

# Workers in UK “gig economy” charged hundreds of pounds for taking sick leave

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The number of self-employed workers in the UK has skyrocketed over the last decade, reaching 4.7 million in 2016. Businesses often classify workers who are, to all intents and purposes, full- or part-time employees as self-employed so they can avoid paying sick pay, holiday pay and pensions. Self-employed workers also have far fewer employment rights than employees.

Self-employed workers are some of the worst paid and most exploited in the UK, with over half on low pay, compared to 30 percent of all employees. The low pay is not compensated for by providing pensions, savings or investments—64 percent of low-paid self-employed workers have none of these, compared to 36 percent of low-paid employees. Across the country, 80 percent of self-employed workers live in poverty.

Many of these workers are a component part of the international phenomenon known as the “gig economy.” Some 162 million individuals in the United States and the European Union, or 20 to 30 percent of the working-age population, engage in “independent work.” This work, as defined by the McKinsey Global Institute, involves a high degree of autonomy; payment by task, assignment, or sales; and a short-term relationship between the worker and the customer.

The most brutal forms of exploitation exist in this growing sector of the economy.

Last month, a courier working for delivery company UK Mail, Emil Ibrahimov, was charged nearly £800 by the company for the several days he was forced to take off work after being involved in a car accident while on duty.

Ibrahimov was taken into hospital by ambulance after he was hit by a car in east London while taking out parcels to be delivered from the rear of his van. He received injuries to his legs and was instructed by doctors to rest and move around only on crutches.

After telling UK Mail that the accident meant he would not be able to work, the company informed him that he

would be charged £216 a day, supposedly to recoup the costs of finding a replacement courier. For Ibrahimov, this meant a total fine of £789 for the time spent off work.

In an interview with the *Guardian* about his treatment, Ibrahimov spoke of the appalling conditions faced by workers at UK Mail. “Every day they were calling saying come to work. ... I would say I couldn’t and they would say I was going to be charged. So after a few days I had to go back. It was very painful but I had to go. It is inhuman because this happened while I was doing their job. The car accident didn’t stress me out as much as what UK Mail did afterwards.”

In a previous incident, Ibrahimov also received a heavy fine from UK Mail, when a doctor signed him off work for two weeks with sciatica and acute back pain caused by lifting heavy parcels at work. Despite giving his employers a doctor’s note, Ibrahimov was forced to return to work after two days, despite the doctor’s advice, in order to avoid further losses.

In the past year, Ibrahimov has lost around £1,800 from taking only seven days off work, when UK Mail’s fines and his lost earnings are combined. In a typical week he worked five 12-hour days, but after expenses this saw him earn the equivalent of less than £7 an hour. This is below the national minimum wage (NMW), which stands at £7.20 per hour for over-24s. The national minimum wage does not apply to self-employed workers.

UK Mail, which made a profit of £16 million last year delivering for major retailers including Tesco, Homebase and O2, classifies their couriers as self-employed contractors and pays them per delivery. The system of charges for missed work is written into their contracts, with drivers required to find cover for any time taken off sick, and incurring punitive fines if they are unable to do so.

The company is by no means unique in employing these abusive practices. Other delivery firms, such as DPD and

ParcelForce, also charge their couriers—like those working for UK Mail considered to be self-employed—extortionate rates if they cannot find cover. According to the *Guardian*, DPD charges their drivers £150 a day, while ParcelForce can charge their drivers as much as £250 for each day spent off work.

Despite claims from DPD that their drivers “own their own franchise and run their own businesses,” workers at the company maintain that their jobs do not remotely resemble self-employment. DPD requires couriers to attend compulsory training, uses a rota system, as well as having a uniform and requiring drivers to use DPD’s handheld computers.

One worker stated, “It is not real self-employment, it is employment,” with another courier declaring, “We have to adhere to the same procedures as employed people. The only difference is that we don’t get any holiday pay or sick pay and we have no rights at all.” Self-employed couriers are also required to fund their own vehicle, fuel, insurance and uniform.

Around 460,000 out of the 4.7 million self-employed workers in the UK could be falsely classified, according to the charity Citizens Advice. In November, a UK employment tribunal ruled that the car-sharing company Uber had been falsely classifying their 1 million workers—40,000 of which work in the UK—as self-employed, after two Uber drivers took the company to court. The ruling pronounced that Uber should now pay its drivers the national living wage, and opens Uber to claims from its drivers for holiday pay, pensions and other workers’ rights. Uber has appealed the verdict.

Last year, couriers for the food delivery company Deliveroo staged a protest outside the company’s London office, campaigning against plans to pay workers £3.75 per delivery instead of an hourly rate of £7 plus £1 per delivery.

The prevalence of these super-exploitative contracts is the result of decades in which both Labour and Conservative governments have committed to the wholesale deregulation of the UK economy, in the name of creating a “globally competitive economy.” With the active encouragement of the government, many companies have moved towards this form of employment in recent years as a means of slashing labour costs and other overheads associated with jobs with decent terms and conditions.

Last year, Conservative Prime Minister Theresa May announced a review into such employment practices, supposedly with the aim of protecting self-employed

workers. The review will do nothing to change the super-exploitative conditions faced by millions of workers in the gig economy. This is confirmed by May’s appointment of Matthew Taylor—a former adviser of Labour Prime Minister Tony Blair and an ardent proponent of the flexibilisation of the economy—to head the review.

After being appointed, Taylor declared, “New forms of employment have many advantages for workers and consumers, but there are challenges and risks. We need to approach this issue with an open mind, recognising that within our flexible system of employment the same type of contract can have a diverse range of impacts on the people who use them.”

The trade unions, for their part, offer no way forward in the fight against the super-exploitation rampant in the gig economy. Frances O’Grady, the general secretary of the Trades Unions Congress (TUC), criticised the rapid rise of new, insecure forms of employment mainly from the standpoint of them being detrimental to the economy, with £4 billion a year in lost tax payments.

Fearful that the trade unions may lose their grip over the working class, and keen to reap the benefits of a potentially lucrative position managing this growing section of the labour market for the ruling class, she declared, “Getting more people into unions is key. Employees in unionised workplaces are twice as likely to be on better-paid, secure contracts.”

The reality is that the trade unions have carried out one betrayal after another of workers’ struggles over the past three decades, showing themselves to be completely unwilling to lift a finger in defence of the pay, terms and conditions of employed and self-employed workers.



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