

News release

**2007-8 EDITION OF *FREELANCE READY RECKONER* PUBLISHED AUG
23rd**

Some key facts in this year's report:

- Freelance journalists should invoice media clients £288 for a day's work to achieve comparability with a staff journalist earning £25,000
- For comparability with a staffer earning £40,000, a day's freelance earnings should be £441
- The real cost to an employer of an employee earning £30,000 is £45,138
- 2007-8 figures show a slight decline on 2006-7 figures, attributable to a number of factors including lower estimated property costs
- New this year: a separate Ready Reckoner is available for freelances working casual shifts. A day rate of £273 compares with a £30,000 staff salary
- Third year of production: the *Freelance Ready Reckoner* is published by freelance financial journalist Andrew Bibby, using a range of specialist employment and trade sources
- Available for downloading from www.andrewbibby.com

Freelance journalists should invoice their clients in the media £288 for a day's work to achieve comparability with a staff journalist on £25,000 a year. And for comparability with an employee earning £40,000, a day's freelance earnings should be £441.

These are two of the striking findings from the third edition of the annual **Freelance Ready Reckoner**, produced by freelance financial journalist Andrew Bibby.

The Ready Reckoner provides, in tabular form, day rates for freelances working from their own premises, comparable to annual gross salaries in the range £20,000-£60,000. This year's report also includes for the first time a mini-Ready Reckoner, designed for freelances working casual shifts in media organisations' own premises. This suggests that a staff journalist's gross salary of £30,000 equates to a freelance day shift rate of £273.

Although designed for journalists, the Ready Reckoner can also be adapted for use by other freelance and self-employed workers.

The pay comparison table uses a range of publicly available data to calculate the real cost to employers of employing staff. The add-on costs include such things as employers' NI contribution, employers' liability insurance, the cost of recruitment, typical staff training costs and typical staff sickness costs. Also included is the cost of providing office accommodation, including heating, lighting, cleaning, furniture and equipment. An assumption is made that employers make a modest contribution towards employees' pensions.

Andrew Bibby says: "The figures in the Ready Reckoner often cause surprise, even to well-established journalists. Freelances can be tempted to price themselves too cheaply, in the process potentially bring down wage rates as well.

Both commissioning editors and freelances themselves can sometimes fail to realise what constitutes a fair day's remuneration for freelance workers."

The Ready Reckoner draws on a range of business information in order to identify as closely as possible the average costs of employing staff in the media industry. For example, data for recruitment, training and sickness costs are derived from the 2007 editions of national surveys published by the Chartered Institute of Personnel and Development. Where the CIPD provides breakdowns by industrial sector, data for the media sector have been used.

Unusually, this year's Ready Reckoner shows a slight decline in the freelance rates comparable to staff salary levels. For example, the equivalent recommended freelance day rate for a £25,000 staff salary falls from £302 last year to £288 this year. For parity with £30,000, this year's figure of £332 compares with last year's £346. The fall is attributable to a number of factors, including a fall-off in property costs facing employers in some parts of the country as well as to a change in the way the CIPD calculates average training costs.

According to the Ready Reckoner, the total cost of employing a staff journalist on £30,000 is actually £45,138 (2006-7: £47,006). "However, in a number of areas the Ready Reckoner errs on the side of caution, so these figures may be underestimates," says Andrew Bibby. The Ready Reckoner is based on the assumption that staff have 25 days' paid leave, or in other words work a total of 228 days a year.

Andrew Bibby is a long-established freelance journalist, whose work regularly appears in the UK national press. He also undertakes work for a range of international organisations, including the UN agency the International Labour Organisation. His decision to produce the Freelance Ready Reckoner follows recent work he has undertaken looking at the position of freelance and 'atypical'

workers in the European Union. He is currently an elected freelance representative on the NUJ's Ethics Council.

The 2007-8 Ready Reckoner is available for downloading from Andrew Bibby's website, www.andrewbibby.com.

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Editors' note

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