

The authors summarise their proposals as follows: (pp.60-62)

A New Contract for National Insurance - Contribution not Tax

We propose a new contract whereby increased National Insurance contributions serve to provide adequate income substitution upon the loss of a job, or the onset of sickness:

- A national social security mutual would collect National Insurance contributions and administer benefit claims during periods of unemployment or sickness.
- The scheme would be funded by contributions from workers, employers, and the state, with individual member ownership and control through an elected board. This will protect contributions from Treasury raids.
- Employers and trade unions would have places reserved on the board. They would, through their local offices and branches, be well-placed to match unemployed claimants with job vacancies in their area.
- Membership of the scheme would improve access to finance for the poor and working-class – so many years' contributions could be used as wealth collateral.
- A first payment of unemployment or sickness benefit would be set in hand on the same day a claim is made, and paid within a week.
- Once this first payment has been made, an appointment would be arranged to negotiate and agree the duties of the scheme and the individual throughout the duration of the claim.
- The new scheme would pay benefits at a higher rate than the current level of means-tested support for the first six months of unemployment or sickness.
- People drawing benefit would have the choice of monthly or fortnightly payments.
- Payments would be made regularly alongside 'MOT' meetings, to determine whether the initial agreement is being fulfilled by both sides or if marginal adjustments are required to reflect changing circumstances.

- For claimants who are sick, these meetings would also determine the severity of their condition, the levels of care they require, and how, if at all, they can plot a return to work. This would replace the one-off Work Capability Assessment in the current system which, being such a blunt instrument, often fails to gauge accurately the full extent of a claimant's sickness.
- At the six month stage of the claim, a guaranteed job would be offered or a long-term care plan would be implemented.
- Employers' contributions to the scheme could be reduced if they improve the pay and security of their workforce.
- Any attempt at clawing back historic overpayments of benefit, which occurred as a result of poor design and delivery by the state, would cease.
- Government's sole aim should be to establish a legal framework, ensure that benefit is linked to contribution, and fund the job guarantee at the six month stage.
- The Government Actuary Department should be asked to look into how a fundamentally restructured National Insurance scheme could work and how much it would cost.
- Separate tax-funded assistance will still be required to cover additional costs incurred by disabled people, families with children, and tenants who live in rented accommodation.