

AIIA NSW COUNCIL'S RESPONSE TO THE NSW GOVERNMENT'S STATE DIGITAL STRATEGY 2024

The Australian Information Industry Association (AIIA) is Australia's peak representative body and advocacy group for those in the digital ecosystem. The AIIA is pleased to have the opportunity to respond to a call for submissions to inform the NSW Government's State Digital Strategy following on from the industry roundtable that AIIA members from technology companies and SMEs (Small to Medium Enterprise) in January 2024. The below represents a summary of views collated by AIIA NSW members and will form the basis of our positioning including in Ministerial engagements during 2024. Overall, we advocate for clear messaging so that our members, noting many faces challenging economic conditions, are clear as to the direction across the NSW Government and that NSW maintains its reputation for leading on digital transformation. It is essential to create confidence for the vibrant technology industry to keep investing in research and new tools to increase the productivity of the State.

AIIA Recommendations for inclusion in the updated NSW State Digital Strategy (2024)

1. **Drive operational improvements that people and businesses will benefit from in the next 12-24 months through new minimum service standards for about 200 government services.** This should start with identifying and classifying these as services including across the government wide lower volume transactions that have not yet benefited from digitisation, use data insights to determine where the most impact would be and build on the NSW Customer Service commitments to ensure real world impact. The focus must be beyond those services provided by Service NSW/ Service for Business and incorporate recent Accessibility NSW guidance to ensure equity of access and experience.
2. **Commit to more investment funding for Digital Government over the next 3 years.** This is urgent required to tackle the multi-billion-dollar backlog of technology investment required to support government priorities (e.g., housing, cost of living, budget repair, supporting emergency responses etc.) and to ensure the continued secure provision of stable and citizen-centric government services. This will ensure that the State's digital economy drives productivity and growth at a time of government structural deficits and where AIIA members are feeling the impact including layoffs of delayed/stopped investment. The fund could be branded as the 'Digital Maturity Fund' and should be in the region of \$1bn annually.
3. **Create a detailed statewide digital public infrastructure risk mitigation plan** to ensure short term savings "keeping the lights on" actions are not creating risks including expensive remediation down the track. Such a plan should include a clear medium-term ambition; identify opportunities to determine build and operational costs and associated value for money (e.g. for state digital assets, crown jewels and whole of government platforms); demonstrate how to drive technology enabled productivity (e.g. in regulatory operations and interactions with businesses); ensure greater interoperability including with the Federal Government and to reduce data fragmentation. This should draw inspiration and learning from similar planning undertaken by Infrastructure NSW.
4. **Use the State Digital Strategy to join up and act as an umbrella across government digital, cyber and data priorities, focus, functions and management of (expanded) investment.** This should include an immediate focus ensuring that all agencies have access to funding to enable the benefits of Generative AI (Artificial Intelligence) in customer service including within existing services (see recommendation #2) and use wider AI for improving policy decisions in line with the new AI Framework and delivering the new Automation Guidelines.
5. **Accelerate the delivery of the priority digital identity and digital credentials project.** This should include beginning detailed planning as to how and when all government services (not just Service NSW) can be uplifted and when to benefit from this investment.
6. **Commit to a strong political mandate to jumpstart delivery momentum and Ministerial and Secretary level-focus.** This could include bringing together a quarterly Cabinet-level meeting chaired by the Premier/Treasurer that joins together investment prioritisation, delivery, and operational

implementation across Digital, Cyber, Data and AI priorities. This will support creating a clear direction and pathway for investments to be made into new capabilities and tools.

7. **Invest in a Digital & Data Academy to build public servant's (and Minister's/their offices) capabilities.** This can be modeled on the Singapore Government's Academy including on the job learning—and making completion a prerequisite for any senior executive in the public service by 2027. It would also have a specific focus on risk mitigations and learning the lessons from previous (unsuccessful) modernisation programs for developing public digital infrastructure. Developing micro credentials and in alignment with the NSW Digital Skills Compact project and involving the Public Service Commission, TAFE NSW, universities, or private providers rather than individual agencies setting up separate Academy's makes sense. Alignment would the in-flight NSW Digital Skills compact project would also make sense.
8. **Invest in uplifting NSW citizen digital literacy and close existing digital divides.** It is crucial for the strategy to enable all citizens, especially those in disadvantaged communities such as the homeless and non-fluent English speakers. In addition to the good work in NSW Digital Skills Compact, suggestions include continual investment in user-centric infrastructure and product design to improve accessibility. This bodes well to drive adoption of NSW Government digital services being planned or expanded.
9. **Champion the value of the NSW IT industry to the economy noting that Tech workers represent 8.1% of NSW's workforce.** Suggestions include where the NSW Government commits to testing innovation and procurement pathways with industry *before* embarking on building enterprise systems itself which are already available in market; driving greater connectivity with R&D investment/ grants including on newer technologies like quantum computing; supports a focus on sovereign procurement and meeting procurement targets with SME and Indigenous owned firms.

Other considerations

The new strategy should be focused on achieving benefits for NSW residents, businesses as well as the productivity of public servants to serve the long-term national interest and articulating this motivation must be the driving force behind the Strategy. This must balance the practical current budgetary challenges whilst recognizing much like the investments made in public heavy infrastructure such as roads and rail, that NSW cannot and should not rest on its laurels weakening its economy and quickly losing its well-regarded reputation in this space.

Investing in digital infrastructure is pivotal to realising the Australian Government's strategic capability and delivering for citizens to meet 21st-century expectations, many of which derive from their customer experience (CX) in private domains. Whilst we recognise the keenness to compare and learn from countries such as South Korea, Denmark and the UK, our view is that the average NSW person compares their interactions with the Government with banks, telecommunications, and other service providers. As such, comparing and learning with the private sector including how Generative AI, automation, cyber and regulatory compliance are being used may well prove to be useful.

About the AIIA

The Australian Information Industry Association (AIIA) is Australia's peak representative body and advocacy group for those in the digital ecosystem. We are a not-for-profit organisation to benefit members. Since 1978, the AIIA has pursued activities to stimulate and grow the digital ecosystem, to create a favourable business environment for our members and to contribute to Australia's economic prosperity. We do this by delivering outstanding member value by:

- *providing a strong voice of influence*
- *building a sense of community through events and education*
- *enabling a network for collaboration and inspiration; and*
- *developing compelling content and relevant and interesting information.*

We are unique in that we represent the diversity of the tech ecosystem from small and medium businesses, start-ups, universities, and digital incubators through to large Australian companies, multinational software and hardware companies, data centres, telecommunications companies, and technology consulting companies.

References and useful links

AIIA Submission Data and Digital Strategy Federal Government 2023 <https://aiia.com.au/wp-content/uploads/2023/07/25-7-23-AIIA-Submission-Data-and-Digital-Government-Strategy-v3.pdf>

AIIA NSW Election Platform 2023 <https://aiia.com.au/wp-content/uploads/2023/02/AIIA-New-South-Wales-Election-Platform-2023.pdf>

AIIA <https://aiia.com.au/>

Top 75 services for government <https://cddo.blog.gov.uk/2023/09/01/what-makes-a-service-great/>

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