

Getting people back to work

I have drawn attention to the loss of nearly 800,000 self employed since February 2020, and proposed tax changes to reverse the losses. I am surprised Ministers have allowed this to happen and have accepted the official argument that the loss is down to covid, when the losses have continued after the end of lockdowns. There may well be people on benefits who would be both better off and happier if they worked for themselves, who have been put off by the paperwork and tax issues it raises. the rules now make it difficult for a self employed person to get a contract from a company.

The collapse of self employment is part of a wider problem Ministers are trying to address. They say maybe 500,00 people of working age are now signed off from work owing to ill health who would like to return to work. Whilst no-one who is badly incapacitated should be required to work, those with some physical conditions impeding mobility may well be able to work with computer assistance or from home, whilst those with mental health issues might find work can be part of the answer or part of the way of managing the condition.

The Secretary of State has announced various initiatives to tackle some of these problems. There is considerable delay, with elongated timetables for consultations to be followed by possible legislation. It should be time to accelerate the possible. I cannot believe it is against the law to run the Employment and benefit system to encourage and help people back to work. After all, that was the main point behind the legislation and reforms bringing in Universal Credit.

Ministers need to push harder. The economy will grow faster and the budget deficit will fall if we can persuade and help more people into work. They will also be better off.