

Written evidence submitted by Pregnant then Screwed (GRC0022)

SEISS and Mothers who have taken Maternity Leave 2016-2019

Evidence for Petitions Committee

Pregnant Then Screwed is a charity that seeks to protect, support and promote the rights of pregnant women and mothers. We carry out extensive research into the effects of systemic cultural and institutional discrimination during pregnancy and motherhood, as it relates specifically to employment. Our support services include a free legal advice line, a flexible working hotline, an employment tribunal mentoring service and, currently, a Covid-19 helpline, as well as in-person and online events.

The government's new Self Employment Income Support Scheme (SEISS) provides financial support for self-employed workers based on average profits over three years between 2016 and 2019.

Women who have taken Maternity Leave in the qualifying years are likely to receive a lower amount of financial support than those who haven't.

Women who have taken a year of maternity leave in this time, will see their average profits calculated one third lower than their normal trading profits, resulting in up to one third less income support. Women who have had two periods of maternity leave in the eligible period will be even worse off.

We believe that HMG's Public Sector Equality Duty under the 2010 Equality Act may have been breached.

The effects of this are likely to be:

- Families with dependent young children will be penalised.
- The **43% gender pay gap** among the self employed is likely to increase.
- Women's businesses are likely to fail due to lack of support.
- Women's ability to access mortgages will likely be impacted for the next 3 years as mortgages for the self-employed are commonly based on the last 1-3 years income.

An FOI from in 2017 showed there are c. **25,000** self-employed new mothers claiming Maternity Allowance every year, so the total number of women affected could be over **75,000**.

Case Study

'Seema' is a locum doctor and has been self-employed since 2007. She had her first daughter in 2016 and returned to work part-time in late 2017. She only worked a few weeks in 2016 and her profit for tax year 2016-17 was £4,000, rising to £6,000 in 2017-18, the year she was part-time. In 2018-19 when she was back working full-time her profits were back up to her usual £36000. Seema is now pregnant with her second child and since the covid outbreak began she has been unable to work, as she has been classified as vulnerable by HMG. She estimates she has lost around £10,000 in cancelled work. Under SEISS, her grant entitlement is only £3,000 for March-May, as her 'average' income was calculated as £15,000 rather than taking her 'normal' income of £36,000.

Mothers in general face career disadvantages compared to fathers which are well-documented, and self-employed mothers already face a number of disadvantages compared to their employed peers. They are already likely to suffer reduced incomes after having children, even after their maternity leave period is finished.

Unlike their employed peers, self-employed mothers on maternity allowance are not allowed to do any work beyond their 10 keeping in touch days, making it difficult to retain clients while on mat leave. Research by Parental Pay Equality in 2018 showed that only 20% of self-employed women were back to their pre-baby earnings by the time their child was 2, compared to 26% of employed mothers working full-time by the time their child was 2. <http://www.parentalpayequality.org.uk/survey-results-in/>

In families where both parents are self-employed, only the mother can claim maternity allowance - there is no paternity leave or shared parental leave for families where both parents are self-employed. This means that the primary carer role almost always falls to the mother, so even mothers who were the higher earner or want to go back to work earlier often don't have this option.

The decision to allow past periods of maternity leave to further reduce these women's incomes is unnecessary and discriminatory and will have long-lasting effects on families.

Over 7,000 people have signed a petition calling for periods of maternity leave to be exempt from SEISS. [Rishi Sunak: Stop shortchanging self-employed mums](#)

June 2020