

In the Know....

Review of Modern Work Practices



Prime Minister Theresa May has commissioned an inquiry into modern working practices which are becoming more popular, such as the gig economy, and whether current practices need to be changed to keep up.

Modern Working Practices

Never before has there been such an intense focus on non-standard forms of work and what they mean for the operation of employment rights. The operating practices of firms such as Sports Direct, Deliveroo, Uber and Hermes have received criticism lately because of the working conditions that their 'self-employed' staff are subject to. The 'gig economy' – where work is offered on a short term basis and workers will generally pick up work here and there from different employers – is becoming a popular way of working and will be at the heart of analysis in the inquiry which is to be conducted by Matthew Taylor, Chief Executive of the Royal Society for the Encouragement of Arts, who was previously a policy adviser to Tony Blair.

The Inquiry's focus points

The following are the specific points that the inquiry will cover:

Security, pay and rights

- To what extent do emerging business practices put pressure on the trade-off between flexible labour and benefits such as higher pay or greater work availability, so that workers lose out on all dimensions?
- To what extent does the growth in non-standard forms of employment undermine the reach of policies like the national living wage, maternity and paternity rights, pensions auto-enrolment, sick pay, and holiday pay?

Progression and training

- How can we facilitate and encourage professional development within the modern economy to the benefit of both employers and employees?
- The balance of rights and responsibilities for new business models
- Do current definitions of employment status need to

be updated to reflect new forms of working created by emerging business models, such as on-demand platforms?

Representation

Could we learn lessons from alternative forms of representation around the world, for example the Freelancers Union in New York, which focuses on access to health insurance, or the California App-based Drivers Association (CADA), which lobbies companies like Uber on behalf of drivers?

Under-represented groups

How can we harness modern employment to create opportunities for groups currently underrepresented in the labour market (the elderly, those with disabilities or care responsibilities)?

New business models

How can government – nationally or locally – support a diverse ecology of business models enhancing the choices available to investors, consumers and workers?

The Overall Aim

Mr Taylor says "What's more, around 6 million people are not covered by the standard suite of workplace rights. Worryingly, that number continues to grow, and it shows how rapidly changing business models and working practices are continually stretching the limits of our employment rules. This is not to say that we need to rip up existing models; current employment rules do work for the majority of people. Indeed, employment in this country is at a record high; we have one of the fastest-growing developed economies in the world and we are flying high in the sectors – such as the creative and tech industries – that benefit most from flexibility in working practices. The question isn't how we reduce flexibility, but how we can make it work for more people."

The content of this briefing is correct at the time of publishing.

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