

APSCo responds to proposals on gig-economy rights

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Following Shadow Chancellor John McDonnell's announcement (<https://www.bbc.co.uk/news/uk-politics-45479544>) at Tuesday's Trade Union Congress, where he outlined plans aimed at putting a "complete stop to exploitation in the workplace" by extending rights to gig-economy workers, Tania Bowers, General Counsel at the Association of Professional Staffing Companies APSCo (<http://www.apsco.org/>), comments:

"While APSCo, of course, supports efforts to protect vulnerable workers, introducing blanket rules where all non-permanent workers are offered the same rights as employees has the potential to severely dampen the economy."

"It is crucial that we differentiate between those who are forced into false self-employment and contractors who operate in the professional market. We do recognise the need for professional contractors to be in a financial and legal position to provide for their pensions, sick pay and holiday pay. However, this must not be at the expense of flexibility in the labour market."

"The Government must recognise the reality that a vast number of contractors choose to shun traditional employment models and the strength of the UK labour market – and wider economy – lies in its flexibility."

"While the Shadow Chancellor has made clear that many of his solutions for helping people in temporary jobs 'won't be found' in the Taylor Review, I think it's important to note the recognition by Matthew Taylor of the importance of flexible working, both to individuals and the productivity of the economy. We would not want to see a situation whereby providing full employment rights to workers - including dismissal rights - stunts productivity and growth. By their nature agency workers are temporary."

"In light of our members' experiences of making placements in mainland Europe, where generally there are more restrictive labour laws including sectoral collective bargaining, we are concerned that significant Government intervention in labour relations would increase complexity and dampen demand, negatively impacting our professional recruiter members and the economy as a whole."

On McDonnell's stance that payroll umbrella companies should be banned, Bowers adds:

"While it is true that umbrella companies are currently largely unregulated, and APSCo supports moves to regulate the sector, we cannot escape the fact that compliant umbrella companies provide a vital service to both contractors and the recruitment profession. It is crucial that those in Government understand the way umbrellas work - and the benefits that allowing professional contractors to work in this way brings for the wider economy – before making broad brush statements. APSCo is always happy to advise on such matters."

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