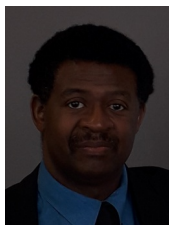


Back of the queue: Self-employed workers during and after the COVID-19 crisis



***Ben Duke** discusses some of the ways in which COVID-19 will change UK workplaces as well as the demography of the workforce. He argues that, based on government action so far, self-employed workers are and will remain at the back of the resource allocation queue.*

The COVID-19 pandemic has revealed a class divide between workers – between salaried ones whose needs were recognised and catered for, and [five million self-employed](#) people who have found themselves at the back of a critical resource allocation queue. While observers [had criticised](#) the UK government for its non-existent support for such workers as soon as the lockdown was imposed, the situation did not begin to be addressed until 13 May 2020, when the Self Employed Income Support Scheme became available. It is now expected that [95% of the UK's self-employed](#) will qualify under this scheme.

Often self-employed workers may have [few or even just the one customer](#), usually a large corporate business or public sector organisation. During the COVID-19 crisis, when most businesses had to cease operations to all but essential activity, self-employed workers in the gig economy, whose own fortunes are entirely dependent upon the one customer found themselves in a vulnerable position. Most self-employed people also do not qualify for sick pay, if they are forced to self-isolate. This means that many self-employed receive little or no welfare benefits or income, leaving most without any income until 25 May, when people were scheduled to receive the first disbursement under the Self Employed Income Support Scheme (SEISS).

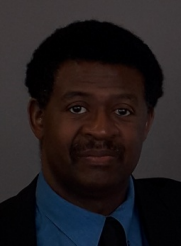
The future is certainly not looking brighter, as COVID-19 will have multiple effects upon the world of work in the post-infection period. Precarisation will increase significantly with less permanent employment available, mirrored by [increased proliferation](#) of the gig economy and zero-hour contracts. This will have a profound effect upon the growing legions of self-employed, whose numbers [will double](#) to ten million people five years post-COVID-19. This change in the demography of the UK workforce will reduce the furlough risk to large private sector employers. Further, an increasing number of the UK's working population will experience precarisation in the public sector. Public sector employees will find their council employers including local NHS Trusts, unwilling if not unable to top-up their salaries in future national emergencies. Consequently, more public sector jobs than at present will be offered on a short-term and/or zero-hour contract basis, as well as [substantial decrease](#) in working time, alongside an increase in job insecurity, homeworking, and telework.

Another effect of COVID-19 is that it is a policy driver which will encourage [increased investment](#) in industrial digital automation. There had already been an upsurge in the use of artificial intelligence in the manufacturing sector, but COVID-19 has engendered a reimagining of the twentieth-century workforce – an army of mechanical workers would not be affected by viruses or other phenomena.

COVID-19 has also highlighted clear failures in numerous advanced countries' health and social care systems. One of the issues which has emerged is the number of agency staff – essentially self-employed workers – who work for multiple care homes and had potentially been transferring the virus to otherwise shielded elderly people. Across the care work sector, agency workers who felt they were infected with COVID-19 were faced with a financial dilemma if they chose to self-isolate for 14 days. Many self-employed and/or agency staff care workers did not qualify for statutory sick pay or the furlough scheme. Neither did self-employed care workers qualify for any government COVID-19 grants, or any business interruption loans or funding schemes. This set of circumstances created a perverse incentive not to self-isolate. The dilemma between providing healthcare or facing major financial problems was still not addressed by the Chancellor's Statement on 29 May 2020. Most agency care workers who did not qualify for SEISS before, [still don't](#). And even certain qualifying workers may find such payments a curse. Due to welfare benefits income thresholds, receipt of SEISS [can cut their Universal Credit entitlement](#) to zero.

COVID-19 will herald substantial changes in the socio-economic development of UK workplaces in the post-infection period and for years to come. Yet all evidence suggests that self-employed people will continue to be, from both a micro and macro-economic perspective, the last in the queue.

About the Author



Ben Duke holds a PhD in Social Policy from Keele University. He was a Research Fellow at the University of Nottingham in 2019.

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