

What is a 'working person'?

Published: January 13, 2026, 5:13 am

Keir Starmer does not know what a working person is.

As the [FT notes](#) this morning:

Sir Keir Starmer said on Thursday that anyone who owns shares and rental property is not a “working person”, as his chancellor Rachel Reeves prepares to unveil a Budget that will feature numerous tax increases.

They added:

The prime minister promised in Labour’s election manifesto he would “not increase taxes on working people”, ruling out rises in income tax, national insurance or value added tax.

This is, of course, another fine mess wholly of Labour's own creation. If only they had said long ago that they would not increase tax on income from work, they would not have most of the budget difficulties that they now face. They would, instead, have had available to them the options I offered in the [Taxing Wealth Report 2024](#), and they could have used the argument that beating inequality required them to use at least some of them to justify what they were doing.

But instead, as the FT notes, they made a complete mess of their communications strategy by using the hopelessly inadequate term 'working people' to define a tax strategy, and we have had confusion ever since.

As a matter of fact, working people can have savings. They might also own shares. If they do not do so directly, many of them will now, because of enforced pension registration in the City of London Ponzi scheme, have some indirect interest in shares.

What is more, many very wealthy people work even whilst enjoying a significant unearned income that lets them accumulate ever more wealth.

As a consequence, it was perfectly obvious that Labour's term, 'working people', the

use of which I have long derided, was always going to get them into trouble. And it has. Just wait for the backlash next week. The Telegraph has already been on the case for ages.

As [I asked elsewhere this morning](#), isn't it reasonable to expect that we have competent politicians? Ones capable of making errors as basic as this really are not competent. And that is the problem that we face.

Meanwhile, Labour ministers are digging themselves out of yet another pointless hole they need never have dug for themselves.