

Gig economy: Free ride is over as workers strike back

March 17 2021



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US ride-hailing giant Uber has granted its drivers workers' rights for the first time ever in a major U-turn in the UK.



With the plight of workers in the gig economy coming under greater scrutiny, we look at how the tide may be turning.

Uber's UK U-turn

Late Tuesday Uber says it will give its UK <u>drivers</u> workers' entitlements including holiday pay and a pension, a landmark decision for the estimated 5.5 million people working in Britain's gig economy.

Its 70,000 drivers there will now earn at least the <u>minimum wage</u> when driving for the taxi app.

Spain's leads EU way

Spain is the first EU country to recognise riders working for delivery firms as salaried staff with all the rights and protections that entails, including <u>sick leave</u> and paid holidays.

The country's left-wing government acts after the country's supreme court rules on the issue in September.

However companies including UberEats, Deliveroo, Stuart and Glovo denounce the reform, saying it threatens Spain's gig economy, reportedly worth 700 millions euros (\$833 million).

Uber rewrites US law

California votes in 2019 to recognise gig economy workers as employees but digital giants including Uber and Lyft refuse to comply with the law.

Instead they bankroll the Proposition 22 referendum in November that effectively overturns it.



Under it drivers and delivery riders remain <u>independent contractors</u> but are to be paid minimum wages and a contribution to healthcare and insurance.

A legal bid by drivers to overturn the referendum last month fails.

Italy gets tough

The Italian courts struck at the heart of the gig economy last month when they tell UberEats and other food delivery platforms that their couriers were employees and not independent workers.

The companies are fined 733 million euros and Milan prosecutors say more than 60,000 couriers who worked for the platforms from 2017 to 2020 must be offered contracts with fixed pay.

The companies must also pay past social security and insurance payments, and couriers should be given "adequate" clothing, including helmets, gloves, reflective vests and anti-coronavirus face masks, as well as bicycles or scooters.

France: Change coming?

France's government is expected to unveil proposals on delivery riders soon.

In March last year the country's top civil court dealt Uber a blow by saying that since its app directs drivers to clients they should not be considered independent contractors but employees.

A month earlier a Paris labour court found Deliveroo guilty of not declaring a cyclist who worked for them.



EU: New rules by 2021

The European Commission hopes to pass regulations by the end of the year, opening up the first of two phases of consultations with employers and unions last month.

If talks fail the EU will step in itself and rule on the thorny issue.

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Citation: Gig economy: Free ride is over as workers strike back (2021, March 17) retrieved 1 May 2024 from https://techxplore.com/news/2021-03-gig-economy-free-workers.html

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