

MEDIA RELEASE

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Future Made in Australia Act must include support for enabling ICT capabilities

AIIA welcomes the information industry revolution and industry policy to give Australia its new competitive edge.

The Australian Information Industry Association (AIIA) supports Prime Minister Anthony Albanese’s announcement of a *Future Made in Australia Act (FMiAA)*, noting the importance of investing in long-term sources of national income, jobs and thus, alleviation of cost of living pressures.

“Future Made in Australia” is an initiative from the AIIA to support local innovative technologies. We are keen to see more strategic support that would help scaleups commercialise their enabling ICT solutions – including AI, robotics, and IoT - alongside clean energy technologies manufacturing.

“Artificial Intelligence (AI) and energy are the new power couple”: IEA

While we understand that the announced Plan is to “put all these (local green manufacturing) programs (and those yet to be announced) under the new *FMiAA*”, we stress that the Government should also support the underpinning software and data supply chain. This includes the manufacturing/ and adoption of AI, which are powerful software tools to run advanced manufacturing processes and manage the energy grids of the future, according to the [International Energy Agency](#).

In its 2023 [Tech and Sustainability whitepaper](#), the AIIA highlighted numerous case studies of clean energy technologies and smart manufacturing practices from its members and expert interviews that showed how AI, robotics and automation transformed the advanced manufacturing industry. This AI-enabled industry 5.0 bodes well for reducing the carbon footprint of advanced manufacturing and other industries. For this reason, Australia cannot remain as just an AI consumer but must also be part of enabling AI development and commercialisation.

Retained Economic Benefit and the importance of international partnerships

The AIIA agrees that the focus is in leveraging existing Australia’s competitive advantages and “not old-fashioned protectionism or isolation.” As in its [submission](#) to “supporting the development of sovereign capability in the Australian technology sector,” the AIIA emphasises the continued importance of considering the value of enduring “positive externalities” created from an international vendors’ proposal, such as job creation, local wealth creation, technology transfer and propensity to reinvest revenue domestically, especially in local Research & Development activities and Intellectual Property creation. AIIA emphasises the importance of continuing international partnerships and trade, learning from best practices or innovative technologies both in clean technology manufacturing and the software underpinning them.

Working together to build Australia’s new competitive edge

In [AIIA’s pre-budget submission](#), we noted the importance of a focused and transformative ICT strategy and industry policy that can be implemented across election cycles. We believe the *FMiAA* can provide the required stability and continuity in government support and investments.

There have been substantial opportunity costs to the economy when government technology sector focused strategies and consultations were subsequently abandoned, often due to changes in government during our short election cycles. Not only does this add to the confusion and frustration within the technology industry and result in wasted efforts and missed opportunities in Australia, the economy is seeing a decline in skills development, critical technology adoption and productivity benefits. For example, despite a public submission process to develop the AI Strategy and Action Plan in 2020 and the 2021 federal budget allocated \$121 million to a series of AI projects, it was naturally disrupted by the results of the last election. The majority of the funding was not spent and Australia fell further behind its overseas counterparts, becoming next to last on international AI adoption lists. There have also been a series of delays in the national plans for quantum, and robotics.

“At the AIIA, we have warned that numerous overseas jurisdictions have already transformed their economies to build competitive advantage and Australia is falling behind, especially in the use of AI to boost productivity. Just as Australia needs to invest in new clean technology manufacturing industries, it will also need to invest in enabling ICT technologies to optimise those industries,” AIIA General Manager, Policy and Media, Ms Siew Lee Seow commented.

“Information industry revolution is the key to economic prosperity and has been for years. Apart from the continuity of Government support and investment in *FMiAA*, we are also keen to see them reaching the industry promptly. We look forward to working with the Albanese Government to build a healthy digital ecosystem, generating a vibrant and sustainably strong economy. Failing to find new sources of revenue and jobs will mean Australians will be stuck - deeper - in cost of living issues for decades to come,” she added.

Media

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About AIIA

The Australian Information Industry Association (AIIA) is the peak ICT body, representing approximately 90 per cent of Australians employed in the tech industry across a diverse group of members. Since 1978, AIIA has pursued strategic policies and activities to stimulate and grow Australia’s digital ecosystem to create a favourable business environment and contribute to Australia’s economic prosperity. We do this by providing a strong voice for the industry; building a sense of community through events and education; enabling a network for collaboration and inspiration; and developing compelling content from the industry’s expertise.