

## Contracting earn on average twice the national average salary

Written by Administrator

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A study polled 1,000 self-employed workers and discovered that the average annual income amongst them was £50,820, which is almost double the national average of £26,093.

New research from accountancy firm Boox suggests that people who choose to make a living through contracting earn on average twice the national average salary.

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The firm's commercial director, Phillip Venn, said: "This report really lays bare the remarkable changes happening in the self-employed sector. Self-employed workers now account for 12.4% of the UK workforce, a 20-year high. The economic climate has forced a lot of people out of work and many have used the opportunity to set up business for themselves. Ironically, this employment shift has become one of the positive drivers in the stuttering economy."

The study does not specifically mention the number of people who leave permanent salaried roles to work as Umbrella Company Employees, although they too are increasingly key players in the UK's growing flexible workforce.

The higher incomes may largely be due to the fact that contractors and self-employed workers actually work harder and longer during the week than most salaried employees: the survey found that 40% work more than 41 hours per week and 59% frequently work over the weekend. 15% work more than 35 weekends during the year, and 15% work in excess of 51 hours each week.

Dr John Glen of the Cranfield School of Management said that contracting and self-employment

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not only means workers get to earn more than they could in permanent roles but also that their expanding numbers are "beneficial for government because it is a key driver of wealth creation, employment and diversity."