their performance.’*

‘I do think the Government should give more employment protection to people working in the gig economy.’

Paul says working in the gig economy is a temporary means of boosting his income and he hopes that, as he progresses his career as a teacher and his salary increases, he will be able to afford to stop.

*Deliveroo says that in order to ensure a consistently high-quality service: *‘We require riders to meet our minimum road and food safety standards. Where a rider falls below these standards, we often get in touch to discuss how they work with us and ways to better meet these requirements.’*

3 Are gig workers financially secure?

A central issue in the debate about the benefits and disadvantages of the gig economy for individuals involved in providing services in this way is the extent that they have financial security relative to other workers in more traditional forms of employment.

Financial security and resilience

The survey asked respondents a number of questions to explore this issue. On average, the survey suggests that gig economy participants have less overall financial resilience compared with other workers in the labour market. In all, just under half (49%) of gig economy participants report they are living comfortably or doing alright, in contrast to 56% of other workers. Gig economy respondents

are also more likely to say they are finding it quite or very difficult (20%) compared with the survey average for other workers (13%). See Table 14.

Almost half of gig economy workers (47%) say they could afford to live for either less than one month or for up to two months without falling behind on paying key bills or living expenses if they lost their income due to unforeseen circumstances, compared with 42% for the other-worker sample. Just 12% of gig economy workers say they could afford to live for more than six months, compared with 23% of other workers.

However, although gig economy respondents on average rated themselves as less well off than

their more traditional worker peers, they appeared to feel more confident about their financial situation. The extent to which people believe they are poor or well off is quite subjective, respondents were also asked how easy or difficult they would find it to pay an unexpected £500 bill. On this measure there was little difference between the two samples, with 35% of gig economy workers saying they would find it easy or very easy to pay an unexpected £500 bill compared with 36% of other workers. Similarly, four in ten (40%) gig economy participants say they would find it difficult or very difficult to pay an unexpected £500 bill in contrast to 38% for other workers. See Table 15.

Table 14: Proportion of respondents who say they are living comfortably, just about managing or finding it difficult financially (%)

	Gig economy workers (n=417)	Other workers (n=2,292)
Living comfortably	17	16
Doing alright	32	40
Just about managing	31	30
Finding it quite difficult	14	8
Finding it very difficult	5	5

Table 15: Proportion of respondents who say they would find it easy or difficult if they suddenly had to pay a £500 bill (%)

	Gig economy workers (n=417)	Other workers (n=2,292)
Very easy	15	17
Easy	20	19
Neither easy nor difficult	23	25
Difficult	20	21
Very difficult	21	17
Don't know	1	1
Net easy	35	36
Net difficult	40	38

Case study

Mum of two Christine, 44, has been working as a virtual assistant for the last 18 months as a means of supplementing the income of her husband, who works full-time in a permanent job in insurance. Christine, who lives in Northern Ireland, had previously been working as a child-minder but gradually moved into working as a virtual assistant after starting a blog and becoming active on social media community sites.

Christine does not use online sharing platforms, such as PeoplePerHour, because she believes she gets better value from working with clients directly. Her current gigs include working as a podcast manager, providing social media support, as well as editing and proofreading. Recent jobs for clients in the US have paid between \$5 and \$12 an hour, appreciably more than the £1.50 an hour she was typically earning after costs for child-minding.

Christine does most of her work in the evenings because she home-schools both her children, aged six and eight. However, she does occasionally fit in quick bursts of 15 minutes' work when she has a spare moment during the day.

Christine, who has a degree in psychology, says the upside of the work she does is that she *'likes the variety of people I work for and that I'm not doing the same thing every day'*.

She added: *'The extra income is also really important to us as without it we would be in danger of defaulting on the mortgage.'*

However, Christine, whose last regular job was working in customer services with Ulster Bank, would like more work and does miss the security of permanent work as well as the associated benefits, such as pension, holidays and sick pay.

In her view it would be very difficult for the Government to regulate the part of the gig economy she works in because it is international, with people from the US, India and the Philippines, for example, all competing for the same work.

Christine would like to see more flexibility in terms of the interaction with the benefits system, as currently the Government takes 41% of what she receives in child tax credits.

She can also see a downside if the gig economy grows too big. *'If too many people start doing this sort of work, it could create more of a burden for society as fewer people will have pensions or savings,'* she said.

Looking ahead, her priorities are to save what she can to invest in the children's future. She had considered going back to college in the past, but that is not an option for the foreseeable future.

Gig workers are also more optimistic about their economic situation improving in the future (see Table 17). In all, nearly half (46%) of gig economy workers believe their economic situation will improve considerably or a little over the next 12 months, in contrast to just 26% of other workers. Just 20% of gig economy workers believe their economic situation will worsen a little or considerably, while 28% of other workers think this will be the case.

A similar picture emerges on pension provision. On the one hand, perhaps not surprisingly, gig economy participants are significantly less likely to say they are saving through an employer pension plan (30%) than other workers (57%). However, they are more likely to be saving through a private or personal pension not linked to an employer plan, with 16% of gig economy respondents saying they are

doing this compared with just 5% of other workers. Gig economy respondents are also more likely to be making additional contributions to the state pension or saving for their retirement through other means such as ISAs or property than workers in more traditional employment. Overall, a third of gig economy workers say they are not currently saving for their retirement, compared with 27% of other workers (see Table 18).

On the other hand, just over a third (34%) of gig economy workers report they are confident of having enough savings or a big enough pension to live on in a way they would consider comfortable when they retire, in contrast to just 21% of other workers. A smaller proportion of gig economy workers also say they are not confident of being able to live comfortably (37%) than workers in more traditional employment (47%).

Table 16: Average length of time respondents believe they could afford to live without falling behind on paying key bills or living expenses such as rent, mortgage, heating bills or car loans, etc, if they lost their income due to unforeseen circumstances (%)

	Gig economy workers (n=311)	Other workers (n=2,292)
Less than 1 month	18	20
1-2 months	29	22
2-3 months	23	14
3-6 months	14	14
6-12 months	6	9
More than 12 months	6	13
Not applicable – I'm not dependent on my current income in order to maintain my standard of living	5	6

Table 17: Proportion of respondents who believe their economic situation will improve, stay the same or worsen over the next 12 months (%)

	Gig economy workers (n=311)	Other workers (n=2,292)
Improve considerably	17	4
Improve a little	29	22
Stay the same	31	40
Worsen a little	16	21
Worsen considerably	4	7
Don't know	3	5
Net improve	46	26
Net worsen	20	28

Table 18: Proportion of respondents who are currently saving for retirement through a pension plan (%)

	Gig economy workers (n=395)	Other workers (n=2,292)
Yes, I'm currently saving through an employer pension plan	30	57
Yes, I'm currently saving through a private/personal pension not linked to an employer plan	16	5
Yes, I'm currently making contributions to the state pension	11	5
No, but I'm currently saving for my retirement through other means, such as ISAs or property	9	5
No, I am not currently saving for my retirement	35	27

Table 19: Proportion of respondents who are confident or not confident that they will have enough savings or a big enough pension to live in a way they consider comfortable when they stop working (%)

	Gig economy workers (n=395)	Other workers (n=2,292)
Very confident	14	4
Confident	19	17
Neither confident nor unconfident	24	27
Unconfident	19	24
Very unconfident	18	23
Don't know	5	5
Net confident	34	21
Net unconfident	37	47

Box 1:

What are options for increasing pension provision for gig economy workers?

If more people are going to be employed in the gig economy an important question is how are they going to be able to build up a pension that will help them to retire from work?

In the CIPD's view, the response will depend in part on how people are employed in the gig economy. For some, they are already in employment and gigging is a way of supplementing their income. In such instances, they will have access to a workplace pension scheme (subject to age and earnings) and the question is whether they are saving enough and what can be done to encourage contributions (such as auto-escalation).

For those individuals whose main source of income is from gigging, then it depends on whether they are workers or employees and entitled to a workplace pension or whether they are self-employed. Regarding the self-employed, the positive aspect of the recent changes to national insurance contributions, mean that these individuals will be able to build up the same entitlement to the state pension as workers/employees.

For some self-employed people being able to claim the full state may be enough to help them retire. However, for others it might not. In these instances, what can be done? One option is to encourage pension saving through tax relief. However, the problem with this approach is that the self-employed may not get round to taking advantage of the relief even if it is generous. Another approach is to make it compulsory; either you could make it a legal requirement for all self-employed workers (subject to earnings and age restrictions) to take out a pension, where they would get tax relief on their contributions, or you could deal with it through the national insurance/income tax. Finally, you could address the issue through a transaction tax, whereby individuals or companies buying goods or services from a gigger have to pay a tax which is then used to pay for their retirement.

Case study

Working in the gig economy has been Mark's main source of income for about a year after he left his last permanent job to study for a qualification in languages.

The 36-year-old's most recent permanent role was working for a small business on stakeholder management after a career that has spanned both the public and private sector, working in research and analysis and middle management roles.

Mark now earns about £700 a month from freelance work in the gig economy, mainly through the online platform Fiverr, balancing the work with his studies.

'I could probably earn more if I used other platforms that are out there, but because I'm juggling work with studying I'm probably doing as much as I can right now,' he said.

He offers a range of services through the site, including editing, proofreading, research and report drafting.

Mark likes the Fiverr model, which enables him to bid for jobs he thinks sound interesting and suit his skill-set.

'I bid for work offered on the site. If I'm accepted to do the work I am emailed an attachment with the requirements. Once I've finished the job I email it back to the site. There is then a three-day period while the work is reviewed and 14 days before my money clears, which is done through Paypal,' he explained.

'From my perspective, working in the gig economy has been a positive experience. The only downside is the jobs need to be done with short notice, usually within 24 hours at most, which means planning ahead can be difficult. I would not want to work like this over my career.'

'There is also a rating system which rates you on a number of measures, for example reliability and quality, but I think this goes with the territory,' he said.

Mark said that the relatively low hourly rate he receives of about £12 an hour from his gigs through Fiverr is partly explained because he is competing with people from all over the world.

'There are people from the USA, China, Switzerland, India, and Indonesia competing for the same work, which is why the hourly rate is so low,' he said.

However, he can see a significant upside to the gig economy. *'I would have had very little idea of how to market myself or advertise my services without Fiverr. The gig economy also offers opportunities to people to find part-time work. You can set yourself up without any barriers to entry.'*

'The biggest problem for me is the lack of human contact – you are working on your own at your desk at home, which can be a bit isolating,' he said.

4 Are giggers self-employed or workers?

One of the most contentious aspects of the gig economy is the issue of employment status and the associated employment rights enjoyed by gig economy workers. There are three principal types of employment status: self-employed, worker and employee (see Appendix). Employees benefit from the greatest level of employment protection and rights, including the right not to be unfairly dismissed, the right to statutory redundancy pay and to statutory maternity, paternity and adoption leave. Workers qualify for none of these but do have the right to be paid the National Living/Minimum Wage, protection from discrimination, paid annual leave and the right to daily and weekly rest breaks. In contrast, the self-employed

have very few employment rights apart from the right to a safe and healthy working environment and, with some caveats, against discrimination in the workplace and from whistleblowing discrimination in some circumstances (see Appendix).

Levels of control and autonomy

Among the key issues that determine employment status is the level of control exerted by the 'employer' or platform provider. The survey asked a number of questions to explore the extent gig economy participants feel they have control or autonomy over the work they do in the gig economy, including one on whether the work they do makes them feel like their own boss.

Just under four in ten (38%) gig economy respondents say that this is the case, with almost half (47%) saying that the work they do in the gig economy does not make them feel like their own boss and 16% saying they don't know. Among gig economy workers, those who have provided transport using their vehicle, for example Uber drivers, are most likely to say they feel like their own boss, with 49% reporting this is the case compared with 38% saying no.

Gig economy workers who are involved in the delivery of food or goods are least likely to agree that working in the gig economy makes them feel like their own boss, with just 31% saying yes and 47% saying the opposite (see Table 20).

Table 20: Proportion of gig economy workers who say working in the gig economy makes them feel like their own boss (%)

	All gig economy workers (n=417)	All gig economy workers who have provided transport using their vehicle (n=87)	Gig economy workers who delivered food or goods (n=123)	Gig economy workers who performed short-term jobs via online platforms that connect people looking for services (n=213)	Gig economy workers who did other work arranged via an online platform (n=65)
Yes	38	49	31	45	38
No	47	38	47	45	53
Don't know	16	14	22	10	9

Case study

Daniel is a 22-year-old Dutch national living in London working for Deliveroo. He has been in London roughly 18 months, having moved there in September 2015. Back in the Netherlands he studied a management course – roughly equivalent to a level 3 qualification in the UK. However, after a while he said he became ‘sick of work’ in the Netherlands and decided to move to a new city.

Daniel’s first employment in the UK was working in a call centre, although he decided he wanted to change to ‘do something physical’. Deliveroo gave him the opportunity to do that and he has been working for them for two months. Currently, it provides his only source of income. He enjoys the work, particularly the physical nature of it; however, he wouldn’t say he is satisfied with his income: *‘more would be nice,’* he comments. It pays the bills but he *‘can’t go to the pub every weekend’*.

In terms of what he earns per hour, the flat rate is £7 per hour with £1 per delivery made. While he is able to make as many as five deliveries per hour, the average is two. Overall, he makes roughly £11 per hour and aims to work 30 hours per week. However, there are risks with doing this type of delivery work. In the past week, Daniel had an issue with the tyres on his bike and wasn’t able to work for two days until he could have his bike repaired, at his own expense.

On the positive side, he does appreciate that he is able to make his own hours, adding: *‘If I want to I can work more.’* In his spare time he plays in a pop/punk band, though he does not get paid for the gigs he plays. He is, therefore, able to work around that schedule.

Daniel thinks he is an employee of Deliveroo, but admits he has ‘no clue’ as to his employment rights.

He suggests that the Government could perhaps create *‘a new category for delivery drivers’*. In his view, Deliveroo could be made to compensate workers for the expense of repairing their bikes, as there is not currently any obligation on them to do so. He doesn’t think this is too unreasonable a request, making the point that *‘there are a lot of potholes in London!’*

He doesn’t know if he will stay working for Deliveroo, as he is currently looking for a more stable job. He isn’t sure what that job would be, merely saying he wants it to also be a physical job. If and when he finds alternative employment, he would consider possibly doing a few hours with Deliveroo to supplement that income.

Looking to the future, Daniel wants to pursue his music. In addition to his band, he has considered possibly studying music or electrical engineering. He doesn’t know where he sees his future, be it in London or back home in the Netherlands, remarking that he *‘doesn’t like staying still for more than two years’*.

Gig economy workers were also asked how satisfied or dissatisfied they are with the independence, autonomy and control they experience at work. Overall levels of satisfaction among gig economy workers on this measure are high, with 55% reporting satisfaction and 10% dissatisfaction.

Gig economy workers who do 'other' work arranged via an online platform are most likely to be satisfied with the amount of independence and control they experience at work (72%), followed by those who perform short-term jobs via online platforms (61%). Gig economy workers who deliver goods or services are least likely to be satisfied with their independence and control at work, with 50% expressing satisfaction compared with 11% who say they are dissatisfied.

Support with poor experiences of gigging

One of the challenges facing policy-makers is how to ensure people working in the gig economy know where to go to get support or advice or seek redress if they are feeling exploited or feel uncertain about their employment rights.

A quarter of gig economy workers say they don't know where they would go if they wanted to complain or seek compensation about their experience of working in the gig economy, with a further 17% saying they would never make a complaint or seek compensation.

The Citizens Advice Bureau is most commonly cited by gig economy respondents as the place they would go if they wanted to complain or seek compensation about their experience of working in the gig economy (25%), followed by professional bodies (14%), solicitors or lawyers (11%) and respondents' local MPs (11%).

The survey suggests that those who are struggling financially are most likely to need more information about how to access help or support if they want to complain about their experience of working in the gig economy. Respondents who say they are finding it difficult or very difficult to manage their financial circumstances are almost twice as likely to say they don't know where to go if they want to complain or seek compensation (39%) as those who report they are living comfortably or doing alright (21%).

The findings also suggest that some age groups might be more vulnerable than others. Gig economy workers aged 18–29 are least likely to say they don't know (16%) where to get support, with those aged 40–49 most likely to say this (37%).

Table 21: Proportion of gig economy workers satisfied with the independence and autonomy/control they experience at work (%)

	All gig economy workers (n=417)	All gig economy workers who have provided transport using their vehicle (n=87)	Gig economy workers who delivered food or goods (n=123)	Gig economy workers who performed short-term jobs via online platforms that connect people looking for services (n=213)	Gig economy workers who did other work arranged via an online platform (n=65)
Very satisfied	19	20	13	23	23
Satisfied	36	36	37	38	49
Neither satisfied nor dissatisfied	23	27	18	24	15
Dissatisfied	6	3	7	5	3
Very dissatisfied	4	5	4	4	0
Don't know	12	8	21	6	11
Net satisfied	55	56	50	61	72
Net dissatisfied	10	8	11	10	3

Box 2: Gig work in UK's employment regulation

The flexible and ad hoc nature of much of the gig economy means that it is well suited to self-employment, with people engaged in providing services in the gig economy typically working as independent contractors and freelancers.

However, recent case law has challenged this assumption after claims that some gig economy companies are effectively treating their self-employed contractors as 'workers'.

In October 2016, an employment tribunal ruled that Uber drivers are not self-employed but workers and should benefit from the associated employment rights, including the right to be paid the National Minimum Wage.

Uber argued that it was a technology firm, not a transport business, and that its drivers were independent self-employed contractors who could choose where and when they worked. However, the employment tribunal found that the level of control exerted by Uber over its drivers meant they qualified for worker status. The employment tribunal took into account the fact that Uber interviews and recruits its drivers, requires drivers to accept and not to cancel trips, fixes the fare, handles passenger complaints and subjects drivers to performance reviews via a customer rating system. In addition, the company requires drivers to work in certain ways, for example by suggesting routes and limiting their choice of vehicles.

Uber is to appeal against the ruling, but regardless of the outcome, the case illustrates the challenges created by the nature of the gig economy for the UK's employment regulation framework. Specifically, the main outcome of the ruling is the reality of the relationship between an employer and a worker matters more than what's written down in the contract.

Table 22: Where gig economy workers say they would go if they wanted to complain or seek compensation about their experience of working in the gig economy (%)

	All gig economy workers (n=417)	Living comfortably/doing alright (n=210)	Finding it difficult/ very difficult (n=78)
Citizens Advice Bureau	25	25	25
A professional body	14	18	8
Solicitor/lawyer	11	13	11
Local MP	11	16	8
Local authority	10	12	5
Trade union	10	9	14
Acas	9	13	2
Health and Safety Executive	8	12	2
Other	3	2	3
Don't know	25	21	39
NA – I would never make a complaint or seek compensation	17	20	9

Case study

Alice, 62, started working in the gig economy as a freelance tutor and translator when she returned to the UK in 2015. She'd been living in Argentina for 30 years, where she taught English before moving into translation.

She lives with her solicitor partner in Birmingham and typically works about seven hours a week, with many of her gigs coming through online platforms such as Tutora. Alice also works for publishers doing more traditional translation work and has recently had a book she translated published by Oxford University Press.

On average, her translation and interpreting work brings in about £12 an hour and her tutoring about £25–£30 an hour. However, in most instances, Alice has to pay for her own transport when travelling to and from gigs with students. One of the online tutoring platforms she uses also takes a 25% cut of her takings for the first 100 hours of tuition before falling to 20%. However, another platform simply charges both tutor and student an initial flat fee for making the introduction, which Alice believes is fairer.

Alice estimated she is about 70% satisfied with her interaction with the online platforms she uses, with her concerns centred on the level of control and rating systems used in some instances.

'I've started getting text messages from one provider reminding me when I have a lesson, which is a bit intrusive. I'm also not happy with the star rating system on one platform because it is not very fair. For example, you get rated negatively if students don't stay with you for a long time, but many tutoring appointments can be short-term gigs, for example, you may only be taken on for one or two lessons to prepare a student for an exam or to look over a paper'.

She was also recently threatened with a £50 fine after swiftly declining a job to work as an interpreter, which she had initially accepted, because she failed to give 48 hours' notice of cancellation even though the job itself was only offered with 24 hours' notice.

'I have ignored this as my partner [a solicitor] said the demand was unreasonable, but this shows the other side of the gig economy. I think the gig economy can be both good and bad. I like the flexibility of being able to arrange my own hours and I like my students and find the work interesting, but there also needs to be tighter regulation by government to ensure that people are not being exploited'.

Looking ahead, Alice would like to find a permanent job as a lecturer to improve her financial security. *'Things have improved recently but I have been in straitened financial circumstances where I had to borrow from my partner to cover the rent. If I could find a steady job in my field, I would take that,'* she said.

Case study

Roy is a 41-year-old from Salford. He has a higher national diploma in IT but makes the admission that it *'isn't worth the paper it is written on'*. He has a full-time job working in the finance department of a casino. To supplement this income he has a number of other jobs – he gets paid to test websites and be surveyed by research organisations, and occasionally works in security at a couple of football clubs on match days.

Roy enjoys his full-time job in the casino and says he has a lot of job security with it. He comments: *'I have been in this sector a long time and I am a licensed operator, meaning I won't have a problem finding a different job'*. He does the website testing and surveys when he has the time, and will do the security work if he is saving for something, such as a holiday.

The website testing and surveys pay at a rate of roughly £25 per hour, though the nature of the work means he will tend to make £10–£15 for 20 minutes' work on an ad hoc basis. He tends to do three or four hours of this per week – on top of his regular 40 hours at the casino. His security work, which he has been doing for 20 years, is on a zero-hours contract and pays £9 per hour. He tends to do one or two match days a month, which entails four or five hours.

Roy certainly appreciates the fact that the website testing and survey work is there if he wants it, but isn't obliged: *'I don't do it if I don't have time. I have never felt that I have to do it or I won't get more'*. It is, however, slightly different with the security work as it depends when the matches are on and there is the possibility that he might be penalised if he is always turning down the work.

He wouldn't say he doesn't particularly gain satisfaction from the work – characterising it as 'beer money' and a 'nice to have'. Even so, he doesn't see himself stopping. He thinks it may even allow him to ease into semi-retirement further down the line.

He admits he doesn't know what his employment rights are for the security work. He doesn't know, for example, about medical insurance in the event of him getting injured at work.

He isn't entirely sure whether he feels the Government could do more to protect workers in the gig economy. *'I can see both sides,'* he says. *'people don't like regulation but at the same time it is true that the Government hasn't kept up to date with technology.'* One area, however, in which he would like to see intervention is in the Government appointing an independent adjudicator to ensure oversight of training courses for security jobs, as he thinks the standard of training for new security guards is very poor. *'I want to know that people I work with know how to do their job,'* he says. *'People could get hurt if they don't'*.

In the immediate future, Roy is eager to learn new skills to help him progress in his career, having recently requested to go on a first aid course. He always wants to be able to learn, saying that *'the more you know, the more you're worth'*.

5 What are the opportunities for development in the gig economy?

The survey has highlighted that despite many gig economy workers (46%) being satisfied with their employment experience over the last 12 months, there is still a significant minority (17%) who are unhappy.

A central challenge for policy-makers is how to provide more opportunities to enable those who are working in the gig economy due to a lack of choice or decent alternative offers of employment to develop the skills they need to find higher-paying or better-quality work.

To address this issue, the survey included a number of questions to help understand the likely demand for skills development among individuals, the reasons why people think they will need to develop new skills and any obstacles that may prevent them from achieving this.

Demand for development

Overall, the survey suggests the demand for future skills development is high, with 57% of gig economy workers and 64% of other workers believing they will need to develop more skills or take part in additional formal training or learning during the course of their working lives. Younger workers are particularly likely to think this is the case, with 74% of workers aged 18–29 reporting they will need to develop new skills, compared with just 35% of workers aged 60–70.

Among respondents who believe they will need to develop more skills or take part in additional formal training or learning during the course of their working lives, the most common reason cited by both gig economy workers and other workers is because of the length of time they have ahead of them at work, with 60% of gig workers and 67% of other workers

‘A central challenge for policy-makers is how to provide more opportunities to enable those who are working in the gig economy... to develop the skills they need to find higher-paying or better-quality work.’

Table 23: Proportion of respondents who believe they will need to develop more skills or take part in additional formal training or learning during the course of their working lives (%)

	Other workers (n=2,292)	Gig economy workers (n=311)	18–29 (n=463)	30–39 (n=839)	40–49 (n=894)	50–59 (n=675)	60–70 (n=148)
Yes	64	57	74	70	64	51	35
No	23	33	16	18	21	36	55
Don't know	13	11	10	12	15	13	10

Case study

David, 42, has been working as a self-employed English tutor for about 18 months, typically working variable hours ranging from 12–30-plus hours a week.

He left school at 16 after failing his GCSEs and for most of his working life has worked in call centres or in factories. However, when he was 31, he took his Access to Higher Education Diploma and then completed a BA Hons degree in English. *'I found it difficult to concentrate when I was at school but I always felt I could do it. I've always liked English and really enjoy writing,'* he said.

David, who is from Londonderry, Northern Ireland, started a master's degree in English after completing his first degree but was forced to give it up as a result of temporary health problems. However, he is now determined to develop a career using his knowledge and love of English to become an English tutor. He has already acquired his certificate for teaching, which means he is qualified as an English tutor and can teach in further education. David – who has a partner and three children aged 6, 14 and 17 – typically earns between £7.20 and £15 an hour tutoring, but also takes on unpaid work for charities to boost his tutoring knowledge and experience. His partner works as a teaching assistant in a local school, but their combined income does not provide enough financial security for the family.

David finds his tutoring gigs through local agencies, and by sending his CV directly to local employers and charities. He would like to find more regular and ideally permanent work as an English tutor and, longer term, his ambition is to complete his PGCE and qualify as a teacher.

'It is incredibly competitive to try and get on a [PGCE] course. I applied to university and they had 10,000 applications for only 28 places. I was one of 200 interviewed but unfortunately did not get a place.'

He is currently considering moving the family to England, where there is more work for English language teachers, for example working with people with special needs or teaching English to migrants who need to improve their communication skills.

He believes there should be more government support to help people develop the skills or acquire the qualifications they need to progress. *'At the moment I'm a bit stuck – it is a big thing to move the family to somewhere else in the UK, but if we stay here it is very difficult to get the qualifications I need to achieve my ambitions.'*

Table 24: Reasons cited by respondents for believing they will need to develop new skills during the course of their working lives (%)

	Other workers (n=1,461)	Gig economy workers (n=189)	18-29 (n=354)	30-39 (n=590)	40-49 (n=586)	50-59 (n=277)	60-70 (n=55)
Automation and technology is changing the world of work and I will need to learn new skills in order to adapt and for my services to remain in demand	40	35	34	38	39	45	46
The type of work I do could become outdated or my skills obsolete	30	30	25	28	35	33	22
I have many more years of work ahead of me and it is highly likely I will need to be able to develop more skills or new skills over my working life	67	60	77	72	63	48	20
I need to develop more advanced or new skills in order to get better work or earn more	55	53	64	61	48	43	36
My work is physically demanding and I may need to retrain or learn a new skill as I get older and less physically capable	10	22	8	14	12	15	5
My work is very mentally demanding/stressful and I may need to retrain or learn a new skill to avoid burnout/improve my work-life balance	24	25	23	25	26	26	23
Other	5	3	3	3	4	8	10
Don't know	4	3	6	3	3	3	4

citing this. The next most common reason given by both gig workers (53%) and other workers (55%) is in order to get better work or earn more. The likely impact of automation on jobs is also another driver of people thinking they need to develop more skills in the future. Just over a third (35%) of gig workers and four in ten (40%) of other workers cite automation and technology as a reason they will need to take part in additional formal training or learning during the course of their working lives. Three in ten (30%) of both gig economy and other workers believe they will need to develop new skills because the type of work they do could become outdated or their skills obsolete (see Table 24).

A quarter of both gig economy workers (25%) and other workers (24%) report their work is very

mentally demanding and stressful and as a result may need to retrain or learn a new skill to avoid burnout and/or improve their work-life balance.

Gig workers are significantly more likely to say they need to develop new skills, compared to other workers (22% of gig economy workers and 10% of other workers), because their work is physically demanding and they may need to retrain or learn a new skill as they get older and less physically capable.

Barriers to skills development

Affordability is the factor most commonly cited by respondents in preventing them from developing new skills in the future, with 41% of gig economy workers citing this and 36% of other workers stating they are unlikely to be able to

afford to invest in their own skill development, training and learning. Another key obstacle to preventing respondents from developing new skills is that their employer or digital platform is unlikely to provide opportunities for them to go on training courses or learn new skills. More than a third (35%) of gig economy respondents cite this as an obstacle, while 24% of other workers say this is an obstacle.

About a quarter of both gig economy workers (26%) and other workers (24%) say they are unlikely to have the time to invest in their own skills development, training or learning because of work commitments. A fifth of gig economy workers (21%) and other workers (17%) cite family or caring commitments as reasons they are unlikely to have the time to invest in developing new skills

Table 25: Factors respondents cite as likely to prevent them from developing new skills in the future (%)

	Other workers (n=1,461)	Gig economy workers (n=89)	Men (n=950)	Women (n=883)	18-29 (n=354)	30-39 (n=590)	40-49 (n=586)	50-59 (n=277)	60-70 (n=55)
My employer and/or digital platform is unlikely to provide opportunities for me to go on training or learn new skills	24	35	26	22	23	23	24	28	19
I am unlikely to be able to afford to invest in my own skills development, training or learning	36	41	34	40	36	38	34	41	28
I am unlikely to have the time to invest in my own skills development, training or learning because of family or caring commitments	17	21	18	17	13	19	21	18	20
I am unlikely to have the time to invest in my own skills development, training or learning because of work commitments	24	26	25	23	22	23	24	29	15
I am unlikely to have the motivation to invest in my own skills development, training or learning	15	12	16	12	15	12	13	20	5
Other	2	2	2	2	0	1	2	4	3
Not applicable – nothing will stop me from developing skills in the future	35	20	35	34	38	33	36	26	43

in the future. Only a minority of all respondents (14%) say that a lack of motivation would prevent them from developing skills in the future.

Overall, just 20% of gig economy workers and 35% of other workers report that nothing would stop them from developing new skills in the future.

The survey shows that gig economy workers overall cite more obstacles that are likely to prevent them from developing new skills in the future than other workers; however, the most important issue affecting all respondents' views in this respect is their financial circumstances. More than six in ten (61%) workers who report they are finding things quite or very difficult financially

say it is unlikely they will be able to afford to invest in their own skills development, training or learning, compared with 48% of those who report they are just managing and 25% of respondents who say they are living comfortably or doing alright (see Table 26).

Workers who are finding things difficult or very difficult financially are also more likely to say their employer or digital platform provider is unlikely to provide opportunities for them to go on training courses or learn new skills, with 31% saying this is the case, compared with 24% of workers who report they are just managing and 22% of those living comfortably or doing alright.

In addition, respondents who are finding things difficult financially are more likely to think they will find it harder to find the time to develop new skills because of work or family and/or caring commitments (24% compared with 14% of respondents who are financially comfortable or doing alright). The CIPD believes this is likely to be because people on low incomes may have to work longer hours in order to pay the bills and may not be able to afford access to childcare. Or it may simply mean they don't have a financial buffer to allow them to take time off from work to study or learn new skills.

Table 26: Factors respondents cite as likely to prevent them from developing new skills in the future (%)

	Living comfortably/ doing alright (n=1,082)	Just about managing (n=593)	Finding things quite difficult/ very difficult (n=261)
My employer and/or digital platform is unlikely to provide opportunities for me to go on training or learn new skills	22	24	31
I am unlikely to be able to afford to invest in my own skills development, training or learning	25	48	61
I am unlikely to have the time to invest in my own skills development, training or learning because of family or caring commitments	14	22	24
I am unlikely to have the time to invest in my own skills development, training or learning because of work commitments	22	25	29
I am unlikely to have the motivation to invest in my own skills development, training or learning	14	14	12
Other	2	1	2
Not applicable – nothing will stop me from developing skills in the future	41	28	22

6 What do gig workers think about gigging?

The views of the gig workers on their working arrangements are of particular interest, as these will likely contribute to the future of the gig economy.

Gig economy respondents were asked to agree or disagree with a number of statements designed to explore some of the issues which have surfaced as a result of recent cases in the public spotlight, such as the employment tribunal findings against Uber, where the issue of employment status and rights came to the fore.

Attitudes to regulation

The findings suggest that there is a wide diversity of opinions and, in some instances, contradictory views among gig economy participants. For example, 57% of gig economy respondents agree or strongly agree that gig economy firms are exploiting a lack of regulation for immediate growth and 63% agree that the Government should regulate the gig economy so that all those working in it are entitled to receive a basic level of rights and benefits. In addition, seven in ten (70%) gig

economy respondents agree that gig economy workers don't have the same financial safety net as traditional employees. However, half (50%) agree that people working in the gig economy make a decision to sacrifice job security and workers' benefits in exchange for greater flexibility (see Table 27).

This tension between independence and security was also apparent in a large-scale survey of 3,000 American workers by Penn Schoen Berland, published in January 2016. This showed that US gig

Table 27: Proportion of gig economy respondents agreeing or disagreeing with the following statements (%)

	Gig economy firms are exploiting a lack of regulation for immediate growth	Gig economy workers don't have the same financial safety net as traditional employees	People working in the gig economy make a decision to sacrifice job security and workers' benefits for greater flexibility and independence	The Government should regulate the gig economy so that all working in it are entitled to receive a basic level of rights and benefits (for example Living Wage/holiday pay)
Strongly agree	22	34	15	26
Agree	35	35	34	37
Neither agree nor disagree	21	13	22	17
Disagree	8	7	13	9
Strongly disagree	3	2	6	2
Don't know	11	8	9	9
Net agree	57	70	50	63
Net disagree	11	9	19	11

Base: All gig economy workers: 417

economy workers were split about whether they preferred the security and benefits of working for a traditional company (41%) or the independence/flexibility of the on-demand economy (43%).

The data in this report shows that nearly four in ten (36%) gig economy participants agree or strongly agree that the gig economy should not be regulated and companies should compete to offer workers fair pay and benefits, even if it means less income security, with 35% disagreeing.

Gig economy workers are also split on whether gig economy companies should be required to reimburse some expenses, such as mobile phone bills or insurance, to the people they engage to provide services. A third (33%) of respondents agree gig economy companies should reimburse some expenses, while a similar proportion (33%) disagree.

Such polar attitudes to gig work arrangements are likely to reflect the different views of those who feel they are benefiting more or less from the gig economy work that they do. Among the case study interviewees there were also mixed feelings about the gig economy, with many saying that they like the flexibility but would like more work or support for training from government.

However, a significantly greater proportion of gig economy respondents agree (48%) than disagree (11%) that gig economy employers should invest in the training and education of the people they engage to provide services.

Half (50%) of respondents also agree that gig economy firms should have an obligation to provide an occupational pension scheme for the people they engage to provide services, with just 18% disagreeing.

‘...nearly four in ten (36%) gig economy participants agree or strongly agree that the gig economy should not be regulated.’

Table 28: Proportion of gig economy respondents agreeing or disagreeing with the following statements (%)

	Gig economy firms should have an obligation to provide an occupational pension scheme for the people they engage to provide services	Gig economy companies should not be required to reimburse some expenses (for example home working allowance, insurance or mobile phone bills) to the people they engage to provide services	Gig economy companies should invest in training and education for the people they engage to provide services	The gig economy should not be regulated and companies should compete to offer workers fair pay and benefits, even if it means less income and job security for people
Strongly agree	18	12	18	13
Agree	33	21	40	23
Neither agree nor disagree	22	23	21	18
Disagree	15	22	8	19
Strongly disagree	3	12	3	16
Don't know	10	11	10	10
Net agree	50	33	58	36
Net disagree	18	33	11	35

Base: All gig economy workers: 417

Case study

Mark, 53, lives in north London with his partner. After a spell of unemployment due to personal problems, he was helped into a volunteering job which then led to permanent, full-time employment at a small arts charity in an administrative and general support role. However, in April 2016, the charity lost some of its funding and was forced to reduce Mark's hours down to two days a week.

With years of experience working on building sites, film sets and with interior designers, Mark signed up to be a handyman on TaskRabbit, an online platform that matches freelance labour to local demand. He mostly does handyman work, furniture assembly, gardening, and mounting and installation. The charity role accounts for about 60% of Mark's income at the moment, having put him up to three days a week. About 40% of his income comes from TaskRabbit, earning £17.50 per hour for his handyman work.

'By and large I feel happy and satisfied with the TaskRabbit work. I enjoy working with my hands, I'm quite good at it and my customers are happy too,' says Mark, summing up his experience. However, he identifies a number of issues.

He feels insecure about his income, as TaskRabbit doesn't offer guaranteed work. For example, the week of the interview, Mark only had one job lined up, compared with the more usual five to ten hours he expects to do a week. Mark also related anecdotally that if you *'do something they don't like'*, the platform can close your account with little warning. The lack of income security is compounded by the risk that the charity could lose its funding at any time.

While Mark recognises that he is self-employed, he has no idea what his employment rights are with relation to his TaskRabbit work and assumes that he has none. He also feels that he doesn't enjoy the full benefits of being self-employed.

For example, while he feels quite in control of the work he does through the platform, he mentions that TaskRabbit have put in place mechanisms to incentivise taskers to take jobs. *'You get to be an elite tasker if your metrics are above a certain point. But they're quite difficult to maintain.'* Having the 'elite tasker' badge could improve the chances of being hired by a customer.

Mark resents the platform's lack of transparency with regards to pricing. He receives £17.50 per hour for handyman tasks, and the customer is charged £25 an hour, with TaskRabbit taking £7.50 in commission, according to the information Mark sees on the app. But a customer recently told Mark that they are actually charged £32 an hour, with the platform whacking on an additional service charge and VAT, which are hidden away from the taskers.

However, although he could earn more per hour, Mark does appreciate how easy the platform has made it to find jobs. *'If you Google for handyman in my area, hundreds of results come up. It's a difficult way to get work.'*

In the near future, Mark envisages that he will continue working as he has been, but does not see it as a career. *'People doing the work [on TaskRabbit] are at the bottom of the ladder in terms of how the business is run. They're all expendable. It is not a career. It's a stop gap.'*

Mark has also started making some more long-term plans, and is looking into signing up to an electronics course at the local further education college. The qualification would allow him to become a domestic electrical installer. He believes that would enable him to set up his own business, moving off TaskRabbit eventually, and being able to command a higher hourly wage. However, he is concerned he might not be able to afford the course fees or to spare the time.

Reasons for gigging

The survey also explored the reasons why people choose to work in the gig economy. Only a small minority of gig economy workers say they are working in this way because they can't find a permanent job, the survey finds. Overall, just 14% of gig economy respondents agree that the reason they work in the gig economy is because they could not find a traditional job with an employer. However, respondents' responses are significantly affected by their financial circumstances, with just 11% of those who say they are living comfortably or doing alright saying they are working in the gig economy because they can't find a traditional job, compared with 25% of gig economy workers who are finding things difficult or very difficult (see Table 29).

The biggest attraction for working in the gig economy is that it provides people with a supplementary income, the survey finds (see Table 30). Almost a third of respondents agree that they are working in the gig economy because it allows them to boost their overall income, while a quarter say that working in the gig economy is a short-term solution to helping achieve an end goal, such as buying a car or going on holiday. A fifth (21%) agree that they work in the gig economy because it provides them with a back-up so they don't have to worry about not having the security of a regular income.

Just under a fifth of respondents say that a reason for working in the gig economy is that it keeps them busy and 18% agree that working in the gig economy is a conscious choice for them.

Women (29%) are most likely to report that they are working in the gig economy as a short-term solution to helping them achieve an end goal such as buying a car or going on holiday (men 21%). In contrast, a greater proportion of men (25%) than women (17%) say that they work in the gig economy because it provides a back-up so they don't have to worry about the security of a regular income.

Respondents' reasons for working in the gig economy are influenced quite significantly by their age (see Table 30). For example, younger workers aged between 18 and 29 are significantly more likely than workers aged 30 to 59 to say they work in the gig economy because they see it as a short-term solution to achieving a financial goal (35% vs 16%). They are also much more likely than older workers aged 30 to 70 to say they work in the gig economy because it provides them with a back-up so they don't have to worry about the security of a regular income (29% vs 17%). These findings are likely to reflect that a higher proportion of younger gig economy workers will be students who want to be able to balance earning and learning and so particularly benefit from the flexibility of gig economy work in this respect.

Older workers aged 40 to 70 are more likely than younger workers to say they are working in the gig economy because it allows them to boost their overall income (38% vs 29%). Workers aged between 60 and 70 are more likely than all other age cohorts, apart from those aged 18–29, to say they are working in the gig economy to achieve a short-term financial goal

(26%). Gig economy respondents aged between 60 and 70-years-old are also significantly more likely than younger workers to agree one of the main reasons they work in the gig economy is that it keeps them active or busy (42% vs 19% of respondents aged 18–59).

One reason for working in the gig economy that was not covered by the survey but which came out in two of the case studies is health. Two interviewees said that their gig economy work allowed them the flexibility to work when they were able to while managing a health condition. One commented: *'It is quite a good way of working for me because I would loathe to commit myself to too much work because of my health. It suits my individual circumstances and I have my pension, so anything I earn above and beyond that is a bonus.'*

Satisfaction with gig work

Overall, the proportion of gig economy workers who are satisfied with the gig economy work they have done over the last 12 months is significantly higher among those who say the gig economy work they do is their main job (68%), compared with those who say the opposite (41%). See Table 31.

If gig economy work were to become more mainstream (more doing it as a main job), on these results we might expect worker satisfaction to go up rather than down as well as expectations about platform provider responsibilities to increase.

Table 29: Proportion of gig economy workers who say they are working in the gig economy because they couldn't find a traditional job with an employer (%)

	Gig economy workers (n=417)	Living comfortably (n=78)	Doing alright (n=132)	Just about managing (n=128)	Finding things difficult (n=57)	Finding things very difficult (n=21)
I am only working in the gig economy because I couldn't find a traditional job with an employer	14	11	11	13	19	39

Table 30: Proportion of gig economy workers who agree with the following statements about why they are working in the gig economy (%)

	Gig economy workers (n=417)	Men (n=239)	Women (n=189)	18-29 (n=168)	30-39 (n=130)	40-49 (n=61)	50-59 (n=41)	60-70 (n=28)
Working in the gig economy allows me to boost my overall income	32	32	33	30	28	46	34	35
Working in the gig economy is a short-term solution to help me achieve my end goal (for example buying a car, going on holiday)	25	21	29	35	19	18	10	26
Working in the gig economy provides me with a back-up so that I don't have to worry about not having the security of a regular income	21	25	17	29	14	22	19	12
Working in the gig economy keeps me active/busy	19	19	19	15	16	23	22	42
Working in the gig economy is a conscious choice for me	18	20	16	16	16	20	21	32
Working in the gig economy is a stop gap	15	15	16	13	14	19	18	24
I am only working in the gig economy because I couldn't find a traditional job with an employer	14	16	12	14	11	18	17	18
Having fewer rights and benefits is a fair deal in exchange for the independence I enjoy by working in the gig economy	13	14	13	16	11	9	14	19
I prefer working in the gig economy as I don't like the office politics that come with traditional jobs	13	12	14	9	12	19	17	14
I don't want to work for a traditional company in case I lose the flexibility I have	12	11	13	11	11	16	10	17
I have young children and the gig economy allows me to work and look after my children	10	12	9	12	9	14	11	0
Gig economy work was recommended to me by a friend	10	11	9	8	12	14	7	9
My partner doesn't work so a job in the gig economy helps me earn a second income	7	7	7	8	8	4	5	8
Don't know	8	6	11	4	12	11	10	6
None of the above	12	13	12	14	15	4	14	6

Table 31: Proportion of gig economy workers who say they are satisfied or dissatisfied with the gig economy work they have done over the last 12 months (%)

	All gig economy workers (n=417)	Gig economy workers who say the gig economy work they do is their main job (n=110)	Gig economy workers who say the gig economy work they do is not their main job (n=269)	Gig economy workers who say they don't know if the gig economy work they do is their main job (n=38)
Very satisfied	13	33	6	9
Satisfied	34	35	36	12
Neither satisfied nor dissatisfied	24	18	28	13
Dissatisfied	13	8	15	9
Very dissatisfied	4	4	4	3
Don't know	13	4	12	55
Net satisfied	46	68	41	21
Net dissatisfied	17	11	19	12

Case study

Laura, 24, works between 16 and 20 hours a week as a freelance translator and proofreader as a means of earning money while she studies for a degree in social linguistics at Cardiff University. She also teaches English as a foreign language.

She used to work part-time managing Oxfam's online shop, but she finds the gig economy work she does much more flexible and a better fit with her studies.

'It is great for me because it is so flexible and I work whenever I feel like it. I also like the variation in the work. I may be doing two weeks of proofreading and then it will be a week translating, for example,' she said.

Laura feels like she gets enough work through the gig economy and says that, if anything, there is more of a risk of her taking on too much work. *'Sometimes it is difficult to turn work down if it's there and you know you can do it,'* she said.

Laura, who lives with her partner in Cardiff, uses platforms such as PeoplePerHour to get some of her work, but has also developed her own contacts through word of mouth and recommendations.

She is overall quite satisfied with PeoplePerHour as a platform; however, she thinks the commission charge taken by the site of 20–25% is quite high. Consequently she will tend to deal directly with clients who want to use her again rather than via the website. She is fairly relaxed about the site's rating system of service providers.

Looking ahead to when she graduates in September 2018, Laura would like to get a job working for a university or another academic institution conducting research into linguistics. Nonetheless, she can see herself continuing to work in the gig economy because she enjoys it and it might be a good means of boosting her income.

Laura is not sure what government could do to regulate the gig economy but thinks that clarifying people's rights so they understand what protections they have under law would be helpful.

'I don't know what my rights are so more clarification on this for people like me would be good,' she said.

Case study

Retired teacher Toby has mixed views on the gig economy. He can see its benefits after working as an online exam marker since 2008, but he worries that too much employment is becoming insecure in nature and what this will mean for his children's working lives.

Toby took early retirement from teaching in 2003 after developing multiple sclerosis. He initially worked for a battlefield tour company designing resource material before moderating continuous professional development for the Royal Psychological Society.

Toby, 59, who lives in the Worcestershire town of Evesham, first started marking exams for Edexcel Pearson in the summer of 2008 as a means of supplementing his pension income.

'I mark GCSE exam papers online – it is a really good system. It is flexible in that I can choose when I want to work during the day but it does tend to be all or nothing as the marking is over the summer holiday and has a series of deadlines and the work is very intensive because of that.'

'How much I do also depends on how I feel as my condition can get worse sometimes,' he said.

Toby estimated that he typically earns between £400 and £900 for about one month's marking work over the summer depending on his health.

He finds the extra income extremely useful and would like the opportunity to do more online work during the year to supplement his pension.

Toby can see himself continuing to work in the gig economy through his online marking work but worries about the implications of the gig economy for his three children, who are in their twenties.

'It is quite a good way of working for me because I would loathe to commit myself to too much work because of my health. It suits my individual circumstances and I have my pension, so anything I earn above and beyond that is a bonus.'

'But for most people this type of work provides no security at all. I worry for my children that we are going to see more and more people working in the gig economy and on things like zero-hours contracts as employers try to cut costs and reduce their legal responsibilities. Government needs to enforce the existing legal framework better so employers cannot ignore or get around their responsibilities.'

7 Is gig work a meaningful alternative to ‘traditional’ employment?

This section of the report explores how, overall, the quality of work and working lives of gig economy respondents compares with the average experience of workers in more traditional employment.

Experiences at work

Working respondents (gig economy workers and other workers) were asked to report how often the work they had done over the past few weeks had made them experience a number of different emotions or feelings.

This shows that, in many respects, there is little significant difference between the two groups when it comes to how frequently they report their work has made them feel tense, stressed, miserable or worried.

For example, gig economy workers are slightly less likely to report they feel stressed, with 52% saying they have felt stressed as a result of their work either never or occasionally, compared with 46% of other workers. Just over a fifth of both gig economy respondents and the other worker sample say their work over the past few weeks has made them feel stressed most or all the time (21% and 22% respectively).

There is also little difference in how frequently gig economy workers and other workers say they feel miserable as a result of their work, with 59% and 64% respectively saying they feel miserable never or occasionally. Gig economy workers (16%) are slightly more likely than other workers (14%) to say their work over the past few weeks has made them feel miserable most or all of the time.

However, gig economy workers are significantly more likely than other workers to report they feel positive emotions such as optimism, excitement and cheerfulness.

Just under half (49%) of gig economy workers report the work they have done over the last few weeks has made them feel optimistic either never or occasionally, compared with 60% of other workers. Gig economy respondents are also nearly twice as likely (25%) to say they feel optimistic most or all of the time as a result of their work as other workers (14%).

Gig economy workers are much more likely to report their work makes them feel excited than other workers. Just over half (52%) of gig economy workers say the work they have done within the gig economy over the last few weeks has made them feel excited either never or occasionally, compared with 69% of other workers. In contrast, a fifth (20%) of gig economy workers report they feel excited by their work either most or all of the time, compared with just 7% of other workers who report this.

‘Gig economy workers are much more likely to report their work makes them feel excited than other workers.’

Table 32: How often gig economy workers say the work they have done over the past few weeks within the gig economy has made them experience the following emotions or feelings (%)

All gig economy workers								
	Tense	Stressed	Miserable	Optimistic	Relaxed	Worried	Cheerful	Excited
Never	27	23	36	24	26	31	23	27
Occasionally	27	29	23	25	24	26	26	25
Some of the time	25	26	25	27	26	23	23	28
Most of the time	15	14	11	17	19	12	19	12
All of the time	6	8	6	8	5	8	9	8
Never/occasionally	54	52	59	49	50	57	49	52
Most/all of the time	21	22	17	25	24	20	28	20

Base: n=417

Table 33: How often all workers say the work they have done over the past few weeks has made them experience the following emotions or feelings (%)

All UK adults of working age who are currently in employment and have not undertaken any gig activities in the last 12 months								
	Tense	Stressed	Miserable	Optimistic	Relaxed	Worried	Cheerful	Excited
Never	17	12	33	27	31	22	15	37
Occasionally	36	34	30	33	31	35	35	32
Some of the time	31	32	23	26	26	29	32	24
Most of the time	13	17	10	12	11	11	17	6
All of the time	4	5	4	2	1	4	2	1
Never/occasionally	51	46	63	60	62	57	50	69
Most/all of the time	17	22	14	14	12	15	19	7

Base: n=2,292

Case study

Lizzie, 32, a self-employed project manager, left her full-time permanent job working for a commercial property company to work in the gig economy about a year ago because she wanted to own her own business. *'I was becoming fed up working for someone else and wanted to push myself and have more ownership over what I do,'* she said.

Lizzie, who lives and works in London, said that her hours tend to fluctuate but that she typically earns about £2,000 a month. *'Ideally I'd like to have more work and more regular work so that I have a bit more stability and certainty,'* she said.

She enjoys the flexibility of working in the gig economy but misses the peer support she had working in a company.

She typically finds her project management gigs through old contacts, word of mouth and via the Internet through LinkedIn.

Lizzie left college when she was 20 with a BTEC teaching qualification and spent a year teaching before deciding this was not the right career for her and changing jobs to work in retail. However, when she was 26 she studied for a degree in business surveying, which paved the way for her career in project management in the property sector.

In the future Lizzie would like to build up her business to the point where she can employ people herself.

She believes the Government could do more to provide support for people who are starting out on their own who would like to grow their own business.

'Having some sort of mentoring support would be really useful as I waste a lot of time doing stuff by trial and error,' she commented.

Satisfaction with various aspects of work

In terms of overall job or work satisfaction, there was little difference between the two groups. Overall, a marginally smaller proportion of gig workers report they are satisfied in this respect compared with the average worker (46% vs 48%); however, a larger proportion of the other worker sample say they are dissatisfied than the gig economy worker sample (25% vs 17%) (see Tables 34 and 35).

Gig economy workers are marginally less satisfied with the hours they work (44%) and are more likely to express dissatisfaction with the hours (23%) that they work than other workers

(51% and 22% respectively). This finding reflects the sentiment among many of the interviewees for this report who said they would like more work on a regular basis.

Gig economy workers are also significantly less satisfied with their income security (31%) than other workers (44%), and a larger proportion of gig workers say they are dissatisfied (30%) than other worker (25%). Again this perspective came across strongly in our in-depth interviews with gig economy workers, with many seeing this lack of income security as the main downside of gig work, particularly when it is a main source of income. There was very little difference in views on the level of benefits they receive, with

about three in ten of both groups satisfied and a similar proportion dissatisfied.

However, gig economy respondents are much more satisfied (60%) than other workers (44%) when it comes to the amount of flexibility they have to decide their working hours and are less likely to be dissatisfied (13% vs 26%).

Gig economy workers are appreciably more satisfied than other workers with their level of independence and autonomy, with more than half (55%) of gig economy workers expressing satisfaction on this measure, compared with just 48% of other workers. Just 10% of gig workers are dissatisfied on this measure in

contrast to a fifth (21%) of other workers. Similarly, gig economy workers are more satisfied with their level of empowerment and fulfilment than other workers (45% vs 36%) and are less likely to report dissatisfaction (18% vs 30%).

Perhaps surprisingly, gig economy workers are also more positive about their opportunities to develop skills and knowledge than other workers. More than four in ten (42%) gig economy

respondents are satisfied with their opportunities to develop skills and knowledge, with 19% dissatisfied. However, just 38% of other workers are satisfied with their opportunities to develop skills and knowledge, with 30% dissatisfied.

Furthermore, gig economy workers are much more positive than other workers about their physical and mental well-being experienced through work, with 48% of gig workers reporting satisfaction

in this respect, compared with just 34% of other workers. Gig economy workers are also much less likely to report dissatisfaction with their physical and mental well-being (16%) than other workers (33%). One explanation for this could be the higher level of control over their work and working hours reported by gig economy workers given that autonomy is known to help mitigate stress.

Table 34: Proportion of gig economy workers who express satisfaction or dissatisfaction with the following (%)

	Very satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Don't know	Net satisfied	Net dissatisfied
Overall satisfaction with work	13	34	24	13	4	13	46	17
Hours that you work	16	29	23	17	6	9	44	23
Independence and autonomy/control experienced at work	19	36	23	6	4	12	55	10
The amount of flexibility to decide working hours	24	36	17	9	4	9	60	13
Opportunities to develop skills and knowledge	11	31	29	13	5	11	42	19
Level of empowerment and fulfilment	13	32	27	14	4	11	45	18
Ability to be creative	15	29	28	14	4	11	44	18
Income security	8	23	28	17	13	11	31	30
Level of benefits received	10	21	28	19	9	14	31	28
Ability to choose working hours	24	32	19	10	4	10	56	14
Opportunities to learn, grow and develop	17	26	25	13	7	12	43	20
Level of physical and mental well-being experienced through work	15	33	25	11	6	11	48	16
Recognition received for a job well done	13	31	24	14	6	12	44	20

Base: n=417

Table 35: Proportion of UK adults in employment who have not undertaken any work in the gig economy in the last 12 months who express satisfaction or dissatisfaction with the following (%)

	Very satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Don't know	Net satisfied	Net dissatisfied
Current level of pay	4	33	27	26	9	1	36	35
Satisfaction with job	11	37	26	17	8	1	48	25
Hours that you work	11	41	24	15	7	3	51	22
Independence and autonomy/control experienced at work	11	37	25	13	8	6	48	21
The amount of flexibility to decide working hours	13	30	23	15	11	8	44	26
Opportunities to develop skills and knowledge	9	29	27	18	12	5	38	30
Level of empowerment and fulfilment	7	29	28	19	12	5	36	30
Ability to be creative	7	27	31	17	10	8	35	27
Income security	7	37	27	15	10	3	44	25
Level of benefits received	5	25	28	20	11	11	30	31
Ability to choose working hours	12	30	23	16	11	9	42	26
Opportunities to learn, grow and develop	8	28	27	20	12	5	36	32
Level of physical and mental well-being experienced through work	6	28	28	22	11	5	34	33
Recognition received for a job well done	6	30	27	19	15	3	36	34

Base: n=2,292

Reasons for working

All respondents were asked a number of questions to explore the meaning work has for them. The biggest difference between gig economy workers and other workers is that just half of gig economy workers say they work because it provides them with income, compared with 80% of other workers. Gig economy workers (17%) are slightly less likely than other workers to say

they work because it gives them something to do (22%). Gig economy workers (15%) are also significantly more likely than other workers (8%) to say they work because it improves their skills (see Table 36).

Table 36: Reasons respondents say they work (respondents only allowed their top two) (%)

	Other workers (n=2,257)	Gig economy workers (n=414)	18-29 (n=508)	30-39 (n=857)	40-49 (n=889)	50-59 (n=673)	60-70 (n=159)
Income	80	50	72	74	78	79	64
It gives me something to do	22	17	20	21	22	23	24
I enjoy it	19	22	17	17	21	21	31
I find it interesting	16	16	15	18	14	17	23
It is useful for society	15	13	15	14	13	15	17
It improves my skills	8	15	14	11	8	5	5
It is sociable	9	9	7	8	10	10	9
Status and prestige	4	6	6	5	4	3	2
I get perks from work	4	7	4	5	4	4	4
None of the above	5	8	6	6	5	3	6

Case study

Bernadette is 63 and retired. She holds a BA in English and spent the latter part of her career as a freelance writer. Nowadays, she does some very occasional writing for past clients. She does not have a family or a mortgage to pay.

Before becoming a freelance writer, she held a wide range of jobs, from selling advertising to working as a legal secretary. However, she has suffered with long-term depression and this has had a significant impact on her working life. For instance, she found it very difficult to deal with office politics. Once she began working freelance, things improved and she found that this type of working suited her much better. It provided her main source of income.

As a freelance writer, she would bid for work through a central platform. The type of writing varied, from fiction to web articles, CVs and fact-finding. Bernadette appreciated the fact that she was always able to choose the type of work which interested her, though of course she wasn't always guaranteed the jobs she wanted.

While she did her freelance work, she was happy with the income she gained. She acknowledges it is not a secure way of working – describing it as ‘feast or famine’ at times. However, she is clear that it was her decision to work like that, arguing that *‘people don't necessarily want security’*. She also appreciated that she was her own boss: *‘The only person responsible for me is me’*.

When writing, Bernadette would either give a quote for the whole job or charge an hourly rate, depending, of course, on the type of job. If the jobs were charged at an hourly rate, she would make roughly £15 an hour. Depending on the type of job she took on, she would work on average a 40-hour week.

She is suspicious of further government intervention when it comes to the ‘gig economy’, suggesting that the Government would only want to make changes if it allowed them to take more tax.

Looking to the future, Bernadette says she would love to do an MA with a view to writing a book of her own.

Case study

David, 24, from south-west London, has been working as a self-employed contractor in the gig economy since he left college at 21 with a diploma in business studies, partly because he likes the independence and partly because he can't find a suitable permanent job. He first worked for City Sprint as a medical courier delivering blood samples all over London on a motorbike. This involved arriving at City Sprint offices at 8am every day and working until 6pm. After about a year he started to work full-time for Deliveroo instead because he preferred the zone system operated by the company, which meant he had a much smaller area in south-west London to cover.

He was also much happier with the money that he earned working for Deliveroo, which averaged about £2,800 a month before tax and expenses, based on typically working 12-hour days and six days a week. *'The best thing about Deliveroo is the hourly rate, which means you are guaranteed about £7 an hour with an additional £1 for each trip you make. But it is hard work and you work in all weather and do long hours if you want to make good money. There is no base to go to and you have to return to the centre of the zone after each delivery and wait for the next job to come through. The software also keeps track of how many deliveries you do an hour and they give more work to those who work harder, so you feel under pressure to accept work,'* he said.

'We were forced to wear a uniform and have a Deliveroo sticker on our topbox. I was given a schedule for each week and had to make a leave application if I decided that I didn't want to work when I had been scheduled to be available. You can also be called into Deliveroo's office if you are assessed by the software to be performing poorly,' he said.

David, who is married, stopped working for Deliveroo after falling off his motorbike and hurting his leg. For the last 16 months he has been working as a private hire taxi driver for Uber.

'In some ways there is a lot of flexibility in that you don't have any schedule and you are not bound to do any shifts. You can go offline whenever you want to. The working conditions are much better than being a Deliveroo rider in that you can sit in your car and watch a movie, for example, if there are no calls. The downside is that the expenses are very high,' he commented.

David's Uber phone app tells him that he earned about £560 for the previous week and worked 49 hours, meaning his hourly rate was about £11.40 an hour. The week before he earned about £670 for 52 hours worked, equating to about £12.50 an hour. On average he estimates he earns about £2,800 a month.

However, every month he has to pay £340 a month for his car finance deal, £300 a month goes to pay his insurance, £60 a month goes on the rental for the phone he uses for his Uber work and £300 on fuel. There are also regular costs associated with a quarterly car service and a six-monthly MOT.

David is also unhappy with the level of control exerted by Uber once logged on, which means he is rated on customer feedback, and on the percentage of jobs he accepts, as well as his cancellation rate.

'When I do log on I have to be very careful to ensure that my rating remains high as I have a fear of being kicked off the platform. You can be called into the Uber office if you are not performing well,' he said.

'I also have to work every Friday and Saturday nights and often start work at 5am as that is when there is more work around, so while there is a lot of flexibility, there are some invisible boundaries.'

David believes that there should be more clarity over employment rights because, while he is self-employed and does not get holiday pay or sick pay, for example, he says he often feels treated as though he is an employee.

He is planning to start a part-time degree in computer science from September and is hoping to continue to work for Uber for the four-year duration of the course. *'It should work well while I'm a student, but longer term Uber is not a career for me,'* he said.

Conclusions and recommendations

‘Current evidence suggests that gigging is rarely the main source of income for gig economy workers, and is more likely to be complementing their main job.’

Gig work continues to grow as a viable form of employment, and in some areas, new types of business models based on online platforms may be displacing more traditional employers. Current evidence suggests that gigging is rarely the main source of income for gig economy workers, and is more likely to be complementing their main job. Many find that gig work is convenient and flexible, that it can boost earnings and help achieve short-term financial goals, as well as provide freedom than more traditional employment. At the same time, even for those in gig work out of choice, there are some significant drawbacks, such as availability of assignments and the security of income, areas where many gig economy workers feel at a disadvantage.

Yet, our research also shows that these problems are not confined to those in the gig economy or other forms of atypical work, but can also affect other types of workers. The reality is that many permanent employees suffer from poor job security, lack of progression and unsatisfying work with little say. Gig economy workers or other forms of atypical workers have the opposite experience, with highly satisfying work and high levels of control over how, when and where they work.

The fundamental questions that lie at the heart of the gig economy debate are about the quality of work, the amount of choice that people have in the ways they work, and the degree of match between the work opportunities that people want

and those available in the labour market. These are issues that the Government-commissioned review being led by Matthew Taylor is seeking to address. This report provides an insight into the reality of gig work, which, because of its transient nature, amplifies the challenges and concerns that many workers share in the current labour market. It is particularly focused on gig economy participants who trade their time and skills through online platforms, providing a service to a third party as a form of paid employment.

Security, pay and rights

The research findings provide useful insights for most of the main themes being explored by the Taylor review, for example, *security, pay and rights*. The temporary or ad hoc nature of much gig economy activity means that many participants have little income security, while ambiguity over many individuals' employment status creates confusion over eligibility for the National Minimum Wage in some instances. However, our research suggests there are some key factors that need to be considered when assessing gig economy work, including that most gig economy workers have another job or another source of income and see their gig economy work as supplementing their finances.

Overall, only a quarter of gig economy workers say that the gig economy work they do is their main job, while nearly six in ten (58%) are permanent employees. More than half of gig economy workers say that

their gig economy work over the previous 12 months brought in 20% or less of their total income, with less than 10% saying that gig economy work brought in 75% or more of their annual income. This picture also came through strongly in the interviews with gig economy workers, with some treating gig work as an additional source of income while they continue to work in 'traditional' employment, or as a supplement to their pension for example. Other interviewees had someone else in their household in employment and earning a steady income or are studying and view gig economy work as a flexible way of earning money while they study.

Another point that should not be overlooked is that, for many people, working in the gig economy is a positive choice rather than a last-resort option in lieu of not being able to find more traditional employment. The most common reason cited by survey respondents for working in the gig economy is that it allows them to boost their income, with a third saying this is the case, with a quarter (25%) of gig economy workers reporting that their gig economy work enables them to achieve an end goal such as buying a car or going on holiday. Just 14% of respondents say they are only working in the gig economy because they can't find a traditional job with an employer.

This does not mean that gig economy work is without its problems, however, as many interviewees would like more gig economy work than they are currently getting. This was again reflected by the survey, which found that just one in four gig economy workers say they get enough work on a regular basis

working in the gig economy. There is a lot of competition for work across different types of gig economy activity, for example UK 'clickworkers' have to compete for work with people from all over the world, including in countries where the cost of living is much lower. Evidence suggests that the number of private hire drivers in England and Wales has increased in recent years,² with some of the growth likely to be driven by the emergence of companies such as Uber, meaning there is less work to go around.

Another issue is that average earnings from gig economy work are low, with our survey suggesting that the median average hourly rate that gig economy workers receive is between about £6 per hour and £7.70 an hour depending on the type of service or work they are engaged in. This may reflect that many gig workers will have significant waiting times between engagements and may well take into account significant expenses, such as fuel, car finance costs and insurance when calculating their income. For example, one Uber driver interviewed estimated his total monthly income as £2,800, but this fell to about £1,750 after all his expenses, having worked on average 50 hours a week.

Despite the typically low earnings reported by gig economy workers, they remain on the whole satisfied with their income from this type of work, with 51% saying they are satisfied and 19% dissatisfied with the level of income they receive from their gig economy work. This is significantly higher than the level of satisfaction with pay reported by all workers, where 36% are satisfied and 35% are dissatisfied. This is very likely to reflect the fact that gig workers' motivations

'For many people, working in the gig economy is a positive choice rather than a last-resort option in lieu of not being able to find more traditional employment.'

² <https://www.gov.uk/government/statistical-data-sets/taxi01-taxis-private-hire-vehicles-and-their-drivers#history>

and expectations around the level of reward they receive are very different from workers in more traditional forms of employment. Most gig workers regard their gig work as a useful boost to their income rather than something they must rely on to pay the rent or mortgage.

Nonetheless, a significant minority of gig workers are not happy with the rewards they receive from working in the gig economy, and there remains ambiguity about eligibility for employment rights and the National Minimum Wage for some participants. A number of gig economy workers interviewed suggested that while they are classified as self-employed, they feel like they are treated like workers because of the level of control being exerted by their platform provider. The survey found that fewer than four in ten gig economy workers say they feel like they are their own boss.

There was also a strong feeling among gig economy workers interviewed that there needs to be more clarity over employment status and associated rights. Gig economy businesses need to ensure they are not trying to have their cake and eat it by cutting costs through using self-employed contractors while at the same time trying to maintain a level of control and performance management more appropriate for a traditional employment relationship.

Finding the appropriate balance of rights and responsibilities for new business

This issue also lies at the heart of another central focus of the Taylor review, which is *finding the appropriate balance of rights and responsibilities for new business models*. The survey included a

number of questions to explore gig economy workers' views on this, with the results showing that there are mixed feelings on the extent gig economy businesses should provide employment rights and benefits. For example, although about six in ten gig economy workers agree that the Government should regulate the gig economy so all those working in it are entitled to a basic level of rights and responsibilities, half also agreed that people working in the gig economy make a decision to sacrifice job security and workers' benefits in exchange for greater flexibility. Gig economy respondents were equally likely to agree as disagree that *'the gig economy should not be regulated and companies should compete to offer workers fair pay and benefits, even if it means less income and job security for people'*.

In the US, there is evidence that such competition is already happening; for example, Juno, a ridesharing platform directly competing with Uber, is significantly enhancing the offer for drivers. Juno, a commercial and co-operative hybrid, offers drivers the chance of equity ownership by enabling them to earn shares linked to the number of fares they pick up.

One difficulty in addressing confusion over employment status and rights is that many gig economy workers don't know what their rights are or should be, or where to go if they want to complain or seek compensation. Four in ten gig economy workers who say they are struggling financially say they don't know where to go to register a complaint. Citizens Advice Bureau is the most commonly cited place where gig economy workers would seek assistance, followed by a professional body, a solicitor or their local MP.

Together, the research findings highlight why finding the correct public policy response to providing sufficient flexibility for gig economy businesses and protection for individuals is not straightforward. Imposing excessive regulation risks restricting business innovation and employment opportunities, while an approach that is too light touch potentially leads to workers being exploited. In addition, the variety of business models within the gig economy, the many different types of working arrangements and the varied circumstances of individuals engaged in providing services in different ways mean finding the right regulatory changes to make is extremely challenging. However CIPD believes Government should launch a consultation to consider whether a clearer basis of demarcation is possible between 'employee', 'worker' and self-employed' which maps clearly across employment rights, tax and benefits.

There are also a number of steps the Government could take to provide greater awareness and understanding of issues around employment status and rights help ensure working practices in the modern economy benefit both organisations and individuals. Firstly, there is a clear need for gig economy and other atypical workers to have more information and clarity over their employment status and associated rights, including whether they are eligible for the NMW. Government should work with bodies such as the Citizens Advice Bureau, Acas, trade unions and professional bodies such as the CIPD to run a 'know your rights' campaign, which would set out information on the different types of employment status and the associated employment rights people should expect as well as where to go if they have concerns

or want to make a complaint. In addition, we believe that there should be an amendment to the Employment Relations Act 1996, requiring employers to provide all workers and not just employees – as is currently required – with a written copy of their terms and conditions after two months of employment. This at least would mean that individuals categorised as workers would have a written record of the details of their contractual arrangements.

There is also the need for better guidance for gig economy businesses and other employers using atypical workers which sets out the underlying principles of good work and responsible employment, as well as the HR and people management practices organisations need to think about when resourcing their business models to ensure flexibility works for all stakeholders. The recent employment tribunal case involving Uber and the adverse publicity and share price experienced by Sport Direct following controversy over its use of zero hours contracts highlights the reputational risk organisations face if they fail to consider the downside for their people of atypical working practices.

CIPD has been conducting research investigating the principles of ethical and sustainable work and is currently refreshing its professional standards framework for HR practitioners to reflect this. In the context of the Taylor Review, we will continue to use insights from this work to help and encourage more organisations to work in ways that benefit both the business (in terms of productivity and sustainability) and people (in terms of their well-being and development).

Furthermore, the CIPD believes that in light of the growing challenges that technology and new business models are creating for the UK's employment rights framework, there is a strong case for Government to bolster the mechanisms available to it to crack down on poor practice and to proactively support organisations in improving their working practices before they find themselves in court.

Consequently it is crucial that the new Gangmasters and Labour Abuse Authority (GLAA) is given sufficient resources so it has the scope to meaningfully monitor and enforce compliance with existing employment rights across the economy where there are abuses and ensure people are not being falsely categorised as self-employed, for example.

In addition, the CIPD believes there is a strong case to increase the resources available to Acas so it can work proactively with organisations to improve their working practices if they are in danger of falling foul of the law through a lack of resources or ignorance. This would also allow GLAA inspectors to refer organisations to Acas to work with them to improve working practices, which in many cases will be a better solution for all stakeholders than enforcement activity and fines.

Progression and training

Besides raising challenging questions around employment status, pay and rights, another key aspect of gig economy work being investigated by the Taylor review is *progression and training*. Our research suggests that six in ten gig economy workers think they will need to take part in formal training or learning during the course of their working lives,

‘The CIPD believes there is a strong case to increase the resources available to Acas so it can work proactively with organisations to improve their working practices.’

with the most commonly cited reasons being the length of time respondents have ahead of them in the labour market and the need to develop more advanced or new skills in order to get better work or earn more. However, eight in ten gig economy workers believe they will face one or more obstacle preventing them from developing new skills in the future, with the most common reason given as not being able to afford to invest in their own skills development, cited by four in ten respondents. In addition, over a third of gig economy workers say a significant obstacle to their future skills development is that their employer or digital platform provider is unlikely to provide opportunities for them to go on training or learn new skills. The research also finds that those respondents who are struggling financially are most likely to say they will need to develop new skills in the future but face more obstacles in being able to do this.

These findings also reflect a fall in investment in training by employers³ and cuts to the UK adult skills budget in recent years, which mean that opportunities for people in work or between jobs to upskill or reskill have been falling and look set to continue to decline unless the Government invests more in lifelong learning. Greater opportunities for gig economy participants and workers in more traditional jobs to take part in lifelong learning will help ensure they are able to adapt to further technological disruption and that they have the skills to compete in the labour market as jobs change and the labour market evolves. To achieve this, the CIPD believes there needs to be a step change in the level of

investment by the Government in adult skills and lifelong learning, as well as the development of an effective all-age careers service to provide information, advice and guidance for those who are in career transition or whose skills are obsolete. Interactive digital resources such as Plotr can be used to support the delivery of face to face advice and guidance and provides opportunities for the development of career support with both reach and quality.

Representation and voice

In light of the challenges faced by some gig economy workers highlighted by this research, CIPD believes it is important to improve opportunities for their voice and representation. There are enough cases documented by the Citizens Advice Bureau, MPs and other agencies to tell us that a minority of gig economy workers are in highly exploitative relationships with their digital platform via whom they provide work. In many cases it is the effective enforcement of existing law and regulations which is the issue, not just for gig economy workers but for all those in work with little bargaining power. In the gig economy, however, we are reliant on ad hoc court judgments which directly impact on a handful of workers in particular companies.

There is more scope for professional associations, trade unions, trade bodies such as Sharing Economy UK (SEUK) and individual organisations to work together to not only develop better ways of representing the views of gig economy workers, but also develop robust codes of conduct and collective support packages in areas such as insurance and training and development, where

the costs of individual provision may be prohibitive. The entry of new organisations organised on a mutual basis could also offer a wider range of employment options for gig economy workers who feel disenfranchised by their current relationship with a platform provider.

Better data and measurement on the gig economy

The CIPD's final recommendation is that the Office for National Statistics should develop better measures on atypical working. Gig economy activity is inherently hard to measure, as is most atypical activity at the margins of the labour market. However, it is essential we get a better grasp of some aspects of atypical work around choice, autonomy, and quality of work if we are to understand what is happening in today's labour market. We suggest the Office for National Statistics undertakes a review of how to improve measurement in this area, with some clear priorities. Firstly, we need to improve the statistical measurement of some aspects of self-employment, including the gig economy, especially on how much the self-employed earn where the information is limited and is not timely. We should also explore whether it is possible to measure the degree of autonomy gig economy and other labour-only groups of self-employed have. Secondly, we need a consistent measure of choice across all forms of atypical work. The statistics tell us how many temporary workers could not find a permanent job and how many part time workers could not find a full time job, but we still do not know how many people are self-employed because they could not find work as an employee, how many zero hours

³ GREEN, F., FELSTEAD, A., GALLIE, D., INANC, H. and JEWSON, N. (2016) The declining volume of workers' training in Britain. *British Journal of Industrial Relations*. Vol 54. pp422-48. doi:10.1111/bjir.12130.

workers could not find a job with guaranteed hours of work, and how many gig economy workers could not find a regular job with an employer. Thirdly, while we have good and often detailed measures of the quantity of work, there are few regular and timely statistical measures of the quality of work – for example, a measure of how many jobs in the economy could be described as offering ‘good work’. At present we are dependent on a number of different surveys carried out at different times and often with inconsistent questions and definitions.

Summary of recommendations

- Government should launch a consultation to consider whether a clearer basis of demarcation is possible between ‘employee’, ‘worker’ and ‘self-employed’ that maps clearly across employment rights, tax and benefits.
- Government, working with organisations such as Acas, Citizens Advice Bureau, trade unions and professional bodies, should run a high-profile ‘know your rights’ campaign, which would set out information on the different types of employment status and the associated employment rights people should expect, as well as where to go if they have concerns or want to make a complaint.
- Government should ensure the new Gangmasters and Labour Abuse Authority (GLAA) is given sufficient resources so it has the scope to meaningfully monitor and enforce compliance with existing employment rights across the economy where there are abuses and ensure people are not being falsely categorised as self-employed.
- Government should increase the resources available to Acas so it can work proactively with organisations to improve their working practices if they are in danger of falling foul of the law through a lack of resources or ignorance. This would also allow GLAA inspectors to refer organisations to Acas to work with them to improve working practices, rather than resorting to enforcement activity and fines.
- Government should support the development of best practice guidance on atypical working, setting out the key principles of good work and responsible employment and the HR and people management practices organisations need to think about when resourcing their business models to ensure flexibility works for all stakeholders.
- The Employment Relations Act 1996 should be amended to require employers to provide all workers with a written copy of their terms and conditions after two months of employment.
- Public investment in lifelong learning needs to be significantly increased to reverse the recent decline in investment in adult skills.
- The forthcoming careers and enterprise strategy should set out plans for the development of an effective all-age careers service.
- Professional associations, trade unions, trade bodies such as Sharing Economy UK (SEUK) and individual organisations should work together to develop better ways of representing the views of gig economy workers, as well as robust codes of conduct and collective support packages in areas such as insurance and training and development.
- The Office for National Statistics should develop better measures to monitor patterns on atypical working.

Methodology

The survey was sent out to a nationally representative sample of UK adults aged 18 to 70. The total sample size achieved was 5,019 adults and the figures are weighted to be representative by social grade, region, gender and age and ethnicity. The sample includes employees in traditional employment, those working in the gig economy and those who are not working. The incidence of gig economy workers is currently low in the overall population; as a result, this sample group is boosted to ensure a large enough base size for detailed analysis.

Within this survey, gig economy workers are defined as individuals who have used an online platform at least once in the last 12 months to do any of the following activities:

- provide transport using their own vehicle (for example Uber, BlaBlaCar)
- rent out their own vehicle (for example EasyCar, Zipcar)
- deliver food or goods (for example Deliveroo, City Sprint)

- perform short-term jobs via online platforms that connect people looking for services (for example TaskRabbit, Upwork, PeoplePerHour)
- other work arranged through an online platform.

For the purpose of this research, respondents who use online sharing platforms solely for buying and selling things (for example eBay, Etsy) or to rent their property (for example Airbnb, HomeAway) are not included as gig economy workers because of the nature of their activities being different from other areas of the gig economy.

The survey fieldwork was undertaken between 2 and 15 December 2016 and the survey was carried out online.

Follow-up telephone interviews were conducted with a proportion of gig economy workers during January and February 2017.

Profile of respondents

The biggest difference between the age profile of gig workers and the other worker sample is that a much higher proportion of gig workers are aged 18–29, with nearly four in ten falling into this category, compared with just 21% of other workers. A higher proportion of gig economy workers also fall into the 30–39 age category (30%) than the average worker (23%) (see Table 37).

However, just 30% of gig respondents are aged 40 or above, compared with 56% of other workers.

Gig economy workers are marginally more likely to be male (56%) than the other worker survey average (53%).

Overall, there is a marginal difference in the education levels of gig workers compared with other workers; a smaller proportion of gig economy workers have either a first degree or a higher degree, such as a PhD (42%), compared with 46% in the other worker sample.

Table 37: Age profile of respondents (%)

	Gig economy workers (n=417)	Other workers (n=2,292)
18–29	39	21
30–39	30	23
40–49	14	29
50–59	10	21
60–70	6	5

Table 38: Gender profile of respondents (%)

	Gig economy workers (n=417)	Other workers (n=2,292)
Male	56	53
Female	44	47

Table 39: Education profile of respondents: highest level of qualification (%)

	Gig economy workers (n=417)	Other workers (n=2,292)
No formal qualifications	1	3
Youth training certificate/skill seekers	1	0
Recognised trade apprenticeship completed	3	1
Clerical and commercial	2	1
City & Guilds certificate	4	3
City & Guilds certificate – advanced	2	2
ONC	0	0
CSE grades 2–5	1	2
CSE grade 1, GCE O level, GCSE, School Certificate	4	10
Scottish Ordinary/Lower Certificate	0	0
GCE A level or Higher Certificate	14	12
Scottish Higher Certificate	2	1
Nursing qualification (for example SEN, SRN, SCM, RGN)	1	1
Teaching qualification (not degree)	1	2
University diploma	7	5
University or CNA first degree (for example BA, BSc, BEd)	29	32
University or CNA higher degree (for example MSc, PhD)	13	14
Other technical, professional or higher qualification	9	10
Don't know	1	1

Gig economy respondents' have a broader range of ethnic backgrounds than those in the other worker sample. Less than seven in ten gig economy respondents (68%) describe themselves as white British compared with 85% of the other worker sample. There is also a significantly higher proportion of gig workers who describe themselves as either Indian or black African compared with the other worker sample (see Table 40).

Table 40: Respondents' ethnicity (%)

	Gig economy workers (n=417)	Other workers (n=2,292)
White British	68	85
Any other white background	9	5
White and black Caribbean	1	1
White and black African	1	0
White and Asian	2	1
Any other mixed background	1	2
Indian	4	2
Pakistani	2	1
Bangladeshi	1	0
Any other Asian background	1	1
Black Caribbean	1	0
Black African	5	1
Any other black background	1	0
Chinese	1	1
Other ethnic group	2	0
Prefer not to say	0	0

Appendix

Box 3: Types of employment status

Employee

An individual will be an employee if:

- there is an obligation to provide **personal service**; and
- there is **mutuality of obligation**; and
- the employer **controls** the way in which work is done; and
- other factors are consistent with employment (for example level of integration into business, label applied by the parties, nature and length of engagement, benefits received by the individual).

Self-employed

An individual will be self-employed if:

- there is no obligation to provide **personal service**; or
- there is no **mutuality of obligation**; or
- he or she is carrying out a business and the other party is the customer.

Whether an individual is carrying out a business and whether the other party is a customer of that business will depend on various factors being established, such as:

- The employer does not exert a high level of control over the individual.
- The individual is not integrated into the employer's business.
- The individual actively markets his or her services to the world in general.
- The engagement is relatively short in duration.
- The individual is providing specialist services.
- The individual invoices for fees.
- The individual supplies the equipment needed to perform the service.
- The individual carries a level of risk (for example, if the work is not done, the individual does not get paid).

Worker

An individual will be a worker if:

- there is an obligation to provide **personal service**; and
- there is **mutuality of obligation**; and
- he or she is not carrying out a business and the other party is not the customer; and
- he or she does not otherwise meet the test for being an employee.

'Worker' is the hardest category to identify. This is because workers tend to exhibit characteristics of both employee and self-employed status. One way to understand what a worker is, is to think of workers as a 'sweep up' category which ensures that individuals who would otherwise be self-employed, but who show some characteristics of employees (for example **control**), have meaningful legal rights. It is important to remember that all employees are workers.

Table 41: General categories of rights and protection

Right/protection	Employee	Worker	Self-employed
Right not to be unfairly dismissed (after two years' service)	Yes	No	No
Right to receive written statement of terms and conditions	Yes	No	No
Itemised payslip	Yes	No	No
Statutory minimum notice	Yes	No	No
Statutory redundancy pay (after two years' service)	Yes	No	No
Protection from discrimination in the workplace	Yes	Yes	Possibly
National Minimum Wage	Yes	Yes	No
Protection from unlawful deduction from wages	Yes	Yes	No
Paid annual leave	Yes	Yes	No
Right to daily and weekly rest breaks	Yes	Yes	No
Pension auto-enrolment	Yes	Yes	No
Right to be accompanied at a disciplinary or grievance hearing	Yes	Yes	No
Rights under data protection legislation	Yes	Yes	Yes
Whistleblowing protection	Yes	Yes	Possibly
Statutory Sick Pay	Yes	Possibly	No
Statutory maternity, paternity, adoption leave and pay	Yes	No	No
Unpaid time off to care for dependants	Yes	No	No
Right to request flexible working	Yes	No	No
Time off for ante-natal care	Yes	No	No
Time off for trade union activities	Yes	No	No
Protection under the transfer of undertakings legislation	Yes	No	No
Health and safety in the workplace	Yes	Yes	Yes

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