

John Healey: a neoliberal to his core

Published: October 23, 2026, 6:51 am

My sense that John Healey is a man who has no understanding whatsoever of what he is talking about has been heightened this morning.

The FT [has an article](#) this morning in which it says:

John Healey will on Friday promise to ease the burden on corporate Britain in next week's Budget by scrapping "pointless paperwork" for small companies, as the chancellor doubles down on his pledge to address "the cost of business".

So what is it that he is proposing to do?

The suggestion is that he will scrap the requirement that small businesses file their profit and loss account, or income statement, that is included in their accounts with Companies House each year. This, he claims, will save them £800 million a year.

That, of course, is totally ludicrous. Not filing profit and loss accounts with Companies House actually increases costs for small businesses because they must, by law, prepare annual accounts which include a profit and loss account for the benefit of their shareholders and for HM Revenue and Customs. Costs are, therefore, increased by the necessity to remove this information before filing data with Companies House.

So, what does this say about John Healey? Four things are apparent.

The first is that a press release matters more to him than reality.

The second is that he can be persuaded to talk any nonsense someone tells him because he does not have the capacity to appraise or question the information that he is given.

The third is that he has no idea about the reality of small company accounting.

The fourth is, however, the most serious because the first three just indicate incompetence, whilst this one indicates his ideology.

The clear indication given is that he believes the neoliberal narrative that government must get out of the way of business.

The message that he is sending is that government is an impediment to profit-making. It is no such thing. Without government, the facilities that it creates and provides, the educated people that it delivers, the money that it creates, the legal system that it puts in place and the level playing field that it would supply if only it decided to both impose law fairly and collect taxes appropriately from small businesses, there could be no entrepreneurial activity in the UK. Every ideological statement surrounding this announcement is therefore completely wrong.

If John Healey really wanted to support entrepreneurs in the UK, he would ensure that the level playing field on which they must operate was in place, [but data from HM Revenue and Customs](#) shows that the UK small business corporation tax gap amounted to £17.3 billion in the tax year 2024/25, representing 44.6% of tax owing not being paid.

The reason why the best small businesses in the UK cannot survive or prosper is not because of the burden that government places upon them. It is because they cannot compete fairly with people who cheat, which is what a very large number of small businesses do, with the connivance and support of the government, which refuses to make the investment in appropriate systems at Companies House and HM Revenue and Customs to ensure that these tax liabilities are collected. This could be achieved with the recommendations that I made on this issue in chapters 13 and 30 of the [Taxing Wealth Report](#).

Let me give Jon Healey the benefit of the doubt for just one moment. Perhaps no one has told him about this issue.

But do not think I will forgive him. I suspect he has not asked. And that is the problem.

If this announcement, which has clearly been heavily promoted by the Treasury to reach the status it has achieved within the FT, is an indication of the intellectual capacity of the new chancellor, we have every reason to be deeply worried.

This policy undermines fair competition in the UK.

It undermines honest business.

It increases business risk by denying companies information about those who they are trading with, which is essential to the management of their own credit risks.

It contradicts all the requirements of the microeconomic theory of the firm as a result, meaning it should not even appeal to those of a right-wing persuasion.

It is, instead, just pandering to those who promote an anti-government agenda.

That means John Healey is neoliberal to his core.

You might have gathered by now that I am not amused.