

10th March 2016

Dear Chancellor,

The number of self-employed people in the UK has reached 4.6million, representing nearly 16% of the workforce and shows no sign of slowing. Yet there are another 1.6 million workers referred to as contractors who are poorly recognised by a tax system which seeks only to place workers in one of two boxes – employed or self-employed.

Successive governments have been clear on the important role these workers play in providing UK businesses with the flexibility they need to succeed but it is not clear to these workers or employers where they fit.

They have been the subject of a sticking-plaster approach that has created layers of confusing rules and no clarity over their tax affairs.

In the last 12 months alone, the sector has been subjected to two significant changes, one in the Finance Act 2015 and the second proposed in the Finance Bill 2016. Further changes to IR35 are also expected in 2017.

It is time for government to conduct a strategic review of this type of employment to meet its aim of a simplified tax system where the labels given to workers are reflected in the real economy.

We believe a well-run review will result in a more orderly market which sees the right workers get the right reliefs, greater tax compliance and increased investment in jobs. The Office of Tax Simplification would be the natural authors of such a review.

We urge you to level the playing field and use a strategic review to end the sticking plaster approach, bring clarity to the most dynamic labour market in the world and give all types of workers a fair deal and equal recognition.

Signed by those listed below.

Labour

Helen Goodman MP (Bishop Auckland), *Member of the Treasury Select Committee*
 Sir Alan Meale MP (Mansfield)
 Sue Hayman MP (Workington), *Opposition Whip*
 Yasmin Qureshi MP (Bolton South East), *Member of the Foreign Affairs Committee*
 Mary Glendon MP (North Tyneside), *Member of the Transport Committee*
 Jim Cunningham MP (Coventry South), *Member of the Scottish Affairs Committee*
 Rosie Cooper MP (West Lancashire)

Liberal Democrats (LD)

Rt. Hon Tom Brake MP (Carshalton and Wallington), *Shadow LD Spokesperson (Foreign Affairs), Liberal Democrat Chief Whip and Shadow LD Leader of the House of Commons*
 The Lord Palmer of Childs Hill OBE

Conservative

Phillip Davies MP (Shipley), *Member of the Justice Committee*
 Sir Peter Bottomley MP (Worthing West)

Ulster Unionist Party (UUP)

Tom Elliott MP (Fermanagh and South Tyrone)
 Danny Kinahan MP (South Antrim), *Member of the Northern Ireland Affairs Committee*

Democratic Unionist Party (DUP)

Gavin Robinson MP (Belfast East), *Shadow DUP Spokesperson (Justice), Shadow DUP Spokesperson (Home Affairs) and*

Shadow DUP Spokesperson (Human Rights)

Plaid Cymru (PC)

Hywel Williams MP (Arfon), *PC Westminster Leader, Shadow PC Spokesperson (Defence), Shadow PC Spokesperson (Culture, Media and Sport) and Shadow PC Spokesperson (Foreign and Commonwealth Office/Europe)*

SNP

Rt. Hon Angus Robertson MP (Moray), *SNP Westminster Leader and Shadow SNP Westminster Group Leader (Constitution)*
 Stewart Hosie MP (Dundee East), *Deputy Leader of the SNP and Shadow SNP Westminster Group Leader (Economy)*
 Roger Mullin MP (Kirkcaldy and Cowdenbeath), *Shadow SNP Spokesperson (Treasury)*
 Hannah Bardell MP (Livingston), *Shadow SNP Westminster Group Leader (Business, Innovation and Skills)*
 Tasmina Ahmed-Sheikh MP (Ochil and South Perthshire), *Shadow SNP Westminster Group Leader (Trade and Investment)*
 Neil Gray MP (Airdrie and Shotts), *Shadow SNP Spokesperson (Fair Work and Employment)*
 George Kerevan MP (East Lothian), *Member of the Treasury Select Committee*
 Joanna Cherry QC MP (Edinburgh South West), *Shadow SNP Westminster Group Leader (Justice and Home Affairs)*
 Ian Blackford MP (Ross, Skye and Lochaber), *Shadow SNP Spokesperson (Pensions)*

Drew Hendry MP (Inverness, Nairn, Badenoch and Strathspey), *Shadow SNP Westminster Group Leader (Transport)*
 Stewart McDonald MP (Glasgow South), *Member of the Transport Committee*
 Kirsten Oswald MP (East Renfrewshire), *Shadow SNP Spokesperson (Armed Forces and Veterans)*
 Stephen Gethins MP (North East Fife), *Shadow SNP Spokesperson (Europe)*
 Mike Weir MP (Angus), *SNP Chief Whip*
 Stuart McDonald MP (Cumbernauld, Kilsyth and Kirkintilloch East), *Shadow SNP Spokesperson (Immigration, Asylum and Border Control)*
 Alan Brown MP (Kilmarnock and Loudoun)
 Dr Philippa Whitford MP (Central Ayrshire), *Shadow SNP Westminster Group Leader (Health)*
 Anne McLaughlin MP (Glasgow North East), *Shadow SNP Spokesperson (Civil Liberties)*
 Martyn Day MP (Linlithgow and East Falkirk)
 Brendan O'Hara MP (Argyll and Bute), *Shadow SNP Westminster Group Leader (Defence)*
 Deirdre Brock MP (Edinburgh North and Leith), *Shadow SNP Westminster Group Leader (Scottish Parliament/Scottish Government Liaison) and Shadow SNP Spokesperson (Devolved Government Relations)*
 John Nicolson MP (East Dunbartonshire), *Shadow SNP Spokesperson (Culture, Media and Sport)*
 Gavin Newlands MP (Paisley and Renfrewshire North)
 Chris Stephens MP (Glasgow South West)
 Tommy Sheppard MP (Edinburgh East), *Shadow SNP Spokesperson*

(Cabinet Office)

Calum Kerr MP (Berwickshire, Roxburgh and Selkirk), *Shadow SNP Westminster Group Leader (Environment and Rural Affairs)*
 Richard Arkless MP (Dumfries and Galloway), *Member of the Justice Committee*
 Douglas Chapman MP (Dunfermline and West Fife), *Member of the Defence Committee*
 Patrick Grady MP (Glasgow North), *Shadow SNP Spokesperson (International Development)*
 Steven Paterson MP (Stirling)
 Martin Docherty-Hughes MP (West Dunbartonshire)
 Marion Fellows MP (Motherwell and Wishaw), *SNP Whip*
 Dr Paul Monaghan MP (Caithness, Sutherland and Easter Ross), *Member of the Environment, Food and Rural Affairs Committee*
 Dr Eilidh Whiteford MP (Banff and Buchan), *Shadow SNP Westminster Group Leader (Social Justice and Welfare)*
 Owen Thompson MP (Midlothian), *SNP Whip*
 Angus Brendan MacNeil MP (Na h-Eileanan Siar), *Chair of the Energy and Climate Change Committee*
 John McNally MP (Falkirk), *Member of the Environmental Audit Committee*
 Margaret Ferrier MP (Rutherglen and Hamilton West), *Shadow SNP Spokesperson (Scotland Office)*
 Patricia Gibson MP (North Ayrshire and Arran)
 Chris Law MP (Dundee West), *Member of the Scottish Affairs Committee*