

## Gig economy app seeks to balance UK workers and employers

### 1 Warmer

Look at the companies in the box and discuss the questions below.

Uber

Lyft

Deliveroo

Task Rabbit

Upwork

1. Do you know what all these companies do?
2. Do they operate in your country?
3. Do the companies you know have a positive or negative reputation?
4. Have you heard the term 'gig economy'? What do you think it means?

### 2 Key words and expressions

Quickly read the article. Find the words in the text with the same meaning as these terms.

1. Add to (para 1) \_\_\_\_\_
2. A big effort (para 3) \_\_\_\_\_
3. Using people for your own benefit (para 3) \_\_\_\_\_
4. Enough (para 5) \_\_\_\_\_
5. Make something continue (para 12) \_\_\_\_\_
6. A job for as long as you want it (para 17) \_\_\_\_\_
7. Not have enough work (para 18) \_\_\_\_\_
8. Really need something (para 22) \_\_\_\_\_

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Union-backed start-up part of a drive to improve rights of flexible workers

BY ROBERT WRIGHT

**FT**

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- 1 When Pat Sampson's employer forced her to retire from her job as a pharmaceutical technician when she turned 65, she was not ready to stop working — nor was she confident that she would find casual work to supplement her state pension.
- 2 But since April last year, the 74-year-old has found temporary jobs at four different cafés in her hometown of Southend-on-Sea. Each has paid about £10 an hour — “not bad for café work”, she said — and she has been able to work around commitments to a charity she founded.
- 3 She found the jobs through Labour Xchange, an app supported by Community, a trade union, which seeks to link people with employers who need temporary workers. It is part of a drive to improve the rights of flexible workers and avoid the unfair exploitation associated with “gig economy” platforms.
- 4 Workers signing up to the app indicate their skills and when they are available, then wait for employers to contact them. They are guaranteed to be paid at least the living wage — £10.55 an hour in London and £9 an hour elsewhere in the UK.
- 5 Jonathan Key, co-founder of the new service, said he set it up to help retired people like Pat, as well as workers who may be struggling for sufficient hours from their employers or those with caring responsibilities.
- 6 “These are people who are desperate for work because they're the ones where £20 extra a week is the difference between them eating and not eating,” Mr Key said.

Community has invested £40,000 in the development of Labour Xchange. Funding has also come from BGV, an investor specialising in socially responsible technology start-ups.

The app launched in Southend in June 2017 and now also operates in the London boroughs of Lambeth and Croydon. About 6,500 people have signed up.

Ms Sampson said she used the app because she still wanted to work and needed some extra cash. “I've limited myself by the fact I'm running this charity, so it fits in with everything I need,” Ms Sampson said. “It's a perfect scenario for me.”

According to Jeremias Prassl, a law professor at the University of Oxford who has studied the gig economy, many apps provide a flexible source of labour for employers but too narrow a range of work opportunities to offer workers real choice.

“For the [Labour Xchange] deal to work in the interests of both parties, the platform needs to provide genuine, two-sided flexibility,” Prof Prassl said. “Work needs to be available for those seeking it at the times they need it.”

Mr Key admitted that when he was setting up the service, most trade unions refused to be involved because they thought the service would perpetuate short-term, insecure working rather than creating long-term, secure, full-time jobs.

“They told me to get lost because I was evil,” he said.

Business users say the app has clear advantages. Gareth Lewis, a builder, said his company, Lewis & Walls, had used Labour Xchange when he needed an “extra pair of hands” for a few hours to help with tasks such as unloading flat-packs or pouring a large load of concrete near Southend.

*Continued on next page*

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**15** “The sort of thing that we’ve used them for is small jobs, not really skilled work,” Mr Lewis said. “It’s handy for me because once they’re done they’re done and I don’t have to think about them.”

**16** Mr Key insisted the app contained multiple safeguards to ensure that workers also benefited. The service is free for employees and is funded by business users, who pay £10 per booking made via the site or £150 if they take on a worker found through the site permanently.

**17** The site also prevents employers from hiring the same person more than three times for a job, saying they should instead offer the worker a permanent post. In addition, it offers transparency, allowing workers to download all the information the site holds on them. According to Mr Key, this gives them far more power than other sites, where workers often have to guess how the site’s algorithms affect their rating.

**18** Les Bayliss, head of special projects for Community, said many underemployed workers sought casual work and that Labour Xchange ensured that they were properly paid.

**19** “We’re working with employers to have a better environment for people that they’re employing, under whatever contractual relationship,” Mr Bayliss said.

Jade Kelsey, 28, said Labour Xchange had helped her to boost her income from shifts at a fast-food restaurant chain in Southend. She had been offered work cleaning two evenings a week at a local estate agent, which had turned into a permanent post.

“They actually kept me on, so it’s really good,” Ms Kelsey said.

Labour Xchange is now looking to expand beyond its three pilot areas and eventually cover the entire UK. Mr Key said negotiations were already close to completion with several large employers that were desperate for staff.

But he cautioned that expansion would have to be undertaken carefully, to ensure the site maintained its two-sided flexibility. New local managers would need to be hired in each area to ensure the app signed up appropriate numbers of suitable businesses and found enough workers.

“One of the things that I always intended with Labour Xchange was that it was a tool to connect people to businesses on a level playing field, so people benefit and businesses benefit,” Mr Key said.

### 3 Understanding the article

Read the article again and answer the questions in as much detail as you can.

1. What does Labour Xchange do?

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2. Who supports the app?

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3. Where does it operate?

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4. What do workers think about the app?

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5. What do employers think about the app?

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### 4 Business Language

**A Match the words from the article (1–8) with the correct definition (a–h). Do not use a dictionary!**

1. platform	a. Workers who you can hire and fire easily
2. start-up	b. Protections
3. flexible labour	c. A new company
4. trade unions	d. A website that offers a service
5. safeguards	e. To employ someone after their initial contract
6. rating	f. Organizations that protect workers' rights
7. contractual relationship	g. A score of how good you are at something
8. keep someone on	h. The link between parties in a contract

**B Complete the sentences with words 1–8 above. Change the form of the word if necessary.**

- We got a five-star \_\_\_\_\_ on the customer feedback \_\_\_\_\_.
- Our equipment has \_\_\_\_\_ to protect users.
- I work for a \_\_\_\_\_. It's only been in business for six months.
- We're much busier in summer than winter so we hire \_\_\_\_\_ then.
- The \_\_\_\_\_ states we must deliver the goods on the 14<sup>th</sup>.
- My contract finished but the firm decided to \_\_\_\_\_.
- The \_\_\_\_\_ demanded workers' salaries were increased.

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### 5 Discussion

Discuss the questions with a partner.

1. Do you think the app is positive or negative?
2. Would you use this app? Why / Why not?
3. Do many people work in the 'gig economy' in your country?
4. Do you think a growing 'gig economy' is positive or negative? Why?
5. Are trade unions weak or strong in your country?
6. How do trade unions affect work in your country?

### 6 Wider business theme – Self-employment and workers' rights

#### A Work in small groups.

Group A: search the internet for the term 'Uber UK employment case'. Read about the case and prepare a short presentation answering these questions:

- What is the case about?
- What do employees want?
- Why do they not already have these things?
- What is the result of the case?

Then, present the case to group B.

Group B: search the internet for the term 'Deliveroo UK employment case'. Read about the case and prepare a short presentation answering these questions:

- What is the case about?
- What do employees want?
- Why do they not already have these things?
- What is the result of the case?

Then, present the case to group A.

#### B Work with members of the other group and discuss the questions.

1. How similar do you think the cases are?
2. Who do you support in each case?
3. Do you think employees would win in your country?
4. Are there any similar cases in your country?