

# MaddyFeed brings you everything you need to know about the UK labour shortage, gig economy and what this means for workers

Every week, Maddyness curates articles from other outlets on a topic driving the headlines. This week, we're talking about how UK labour shortages could drive growth of the gig economy, and exactly what this means for workers.

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The UK has been hit by a supply chain crisis, with significant shortages both in stock and labour in the wake of both Covid and Brexit. Supply chain issues and labour shortages caused by the pandemic are hitting businesses around the world, but the UK economy is facing difficulties after rules set by the withdrawal agreement has meant that both imported deliveries and the number of European workers across the UK had plummeted. Grocers are currently being hit hardest, while a national shortage of lorry drivers is also mounting.

Companies across the UK are not taking extra steps to hire workers and fill

shortages. Job recruitment site, Indeed, said the number of job opportunities which now included bonuses jumped by 66% between April and August, with the greatest increase in July after restrictions eased. Amazon is also offering bonuses of up to £1000 across several UK sites to attract workers while Pets at Home is offering similar incentives to recruit warehouse staff

Read more via [\*The Guardian\*](#).

## Growth of the gig economy

At a time of labour shortage, economic instability and the cautious reopening of businesses, workers and employees are now attracted to the flexibility offered by shift work. Gig apps such as Stint are growing in popularity as a result of their ability to provide people with income and flexible hours which fit their own needs, without having to commit to permanent contracts amidst an uncertain climate.

Co-president of global financial thinktank, the JP Morgan Chase Institute said that it was “no surprise that during Covid, when everything became virtual... that these marketplaces might have exploded.

But despite the flexibility provided, critics point to the long-term dangers of the growth in gig working. If flexible shifts replace jobs formerly filled by permanent workers, this could not only threaten job security for more workers, but also put them at risk of unfair working conditions, including a lack of employee benefits such as sick pay.

Read more via [\*AP News\*](#).

## The gig working debate

The rise of the gig economy in recent years has sparked debate and a number of law suits against the most prominent firms which provide this, including Deliveroo. Unions and workers argue against the failure of these firms to classify workers as full employees, instead of independent contractors, meaning workers often fail to receive the same rights as typical employees including fair pay, health insurance, sick leave and the right to organise in unions.

Large firms like Uber and Deliveroo retaliate with the claim that such a move would destroy the flexibility of shift work which attracts workers to these firms in the first place.

As the demand for flexible work grows, critics are now wary that the contractor

model will continue to grow and undermine workers' rights. Read more via [Yahoo](#).

## Can shortages increase the bargaining power of workers?

As post-pandemic flexible working options grow in popularity among workers, it is becoming more important for employers to offer this, alongside ensuring workers' rights are upheld. Within the last year, the value of healthcare and sick leave, for example, has increased.

Employers' treatment of workers is now coming under greater scrutiny, as both employees, customers and investors alike are demanding companies practise greater oversight into employee rights as they return to the workforce, as well as environmental social governance (ESG) factors.

This means the balance of power has now shifted to the workforce, as labour shortages and changes in workers' priorities may put them in the position to demand more from employers for the first time.

Read more via [CityAM](#).

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