

The self employed's income - new data shows 77% are in ...

Published: January 13, 2026, 6:55 am

Amongst the new tax data from HMRC published today was [updated information on the income of the self employed](#). That for 2012/13, the most recent year, was as follows:

That was interesting. It shows a large number of the self employed are part time, and earning as much or more from employment as self employment. That means the government's assumption that a self employed person is a full time person is nonsense, to be polite.

It is also quite remarkable that one sixth of all self employed people are also in receipt of a pension.

But a little more digging revealed much more interesting data. Over the first three years of the Coalition's life this is a summary of the data:

The income of the self employed earning less than £100,000 fell over this period.

The average income of those earning more than £100,000 was staggeringly different:

Over the period this rose, of course. Only a little, but it did rise (and band inflation given the overall rate of earnings inflation during this period is not going to explain this).

So, what are the conclusions?

First, if mean pay is about £20,000 then 91.5% of self employed people earn mean pay or less.

Second, if two thirds of median pay is a measure of poverty (or £15,000 or less here, at least) then 84% of the self employed would be in poverty based on their self employed

earnings and 77% are based on total income.

Third, the top 1.7% of self employed earners make 30.7% of all self employed profits.

And the average earnings of a person in the top 1.7% income bracket of self employed people makes 25.5 times more than the average for all other self employed people.

If this is a market based solution to inequality it very clearly fails.

Although I would add, I suspect all these figures are understated because of tax evasion, but right across the board.