



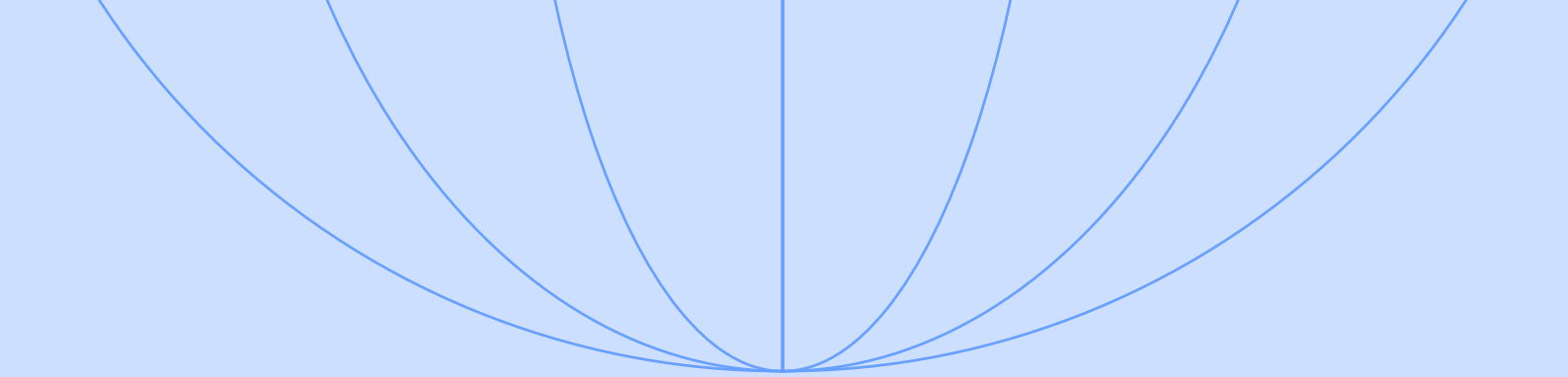
# The State of Freelance Work 2025

Contract workers around the world: Niche skills,  
classification concerns, and flexibility for all



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# Contract workers around the world: Niche skills, classification concerns, and flexibility for all

**The gig economy has become a cornerstone of how agile companies operate.**

With freelancers now an integral, niche element within workforce strategy, the freelance market has surged to the forefront, blending flexibility with efficiency.

## The scope of Remote's freelancer trend data

**Remote's analysis of exclusive data shared with us by 1,900 employers** across the UK, USA, Netherlands, Germany, and Australia explores the freelance economy and its transformative impact on team dynamics, challenges, and opportunities, with insights grounded in hard data, regional nuances, and wider market analysis.

**Plus, data from 3,300 freelancers from desk-based, or white-collar industries** across the UK, US, Germany, Australia, India, Canada, Mexico, the Philippines, Spain, and the Netherlands.



**40% of freelancers believe they have been misclassified** as contractors when they should have been employees, and **36% of companies admit to "sometimes or always" misclassifying employees** as contract workers.



49% of all companies surveyed **use in-house tools and systems**, such as manual spreadsheets, to manage contracts and billing for freelancers.



85% of freelancers surveyed have their invoices **paid late at least some of the time.**



37% of companies surveyed **hire freelancers internationally**, even in countries where they don't have offices.



45% of employers report noticing an **increasing number of freelancers in the 55+ age bracket.**



58% said having a **more flexible schedule** was the biggest advantage to being a freelancer.










52% of employers surveyed said their **use of freelancers has increased in the last three years.**

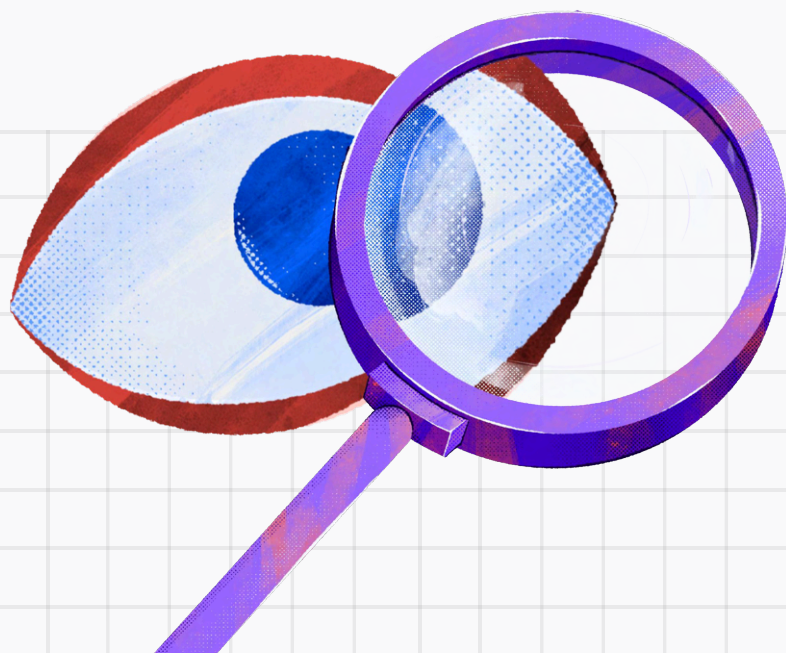


37% of employers surveyed said they typically hired freelancers or contractors for roles in **IT and engineering**, the most of any disciplines.



Freelancers in certain countries, including the **United States and Switzerland**, while considered to be skilled, are often overlooked for cost-saving purposes.

-  85% of freelancers surveyed have their invoices **paid late at least some of the time.**
-  37% of companies surveyed **hire freelancers internationally**, even in countries where they don't have offices.
-  45% of employers report noticing an **increasing number of freelancers in the 55+ age bracket.**
-  58% said having a **more flexible schedule** was the biggest advantage to being a freelancer.
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-  37% of employers surveyed said they typically hired freelancers or contractors for roles in **IT and engineering**, the most of any disciplines.
-  Freelancers in certain countries, including the **United States and Switzerland**, while considered to be skilled, are often overlooked for cost-saving purposes.





## What speciality areas have high freelancer demand?

**Freelancers are everywhere, but they're especially concentrated within a few specialities.** Engineering and IT lead the pack, with 37% of companies surveyed turning to freelancers to meet their needs. This reflects digitalisation trends as companies push to keep up with automation, AI and intuitive customer journey interfaces online.

**Statista predicts that around 86.5 million workers in the U.S. will be [freelancing by 2027](#),** making up just over half of the entire workforce. Creative roles come in a close second (34%), followed by customer support (32%) and marketing and PR (31%). In part, this acts as a snapshot of evolving business priorities.

37%

of employers surveyed said they typically hired freelancers or contractors for roles in **IT and engineering**.

34%

of employers surveyed said they typically hired freelancers or contractors for roles in **creative areas**.

32%

of employers surveyed said they typically hired freelancers or contractors for roles in **customer support**.

31%

of employers surveyed said they typically hired freelancers or contractors for roles in **marketing and PR**.

29%

of employers surveyed said they typically hired freelancers or contractors for roles in **operations**.

26%

of employers surveyed said they typically hired freelancers or contractors for roles in **finance**.

25%

of employers surveyed said they typically hired freelancers or contractors for roles in **legal**.

23%

of employers surveyed said they typically hired freelancers or contractors for roles in **sales**.

28%

of employers surveyed said they typically hired freelancers or contractors for roles in **education**.

13%

of employers surveyed said they typically hired freelancers or contractors for roles in **healthcare**.



## Companies are using more freelancers, more often, everywhere

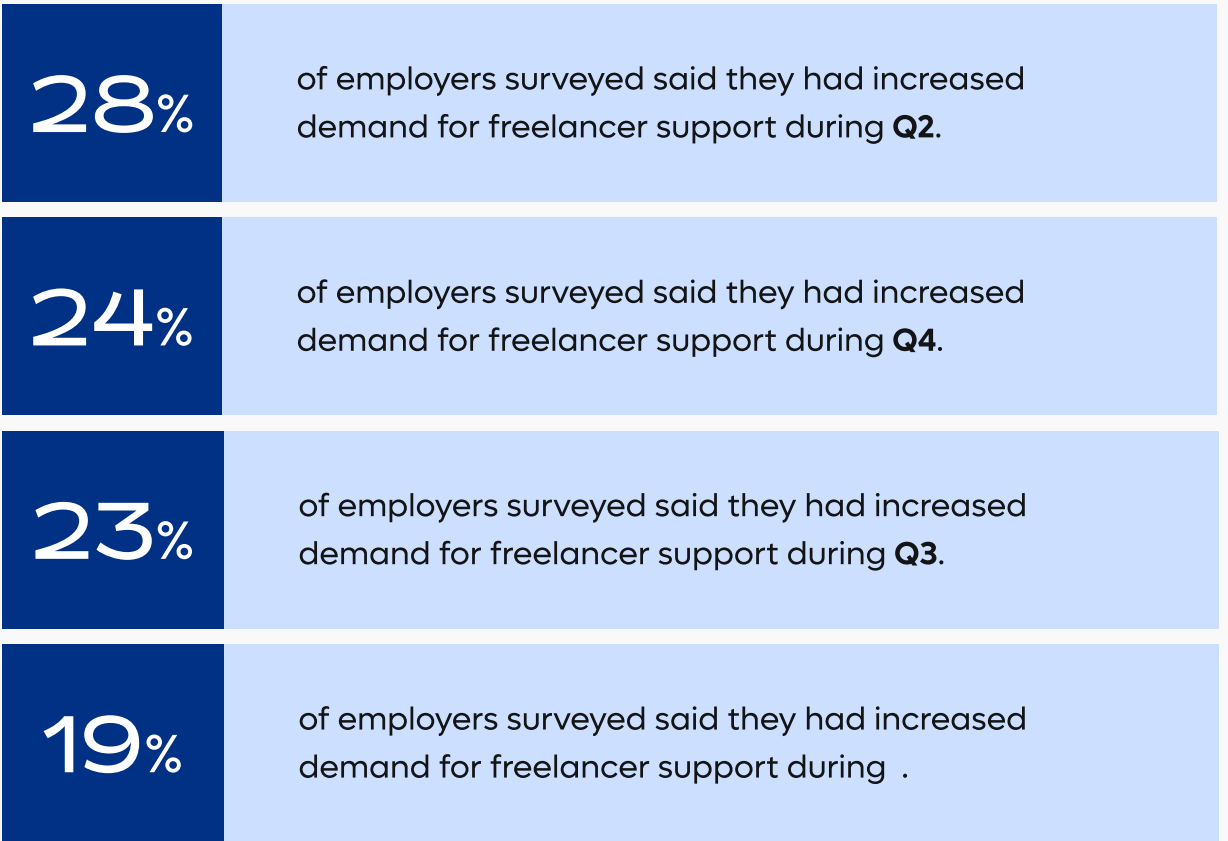
The utilization rate of freelancers is rising, with 52% of companies reporting an **increase** in their use of freelancers over the last three years. A large majority of employers — at 72% — agree that working with freelancers gave them more flexibility in adapting billable hours.



Over half (58%) also feel that working with freelancers allows them to save money, compared to the full-time role equivalent.



Just over a quarter also noted that Q2 was the most likely time for their teams to need freelance support. Plus, 72% agreed that working with freelancers gave them more flexibility.





## Are niche skills becoming harder to find for permanent roles?

Almost half of all employers asked said they turned to freelancers because they couldn't find enough full-time or part-time talent for specific roles. Meanwhile, a big majority felt working with specialist freelancers developed their team's skills overall.

46%

of employers are turning to freelancers as they **struggle to fill permanent, full-time or part-time roles.**

72%

of employers feel **working with specialist freelancers is a great way to develop their team's skills, and to teach them new things.**

Most companies have also found securing the right freelancer, when needed, a fairly straightforward process.

57%

of employers surveyed said their use of freelancers has **increased** in the last three years.

14%

of employers surveyed said their use of freelancers has **stayed the same** in the last three years.

## The scope of Remote's freelancer trend data



**United States:** Freelancers are often used to handle peaks in demand, especially in creative and tech sectors. U.S. businesses increasingly rely on freelancers for digital marketing campaigns during product launches.



**Europe:** Flexibility is especially important, with freelancers filling short-term gaps in areas like content marketing and IT consulting. Countries like Germany see high freelance activity during large-scale tech projects. In France, seasonal freelance hires are common in the fashion and hospitality industries.



**Asia-Pacific:** The cost-effectiveness of freelancers is particularly valued here, where startups often operate with lean budgets. Australia's growing reliance on freelance graphic designers and digital marketers reflects this trend. Seasonal hiring peaks during festival periods in countries like India and China.



## Autonomy as a major driving force: Why are workers turning to freelancing more often?

**The desire to be their own boss, the need to supplement their income, and the search for flexibility** in their working lives are the top influencing factors that drive workers towards freelancing (according to the data). When asked about the main reasons for their decision to first go freelance, the following responses were given—flexibility underpins a number of these:

41%

of freelancers surveyed said they wanted to **be their own boss and not report to anyone.**

31%

said they needed the **supplemental income to support their current lifestyle and/or their family.**

28%

said they couldn't **work as flexibly as they wanted otherwise.**

27%

said they wanted to **develop a new skill set** unrelated to their previous job.

25%

they could **earn more freelancing** than in their latest job.

13%

said **wages were not high enough** in their country.

11%

said they **lost their full-time job** and couldn't find a new one.

8%

said they wanted to **move to a different location** but their job didn't allow it.

6%

said their previous employer instructing them to **return to the office.**

When asked about how they see the benefits of freelancing currently, having a more flexible schedule was reported most often, by more than half of the freelancers surveyed, as well as being able to work from wherever they want. Themes around autonomy are woven throughout the majority of responses here:

58%

said having a more **flexible schedule** was the biggest advantage to being a freelancer.

50%

said being able to **work from wherever they wanted** was the biggest advantage to being a freelancer.

49%

said **being their own boss** and not having to answer to anyone was the biggest advantage to being a freelancer.

29%

said **being paid more** for the work that they do was the biggest advantage to being a freelancer.

24%

said **developing a new skill set** was the biggest advantage to being a freelancer.

11%

said **being able to live in a different location** was the biggest advantage to being a freelancer.

9%

said **being able to live in a country with higher wages** was the biggest advantage to being a freelancer.



## Most freelancers don't want to return to traditional employment, but concerns about income stability are relatively common

Only 7% of freelancers surveyed planned to stop freelancing and return to full-time or part-time employment. While 44% planned to transition or continue freelancing full-time. But among those who planned to return to traditional styles of working, worries around income and job stability ranked highly as a concern that pushes them this way.

42%

said **having a stable job** and income concerned them most about freelancing, making them consider returning to traditional employment.

31%

said **getting paid on time** concerned them most.

27%

said **finding clients** concerned them most.

23%

said affordable health insurance concerned them most.

21%

said preparing for retirement concerned them most.

18%

said getting paid accurately concerned them most.

15%

said retaining clients concerned them most.

15%

said charging the right rates concerned them most.



## Companies seem to have an age bias towards Gen X freelancers

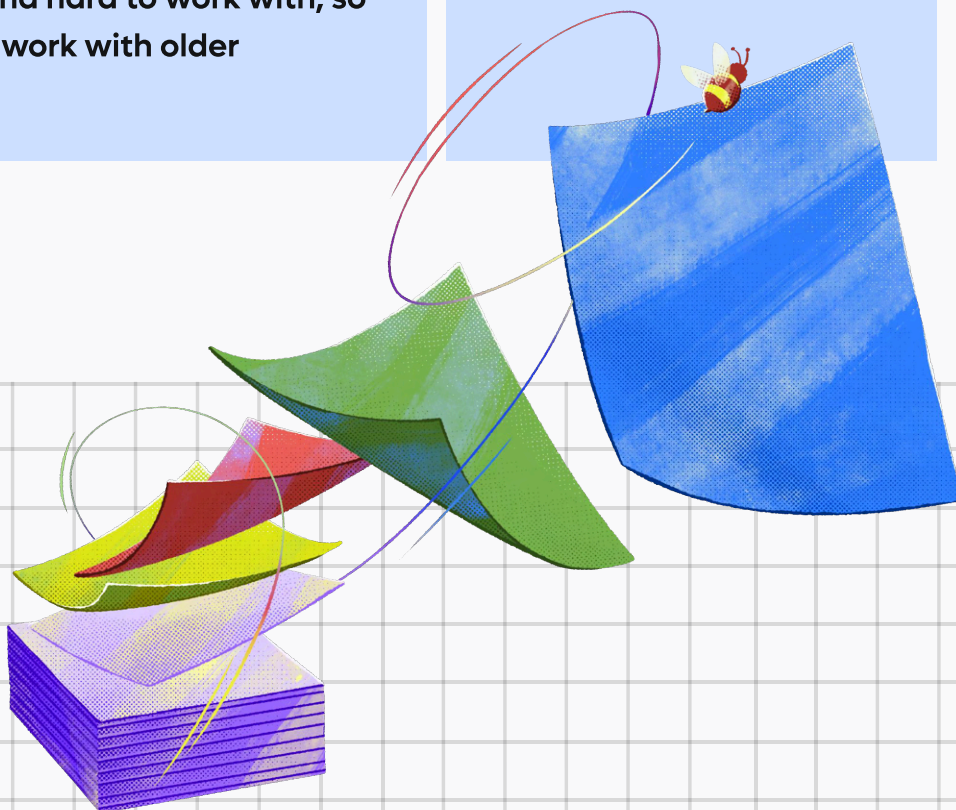
Not only are employers noticing an increase in the number of freelancers aged **55 and over**, but they tend to prefer working with them too. Their reasons for this include feeling younger applicants (or full-time employees) are “unprofessional”, or “hard to work with.”

43%

showed a bias towards freelancers within this age bracket. Feedback included: **“A lot of the younger applicants or full time employees are too unprofessional and hard to work with, so we would rather work with older freelancers.”**

45%

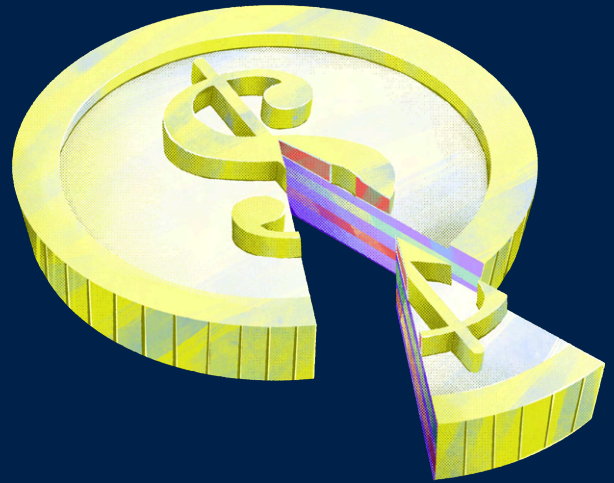
of employers report noticing an increasing number of freelancers in the **55+** age bracket.



## Why do employers lean towards older freelancers?

**Experience and reliability:** Gen X freelancers bring a wealth of experience and are often perceived as more dependable. News outlets like The Guardian have noted the rise of "silver freelancers," especially in consulting and management roles.

**Mentorship opportunities:** Companies value the chance for older freelancers to mentor younger teams, transferring knowledge and skills. Gen X freelancers often play dual roles as creators and mentors.



## How is the increase in the Gen X freelancer market playing out globally?



**North America:** Older freelancers are more prominent in consulting and advisory roles. Many are retired professionals re-entering the workforce to share their expertise, especially in industries like finance and healthcare. The U.S. also sees older freelancers contributing to academia as adjunct professors and researchers.



**Europe:** Countries like Germany and the UK have seen a surge in older freelancers in technical fields and creative sectors. Older professionals are frequently tapped for roles requiring deep institutional knowledge, such as sustainability consulting and policy advice. In France, senior freelancers often dominate the luxury goods and hospitality sectors.



**Asia-Pacific:** Japan, with its aging population, has witnessed a rise in senior professionals embracing freelancing as a flexible way to remain active. In Australia, older freelancers lead in project management and executive coaching, leveraging years of industry insight to support startups and SMEs.





## The snowball effect: How freelancers positively impact teams by plugging performance and productivity gaps

From helping with big projects and pushing teams towards key performance metrics when they have low capacity internally, to delivering niche expertise, freelancers and contractors can boost the ability and scope of an existing team. The wellbeing benefits are notable too, with stress reduction being a big factor.

51%

of employers surveyed said **"helping with short term capacity issues"** was one of the main benefits their team experienced when working with freelancers.

48%

of employers surveyed said **"helping full-time or part-time employees by reducing their workload."**

45%

of employers surveyed said **"adding skills the company does not possess internally."**

45%

of employers surveyed also said **"completing projects more quickly."**

44%

of employers surveyed said **"reducing stress for the team."**

35%

of employers surveyed said **"saving money."**



## The many benefits of utilizing freelancers are clear, but what about the downsides?

**For non-committal, temporary, or faster ways of tapping into stellar talent with** highly specialized skills or expertise, utilizing freelancers is an obvious choice for many companies. However, it's not always smooth sailing, and onboarding and managing freelancers comes with its own logistical headaches. **The most common challenges reported by companies (in equal measure) were increased admin and communication issues.**



27%

of employers surveyed said their team faced communication issues when working with freelancers.

27%

of employers surveyed also said their team faced increased admin.

25%

of employers surveyed said their team faced freelancers not sticking to deadlines.

24%

of employers surveyed said freelancers experienced conflicts with their team, in terms of working culture.

21%

of employers surveyed said their team faced inaccurate reporting on billable hours.

18%

of employers surveyed said their team faced contractor misclassification issues.

27%

of employers surveyed said their team hadn't faced any issues.



## It's a global affair: The number of companies hiring freelancers internationally is high, though local freelancers are still on top

**More than half of all companies only hire freelancers in countries where they have offices.** Less than half of them hire freelancers internationally, but at 37%, this still represents a significant push towards hiring freelance talent globally.



37%

of companies surveyed hire freelancers **internationally**, even in countries where they don't have offices.

63%

only hire freelancers based in **countries** where they have offices.

More than half of the companies that do hire internationally (unrelated to where they have offices) listed **quality of work, reliability and skill level** as the main reasons for hiring in the locations they do.

59%

said **quality of work** was a main factor for hiring freelancers in international locations.

54%

said **reliability**.

51%

said **skill level**.

41%

said **ease of hiring**.

35%

said **cost of hiring**.

27%

said **timezone**.

For those that don't hire internationally, just over 10% listed compliance as the reason.

21%

of companies that don't hire internationally listed **communication** as a key reason.

18%

of companies that don't hire internationally listed **timezone**.

17%

of companies that don't hire internationally listed **cost to hire**.

11%

of companies that don't hire internationally listed **compliance**.

10%

of companies that don't hire internationally listed **reliability**.

7%

of companies that don't hire internationally listed **skill level**.





## Not seeing eye to eye: Compliance and disconnects over worker type classification and payment timelines

Compliance is a pain point for some companies when hiring freelancers: Could better contractor management tools help?

**For companies that already hire freelancers globally, nearly half list ease of hiring as a major factor.** So it's unsurprising that just over a quarter (26%) of companies that hire freelancers internationally list compliance as an aspect they found challenging.

**The cost of hiring can also be a downside for those that hire freelancers internationally,** with 37% of companies that do so listing it as a challenging factor in the process. The type of tools used for managing the hiring, compliance, contract management, and billing cycle linked to working with freelancers can make all the difference here.

Almost half of the companies analyzed in the data use their own tools to manage each stage.



**49%**

of all companies surveyed **use in-house tools and systems** to manage contracts and billing for freelancers.

## Employees without the benefits – but with a cost. Companies and freelancers agree on a misclassification epidemic.

Interestingly, while only 11% of companies that hire freelancers globally say **compliance is challenging for them**, 40% of freelancers believe they have been misclassified in the past — meaning they should have been classified as full employees. Even more striking, companies say they misclassify contractors at a similar rate.

40%

of freelancers surveyed say they believe an organization they've worked for has **misclassified them as contractors when they should have legally been employees.**

22%

of freelancers say they've experienced this **multiple times.**

36%

of companies admit to "sometimes or always" misclassifying employees as contractors.

## The payment priority dilemma: Freelancers worldwide don't feel they are paid on time

**Late or inconsistent payments are a major issue for freelancers globally.** Only 15% of freelancers report always being paid on time, while 5% say half of their invoices are paid on time. Delays in payments can sometimes be exacerbated by:





**Cross-border transactions:** International banking regulations can complicate timely payments, with delays in currency conversions and transaction processing times.



**Client systems:** Some businesses lack streamlined invoicing and payment systems, creating bottlenecks in processing freelancer payments.



**Classification issues:** Misclassification of freelancers as employees or contractors can lead to disputes and payment delays.

## Classification confusion and payment system failures can be easily solved

**Contractor management platforms remove blockers from freelancer payment processes** by integrating direct deposit systems, multi-currency support, and real-time payment tracking. Streamlining these systems can keep freelancers motivated and focused on delivering quality work.

### Contractor Payout Explorer

I will pay my invoices in ▼

My contractor is located in ▼

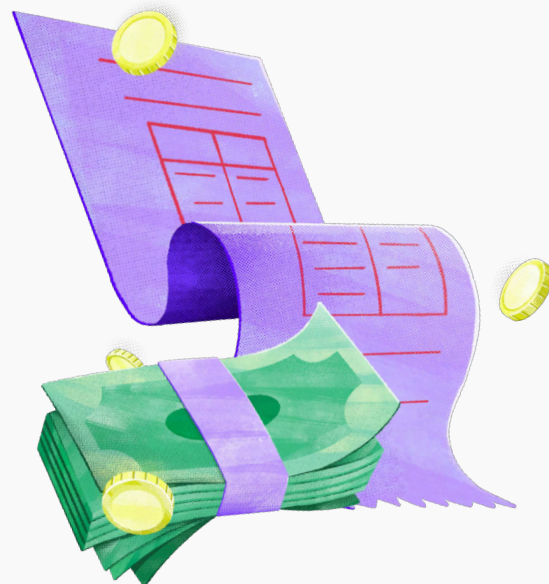
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**Most importantly, a reliable contractor management tool helps companies avoid awkward payment errors** that can make freelancers reluctant to work with them again.



## How does the frequency of late payment for freelancers compare to the frequency of late payment for employees?

Remote's 2024 Global Payroll Report revealed that just over 53% of employees have experienced payroll issues. Of those who have, just over 23% reported late payment as the specific payroll issue they'd faced. This is a stark contrast to the 75% of freelancers who say at least some of their invoices are consistently paid late.



## Regional preferences, cultural disconnects and legal blockers: Where do companies like to hire freelancers from and why?

The data shows that preferences for where in the world companies hire freelancers are focused on a few countries, with China and India emerging on top. This suggests that freelancers from these regions stand out for their availability, cost-effectiveness, or both.

over  
**10%**

of companies surveyed prefer to hire from China and India collectively.

**Interestingly, the United States, often seen as a global leader in professional services, accounted for only 2.19% of preferences,** indicating that either other factors such as cost or the availability of global talent overshadow its appeal here.

## The cost factor: Big variations in market rates

**Switzerland and the United States may be seen as less favourable areas to hire freelancers from** because of their reputations as high-cost countries. Both are associated with higher living standards, which often translate into elevated rates for freelance services.

**This cost barrier can deter companies, especially those prioritizing cost-effectiveness** in their freelance hiring strategies. While the United States does appear in the preferred list, its relatively low percentage (2.19%) highlights the likelihood that businesses might opt for more competitively priced talent pools, such as those in India or China, where skilled labor is abundant and rates are lower.

## The legal factor: Sanctions and political unrest

**Countries linked to sanctions or political instability, such as Afghanistan or Russia,** were listed often as areas where companies avoid hiring freelancers. Companies avoid hiring freelancers from areas subject to economic sanctions, and in some cases, engaging freelancers from a specific location can be illegal.

**Political unrest further exacerbates the perception of risk,** as companies might be wary of disruptions to projects or communication challenges. This avoidance trend reflects a business preference for stable, predictable environments where projects can move towards goals smoothly, without avoidable, or controversial complications.

## The connection factor: Cultural differences and proximity bias

**Cultural differences also play a significant role in shaping preferences** towards hiring freelancers in one country, over another. While some countries might offer cost advantages, mismatches in work culture, communication styles, or language proficiency can lead to hesitancy in hiring.

Western companies may sometimes prefer freelancers from regions with similar cultural norms and English fluency, even at a higher cost, to avoid miscommunication or project delays. On the flip side, countries like India and the Philippines, which are known for adapting to diverse work cultures and offering excellent English proficiency, may gain a competitive edge despite potential cultural gaps.



## Quirks of cultural misalignment, or stereotyping?

Freelancing across borders comes with its quirks. Cultural stereotypes often color how freelancers from different countries are perceived, such as:



**Italy:** Italian freelancers are lauded for their creativity, but some respondents complained that freelancers from Italy were too social.

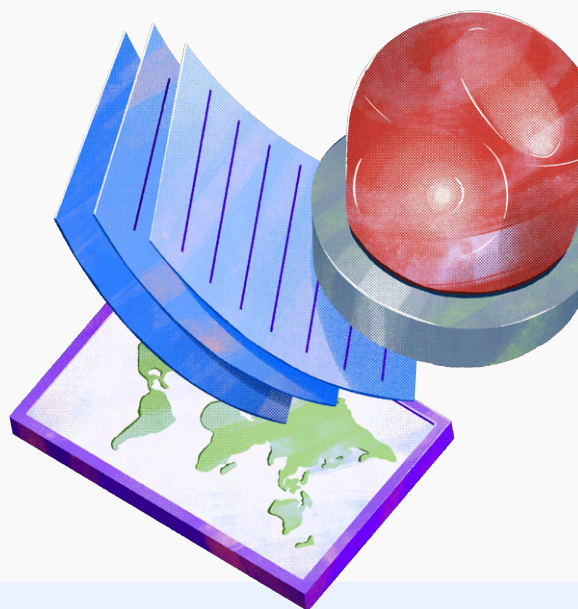


**Spain:** Spanish freelancers, while praised for their warmth, were often seen as “too laid-back” to meet tight deadlines some respondents — a stereotype that may underscore cultural differences in work-life balance.



**France:** Known for their direct communication style, French freelancers are sometimes seen as blunt, which can create misunderstandings on multinational teams.

**Political unrest further exacerbates the perception of risk**, as companies might be wary of disruptions to projects or communication challenges. This avoidance trend reflects a business preference for stable, predictable environments where projects can move towards goals smoothly, without avoidable, or controversial complications.



# Freelance predictions: what visionaries are saying

The freelance economy is reinventing how we think about jobs, careers, and innovation. Global thought leaders agree that freelancing is at the forefront of this shift:

- ✓ **Reid Hoffman (LinkedIn Founder):** Hoffman argues that "the 9-to-5 model is fast becoming obsolete." He envisions a world where flexibility and project-based work dominate, empowering businesses to tap into talent on-demand.
- ✓ **Sheryl Sandberg (Meta COO):** Sandberg emphasizes freelancing's potential to drive inclusivity, stating that "freelancing creates opportunities traditional workplaces often miss, especially for women and marginalized communities."
- ✓ **Sundar Pichai (Alphabet CEO):** Pichai predicts that advancements in AI and machine learning will further boost the freelance economy. "Freelancers who master emerging technologies will shape the future of work and lead innovation."
- ✓ **Thomas Friedman (Author of The World Is Flat):** Friedman calls freelancing "the ultimate equalizer," where talent can shine globally without traditional barriers like geography or office hierarchies.

This seismic shift, fueled by technology and global connectivity, means that freelancing is no longer a side gig — it's the centerpiece of the new work revolution.



# Freelancers are building the future of work

The freelance economy is redefining work. As emerging markets like India, Nigeria, and Brazil collaborate with tech giants in Silicon Valley, a truly global workforce is emerging. For businesses, freelancers bring agility and creativity. For freelancers, the opportunities are endless — from mastering niche skills to shaping their careers on their own terms.

The freelance economy is setting the pace for what comes next. Both companies and freelance workers are increasingly reaching for flexible contract options, growing the freelancer market as they do.





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