

BREAKING NEWS: Labour commit to scrapping April 2020 Off-Payroll rules rollout



A Labour Government would prevent an April 2020 rollout of the draconian Off-Payroll working rules into the private sector, a party member has claimed this morning.

Speaking to Rachel Burden on Radio 5 Live's Breakfast Show, Labour Party politician Rebecca Long-Bailey confirmed the party's intentions, describing the legislation as inappropriate and unfair on the self-employed.

During the exchange, Long-Bailey also announced Labour's plans to work with the self-employed and representative bodies to identify a fair tax system for the self-employed, adding: "That system is certainly not fair, and it's causing a lot of anguish to those who are self-employed."

Off-Payroll: Labour announces plans to scrap draconian measures

A full transcript of the conversation can be found below:

Rachel Burden (Radio 5 Live): "Can you clarify where you stand on IR35? Now, for people who are employed, this may not make much sense to them, but this applies to thousands and thousands of people who are effectively self-employed contractors who are selling their services through their own business, but there is concern around tax avoidance, that they are being unfairly advantaged under the current tax system, not subject for example to national insurance contributions and so on.

"Now, at the moment, this has changed in the public sector and this is going to apply to the private sector from April 2020. Your small business minister has previously said "we absolutely can't see it being rolled out in the private sector the way things are at the moment." When he was asked on Twitter if this was party policy he said: "Absolutely".

Rebecca Long-Bailey (Labour): "Yes, we do have serious concerns about IR35, and it is something that's come up in various business meetings that I've had with small businesses and self-employed people particularly, and it is something we are going to look at."

Rachel Burden (Radio 5 Live): "So, you're gonna look at it, but there's no absolute commitment as to whether you are going to scrap it for the private sector?"

Rebecca Long-Bailey (Labour): "No, there is. I think we need to have a system in place that is fair for the self-employed, and IR35 certainly doesn't work for them, so we will be working with the self-employed themselves and the organisations representing them, such as the FSB (Federation of Small Businesses) for example, to look at a system that is fair, because that system is certainly not fair and it's causing a lot of anguish to those who are self-employed."

Rachel Burden (Radio 5 Live): “So, just for absolutely clarity, under a Labour Government, this would not apply in the private sector from April 2020.”

Rebecca Long-Bailey (Labour): “Well, certainly we don't think it will, no, but we need to have a system in place that is fair.”

Rachel Burden (Radio 5 Live): “That's not absolute clarity...”

Rebecca Long-Bailey (Labour): “Well, it is, absolute clarity, but what we are saying is that we need to consult on a system that is fair for those businesses, but we don't think IR35 is appropriate, so no.”

Labour pledge a promising sign for contractors

Though there was no mention of Off-Payroll rules in its manifesto, the fact that a party member has stated Labour's opposition to the legislation is good news for contractors, regardless of the General Election outcome, as ContractorCalculator CEO Dave Chaplin highlights:

“Following on from the [Lib Dem's manifesto pledge to review IR35](#), it's promising to see further party opposition to this damaging regime. Though Chancellor of the Exchequer Sajid Javid recently promised a review of the Off-Payroll rules, contractors will be rightfully cynical, given the manner with which the Conservative party has conducted the rollout up until now.”

Chaplin concludes: “It seems that the Conservatives are the only party oblivious to the damage being reaped by the Off-Payroll rules. We now know that we have the support of two prominent parties who, at the very least, can put the pressure on Government to do what is right and put an end to the Off-Payroll rules.”

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