

A step towards a universal basic income

Published: January 13, 2026, 6:37 am

The [Guardian](#) has noted this morning that:

The tax-free personal allowance, which rises to £12,500 in April, should be scrapped and replaced with a flat payment of £48 a week for every adult, according to radical proposals welcomed by shadow chancellor John McDonnell.

The proposal, from the [New Economics Foundation](#) thinktank, is for a £48.08 “weekly national allowance,” amounting to £2,500.16 a year from the state, paid to every worker over the age of 18 earning less than £125,000 a year. The cash would not replace benefits and would not depend on employment.

The policy idea has been welcomed by the shadow chancellor, [John McDonnell](#), and the Green MP [Caroline Lucas](#), and would mean that as many as 88% of all adults would see their post-tax income rise or stay the same, helping to lift 200,000 families across the country out of poverty.

I welcome the idea.

It is a step towards a universal basic income.

It reinforces the idea that we all count, not just those who pay tax.

It also makes clear that all income is taxable: there would be no excuses left for not declaring.

And it is heavily redistributive. In part it is so by replacing the absurd Tory version of the married allowance that is so deeply prejudicial to all but one chosen sector of society right now.

I would add that the cost will be much higher than the personal allowance that is replaced, even taking into account the saving in that at higher rate. There will be many more recipients of this payment than there will be losers of the personal allowance.

But maybe it is time to recognise we can and should afford to have everyone treated equally as a full member of the society of which we are a part.

I predict a long life for this demand.