1. **All documents and all correspondence between the eSafety Commissioner and Microsoft in relation to the Social Media Minimum Age Restriction.**

- 01 - Email from Microsoft to eSafety dated 19 December 2024, providing a copy of GitHub's submission in response to the 2024 Online Safety Amendment (Social Media Minimum Age)
    - 01.1 - GitHub - Australia social media age restriction - submission
- 02 - Email from Microsoft to the Department of Communications and eSafety dated 12 March 2025, providing a copy of GitHub's supplementary submission in response to the draft Online Safety (Age-Restricted Social Media Platforms) Rules
- 03 - Email from eSafety to Microsoft, dated 21 July 2025, inviting Microsoft to a consultation on the social media minimum age implementation
- 04 - Email from Microsoft to eSafety, dated 01 August 2025, declining the invitation for a consultation on Australia's social media age restrictions
- 05 - Email from GitHub in response to eSafety request, dated 19 September 2025, with correspondence providing update on the social media minimum age obligations
    - 05.1 - 04 September 2025 letter from eSafety Commissioner to GitHub requesting a self-assessment regarding their status as an age-restricted social media platform (ARSMP)
    - 05.2 - 18 September 2025 letter to from GitHub to eSafety Commissioner outlining their position that they are not an ARSMP under the act
- 06 - Email from eSafety back to GitHub, dated 16 October 2025, with their preliminary view that GitHub is not an age-restricted social media platform
    - 06.1 - 20251016 GitHub ARSMP preliminary view letter

2. **Microsoft submissions to Australian Government in relation to text and data mining exemption**

Microsoft has made several submissions to the Australian Government in relation to copyright reform, including:

- Microsoft responses to the Productivity Commission's questionnaire in relation to the Five Pillars of Productivity inquiry dated 13 June 2025
- Microsoft submission to the Treasurer's National Economic Reform Roundtable consultation submitted on 25 July 2025
- Microsoft submission to the Productivity Commission's Five Pillars of Productivity Interim Reports dated 15 September 2025

3. **Clarification of LinkedIn's status under the Social Media Minimum Age Restriction.**

LinkedIn is a professional networking platform connecting 1.2 billion members globally, with a mission to create economic opportunity and support professional growth. It is a real-identity platform for individuals over 16 and above to explore career interests, connect with job opportunities and upskill through LinkedIn Learning. Its core function is professional networking,

skills development and career advancement - not social interaction for entertainment or personal purposes.

LinkedIn's Terms of Service specifically prohibit individuals under the age of 16 from creating an account, which aligns with the platform's professional focus for members seeking economic advancement and opportunity. For members between 16-18 years of age, LinkedIn does not specifically market any of its products or features to minors; for example, when it comes to LinkedIn Newsletters and Public Groups, and it explicitly encourages content related to professional topics and discussions, which are designed to be relevant to members of the workforce or of working age. This focus is further reflected in the platform's design, content and marketing, none of which is tailored to minors or appealing to younger audiences. LinkedIn provides a platform for members specifically to share professional expertise, experiences, and anecdotes, as well as content that is related to an industry or to individual career growth.

LinkedIn is exempt under section 5 of the Online Safety (Age-Restricted Social Media Platforms) Rules 2025, which outlines classes of services that are not considered age-restricted social media platforms. Specifically, subsection 5(1)(d) excludes services whose sole or primary purpose is to enable end-users to engage in professional networking or professional development. As LinkedIn's primary purpose is to facilitate professional networking, recruitment, and career development, it falls within this exemption and is therefore not subject to the minimum-age requirements under section 63C of the Online Safety Act 2021.

4. **Clarification of Xbox's status under the Social Media Minimum Age Restriction.**

We note that while the Committee asked about "Xbox Live", this is now branded as the Xbox network. The Online Safety (Age-Restricted Social Media Platforms) Rules 2025 specify that platforms whose sole or primary purpose is "online gaming" are not classified as age-restricted social media platforms under the legislation. The government has confirmed that online gaming services are exempt from this regulation. This is reflected in both the official rules and public statements from the Minister for Communications.

Xbox is a gaming service, enabling users to play online games. There are several regulatory frameworks that already govern online gaming. For example, Xbox is subject to both Class 1 and Class 2 online safety industry codes under Australia's Online Safety Act and online games are governed by Australia's National Classification Scheme, which provides age ratings and content guidelines. Xbox also offers robust parental controls and safety features, enabling parents to manage screen time, spending, and interactions. Additional information about these tools can be found in The Xbox Gaming Safety Toolkit.

5. **Questions on notice from Senator Smith**

(a) What kind of authentication software do you produce?

Given the context of this hearing, we understand this question to be about whether Microsoft offers software intended to enable businesses to verify the age of users under the age of 18. We do not. Microsoft provides authentication and identity services as a part of our enterprise offerings to organizations – those enterprises may choose to work with third-party providers to incorporate age verification as a part of their individual security and access management processes.

- **What is the veracity of that software to age estimate or infer a person's age is under 16?**

N/A

- **Can you provide further details on the products you provide?**

N/A

- **Do you store any of this data and if so, for how long?**

N/A

(b) Are you partnering with or providing any of your products to the platforms already deemed as included in the social media minimum age restrictions?

Please see our response to question 5 (a).

Microsoft Submission to the Productivity Commission Five Pillars of Productivity Inquiries

Microsoft appreciates the opportunity to contribute to the Productivity Commission (the PC)'s interim reports of the five pillars of productivity inquiries. We welcome the PC's focus on actionable reforms to deliver meaningful and measurable improvements to Australia's productivity and living standards.

At Microsoft, we believe that general-purpose technologies—from the PC to the Internet to cloud computing—are key to boosting productivity, strengthening digital resilience, and fostering inclusive economic growth. With the advent of generative AI as the next big general-purpose technology, that belief is only reinforced as we see the incredible opportunities that it will realise for a prosperous and sustainable future for Australia. Across the country and the world, we see AI-driven digital transformation reshaping industries, unlocking new opportunities, and helping communities adapt to change. But succeeding in globally competitive digital markets requires a commitment to both technological innovation and adoption spanning across the five pillars of productivity. That is why we offer our views in this submission in support of that vision, drawing on more than 40 years' experience operating in Australia to help to empower governments, businesses and communities to achieve more.

In this submission, we have focused our feedback on the interim reports on Harnessing Data and Digital Technology and Building a Skilled and Adaptable Workforce, but we have also offered some targeted feedback on the other interim reports.

1. Harnessing Data and Digital Technology

Microsoft welcomes the PC's analysis of technology and AI's potential to underpin a new wave of productivity growth. Early studies cited by the PC show that AI could significantly lift Australia's productivity growth. This aligns with the Tech Council of Australia's research estimating AI adoption could add as much as $115 billion to Australia's GDP each year and 200,000 new jobs by 2030.[1] For Australia to succeed in the competitive global AI landscape it will require a commitment to excellence in both innovation and adoption, involving the development of advanced capabilities within Australia's industry and startup sectors as well as promoting widespread AI integration throughout the broader economy.

To achieve this, we support the PC's draft recommendations to enable AI's productivity potential and to expand data access, in conjunction with additional action from Government to establish a National AI Skilling Partnership to equip an AI-ready workforce (see further section 2 below), prioritise policies that enable Australia's national AI infrastructure (see further section 3 below), and accelerate digital government by boosting public sector productivity.[2]

[1] Generative AI could contribute $115 billion annually to Australia's economy by 2030 - Tech Council of Australia

[2] Unlocking the productivity dividend of digital government

1.1 Enable AI's productivity potential

Realising AI's potential in Australia requires a supportive policy environment that encourages innovation while managing risks. Microsoft is supportive of the PCs draft recommendations to enable AI's productivity potential. For example, the availability of public protein databases have led to the development of high-performance profile sequencing models.[3] Powered by data access, AI-driven research has led to breakthroughs for which two Nobel prizes were awarded in 2024.[4] In our experience, these benefits hold particularly true in Australian services and care sectors, where AI is already being used to enhance efficiency while creating more space for the personal connections underpinning these industries. Some recent examples include:

- In **healthcare**, Australian company Annalise.ai delivers AI-enabled medical devices to over 1,000 hospitals globally. Annalise.ai was able to rapidly validate their lung cancer detection tool using UK NHS datasets in just 6–8 weeks. Its solutions help radiologists analyse x-rays and CT scans to identify potential pathologies including lung cancer and stroke.
- In **aged care**, Microsoft has partnered with Gadali Group and Ability First Australia (**AFA**) to create an app that helps frontline workers automate notetaking and streamline information flow between caregivers across shifts. This technology helps enhance continuity of care while easing the admin burden across AFA's network of not-of-profit disability service providers comprising over 30,000+ staff supporting 92,000+ Australians with complex disabilities.
- In **education**, Australia has led the way with one of the world's most ambitious AI rollouts across 78,000 students and 13,000 staff at 146 Brisbane Catholic Education schools. This initiative has reduced teacher workloads by 9+ hours a week on admin tasks, searching for information, and lesson and curriculum planning and boosted teacher recruitment.

Microsoft has long-supported a proportionate, risk-based, and outcomes-focused approach to AI regulation built on Australia's existing legal frameworks. In particular, we agree that Australia's established laws and regulatory agencies (for example, in privacy, consumer protection, safety, and anti-discrimination) are an appropriate and effective first line of defence to address AI-related risks. We further agree that it is important to first conduct a comprehensive review of current laws and future reforms. This includes considering the efficacy of both the layers of existing economy-wide and sector-specific regulations as well as ongoing reform processes in overlapping areas including privacy, consumer protection, cybersecurity, and online safety. This recommendation for a gap analysis promotes legal certainty which, in turn, creates an environment that encourages businesses to invest in, develop, and adopt AI technologies.

We agree with the PC's recommendation that new, AI-specific regulations should only be considered to fill clear gaps if existing frameworks cannot be adjusted to mitigate high-risk harms from AI. In addition, there is a significant opportunity to help organisations from across the public and private sectors understand how to operationalise their AI governance obligations

[3] Stanford University, AI Index 2025 Annual Report, p285.
[4] Stanford University, AI Index 2025 Annual Report, p286.

under existing laws and Australia's Voluntary AI Safety Standard. Rather than adopting a burdensome regulatory regime or neglecting the foundational importance of AI governance, several comparable jurisdictions are relying on technology-neutral, sector-specific frameworks while introducing mechanisms such as AI testing services, assurance sandboxes, and practical guidance to make compliance more actionable. For example:

i. The United Kingdom's Financial Conduct Authority is launching a live AI testing service, allowing firms to work with the regulator to confirm their AI tools are deployment-ready. The United Kingdom has also launched a strategy to grow its domestic AI assurance market, aiming to build capability in tools and techniques that measure, evaluate, and communicate the trustworthiness of AI systems. This positions AI assurance both as an economic opportunity and a means of enabling widespread adoption across sectors.

ii. Singapore's AI Assurance Sandbox provides a testing environment where developers and deployers of generative AI applications can engage specialist technical testers, including for industry-specific regulatory compliance. Singapore is also lowering barriers to compliance by publishing practical resources such as the *Starter Kit for Safety Testing of LLM-Based Applications*. This reflects a recognition that driving responsible AI adoption and diffusion requires diving deeper than obligations and standards toward supporting their operationalisation in practice.

Australia should also promote and incentivise transparency—a fundamental principle of AI governance recognised in both Australia's AI Ethics Principles and Microsoft's Responsible AI Principles. By joining the Hiroshima AI Process (HAIP) Friends Group, Australia has already signalled support for the HAIP Comprehensive Policy Framework, including its Reporting Framework, which enables organisations to voluntarily disclose their AI governance policies and safeguards through a standardised OECD tool. Australia could adapt this framework into a local voluntary transparency scheme, building on initiatives such as the NAIC's Responsible AI Index 2025 to foster shared learning, highlight best practices, and signal the trustworthiness of participating companies. At Microsoft, we are deeply committed to transparency across a range of initiatives, including releasing detailed transparency notes, technical reports for each model we develop, and our 2025 Responsible AI Transparency Report. We have also published our Responsible AI Standard v2 along with our Impact Assessment Template and our Responsible AI Impact Assessment Guide.

Building on existing regulatory frameworks, as in the UK and Singapore examples above, is the approach that best reflects that we are still at the very start of a long-term technology shift with AI. Technology-neutral regulatory frameworks are likely to have the greatest longevity and adaptability for a technology that is evolving rapidly and avoids creating an additional layer of regulatory duplication. In addition, our existing regulators have a wealth of expertise in their domains that can be leveraged to prevent and address harms from AI systems.

1.2 Clarifying Australian copyright law

Microsoft acknowledges the significant role that copyright plays in fostering Australia's creative and knowledge-driven economy. We recognise that, for over a century, Australian copyright and intellectual property laws have been required to evolve alongside technological advancements, balancing the interests of rights holders with the potential for innovation. Historical examples such as the photocopier, VCR, smartphone, and search engine illustrate how technological developments have prompted important discussions regarding the preservation of rights holder

autonomy, while also facilitating the emergence of new creative sectors across Australia and expanding markets to existing creators. Currently, we are once again facing a pivotal technological juncture with the advent of AI.

As the PC has found, data access and use drives growth and value in the digital economy[5] and Microsoft agrees that Australia stands to benefit significantly from greater access to data to unlock greater diffusion and adoption of data-driven AI technologies. As illustrated in the examples in section 1.1 above, greater access to data can foster new innovations, underpin new business models, and create export opportunities in the global data economy.

Realising Australia's data opportunity requires targeted reforms in our legal and policy frameworks around data use. To that end, Microsoft supports clarifying the operation of the *Copyright Act 1976* (Cth) in relation to digital and AI technologies, including following the lead of jurisdictions like the EU, Japan, and Singapore by introducing clear Text and Data Mining (TDM) exceptions to enable data analysis of publicly available data including AI and machine learning developments while, at the same time, continuing to protect expressive works. In the UK, for example, a recent study has estimated that introducing a commercial TDM exception has the potential to attract £0.8bn-£1.8 billion more in AI investment in a single year, equivalent to 20-40% increase.[6] It also found a commercial TDM exception to have broader impacts on increasing investment in other sectors including scientific and academic research, legal and financial analysis, and healthcare and pharmaceuticals.[7]

But we also believe that choice and control are important elements of any copyright framework, whether or not it contains a TDM exception. This is particularly true for the news media and creative sectors. Proven, practical, standardised and user-friendly rights reservation mechanisms can be developed within legal frameworks that contain a TDM exception. Since 2023, Microsoft has offered online publishers specific controls to manage how their works are used with AI, including allowing news publishers to remain discoverable in search but opt-out of having their content used to train generative AI models. Microsoft also excludes sources with paywalls and domains found to engage in or facilitate copyright piracy.[8] We have also invested in granular controls built on the widely adopted Robots Exclusion Protocol (robots.txt) as well as on standardised controls through an Internet Engineering Task Force working group.

Australia stands to significantly benefit within the global AI economy given its comparative data advantage derived from its robust public datasets, skilled workforce, thriving research ecosystem, and strong and stable legal system. Targeted data reforms can further boost the potential of local AI-driven innovations in the Applications layer of the AI tech stack, enabling local industries to compete on a global stage where AI and Machine Learning workflows are driving productivity and attracting investment. But, ultimately, decisions about Australia's copyright framework, including whether to introduce a Text and Data Mining (TDM) exception, are for government to make, weighing the trade-offs between enabling innovation and

[5] PC Exec Summary, p1 https://www.pc.gov.au/inquiries/current/data-digital/interim/data-digital-interim-summary.pdf

[6] Computer & Communications Industry Association, New Research Shows the Importance of Copyright and AI Regulation to UK Investment, 6 June 2025.

[7] Computer & Communications Industry Association, New Research Shows the Importance of Copyright and AI Regulation to UK Investment, 6 June 2025.

[8] I.e. all domains listed in the Office of the United States Trade Representative Notorious Markets for Counterfeiting and Piracy list.

protecting creators' rights. To that end, with thoughtful reform, Australia can unlock the value of its data advantage while continuing to uphold the integrity of its copyright system.

1.3 New pathways to expand data access

We strongly support the PC's objective of improving data access and use across the economy. We agree with the interim report's finding that the potential benefits of data sharing remain untapped in Australia. Improving the ability to access and use data can unlock benefits across all sectors of the economy.

Microsoft welcomes draft recommendation 2.1 to establish lower-cost and more flexible pathways to expand basic data access for individuals and businesses. Expanding data-sharing initiatives in ways that are underpinned by robust security and privacy protections promotes local AI innovation in and beyond the Australian tech sector. We strongly support enhancing data access and data portability to foster new Australian AI applications.

As recommended in the interim report, this may be achieved by improvements to the Consumer Data Right or by sector-specific regulatory pathways to facilitate data access and sharing. We also recommend amending the *Data Availability and Transparency Act 2022* (Cth) (**DAT Act**) to facilitate the sharing of public datasets with trusted parties, including in the private sector, noting the DAT Act is separately under ongoing statutory review led by Commissioner Stephen King.

In our view, a healthy data ecosystem is best achieved by being as open as possible with data and incentivising voluntary data sharing. Voluntary approaches to data sharing are encouraged by enabling organisations to derive value from the outcomes that they can achieve through data sharing, by combining shared data with publicly available data in order to derive new insights, enable new business models and improve services.

1.4 Supporting safe data access and use through outcomes-based privacy regulation

We believe that privacy is a fundamental right and an enabler of digital innovation. Microsoft has long supported robust and internationally interoperable privacy laws. As outlined in our submissions to the Privacy Act Review, we welcome many of the Government's reforms that aim to give Australians greater control over their personal information and align Australia's privacy framework with global standards.

We support the PC's focus on the need to balance regulatory burden with additional benefit for individuals. As a global technology company, Microsoft is already fully compliant with the EU's General Data Protection Regulation (GDPR) and was one of the first to roll out its key protections to all our customers worldwide.

From our perspective, it is important that the draft recommendation to introduce an alternative compliance pathway to the Privacy Act does not impact existing obligations or require changes to APP entities' established compliance practices. In addition, we continue to advocate in favour of privacy reforms to achieve greater global alignment to support not only international companies wanting to do business with and in Australia, but also local businesses wanting to

grow, trade, and compete internationally. These are discussed in more detail in our submissions to the Privacy Act Review,[9] with a summary of our key positions below:

1. **Introduce the controller/processor distinction**: This would clarify roles and responsibilities, reduce compliance ambiguity, and align Australia with global norms.
2. **Adopt a legitimate interest framework**: This three-part test (lawful purpose, necessity, and balancing of interests) is well understood internationally and provides a structured, transparent basis for data use without relying solely on consent.
3. **Update definitions of personal information and de-identified information**: These changes would provide important clarifications to the scope of data protected under the Act and bring Australia's framework into closer alignment with global standards.

iii. **Enhance regulator engagement and resourcing**: Greater consultation and clearer guidance from the OAIC would improve compliance certainty and foster innovation, particularly in emerging areas such as AI.

However, Microsoft cautions against the draft recommendation that Australia does not incorporate a right to erasure in its Privacy Act update. We support the rights of consumers to control their own data and we were the first company to apply consumer rights under the GDPR, including the right to erasure, globally. Data deletion has long been one of the core consumer rights and is present in almost all existing data privacy laws. Further this protection can already be limited by the controller under the GDPR to circumstances when processing the data is necessary (1) for exercising freedom of expression and information (2) to comply with existing legal obligations, (3) for reasons of public health, (4) for archiving in the public interest or for scientific or historical research and (5) to exercise or defend against legal claims. Microsoft believes this flexibility strikes the right balance in allowing consumers to have legal certainty in circumstances when data deletion is meaningful to them, while still allowing controllers the flexibility to meet business necessity.

2. Building a skilled and adaptable workforce interim report

At Microsoft, we believe in advancing AI by putting people first. This means that a top priority is to build a skilled and adaptable AI-ready workforce across the economy. AI is already reshaping jobs and the skills required in industries from manufacturing to finance. According to the World Economic Forum's Future of Jobs report, 59% of the global workforce will need new digital skills by 2030.[10] By acting now, Australia can avoid a widening skills gap and support more equitable and inclusive access to the new opportunities created by AI.

At the same time, the potential benefits of building skills and qualifications for a more productive workforce are significant. AI has the potential to create an estimated 200,000 new jobs in Australia by 2030, which would require a 500% growth from current AI workforce levels.[11]

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[9] Microsoft Response to Privacy Act Review – Discussion paper - Attorney-General's Department - Citizen Space

[10] World Economic Forum, The Future of Jobs Report 2025, 7 January 2025.

[11] Tech Council of Australia, Microsoft, LinkedIn and Workday, Meeting the AI skills boom, 2 July 2024.

2.1 The best resources to improve school student outcomes

To equip the next generation of Australians with the skills, knowledge, and tools to thrive, Microsoft strongly supports the PC's draft recommendations to lead national efforts to ensure equitable access to education technology (edtech) and AI. Microsoft is pursuing this mission globally through the Microsoft Elevate Academy, which will help bring AI education and skills to people around the world and advocate for public policies to advance AI education and training for others. In the next two years, the Microsoft Elevate Academy will help 20 million people earn an in-demand AI skilling credential ranging from foundational fluency to advanced technical training.[12]

In Australia, generative AI is already proving to be a transformative tool in the education sector, enhancing student learning outcomes, improving equity for students with diverse learning needs, and significantly saving time for educators and staff. There are already several State and Federal initiatives pioneering responsible, secure, and innovative AI adoption in the education sector, positioning Australia as a global centre of excellence in AI-enabled education. For example:

1. Brisbane Catholic Education has rolled out Microsoft 365 Copilot for 12,500 educators and support staff across its 146 K-12 schools, with encouraging early results showing teachers saving over 9 hours a week on admin tasks, searching for information, and lesson and curriculum planning.[13]

2. SA Department for Education and Microsoft have partnered to developed EdChat, a secure generative AI platform for schools custom built for teaching and learning and centred on student safety and data privacy.[14]

3. NSW Department of Education and Microsoft have partnered to develop NSWEduChat, a secure generative AI assistant designed to support teachers with lesson planning, curriculum alignment, and administrative tasks.[15] The trial has found that NSWEduChat has allowed teachers to enhance their AI skills and digital literacy as well as giving teachers more time to focus on personalised learning and student interactions, with plans to expand NSWEduChat to all staff across the department.

4. Education Services Australia has partnered with Microsoft to provide a free online professional learning module to help teachers unlock valuable personalised learning opportunities for students with the safe and effective use of AI in schools.[16]

And yet, these initiatives demonstrate only a fraction of the generative AI's potential. While these are excellent examples, there remains considerable scope to scale responsible AI adoption nationally and ensure equitable access across all school systems. This will require national coordination and investment, teacher training and support, equitable access to

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[12] Brad Smith, Microsoft Elevate: Putting People First, 9 July 2025.
[13] See further Microsoft News Centre, Brisbane Catholic Education to deploy Microsoft 365 Copilot to 12,500 educators and support staff, in largest rollout for K-12 globally, 19 November 2024.
[14] South Australia Department for Education, EdChat – the department's generative AI chatbot, 14 March 2025.
[15] NSW Government – Education, NSWEduChat.
[16] Education Services Australia, Training for teachers boosts confidence in safe and effective AI use in classrooms, 30 May 2025.

enterprise-grade AI tools, and appropriate governance and standards. Microsoft is committed to continue working with Governments on realising the transformative benefits of generative AI technologies across the education ecosystem to benefit both teachers and students.

2.2 Building skills and qualifications for a more productive workforce

Microsoft agrees with the PC's finding that rapid technological advancement makes participation in post-secondary education and training more important than ever. And we welcome the PC's recognition of the many benefits of work-related training, which increases the skills of employees already in the workforce, boosting wages and productivity. Both are especially true in the AI economy, which is set to transform every sector and will enable workers in a diverse array of roles to achieve more.

Australia must rapidly upskill existing workers in both technical AI competencies and the broader digital skills needed to work alongside AI tools, helping them to adopt and adapt to new technologies. This includes everyone from software engineers and data analysts to frontline employees in fields like healthcare, education, agriculture, financial services, and the public sector.

In addition to the PC's targeted draft recommendations on recognition of prior learning and better target incentives, Microsoft supports increased public private collaboration. A National AI Skilling Partnership would unite governments, industry, education providers, unions and the broader economy to skill an AI-ready workforce across the economy. By formally bringing together federal and state governments, companies large and small, universities/TAFEs and worker representatives, the Partnership would align efforts behind a shared vision and concrete targets for AI skill development. The partnership would be broad based and inclusive, ensuring regional, First Nations, and other under-represented communities have fair and equitable access to AI technology and training resources. There are current models we can learn from, two examples are:

- **NSW Digital Skills and Workforce Compact** – A pioneering multi-sector skills initiative at the state level, which can inform a national approach. Complemented by innovative state training models like the Institute of Applied Technology – Digital.
- UK **"Tech First" Program**: The UK Government is partnering with a wide range of industry partners to coordinate an AI skilling partnership with ambitions to train 7.5 million UK workers in essential AI skills.

Many industry players are already investing significantly in AI skilling in Australia. One way that Microsoft is rising to this challenge is through our AI Skills Initiative, a commitment to train 1 million Australians and New Zealanders in AI by 2026 – with a focus on public sector officials, educators, small business employees and not-for-profits.[17] Globally, Microsoft also committed to donating more than AUD 6 billion in cash and AI and cloud technology to K-12 schools, community and technical colleges, and nonprofits to help advance their missions.[18] In Australia, Microsoft has partnered with Telstra and Good Things Foundation on the Digital

[17] Microsoft News Centre, Microsoft launches new AI skills program to expand opportunities for Australians and New Zealanders, 11 December 2024.
[18] Brad Smith, Microsoft Elevate: Putting People First, 9 July 2025.

Sisters project, harnessing the power of AI to empower women, particularly those from migrant and refugee backgrounds, with digital literacy skills.

2.3 Fit-for-purpose occupational entry regulations

We welcome the PC's consideration of reforms to help more Australians contribute their skills across the Australian economy and urge the PC to examine additional measures beyond occupational entry regulations (**OERs**). As new technologies transform the economy, Australia's skills and training ecosystems, including and beyond our OERs, will need to change and adapt. Where traditional qualification frameworks can be slow to adapt to emerging fields like AI, structural reforms can help make our tertiary education system more agile and responsive to technological change, including to support reskilling of workers transitioning into new roles.

Microsoft supports reforms to training systems that enable them to be more modular, tech-focused, and industry-integrated, Australia can more quickly build the quantity and quality of talent needed for an AI-driven economy. The New South Wales Government's recently established Institute of Applied Technology – Digital (IAT-D) is an industry-partnered training hub focused on digital skills. It offers an example of innovative training models that blend vocational and university learning in a flexible way. A national AI skilling partnership could scale up institutes like the IAT-D at a national level to grow vocational AI skilling nationally.

More broadly, Microsoft is supportive of measures to ensure Australians of all ages and across all sectors have the skills to adopt and develop digital technologies including AI. A skilled workforce is a critical enabler for all other reforms: whether it's implementing AI in government services or running new AI infrastructure, people with the right expertise are required.

3. Investing in cheaper, cleaner energy

Microsoft welcomes the PC's draft recommendations to support a transition to cheaper, cleaner energy and the net zero transformation. We agree that productivity and sustainability objectives should go hand in hand and that investing in clean energy and pursuing net zero can boost efficiency and create new economic opportunities. To that end, we endorse measures to streamline and accelerate the rollout of renewable energy, storage, and grid infrastructure, as recommended in the PC's interim report.

We also support initiatives to drive innovation in clean energy technologies. Continued public and private investment in areas like advanced batteries, hydrogen, carbon capture, and smart grid management will be crucial for reducing the cost of decarbonisation. As a technology company, Microsoft is investing in solutions to improve energy efficiency of data centres and cloud services, and we are sharing our tools for energy analytics and IoT (Internet of Things) with industries to help them cut energy waste.

3.1 Speeding up approvals for new energy infrastructure

Microsoft agrees with the PC's findings that faster approvals would reduce emissions, lower costs for developers, attract investment and make energy cheaper – supporting productivity growth. Governments should look to remove unnecessary bottlenecks in planning and approvals for new energy projects – for example, by standardising and digitising assessment processes, and exploring the use of AI tools to help evaluate environmental impacts or optimise

project scheduling. Faster, more predictable project timelines will lower the cost of adding new clean energy capacity and improve energy affordability in the long run.

Microsoft has seen first-hand the benefits AI can bring to clean energy projects. Permitting is one of the single biggest bottlenecks to deploying clean energy at the speed required. As an example of how AI can speed up approvals for even the most complex and sensitive energy projects, the Idaho National Laboratory is using Microsoft Azure cloud and AI technologies to streamline the nuclear permitting and licensing application process.[19] The Idaho National Laboratory will leverage a Microsoft developed solution to generate engineering and safety analysis reports, which are standard reports submitted as part of applications for construction permits and operating and operating licenses for nuclear power plants. This solution could potentially cut years off the time it takes to approve clean energy projects. This proof-of-concept demonstrates the great potential of AI to speed up application and approval processes for energy projects and transmission infrastructure.

This model is transferrable to other forms of renewable energy where Australia has comparative advantages, such as solar and wind projects, and for broader approval and permitting processes such as for housing.

3.2 Microsoft's commitments to energy and sustainability

Organisations have transformed their approach to digital infrastructure over time. In the past, organisations maintained their own on-premises servers and computing infrastructure. Now, organisations outsource their computing and data storage needs to co-location data centres. These data centres work alongside hyperscale cloud providers to deliver reliable, scalable cloud services worldwide.

Co-location and hyperscale data centres have significantly reduced power consumption by centralising computing, storage, and cooling systems compared to dispersed, on-premises services. Research by Mandala Partners indicates that 2TWh of energy has been saved by hyperscale and co-location. Without them, on-premises services would use 67% more electricity, enough to power 280,000 homes.[20]

Moreover, Microsoft recognises that industry must play a proactive role in the net zero transformation. Microsoft has made substantial commitments to contribute to an environmentally sustainable future. For instance, we have entered into long-term power purchase agreements (PPAs) for renewable energy in Australia and globally, contributing to new wind and solar projects that increase clean energy supply. We have committed to achieve carbon negative operations by 2030. We have also announced goals to become water-positive for our direct operations by 2030, zero waste for direct operations, products and packaging by 2030, and to remove all carbon from historical operations since Microsoft's inception by 2050.

These commitments reflect our firm belief that pursuing sustainability is compatible with business growth and competitiveness. We encourage policies that incentivise more companies to follow suit – such as facilitating corporate renewable PPAs, modernising electricity networks to handle more renewables, and maintaining a predictable carbon policy framework that

[19] Microsoft And Idaho National Lab (INL) Leverage AI To Transform Nuclear Power Permitting In The U.S.
[20] Empowering-Australia's-Digital-Future---Report_October-2024.pdf

rewards early movers. By aligning private sector efforts with effective government policy, Australia can reduce energy costs, meet its emissions targets, and create new jobs in the clean economy.

In summary, a holistic approach that couples regulatory improvements to speed up clean energy investments with technological innovation and corporate responsibility will deliver a cheaper, cleaner, and more reliable energy system, which is fundamental to Australia's productivity and environmental goals.

4. Creating a more dynamic and resilient economy

Microsoft welcomes the PC's focus on business dynamism as a critical driver of economic resilience and productivity. Australia has a vibrant and diverse tech sector and a strong track record of developing and adapting new technologies as well as launching globally successful tech companies: 2.3% of the world's tech unicorns (companies valued at over US$1 billion) have come from Australia, eclipsing our much smaller 1.6% share of global GDP. And, as found by the PC, there is considerable scope to accelerate this success further by embracing AI technologies to underpin a new wave of productivity growth.[21]

Microsoft welcomes the PC's draft recommendations to ensure regulation promotes business dynamism, including setting a clear agenda for regulatory reforms, streamlining duplicative regulations, and bolstering high-level scrutiny of regulations to ensure they remain fit-for-purpose.

4.1 Setting a clear agenda for regulatory reform

A dynamic business sector is characterised by high rates of innovation, robust competition, and the diffusion of new technologies across the economy. As previously noted by the Productivity Commission, the diffusion 'of new and established technologies and ideas across the majority of enterprises in the economy represents a significant opportunity to increase productivity.'[22]

To support innovation and diffusion, Microsoft welcomes the PC's draft recommendations on improving regulation and regulatory practice to promote business dynamism. We recognise the importance of regulatory reforms that make it easier to start and grow businesses. Establishing clear, innovation friendly regulatory principles, such as technology neutrality, risk proportionate rules, and regular review provisions can provide businesses with greater confidence to invest and innovate.

Microsoft also welcomes the recommendation to identify opportunities for reducing regulatory burdens and to set targets to track progress. We support the Australian Government's commitments in this direction – for instance, the Treasurer's commitment to '*write to regulators across government seeking specific, measurable actions to reduce compliance costs without compromising standards*'.

[21] Data report, p9: https://www.pc.gov.au/inquiries/current/data-digital/interim/data-digital-interim.pdf
[22] Productivity Commission, Advancing Prosperity, Volume 5: Innovation for the 98%, 7 February 2023

4.2 Bolster high-level scrutiny of regulations

Microsoft supports stronger scrutiny of regulations to ensure they promote growth and dynamism, including empowering Parliament to assess alignment with national objectives. Establishing an independent Office of Impact Analysis and expanding Parliamentary and external reviews, especially in fast-changing sectors like technology, can help keep Australia's laws efficient and effective. These reforms have the potential to foster a more agile, innovation-friendly regulatory system, supporting Australia's leadership in the digital economy and complementing Microsoft's ongoing partnerships and investments.

5. Delivering quality care more efficiently

Microsoft works across the health and care sectors at both an enterprise and public sector level and provides comments based on its experience here. We agree with the PC that better outcomes in sectors like aged care, disability services and healthcare will both raise wellbeing and free up resources for other parts of the economy. Technology can be an important enabler in this pillar. For instance, AI-assisted diagnostic tools are already helping clinicians to interpret medical images faster and more accurately, reducing backlogs and improving patient care (a notable Australian example is Annalise.ai's solution for radiology, which is helping to address specialist shortages and speed up diagnoses). Telehealth platforms, electronic health records, and assistive technologies for aged care are further examples of digital innovations that can help deliver care more efficiently.

That said, we recognise that many of the draft recommendations in the PC's *Delivering quality care more efficiently* interim report relate to workforce planning, funding models and regulatory reform in the care sectors. We support these structural reforms and defer to healthcare and social services experts on the specifics. Microsoft's perspective is simply that digital tools should be leveraged alongside these reforms wherever possible – whether it be using data analytics to allocate resources in hospitals, or equipping care workers with modern devices and software to reduce admin burdens. Enabling and scaling proven tech solutions in the care sector (while maintaining appropriate privacy and safety protections) will help achieve the dual goals of higher quality and higher productivity in Australia's care services. We stand ready to assist with expertise and technology to support any digital initiatives that align with the PC's final recommendations for this pillar.

Conclusion

Microsoft strongly supports the PC's vision for boosting Australia's productivity through technology, regulatory reform, and skills development. Our submission highlights the need for innovation-friendly regulations, accelerated clean energy investment, and a modern approach to data and AI policy. We emphasise the importance of digital skills as a national priority and encourage inclusive training to ensure all Australians benefit from technological change. In sectors like health and care, we see digital tools as key enablers of efficiency and better outcomes.

By aligning government policy, industry commitments, and workforce capability, Australia can unlock new opportunities for growth, sustainability, and global competitiveness. Microsoft remains committed to partnering with government and stakeholders to help realise these

ambitions, ensuring that digital transformation delivers tangible benefits for all Australians. We welcome ongoing engagement as the PC finalises its reports.

Seizing the AI opportunity to advance future economic growth and prosperity

Microsoft welcomes the Australian Government's decision to prioritise national productivity in its second-term economic agenda and its acknowledgment of the important role that technology, particularly artificial intelligence (AI), will have as a catalyst for Australia's economic growth and prosperity.

Australia has a unique blend of strengths that strategically position it to capitalise on AI to accelerate national growth objectives. With a thriving startup sector, diverse talent pool, stable regulatory framework, widespread cloud adoption, high-quality data resources, and advanced digital infrastructure, Australia is well placed to facilitate rapid AI adoption and secure comparative advantages in key segments of the global AI value chain.[1] The potential benefits are significant, with research indicating that AI could contribute up to AUD 115 billion in additional GDP annually and create 200,000 new jobs by 2030.[2]

But succeeding in the competitive global AI landscape will require a commitment to excellence in both innovation and adoption, involving the development of advanced capabilities within Australia's industry and startup sectors, as well as promoting widespread AI integration throughout the broader economy. In short, Australia must address both sides: 1) build world-class infrastructure and capabilities needed to enable AI innovations in areas of comparative advantage, and 2) rapidly scale AI skilling and deployment to boost productivity in every sector across the economy.

To achieve this, Microsoft proposes four priority reforms to lift national productivity by enabling Australia's AI economy, complementing broader economic and strategic goals:

1. Establish a National AI Skilling Partnership, a public-private initiative uniting governments, industry, educational institutions, and the broader community to skill an AI-ready workforce. This partnership would focus on three components:

i. *Building AI fluency in our existing workforce* by upskilling today's workers in both technical AI competencies and the broader digital skills needed to adopt and adapt to new technologies. There should be particular emphasis on supporting workers in roles that may be most impacted by AI transformation to transition into new opportunities and on ensuring regional, First Nations, and other under-represented communities have fair and equitable access to AI technology and training resources. While the role of government is critical, so too is the role of the private sector. For instance, Microsoft has been working with the public, private and non-for-profit sectors through our AI Skills Initiative, skilling over one million Australians in the last two years.

ii. *Training the next generation of young Australians* with the knowledge and confidence to thrive with AI by integrating AI skills development into our school system. In Australia, industry is already partnering with schools and governments to pioneer responsible, secure, and innovative AI adoption in the education sector, positioning Australia as a global centre of excellence in AI-enabled education. Training the next generation of

[1] Microsoft, Australia's Opportunity in the New AI Economy, November 2024.
[2] Tech Council of Australia and Microsoft, Australia's Generative AI Opportunity, July 2023; Tech Council of Australia, Microsoft, LinkedIn and Workday, Meeting the AI Skills Boom, June 2024.

Microsoft

Australians must incorporate skilling learners and educators alike with both foundational fluency and advanced technical training.

iii. *Adapting our skills and training systems* to become more agile and responsive to technological change. Working with vocational and higher education providers, the AI Skilling Partnership can help update qualifications pathways – and accelerate iteration cycles - to reflect industry needs in AI, data science, data centre trades and related fields as they emerge. The NSW Government's Institute of Applied Technology – Digital (IATD) and the associated Data Centre Academy is an example of innovative training models that blend vocational and university learning in a flexible way in collaboration with industry.

2. Boost public sector productivity by accelerating digital government, capitalising on Australia's global leadership in this area. The Productivity Commission has highlighted that the decline in non-market sector productivity is a key factor in Australia's productivity challenge.[3] Accelerating digital government offers the potential to increase productivity at the same time as enhancing the quality of citizen services. In particular, there is an opportunity for Government to work with industry to modernise outdated legacy systems and 'tech debt' across the public sector. By migrating from legacy systems to the cloud, there is a rare opportunity to achieve fiscal savings and slow the growth in ICT costs while unlocking the productivity-boosting potential of responsible AI technologies. Similarly, there is scope to accelerate the use of AI across non-market services sectors such as education and health. Tangible results in public sector AI adoption have been demonstrated through early pilots in Australia and the UK.

3. Enable Australia's National AI infrastructure by prioritising policies that support data centre development, including by improving access to renewable energy, planning approvals, and skilled infrastructure workers. Australia has a unique opportunity to leverage our abundant land and renewable energy resources to lead in green data centre infrastructure, with new investment in Australian data centres forecast to top AUD 26 billion by 2030.[4] Greater collaboration is needed between Government and industry on strategic planning, streamlining complex approvals processes across different layers of government, securing renewable energy resources and growing local talent and innovation ecosystems to support and accelerate investment in this critical national infrastructure.

4. Harness Australia's data advantage to support local AI innovation by expanding data-sharing initiatives, underpinned by robust security and privacy protections. This includes re-investing in the open data agenda to enable Australian AI applications and amending the *Data Availability and Transparency Act 2022* (Cth) to facilitate the sharing of public datasets with trusted parties, including those in the private sector. Clarifying Australian copyright law by recognising a text and data-mining exception and granting copyright protection for works created using AI tools would also support and encourage local AI investment in Australia.

Implementing these reforms together as part of a unified National AI Capability Plan will deliver higher productivity, new tech jobs, better public services, and stronger national tech capabilities. By investing in both people and technology, Australia can lead in both AI innovation and adoption, while upholding our fundamental values of privacy, fairness, and inclusion.

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[3] Productivity Commission, *Growth mindset: how to boost Australia's productivity*, July 2025

[4] Mandala Partners, *Empowering Australia's Digital Future*, October 2024

Pillar 2: Building a skilled and adaptable workforce

Section 2. Improve school student outcomes with the best available tools and resources

What (if anything) needs to be done to improve the use of edtech tools (including GenAI) in schools?

Generative AI is proving to be a transformative tool in education, enhancing student learning outcomes, improving equity for students with diverse learning needs, and significantly saving time for educators and staff, from lesson planning to parent/guardian engagement.

Microsoft is committed to working with governments on this issue to drive positive outcomes for Australia, which has emerged as a global leader in the adoption of GenAI spanning the education ecosystem: from primary to secondary schools, from vocational education to tertiary institutions. Several states and territories are already pioneering responsible, secure, and innovative adoption, positioning Australia as a global centre of excellence in AI-enabled education.

Just a few encouraging case studies of GenAI adoption in the education sector include:

- **Brisbane Catholic Education** (BCE) is rolling out Microsoft 365 Copilot for 12,500 educators and support staff across its 146 schools, making it the largest adoption of M365 Copilot in K-12 education globally (see: Brisbane Catholic Education to deploy Microsoft 365 Copilot to 12,500 educators and support staff, in largest rollout for K-12 globally - Microsoft Australia News Centre). Early results show teachers saving over 9 hours per week on administrative tasks, searching for information, and accelerating lesson and curriculum planning. Reducing the workload and gaining time back for educators is particularly significant given high attrition and risk of burnout in the profession. It is also allowing teachers to spend more time on improving student literacy, numeracy, and overall wellbeing. BCE's implementation includes ethical AI training, adoption champions in each school, and simulation sessions to build teacher confidence.
- **South Australia EdChat,** developed through a partnership between the SA Department for Education and Microsoft, is a secure GenAI platform for schools built with student safety as a key focus (see: EdChat – the department's generative AI chatbot). The platform allows students to safely learn how to use generative AI for their classroom work, and allows teachers to reduce administration and streamline tasks. The pilot began with eight schools and has since expanded statewide. The platform is hosted in the department's Azure environment, ensuring data privacy and content filtering. It is now being extended with CareerChat, a GenAI tool to support student career exploration.
- **New South Wales EduChat**: developed through a partnership between the NSW Department of Education and Microsoft, is a secure GenAI assistant designed to support teachers with lesson planning, curriculum alignment, and administrative tasks (see: NSWEduChat). The tool is hosted in the department's Azure environment, ensuring data privacy. Early feedback from educators has been positive, with teachers reporting time savings and improved confidence in using AI to support classroom delivery.

While these are excellent examples, there remains considerable scope to scale responsible AI adoption nationally and ensure equitable access across all school systems. Some of the key steps that need to be taken to improve the use of GenAI and edtech tools in schools include:

- **National coordination and investment**: A coordinated national approach is needed to scale successful pilots across jurisdictions. This includes establishing a commercial framework to reduce cost barriers, a federal funding program to match state/territory investments, and a central orchestration mechanism to ensure consistency and equity.
- **Teacher training and support**: Teachers need foundational training in GenAI use, including prompt engineering, ethical considerations, and classroom integration. A national AI skilling program for teachers is a prospective area for public-private partnership. For example, Education Services Australia is already partnering with Microsoft to roll out free online courses for teachers (see: Training for teachers boosts confidence in safe and effective AI use in classrooms).
- **Equitable access to enterprise-grade tools**: Schools must have access to secure, enterprise-ready GenAI tools that protect student data and comply with privacy standards. For example, Microsoft's Azure OpenAI service ensures that data remains within the education system's environment and is not used to train external models.
- **Governance and standards**: Education systems should establish governance committees to oversee GenAI implementation, ensuring alignment with responsible AI principles and consistency across jurisdictions, review sensitive use cases and incorporate opportunities for consultation with the workforce.

What more (if anything) needs to be done to improve awareness and access to high quality lesson planning and curriculum materials in schools?

The adoption of well-developed GenAI tools can play a key role in improving awareness and access to high-quality lesson planning and curriculum materials. GenAI can reduce duplication by surfacing existing lesson plans and resources, encouraging collaboration and best practices among educators. This is one of the key productivity benefits we've seen so far through the adoption of GenAI tools in education systems in different jurisdictions.

However, some important steps need to be taken to ensure the design and deployment of these tools leads to better use and awareness of high-quality curriculum materials. These include:

- **Trusted knowledge bases**: GenAI tools can be configured to draw from trusted sources (e.g. internal documentation like curriculum documents, teaching guides, best practice lesson plans, and trusted external documentation), enabling teachers to quickly access and personalise high-quality content. This requires appropriate thought and design from the outset.
- **Collaboration and IP sharing**: To minimise duplication of effort and cost across different jurisdictions, Microsoft recommends creating an "AI for Education Marketplace" where education systems can share technical architecture, code, and content aligned with the national Framework for Generative AI in schools, in a way that is accessible for all Australian education institutions to leverage.

Is there anything more you would like to say about edtech, GenAI or lesson planning and curriculum materials?

The risk of inaction is significant. Without proactive GenAI adoption in schools, Australia risks falling behind in AI literacy, missing opportunities to improve student outcomes compared to other nations, and seeing continued teacher burnout and attrition.

Some other key factors to consider in GenAI adoption include:

- **Humans in the loop**: AI should augment, not replace, educators. Teachers remain central to pedagogy, student engagement, and critical thinking.
- **Assessment integrity**: GenAI is accelerating a shift toward more authentic assessments, which is important to support student learning outcomes. For example, we are seeing exploration of oral exams, staged assessments, and multimodal tasks to ensure integrity.
- **Equity and inclusion**: GenAI can support students with diverse needs, including those with disabilities, neurodivergent learning preferences, and non-English speaking backgrounds, However, equitable access and teacher training are essential to realise these benefits.

Which of the following best describes you?

- Other (technology company)

Pillar 3 – Harnessing data and digital technology

Section 2. Support safe data access and handling through an outcomes-based approach to privacy

What steps do you or your business/organisation take in order to meet your obligations under the Privacy Act?

Microsoft believes that privacy is a fundamental human right, and that strong, clear, and interoperable privacy laws are essential to building trust in technology and enabling inclusive economic growth. Our approach to privacy is built on our long-standing privacy principles of user control, transparency, security, defending data, and using personal data in ways that provide meaningful benefit to users.

We are committed to protecting privacy by providing products, information, and controls that allow users to choose how their data is collected and used. From products built with privacy by design to transparent information and user controls, our goal is to empower users to make informed choices about their data.

Microsoft's approach to privacy compliance is grounded in global best practices, particularly the EU's GDPR. We operationalise our privacy compliance through a hub-and-spoke model that ensures consistency across jurisdictions, while ensuring we meet jurisdiction-specific requirements. We have dedicated resources for Privacy Act compliance in Australia, supplemented by legal, engineering and policy efforts.

Key activities involved in meeting our privacy obligations include:

- Implementing the Microsoft Privacy Standard across all business units.
- Providing legal advice on privacy risks and obligations.
- Monitoring legislative developments and engaging with regulators.
- Delivering privacy training and awareness programs.
- Maintaining contractual frameworks with processors and subprocessors.
- Engineering product features to meet jurisdiction-specific requirements.

What other impacts does the Privacy Act have on your business/organisation? For instance, has your business/organisation faced uncertainty or been prevented from taking certain actions?

Microsoft strongly supports the Australian Government's objective of modernising the Privacy Act to better protect individuals' rights, promote trust, and ensure responsible data use. As outlined in our submission to the Privacy Act Review, we welcome many of the proposed reforms that aim to give Australians greater control over their personal information and align Australia's privacy framework with global standards.

The current Privacy Act presents several challenges to our operations and, perhaps more importantly, to broader innovation efforts in Australia.

The most significant challenge is misalignment between the Privacy Act and international norms like GDPR. For example, the lack of a legitimate interest ground for processing complicates cross-border data flows and product development. Aligning with global standards like the GDPR would reduce friction, enhance trust, and support Australia's ambition to be a leader in the digital economy.

Unlike GDPR and other modern privacy frameworks internationally, the Privacy Act also does not distinguish between entities that determine the purpose of data use (controllers) and those that process data on their behalf (processors). This creates legal uncertainty, complicates compliance, and undermines contractual clarity for companies operating across borders. Introducing this distinction would clarify roles and responsibilities, improve interoperability with global frameworks, and reduce compliance burdens for Australian and international businesses.

If some of the procedural requirements under the Privacy Act (such as requirements relating to consent, disclosure and notification) were replaced with outcomes-based obligations, how would that affect your business/organisation?

An outcomes-based framework would improve compliance efficiency and innovation, but any reform to the Privacy Act needs to be grounded in global interoperability and alignment. As an example, the legitimate interest test under GDPR demonstrates how outcomes-based models can deliver strong privacy outcomes while enabling responsible data use.

How is the Privacy Act operating to balance consumer privacy consideration while supporting the benefits associated with data sharing? Is the balance right?

The Privacy Act provides a solid foundation for protecting individual rights, but the balance can be improved through greater alignment with global standards like GDPR. This would help to both lift privacy obligations and rights, while supporting innovation and reducing compliance costs on businesses.

Are there any changes you would like to see to privacy legislation in Australia? Please provide details below.

Microsoft's submissions to the Privacy Act Review set out our more detailed positions in relation to Privacy Act reform, but we have provided a summary of our key positions below that are most relevant to this inquiry:

- **Introduce the controller/processor distinction**: This would clarify roles and responsibilities, reduce compliance ambiguity, and align Australia with global norms.
- **Adopt a legitimate interest framework**: This three-part test (lawful purpose, necessity, and balancing of interests) is well understood internationally and provides a structured, transparent basis for data use without relying solely on consent.
- **Update definitions of personal information and de-identified information**: These changes would provide important clarifications to the scope of data protected under the Act and bring Australia's framework into closer alignment with global standards.
- **Enhance regulator engagement and resourcing**: Greater consultation and clearer guidance from the OAIC would improve compliance certainty and foster innovation, particularly in emerging areas such as AI.

Section 5. Enable AI's productivity potential

How are you currently using AI? Please provide details of the context and uses.

Microsoft is a global leader in the development and deployment of AI, both as a technology provider and as a user. We play a foundational role in enabling the broader AI economy through our infrastructure, platforms, and tools that power AI innovation across sectors.

We are also "customer zero" for our AI technologies—meaning we adopt, test, and refine our AI tools internally. This approach ensures that our products are grounded in real-world use cases and meet the highest standards of safety, usability, and impact, while also driving improvements in productivity, security and wellbeing.

Internally, Microsoft uses AI extensively across our operations to improve productivity, enhance decision-making, strengthen security and support employee wellbeing. Key areas of internal AI use (non-exhaustive) include:

- **Software engineering:** Microsoft engineers use GitHub Copilot to accelerate software development by generating code. This has significantly improved developer productivity and reduced time-to-deployment.
- **Legal and compliance:** Our legal teams use Microsoft 365 Copilot to assist with contracts, summarising legal documents, and conducting research. This reduces time spent on repetitive tasks and allows legal professionals to focus on higher-value strategic work.
- **Workforce skilling and training:** AI is embedded in our learning platforms to personalise employee training pathways, recommend relevant upskilling content, and track progress. This supports continuous learning and helps employees adapt to evolving business needs.
- **Finance and operations**: AI is used to assist with forecasting, analysing financial data and streamlining reporting. This improves accuracy and insights, while freeing up time for strategic planning.
- **Cybersecurity:** Our internal security teams use AI to detect and respond to threats in real time. AI models analyse trillions of signals daily to identify anomalies, flag suspicious activity, and automate incident response. These capabilities are integrated into our Secure Future Initiative and help protect both Microsoft and our customers.
- **AI agents**: Microsoft is at the forefront of AI research, including the development of agentic AI systems—AI that can reason, plan, and act autonomously to achieve goals. These systems represent the next frontier in AI capability and are being integrated into our products and platforms to support more complex, multi-step tasks.

To ensure the safe and responsible use of AI, Microsoft adheres to a comprehensive governance framework grounded in our Responsible AI Standard. This standard sets out concrete requirements for building AI systems that are fair, reliable, secure, inclusive, transparent, and accountable. We also publish an annual AI Transparency Report, which outlines how we operationalise responsible AI principles across our product lifecycle, including risk assessments, human oversight, and post-deployment monitoring (see: Microsoft Responsible AI Transparency Report | Microsoft CSR). These commitments are central to our approach to building trust in AI and ensuring its benefits are realised safely and equitably.

Do you think there are opportunities to make greater use of AI in your work or home environment? What do you see as the biggest upsides?

There are considerable opportunities to continue the expansion of AI use within our business, but more importantly, there are significant upsides to greater AI adoption in every organisation across the economy.

Technology is the cornerstone of a prosperous and sustainable future for Australia. From improving healthcare and education, to creating high-value jobs and strengthening cyber security, Australia stands to significantly benefit from the AI era by seizing this moment and being at the forefront of the development and adoption of technology.

AI is the next big general-purpose technology that will boost innovation, productivity and strategic power. This needs to be a key area of focus for Australia as it seeks to lift economic performance and national productivity.

Research shows that Australia could gain up to $115 billion each year in GDP and add 200,000 jobs in AI by 2030 (see: https://techcouncil.com.au/wp-content/uploads/2023/07/230714-Australias-Gen-AI-Opportunity-Final-report-vF4.pdf and Meeting the AI Skills Boom 2024). The productivity gains from AI are already being realised in sectors like education, government, and professional services. The emergence of agentic AI systems—capable of autonomous decision-making and task execution—will unlock new levels of efficiency and innovation, particularly in complex workflows and dynamic environments. AI systems are also enabling more personalised, efficient and responsive systems that can also help bridge gaps in access to services and information, particularly for people with disabilities, language barriers or limited digital literacy.

Australia can also be an AI innovation leader by leveraging its strengths in the global AI value chain. Microsoft and Mandala Partners research shows that Australia has comparative advantages in AI applications, data and data centres (see: AU-New-AI-Economy.pdf). New investment in data centres alone in Australia is forecast to top $26 billion by 2030 to meet soaring demand and spur 18,000 skilled jobs (see: Empowering-Australia's-Digital-Future---Report_October-2024.pdf).

Realising these opportunities will require deep collaboration and alignment between government, industry and the wider community. By working together to foster innovation, create fit-for-purpose regulation and nurture a skilled and adaptable workforce, we can create a future where technology drives improved living standards for all Australians, today and for future generations.

What challenges do you face in accessing or using AI? How can these challenges be overcome?

While Australia is well-positioned to lead in the adoption of AI, there are several systemic challenges that risk slowing down the diffusion of AI technologies across the economy. These challenges are not unique to any one sector—they are being raised consistently by Microsoft's customers, partners, and stakeholders across government, industry, and the research community. Addressing these barriers will be critical to unlocking the full productivity and economic potential of AI in Australia.

Key challenges include:

- **AI skills and inclusion:** AI is reshaping jobs across various sectors in Australia. To ensure inclusivity, the government should collaborate with private sector partners to identify future jobs, invest in reskilling and upskilling, and support low-skilled workers and those in automatable roles. Ensuring fair and equitable access to AI technology for all citizens, including remote and Indigenous communities, is critical. Microsoft is helping to respond to

this challenge through our commitment to train 1 million people across Australia and New Zealand in AI by 2026, with a focus on the public sector, education, small businesses, and not-for-profits (see: Microsoft launches new AI skills program to expand opportunities for Australians and New Zealanders - Source Asia).

- **Regulatory uncertainty**: Many organisations are hesitant to adopt AI due to uncertainty around how existing laws—particularly privacy, security, copyright and discrimination laws—apply to AI use cases. This uncertainty is especially acute for sectors like healthcare, education, and financial services, where compliance obligations are high. Australia's regulatory framework must provide clear, risk-based guidance that enables responsible innovation while protecting fundamental rights.
- **Access to relevant, local data**: Many Australian organisations fine-tuning AI models or developing AI applications lack access to relevant, representative datasets—particularly those that reflect Australia's unique social, cultural, and linguistic context. The "open data" agenda could be reinvigorated by identifying and investing in national datasets that can support AI development, fine tuning and use, and ensure Australian values are embedded in AI systems. Reforming copyright laws by introducing a text and data mining exception would also ensure there is legal clarity when analysing relevant publicly available data.
- **Infrastructure constraints**: The growth of AI is driving demand for data centres, compute power, and energy. While Australia has made strong progress—evidenced by Microsoft's $5 billion investment in new data centres—further growth may be constrained by access to renewable energy, planning approvals, and skilled infrastructure workers. These constraints could limit Australia's ability to scale AI capabilities and attract further investment (see: Empowering-Australia's-Digital-Future---Report_October-2024.pdf).
- **Public sector leadership and procurement**: The public sector plays a critical role in setting the tone for AI adoption. When governments lead by example—by deploying AI responsibly and transparently—they help build public trust and create demand signals for the private sector. However, procurement processes and risk aversion can slow down adoption. There is an opportunity for governments at all levels to modernise procurement frameworks and invest in AI capability within the public service.

To overcome these challenges, Microsoft recommends a coordinated national approach that includes:

- **Accelerating the execution of a National AI Capability Plan**: The Government's National AI Capability Plan is an important step in establishing a clear national vision and roadmap for driving both AI adoption/diffusion and AI innovation, with priorities aligned to Australia's comparative advantages. The Capability Plan should be a true whole-of-government effort, with clear commitments on AI adoption and innovation across every portfolio.
- **Skill Australia's workforce in AI**: Create a public-private partnership to set national AI skilling goals, coordinate training efforts, and expand education pathways. This should include incentives for earn-while-you-learn programs, recognition of industry credentials, and scaling initiatives like the NSW Institute of Applied Technology – Digital. Inclusion can be improved through public-private partnerships on infrastructure investments and educational initiatives, ensuring everyone benefits from the AI era.
- **Implementing balanced AI guardrails**: Adopt a risk-based, proportionate, and internationally aligned regulatory framework that focuses on high-risk use cases and supports innovation.

This could be achieved through adapting existing laws, or introducing new framework legislation that provides consistent definitions and expectations for existing regulators.

- **Unlocking investment in AI Startups and R&D**: Improve targeting of research and industry funding programs and reform investment settings (e.g. employee share schemes) to support high-growth Australian AI companies.
- **Reinvigorating the open data agenda and copyright reform**: Identify and invest in national datasets that can support AI development and ensure Australian values and context are reflected in AI systems. Reform the DAT Act to enable sharing with the private sector. Follow the lead of jurisdictions like the EU, Japan, and Singapore by introducing clear Text and Data Mining (TDM) exceptions to enable AI development, fine tuning and use, while respecting creators' rights.
- **Streamlining AI infrastructure development**: Prioritise data centre investment by facilitating connections between data centre development zones and clean energy, accelerating planning approvals and supporting workforce development.
- **Demonstrating public sector leadership**: Accelerate AI adoption in government services and operations, modernise procurement frameworks, and migrate to secure hyperscale cloud infrastructure to set a strong example for the broader economy.

Do you have any concerns about using AI? What are the reasons for your answer? What can be done to lower your level of your concerns?

Microsoft recognises that AI is a transformative general-purpose technology—comparable to electricity or the internet—that has the potential to deliver enormous economic and social benefits. However, like all powerful technologies, AI also presents risks that must be carefully managed. The key challenge for policymakers, industry, and society is to strike the right balance: enabling innovation and adoption while ensuring safety, accountability, and public trust.

We believe that a risk-based approach is the most effective way to achieve this balance. Most AI use cases—such as productivity tools, customer service assistants, and logistics optimisation—are low risk and should not be subject to heavy-handed regulation. However, there are high-risk applications of AI that warrant stronger safeguards, particularly where AI is used to make consequential decisions about people's rights, safety, or access to services.

Microsoft's concerns about AI are therefore not about the technology itself, but about ensuring that it is used responsibly, transparently, and in ways that align with democratic values and human rights. We are actively addressing these concerns through our own Responsible AI Standard, our Sensitive Uses review program, and our global transparency commitments. But we also recognise the need for clear, consistent, and interoperable regulatory frameworks to guide the broader ecosystem.

To lower risks and build trust in AI, Microsoft recommends the following actions:

- **Adopt a risk-based regulatory strategy**: Focus regulation on high-risk use cases. Avoid broad or vague definitions that could inadvertently capture low-risk uses and stifle innovation.
- **Leverage existing regulatory frameworks**: Rather than creating entirely new AI-specific laws, adapt and coordinate existing regulatory regimes (e.g. privacy, consumer protection, anti-discrimination) to address AI risks wherever possible. This approach is more flexible, efficient, and aligned with international best practice. If new laws are introduced, focus on addressing genuine gaps, or developing "frameworks" to support regulatory coherence and coordination.

- **Clarify responsibilities across the AI supply chain**: Recognise that different actors—model developers, platforms, application developers, and deployers—have different roles and responsibilities. Regulation should reflect this layered architecture and assign obligations accordingly.
- **Support interoperability with global standards**: Recognise compliance with international frameworks such as ISO/IEC 42001, the NIST AI Risk Management Framework, and the EU AI Act as sufficient to meet Australian requirements wherever feasible. This will reduce compliance costs and support global alignment.
- **Enable safe innovation through sandboxing and testing**: Establish a national AI sandbox or verification initiative (e.g. similar to Singapore's AI Verify) to help organisations test and validate AI systems against safety and transparency benchmarks before deployment.

By taking these steps, Australia can lead in the safe and responsible adoption of AI—maximising the benefits of this transformative technology while protecting the rights and interests of all Australians.

Outlook

GitHub and social media minimum age

From [redacted] (CELA) <[redacted]@microsoft.com>
Date Thu 19/12/2024 13:00
To industry@esafety.gov.au <industry@esafety.gov.au>
Cc [redacted] (CELA) [redacted]@microsoft.com>; [redacted] [redacted]r@github.com>; [redacted] (CELA) <[redacted]@microsoft.com>

1 attachment (72 KB)
GitHub - Australia social media age restriction - submission.pdf;

Dear eSafety team,

Further to LinkedIn's submission on the social media minimum age, I am forwarding a copy of GitHub's feedback and case for an exemption under the legislation.

For context, GitHub is a software code hosting and development platform that provides significant productivity, education and business benefits. It is targeted towards an audience of software developers, which tend to be students, hobbyists, and professionals that are creating and collaborating with one another on software code. This includes providing young people over the age of 13 with the opportunity to learn how to code, build their portfolios, and benefit from the global open-source community (including around 100,000 verified students and educators in Australia through GitHub Education). The attached document provides further background on GitHub, its approach to minors and its case for an exemption under the new laws.

Please let us know if you have any questions or if it would be helpful to arrange a short discussion about the platform. I have also sent a copy of this document to [redacted] in the Department and to Minister Rowland's office.

Wishing you all a safe and joyful Christmas and New Year break.

Kind regards

[redacted]
Director, Government Affairs (ANZ)
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[redacted]@microsoft.com

Microsoft

GitHub submission in response to the 2024 Online Safety Amendment (Social Media Minimum Age)

Introduction

GitHub appreciates the opportunity to provide feedback in response to the social media minimum age reforms in order to provide more information about our platform and to explain why we believe GitHub should not be a covered platform under the new requirement due to its focus on productivity, education, and professional purposes.

About GitHub

GitHub is a software code hosting and development platform that allows its users to host and collaborate on open source and proprietary software projects. GitHub can be used to learn how to code, work with others on software projects and serve as a portfolio of a user's software development achievements to prospective employers, creating significant benefits for users' computer science education, career development, and productivity. Although GitHub has some basic interactive features (such as the ability to follow other users to see updates on their GitHub projects or to comment on discussions, topics, projects, or pull requests to provide feedback or request information), those limited features strictly serve the platform's purpose of productivity and collaboration on source code rather than sharing or amplifying material for social purposes. The GitHub platform is targeted towards an audience of software developers, which tend to be students, hobbyists, and professionals that are creating and collaborating with one another on software code.

GitHub is typically used for useful purposes including productivity, education, and business and is not a general-purpose social media platform; it is a code collaboration platform whose social features are specifically oriented towards enabling developers to effectively work on code. Furthermore, GitHub does not provide many of the features commonly associated with risks to children online; it does not have private messaging, infinite scrolling, targeted advertising, or any of the other features that may expose children to inappropriate content or encourage excessive or addictive use of the platform. On the contrary, GitHub is designed to integrate with software development activities that take place off-platform, in a user's local independent development environment: its limited interactive features are therefore ancillary to the act of coding.

GitHub has a mobile application that is available in the Apple App Store and the Google Play Store. The rating for the GitHub app in Apple is 4+ and on Google Play, it is rated "E". These ratings reflect the fact that the GitHub platform does not generally provide access to objectionable material and serves a range of educational and other purposes. (See https://developer.apple.com/help/app-store-connect/reference/age-ratings/)

GitHub’s approach to minors

GitHub’s specific goal of enabling code collaboration informs our approach to minors. In short, we believe that making GitHub available to young people, specifically between the ages of 13-17, provides the opportunity to learn how to code, build their portfolios, and benefit from the global open source community. However, GitHub does acknowledge and prioritize the need to keep minors safe while using online platforms. GitHub’s Terms of Service require that users be at least 13 years of age to hold an account (or in accordance with the laws of their country). GitHub does not target our service to children under 13, and we do not knowingly permit any users under 13 to use our service. Our age requirement is both due to the *United States Children's Online Privacy Protection Act* and a reflection that students typically begin to learn how to code in high school and college.

GitHub Global Campus (https://education.github.com/) and GitHub Classroom (https://classroom.github.com/) are educational programs geared towards high school and college-aged students and teachers in computer science, with 7.3 million verified students and teachers on the platform globally. As of October 2024, we had 97,638 GitHub Education users in Australia and New Zealand on the platform. Through GitHub Global Campus, GitHub offers the Student Developer Pack and allows access to GitHub Pro and Copilot Pro while a user is a student. GitHub Classroom allows teachers and students to collaborate in their software development courses. These programs solely process personal data to confirm status as a student. GitHub does not currently have any mechanism to track the age of account holders outside of this process. That said, there are likely users between the ages of 13 and 17 using the platform, because many students use GitHub to learn to code and many teachers use it in their classrooms.

GitHub’s Acceptable Use Policies prohibit adult content, such as pornography and gratuitously violent content, including content encouraging or glorifying self-harm. Content in violation of these policies is flagged or disabled (hidden from view) and the offending account may be suspended depending on the severity of the violation. If GitHub becomes aware of content posted that has some sexual or violent themes that do not rise to the level of violating our Acceptable Use Policies, GitHub relies upon a suite of tools that allows us several options for reducing or restricting visibility. This includes placing content-specific warnings prompting users to opt-in to view such content, restricting access only to those users who are logged in to their GitHub account, and preventing public attention by deindexing the content from search engines and blocking it from our Explore pages.

Australia social media age limit

The first legislative note in Section 63C(1) provides that, “Online social interaction does not include (for example) online business interaction.” The legislative note in 63C(2) provides that, “Social purposes does not include (for example) business purposes.” As such, considering GitHub’s primarily professional, educational, and productivity purposes, we believe that GitHub’s platform falls outside the scope of the “Age-restricted social media platform” definition set forth in section 63C and therefore should not be subject to regulation under the proposed legislation.

Furthermore, even if GitHub's platform were deemed to fall within the "Age-restricted social media platform" definition set forth in section 63C, we believe GitHub should be granted an exemption from regulation pursuant to the exemption for beneficial experiences referenced in the Explanatory Memorandum. GitHub was created to allow people to work together across the world on code. Access to GitHub democratizes access to computer science education and professional opportunities, and is critical for startups and small businesses to scale, including enabling young people to learn and innovate. Considering how widespread and important computer science education has become, we are concerned that GitHub being covered by the regulation would create unnecessary barriers for Australian students learning to code and benefitting from access to the global software developer community on GitHub. Additionally, because we believe that GitHub does not present risks of harm to children that the regulation seeks to address, restricting access to GitHub could negatively impact the education of Australian students without protecting them from harm.

In summary, we respectfully request that GitHub's platform not be subject to regulation under the proposed legislation given that the platform's focus is code collaboration and presents significant benefits to Australian young people's education, productivity, and professional development.

Outlook

Re: GitHub | Targeted consultation on the draft Online Safety (Age-Restricted Social Media Platforms) Rules 2025 [SEC=OFFICIAL]

From [redacted](CELA) <[redacted]@microsoft.com>
Date Wed 12/03/2025 12:55
To [redacted]<[redacted]@COMMUNICATIONS.gov.au>; I[redacted]
<[redacted]@INFRASTRUCTURE.gov.au>
Cc [redacted](CELA) <[redacted]@microsoft.com>; [redacted]Australia Pty Ltd) <v-[redacted]@microsoft.com>; [redacted]<[redacted]r@github.com>; [redacted]<[redacted]@github.com>; [redacted]<[redacted]@infrastructure.gov.au>; [redacted]<[redacted]@infrastructure.gov.au>; [redacted]<[redacted]@infrastructure.gov.au>; [redacted]<[redacted]@infrastructure.gov.au> [redacted]<[redacted]@esafety.gov.au>

1 attachment (102 KB)
GitHub Supplementary Submission - Australia Draft Rules Consultation.pdf;

Dear [redacted]

Thank you again for meeting with GitHub and Microsoft last week to discuss the draft Online Safety (Age-Restricted Social Media Platforms) Rules.

Further to the submission we provided following passage of the Bill last year, please find attached a supplementary submission in response to the draft Rules which provides further details of GitHub's case for an exemption, including proposed wording for the Rules.

Please do not hesitate to reach out if you have any further questions.

Kind regards

[redacted]
Director, Government Affairs (ANZ)
+([redacted]
[redacted]@microsoft.com

Microsoft

From:
Sent: Wednesday, February 26, 2025 1:57 PM
Subject: GitHub | Targeted consultation on the draft Online Safety (Age-Restricted Social Media Platforms) Rules 2025 [SEC=OFFICIAL]

OFFICIAL

Hi [redacted]
Thank you for agreeing to meet with us to discuss draft rules to be made under the new social media minimum age laws.

Background

The *Online Safety Amendment (Social Media Minimum Age) Act 2024* (SMMA Act) introduces a requirement that certain social media platforms prevent Australians under 16 years from having an account on their service.

This requirement applies to 'age-restricted social media platforms', a new term introduced by the SMMA Act. While the definition of this term casts a wide net, the Minister for Communications can narrow the scope through legislative rules.

The Government has stated that, in the first instance, these rules will be used to exclude the below services from the minimum age obligation:

- Messaging
- Online games
- Apps that primarily function to support health and education
- YouTube

Consultation

To give effect to these exclusions, we have developed the draft Online Safety (Age-Restricted Social Media Platforms) Rules 2025 (the draft Rules).

The department is seeking direct feedback from select stakeholders with particularly strong interests and/or relevant expertise. In this regard, we would welcome a virtual meeting with GitHub to discuss the issues raised in the consultation paper.

In the course of this meeting, we are seeking views on:

- whether the draft Online Safety Rules are appropriately targeted;
- potential implementation challenges; and
- whether any other classes of services should be incorporated into the Rules, having regard to the risks and benefits they provide to young people.

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Phone conference ID: 843 225 023#

Join on a video conferencing device
Tenant key: teams@vc.govteams.gov.au
Video ID: 139 301 773 9
More info
For organisers: Meeting options | Reset dial-in PIN

Disclaimer

Outlook

[EXTERNAL] FW: Microsoft's consultation on the social media minimum age implementation [SEC=OFFICIAL]

From eSafety Industry Affairs <Industry@eSafety.gov.au>
Date Mon 21/07/2025 14:32
To [redacted] <[redacted]@microsoft.com>
Cc eSafety Industry Affairs <Industry@eSafety.gov.au>

OFFICIAL

Hi [redacted]

Hope you are well. [redacted] had submitted Microsoft's expression of interest in being consulted for the implementation of the social media minimum age legislation. We are looking to schedule Microsoft in early-mid August. Can I please ask if you would need a time suitable for California-based colleagues or any other timezones? Then I can send through a few meeting time options.

(we got a bounce back on [redacted] email – please let me know if he's no longer at Microsoft and we can update our records).

Thank you

[redacted]
Assistant Manager, Industry Supervision

Industry Compliance and Enforcement Branch

[redacted]

eSafety acknowledges all First Nations people for their continuing care of everything Country encompasses — land, waters and community. We pay our respects to First Nations people, and to Elders past, present and future.

From: eSafety Industry Affairs <Industry@eSafety.gov.au>
Sent: Monday, 21 July 2025 2:15 PM
To: [redacted]@microsoft.com
Subject: Microsoft's consultation on the social media minimum age implementation [SEC=OFFICIAL]

OFFICIAL

Hi [redacted]

My team is coordinating eSafety's consultations on the social media minimum age. We are looking to schedule Microsoft in early-mid August. Can I please ask if you would need a time suitable for California-based colleagues or any other timezones? Then I can send through a few meeting time options.

Thank you

[redacted]
Assistant Manager, Industry Supervision

Industry Compliance and Enforcement Branch

[redacted]

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Outlook

[Draft] [EXTERNAL] RE: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

From eSafety Industry Affairs <Industry@eSafety.gov.au>
Draft saved Fri 01/08/2025 15:21
To [redacted] (CELA) <[redacted]@microsoft.com>; eSafety Industry Affairs <Industry@eSafety.gov.au>; [redacted] (CELA) <[redacted]@microsoft.com>

OFFICIAL

[redacted]

Welcome back, hope all is going well.

Thanks for your update below, we will cancel next week's consultation as requested.

Thanks

[redacted]
Manager, Industry Supervision
Industry Compliance and Enforcement

eSafety acknowledges all First Nations people for their continuing care of everything Country encompasses — land, waters and community. We pay our respects to First Nations people, and to Elders past, present and future.

From: [redacted] CELA) <[redacted]@microsoft.com>
Sent: Friday, 1 August 2025 10:35 AM
To: eSafety Industry Affairs <Industry@eSafety.gov.au>; [redacted] (CELA) <f[redacted]@microsoft.com>
Subject: Re: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

Hi [redacted]

Apologies for the delay in coming back to you, I am just catching up after nine months out.

Given this consultation specifically pertains to the SMAR, and now that the rules have been released, we don't feel that Microsoft has anything unique to add at this time. Once eSafety's written guidance is developed we may have a useful contribution to share and would be open to a conversation then if helpful.

[redacted]

[redacted] (she/her)

Digital Safety Lead - Asia

[redacted]

Microsoft

From: eSafety Industry Affairs <Industry@eSafety.gov.au>
Sent: Thursday, July 31, 2025 12:25
To: [redacted] CELA) <[redacted]@microsoft.com>; eSafety Industry Affairs <Industry@eSafety.gov.au>; [redacted] (CELA) <[redacted]@microsoft.com>
Subject: [EXTERNAL] RE: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

OFFICIAL

Thank you [redacted]

[redacted] She/Her

Industry Supervision Officer
Industry, Compliance and Enforcement

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From: [redacted] (CELA) [redacted]@microsoft.com>
Sent: Thursday, 31 July 2025 11:03 AM
To: eSafety Industry Affairs <Industry@eSafety.gov.au>; [redacted] (CELA) <[redacted]@microsoft.com>
Subject: Re: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

Hi [redacted]

Thanks so much for bearing with us. Copying in [redacted] (CELA) who has just yesterday returned from parental leave and will come back to you on this.

Best,

[redacted]

From: eSafety Industry Affairs <Industry@eSafety.gov.au>
Sent: Thursday, July 31, 2025 10:36 AM
To: [redacted] CELA) <[redacted]@microsoft.com>; eSafety Industry Affairs <Industry@eSafety.gov.au>
Subject: [EXTERNAL] RE: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

OFFICIAL

Hi [redacted]

Hope you are well. The team is looking forward to the consultation next week.

Would you mind confirming the Microsoft attendees for the meeting?

Please reach out if you have questions.

Thanks
[redacted]

[redacted] She/Her

Industry Supervision Officer
Industry, Compliance and Enforcement

eSafety acknowledges all First Nations people for their continuing care of everything Country encompasses — land, waters and community. We pay our respects to First Nations people, and to Elders past, present and future.

From: [redacted](CELA) <[redacted]@microsoft.com>
Sent: Wednesday, 23 July 2025 11:58 AM
To: eSafety Industry Affairs <Industry@eSafety.gov.au>
Subject: Re: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

Thanks very much [redacted] will do.

Best,

[redacted]

From: eSafety Industry Affairs <Industry@eSafety.gov.au>
Sent: Wednesday, July 23, 2025 11:51 AM
To [redacted](CELA) <[redacted]@microsoft.com>; eSafety Industry Affairs <Industry@eSafety.gov.au>
Subject: [EXTERNAL] RE: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

OFFICIAL

Hi [redacted]

The consultation with Microsoft is one on one.

Please let us know if you have any other questions.

Thank you

[redacted] She/Her

Industry Supervision Officer
Industry, Compliance and Enforcement

eSafety acknowledges all First Nations people for their continuing care of everything Country encompasses — land, waters and community. We pay our respects to First Nations people, and to Elders past, present and future.

From: [redacted](CELA) <[redacted]@microsoft.com>
Sent: Wednesday, 23 July 2025 11:44 AM
To: eSafety Industry Affairs <Industry@eSafety.gov.au>
Subject: Re: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

You don't often get email from [redacted]@microsoft.com. Learn why this is important

Hi [redacted]

While we are in the process of identifying appropriate attendees, could I please check with you whether this is a group roundtable or a 1:1 consultation with Microsoft?

Many thanks,

[redacted]

From [redacted](CELA) <[redacted]@microsoft.com>
Sent: Wednesday, July 23, 2025 10:06 AM
To: eSafety Industry Affairs <Industry@eSafety.gov.au>
Cc: [redacted](CELA) <[redacted]@microsoft.com>; [redacted](CELA) <[redacted]@microsoft.com>; [redacted] (CELA) <[redacted]@microsoft.com>
Subject: Re: Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

Dea[redacted]

Many thanks for Microsoft's invitation to participate in this upcoming consultation.

Confirming receipt and our attendance. We will send through the names of attendees by 30 July.

Best regards

[redacted]

From: eSafety Industry Affairs <Industry@eSafety.gov.au>
Sent: Wednesday, July 23, 2025 9:41 AM
To [redacted](CELA) [redacted]@microsoft.com>

Cc: [redacted](CELA) <[redacted]@microsoft.com>; [redacted]CELA) <[redacted]@microsoft.com>; [redacted](CELA) <[redacted]@microsoft.com>; eSafety Industry Affairs <Industry@eSafety.gov.au>
Subject: [EXTERNAL] Invitation for 5th Aug 2025: eSafety consultation on Australia's social media age restrictions [SEC=OFFICIAL]

OFFICIAL

Dear [redacted]

eSafety is pleased to invite Microsoft to participate in the **eSafety Commissioner's consultation on Australia's social media age restrictions**.

Please find your invitation attached.

We look forward to your participation.

[redacted]

Manager, Industry Supervision
Industry, Compliance and Enforcement

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.

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Outlook

[Draft] Fw: CC25-0107_Correspondence from eSafety Commissioner | Social Media Minimum Age (SMMA) Obligations [SEC=OFFICIAL]

From [redacted] (CELA) <[redacted]@microsoft.com>
Draft saved Wed 15/10/2025 11:57
To [redacted](CELA) <[redacted]@microsoft.com>

1 attachment (166 KB)
September 18 2025 letter to eSafety Commission from GitHub.pdf;

From: [redacted] <[redacted]@github.com>
Sent: Friday, 19 September 2025 8:00 AM
To: eSafety Commissioner <eSafetyCommissioner@esafety.gov.au>
Cc: IndustryBOSE <IndustryBOSE@esafety.gov.au>; Social Media Minimum Age Restrictions <socialmediaage@esafety.gov.au>; [redacted] <[redacted]@github.com>; [redacted] CELA) <[redacted]@microsoft.com>
Subject: Re: CC25-0107_Correspondence from eSafety Commissioner | Social Media Minimum Age (SMMA) Obligations [SEC=OFFICIAL]

Dear [redacted]

Thank you for sending this correspondence. Please find the attached response from GitHub.

[redacted]

On Thu, Sep 4, 2025 at 3:19 AM eSafety Commissioner <eSafetyCommissioner@esafety.gov.au> wrote:

> **OFFICIAL**
>
> Dear [redacted]
>
> Please find attached correspondence from the eSafety Commissioner, Julie Inman Grant, providing update on the social media minimum age (SMMA) obligations.
>
> Many thanks
>
> Kind regards
>
> [redacted]
>
> [redacted]
> Executive Officer
> Office of the eSafety Commissioner
>
> esafety.gov.au
> +61 [redacted] | +61 [redacted]

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Australian Government | eSafetyCommissioner

4 September 2025 **CC25-0107**

[redacted]
Head of Cybersecurity and Online Safety Legal
GitHub, Inc.

By email: [redacted]@github.com
Cc'd: [redacted]@github.com; [redacted]@microsoft.com

Dear [redacted]

Social media minimum age obligation

I am writing to provide you with an update on the social media minimum age (**SMMA**) obligations, specifically our next steps in determining whether individual services will be subject to the SMMA obligations and our development of regulatory guidance.

Background

An age-restricted social media platform is defined in section 63C(1)(a) of the *Online Safety Act 2021* (**the Act**) as an electronic service with the sole purpose, or a significant purpose, of enabling online social interaction between 2 or more end-users, which allows end-users to link to, or interact with, some or all of the other end-users, and which allows end-users to post material on the service. Section 63C(6) provides that an electronic service is not an age-restricted social media platform if the service is specified in the legislative rules.

On 29 July 2025, the Minister for Communications, the Honourable Anika Wells MP, made the *Online Safety (Age Restricted Social Media Platforms) Rules 2025*[1] (**the Rules**) under the Act, specifying certain classes of services that are not age-restricted social media platforms.

Where a service demonstrates that it falls within a class of service specified in the Rules, it will not be subject to the SMMA obligation set out in section 63D of the Act. The Explanatory Statement to the Rules states the intention of the Rules is to focus the SMMA obligation on platforms with features and functions known to be harmful to children, whilst excluding those services that pose fewer harms to children, and which help children and young people to thrive.

[1] See the Federal Register of Legislation in relation to the Rules - Online Safety (Age-Restricted Social Media Platforms) Rules 2025 - Federal Register of Legislation, and the Explanatory Statement to the Rules - Online Safety (Age-Restricted Social Media Platforms) Rules 2025 - Federal Register of Legislation.

Assessment of specific services

eSafety is considering whether certain services may be age-restricted social media platforms and whether some of these services may be excluded under the Rules.

To assist services, eSafety has published guidance on how to assess whether a service is an age-restricted social media platform: eSafety.gov.au/social-media-age-restrictions-assessment.

We are encouraging GitHub and other services to use this guidance to self-assess whether or not they meet the definition of an age-restricted social media platform as soon as possible, and to advise eSafety of their assessment in advance of the SMMA obligations taking effect on 10 December 2025.

We will be using this guidance to undertake our own preliminary assessment of GitHub and whether it is an age-restricted social media platform. If you consider that GitHub has additional information that may inform eSafety's assessment, having regard to the guidance, we encourage you to send that to us as soon as possible.

eSafety appreciates Github's recent engagement in the context of the Phase 1 Codes and Standards about whether it is a social media service as set out in section 13 of the Act or a designated internet service as set out in section 14 of the Act. In that correspondence, eSafety stated we did not consider Github met the criteria of a social media service for the purposes of section 13 of the Act. However, some services may be an age-restricted social media platform under section 63C(1)(a), notwithstanding they are not a social media service under section 13, so we consider Github should conduct the self-assessment proposed in this correspondence.

Regulatory guidance for age-restricted social media platforms

eSafety has been engaging in broad consultation to support the development of regulatory guidance in relation to the SMMA obligation.

We understand from discussions with industry the preference for early guidance to assist platforms with their preparation for the commencement of the SMMA obligation. eSafety's regulatory guidance will have regard to knowledge and practice from our previous work on age assurance, results from the government's technical trial, feedback from the consultation and comparable international frameworks.

The guidance will include principles intended to facilitate positive outcomes for Australian end-users as well as support platforms to achieve the intention of the SMMA obligation. These will include and have regard to the principles raised consistently in consultations:

- Age assurance measures, whether deployed in a standalone manner or as part of a multi-layered approach, should be accurate, effective and robust

- Age assurance measures should be privacy-preserving and adopt a data minimisation approach

- Age assurance measures should respect and promote human rights and minimise the potential for bias and discrimination

- Services should be clear and transparent about the age assurance measures they implement by clearly informing users about their options to confirm their age, what data will be used, how data is stored and protected and what the user's rights are in the process.

We recognise platforms vary in design, risk profile, and user base. What is reasonable on one service may not be reasonable on another and may also evolve over time. The regulatory guidance will set out parameters in relation to reasonable steps and will not be prescriptive (for example, the guidance will not state that a certain class or type of tool must be used).

Consistent with the SMMA obligation, platforms are responsible for determining appropriate technical specifications in relation to the use of tools or technology to assess the age of Australian end-users and prevent the creation and holding of accounts by Australian children under the age of 16. Decisions around which tools or technologies to implement should be guided by the principles in the regulatory guidance, which we have foreshadowed at a general level above, as well as informative sources like the government's age assurance technology trial report,[2] a platform's own testing/innovation and emerging international standards.

eSafety's expectations for age-restricted social media platforms

eSafety will provide further guidance to industry in the coming weeks, however we wish to make clear our expectations for what age-restricted social media platforms should be doing **now** in preparation for the SMMA obligation taking effect on 10 December. eSafety will form a preliminary view in the coming weeks as to whether GitHub is captured, and in the interim we are sharing these expectations to assist GitHub with any preparation it may need to undertake should it assess or be assessed as an age-restricted social media platform.

Importantly, and consistent with prior messaging,[3] eSafety expects services to prioritise:

- Preparing to find and deactivate accounts held by Australian end-users under 16 from 10 December. This includes end-users with a self-declared age of under 16 as well as any end-users determined to be under 16 through a service's systems and processes.

- Providing early, clear and age-appropriate communications to affected end-users including:

[2] Home - Age Assurance Technology Trial
[3] See the eSafety Commissioner's speech at the National Press Club in Canberra on 24 June 2025: Swimming between the digital flags: helping young Australians navigate social media's dangerous currents | eSafety Commissioner.

- how they can download or otherwise preserve/access their account information while they are unable to use an account to access an age-restricted social media platform
- what will happen to their account information when their account is deactivated
- how and when they can expect or request their account be reinstated, including how to appeal if they believe their account was deactivated in error, and
- support information and resources, noting that some end-users may feel distressed or confused.

- Taking reasonable steps to prevent current Australian end-users under 16 with accounts from increasing their declared age to over 16, opening new accounts indicating that they are over 16, or seeking to change their location or other settings in an effort to open or retain an active account on an age-restricted social media platform.
  - Examples of steps taken by some social media services are set out in eSafety's transparency report titled 'Behind the Screen', published in February 2025.
- Ensuring that the mechanisms for reporting a potential underage end-user and assessing those reports are accessible, fair, transparent, timely and empower end-users/reporters with the option to appeal or challenge an outcome, and that services are prepared to manage potential increase in volume of reports from 10 December.
- Scoping effective age assurance measures to be applied at the point of account creation and across the user-journey. Self-declaration, on its own, will not be sufficient. Services should give consideration to:
  - the overview of the principles eSafety has outlined above
  - building on the systems and processes already in place to enforce current minimum age rules
  - how fallback mechanisms might be triggered for borderline cases
  - circumvention risks, including location-based circumvention such as VPN use or age-based circumvention such as spoofing techniques, and appropriate safeguards to combat these risks.

Services are encouraged to document decision-making, risk and impact assessments and other key information related to the implementation of age assurance measures that may demonstrate the taking of reasonable steps.

eSafety has also published some FAQs on the eSafety website which may assist in developing plans and communications to support and inform end-users' understanding of the SMMA obligations.[4]

The above points are intended to provide you with an early, interim indication of our approach and position. More detailed guidance will be provided shortly.

In the meantime, please reach out if you have any questions about the steps outlined above.

The privacy regulator, the Office of the Australian Information Commissioner (**OAIC**), is a co-regulator of the SMMA legislative requirements and we will continue to work closely with the OAIC as we progress with preparation for implementation of the SMMA obligation.

Next steps

We would appreciate your response to this letter, and in particular, any information you consider relevant to an assessment of whether GitHub is an age-restricted social media platform or whether it is excluded under the Rules, by 18 September 2025.

Please do not hesitate to contact my team at industry@esafety.gov.au to discuss.

Yours faithfully

Julie Inman Grant
eSafety Commissioner

[4] eSafety website, Social media 'ban' or delay FAQ | eSafety Commissioner.

GitHub

88 Colin P Kelly Jr Street,
San Francisco, CA 94107
Tel: 415-448-6673 (main)

September 18, 2025

Julie Inman Grant
eSafety Commissioner

by email: eSafetyCommissioner@esafety.gov.au
cc: [redacted]@github.com, [redacted]@microsoft.com

Dear Commissioner Grant:

Thank you for your correspondence dated September 4, 2025. We appreciated the opportunity to participate in eSafety's consultation and share our thoughts on implementation of the Social Media Minimum Age Act. I am writing to let you know that, due to recent developments and engagement with your Industry Codes and Standards Enforcement Team, we now understand GitHub's service classification under the Online Safety Act is as a Model Distribution Platform (a form of DIS), not a social media service, nor an age-restricted social media platform.

GitHub is not a Social Media Service

The Enforcement Team affirmatively reached out to us after the Designated Internet Services Industry Standard - Class 1A and Class 1B Material was finalized, to discuss compliance planning for the DIS Standard. The Enforcement Team repeatedly informed us that we do not qualify as a Social Media Service, but rather, a Designated Internet Service (DIS), and in particular, a Model Distribution Platform. During these discussions, eSafety's position was explained as follows:

> [W]e do not consider that Github's 'sole or primary purpose' is 'online social interaction'. That 'individual developers, hobbyists, students, and open-source projects that share their code on the platform' use the service for 'personal reasons' is not the same as doing so for the purposes of 'social interaction', nor is it the same as any social interaction being the 'sole or primary purpose' of the service. (June 20, 2025 correspondence with Michael Skwarek).

GitHub accepts and understands eSafety's position and reasoning, as outlined by the Enforcement Team. In reliance on this information, we have been working to align with the applicable requirements.

The September 4 letter suggests that a service may be considered an "age-restricted social media platform" despite the fact that it is not a social media service. Putting to one side whether this is possible–something we do not concede[1]–this is not an issue for GitHub. The eSafety Enforcement Team has informed us that what occurs on our platform is not "online social interaction." Thus, we cannot possibly meet the definition in Section 63(C)(1)(a) (to qualify as an "age-restricted social media platform," "the sole purpose, or a significant purpose, of the service is to enable *online social interaction* between 2 or more end-users") (emphasis added).

Before being informed of the Commission's position that code collaboration on our platform does not qualify as "online social interaction," GitHub presented information to the Commission advocating for a class exemption for software development collaboration platforms. (See "GitHub Supplementary Submission in Response to the Draft Online Safety (Age-Restricted Social Media Platforms) Rules 2025 Consultation"). We believe those reasons continue to apply and I was informed that they were well-received. But this appears to be a moot point, as GitHub does not meet the threshold requirement of Section 63(C)(1)(a).

To sum it up, based on the advice of the eSafety Enforcement team, we now understand that GitHub is neither a social media service, for purposes of section 13, nor meets the threshold requirement of Section 63(C)(1)(a). If this is not eSafety's understanding, please explain the basis to treat GitHub differently under Section 63(C)(1)(a) than Section 13.

Of course, if it is preferable to schedule a call or meeting to discuss this matter, we are happy to do that as well.

We very much appreciate your attention to this matter and any thoughts you might have.

Best wishes,

[redacted]

[redacted]
Head of Cybersecurity and Online Safety Legal
GitHub, Inc.

[1] It is not feasible for an individual service to comply with multiple regulatory regimes. This is explicitly recognized in other areas of the OSA regulatory framework, most notably where Industry Codes and Standards specify adherence to one option to the exclusion of others. Should the eSafety Commission like more detail on this position, we're happy to provide more information.

Outlook

Preliminary assessment regarding Social Media Minimum Age [SEC=OFFICIAL]

From [redacted] (CELA) <[redacted]@microsoft.com>
Date Wed 22/10/2025 13:27
To [redacted] (CELA) <[redacted]@microsoft.com>

1 attachment (231 KB)
20251016 GitHub ARSMP preliminary view letter.pdf;

From: eSafety Industry Supervision <Industry@eSafety.gov.au>
Sent: Thursday, October 16, 2025 5:52:05 PM
To: [redacted]@github.com <[redacted]@github.com>
Cc: [redacted]@github.com>; [redacted] (CELA) [redacted]@microsoft.com>; Julie Inman Grant <[redacted]@eSafety.gov.au>; [redacted]@eSafety.gov.au>; eSafety Industry Supervision <Industry@eSafety.gov.au>
Subject: [EXTERNAL] Preliminary assessment regarding Social Media Minimum Age [SEC=OFFICIAL]

OFFICIAL

Dear [redacted]

Please find attached correspondence from the eSafety Commissioner providing her preliminary assessment of GitHub.

Regards,

[redacted]
(she / her)
Manager, Industry Supervision

eSafety acknowledges all First Nations people for their continuing care of everything Country encompasses – land, waters and community. We pay our respects to First Nations people, and to Elders past and present.

intended recipient, please contact the sender by reply email and destroy all copies of the original message.

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