

## **Classification of workers in the gig economy and beyond**

- **Classification of workers is an important issue for companies. Improper classification could result in companies being liable for statutory benefits and compensation should any worker be injured while carrying out their duties.**
- **Where employees are converted into independent contractors to save costs, their contracts and the way they work should be distinct and very different from how they operated previously.**
- **Close attention should be paid to:**
  - **How the independent contractor role is advertised**
  - **How the Consultancy Agreement differs from the Employment Contract**
  - **How the contractor will perform their work (should be with a high degree of freedom)**
  - **How they will be paid (invoices should be issued)**
  - **How the relationship between the company and the contractor will be terminated**