

The Financial Secretary to the Treasury's Reply to my Written Parliamentary Question

I am concerned about the decline in self employment and have been an opponent of the IR 35 tax treatments as amended in 2017 and 2021. I have asked what impact there has been. The figures they refer to did not seem to enlighten the issue. I have seen other figures suggesting there has been a fall of 700,000 to 4.3m in the number self employed since 2020. I accept covid lockdowns will have had an impact on numbers, but this also includes a period of tightening of rules to discourage self employed status. It is worrying, yet the Treasury says some of these people are still doing the same jobs under different tax arrangements. It would be good to have more informed data and analysis as expanding self employment is an important part of building a flexible and faster growing economy.

Treasury has provided the following answer to your written parliamentary question (92045):

Question:

To ask the Chancellor of the Exchequer, how many people have ceased to be self-employed since the introduction of the 2021 IR 35 rules. (92045)

Tabled on: 21 November 2022

Answer:

Victoria Atkins:

It is an anticipated outcome of the 2021 off-payroll working (IR35) reform that organisations and contractors will consider the best way for contractors to provide their services, while being compliant with tax legislation.

The Office for National Statistics (ONS) publish data on trends in employment. [Dataset A02 NSA](#) provides quarterly estimates of the number of self-employed individuals over the age of 16 for the period sought. On 6 September ONS officials gave evidence to the House of Lords Economic Affairs Committee on changes in the number of individuals self-reporting as self-employed during the relevant period as a part of the committee's UK Labour Supply Inquiry. That evidence stated that some part of the change in individuals self-reporting as self-employed is due to changes in how people classify themselves, without having changed the way they work.

The answer was submitted on 29 Nov 2022 at 07:58.