



Australian Community Futures Planning

What is ACFP’s proposal for an Australian Public Interest Collaboration?

February 2026

In *The Public Interest Economy*, ACFP’s Founder Bronwyn Kelly proposed an **Australian Public Interest Collaboration**. This is a program for remaking Australia's economy so that it works in the public interest. More specifically, it is a democratic program of collaborative national planning to develop a social new deal between Australians and their governments aimed at securing:

- services essential for wellbeing,
- the welfare and prosperity of Australians, and
- a fair and resilient economy.



Use this Q&A sheet to find out all about the Australian Public Interest Collaboration.

Contents

About *The Public Interest Economy* 2

What is the proposal in *The Public Interest Economy* for an Australian Public Interest Collaboration? 3

Why do we need to collaborate to build an economy in the public interest? 3

Why should we start the Collaboration with a conversation about a UBI and tax reform? 4

Why is a social new deal necessary and how difficult will it be to establish? 4

Will a social new deal mean that Australians should pay more tax? 5

How essential is a social new deal to the creation of a public interest economy? 5

How might the terms of a social new deal be developed?..... 5

How challenging will a social new deal be for governments? 6

Can government reluctance about a UBI be overcome? 6

How might we travel safely to a public interest economy? Are there financial barriers? 7

How can the government show commitment to the Collaboration?..... 8

How might an Australian Public Interest Collaboration be sequenced? 9

What are the risks for parties to the Collaboration? 10

Related papers and supporting information 10

About *The Public Interest Economy*

First published, January 2026, under the title:

The Public Interest Economy: the path to wellbeing, security and sustainable consumption in a democratised Australian economy

The Public Interest Economy offers Australians a safe path to wellbeing, economic security and a sustainable natural environment by showing how they can use democratic processes to design their preferred economy.

It shows how they can collaborate to develop plans for safe travel to a better future where no-one will fall into poverty or pay more than their fair share of tax, and where there is full employment in satisfying work.

It also shows how an economy can be built in which there is income security, stable prices, equality of access to services sufficient for everyone's wellbeing, and patterns of consumption and production that are sustainable within the limits of our human and natural resources.

In addition to several proposals for remaking Australia's economy in the public interest, including those for:

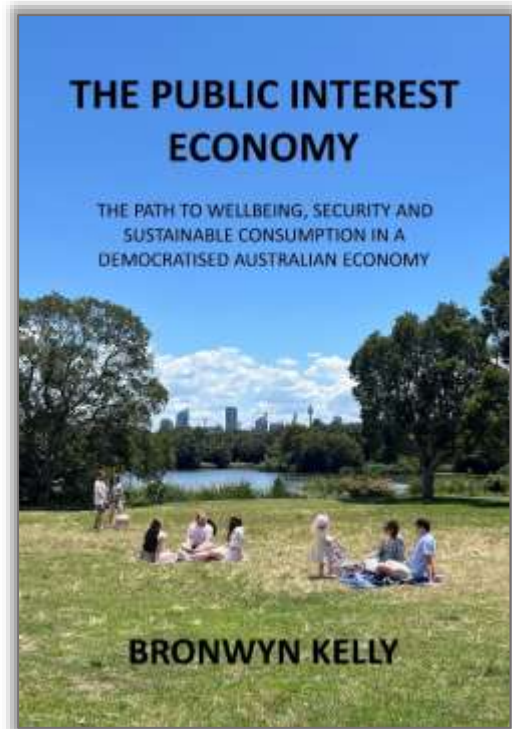
- reform of macroeconomic policy and governance, including removal of reserve bank independence;
- democratisation of the economy by use of National Integrated Planning & Reporting (National IP&R) and the making of a National Accord on Wealth, Welfare and Wellbeing;
- introduction of a universal basic income (UBI); and
- a range of reforms to the composition and competitiveness of the Australian economy,

The Public Interest Economy also features a detailed five-year program and timetable for an Australian Public Interest Collaboration. This is a program for remaking Australia's economy so that it works in the public interest. More specifically, it is a democratic program of collaborative national planning to develop a social new deal between Australians and their governments aimed at securing:

- services essential for wellbeing,
- the welfare and prosperity of Australians, and
- a fair and resilient economy.

Details and a timetable for the proposed Australian Public Interest Collaboration are shown below.

[Read *The Public Interest Economy* here.](#)



What is the proposal in *The Public Interest Economy* for an Australian Public Interest Collaboration?

The Australian Public Interest Collaboration is a proposal for a five-year program of conversations between Australians and their governments organised around the topic of creating an economy that secures both welfare and wellbeing. These conversations can lead to a new social contract between Australians and their governments. They can be the forums in which Australians can work out the terms of what in Chapter 5 of *The Public Interest Economy* was called a “social new deal.”

The basic premise of these conversations would be that if the economy could be organised to support – or indeed, guarantee – both welfare and wellbeing for everyone, then the combination would amount to a public interest economy. The program of conversations would enable a smooth transition away from the sort of economy preferred under neoliberalism to a new economy that Australians can agree is viable and fair in the public interest. The idea of a program of collaborative conversations was suggested so that Australians could work out both:

- the terms of a deal on which that new economy could be established; and
- the safe, practical paths towards it.

The dominance of neoliberalism in Australian economic policy was identified in *The Public Interest Economy* as the cause of the very significant decline in the wellbeing of Australians since 2000 and the simultaneous growth in poverty and wealth inequality. **The social new deal that we might expect to be able to agree on in the proposed Collaboration is an antidote to neoliberalism, especially insofar as it will give Australians security of funding for services essential to their wellbeing.**

Why do we need to collaborate to build an economy in the public interest?

Australians will not be able to build an economy that works in their interests unless they can work out the terms of a new deal with their governments for their economic and financial security. If we are to establish a public interest economy, a trade will need to be made between Australians and their governments – a trade in which the government promises to secure our welfare and wellbeing in exchange for tax reform. That sort of deal is unlikely to get off the ground unless it is made by a collaboration between Australians as political equals on one side and the government on the other side. It’s also unlikely to be made if the government is not willing to have a conversation with Australians about:

- a universal basic income (UBI), and
- tax reform.

A national conversation to design and establish a UBI and to account for any of its inflationary effects through reform of taxation would be the best first step in a collaborative program to establish a public interest economy. In fact a national conversation to design a UBI in tandem with tax reform is probably the only place where it would be feasible to start the transition to a public interest economy.

Why should we start the Collaboration with a conversation about a UBI and tax reform?

The practical and political reality for Australia is that we can't reasonably expect that a fair deal can be made with governments to build an economy that secures the spending necessary for their welfare and wellbeing unless in the deal process and in the deal itself,

- we increase the confidence of Australians that all necessary public monies will henceforth be spent on their wellbeing and that they will not be made to suffer financially for that; and
- we simultaneously increase the confidence of governments that they will not be walloped at the ballot box for increased public spending and for introducing any new taxes that may be required for economic stability.

A national conversation to design a UBI is likely to be the only place in which that deal can emerge in such a way as to make all parties feel safe in the making of the deal. It is the only place where the deal can be done, because it is the only conversation that will enable both parties to secure what they want without fear of loss.

What Australians want is income security. What governments want is tax reform. Neither party is likely to get what they want unless they have a conversation about a UBI and the tax reforms that will be necessary to stabilise the economy. This conversation is a circuit breaker, a point where we can safely call a truce in the battle between Australians and governments on public spending and taxing – a battle in which neither side has had a win since the rise of neoliberalism in Australia. With neoliberalism, the only winners have been the multinational corporations and high wealth individuals who have redesigned tax so that corporate welfare has ballooned and public subsidies and taxes are now arranged to the detriment of human wellbeing and natural resource conservation.

With a social new deal crafted jointly by collaboration, both the government and the community will win.

Why is a social new deal necessary and how difficult will it be to establish?

Australian citizens must get a new deal in place with the government before they can expect to transition to a public interest economy. We need to do that so that our future wellbeing and prosperity are secured before it is too late to insulate the economy from the impending ravages of climate change. However, the deal will be a test of courage for all parties because it will require an agreement about a new arrangement of tax.

Tax reform is an essential component of the deal, not because we need tax to fund services. As shown in *The Public Interest Economy*, we do not need tax for that purpose at all. Tax reform is necessary instead to help us select the taxes that will stabilise the economy, control inflation and ensure essential resource conservation and renewal. We can't build a public interest economy without re-arranging tax and also re-arranging who pays each tax so that the burden of stabilising the whole economy is fairly shared. That burden has not been fairly shared in the 21st century; but we can remedy the problem if we design a UBI with fair personal income tax and other taxes designed to prevent the inflation that arises from excessive consumption of scarce resources.

Will a social new deal mean that Australians should pay more tax?

In Chapter 5 of *The Public Interest Economy*, it was shown that a social new deal that operates as a trade of a UBI in exchange for tax reform, is likely to involve higher tax in total for Australians. The extent of any increase in total tax will depend on how clever we all are at finding the best ways to fairly distribute the tax burden so that it stabilises inflation.

But regardless of what is jointly decided about tax, the likelihood is that if a UBI is introduced, net incomes after tax will rise for all Australians. It all depends on how we choose to arrange tax in these conversations. Net incomes are likely to rise substantially for the least well off, as can be seen in Appendix 2 of *The Public Interest Economy*. But regardless of the extent to which net incomes may rise, a conversation about tax – or more specifically, how to fairly share out the burden of the taxation necessary to control inflation – is the clincher in any deal enabling us to establish a public interest economy. **Conversations about a UBI will need to result in a really good design of an integrated welfare and tax system that increases the confidence of Australians that they will be taxed fairly in future and in such a way as to secure their wellbeing and prosperity – permanently.**

How essential is a social new deal to the creation of a public interest economy?

In Chapter 5 of *The Public Interest Economy* it was envisaged that the terms of a social new deal that could be worked out by entry into conversations to design a UBI would function as an essential forerunner to the establishment of a public interest economy – one where everyone's welfare and wellbeing is secured. In fact, the absence of the deal is what is holding up our transition to that sort of security. Most Australians would think it is a scarcity of money that is blocking us from securing our welfare and wellbeing. But it is really only the absence of an agreement about how national wealth is raised and shared that is holding us back. A conversation to design a UBI will release us all from that impasse, especially if it is conducted in the context of the sort of principles of fairness outlined in the **National Accord on Wealth, Welfare and Wellbeing** suggested in Chapter 3 of *The Public Interest Economy*.

How might the terms of a social new deal be developed?

The social new deal that can be built in conversations to design a UBI can be specified in very simple terms if the conversations themselves are conducted on the assumption that the government will be open to the idea of introducing a UBI. In other words, a deal can be specified as a straightforward trade if all parties presuppose that a UBI set at or above the poverty level will not be ruled out from the beginning by the government. If it is not ruled out, Australians will be able to offer an excellent deal to the government. They will be able to say

OK, we'll unlock the barriers to tax reform if you agree to fully fund our welfare and wellbeing.

This is a simple, safe and life changing trade. Effectively, it releases every Australian from the threat of falling into financial difficulty and especially protects them from being unable to afford all life's essentials. It gives them, on one hand, financial autonomy, and on the other hand, an underlying guarantee of access to essential services. The combination puts them in charge of their own individual destinies. It puts them in the driver's seat on the path to their preferred future. It opens the door to everyone for full participation in the economy. From this position, Australians can be

confident that there will be no risk associated with whatever tax reforms they might endorse. And governments can be confident that there will be no political or economic risk associated with whatever increased spending may be required for wellbeing.

How challenging will a social new deal be for governments?

A social new deal of this type will require Australian governments to completely change the way they think about how the economy can be responsibly managed. As shown in detail in *The Public Interest Economy*, the deal will require them to suspend – or rather, fully repudiate – their long-held belief that we can only do what we can afford. They will need to dispense with statements like “we can’t fund every good idea”¹ and accept the truth that they can. More particularly, they will need to accept that [a government is not like a household](#) and that, indeed, if a government insists on behaving like a household, it will actually be acting *contrary* to the public interest.

In effect, the government and its economic advisors will need to accept that a fiat currency issuing government can create as much money as we need and that there will be no economic risk to this creation of money as long as we do not try to spend it in unsustainable patterns – in other words, as long as we do not permit ourselves to overconsume our scarce resources and we spend in patterns that ensure all human and natural resources can always be renewed to a healthy standard. Governments will also need to accept that they, and not the reserve bank or the private sector, are in the driver’s seat of the economy; and that sitting in that seat will require them to use tax (not interest rate adjustments) to control any overconsumption of scarce resources that does arise. A well designed UBI can give them the freedom and courage they need to use tax for that proper purpose.

Admittedly, it will be an uphill battle to change the mindsets of governments in this regard. Most of the technocrats and politicians in charge of Australia’s economy will be unlikely to suspend their beliefs about the need for governments to behave like a household – at least during the early stages of conversations about a UBI. Neoclassical economics and false theories of money as a limited commodity that is created by someone other than governments are still too deeply ingrained in their thinking and this may not permit much in the way of a preparedness to openly consider a UBI upfront. Indeed, in 2025 Australia’s Treasurer Jim Chalmers was dead set against the idea. Universal income security was not his favourite policy setting. (See why he was wrong in Chapter 5 of *The Public Interest Economy*.)

However, if the conversations are led by the community, it may be possible to slowly break down this resistance to change in Canberra’s economic elite, especially if the community is prepared to offer tax reform. Eventually, the government may realise that it can achieve tax reform, free of political and economic risk, if it accepts the offer of the social new deal that the community can construct in a design process for a UBI and tax reform.

Can government reluctance about a UBI be overcome?

Regardless of whether Australian governments are persistent in their reluctance to engage with Australians about a UBI, there is no reason why Australians should deny themselves the opportunity to hold conversations to design a UBI, replete with fair arrangements for taxation and fair distribution of public spending on services for wellbeing. After all, why should Australians short-change themselves when they need not?

¹ Jim Chalmers, Australian government media release, Treasury portfolio, [Release of Economic Inclusion Advisory Committee report](#), 18 April 2023, <https://ministers.treasury.gov.au/ministers/jim-chalmers-2022/media-releases/release-economic-inclusion-advisory-committee-report>

That said, if Australians are to commit their time to engaging in a conversation to design a UBI, it would be helpful if the government were to show at least some level of commitment to the process. There are several ways the government can show support for these conversations, even if it is not all that inclined to openly countenance the idea of a UBI. One option is to offer federal funding to support the conversations about a UBI. Public conversations are not expensive and governments fund engagement programs all the time. One more will make little or no difference to their budget bottom line.

But another and far more valuable option for showing its support would be for the government to develop a program of its own to increase spending on wellbeing, regardless of whether a UBI is to be introduced. And there would be no better place to start than to **reintroduce fee-free tertiary education**. That reform would be the single most important step that any government could take if it really wanted to overcome the depredations of neoliberalism and set Australia's economy on a safe path towards the public interest.

How might we travel safely to a public interest economy? Are there financial barriers?

As noted in *The Public Interest Economy*, fee-free tertiary education is essential if Australia is to restore its stocks of the human resources necessary for sustainable economic expansion; it's necessary to restore the backlog of vital services in teaching itself but also in health, aged care, childcare, disability services, housing construction, and a raft of other services that form the foundation of the economy. Fee-free tertiary education on a lifelong basis for anyone who wants it is essential if Australians want a sustainable economy.

- Businesses should call for it because an educated workforce is essential to their profits.
- Students should call for it because they will no longer be saddled with the debt they suffer under the fee system.
- Bankers should call for it because unless everyone is trained and educated for the purpose of sustainable production there will be no one for them to lend money to and therefore no one who can pay them interest.
- And governments should call for it because it's a winner with voters (especially young voters) and can be achieved with no detriment either to the federal budget or the national economy. There are no financial barriers.

The practical reality in a fiat currency economy is that the government can create as much money as it likes for education, although, as will be shown below, it will need to do this in a certain sequence and pace because Australia has been running down its education sector and it will take time to bring it back up to the level that we need for maximum economic and workforce participation.

That sequence of reform can be safely scoped and implemented if we start with a dual program of activity integrated under the banner of an **Australian Public Interest Collaboration**. If the government were to countenance the option of reintroducing fee-free tertiary education and if at the same time the Australian community were to lead its own discussions on a UBI, this could form a foundation for what we might call a **two-channel Australian Public Interest Collaboration – two parallel processes where:**

- on one side, using conversations to design a fair UBI integrated with tax reform, Australians concentrate on working out the terms of the social new deal they are prepared to offer the government; and

- on the other side, in anticipation of a deal on tax reform, the government plans out a program of increased spending on services essential for wellbeing, starting with fee-free tertiary education.

How can the government show commitment to the Collaboration?

Australians have a massive interest in being able to strike a social new deal before the capacity of their economy to deliver wellbeing is irreparably destroyed by the coming change in climate on the planet. That being so, it would be good if the government reciprocated by demonstrating at least some genuine commitment to establishing a public interest economy.

The safest way for a government to do that would be to reintroduce fee-free tertiary education. Strictly speaking, this need not require the government to reintroduce fee-free tertiary education immediately, although it would be helpful for the government's reputation if it did. It would demonstrate the government's credentials as a good faith partner with the Australian community in the Collaboration. This would be a better starting point for development of a social new deal than, say, a process which required the community to participate in collaborative design of a UBI without any optimistic prospect that the government might consider the deal. Some demonstration by the government of openness to reform would increase the community's confidence that their efforts will not be wasted; and **there is probably no better demonstration of an openness to reforms for the public benefit than reintroduction of fee-free tertiary education.** It would set everyone into a positive frame of mind about what we can achieve by collaboration. A commitment to bring forward funding that will bring public schools up to the School Resourcing Standard by 2030 (instead of by 2034 as was announced by the federal government in 2025²) would also function as a demonstration of good faith partnership by the government.

Aside from that benefit, though, **there are very good reasons in economics as to why fee-free tertiary education should be reintroduced at the start of the Collaboration.** This relates to the need identified in Chapter 4 of *The Public Interest Economy* to correct for the backlog in tertiary education services and, importantly, to correct that *ahead* of the introduction of a UBI – probably three to five years ahead of it. This is because a UBI is likely to result in a significant increase in demand for tertiary education and it would be inadvisable to build up demand for education that cannot then be met because there is a shortage of teachers. The government needs to correct that problem so that when demand for education surges, as it will if everyone has a UBI, the teachers are available.

We might anticipate that it could take up to three years for Australians to conduct conversations that will result in a good design for a UBI matched with fair tax reforms that stabilise inflation. But when they arrive at that point, the government must be ready to ensure that they can spend as much of it as they want to on the essentials – and education is the most likely candidate, alongside health and housing. If those services aren't there it will increase the likelihood that the UBI will be spent on inflationary items rather than on non-inflationary production. This makes it imperative to get the price of education down well ahead of the introduction of a UBI and the attendant tax reforms. Hence the suggestion of the immediate introduction of fee-free tertiary education. It is as vital to unlocking the economy as a UBI is to unlocking equality of access to education and participation in the economy.

² Australian Government, Department of Education, [The Better and Fairer Schools Agreement \(2025-2034\)](#), last accessed 15 October 2025.

How might an Australian Public Interest Collaboration be sequenced?

The following diagram provides some general indications of how the Collaboration could be organised sequentially if it was established as a *joint* commitment to collaboration by the Australian community and the federal government. This sort of program would be possible if capital city and major regional councils took on responsibility for organising the community's side of the Collaboration. It is accepted that neither the federal government nor capital city and major regional councils may consent to these roles, but there is no doubt that they have the resources – financial and human.

The sequence should not be taken to suggest that the Collaboration will reduce the independence of the community's side of activity. It will be essential to maintain the independence of the community's conversations about a UBI. The federal government will need to commit to assisting the community groups with technical and background information but the conversations themselves must be community led.

The program is expected to take five years. More detail is to be included but the general concept offers a safe and practical path to security for Australians and their economy.

A feasible sequence for an Australian Public Interest Collaboration		
	The community	The government
Year 1	<ul style="list-style-type: none"> Joint design of the Australian Public Interest Collaboration, including a description of its purpose and the commitments of the parties. <ul style="list-style-type: none"> Ideally the purpose might be described as building a social new deal between Australians and the government for our economic and financial security. Capital city and major regional councils may represent the community in the joint design stage of the Collaboration. Announcement of the Australian Public Interest Collaboration. Marketing of the program encouraging all Australians to become involved. 	
	<ul style="list-style-type: none"> Preparation for a national community led conversation for collaborative design of a universal basic income (UBI) integrated with tax reform, including processes for assembling the conversations, the methodology for use in the conversations, and issue of expressions of interest for participation in the conversations. Call for expressions of interest for participation in conversations to design a UBI. Scheduling of conversations in all states, and territories. 	<ul style="list-style-type: none"> Preparation of a program of government commitments to expand spending on wellbeing, preferably leading with introduction of fee-free tertiary education and an acceleration of funding to bring public schools up to the SRS. This program should be developed recognising that if a UBI is introduced, Australia will need to ensure it has sufficient human capacity to deliver services essential for wellbeing, in line with the expected growth in demand for both the services and for the opportunity of economic participation.
Year 2	<ul style="list-style-type: none"> Conversations on the design of a UBI commence and run for as long as necessary. 	<ul style="list-style-type: none"> Fee-free tertiary education commences. This may also coincide with a program to abolish all past student debt. The government ensures universities are funded to cater to Australian students. Costs of teaching are guaranteed to be covered by the federal government.
Year 3	<ul style="list-style-type: none"> Results of the conversations to design a UBI integrated with tax reform are summarised as a viable economic arrangement and the terms of a social new deal are drafted. 	<ul style="list-style-type: none"> The government considers the community's offer of a social new deal.

A feasible sequence for an Australian Public Interest Collaboration		
	The community	The government
	<ul style="list-style-type: none"> Whatever the community is prepared to offer in the social new deal is put to the government for consideration. 	
	<ul style="list-style-type: none"> Joint consideration of the social new deal. Joint consideration of the viability of the designed UBI. 	
Year 4	<ul style="list-style-type: none"> Assuming agreement is reached about all the items being traded in the deal, the parties jointly determine the timing of introduction of the designed UBI and associated tax reform. 	
Year 5	<ul style="list-style-type: none"> Introduction of the UBI as designed. 	

What are the risks for parties to the Collaboration?

There is no risk to the community in entry into the Collaboration. If, however, the government has committed itself upfront to reintroducing fee-free tertiary education in Year 2 of the program, it is likely to perceive a risk to its fiscal sustainability, inasmuch as it will have increased its expenditure before it has secured tax reform.

However, as shown in *The Public Interest Economy*, the government can easily fund these increased expenditures for education with or without tax reform and there is no risk to either fiscal or economic sustainability arising from expenditure on the essentials of wellbeing. The returns to the economy will always be positive, especially as they will arise from the increased participation in the economy made possible by education. If the government adds to that advantage by accepting the offer of a social new deal, including a UBI integrated with tax reform, participation in the economy will rise even further.

Political risk to the government ought to be considered to be zero. At the very least, the risk of entry into open collaborations with Australians as partners in democracy is significantly less than the risk of not treating Australians as worthy of a better deal than they have been getting under the economic arrangements that in the 21st century have been dominated by adherence to neoliberal policies and exclusion of Australians from participation in decisions about their own economy.

Related papers and supporting information

Australian Community Futures Planning has produced a range of papers that will support any participants in the Australian Public Interest Collaboration. For detailed information on:

- the rationale for and benefits of a **National Accord on Wealth, Welfare and Wellbeing** – an agreement about principles that might guide participants in decisions on the economy – see
 - Chapter 3 of *The Public Interest Economy*, and
 - the ACFP Fact sheet called [What is the proposal in Australia Together for a National Accord on Wealth, Welfare and Wellbeing?](#)
- the rationale for and benefits of a **universal basic income**, see
 - Chapter 5 of *The Public Interest Economy*, and
 - the ACFP fact Sheet called [What is the strategy in Australia Together for a universal basic income?](#)
- the feasibility of **tax reform**, see Chapter 4 of *The Public Interest Economy*.

Further questions may be forwarded to ACFP at info@austcfp.com.au
Become involved in building a plan for a better Australia at ACFP: www.austcfp.com.au