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Rt Hon. Liam Byrne MP
Chair of the Business and Trade Committee
House of Commons
London SW1A 0AA
[By email]

23 January 2025

Dear Chair

Make Work Pay: Employment Rights Bill

Thank you for inviting UNIQLO to the Business and Trade Committee's evidence session on 14 January 2025. I am pleased to respond to the follow-up items the Committee requested during the session and in your letter of 21 January 2025.

- **Wage conditions of employees and freelance workers [Q468-471]:** You agreed to write to the Committee the wage conditions of the freelance workers you hired on Temper compared to your employees in an equivalent role. To clarify, we would like to know details of all benefits you offer these workers, such as holiday pay, and not just the hourly rate.

[A468-471] The rate of pay our freelance workers received during the trial with Temper was the same as that of our full-time employees. Additionally, they were eligible to receive the following benefits via Temper:

- Coverage of professional liability insurance of up to approximately £2.1M per claim, for damage to goods, property and harm to others
- Compensation of up to approximately £42 per claim if they suffered an accident at work
- Loss of earnings for up to 12 months, if they were incapacitated or ill
- Compensation of half of what the individuals would have earned if UNIQLO cancelled the shift within 24 hours of the scheduled start of the shift

None of the above are required by law, and therefore our freelance workers were offered more protection than the normal freelancing model. Additionally, the individuals were able to exercise a right of substitution (i.e. send a substitute to carry out a shift instead), and in fact this happened during the trial period. We understand this is a key factor in assessing employment status.

- **Cancelling shifts of freelance workers [Q476]:** You told the Committee that you used Temper to cover 22 shifts. Could you tell the Committee whether any of these shifts were cancelled and, if so, how much notice you gave these workers.

[A476] UNIQLO did not cancel any shifts during the entirety of the trial.



- **Temper fees [Q481-483]:** Joshua Reynolds notes that Temper takes a £3 fee for every hour that a freelancer works. Given this, the Committee would like you to clarify whether Uniqlo ever considered, rather than pay a middle man £3, instead hiring workers directly at a higher salary in order to secure the agency staff needed.

[A481-483] UNIQLO did not attempt to hire staff directly at a higher salary in order to secure the number of staff needed. The freelance model we adopted best suited our business needs at the time of recruiting.

- **Influence of negative media coverage [Q488]:** You told the Committee that the trial with Temper ran from 26 November until 15 December. Could you clarify whether you agreed not to continue your trial with Temper before or after the negative media coverage you received, the first article of which was published at 6am on Sunday 15 December.

[A488] UNIQLO decided not to continue the trial with Temper after we received the negative media coverage. Discussions relating to the trial had begun before it came to an end, but we waited until the term had expired to make our final decision.

- **How you first heard about Temper [Q491]:** You agreed to write to us on how you first heard about Temper, and whether it was Uniqlo who approached Temper or vice versa.

[A491] Temper approached UNIQLO first, and this is how we came to know of their services in the UK.

- **Legal advice [Q492]:** You agreed to write with details on whether you sought legal or other advice on using a freelance employment model.

[A492] UNIQLO reviewed the legality of the freelance employment model and deemed it to be compliant with relevant employment law prior to engaging the individuals. We made a further legal assessment following the evidence session and our position remains unchanged.

I hope these responses are helpful to the Committee's review of the Employment Rights Bill.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alessandro Dudech', written over a white background.

Alessandro Dudech
Chief Operating Officer (UK)
UNIQLO EUROPE LTD