

Getting people back to work

It is time for government to come out with proposals that can make it easier to start or re start a business and to keep or create new jobs. Unemployment is already far too high thanks to the anti virus policies adopted, and is set to go higher as we limp out of lock down.

It is quite clear that there will need to be accelerated change in our economy to cope with the social distancing rules and the other changes that the pandemic has brought on. There will be more on line shopping and less shopping in physical stores. There will be more remote technology working in health and education, in leisure and office work. These big changes will require large companies to be adaptive, and will require many more new and smaller businesses to offer new models and services and provide the flexibility fast change needs.

Let's start with cutting into those great lists of the unemployed. Why not let any self employed person take on an employee or assistant, with the first year based on them being self employed. It is often the hassle of National Insurance, pensions and other paperwork that puts the self employed off expanding a successful business by taking on additional staff. Give them up to a year to work with someone to see how good it can be and to guide them into the idea of accepting full employer responsibilities. Alternatively it might lead them to adopt a partnership or franchise model with the new person. We need more self employed to expand their often successful businesses.

End the threat of IR35 changes. We are losing business to foreign companies, as large groups here worry about carrying on or taking on a UK self employed contractor for fear that their tax status will be queried at a later date.

Raise the VAT threshold to allow small business more activity before they need to go through the complex process of registering for VAT.

There were around 5 million self employed when the pandemic struck. We need to see them as an important part of our future, and give them every help to get going again and to grow their activities. Sometimes the Treasury seems to see them as a nuisance, seeking ways to tax them into working for a large employer or not working at all. It is a prejudice we cannot afford.