

Submission  
No 37

## INQUIRY INTO ARTIFICIAL INTELLIGENCE (AI) IN NEW SOUTH WALES

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# Legislative Council Inquiry into Artificial Intelligence (AI) in NSW

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NSW Government Submission to Portfolio Committee no. 1 –  
Premier and Finance

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Legislative Council Inquiry into Artificial Intelligence (AI) in NSW

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# 1

## Artificial Intelligence (AI) in NSW

## 1.1 Introduction

The NSW Government welcomes the opportunity to make a submission to the Portfolio Committee No. 1 - Premier and Finance in relation to its inquiry on Artificial Intelligence (AI) in NSW. This Whole-of-Government submission has been prepared by the Department of Customer Service.

This submission provides consolidated factual information about NSW government policy, frameworks and governance mechanisms for the oversight of AI and its potential for public good. It also highlights the opportunities and risks and provides illustrative examples of projects or programs that use AI in the NSW Government.

### **The NSW Government is committed to using the AI Assurance Framework to ensure responsible and ethical AI development and use.**

The key component of the NSW approach to AI is to build public trust that data and decisions are being used and developed ethically and responsibly and with a clear focus on community outcomes. The NSW government is focused on putting the community at the centre of everything it does to achieve high quality outcomes and world-leading customer experiences.

Demand by citizens for timely and responsive decisions to developing issues and better digital experiences with government is growing. AI is already embedded in many parts of our society, including in government. As AI technologies emerge and evolve, the NSW Government is taking a risk-based approach to support our teams and business units in using data and technology ethically and responsibly to inform decision-making. The focus is on achieving fast and high-quality service delivery and the best possible outcomes for the community.

AI has the potential to transform government services by driving innovation and contributing to future economic growth, sustainability, and productivity. AI technologies may impact and advance government outcomes such as automating routine or hazardous tasks, enabling regulatory compliance, creating personalised support services, and improving the speed of data-driven insights for decision making. AI also has the potential to transform the NSW Government's workforce, with a stronger emphasis and demand for new data and digital skills and capability, ensuring a future ready workforce.

While the application of AI is rapidly expanding and becoming increasingly accessible, the NSW government acknowledges there are challenges to making sure it is used safely and ethically. As the technology advances, AI can have unintentional negative impacts if left without safeguards. Risks include the potential for AI systems to perpetuate biases, spread misinformation, privacy breaches, as well as legal and ethical risks when used in significant decision-making processes that lack human oversight. Advances in generative AI will provide further opportunities and risks. To maintain leadership in this space the NSW government is committed to the values of transparency, community benefit, fairness, privacy and security, and accountability.

To address and mitigate the risks of AI, NSW was the first Australian jurisdiction to develop and implement a holistic and ethical approach to its use in the public sector. The NSW Government is committed to ensuring that AI solutions used by government are trusted by the public, meet the highest ethical and assurance standards, are clearly focused on community needs and carefully manage potential risks. The framework for the responsible use of AI in NSW Government consists of the AI Strategy, AI Ethics Policy, and AI Assurance Framework. The development and implementation of these guidelines and artefacts provide a clear message to public servants, industry, and the community on the NSW Government's priorities with this technology.

The NSW AI Assurance Framework is the key guidance for supporting NSW Government in uptake and use of AI solutions. The Assurance Framework was endorsed by NSW Cabinet in December 2021 and its application has been mandatory for use by NSW Government agencies since March 2022. The Framework is a self-assessment tool supported by an expert AI Review Committee (AIRC).

The NSW Chief Data Scientist with support from the NSW Data Analytics Centre and Digital.NSW is currently leading the review and update of the NSW AI Assurance Framework. The UTS Human Technology Institute and the James Martin Institute have been commissioned to add to this review to ensure it remains fit for purpose as AI technologies advance. The updated Framework is expected to be published before the end of 2023.

The NSW AI Ethics Policy is focused on addressing the challenges and preventing harm through five overarching ethics principles that are embedded within the AI Assurance Framework's self-assessment. The principles are designed to ensure best practice use of AI, focusing on transparency, customer benefit, fairness, privacy, and accountability. As AI evolves, these principles will remain relevant and ensure that the NSW Government is well placed to minimise harms, and responsibly develop and use AI for better public outcomes.

Adequate privacy and data protection regulations are another critical element for the safe use of AI and a key factor that will influence public trust in the technology. NSW Government regulates data privacy and protection through legislation and policies (see Appendix 2.3 and 2.4). The Privacy and Personal Information Protection Act 1998 (PPIP Act) has the primary objective of ensuring that any personal information that NSW agencies collect, use, and disclose is protected. The PPIP Act is technology neutral and sets out the principles that agencies must follow regardless of what technology is used. Regulations and laws that are technology-agnostic withstand rapid technological changes.

NSW is aware that effective governance of AI technologies both within NSW, nationally and internationally will also be supported by the continuing development of AI standards. Although still evolving standards will play a pivotal role in building the public trust in AI technologies as they harmonise the expectations for AI deployment across all jurisdictions.

The safeguards outlined above are collectively aligned with a key objective of the *NSW Government Data Strategy* to strengthen transparency and trust in the way NSW government collects, manages, uses and shares data. Additionally, these safeguards are an enabler of the *NSW Beyond Digital Strategy* to engage and use data insights effectively for decision making and creating services that meet the community's needs.

The policies and governance mechanisms discussed in detail below do not impact on an individual's legislative rights regarding data and personal information, which NSW Government is bound to adhere to, nor do they prevent or limit the existing laws on data protection, privacy and personal information (see Appendix 2.4). This submission has been compiled based on information provided by the NSW Data Analytics Centre and Digital.NSW, the NSW Chief Data Scientist and the portfolios represented on the NSW Data Leadership Group and ICT and Digital Leadership Group (refer to Appendix 2.1 for a list of Portfolios). Appendix 2.2 provides a list of publicly available resources which may assist the Committee.

The NSW Government welcomes the opportunity to further assist during this Inquiry. The NSW Chief Data Scientist and NSW Government Chief Information and Digital Officer will be available as witnesses at hearings if required.

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## 1.2 What are AI and Large Language Models?

Artificial Intelligence (AI) is not one thing; it encompasses intelligent technology, programs and the use of advanced computing algorithms that can augment decision making by identifying meaningful patterns in data. Machine learning models are computer programs that learn from data and can then generate information or predictions.

Within this document AI is taken to mean "autonomous and intelligent systems", including automated decision making and Large Language Models (LLMs). The [International Organization for](#)

Standardization (ISO) defines artificial intelligence (AI) as “capability to acquire, process, create and apply knowledge, held in the form of a model, to conduct one or more given tasks”<sup>1</sup>.

LLMs are a form of generative AI, that have been trained on vast amounts of data to create an output. LLMs use sophisticated machine learning algorithms to predict, in the case of text-based generative AI, the patterns and connections between words and phrases which enables it to generate new text or other outputs.

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### 1.3 The social, inclusion and economic opportunities and risks presented by AI, Machine Learning and Large Language Models (LLMs) in NSW Government

AI and machine learning has the potential to deliver significant benefits to NSW Government. It has the capacity to quickly process and learn from large amounts of data and provide predictions to assist in decision making and support problem solving. The capabilities of AI have the potential to increase productivity by empowering government agencies to optimise their processes and services for the benefit of NSW with personalised support services and improved service delivery.

The government can play an important role in leading on AI governance to build public trust in the technology. As the capability and adoption of AI increases, we will need to ensure any potential risks are mitigated by existing and future policy and regulatory frameworks. The current regulatory landscape in NSW is the foundation for addressing some of the emerging risks posed by AI technologies.

Public sentiment towards AI is cautious, therefore the design and use of AI-enabled solutions must be open and transparent for public scrutiny. The key issue raised throughout the AI Strategy’s Have Your Say public consultation<sup>2</sup> in 2021 was for the NSW Government to identify and address ethical considerations to ensure AI technologies are socially acceptable, fair and transparent. Some risks are unforeseeable due to the speed at which AI technologies are evolving. However, taking an agile and risk-based approach as new AI technologies arise will allow the NSW Government to capitalise on its benefits.

As the adoption of AI technologies progress, the quality and governance of the data used in AI and LLMs will become even more critical. Data of high quality will improve the accuracy and reliability of AI models and the outputs they create. This will result in better information for decision making and will support public trust.

#### Social Opportunities and Risks

The capabilities of AI present a range of social opportunities to improve the lives of people in NSW. Examples include:

- eHealth NSW has developed a tool which uses an AI model and five years’ of deidentified patient medical data to detect complex patterns in patients that had developed sepsis. Sepsis continues to be one of the leading causes of death across the world. The tool helps clinicians detect, then treat sepsis patients in the emergency department waiting room sooner. This greatly reduces patients risks of transfer to ICU, readmission, development of chronic conditions, and death. The tool was developed in collaboration with the Clinical Excellence Commission (CEC), Western Sydney Local Health District (WSLHD), Sydney Health Partners, the University of Sydney and NSW Health Pathology.
- Revenue NSW is using a range of indicators to identify and support vulnerable people early who may be unable to pay their fines. Operating since 2018, the AI-enabled program diverts

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<sup>1</sup> <https://www.iso.org/obp/ui/en/#iso:std:iso:tr:5255:-2:ed-1:v1:en>

<sup>2</sup> <https://www.haveyoursay.nsw.gov.au/artificial-intelligence>



vulnerable people away from enforcement action and provides alternative resolution options. This supports vulnerable people facing financial hardship. The solution has helped identify 15,000 people annually and allowed for more appropriate resolutions to their cases.

- Create NSW is exploring innovative uses of AI and machine learning to enhance access to creative experiences. This includes using AI technology for interactive installations, virtual experiences, and immersive narratives, enhancing engagement between artist and audience. They are also considering the possibility of using AI and machine learning to preserve cultural heritage by digitising and restoring artifacts and artworks, ensuring their longevity and accessibility.
- Transport for NSW has developed an AI prototype that detects and matches vehicles entering and exiting freight facilities, car parks and loading docks. It uses algorithms on camera images to detect and classify objects using their shape from over 25,000 reference images. The data translates into de-identified insights, used to improve the flow and use of freight facilities, parking and loading docks. The new technique improves the speed and reliability of information and replaces current manual survey methods used to record vehicles.

AI can be also used to automate mundane or hazardous tasks, allowing people to engage in higher-value or safer activities. For example:

- Forest Services use camera traps and acoustic recordings to monitor fauna behaviour and habitats for conservation and management in government-managed forests and national parks. AI has been used effectively, enabling the automated identification of different species from many thousands of recordings, with humans verifying the results. AI is also being used to remove empty images resulting from false triggers of the camera due to wind. The automation of these laborious tasks allows scientists to collect and analyse more data than was previously possible.
- Transport for NSW and the University of Technology Sydney have created a robot which can inspect difficult to reach areas of the Harbour Bridge, allowing for greater visibility and assessment of the bridge structure.
- Natural Language Processing is being used by the Department of Customer Service to rapidly and systematically analyse de-identified written feedback, complaints and survey submissions to take more targeted and timely action based on this input from the community.
- Create NSW is also considering opportunities to improve the administration of its funding programs through AI and machine learning such as using AI to analyse vast amounts of data to identify trends and funding gaps to ensure the equitable distribution of government support.
- According to the NSW Department of Primary Industries (DPI) Agriculture Annual Report 2022, labour shortages, particularly for horticultural seasonal workers, continues to impact the sector. Following the report, DPI notes that the use and adoption of AI technologies may attract new workers with different skills to the agricultural workforce and enhance their quality of life by automating tasks such as crop cultivation and livestock monitoring. AI may increase farm outcomes and automation may improve the safety of the machine, livestock, and intensive industries through a reduction in fatigue and the removal of people from dangerous environments. Overall, the resulting high production positively impacts consumers and reduces environmental impacts from the more sustainable agricultural practices.

AI also has the capability to facilitate and improve regulatory compliance. For example, Fire and Rescue NSW (FRNSW) analyses thousands of building applications each year against the National Construction Code to ensure safe buildings across NSW. With a massive demand from the building industry, FRNSW is currently only able to process a very small percentage of applications, reducing their ability to mitigate risk and keep the community safe into the future. They are working with the Department of Customer Service, Data Analytic Centre to develop an AI machine-learning and natural language processing solution that would semi-automate the review of future building applications at the design and pre-construction building stages. It is hoped this will increase accuracy of reviews and reduce fire and life safety risks in new buildings, improve situational

awareness to responding firefighters on fire and life safety systems in new buildings, and increase government and industry access to building fire safety information.

Other potential examples include:

- Generative AI can be used to create programming code that can make software development more efficient and reduce the burden on data environments.
- AI could be used to create personalised support services that improve services and make their delivery more efficient.
- AI having the potential to provide greater efficiency in government contracting processes. The NSW Government is a significant procurer of goods and services, and AI has the capability to streamline contracting processes.
- AI has the potential to be a powerful tool to address cyber vulnerabilities and respond to threats. Machine learning algorithms can identify malware and respond to vulnerabilities in network security such as flagging suspicious login attempts. As cyber security threats advance, AI can help reduce the likelihood and severity of cyber-attacks.

However, there are social risks presented by the increasing use of AI and large language models in the delivery of NSW government services that will need to be addressed. While the full implications are yet to be known, it is anticipated that the increasing use of AI may affect some job functions. However, the technology is expected to improve productivity for these roles, providing opportunities for people to move away from administrative and manual tasks and focus on connecting with customers or undertaking more complex tasks and projects.

The NSW Government is aware of the need to ensure our people are prepared for the future of work. From graduate and traineeship program levels that include digital streams to leadership programs that prepare our leaders to lead in a rapidly changing world, we are proactive in providing resources and pathways for our people to upskill. The NSW Government's Capability Framework includes many of the key capabilities needed for using AI safely and ethically, including *Think and problem solve*, *Act with Integrity* and *Value diversity and inclusion*. This is complemented by the Digital and Customer Capability Framework which identifies critical capabilities and skills requiring uplift, including AI. NSW has also adopted the Skills Framework for the Information Age (SFIA) as the occupation specific capability set for government ICT professionals. SFIA is incorporating AI into its framework, consulting on the most effective way to support AI and machine learning jobs, skills, profiles, and career paths.

Other examples of social risks include the following:

- Privacy and cyber security threats that will continue to present challenges and undermine public trust. Compliance with NSW Government policies such as the NSW Cyber Security Policy and the AI Ethics Policy will ensure relevant cyber controls and ethical processes are in place to mitigate the risks of AI. In addition, the NSW government is developing iterative public and private guidance for Portfolios and end users on the responsible and safe use of AI as part of its broader ICT and digital user and technical guidance suite.
- AI systems can be biased, reflecting the biases of the data they are trained on, potentially leading to unfair or discriminatory decisions, and privileging or discriminating certain groups. For this reason, in line with the NSW AI Assurance Framework, privacy, security, and data governance controls must be in place. Decisions must always be subject to human review and intervention. The NSW AI Ethics Policy outlines the mandatory ethical principles for the use of AI and the key legislative, information, privacy and assurance considerations that must be taken into account when using AI.
- Accountability and transparency: Legal frameworks regarding accountability for AI-enabled systems are still in development globally. AI systems are complex, making it difficult to understand how they make decisions. In line with the NSW AI Assurance Framework, people who are responsible for different phases of the AI system lifecycle and outcomes should be identified and accountable. The NSW AI Assurance Framework also requires that humans are able to

clearly explain how a decision or outcome has been informed by AI, and to have oversight of decisions made by AI-enabled systems. NSW is aware that there will be challenges in ensuring the explainability of AI driven decisions as the technology advances. The inner workings of commercial AI systems are not always accessible and even if they are, they can be complex to interpret. The AI Assurance Framework notes that under these circumstances it is important for human judgement to intervene before an AI generated insight is acted on, and to identify and document mechanisms to readily reverse any action arising from such an insight.

- The effect of generative AI on copyright laws is one area that has had limited discussion. Preliminary arts, cultural and creative industry feedback from Create NSW indicates that in Australia, the intersection between AI and copyright laws in the creative industries is becoming increasingly complex. With the rise of AI-generated content, questions are being raised about who owns the copyright to such works. This is a question that will become increasingly pertinent for government as artists and creative practitioners seek government support for AI developed or assisted projects.

### **Digital Inclusivity and Accessibility**

AI technologies present a range of social, economic, and technical opportunities to improve the NSW Government commitment to digital inclusivity and accessibility. AI also presents unique opportunities and risks for digital inclusion – a person’s ability to access, afford and use digital technology.

- AI can be used to reduce jargon and ensure Government communications are clear and simple. This is in line with the NSW Government’s commitment to ensuring Government communications are accessible for all customers, including people with low literacy levels, people with disability, and people with English as a second language.
- AI can also be used to quickly identify common accessibility issues in Government webpages, such as missing alternative text for images.

AI offers new advances in assistive technology for users with disability. For example, people with reduced mobility can write using speech recognition apps, and AI can identify objects for people who are blind or have low vision.

Use of AI can increase access to services for people who cannot use traditional digital channels. For example, an opportunity Create NSW is considering is the implementation of AI powered chat-bots or virtual assistants to support applicants in the grant application process, with real-time guidance. However, educating communities on the benefits and risks of AI to reduce barriers to digital inclusion will remain a key focus.

This is because, despite these positives, AI use can also present risks to digital inclusion. AI models are trained on large datasets which can exclude or drown out the experiences of marginalised groups. These risks can be mitigated by ensuring that training datasets represent the community we serve. The NSW AI Assurance Framework requires that developers consider the risks associated with differences in the data used for training the AI model compared to the data for intended use.

Reliance on AI without considering real users, contributes to non-inclusive design processes, resulting in products that exclude some users and favour others. As with any other digital projects, Accessibility NSW recommends co-design and consultation with people with disability to ensure AI-driven projects are inclusive and accessible.

### **Economic Opportunities and Risks**

The NSW Productivity Commission and the NSW Innovation and Productivity Council have published a major piece of work exploring the current and future extent and impact of AI in NSW: [Adaptive NSW: How embracing tech could recharge our prosperity](https://www.productivity.nsw.gov.au/adaptive-nsw-embracing-tech)<sup>3</sup>. Adaptive NSW contains whole-of-NSW-

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<sup>3</sup> <https://www.productivity.nsw.gov.au/adaptive-nsw-embracing-tech>

economy modelling on the potential impacts of emerging technologies on NSW's economic growth, industry composition, skills, occupations, and workforce profile. It also contains case studies and high-level policy principles for managing the risks/challenges and seizing the opportunities of emerging technologies such as AI.

The NSW Government is aware that productivity is key to driving economic growth and lifting living standards in the long term. AI offers an enormous potential opportunity to recharge NSW's slowing productivity growth and drive a sustained improvement in our standards of living over the coming decades. As Adaptive NSW states:

*“Productivity growth could continue to decline. But it is also possible that the world is now on the threshold of an enormous technology opportunity. There is a suite of emerging technologies that, if widely adopted, could recharge productivity growth for years to come. Among these technologies are artificial intelligence (AI), quantum computing, 3D printing, and autonomous vehicles. This wave of emerging technologies has been dubbed the Fourth Industrial Revolution or ‘Industry 4.0’ (Adaptive NSW, p.14).*

NSW Productivity Commission and NSW Innovation and Productivity Council modelling suggests that if emerging technologies are widely adopted, by 2034-35 they could potentially:

- increase the productivity growth rate in New South Wales to 2.0 per cent annually and lift the growth rate of real Gross State Product to 3.0 per cent annually
- increase Gross State Product by 11.8 per cent, which is equivalent to an extra \$11,600 per person or \$27,400 per household (in real 2021-22 dollars)
- increase own-source revenues by as much as \$4.5 billion relative to baseline projections presented in the 2021-22 NSW Intergenerational Report.

While there is public concern around automation and job security fuelled by any increase in productivity, any decrease in jobs is predicted to be offset by the increasing demand associated with a growing economy and new jobs created to support emerging technologies such as AI. NSW Productivity Commission and NSW Innovation and Productivity Council modelling shows that the diffusion of AI will reduce demand for physical skills and meet the increased demand for complex problem-solving skills, cognitive abilities, and social skills. This reflects the need for continuous upskilling and training, so the workforce gains new capabilities within this changing landscape (Adaptive NSW, p. 35, 41, 68).

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## 1.4 Regulatory mechanisms of other jurisdictions

### 1.4.1 AI regulation globally

The regulation of AI remains in an early stage, though, there is an emerging consensus towards taking a risk-based approach to AI governance.

The European Union, the United Kingdom and the United States have all adopted or foreshadowed adopting a risk-based approach to AI governance, based on key principles such as trustworthy AI and an acknowledgement of the role of international standards. However, there are some key differences.

The EU's approach to AI regulation is comprehensive, building on existing legislation, such as the General Data Protection Regulation (GDPR) and the new Artificial Intelligence Act (AIA). The European Commission has set a deadline of July 6, 2024, for the EU's Member States to transpose the Act into national law. Part of the challenge of the Act is that the EU Parliament wants a technology-neutral, uniform definition for AI that could be applied to future AI systems to ensure the Act is future proof.

The GDPR is the privacy law that applies to all organisations that process personal data in the EU. The GDPR has provisions on the use of AI for automated decision-making, such as the requirement for organisations to obtain consent from individuals before using AI to make decisions that have a

legal or significant impact on them and that algorithmic systems should not be allowed to make significant decisions that affect legal rights without any human supervision (Article 22, GDPR).

The AIA will classify AI systems into three risk categories: unacceptable risk, high risk, and limited risk. AI systems in the unacceptable risk category will be banned (such as biometrics use by police in public spaces). In Australia the current legislative landscape does not explicitly ban the use of Biometrics AI in public spaces (see, for example, [Australian laws struggle with biometrics | Information Age | ACS<sup>4</sup>](#)).

The UK has established an AI ethics framework and has not sought to regulate AI by legislation like the EU. It is not clear yet if the UK will recommend the same strict rules as the EU. A white paper was published in March 2023 and it recommends a principles based regulatory framework that will be issued on a non-statutory basis in the first instance. This will provide the agility for the UK to respond rapidly and proportionately to future advances in AI. The five principles that underpin this framework are:

- Safety, security and robustness,
- Transparency and explainability,
- Fairness,
- Accountability and governance, and
- Contestability and redress.

Canada has taken a similar approach to the EU by introducing a draft AI Bill that adopts a risk-based approach to regulating AI. However, Canada is only proposing to regulate ‘high impact AI systems’, which is defined by reference to criteria as opposed to a fixed definition.

The AI framework in the United States remains largely principles-based, with the White House Office of Science and Technology Policy releasing the “*Blueprint for an AI Bill of Rights*” in June 2022 ([Blueprint for an AI Bill of Rights | OSTP | The White House<sup>5</sup>](#)) modelled on provisions in the EU’s General Data Protection Regulation (GDPR).

## 1.4.2 AI Standards for effective governance

Standards provide consistent protocols that can be universally understood and adopted. They document requirements, specifications, and guidelines, providing a governance framework for AI to support it being used safely and responsibly.

While there are published and developing international standards for some elements of AI (such as managing data quality and biases), there are currently no overarching international standards to assure it is used appropriately. There are also no nationally consistent approaches for the use of AI in Australia.

Standards Australia is adopting and developing AI standards and are hosting a [Data and Digital Dashboard<sup>6</sup>](#) on their website which shows published and in-development standards and their associated committees across eight data and digital technology areas, including AI.

NSW is actively participating in the development of Australian and international standards, with the NSW Chief Data Scientist Dr Ian Opperman leading the coordination of NSW Government input to AI related standards in collaboration with Standards Australia.

<sup>4</sup> <https://ia.acs.org.au/article/2022/australian-laws-struggle-with-biometrics.html>

<sup>5</sup> <https://www.whitehouse.gov/ostp/ai-bill-of-rights/>

<sup>6</sup> <https://www.standards.org.au/engagement-events/strategic-initiatives/critical-and-emerging-technologies/data-digital-dashboard>

### 1.4.3 How NSW is contributing to national initiatives

The Australian government is reviewing its governance approach to AI.

The NSW Government is contributing to the following Commonwealth initiatives<sup>7</sup> to support the effective governance of AI technologies:

- The NSW Government contributed expertise to the National Science and Technology Council's Rapid Research Report on Generative AI<sup>8</sup>. The report was commissioned by Australia's National Science and Technology Council at the request of the Minister for Industry and Science, the Hon Ed Husic MP in February 2023. It discusses the opportunities and risks of applying large language models, as well as examples that have been put in place internationally to address the potential opportunities and risks. This report presents independent scientific evidence to government.
- NSW's resources on the responsible use of AI informed the Digital Transformation Agency's (DTA) development of interim guidance on government use of generative AI platforms<sup>9</sup> for staff within Commonwealth government agencies.
- The NSW Government's work on the AI Assurance Framework and AI Review Committee are recognised in the Department of Industry, Science and Resources' (DISR) discussion paper on the safe and responsible use of AI<sup>10</sup>. The Framework is also listed as a resource on the Australian Government Architecture website.
- NSW Government is collaborating closely with the Commonwealth, other states and territories, and representatives of the non-government school sector on the development of a principles-based framework to support schools and education systems in the use of AI.
- NSW Government is working closely with the DTA and DISR's taskforce on AI in government, which is developing a range of measures across the focus areas of risk, governance, capability, technical use and preparedness. The taskforce is working closely with NSW on consideration of the national approach and how these measures can be used across the national spectrum, particularly within the government context.
- NSW Government is working closely with the Commonwealth and State and Territory Governments through the Data and Digital Minister's Meeting (DDMM) and related groups to adopt a nationally consistent approach to AI Assurance, with the NSW AI Assurance Framework forming the basis.
- The NSW Chief Data Scientist is leading the international standards development work for general data usage (ISO/IEC/JTC1 SC32) which includes use for AI.

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## 1.5 NSW AI Strategy

On 26 June 2019 the Secretaries Board agreed that the Department of Customer Service (DCS) would lead the development of an AI Roadmap for NSW Government consisting of an AI Ethics Framework and an AI Strategy. The NSW AI Strategy was developed in 2020 to ensure that the NSW Government has the necessary skills and protections in place to adopt AI technologies effectively.

The Strategy is an overarching statement of intent to build maturity in the use of AI in NSW and to support the delivery of high-quality services. The Strategy sets out the NSW Government's

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<sup>7</sup> [https://storage.googleapis.com/converlens-au-industry/industry/p/prj2452c8e24d7a400c72429/public\\_assets/Safe-and-responsible-AI-in-Australia-discussion-paper.pdf](https://storage.googleapis.com/converlens-au-industry/industry/p/prj2452c8e24d7a400c72429/public_assets/Safe-and-responsible-AI-in-Australia-discussion-paper.pdf)

<sup>8</sup> <https://www.chiefscientist.gov.au/GenerativeAI>

<sup>9</sup> <https://architecture.digital.gov.au/generative-ai>

<sup>10</sup> <https://consult.industry.gov.au/supporting-responsible-ai>

overarching emphasis on using AI to ensure the best service delivery outcomes, with clear actions and timeframes to build maturity.

The strategy covers five key themes:

- Building public trust
- Digital uplift
- Building data capability
- Innovation and collaboration
- Procurement.

There are 22 action items under the AI Strategy that have helped build maturity in the NSW Government's use of AI and the implementation of a mandatory AI Policy and Assurance Framework ensure a consistent approach to privacy, security, transparency, and procurement of AI solutions. Of the 22 action items, 81% are complete and the remaining items are progressing and on track.

The strategy is one part of the NSW approach to managing AI. NSW manages AI risks through the AI strategy, AI Assurance Framework, AI Ethics Policy, and AI review committee.

## 1.6 NSW AI Ethics Policy

The NSW AI Ethics Policy is one of the measures which the NSW Government uses to protect individuals and society from AI risks. The purpose of the Policy is to:

- demystify AI for NSW Government project managers,
- authorise the use of AI while providing guidance on best practice and risks,
- encourage innovative approaches to service delivery and decision-making, and
- build understanding and capability across government.

The AI Policy Statement applies to all NSW Government agencies as per DCS Circular DCS-2022-01. It is recommended that State Owned Corporations also apply the Policy principles to assist with implementation of AI projects. The Policy sets out five overarching principles that are embedded within the AI Assurance Framework's self-assessment. The principles are designed to ensure best practice use of AI, focusing on transparency, customer benefit, fairness, privacy and accountability. Project teams are expected to demonstrate that their projects align with these principles and that AI is:

- the most appropriate solution for a service delivery or policy problem,
- used in such a way as to mitigate as much potential bias as possible,
- used safely, securely, and in line with existing privacy and information access requirements,
- a solution that is open and transparent so that NSW citizens have access to efficient review mechanisms, and
- a solution where the decisions are always subject to human review and intervention.

NSW was the first Australian jurisdiction to develop a whole-of-government AI ethics policy. The Policy was informed by the extensive work on AI in other jurisdictions within Australia and internationally, including the European Union's AI Act and ethics guidelines for trustworthy AI, and the OECD's Principles on AI. The Policy has also been informed by detailed consultation with the community and with leading AI and ethics experts from academia, industry, government agencies, and non-government organisations such as the Gradient Institute and The Ethics Centre.

## 1.6.1 Ethics principles

The Policy requires NSW Government agencies to comprehensively design, build and use AI technology ethically and safely in line with five key principles:

Community benefit:

- AI solutions should deliver the best outcome for the citizen, and key insights into decision-making.
- AI must be considered against other analysis and policy tools as the best solution for a service delivery or policy problem.
- AI solutions should clearly align with the NSW Government's priorities and/or other agency's strategic plans.

Fairness:

- AI solutions will include safeguards to manage data bias or data quality risks. Reliance on sub-optimal quality data and algorithms that contain systemic and repeatable errors may lead to sub-optimal recommendations and prejudiced decisions or outcomes.
- Data models are to be designed with a focus on diversity and inclusion, and that data models and outputs will be regularly monitored.
- Datasets used in AI solutions must be representative for the problem to be solved.

Privacy and security:

- Data used for AI projects is used safely and securely, and in a way that is consistent with privacy, data sharing and information access requirements.
- Projects must incorporate privacy by design principles, identify privacy and cyber security risks, and document consent for data use.

Transparency:

- Review mechanisms will ensure citizens can question and challenge AI-based outcomes.
- Project objectives and planned outcomes are publicly available unless there is an overriding public interest not to do so. This allows the community to get insights into data use and AI project methodology.
- Members of the public can question and seek reviews of AI-based decisions.
- The community will be informed of changes to an AI solution, including where existing technology is adapted for another purpose.

Accountability:

- AI will not be used to make unilateral decisions that impact on citizens or their human rights.
- AI-based functions and decisions must always be subject to human review and intervention.
- Agencies remain responsible for all AI-informed decisions and will monitor them accordingly.
- AI projects are overseen by individuals with the relevant expertise in the technology and its benefits and risks.
- Projects must put a review process in place for both the development of the AI solution and its outcomes.

Projects must demonstrate that a rigorous process against each of the five Ethical Policy Principles has been successfully completed.

These principles ensure that AI solutions used by government are trusted by the public, meet the highest ethical and assurance standards, are clearly focused on customer needs, and carefully manage potential risks. The AI Review Committee, chaired by the NSW Chief Data Scientist, reviews medium-high risk AI project plans to ensure consistency with the AI Ethics Policy.



## 1.7 NSW AI Assurance Framework

### 1.7.1 Purpose of the AI Assurance Framework

The NSW AI Assurance Framework is one of the controls in place to manage AI projects and maintain the public's trust in NSW. It supports the NSW Government to innovate with AI technology while making sure it's used safely and securely, with clear accountability for the design and use of AI systems. The Framework has been designed to:

- identify and mitigate the risks associated with AI
- ensure that AI is used in a way that is consistent with the NSW Government's values and principles
- build public trust in the use of AI by NSW Government.

The Framework provides NSW Government agencies with a structured self-assessment tool to confirm AI-enabled projects align with the principles under the NSW AI Ethics Policy: community benefit, fairness, privacy and security, transparency and accountability. The self-assessment tool is intended to be used at all stages of the project lifecycle and while operating an AI system. The assessment requires project teams to document a project's specific AI risks and establish clear governance and accountability measures. Project teams can seek advice on their projects from a committee of AI experts, who also review projects that meet certain criteria.

The Framework is a key component of the Government's overarching approach to AI and is the first of its kind in Australia. Approved by NSW Cabinet in December 2021, the Framework has been mandatory to apply across NSW Government since March 2022 as per circular DCS-2022-01. The Framework builds on existing control measures such as:

- the NSW ICT Digital Assurance Framework,
- NSW Cyber Security Policy,
- NSW Benefits Realisation Management Framework,
- NSW Government Information Classification,
- Labelling and Handling Guidelines,
- Government Information Public Access Act 2009,
- NSW privacy laws,
- Information and Privacy Commission (IPC) self-assessment tools,
- IPC Privacy Management Plans, and
- the Human Rights Impact Assessment.

The NSW AI Assurance Framework is based on published and developing international standards. The Data Analytics Centre and the NSW Chief Data Scientist are currently leading the review and update to the Framework with the University of Technology Sydney (Human Technology Institute) and the James Martin Institute. This will ensure that it keeps in line with the rapid changes in AI. The updated Framework is expected to be published before the end of 2023.

The NSW Government hosted a peer-to-peer AI Assurance Learning session on 22nd September 2023 in Sydney for senior officials from NSW government and all other jurisdictions across Australia to share their learnings of applying assurance to their AI deployments.

The Department of Industry, Science and Resources' discussion paper on *Safe and Responsible AI in Australia*<sup>11</sup> recognises the NSW AI Assurance Framework as one of the key governance responses in Australia's current regulatory landscape and assurance infrastructure. NSW has recommended the AI Assurance Framework form the basis of a nationally consistent approach of assuring government's appropriate use of AI.

### 1.7.2 Who should use the AI Assurance Framework

The Framework is mandatory for all NSW Government agencies. It is intended to be used by:

- project teams who are using AI systems in their solutions
- operational teams who are managing AI systems
- senior officers who are responsible for approving the design and use of AI systems in projects
- internal assessors who conduct agency self-assessments.

### 1.7.3 Applying the AI Assurance Framework

Since 2022, the NSW Government has mandated that the Framework be used for all AI-enabled projects undertaken by NSW Government agencies. This includes projects which contain an AI component or use AI-driven tools, including large language models and generative AI. It does not apply to projects which use widely available commercial AI applications that are not being customised in any way or being used other than intended. This will be one of the new additions incorporated into the review and update of the NSW AI Assurance Framework.

The Framework is applied at every step of the project design and while operating an AI-enabled system. It is also applied in reviews of existing AI solutions. Project teams should consider the self-assessment questions under each of the Framework's five categories: community benefit, fairness, privacy and security, transparency, and accountability. The team document their responses to the questions and throughout the project lifecycle they decide how or if a project should progress.

The assessment involves the following steps:

1. Complete an initial high-level risk assessment to determine if a more detailed Human Rights Impact Assessment is needed.
2. Assess the project's risk and benefits using the Framework's risk matrices and the NSW Government's *Benefits Realisation Management Framework*<sup>12</sup>.
3. Answer questions against the five mandatory AI ethics principles and document responses.
4. Complete the overall assessment and tally the risk level based on the most significant risk identified against each of the ethics principles.
5. Based on the risks identified and the data used, different data governance controls are required to use and protect data.
6. Projects which progress with medium or higher risks require legal input. These projects are also actively monitored for potential harms, with identified remedies.
7. Submit the assessment to a responsible senior officer for review and approval and, if required, submit to the AIRC to assess and endorse.

The Framework is not a complete list of all requirements for AI projects. Project teams should also comply with their agency-specific AI processes, policy requirements and governance mechanisms.

<sup>11</sup> [https://storage.googleapis.com/converlens-au-industry/industry/p/prj2452c8e24d7a400c72429/public\\_assets/Safe-and-responsible-AI-in-Australia-discussion-paper.pdf](https://storage.googleapis.com/converlens-au-industry/industry/p/prj2452c8e24d7a400c72429/public_assets/Safe-and-responsible-AI-in-Australia-discussion-paper.pdf)

<sup>12</sup> <https://www.nsw.gov.au/departments-and-agencies/department-of-customer-service/publications-and-reports/benefits-realisation-management-framework>

The Framework provides resources to help project teams find answers to the self-assessment questions. Additionally, project teams can ask the AIRC for advice. If there are any unanswered questions, project teams are to treat them as medium risk and can only commence the project with a pilot phase. They must also closely monitor the project for harms and have controls in place. Some AI projects are subject to regular external risk audits which examine and document the effectiveness of the risk responses and risk management process.

#### 1.7.4 The AI Assurance Framework and other NSW Government policies

The Framework refers to other NSW Government policies, legislation, and tools that provide context and information relevant to AI, including the NSW AI Strategy and ethical principles. It is intended to complement existing agency policies and standards. For a full list of other relevant NSW Government Policies, see Appendix 2.3).

The NSW Government is also working on integrating AI assurance (self-assessment) into the overarching NSW ICT Digital Assurance Framework (IDAF). This includes the potential update of the remit of the NSW IDAF to include the investment risk of AI-enabled services and solutions. IDAF is a component of the Investment Assurance Framework (Gateway Policy) which also includes the Infrastructure Assurance Framework and Recurrent Assurance Framework. In recognition that AI-enabled services and solutions do not solely exist within the digital space, this updated work will enable the NSW Government to better identify the investments risk associated with AI used in Government, whether the initiatives were part of an infrastructure build (e.g.: new buildings), digital programs (e.g.: digital twin) or business as usual programs (e.g.: chatbots).

In addition, the Department of Customer Service is developing a series of iterative public guidelines on generative AI that will be published throughout 2023 and updated as needed. This is in addition to internal AI guidelines for Government Departments and agencies covering cyber security, privacy and risk considerations for end users. Additional technical AI guidance is also being planned and drafted for release in 2023/24 to facilitate the effective development, procurement, implementation and use of AI-enabled ICT services and solutions.

This is an evolving area, and as technology and advancements in AI keep rapidly evolving, the Government's guidance and advice will also have to change and iterate to address the emerging technology requirements. This approach will ensure NSW Government is able to optimise the innovation and productivity value of AI in a secure and transparent way.

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## 1.8 NSW AI Review Committee

### 1.8.1 Committee purpose

The purpose of the AI Review Committee (AIRC) is to support the safe and ethical implementation of AI projects within the NSW Government. The Committee's key functions are:

- Review AI projects brought before the Committee.
- Provide endorsement on AI projects that are taken to have adequately addressed the considerations within the AI Assurance Framework.
- Provide recommendations on risk management and other considerations for AI projects brought before the Committee.
- Contribute to the safe and ethical implementation of AI across NSW Government.

The AIRC reviews completed AI Assurance Framework assessments of NSW Government AI projects or services which:

- have a total estimated cost of \$5 million or more.
- are funded from the Digital Restart Fund (DRF) administered by DCS.
- identify residual risks during the self-assessment process which are midrange or higher.

The Minister for Customer Service may refer issues the AIRC for consideration and advice.

## 1.8.2 Committee decisions

The AIRC endorses projects that adequately address the Framework's requirements and align with the five principles in the AI Ethics Policy. They may recommend ways to mitigate risks and address other issues to assist a project to better comply with the AI Assurance Framework, including asking a project team to report back to them at a later stage. They may also give in-principle endorsement of a project, pending the implementation of certain recommendations.

The AIRC's decisions are not binding and cannot prevent an AI project from progressing. If the AIRC does not endorse a project, the Chair may inform the project's responsible senior officer of the Committee's decision and recommendations and propose an action.

The AIRC may refer the project to the Information and Privacy Advisory Committee (IPAC) for review if they assess a project to have significant privacy impacts and/or significant information access impacts. To date, the AIRC has not had any circumstance to express concerns or make referrals.

## 1.8.3 Committee membership and responsibilities

The AIRC is comprised of industry experts who play a leading role on how AI is used in NSW. In addition to the core members, experts with knowledge in a particular area may also be invited to contribute to the Committee's reviews. The AIRC is led by NSW Chief Data Scientist, Dr Ian Oppermann and the Department of Customer Service (DCS) acts as its Secretariat.

Members of the AIRC are expected to:

- Attend all meetings of the Committee and allow necessary time to prepare for meetings
- Participate in meetings by expressing opinions, applying good analytical skills, objectivity, and good judgement
- Provide fairness, courtesy, and due consideration to all views and opinions expressed within the Committee
- Maintain confidentiality of business papers and discussions within meetings, unless otherwise stated
- Identify NSW government AI projects that have not been captured through DRF or ICT Assurance processes to be brought before the Committee
- Declare and appropriately manage any conflicts of interest.

## 1.8.4 AI Review Committee Outcomes

- Meetings since the AI Assurance Framework became mandatory:
  - 2022: 3 meetings
  - 2023: 4 meetings
- The AI Review Committee has seen 5 projects in total:
- Projects that appeared before the committee that had risks identified:
  - 4 project reviews have identified risks.
  - Types of risks that were identified: Data Quality, Data Security, Legislation adherence, use of personal information, right to use data and alternate pathways if the AI solution did not work.
  - The committee provided advice and recommendations to address identified risks and increase alignment with the AI Assurance Framework. All projects addressed the feedback they received and were subsequently endorsed.

## 1.9 Data, Privacy and Security in NSW

Securing and protecting personal information in the NSW government is governed by a mix of laws and policies. In NSW Government the use of AI is governed by the NSW privacy framework and the use of AI must comply with existing NSW privacy and data protection legislation (see Appendix 2.4).

There are several acts within NSW that govern privacy:

- NSW Privacy and Personal Information Protection Act 1998 (PIIP Act)
- NSW Health Records and Information Privacy Act 2002 (HRIP Act)
- NSW Data Sharing Act 2015
- NSW Government Information (Public Access) Act 2009 (GIPA Act)

The Privacy and Personal Information Protection Act 1998 (PIIP Act) outlines how NSW public sector agencies manage personal information. The Act is technology neutral and sets out the principles agencies must follow regardless of what technology is used. The NSW privacy legislative framework governs the sharing and use of personal information within government, including personal information that is shared or used in an AI project.

In addition to this legislation, NSW has a suite of policies and guidance to ensure agencies are well informed about their data protection and privacy obligations under the law (see Appendix 2.3.) These policies and procedures provide more detailed guidance on how NSW government agencies can comply with the law.

The Information and Privacy Commission (IPC) also plays a pivotal role in fostering trust and ensuring accountability in NSW's data protection landscape. It enforces and oversees compliance with the PIIP Act and the HRIP Act. The IPC actively promotes privacy awareness, provides guidance to public sector agencies, and investigates complaints regarding breaches of privacy.

The IPC provides comprehensive guidance on the Information Protection Principles (IPPs) within the PIIP Act and defines the obligations that NSW public sector agencies, statutory authorities, universities and local councils must put into practice when they collect, store, use or disclose personal information. The IPPs also apply to personal information used in AI technologies. Together with the AI Assurance Framework and the AI Ethics Policy these resources provide guidance on privacy, security, and ethical considerations when collecting and using data for decision-making in government.

However, NSW acknowledges that monitoring and complying with privacy legislation if personal information is collected may present future challenges when it comes to AI and LLMs.

This is in line with the present policies of the NSW government that outline that technological solutions should incorporate a security- and privacy-by-design approach from the outset to proactively mitigate potential risks.

Agencies that implement emerging technologies are asked to:

- Undertake a data needs assessment and a business case to articulate the business outcomes intended.
- Consult with community to understand their expectations about the collection and use of their data.
- Follow privacy-by-design and security-by-design principles to ensure technology and data solutions have privacy and security built in.
- Conduct a Privacy Impact Assessment (PIA).
- Consult with the IPC to seek advice on risks to privacy and information access rights.
- Create secure and fit for purpose digital services to protect government systems and data and complying with the NSW Cyber Security Policy.

- Consider the ethical implications of their initiatives, particularly the use of artificial intelligence.
- Conduct a pre-mortem exercise on every new and additional emerging technology project to identify vulnerabilities in the project and plan for unintended consequences.
- Refer to existing policies and frameworks including the Internet of Things Policy, Smart Places Data Protection Policy, and the Infrastructure Data Management Framework, for guidance on management and protection of data from emerging technologies and infrastructure.

However, the cybersecurity risks from AI remain a key threat. AI tools may be used to automate and amplify the impact of cyberattacks. This increases the severity of threats from malicious sources for the government. Importantly, AI can also be used to defend against cyber-attacks, protecting individuals and society from AI risks.

Cyber Security NSW is the whole-of-government function leading the ongoing enhancement and uplift of cyber security capabilities across NSW Government, including those capabilities assessing the cyber security risks of AI, both its use by government and hackers.

The NSW Government has developed the comprehensive, sector-wide NSW Cyber Security Strategy to ensure the services we provide are secure and uphold the integrity and trust of the citizens that use them; creates a culture of cyber security resilience, and that industry receives the support it requires to grow and meet the increasing demands of a fast-growing sector. It is NSW Government's vision to become a world leader in cyber security: protecting, growing, and advancing our digital economy.

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## 1.10 Opportunities for the use of AI and connection with other emerging technologies

AI's use for defined purposes is growing e.g. insights generation or alerting, platforms (large language models and generative AI), and systems with embedded 'smart' tools. In this context, AI increases the efficiency with which things are done and vastly improves the decision-making process by analysing large amounts of data.

AI may also be embedded in other technologies and this growth in AI use intersects with other emerging technologies. In this regard, AI cannot be viewed in isolation of other community, industry, and government use of new technologies.

The approach when considering the use of any emerging technology should be to enhance service delivery, improve productivity and enable innovation. Applying the appropriate safeguards, NSW Government uses the principles of privacy- and security-by-design. The choice of whether government uses emerging technology for the delivery of services may be evaluated according to individual business needs. However, in other areas such as regulation, the uptake of emerging technologies by community and industry users will require NSW Government action.

AI development converges with other priority policy areas for government, including:

- Smart places / IOT: Convergence of physical and digital realms is occurring at a rapid pace. IOT and digital twins enable informed decisions and allow for the anticipation of problems and gaining reliable insights into the future, AI tools will be consuming this data. From a citizen perspective, there is an expectation that the numerous systems are joined up and provide insights to help people make decisions which may affect where people spend their time, and how they navigate public and private spaces.
- Metaverse: 400 million people worldwide are active users of metaverse technologies. Of those, 80% of users are younger than 16.<sup>13</sup> Existing laws and regulations that may apply to certain aspects of the Metaverse, such as data protection and privacy laws, intellectual property laws,

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<sup>13</sup> [https://www.linkedin.com/pulse/metaverse-reaches-400m-monthly-active-users-metaversed/?trk=pulse-article\\_more-articles\\_related-content-c](https://www.linkedin.com/pulse/metaverse-reaches-400m-monthly-active-users-metaversed/?trk=pulse-article_more-articles_related-content-c)

and criminal laws may need to be reviewed and enhanced to ensure both informed consent can be achieved and that vulnerable people are protected (see Appendix 2.4). For example, some metaverse headsets use AI to determine where a user focuses their view and filters content according to AI determined preferences.

- **Neurotechnology:** Rapid innovation is occurring not only in functionality, but the transition from ‘invasive’ to wearable technologies. Wearable technology already exists to indicate thought processes (helmet) and operate a mouse (wrist). Protection around data derived from “wearable” devices may not be adequately addressed under current definition of personal health data or health service ‘providers’.

## 1.11 Illustrative examples of AI across the NSW Government

AI offers many opportunities, and many government agencies are proactively exploring its application across a broad range of functions. With the rapid development of AI technology, we anticipate the use of AI to increase across NSW Government in the short term.

The NSW Government is committed to the use of the AI Assurance Framework to ensure that AI systems are designed, developed, and used in a responsible and ethical manner.

Below are illustrative examples of NSW Government agencies’ application of AI or testing of AI through pilots or proofs of concept.

The list of examples is not exhaustive and does not represent all applications of AI in NSW Government.

### 1.11.1 Program and project initiatives

Below are examples of current applications of AI to a range of functions by NSW Government agencies.

Department of Customer Service (DCS)		
Agency	Program / Project	Description
NSW Data Analytics Centre	NSW Legislation Twin	<p>NSW Legislation Twin is a public facing tool that provides enhanced visualisation and search capability for analysing NSW legislation.</p> <p>The tool draws on AI in two ways:</p> <ul style="list-style-type: none"> <li>• To enable ‘semantic search’ (searching for terms with the same or similar meaning rather than solely an exact text match). This means users can search for a concept across legislation or a group of Acts or Regulations rather than a precise term.</li> <li>• To generate automated summaries of NSW Gazettes. This enables their inclusion in the search capability and makes them more discoverable (the NSW Gazettes themselves are released as pdf documents with a minimum of categorisation, making it challenging to search and find relevant material without extensive manual review).</li> </ul> <p>There is a wide range of use cases for people who need to understand their legislative context. In particular, the tool supports public servants who need to analyse – for instance – the Acts and subordinate</p>

		instruments that need to be considered in assessing policy changes.
	Natural Language Processing	<p>DCS is using Natural Language Processing to understand customer feedback. Natural Language Processing is where computational techniques are applied to analyse natural speech patterns – in a way, turning language into a type of data.</p> <p>The NSW Fuel Check app is a helpful tool for viewing daily fuel prices at petrol stations across NSW, with over 2400 service stations in NSW uploading fuel prices in real time. This free-to-use app allows the public to view petrol prices at service stations on a map view or can be personalised to provide alerts for favourite stations or to help locate the cheapest fuel on a route.</p> <p>To ensure continuous improvements, the app receives feedback directly from customers and the team uses this feedback to identify priority areas for improvements. Over the last five years, approximately 11,000 comments have been collected. To assess this feedback, it is important to identify and prioritise recurring themes.</p> <p>The NSW Data Analytics Centre (DAC) were tasked with analysing these comments to identify for themes and insights. The team used Natural Language Processing to identify the most frequent and recurring feedback themes, and to help the Fuel Check team prioritise improvements to the app for the best user experience.</p> <p>The DAC has developed a tool that enables this NLP capability to be applied in a range of areas, including customer service and health, empowering agencies to systematically and rapidly analyse and action free-text customer feedback and survey responses.</p>
Revenue NSW	Using AI to ease the burden on vulnerable customers	Revenue NSW is using a range of indicators to identify and support vulnerable people early who may be unable to pay their fines. Operating since 2018, the AI-enabled program diverts vulnerable people away from enforcement action and provides alternative resolution options. This supports vulnerable people facing financial hardship. The solution has helped identify 15,000 people annually and allowed for more appropriate resolutions to their cases.
<b>NSW Department of Health</b>		
<b>Agency</b>	<b>Program / Project</b>	<b>Description</b>
NSW Ministry of Health, Agency for Clinical Innovation and eHealth NSW, Cancer Institute NSW	NSW Health use AI in both clinical and administrative settings – Current use of AI in NSW Health	<p>Across NSW Health, there are several AI based initiatives and pilot projects including:</p> <ul style="list-style-type: none"> <li>Proactive Sepsis Management Dashboard. The project builds upon the significant benefits realised by the Clinical Excellence Commission's paper-based Sepsis Kills program.</li> </ul>



		<ul style="list-style-type: none"> <li>Wound care management. RPA Virtual Hospital clinicians are using Tissue Analytics (integrated into the eMR) to manage wounds remotely.</li> </ul> <p>Production systems using machine learning derived algorithms have realised significant benefits within the Cancer Registry processes, including efficiency, timeliness, and comprehensiveness of the data. Comprehensive evaluation of the accuracy of the machine learning was undertaken prior to implementation. The algorithms are currently used for:</p> <ul style="list-style-type: none"> <li>Case Ascertainment for mandatory reporting of cancer from public and private laboratory information systems. Identification of tumour pathology information from free text reports.</li> </ul>
<b>Department of Regional NSW (DRNSW)</b>		
Agency	Program / Project	Description
Department of Primary Industries (DPI)	Forest Science – Fauna acoustics and camera trapping: AI-based automation of image processing and acoustics	<p>AI is being developed and is already in use through survey methods such as camera trapping and drones (which records images), and acoustics tools (which records sounds).</p> <p>This makes it possible to categorise, track and identify native and feral fauna at a species-level and sometimes at an individual level. This helps estimate fauna abundance and monitor their behaviour and habitats for conservation and management in government-managed forests and national parks.</p> <p>In-house Forest Science staff develop AI to identify a range of threatened species from recordings. The methods have been applied to koalas and they have led to significant new knowledge and understanding of the status of koalas in NSW. NSW DPI is also developing models that detect and count kangaroos in drone footage to assist with kangaroo management programs run in partnership with industry.</p> <p>AI has been a significant development in this field to allow the automated identification of different species from many thousands of recordings, with humans in the loop to verify the results. AI is also used to remove empty images resulting from false triggers of the camera due to wind. The automation of these laborious tasks allows scientists to collect and analyse much more data than was previously possible.</p> <p>These technological advances also means that ecological monitoring of selected fauna is now cost-effective over large areas and long-time periods, possibly for the first time for certain species. These new developments using AI are considered ground-breaking in the field of fauna ecology.</p>
	Remote sensing and machine learning to improve forest health and	Remote sensing techniques can assess water quality, temperature, algae, vegetation types and cover, and other environmental factors in aquatic ecosystems.

	<p>biosecurity surveillance – water data, vegetation mapping etc.</p>	<p>This helps DPI monitor fish habitats and understand their health. Current examples and applications include:</p> <ul style="list-style-type: none"> <li>• using satellite imagery combined with machine learning to predict water quality issues that may result in fish kills based on water temperature, algae loads and nutrient levels.</li> <li>• detection of sirenix wood wasp in pine plantations for better pest management of this invasive pest (see <a href="#">abstract<sup>14</sup></a>).</li> <li>• detection and mapping of urban trees for early detection and eradication of invasive forest pests (see <a href="#">article<sup>15</sup></a>)</li> <li>• improving efficiencies in forest health surveillance using a hierarchical approach to remote sensing and AI (a current research project).</li> </ul>
<b>NSW Department of Transport</b>		
<b>Agency</b>	<b>Program / Project</b>	<b>Description</b>
<p>Transport for NSW (TfNSW)</p>	<p>AI Object Detection Applications</p>	<p>A variety of AI object detection techniques have been developed and deployed by Transport to improve efficiency of operations, precinct planning, and safety of passengers. Examples include:</p> <ul style="list-style-type: none"> <li>• The use of AI in improving the way loading dock allocations are planned in new developments. The pilot, which uses AI object detection to measure the volume and flow of de-identified freight and delivery vehicles entering and existing urban loading docks, has improved data accuracy and cost effectiveness by reducing data delivery from three days using manual site survey processes to about ten hours. The data is used to update loading dock allocation guidelines which planners use to ensure adequate allocation of spaces in new developments.</li> <li>• The use of AI to detect vehicles violating bus lanes to provide an assessment of the effectiveness of changes to street signage and derive insights to manage traffic flow.</li> <li>• The use of AI to help detect unlawful entrance into approximately 80 rail tunnels on the Sydney Trains network. Unauthorised entry to tunnels impacts train performance. The use of AI enables an immediate response and rapid return to service (as the system also detects when people leave the tunnels).</li> <li>• The use of AI to help detect fare evasion at station gates. CCTV is used to collect passenger counts and is reconciled against OPAL tap on/tap</li> </ul>

<sup>14</sup> <https://ieeexplore.ieee.org/abstract/document/9102401>

<sup>15</sup> <https://www.sciencedirect.com/science/article/pii/S1618866723000304?via%3Dihub>

		<p>off data. This informs where Transport Officers are deployed, helping to minimise fare evasion.</p>
	<p>Automated Enforcement of Road Safety – Mobile Phone Detection Camera Program</p>	<p>The Mobile Phone Detection Camera (MPDC) program is designed to achieve general deterrence of illegal mobile phone use and produce a sustained change in driver behaviour. A pilot of the camera technology and AI software was trialled in 2019 before the program began enforcement in 2020.</p> <p>By using both police and automated enforcement, road safety outcomes can be enhanced by ensuring efficient, cost-effective enforcement of high-risk behaviours across the network; enabling police enforcement to be highly visible and focused on the enforcement of road laws including drink and drug driving which cannot be enforced using cameras.</p> <p>The MPDC program uses AI software, with several stages of human review, and includes strict security and privacy protocols. Cameras capture images of the front row of the cabin space of passing vehicles. AI software automatically reviews these images and detects potential offending drivers using a mobile phone illegally. Non-offender images are permanently and irretrievably deleted, typically within an hour of detection, or within 72 hours if human verification is required.</p> <p>Since its introduction, there has been a decline in camera-detected mobile phone offences with the offending rate falling from 1 in 82 drivers detected during the pilot period in 2019 to around 1 in 649 drivers detected by the cameras for the period 1 July 2022 – 30 June 2023.</p>
	<p>Intelligence Maintenance Program</p>	<p>Sydney Trains’ Intelligent Maintenance Program commenced in April 2022 and aims to transition rail maintenance practices away from current manual techniques towards a contemporary, integrated, predictive maintenance methodology that will improve the performance of assets, enhance safety and optimise maintenance practises.</p> <p>Sydney Trains currently undertakes visual inspections and track geometry inspections of over 80 per cent of the Sydney Trains maintenance network including approximately 1,600 km of track.</p> <p>The program has multiple sub-initiatives which are in different states of planning, pilot or delivery. The current focus is on:</p> <ul style="list-style-type: none"> <li>• Automation of rail asset inspection activities to reduce the need for people to enter the rail corridor.</li> <li>• Operational Technology-Information Technology asset data integration to enable the foundations for preventative and predictive analysis.</li> </ul>

## 1.11.2 Program and project initiatives (Pilot and proof of concept)

Below are examples of pilots or proofs of concept being undertaken by NSW Government agencies to test the application of AI to a range of functions.

Department of Communities and Justice (DCJ)		
Agency	Program / Project	Description
Family and Community Services Insights Analysis and Research (FACSIAR)	<p>Program – DCJ Information Management Modernisation Program</p> <p>Project - Tools of Intelligent Practice (in-progress)</p>	<p>DCJ is currently exploring the long-term potential for AI/machine learning systems to be used to develop decision support tools, so that DCJ's substantial data holdings can be operationalised and made useful to child protection practitioners on the frontline.</p> <p>The project will demonstrate whether it is feasible to develop an AI/machine learning system that can highlight risks faced by children and young people in the out-of-home care (OOHC) system using currently available data. It will also highlight which pieces of information (data) are the most important contributors to whether children and young people in OOHC experience negative outcomes.</p> <p>An AI model has been developed by Monash University in consultation with senior DCJ operational staff and is built on significant longitudinal data collected over a long period of time, including the de-identified Human Services Data Set. Early results suggest around 87% efficacy achieved by the model. The project complies with the access and confidentiality provisions of the HSDS, including review by the Monash Ethics Committee.</p> <p>The key benefit of this work is to allow the Department's Child Protection function to develop predictive capability, using current AI recognised technologies, to perform analysis and enhance decision making capability for caseworkers who look after children and young people in Out-of-Home Care. This is achieved by early warning and increased awareness of potential risks to children.</p> <p>Better use of business intelligence can support improved operational decision making. This will ultimately support improvements to service planning and delivery via the development of a decision support tool that can utilise real time data to accurately present information about individual children's risk of experiencing negative future events/outcomes.</p>
Department of Planning and Environment (DPE)		
Agency	Program / Project	Description
DPE	Coastal Hazard Intelligence Service	Biodiversity, Conservation and Science and the University of New South Wales Water Research Laboratory (WRL) have developed a prototype that seeks to offer near real-time insights on shoreline positions, processes, and the associated risks to public and private assets. The project (currently in

		progress) aims to align these insights with existing Coastal Management Programs. This is achieved by harnessing readily available satellite imagery, leveraging shoreline extraction machine learning algorithms developed by WRL, and utilising cutting-edge artificial intelligence tools for computer vision and language modelling.
Environment and Heritage Group, Biodiversity, Conservation and Science	Deployment of the Felixer cat grooming traps to help reduce feral cat predation impacts to threatened ground-dwelling mammals in South-East NSW	<p>Felixer cat grooming traps can lure feral cats within close range of the device, which has the inbuilt technology to identify feral cats and then dispatch a dose of gel with 1080 poison, which the cat then grooms from their body and ingests. The use of AI camera technology, in parallel with the Felixer's laser technology and target species recognition algorithms means the Felixer device can very accurately differentiate feral cats as the target species. It will recognise non-target species, including native animals and humans and will not activate the firing mechanism that delivers the 1080 gel.</p> <p>Felixer deployment has worked successfully in NSW as part of the Wild Deserts program in Sturt National Park. The South-East NSW program for deployment of Felixer traps is earmarked for October 2023, starting with a non-toxin camera mode testing to ensure that the AI technology can correctly differentiate between feral cats and non-target ground-dwelling mammals such as potoroos, bandicoots and quolls.</p>
<b>NSW Department of Health</b>		
<b>Agency</b>	<b>Program / Project</b>	<b>Description</b>
NSW Ministry of Health, Agency for Clinical Innovation and eHealth NSW, Cancer Institute NSW	NSW Health use AI in both clinical and administrative settings – Current use of AI in NSW Health	<p>BreastScreen NSW Machine Reading Evaluation Project which involves a fitness-for-purpose evaluation of a commercial TGA-approved product that uses deep learning derived algorithms for the detection of cancers in mammograms.</p> <p>A pilot project, GUIDANCE (digital wound care) uses AI to measure wound size, progression, and records this as a photograph and pdf that is uploaded into the electronic medical record (eMR).</p>
<b>Department of Regional NSW (DRNSW)</b>		
<b>Agency</b>	<b>Program / Project</b>	<b>Description</b>
Department of Primary Industries (DPI)	AI Bee Mite (Varroa) Detection System	The DPI Climate Digital Agriculture team is currently developing an advanced computer vision system to inspect mats from beehives to enhance detection of bee mite infestation and spread in beehives. This project is part of the Varroa response. The project has applications to detect other insects with future expansion.

	Climate-Smart Pilots oyster project	Climate-Smart Pilots has developed a pilot harvest closure tool to help oyster farmers be forewarned of extreme events that might close harvest areas, impact orders, staff availability, and increase uncertainty in business operations.
<b>NSW Department of Transport</b>		
<b>Agency</b>	<b>Program / Project</b>	<b>Description</b>
Transport for NSW (TfNSW)	Road Safety Incident Investigation Camera	<p>TfNSW is trialling new technology systems that use AI to identify when a near-miss or crash happens, including collecting data and a short video recording of the incident. In 2022, the initial proof of concept assessed how well the technology worked at two regional intersections. The technology was able to detect and classify vehicles, track their speeds, and record videos of near-misses across a 24/7 time-period.</p> <p>In 2023, TfNSW is extending the trial to include varied locations to understand how the technology works in different settings, including:</p> <ul style="list-style-type: none"> <li>• A high-speed highway location (Hume Highway at Gundagai)</li> <li>• A roundabout</li> <li>• An urban location.</li> </ul> <p>Road safety analysts can use the video footage of vehicle movements and data collected to gain in-depth understanding about the number and nature of incidents at a site, allowing customised and effective road safety treatments to be applied if necessary. In the past such surveys would have been conducted manually and normally for a single day and during daylight hours. The technology is designed to protect the privacy of all road users. Faces and vehicle registration plates are automatically blurred.</p>
	Enterprise Track Worker Safety Project – AI Plant Spotter Pilot Project	<p>The Blindsight system is a construction safety system that aims to help prevent serious or fatal accidents involving mobile heavy plant.</p> <p>This project involves the use of AI enabled cameras fitted to mobile heavy construction plant (loaders, excavators, dump trucks) to identify people who are standing or moving in areas that the plant operator cannot see and provide an alert to both the operator and the person on the ground that they are in a potentially dangerous location.</p> <p>The AI enables a more precise warning system compared to basic proximity sensors or other more manual or administrative safety systems. It does not use facial recognition or other biometric identifiers.</p> <p>The project is in the trial stage and is progressing to a final report which will outline the performance of the system in real world situations and make</p>

		recommendations on whether its use should be rolled out more broadly.
	Autonomous Vehicle Tunnel Inspection (AVTI)	<p>A proof of concept for tunnel maintenance using an autonomous vehicle to aid in inspection, data collection, analytics and reporting related to rail tunnel structural integrity will help Sydney Trains gain a greater understanding of the scope for the use of AI in supporting predictive risk-based maintenance approaches.</p> <p>These vehicles have technology to support some of the required inspection types, however they are unable cover all rail tunnels.</p> <p>The outcomes will include improved safety through the reduction of time spent by workers in danger zones for manual tunnel inspections. Furthermore, it will provide greater visibility of tunnel structural integrity; and contribute to risk-based tunnel maintenance practices driven by asset condition.</p>

### 1.11.3 Policy initiatives

Below are examples of policies and other governance materials being developed by NSW Government agencies on AI, including alignment with the NSW AI Assurance Framework.

Department of Customer Service (DCS)		
Agency	Policy	Description
Customer, Delivery and Transformation; Digital NSW	Update to the NSW AI Assurance Framework	<p>As indicated in Section 1.7, the Department of Customer Service is updating the AI Assurance Framework to ensure it remains fit for purpose as AI technologies advance.</p> <p>The NSW AI Assurance Framework is a structured self-assessment tool to confirm AI-enabled projects align with the principles under the NSW AI Ethics Policy. The NSW Chief Data Scientist, with support from the NSW Data Analytics Centre and Digital.NSW, is currently leading the review and update of the NSW AI Assurance Framework. The updated Framework is expected to be published before the end of 2023.</p>
Department of Education (DoE)		
Agency	Policy	Description
TAFE NSW	AI Literacy Initiatives Contributing to Workforce Augmentation	<p>TAFE NSW is uplifting AI Literacy and Capability in their staff, especially their teachers and product developers. Over 20 unique AI staff training sessions have been held in 2023 with another 25 sessions already planned.</p> <p>TAFE NSW has also delivered a senior leader AI Roundtable event and is developing reference materials and library guides for staff and students.</p>

	Teaching and learning with generative AI	<p>To minimise risks and seize potential opportunities, the department is currently developing guidance for teachers and students. This includes:</p> <ul style="list-style-type: none"> <li>• Resources to foster generative AI literacy.</li> <li>• Safe, ethical guidelines on the use of generative AI.</li> <li>• Resources to support safe, effective integration into teaching practice.</li> <li>• Resources to support teachers and students in practicing academic integrity.</li> <li>• How to compose effective prompts for AI generators.</li> </ul>
<b>NSW Department of Health</b>		
Agency	Policy	Description
NSW Ministry of Health, Agency for Clinical Innovation and eHealth NSW	NSW Health response to AI – Implications for the future of healthcare	<p>NSW Health is in the process of establishing an AI Taskforce to develop:</p> <ul style="list-style-type: none"> <li>• A communication strategy to inform clinicians, managers, policymakers, consumers about safe use of AI.</li> <li>• A living evidence table of significant developments in healthcare related AI methods, applications and governance.</li> <li>• A revised NSW Health Research strategy, incorporating the use of, and efforts to commercialise, AI-informed research.</li> <li>• A skills and capability framework which will outline core skills required to engage with AI and consider the impact of emerging technology on clinical and non-clinical roles.</li> <li>• A NSW Health AI Governance Framework spanning data, clinical governance, research.</li> </ul>
	NSW Health response to AI – Development of Governance framework for Health	<p>Work is underway to adapt the <i>NSW Artificial Intelligence Assurance Framework</i><sup>16</sup> for NSW Health. Successful and safe adoption of AI within NSW Health requires effective leadership and governance to ensure a coordinated approach to the longer-term development of clinical AI and research activities. NSW Health specific considerations centre on patient safety; risk to quality of care; legislation requirements; patient privacy; legal implications of unintended consequences; impact on healthcare professionals; and implications of machine bias.</p> <p>NSW Health’s adoption of the framework will create a platform for innovation and improvement, including the requisite infrastructure and skills. The NSW Health framework will ensure key leaders and</p>

<sup>16</sup> <https://www.digital.nsw.gov.au/sites/default/files/2022-09/nsw-government-assurance-framework.pdf>



		<p>stakeholders consider and assess the use of AI across NSW Health.</p> <p>The NSW Health AI Taskforce will ensure alignment with broader guidance from NSW’s Chief Data Scientist and the national agenda e.g. the Australian Alliance for Artificial Intelligence in Healthcare (AAAIH) framework.</p>
<b>NSW Department of Transport</b>		
<b>Agency</b>	<b>Policy</b>	<b>Description</b>
Transport for NSW (TfNSW)	Automated Vehicles Policy Reform	<p>AI is one of the key technological enablers for Automated Vehicles (AVs). AVs will rely heavily on AI to analyse and process data collected through multiple sensors and cameras to train and validate safe decisions for automated driving systems, while operating on the road.</p> <p>Since 2017, NSW contributed to a national initiative, led by the National Transport Commission, to develop a national end-to-end regulatory framework to enable the safe commercial deployment of AVs while addressing a range of risks and challenges introduced by using AI in AVs. This includes establishing legislative requirements on the entities responsible for automated driving systems to have ongoing oversight and maintenance of their systems to ensure their safety, including preventing third party interference.</p>
	Artificial Intelligence Assurance Plan	<p>TfNSW is delivering a program of work to enable responsible AI innovation through assurance mechanisms including:</p> <ul style="list-style-type: none"> <li>• An AI Assurance Framework aligned to the NSW framework and customised for TfNSW to enable updated or new policies and governance standards to support this framework.</li> <li>• New procedures, guidelines and training to enable a broad user group to use and create responsible ethical AI solutions within the framework.</li> <li>• A digital tool which interfaces with the NSW AI Assurance framework to help AI creators assess AI risk within a project and address this with remediation actions.</li> <li>• Enterprise-wide governance, advisory groups and champion network to oversee decisions related to AI Assurance roadmap and ensure high value, responsible outcomes for AI.</li> </ul> <p>This initiative is in close collaboration with other government agencies and with support from academic partners.</p>
	AI Object Detection Applications	<p>Transport is currently developing AI assurance processes and data retention policies to ensure that image data is appropriately managed once features</p>

		have been extracted using AI. Faces and vehicle registration plates are automatically blurred.
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# 2

## Appendices

## 2.1 Portfolios which contributed information

Department/Agency
NSW Department of Customer Service
NSW Department of Communities and Justice
NSW Department of Education
NSW Department of Enterprise, Investment and Trade
NSW Department of Planning & Environment
Department of Regional NSW
NSW Department of Health
NSW Department of Transport
Treasury NSW

## 2.2 Publicly available information sources

Name	Webpage
NSW Ombudsman Report: The new machinery of government: using machine technology in administrative decision-making	<a href="https://www.ombo.nsw.gov.au/_data/assets/pdf_file/0003/138207/The-new-machinery-of-government-special-report_Front-section.pdf">https://www.ombo.nsw.gov.au/_data/assets/pdf_file/0003/138207/The-new-machinery-of-government-special-report_Front-section.pdf</a>
NSW Productivity Commission Adaptive NSW: how embracing tech could recharge our prosperity	<a href="https://www.productivity.nsw.gov.au/sites/default/files/2022-11/20221117-nsw-productivity-commission_adaptive-nsw_how-embracing-tech-could-recharge-our-prosperity.pdf">https://www.productivity.nsw.gov.au/sites/default/files/2022-11/20221117-nsw-productivity-commission_adaptive-nsw_how-embracing-tech-could-recharge-our-prosperity.pdf</a>

## 2.3 Key Policies related to AI, data, privacy and security in NSW

Issuer	Reference	Document Name
NSW Government	1998	<u><i>Privacy and Personal Information Protection Act 1998 (NSW)</i></u>
NSW Government	2002	<u><i>Health Records and Information Privacy Act 2002 (NSW)</i></u>
NSW Government	2009	<u><i>Government Information (Public Access) Act 2009 (NSW)</i></u>
NSW Government	2018	<u><i>Government Information (Public Access) Regulation 2018 NSW</i></u>

NSW Government	1998	<u>State Records Act 1998 (NSW)</u>
NSW Government	2015	<u>Data Sharing (Government Sector) Act 2015 (NSW)</u>
Department of Customer Service	May 2023	<u>Smart Places Data Protection Policy</u>
Department of Customer Service	March 2021	<u>NSW Government Internet of Things (IoT) Policy</u>
Department of Customer Service	August 2020	<u>NSW Government AI Strategy</u>
Department of Customer Service	August 2020	<u>NSW Government Artificial Intelligence (AI) Ethics Policy</u>
Department of Customer Service	December 2020	<u>NSW Government Infrastructure Data Management Framework (IDMF)</u>
Department of Customer Service	July 2020	<u>NSW Government's Smart Infrastructure Policy</u>
Department of Customer Service	2020	<u>NSW Government Cyber Security Policy</u>
NSW Government	November 2023	The <u>Mandatory Notification of Data Breach (MNDB) Scheme</u> comes into effect on 28 November 2023
NSW Government	2018	<u>NSW Government State Infrastructure Strategy</u>
Department of Customer Service	2016	<u>NSW Government Open Data Policy</u>
Department of Customer Service	October 2020	<u>NSW Government Cloud Policy</u>
Department of Customer Service	2018	<u>NSW Government Information Management Framework</u>
Department of Customer Service	June 2013	<u>NSW Data &amp; Information Custodianship Policy</u>
Department of Premier and Cabinet	November 2018	<u>NSW Government Standard on Records Management</u>
Department of Customer Service	February 2021	<u>NSW Data Governance Toolkit</u>
Department of Customer Service	June 2021	<u>NSW Government Data Strategy</u>
Information and Privacy Commission	May 2020	<u>Fact Sheet - Information Protection Principles (IPPs) for agencies</u>
Information and Privacy Commission	August 2019	<u>Fact Sheet - The Health Privacy Principles (HPPs) guidance for agencies and organisations</u>
Information and Privacy Commission	2016	<u>Privacy Governance Framework</u>
Information and Privacy Commission	April 2020	<u>Fact Sheet - Reasonably Ascertainable Identity</u>
Information and Privacy Commission	October 2020	<u>Digital Projects for Agencies</u>
Information and Privacy Commission	May 2021	<u>Digital Restart Fund: assessing information access and privacy impacts</u>

Information and Privacy Commission	June 2019	<u>Fact Sheet - Consent and Bundled Consent</u>
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## 2.4 Other key legislation that applies to AI

The AI Ethics Policy states that NSW Government agencies must comply with all applicable laws when developing and using an AI solution. This includes NSW privacy laws and the following additional laws:

Issuer	Reference	Document Name
Commonwealth	1968	<u>Copyright Act 1968 (Cth)</u>
Commonwealth	2010	<u>Competition and Consumer Act 2010 (Cth)</u>
Commonwealth	1990	<u>Patents Act 1990 (Cth)</u>
NSW Government	1998	<u>State Records Act 1998 (NSW)</u>
NSW Government	2013	<u>Road Transport Act 2013 (NSW)</u>
NSW Government	1977	<u>NSW Anti-Discrimination Act 1977 (NSW)</u>
Commonwealth	1992	<u>Disability Discrimination Act 1992 (Cth)</u>
NSW Government	2005	<u>Workplace Surveillance Act 2005 (NSW)</u>
NSW Government	2007	<u>Surveillance Devices Act 2007 (NSW)</u>
Commonwealth	1979	<u>Telecommunications (Interception and Access) Act 1979 (Cth)</u>
Commonwealth	2018	<u>Security of Critical Infrastructure Act 2018 (Cth)</u>
NSW Government	2000	<u>Adoption Act 2000 (NSW)</u>
NSW Government	2007	<u>Assisted Reproductive Technology Act 2007 (NSW)</u>
Commonwealth	1995	<u>Criminal Code Act 1995 (Cth)</u>
NSW Government	1990	<u>Crimes Act 1900 (NSW)</u>
Commonwealth	1914	<u>Crimes Act 1914 (Cth)</u>
NSW Government	2000	<u>Crimes (Forensic Procedures) Act 2000 (NSW)</u>
NSW Government	1991	<u>Criminal Records Act 1991 (NSW)</u>
NSW Government	1990	<u>Police Act 1990 (NSW)</u>
NSW Government	2002	<u>Civil Liability Act (NSW)</u>
NSW Government	1987	<u>Fair Trading Act (NSW)</u>

Further, agencies must be mindful of the ethical and probity requirements of the Government Sector Employment Act 2013 and the Government Sector Finance Act 2018.

# Department of Customer Service

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