

# #3 The 'non-employee'

## Nizam Uddin, Uber driver

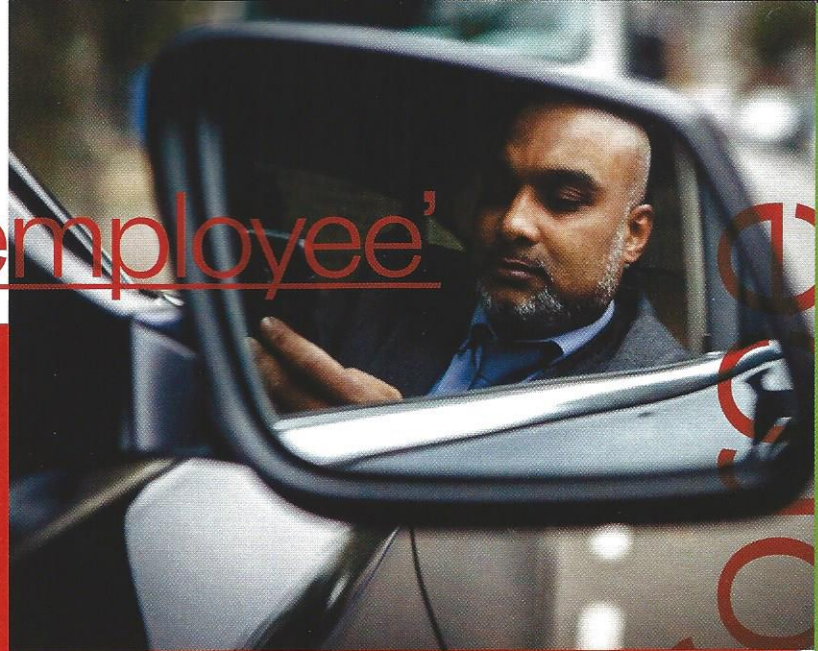
In his pleasantly anonymous west London street, Nizam Uddin looks more like an affable suburban dad than a man at the centre of an economic shift that is remaking the employment landscape. But after three years driving for Uber, the disruptive taxi-hailing app that has generated headlines across the world, the 39-year-old isn't afraid to admit a harsh reality: while he may drive a seven-seat Mercedes, he struggles to put food on the table.

"If you put in 40 hours a week at this job and stick with it, you are just about better off than being on the dole," says Uddin. "After all the costs, I'm just about making the minimum wage, but that's only because I'm shrewd about where and when I hang out [to pick up fares]. Even so, I'm still on the breadline."

Uddin used to be a manager for Sainsbury's. He began driving cabs nine years ago and has worked for Addison Lee, as well as smaller firms. He joined Uber during its initial recruitment drive after the London Olympics, and at first was working 12-hour shifts for an hourly rate. Today, he follows the work and is paid by the job: like around 40,000 other Uber drivers in the capital, he is beholden to the company's super-slick app, which customers use to hail the nearest cab. It calculates his takings, looks after his personal details and by some measures directs his entire working life.

But that's where things get tricky. Uber controls the number of drivers on the streets (in London, this has almost tripled in three years), and by altering standard fares (as it has done more than once) affects supply and demand in such a way that drivers' pay can fluctuate wildly. As Uddin puts it: "They say I'm a partner. I don't know how. I believe I'm a sub-contractor. I have no input into policy or fare changes."

Technically, Uddin is self-employed. He can drive for other firms – though he says this is impractical given Uber's grip on the market – and is responsible for his own car and working patterns. The GMB union, which has instructed solicitors on



behalf of a group of London drivers, says he is a worker who should be afforded rights. Uber has in the past said that drivers use the app "on their own terms" rather than the company's, and value the "flexibility of being their own boss". Uddin says: "Am I employed? Am I self-employed? I'm in limbo. At Sainsbury's, I was on a fixed contract of 40 hours per week. I was an employee and I had rights. I got sick pay, holiday. The only difference I see with Uber is that I can choose the hours I work. Everything else is the same but I get none of those rights."

The GMB's other complaint is that many Uber drivers fail to earn the minimum wage (the firm says the "average" driver in the UK makes £35,000 to £40,000 per year net). Uddin says he takes in £1,200 in an average 40-hour week. As a 'Lux' driver of a higher-spec car, he hands Uber 28 per cent. After fuel, insurance and other running costs, around £600 is left – and he has to settle his own tax and national insurance from that at the end of the year.

Uddin has previously been suspended from driving after his ratings from customers fell below a certain threshold (he says this was because of their dissatisfaction over the company's "surge pricing" in peak times). He remains unsure what the future will hold, but he has, he says, become angry: "I'm not sure many of the drivers understand what's going on. I'd like to give us a voice because, at the moment, we don't have one."

in Keep's view, "not a race but a weary trudge to the bottom. In one sense, the paternalistic attitude towards the workforce that seemed cutting edge 30 or 40 years ago feels horribly old-fashioned today. We've also got a much harder-edged economic rationale around employee unit cost. We need a happy medium. We've legitimised, through both discussions and practice, a wide array of contracts and options. But if you showed them to a Swedish or Norwegian employer, they would be startled."

Some see the end game in the form of the 'gig economy', where largely self-employed individuals use online platforms to choose parcels of work that suit them. Employers will benefit from a 'human cloud' of talent they can dip into at will. Certainly, many people outside

(or, sometimes, inside) the conventional labour market are using websites such as TaskRabbit and PeoplePerHour to enjoy the benefits of freelance work. And they're not just creatives: putting up flat-pack furniture is one of the most popular services offered for hire.

Uber, the most prevalent and disruptive such platform to date, has arguably transformed consumer choice in the minicab market. But reading the experiences of drivers such as Nizam Uddin (see above) leaves a question mark over whether it has been equally beneficial for the labour market. Uber may or may not control Uddin's conditions of employment (that is a debate likely to be subject to greater legal scrutiny) but it undoubtedly directs the supply of drivers onto London's streets, effectively making

its drivers, and their pay, a lever to be pulled as it fine-tunes its business model, rather than a fixed cost.

Whether these myriad developments prove mutually enriching or troublingly divisive lays in part in HR's hands. This new array of workers is still aligned to the business but less known to HR, and in some cases disenfranchised from engagement initiatives and development opportunities.

"There will always be different styles of work relationships and contracts that are appropriate, but that means they need to be appropriate for the individual as well as the organisation," says Stuart. "The role of an HR professional is to find solutions that meet both needs."

The CIPD's 2014 report, *HR: Getting smart about agile working*, suggests ways