

# A move towards celebrating the side hustle and gig economy

More South Africans are working two jobs in order to earn multiple incomes. In July 2019, Henley Business School of South Africa (HBSA) released a study titled, *What is the future of work in South Africa? Examining the Side Hustle Economy*.

More than 27% of respondents indicated that they are either involved in a "Side Hustle" or "Side Job". Similarly, a study by Geopoll (2017) focusing on millennials showed that 30% of South Africans have a side hustle.

South Africa is not unique in this growing trend for side hustles. International surveys have shown that 35-45% of employed individuals hold multiple jobs, and there is potential for this to grow to 50% of the workforce. This is an indication that South Africa is likely to see the continued growth of hustling prevalence.



## Having a side hustle is now mainstream in SA

Estelle Nagel 31 Aug 2019



The Geopoll study informs us that the most prominent reason for holding a side hustle is the additional income. Over 71% of individuals with side businesses and 65% of multiple job holders indicated that the hustle was to supplement their income. To put it into context, the survey indicates that hustlers made 19.8% to 24.2% of their total income from their side hustle, while the remainder came from formal employment, or main business if self-employed.

Considering that 20% of the formal workforce is side-hustling, with the trend likely to grow, long term cover needs to adapt to the changing needs and evolved lifestyle of many individuals in the country. The dependence on the side hustle is quite significant if one considers that it can make up almost a quarter of one's overall income.

## Responding positively to this new world of work

Off the back of these emerging trends, Liberty is refreshing and updating its income protection offering – with a pioneering new change in keeping with the times. Kresantha Pillay, Lead Specialist: Lifestyle Protector at Liberty Group explains, "For the first time ever, the long-term insurance space will offer clients income protection for not just one occupation, but two – under the same policy."



## Entrepreneurship and the power of hustle

2 Oct 2019



“Understanding our client's evolving needs is core to our client-centric approach, and as Liberty, we are proud to be the first to offer this innovative solution to enhance our Lifestyle Protector product suite.”

Years ago, you had one job where you worked in an office cubicle from eight until five, usually, the one you were trained to do after school or by family. All that has changed. Due to the freelancing revolution, more flexible jobs and tough economic circumstances, people are working multiple jobs and earning money pursuing their hobbies and passions. It's a whole new world of work that needs to be insured in a different way.



Kresantha Pillay

### Protection for your secondary income

Previously, policyholders with two streams of income would have to have them insured separately. Liberty recognised this created extra admin. The second income should be SARS compliant and makeup 20% or more of your annual income.

"Call it a side hustle, a gig or a slash - if it gives you a secondary income, you can insure your primary and secondary income under one policy at the same time."

### How it works

Should one become disabled and unable to work, it replaces up to 100% of your primary after-tax income for up to two years after the event that caused the temporary or permanent disability – which can be extended up to retirement or beyond.

The benefit pay-outs are as follows:

- On temporary disability - 75% of the income is paid
- On permanent disability - 100% of the income is paid
- After retirement - the percentage paid depends on the severity of the impairment

"South Africans are under-insured in general, but the gap is even wider when it comes to disability cover. For most South Africans, the reality is that a disability could affect your ability to earn an income and impact your quality of lifestyle. Even if your ability to do your job is only partially affected, it's worth protecting yourself and your family, Pillay says.

## **Annual Bonus cover**

There is even an added Bonus Cover - when policyholders receive a boost to their primary stream of income, so does the insurance coverage.

"The working world has spoken, and we have listened. Liberty's Income Protector is the first to insure your earning capacity in this new way. Now you can follow your passions and prosperity freely," concludes Pillay.

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