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> Australia needs regulatory certainty for artificial intelligence

AUSTRALIA NEEDS REGULATORY CERTAINTY FOR ARTIFICIAL INTELLIGENCE

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To realise the productivity potential of artificial intelligence, the Australian Government must provide regulatory certainty.

To realise the productivity potential of artificial intelligence (AI), the Australian Government must provide regulatory certainty, according to a new paper by the University of Technology Sydney (UTS) Human Technology Institute (HTI) and e61 Institute.

The HTI-e61 paper outlines the three main choices available to the Australian Government in approaching regulation for AI:

- a deliberately permissive approach, encouraging companies to ‘let it rip’
- a prescriptive approach, where companies use of AI is tightly controlled
- a pragmatic approach that prefers technology-neutral regulation.

The HTI-e61 paper identifies the third approach as the most effective way of adopting Treasurer Jim Chalmers’ preferred “middle course” for AI – one that pays proportionate attention both to AI opportunities and harms.

“Good regulation for AI fosters productivity by providing regulatory certainty for business, making AI products and services more trustworthy for consumers, and supporting the workforce through a major technological transformation,” said Professor Nicholas Davis, HTI Co-Director and former Head of Society & Innovation at the World Economic Forum.

“Being passive on regulation would invite the worst of all worlds: increased AI adoption wouldn’t drive significant productivity growth, yet harms associated with AI also wouldn’t be appropriately addressed.”

“Australia’s regulatory approach for AI should ensure that economic benefits don’t just flow to big tech companies based overseas. Productivity dividends should be shared fairly among the Australian community and business, and harms associated with AI must be addressed effectively in law,” said Professor Edward Santow, HTI Co-Director and Australia’s former Human Rights Commissioner.

“Regulatory uncertainty increases risk for long-horizon, cross-functional AI investments. It risks delaying and distorting capital spending and encouraging short-termism,” said Michael Brennan, CEO of the e61 Institute, and former Chair of the Productivity Commission.

AI, productivity and regulation

Download the report on artificial intelligence, productivity and Australia's choice of regulatory framework.

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