Joint Committee of Public Accounts and Audit
ANSWERS TO QUESTIONS ON NOTICE
Inquiry into the use and governance of artificial intelligence systems
by public sector entities
Digital Transformation Agency
15 November 2024

Department/Agency: Digital Transformation Agency
Topic: Artificial Intelligence
Asked by: Joint Committee of Public Accounts and Audit
Type of question: Written
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Question:
1. How would you describe the current network of policies and frameworks across government that relate to AI? What level of oversight does your entity have over work being undertaken by other entities and the types of AI tools they are using?
2. Please provide an update on the work of the AI in Government Taskforce, including products produced by the taskforce and any evaluation work that has been completed.
3. Does your entity have evaluation mechanisms in place for the AI-related policies and frameworks that have been developed? How is effectiveness measured?
4. To what extent does your entity observe international developments, or engage with international counterparts, on AI or AI policy?
5. Could the DTA provide more information on the potential risks faced by the public sector in adopting AI? What controls are in place for these risks in the frameworks and policies the DTA administers?
6. Please provide a brief overview of the Microsoft Copilot trial run by the DTA, including results of the trial and next steps.
7. The DTA's submission to this inquiry describes the AI in government fundamentals training module, which entities can access via APSLearn.
   a. Is the DTA considering other areas that could be covered by AI training, and the extent to which this training should be made mandatory?
   b. Is the DTA monitoring completion rates for the training?
   c. Should the APSC and its APS Academy be responsible for delivering training or implementing modules to build AI capability across the sector?

Answer:

1. A high-level summary of the policies and frameworks across government that relate to AI can be found below at Figure 1:
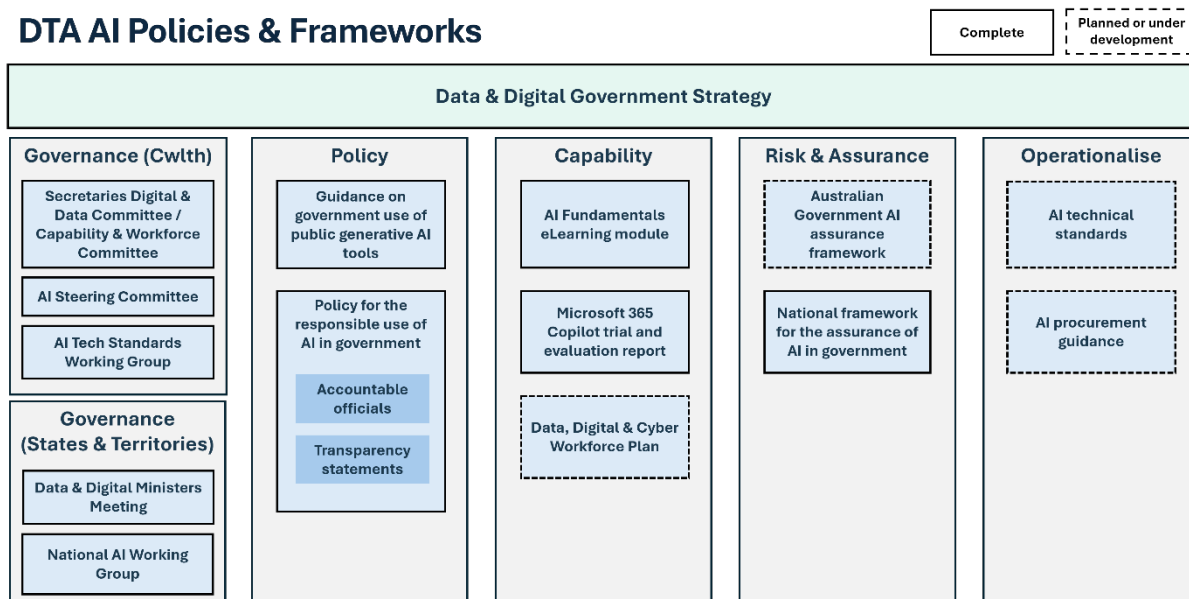
Figure 1: AI Policies and Frameworks

Existing policies and frameworks that apply to all government activities – such as those relating to ICT, security, privacy and procurement – are technology neutral and therefore also apply to AI. The Policy for the responsible use of AI in government is designed to strengthen, not duplicate, these existing policies and frameworks. It provides a unified approach for government to engage with AI confidently, safely and responsibly, and realise its benefits.

Agencies are responsible for implementing the policy and, as per the policy and broader legislative requirements, are accountable for the AI tools they use. Under the policy agencies must:

- appoint an accountable official for implementing the policy by 30 November 2024.

- publish an AI transparency statement that include the patterns and domains in which they adopt AI by 28 February 2025.

Under the policy, accountable officials are also required to notify the Digital Transformation Agency (DTA) where their agency has identified a new high-risk use case. The DTA will use this information to develop and refine risk mitigation approaches and maintain a whole-of-government view of high-risk use cases.

The DTA will monitor compliance with the policy, and accompanying standards, and actively engage agencies where instances of non-compliance are identified.

2. The AI in Government Taskforce contributed to many ongoing initiatives, including:
   - updating the Guidance for agency use of public generative AI tools
   - supporting the DTA on the design phase and initial implementation of the Microsoft 365 Copilot trial
   - supporting the development of the Policy for the responsible use of AI in government
   - a syllabus for the AI fundamentals training module
   - a whole-of-government survey on the use of automated decision-making (ADM)
   - drafting the pilot Australian Government AI assurance framework.

   The taskforce concluded on 30 June 2024, after which the DTA resumed responsibility for ongoing initiatives.

3. The DTA will continuously monitor and evaluate the effectiveness of the Policy for the responsible use of AI in government to ensure it remains fit for purpose. This includes monitoring compliance with mandatory actions and evaluating the effectiveness of these actions. The DTA also monitors developing best practice and approaches, both domestically and internationally, to inform future policy development.

4. The DTA monitors international developments in AI technology and policy responses. It directly engages with international counterparts to explore topics of interest that have informed AI policy approaches.

   The DTA also contributes to international efforts for promoting globally consistent and responsible AI practices in government. This includes cooperating with the Organisation for Economic Co-operation and Development (OECD), and contributing to international agreements on AI by the G20 (through the G7) and through the Bletchley Declaration.

5. The Policy for the responsible use of AI in government provides a non-exhaustive list of AI risks. The Policy also sets the expectation that agencies engage responsibly and that:

   a. Australians are protected from harm.
   b. AI risk mitigation is proportionate and targeted.
   c. AI use is ethical, responsible, transparent and explainable to the public.

   Under the policy, agency accountable officials are also required to notify the DTA where their agency has identified a new high-risk use case. The DTA will use this information to develop and refine risk mitigation approaches and maintain a whole-of-government view of high-risk use cases.

   The DTA is piloting the draft Australian Government AI assurance framework, which is designed to guide agencies through an AI use case impact assessment. The assessment process includes steps to identify AI risks, rate risk likelihood and consequence and apply mitigations and treatments to reduce these risks. Outcomes from the pilot will inform the development of the policy and AI technical standards. AI technical standards will deliver end-to-end advice on the development of responsible AI to contribute to the suite of policies, frameworks and guidance for agencies.

   The DTA is aligning with the Department of Industry Science and Resources' (DISR) proposed mandatory guardrails for AI in high-risk settings which includes considerations on defining high-risk AI and the application of mandatory guardrails to government.

6. The trial of Microsoft 365 Copilot ran from 1 January to 30 June 2024 with almost 7,700 participants from over 60 agencies. It sought to explore:

- **Employee-related outcomes:** staff sentiment about the use of Copilot as an example of generative AI, including satisfaction, opportunities for innovation, confidence in using it and ease of integration into workflows.

- **Productivity:** benefits in terms of efficiency, output quality and process improvements.

- **Adoption of AI:** whether and to what extent Copilot can be implemented in a safe and responsible way, poses short- and long-term benefits or challenges, and faces barriers to innovation that may require changes to how government delivers its work.

- **Unintended consequences**: including benefits or challenges of implementing Copilot and the implications on Australian Public Service (APS) adoption of generative AI.

The trial evaluation included 3 participant surveys before, during and after the trial period. Focus groups, interviews and data from a cross-service issues register also informed findings.

The overarching finding was a perceived improvement to efficiency and quality for summarising, drafting and searching for information. Agency adoption requires a concerted effort to address different barriers and improve usage, as well as the monitoring of longer-term costs and risks.

The evaluation made 8 recommendations for agencies considering adoption of generative AI. They can be found in the summary and full reports published on digital.gov.au

7. (a) Under the Policy, the AI fundamentals training is strongly recommended for all the APS. Each individual agency will determine if the training is appropriate for their staff and does not replicate existing training. This is due to the large variance in AI maturity and adoption levels across the APS. The DTA does not intend to develop further AI-specific or role-based training at this time.

(b) Usage of the training will be monitoring completion rates through APS Learn as well as through engagement with agency Accountable Officials.

(c) As AI adoption in the APS increases, the DTA sees a continued need to build AI capability across the workforce. This could be achieved through the Australian Public Service Commission's (APSC) APS Academy, in house agency training or external service offerings. The DTA is also working with the Data and Digital Professions Foundational AI Training Project Working Group which is co-led by the APSC and Australian Bureau of Statistics. This project may extend to efforts which address AI related capability gaps in the APS.