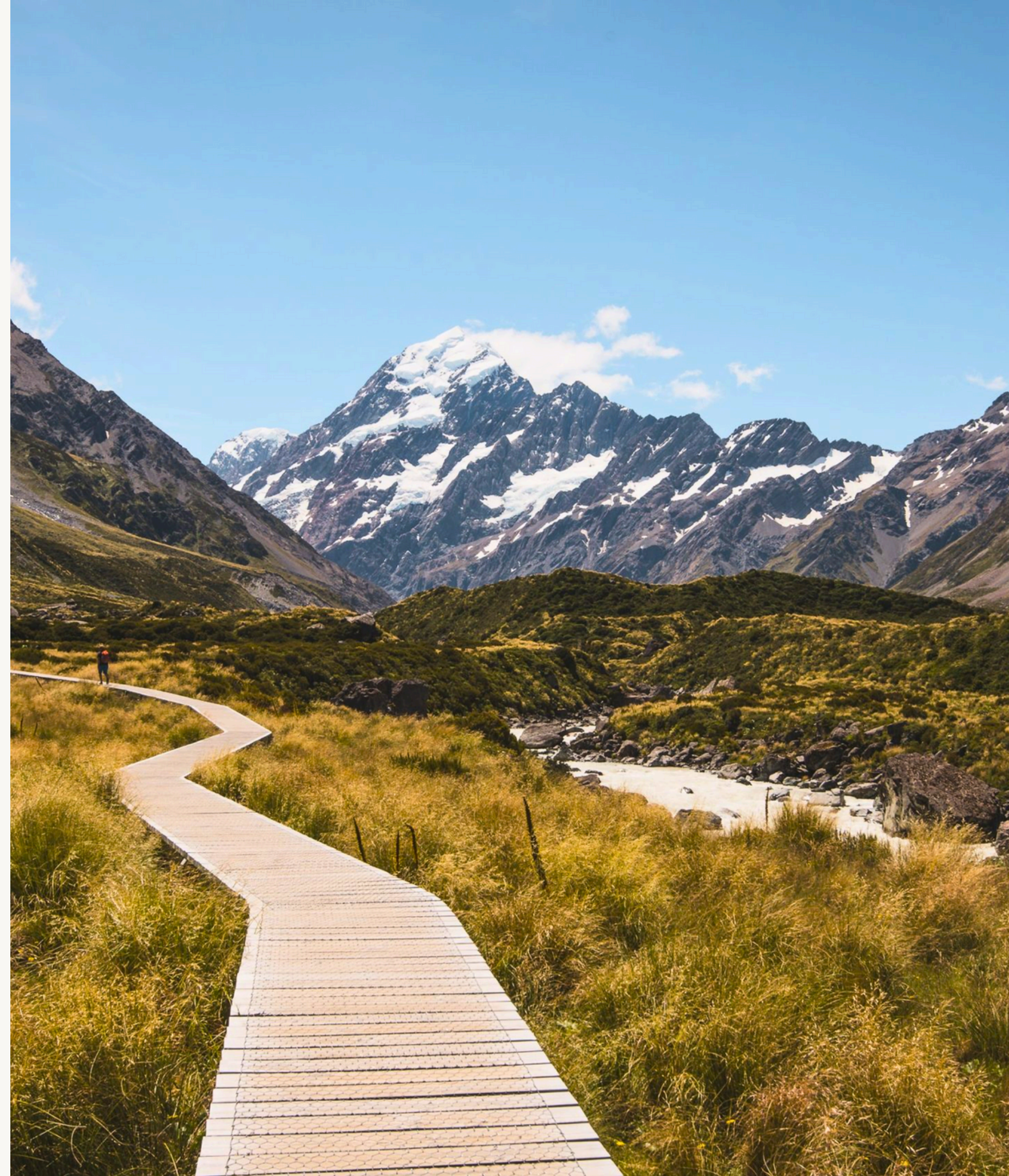# The Prosperity Deal

A new social contract for Aotearoa: a Universal Basic Income policy to protect dignity, work, and contribution in a changing world.

STRATEGIST: ASH HARDER

Why I wrote this policy

I never planned to write a public policy.

I sat in a corporate "Future of Work" presentation where a consultant calmly explained how AI would replace 26% of New Zealand jobs by 2027. When I asked if we'd need Universal Basic Income to support those affected, he said: "Probably, but that's not my job. And it's not yours either."

I kept thinking about that answer. I looked into the research to understand what's truly coming for us, and the data suggests an even bleaker picture - that up to 47% of our jobs in Aotearoa will be automated by 2030. No one in power seems to be planning for what's coming. So I started writing.

I used AI to help design a policy to survive AI. It's principled, practical, and fully costed.

No one else is sounding this alarm for Aotearoa, so here I am. Now I need some company.

Ash Harder

What it is

The Prosperity Deal is a bold but pragmatic UBI policy designed to:

- Cushion the economic shock of urgent, oncoming AI-driven job displacement
- Recognise unpaid, cultural, and ecological labour
- Create a Treaty-based model for co-governance and contribution
- Allow citizens to enjoy the benefits of technological progression, and
- Build a resilient social foundation before disruption becomes crisis.

Core Features

- Tiered UBI structure:
  - Universal base payment for all adults ordinarily resident in New Zealand
  - Additional tiers for recognised contribution (e.g. caregiving, cultural work, retraining)
- AI-triggered levy mechanism to fund transition from capital over labour
- Integrated recognition of non-waged work across whānau, marae, and environmental restoration
- Localised pilot rollout in Whanganui and Murihiku, co-designed with iwi
- Failsafe policy design including legal entrenchment, fiscal buffers, and public-facing transparency tools.
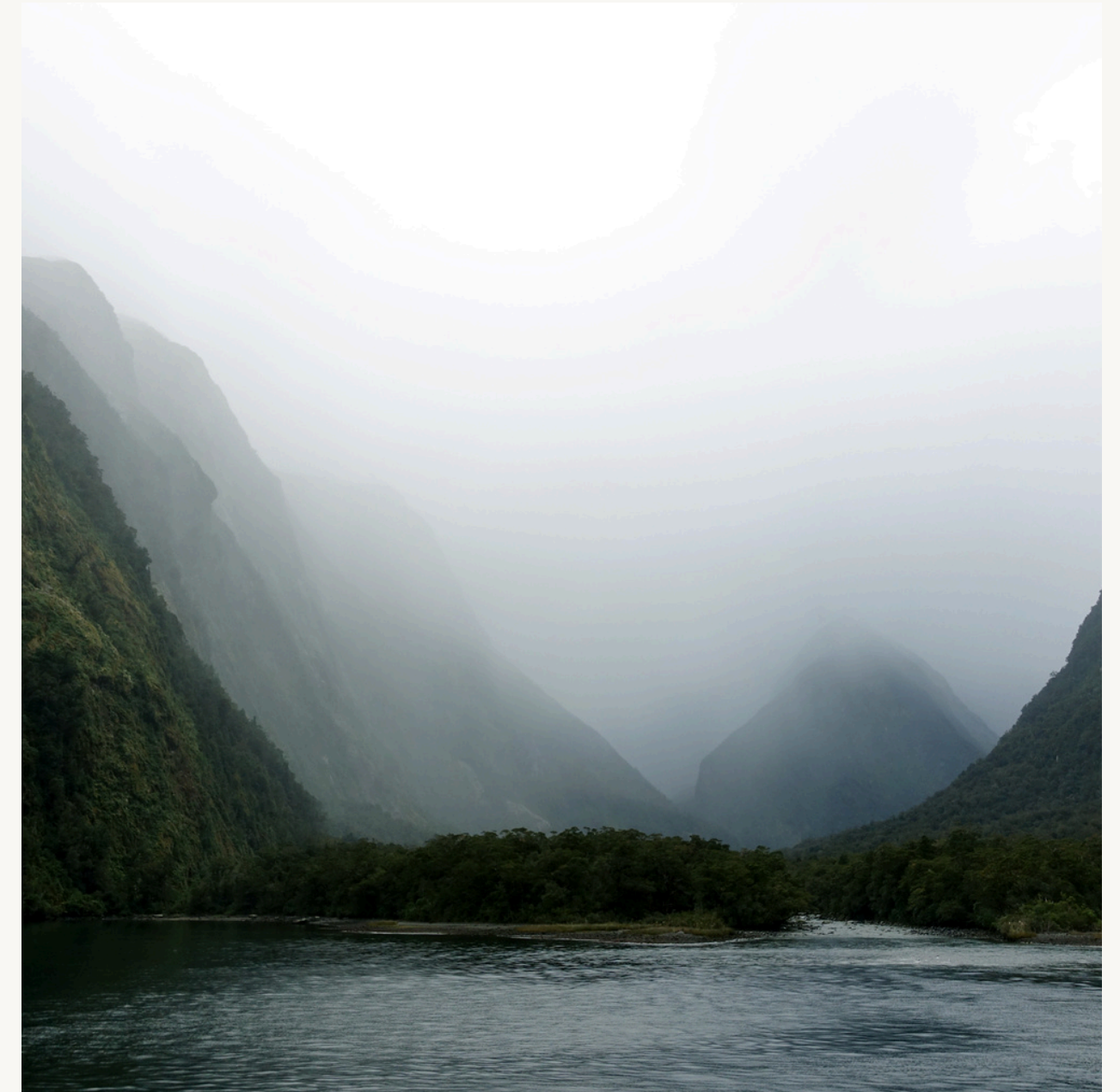
We have 5 years

Key Automation Forecasts (2025–2040)

- 14% to 47% of jobs are at risk of being automated by 2030, depending on sector and region.

- Over 800 million jobs globally could be displaced by 2030 (McKinsey-style estimates backed by modeling).

- By 2040, entire categories of cognitive and physical jobs may be obsolete due to AI and robotic process automation.

- High-skill reskilling cannot keep pace with forecasted displacement.

- New Zealand's automation risk aligns closely with OECD averages, but rural and primary industry sectors (e.g., agriculture, forestry, logistics) are particularly vulnerable. The speed of transformation is high, while reskilling infrastructure lags, particularly in regional areas.
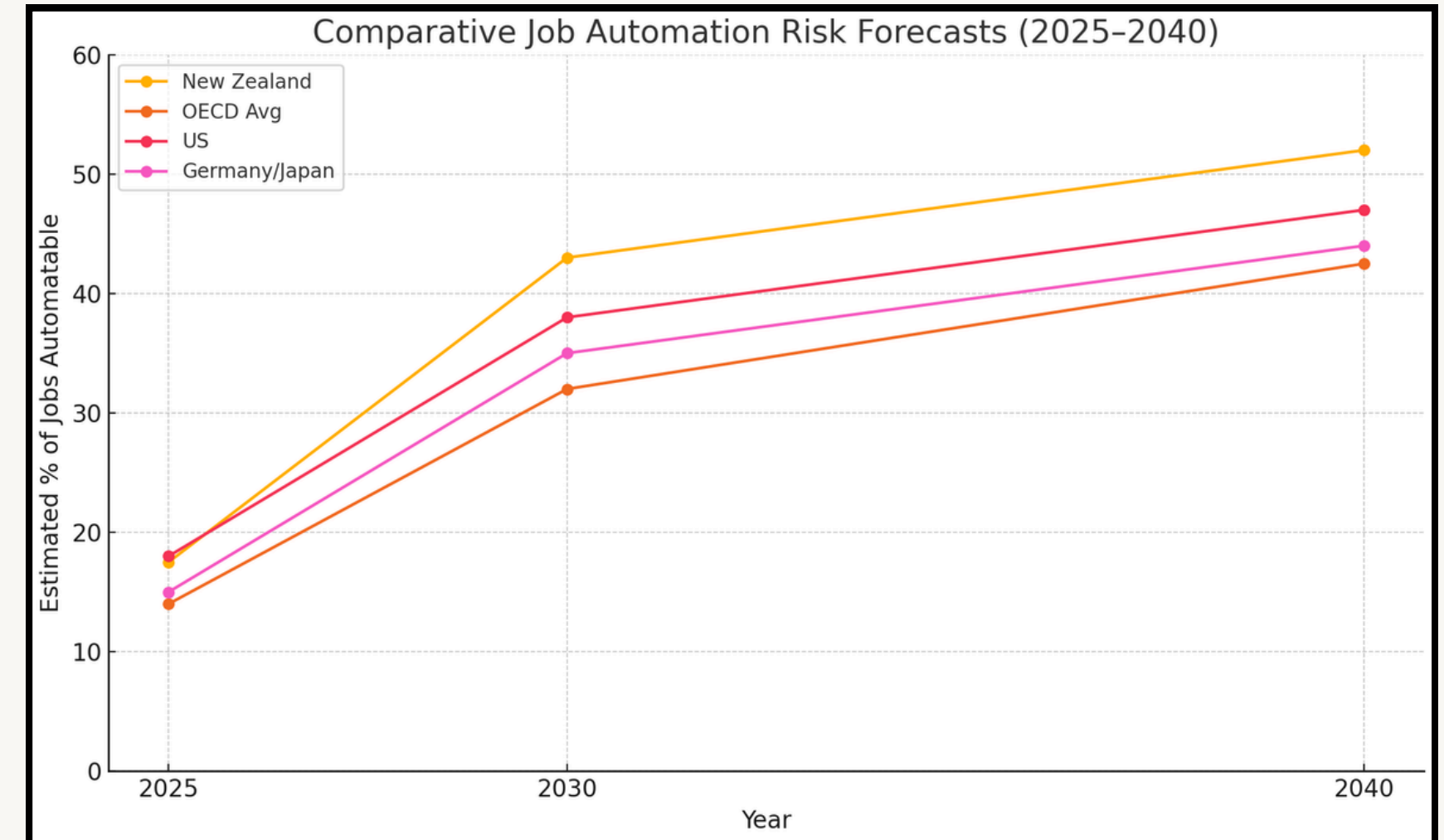
Source: Goldin, I. (2020). Technology and the Future of Work. NYU Center on International Cooperation.

Agentic AI: it's different.

Agentic AI refers to artificial intelligence systems that can autonomously take initiative, pursue goals, and complete multi-step tasks across tools and platforms—without constant human prompting.

Unlike traditional automation, which follows predefined rules or single-task scripts, agentic AI can plan, decide, and act—for example, researching options, booking appointments, updating systems, and sending reports as part of a single workflow.

This shift makes it capable of replacing entire white-collar job functions, not just isolated tasks.

Before Agentic: Roles at risk of automation:

Role:	Risk Drivers
Manufacturing & Assembly	Robotics and process automation
Warehousing & Logistics	Autonomous vehicles, sorting, and inventory AI
Retail (esp. cashiers)	Self-checkout, AI-assisted customer service
Data Entry & Admin roles	NLP-based automation, RPA (Robotic Process Automation)
Basic Accounting & Payroll	AI audit tools, smart finance platforms
Transportation (esp. drivers)	Autonomous vehicles, routing AI
Customer Service (call centers)	AI chatbots, LLM-based support tools
Food Service (fast food prep)	Kitchen robotics, AI order systems

After Agentic: Additional roles at risk of displacement

Role:	Why Agentic makes them high-risk
Administrative Support / Executive Assistants	Calendar planning, travel booking, document prep can now be agent-automated
Legal Research / Paralegals	Agents can parse documents, flag legal risk, draft filings
Financial Analysts (entry-mid level)	Agents can generate models, run forecasts, summarise earnings reports
Tech Support / Tier 1 Help Desks	Agentic LLMs handle multi-turn, tool-integrated diagnostics
Project Coordination Roles	Timeline management, task assignment, progress tracking now automatable
Entry-level Software Developers	Agents can generate, test, and debug small software components end-to-end
Marketing Ops & Campaign Managers	Agents can run A/B tests, adjust budgets, generate copy, track metrics

Won't AI create more jobs than it displaces?

Sadly, not without policy intervention.

What *Was* True (Pre-Agentic AI)
- Historically, tech revolutions displaced jobs but created more
- Example: internet, robotics, mobile → led to new industries
- Early AI followed this pattern — augmenting, not replacing

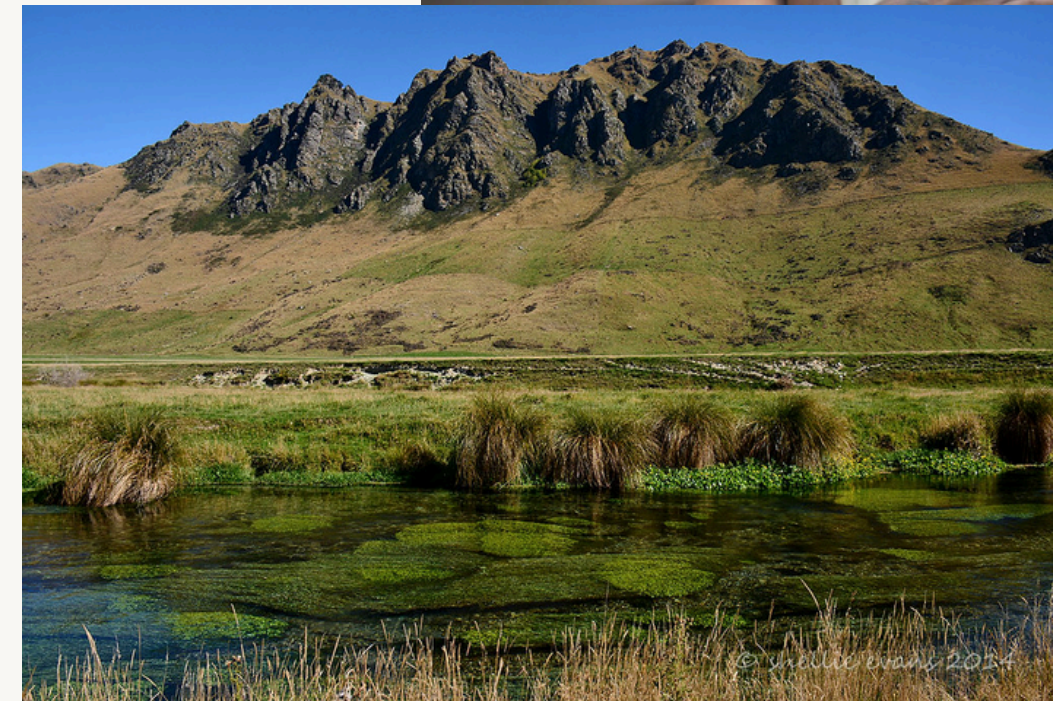**What's Changed With Agentic AI**
- Automates entire workflows, not just tasks
- Replaces multi-role functions (e.g. admin + ops + reporting)
- Rapid deployment across white-collar sectors.
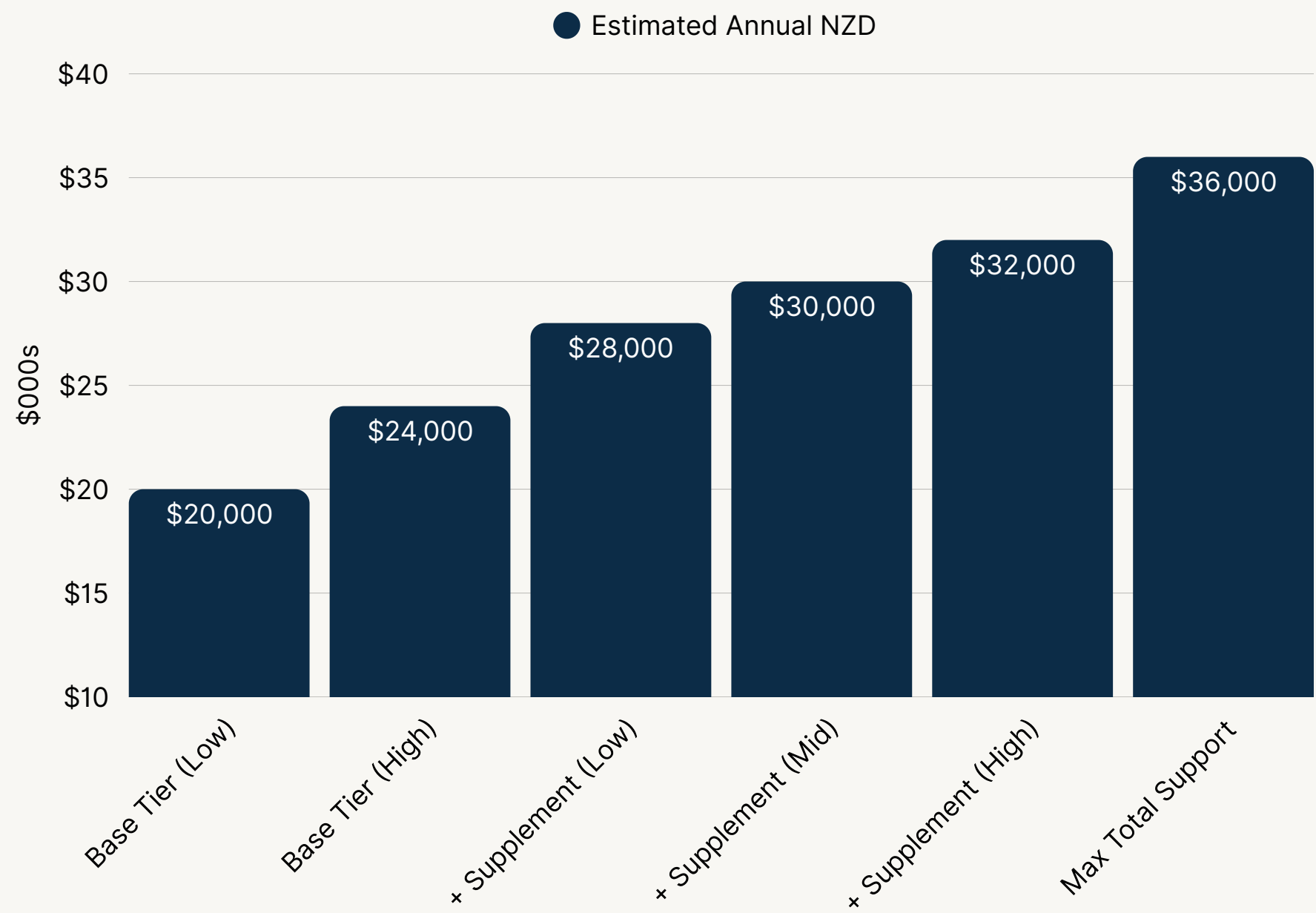
The Reality Now
Without strong policy action, AI—especially agentic AI, is likely to cause net job losses in the medium term, particularly in white-collar and mid-skill sectors. It risks deepening workforce polarisation, where high-income, AI-literate jobs grow while many mid-level roles disappear. This could lead to widespread underemployment, instability, and downward pressure on wages. However, with the right mix of policy, retraining, and innovation, AI can still enable job growth, particularly in sectors like care, climate adaptation, and the creative economy.

What makes The Prosperity Deal different

- Goes beyond ideology—framed for political viability, not just moral clarity
- Offers a scalable, phased implementation starting with pilot regions
- Links AI disruption, inequality, and social cohesion in a single policy platform
- Grounded in Te Tiriti o Waitangi, with co-governance across all levels.

The Tier System

● Estimated Annual NZD

Chart: Estimated Annual NZD by tier ($000s)
- Base Tier (Low): $20,000
- Base Tier (High): $24,000
- + Supplement (Low): $28,000
- + Supplement (Mid): $30,000
- + Supplement (High): $32,000
- Max Total Support: $36,000

Universal Base Tier:
The Prosperity Deal affirms the principle that every person matters. To reflect this, a universal base tier of UBI is granted to all ordinarily resident citizens, regardless of employment or contribution status. This ensures no one is left out due to temporary hardship, illness, displacement, or life transition. This base tier is funded from baseline tax sources to ensure year-on-year reliability, even in periods of low automation displacement.

Supplementary Payments
Above the base tier, supplementary payments are available for individuals who demonstrate meaningful contribution—either through essential paid roles or through recognised unpaid civic, care, or cultural work. This layered approach balances universal dignity with recognition of contribution, without penalising those who cannot participate due to disability, trauma, caregiving, or economic exclusion.

Meaningful contribution is recognised broadly, including:
- Full-time unpaid caregiving
- Community volunteering
- Apprenticeships and retraining
- Environmental restoration
- Cultural, artistic, or educational work

Revenue and funding

The UBI system is funded through a diversified portfolio of taxes, levies, and sovereign investment mechanisms designed for fairness, scalability, and digital-era resilience.

Anchor Mechanism: AI Displacement Contribution
- Tiered levy on profit increases tied directly to job losses through automation
- Scales from 5% to 20% depending on the scope of displacement
- Backdated 12 months to prevent preemptive automation
- Estimated yield: $10B–$22B annually by Year 5

Sovereign AI Licensing
- Tiered licensing fees on all AI systems deployed at commercial scale
- Includes small flat Universal AI Tax for all businesses using advanced AI tools
- Estimated yield: $2–4B annually

Wealth & Land-Based Revenue
- Wealth & high-income surtax: $20–24B/year
- Land Value Tax (LVT): $10–14B/year
- Progressive Landlord Contribution (3+ properties): $2–6B/year

Market Movement Contributions
- Financial Transaction Tax (FTT): $4–6B/year
- Digital Platform Dividend: $0.5–1.3B/year
- Corporate Polluter Contribution: $5–7B/year

Innovation-Aligned Buffers
- Sovereign AI Investment Fund: grows from $1B to $4B/year
- Crowdfunded UBI Bonds: public or institutional buy-in
- Sector Sponsorship Pools: optional private contributions for workforce transitions

International Alignment & Digital Tax Coordination
The Prosperity Deal recognises that AI and digital platforms are global forces—and that national-level policy must be aligned with evolving international standards to remain effective and credible.

Alignment Initiatives:

OECD Frameworks: New Zealand will align its Digital Platform Dividend and AI system licensing protocols with ongoing OECD efforts to tax global tech giants fairly across jurisdictions.

Multilateral Engagement: The Public Dividend Office and Inland Revenue will participate in exploratory discussions to develop a Multilateral AI Governance Treaty, ensuring consistent ethical and fiscal norms for AI deployment worldwide.

Safe-Harbour Provisions: Foreign companies contributing to UBI through recognised Prosperity Contributions may be eligible for bilateral tax recognition agreements, reducing double-taxation risks.

Costs and projections

Pessimistic Revenue Scenario

Category	Amount (NZD)
UBI Payouts	$76.5 billion
Education & Training	$8.0 billion
Administration & Civic Programs	$8.5 billion
Total Costs	$93.0 billion
Adjusted Revenue (70%)	$73.92 billion
Shortfall	−$19.08 billion

Moderate Revenue Scenario

Category	Amount (NZD)
UBI Payouts	$70.4 billion
Education & Training	$7.25 billion
Administration & Civic Programs	$7.25 billion
Total Costs	$84.9 billion
Adjusted Revenue (85%)	$89.76 billion
Surplus	$4.86 billion

Optimistic Revenue Scenario

Category	Amount (NZD)
UBI Payouts	$64.5 billion
Education & Training	$6.5 billion
Administration & Civic Programs	$4.5 billion
Total Costs	$75.5 billion
Total Revenue	$105.6 billion
Surplus	$30.1 billion

Current status

- 90% written, with accompanying communications strategy

- Now seeking policy feedback, public-facing partners, and refinement prior to release

- Website and promotional material ready to launch following peer review.

Ready to read the full policy?

Get in touch

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