

Gig economy apps demand payment for UK workers to even receive their wages

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Workers using the gig economy app YoungOnes have accused the company of holding their earnings to ransom by charging them a fee to receive their wages on time.

YoungOnes now charges workers 4.8 percent of their earnings to receive their wages in one minute, 2.9 percent to receive it in three days, or they can decline and receive their wages after waiting 30 days. Before this, these gig economy workers would typically receive their wages in the three-day period free of charge.

The company was founded in the Netherlands in 2017 by Pim Graafmans, as an offshoot of YoungCapital recruitment agency. InsiderMedia noted in October 2023 that “Almost 350 UK businesses have signed up to the platform to find freelancers since its launch in the UK.”

Providing a digital platform for companies to hire workers on a gig-to-gig basis without offering them basic legal protections or income stability, YoungOnes advertises, “We call it ‘work on demand’. After all, why would you want to work for a boss, if you could be one yourself?”

This is not the reality for workers using the app. They are not their own bosses, but one of the most exploited sections of the working class.

YoungOnes is not the only app to function like this. Others include PeoplePerHour, an Israeli multinational named Fiverr, as well as Flexy and Temper. There are hundreds more.

This “pay to be paid” policy blows up the lie that the gig economy is a flexible way for workers to control their hours and receive quick money as and when needed. Tom Gillam, a gig economy retail worker from Manchester, told the *Guardian*, “People do gig work for short-term cash ... it feels like we’re being held to

ransom... It is so immoral it’s unreal.”

The *Observer* found that the YoungOnes app was being used by major chains and retailers such as Urban Outfitters to supply young workers over the Christmas period, while forcing them to reapply every day for each shift. Companies involved included the exercise brand Gymshark, cosmetics brand Lush, fashion brand Uniqlo and mattress manufacturer Emma Sleeps. In each of the ads put out by these companies, they state they are looking for “freelancers”.

In some Emma Sleeps stores, every employee is a “freelancer” hired through gig apps. The *Guardian* notes of the *Observer*’s findings: “The manager of mattress manufacturer Emma Sleep’s first UK shop said in a promotional video released by YoungOnes that her team is composed of ‘only freelancers’. She hailed the approach as ‘definitely the way that hiring... is going to go in the future’.”

This dystopian situation, where the most advanced technology is used to prey on workers who have no legal protections or rights—and who don’t know where or when their next shift or wage is coming from until they are pinged on their phones—opens up the working class to the most exploitative and insecure conditions. It is becoming a daily reality for ever larger numbers.

Lancaster university’s Work Foundation thinktank details the enormous growth of the gig economy and zero hour contracts.

Its UK Insecure Work Index for 2024 notes that “work has become less secure in the UK in the last year as workers have faced the worst cost of living crisis for 41 years.... In 2023, an estimated 6.8 million people (21.4 percent) were in severely insecure work. Since we last reported on this data in the UK Insecure Work Index 2022, this has risen by 600,000 people.” The COVID-19 pandemic, it observes, massively deepened

this process.

Another study, “No Progress? Tackling long-term insecure work”, also published by the Work Foundation, explains that these workers face “a mix of low pay, unpredictable hours, poor protections, and limited career progression.”

Gig economy practices such as those introduced at YoungOnes are expanding across all industries and sectors, now reaching far beyond food delivery and retail into key and essential sectors like healthcare and childcare work.

A New Economics Foundation (NEF) thinktank study, “How The Platform Economy Can Impede High-Quality Care”, states:

“The way care is organised, via an under-regulated market of private providers, has resulted in a system whereby poor-quality care delivered by a workforce on low pay and poor conditions is the norm. In this context, the last decade has seen the emergence and growth of global corporate nurseries. In addition to expanding geographically, and buying up nurseries, several chain companies are expanding their portfolios into digital services and providing platforms for in-home childcare, which seek to disrupt the childcare market by linking and mediating between parents and carers”.

These “digital platforms” provide the basis for gig economy conditions for care workers, stripping them of their basic employment rights. In the case of care work, a sector that is tightly bound up with legal procedures, workers that are viewed as “freelance” will have to face the full weight of legal repercussions and be liable individually for any problems or damages whilst in work, with the employer abdicating all responsibilities.

The NEF notes, “The erosion of worker protections enabled by these platforms, through how workers are so often defined as ‘independent contractors’, is well documented. Likewise, care workers on platforms tend not to be treated as employees, and rates paid tend to be low.”

Warning that this “impacts care quality, since wages and working conditions are major predictors of quality in childcare,” the NEF adds that digital platforms “offer ‘on-demand’ or ‘emergency’ backup care by a pool of workers at short notice, despite numerous studies showing the importance of continuity of care.” It also raises concerns over safeguarding practices.

There have been many court cases in the UK ruling in favour of recognising workers in “gig economy sectors” as workers, and against defining them as “freelance”—including the 2021 Supreme Court case that saw Uber drivers officially defined as “workers”. Yet, since this ruling the gig economy has significantly grown in the UK, with the Office for National Statistics estimating that the number of gig economy workers will almost double by 2026.

The Labour governments “employment rights bill”, to take effect in autumn 2026, does absolutely nothing to protect gig economy workers who are falsely identified as “freelance”. The *Guardian* states, “The government has promised to consult on a simpler two-tier employment framework, which distinguishes between genuine self-employment and all other types of worker, but nothing has been published yet.”

This cynical operation from a government constantly boasting of its pro-business agenda will cement a tier system for employment, allowing 4.4 million gig economy workers to continue working with zero legal rights.

The trade union bureaucracy occasionally mouths “concerns” over the growth of the gig economy, but has organised nothing in opposition to its rapid growth.

Workers from all industries—gig economy workers included—can only combat the drive by the capitalist class to intensify exploitation through forming their own rank-and-file committees. These organisations can unite workers divided across different tiers, platforms and employers, responding democratically and creatively to the challenges posed by digital platforms run by transnational corporations. To get involved in building a rank-and-file committee as part of the International Workers Alliance of Rank-and-File Committees, or to share your experience of gig economy work, contact the *World Socialist Web Site* on the form below.



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