

Around five million crowd workers in the U.K. 'gig economy', new research finds

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It is known by many different names: 'gig economy', 'sharing economy', 'crowd working', 'platform capitalism' and even 'uberisation'. But one thing is clear: we are witnessing a phenomenal growth in new forms of work organised via online platforms.

Up to now there has been little accurate information about its extent in

the UK but, according to the latest research into the scale of this far-reaching change to national work culture, around 11% of online adults aged 16-75, equivalent to up to five million people, are being paid for work through online platforms like Upwork, Uber and TaskRabbit.

One in five (21%) survey respondents, equivalent to around nine million people, say they have used online platforms to seek paid crowd work, although many were unsuccessful. Forty-two per cent – equivalent to more than 18.5 million of us – say they have turned to such platforms to source taxi drivers, builders, graphic designers and even accountants.

The online study by the Foundation for European Progressive Studies (FEPS) and UNI Europa, carried out by University of Hertfordshire, with fieldwork by Ipsos MORI, reveals more than a quarter (26%) of the crowd workers interviewed earn more than half of their income through online platforms.

It has prompted calls for serious research into the implications of these new developments for workers' rights, consumer protection, public health and taxation.

Potential risks

Study lead Ursula Huws, Professor of Labour and Globalisation at University of Hertfordshire and Chair of the 30-country, European research network Dynamics of Virtual Work, said: "The sheer size of this new crowd-working army is surprising even to me and our findings confirm that policymakers and academic researchers have been caught on the hop by the explosion of what we might call platform labour.

"There is a real risk that the proliferation of online labour platforms will lead to an erosion of labour standards and employment rights, and hit tax revenues.

"It has been labeled the 'sharing economy' but many of those participating in it are doing so, not for altruistic reasons or in their spare time, but are instead relying on it to earn a living."

Elva Bova, Senior Economist of the Foundation for European Progressive Studies, a European progressive political think tank, said: "Online platforms undoubtedly open up many new opportunities. They make it easier for workers to find work in new fields, and for customers to find someone to do odd jobs or other work for them.

"But their increasing dominance could be driving genuinely independent workers out of business, forcing down the cost of labour and pushing people into insecure working conditions without benefits such as sick pay, holiday pay, pension contributions or minimum wage guarantees."

A new kind of working life

The online survey of 2,238 adults aged 16-75 revealed that around nine in ten (91%) of the 238 crowd workers interviewed say they are carrying out desk-based online work for platforms such as Upwork, Clickworker or Peopleperhour.

But substantial numbers are also using these platforms to do work in other people's homes, such as cleaning, gardening, carpentry or running errands for platforms like Handy, Taskrabbit, Mybuilder or Mopp. Around 7% of respondents (equivalent to around three million UK adults 16-75) say they are actual or would-be drivers, working for companies like Uber or Blablacar.

"A new kind of working life is emerging," said Huws. "For many it is a life in which they do not know from one week, day or even hour to the next when or whether they will have work, so they keep their smartphone always to hand, ready to hit 'accept' at a moment's notice.

They are, in short, permanently logged on."

Oliver Röthig, UNI Europa Regional Secretary, said: "The crowd-working phenomenon is likely to affect a growing proportion of the UK workforce, even including white-collar professionals such as accountants, lawyers and designers. We see a polarization in the labour market with shrinking numbers of middle-income jobs.

"People working through online platforms in the UK are part of a truly global labour market. They will increasingly find themselves competing with workers in emerging economies, for example those in China, India and Eastern Europe, who will be able to charge significantly lower rates."

Government warnings

The European Commission launched in 2015 its "Digital Single Market Strategy" as one of the priorities of the Junker Commission. It envisaged a contribution of up to 415 billion euros to the European economy, boosting jobs, growth, competition, investment and innovation.

But, the study authors say, both the European Commission and national governments across Europe need to start assessing the risks to public finances posed by a rising number of online employers that do not pay income tax or social security contributions in countries in which they operate.

There are wider economic risks to consider too. Elva Bova, Senior Economist of the Foundation for European Progressive Studies, said: "Our politicians, starting within the European Union, need to start thinking very seriously about whether existing labour regulations and benefits systems are fit for purpose in this fast-moving, unstable and unpredictable work environment. There are many questions to answer".

Among the key questions, the study authors say, are these:

How do we ensure the growing numbers of self-employed and freelance workers have greater access to basic rights enjoyed by those in employment? How do we adapt welfare and benefits systems to this unpredictable work environment? Should we relax regulations that restrict the ability of freelance workers to form legally recognised bodies to champion their rights?

How should we define the legal status of companies that crowdsource labour to allow for effective regulation? Does current legislation protect consumers who are effectively employing people through these platforms? And what are the implications of these new forms of employment for occupational safety and health, both physically and mentally?

More information: The full data sheet is available online: [www.feps-europe.eu/assets/a82b ... orking-survey.pdf](http://www.feps-europe.eu/assets/a82b...orking-survey.pdf)

Provided by University of Hertfordshire

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