Australian Information Industry Association

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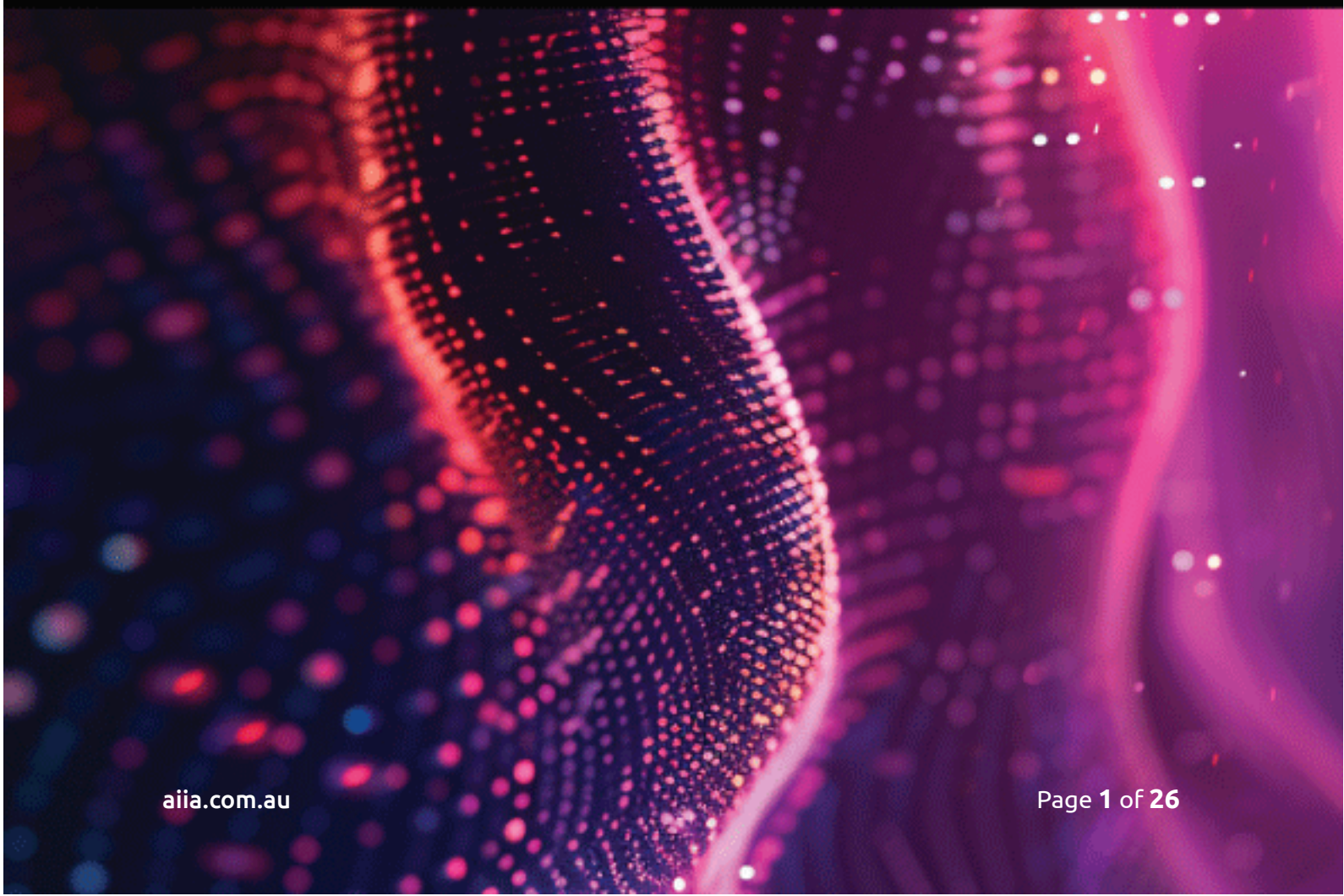
Recommendations on

the Queensland Government Artificial Intelligence Strategy



About the AIIA

The Australian Information Industry Association (AIIA) is the nation's peak body for those in the digital ecosystem, leading strategic policy and advocacy to shape a thriving digital sector. Through strong engagement with government, industry, and the broader community, the AIIA ensures the voice of its members informs decision-making on technology, innovation, and digital capability.

Membership provides direct access to influential networks, premium events, and opportunities to collaborate on initiatives with the sector's best and brightest to drive industry growth, improve productivity, and secure Australia's place as a global technology leader. AIIA members access real collaboration, real connections, and real outcomes.

Introduction

Artificial Intelligence is reshaping how governments deliver services, how businesses compete, and how communities engage with the world around them. Across all sectors of the Queensland economy, AI is rapidly transitioning from an experimental tool to a core operational capability. The jurisdictions that move early and responsibly will secure enduring advantages in productivity, investment, and social benefit.

Queensland is uniquely placed to lead Australia's responsible AI transformation. The state combines world-class research institutions, a diversified economy, significant renewable energy potential, and the generational catalyst of the Brisbane 2032 Olympic and Paralympic Games. The Queensland Government has already taken practical steps, including the deployment of QChat across 18 agencies with over 14,000 users,[1] the release of an AI governance policy aligned with ISO 38507 and the Foundational Artificial Intelligence Risk Assessment (FAIRA) framework,[2] and the Department of Customer Services, Open Data and Small and Family Business (CDSB) assuming a strategic leadership role on AI.[3]

However, as the Queensland Audit Office's September 2025 report on managing ethical risks of AI highlighted, implementation remains uneven, with gaps in whole-of-government oversight, inconsistent application of risk assessments, and limited workforce capability in some agencies.[4] A comprehensive, whole-of-state AI Strategy is therefore both timely and essential.

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[1]'Qld Government Scales Up Generative AI Usage', iTnews (online, 6 May 2025) https://www.itnews.com.au/news/qld-government-scales-up-generative-ai-usage-616897.

[2]Queensland Government, Artificial Intelligence Governance Policy (2024); Queensland Government, Foundational Artificial Intelligence Risk Assessment Framework (FAIRA) (2024).

[3]Department of Customer Services, Open Data and Small and Family Business, Strategic Plan 2025–2029 (Queensland Government, June 2025).

[4]Queensland Audit Office, Managing the Ethical Risks of Artificial Intelligence (Report, September 2025) https://www.qao.qld.gov.au/reports-resources/reports-parliament/managing-ethical-risks-artificial-intelligence.

Ambitious Vision: Queensland as AI Innovation Exporter

The Brisbane 2032 Olympic and Paralympic Games provide more than a global stage for sport. They represent a fixed strategic horizon against which Queensland can benchmark its ambition, mobilise investment, and demonstrate to the world what a responsible, AI-enabled state looks like. The Games themselves offer immediate AI showcase opportunities: AI-powered transport and crowd management across a geographically dispersed multi-city event, real-time multilingual translation for international visitors and athletes, accessible navigation systems for people with disability, and predictive infrastructure maintenance across new and legacy venues. These are not speculative applications, they are capabilities already deployed at scale in comparable contexts internationally, and their successful delivery in Queensland would serve as a global reference case for the state's AI ecosystem.

By 2032, Queensland should be a jurisdiction where government services are faster, fairer, and more personalised through trusted AI systems; where AI-driven innovation developed in Queensland — in mining safety, tropical agriculture, disaster resilience, energy management, and health delivery — is exported to countries facing similar challenges across the Asia-Pacific, Africa, and the Americas; where Queensland-originated intellectual property in applied AI generates ongoing economic returns for the state, creating a self-reinforcing cycle of investment, capability, and commercial value; where the state's unique combination of sectoral depth, renewable energy, research excellence, and regulatory clarity makes it a globally recognised centre for responsible AI development — not merely a consumer of AI built elsewhere; and where every Queenslander, regardless of location, background, or occupation, has the skills and confidence to participate in an AI-shaped economy. This is a vision of Queensland not only as an adopter of AI, but as a creator and exporter of AI capability — one that keeps the economic value of AI within the state rather than ceding it to jurisdictions that moved earlier or invested more boldly.

This is not a vision that any single agency or policy lever can deliver alone. It requires coordinated action across four interdependent domains:

- **Theme 1:** transforming government capability and governance
- **Theme 2:** equipping communities with the skills, trust, and protections to engage with AI
- **Theme 3:** building the physical and digital infrastructure that underpins AI at scale
- **Theme 4:** creating the investment, innovation, and adoption conditions for Queensland businesses to lead.

The recommendations that follow are organised around these four themes. The Strategy's strength will lie not in any single initiative but in the coherence of the whole. Critically, these four domains are not independent silos — they form a connected delivery chain. Reliable, renewable energy supply enables the data-centre infrastructure that hosts

modern cloud platforms; cloud platforms provide the scalable, governed environments within which AI capabilities are developed and deployed; and those capabilities only generate value when paired with workforce readiness, skills development, and adaptive governance frameworks. The Strategy must be designed with this throughput in mind — ensuring that investment in foundational infrastructure translates into platform availability, that platform availability translates into adoption, and that a parallel enabling layer of capability uplift, data governance, and ethical oversight supports the entire chain. A gap at any point in this sequence constrains everything downstream. The recommendations that follow address each stage of this pipeline, but the Strategy's effectiveness depends on their deliberate sequencing and interdependence.

Theme 1: Government

Transforming government services and modernising the capability of the public sector workforce to enhance productivity, efficiency and customer experience through digital and AI.

Context and Issues

To realise the benefits of AI in public service delivery, Queensland must build internal capability and embed trust through ethical governance. The Queensland Government has made a strong start with QChat and the FAIRA framework, but several structural barriers remain.

The Queensland Audit Office's September 2025 report found that while Queensland has released an AI governance policy, its application remains inconsistent.[5] The audit found that the Department of Transport and Main Roads had deployed QChat to over 3,000 staff without completing an ethical risk assessment, establishing monitoring controls, or tracking activity using available dashboards.[6] These findings point to a systemic gap between policy intent and operational practice, underscoring the need for centralised oversight and structured implementation support. Without a dedicated capability hub and clear accountability mechanisms, agencies risk duplicating effort, inconsistently applying safeguards, and eroding public trust in government AI use.

Ethical Oversight and Accountability

While the FAIRA framework and ISO 38507 alignment provide a sound governance foundation, the Strategy must also address the specific challenges posed by algorithmic bias in high-stakes government decisions, AI-generated misinformation, and the implications of deploying increasingly capable frontier AI models.

The consequences of failing to do so are well-documented. The Commonwealth Robodebt scheme demonstrated how even a relatively simple automated decision-making system, when deployed without adequate oversight, transparency, or human review, can cause widespread harm. The subsequent Royal Commission warned that future programs using more sophisticated AI and automation could have even more disastrous effects, magnified by the speed and scale at which AI can be deployed and the increased difficulty of identifying where failures have arisen.[7] As Queensland agencies deploy AI in areas such as child protection, health triage, and compliance, these lessons are directly applicable.

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[5] Ibid.

[6] 'QChat AI Tool Deployed without Proper Safeguards', InnovationAus (online, 25 September 2025) https://www.innovationaus.com/qchat-ai-tool-deployed-without-proper-safeguards/.

[7] Royal Commission into the Robodebt Scheme, Report (July 2023) vol 2, 488

Data Foundations and Interoperability

AI capability depends on access to quality data. Queensland has established information governance foundations through the QGEA, including the Information Governance Policy, the Data Governance Guideline, and the Information Sharing Authorising Framework, and the AI governance policy and FAIRA framework require agencies to assess data privacy and quality risks within individual AI deployments. However, these instruments were designed for traditional information management and system-level risk assessment, not for the cross-agency data infrastructure that AI-driven service improvement depends on. Key gaps remain: the Information Privacy Act 2009 does not provide operational guidance on privacy-preserving techniques such as federated learning or synthetic data; inter-agency sharing frameworks focus on bilateral arrangements rather than systematic, large-scale data linkage; and a 2022 QGEA survey of the Digital Leadership Group identified integrating data from multiple sources as a major challenge, with data sharing and interoperability flagged as a top priority requiring further guidance.[8] Without upgrading these existing governance arrangements to address AI-specific requirements, the state's AI ambitions will remain constrained by the quality and accessibility of the data that underpins them.

Core Digital Capabilities

At the national level, the Australian Public Service AI Plan 2025 has set a benchmark by mandating foundational AI literacy training for all Commonwealth public servants, requiring every agency to appoint a senior executive as Chief AI Officer, and establishing centrally hosted AI services through the GovAI platform.[9] Queensland's strategy should draw on these developments while tailoring solutions to the state's specific context. Outdated deployment models, fragmented system landscapes, inconsistent data standards, and varying levels of digital maturity across departments represent significant barriers to scaling AI adoption. Accelerating the modernisation and adoption of core business platforms — through cloud migration, standardisation, and integration — creates the structured, real-time data environment that AI depends on, while unlocking embedded AI capabilities already available within modern platform releases. The Public Sector Commission's Even Better workforce strategy has identified the need to build core digital capability across the sector, but specific AI workforce targets and structured training pathways remain underdeveloped.[10]

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[8]Queensland Government, Metadata Schema for Queensland Government Data Assets Guideline (QGEA). A 2022 QGEA survey of the Digital Leadership Group identified 'integrating data from multiple sources' as a major challenge and 'data sharing and interoperability' as a top priority, noting the need for more guidance on standards to improve data discovery, sharing, and interoperability across agencies. See https://www.forgov.qld.gov.au/information-technology/queensland-government-enterprise-architecture-qgea/qgea-directions-and-guidance/qgea-policies-standards-and-guidelines/metadata-schema-for-queensland-government-data-assets-guideline.

[9]Australian Government, APS AI Plan 2025 (November 2025) https://www.digital.gov.au/policy/ai/australian-public-service-ai-plan-2025.

[10]Queensland Public Sector Commission, Even Better Public Sector for Queensland: Action Plan 2024–2025 (2024) https://www.psc.qld.gov.au/evenbetter/our-workforce.aspx.

Cybersecurity and Defensive Urgency

The Strategy should recognise that AI adoption is not only an opportunity for improved services, it is an operational necessity for maintaining the security and resilience of government systems. AI-enabled threats are already targeting government infrastructure, and traditional security postures cannot keep pace without AI-augmented defences. The urgency of this challenge was underscored in April 2026 when Anthropic disclosed that its Claude Mythos Preview model had autonomously discovered thousands of previously unknown zero-day vulnerabilities across every major operating system and web browser, prompting it to withhold the model from public release.[11]

Queensland's government systems, many of which rely on ageing infrastructure and legacy codebases, face exactly this exposure. If the state does not adopt AI-augmented cyber defences at pace, its traditional security posture risks being overwhelmed by threats operating at a speed and scale that manual processes cannot match. The Strategy should therefore frame AI adoption as having both an offensive dimension, improving services and productivity, and a defensive dimension, maintaining the operational resilience and security of government systems.

Recommendations

1. Establish a Centre for AI Enablement and Innovation

Create a Centre for AI Enablement within government to act as a central capability hub supporting AI adoption across all agencies. The Centre should recognise that AI adoption in government operates across two complementary vectors: standalone AI tools and services deployed for specific use cases, and AI capabilities embedded natively within the enterprise platforms agencies already rely on for core operations. Both vectors require coordinated support, governance, and integration within the Centre's remit.

Building on the existing work of CDSB, this Centre would develop and share reusable AI components, toolkits, and pre-approved procurement templates; deliver structured training and knowledge-sharing pathways for public servants; and maintain a repository of approved AI use cases and reusable modules to avoid duplication. The Centre's role should be explicitly framed as accelerating adoption, not controlling it. Agencies that are ready to deploy AI should not be held back while centralised architecture is being established. The Centre succeeds by making adoption easier and faster, not by adding approval layers.

Recommendation 1
Establish a Centre for AI Enablement and Innovation within the Queensland public sector to centralise tools, training, and reusable AI capabilities across agencies. The Centre should

[11] Anthropic, 'Assessing Claude Mythos Preview's Cybersecurity Capabilities' (Frontier Red Team Blog, 7 April 2026) https://red.anthropic.com/2026/mythos-preview/.

bring together public sector, industry, and research stakeholders to ensure its approaches are informed by practical market capability and operational experience.

2. Build a Trusted Adoption Network

Create a Trusted Adoption Network anchored by a central ethics advisory body, supported by AI ethics officers embedded within agencies. The advisory body would set common standards, provide pre-deployment reviews for high-risk AI systems, and advise on complex ethical dilemmas. This Network should build upon the FAIRA framework and align with the Australian Government's Policy for the Responsible Use of AI in Government.[12] The Network should also be charged with developing an Emerging AI Risk Protocol to address risks not yet captured by existing frameworks, including mandatory bias audits for AI systems used in consequential government decisions, ongoing performance monitoring against equity benchmarks, and scenario-based risk assessments for frontier AI models deployed in public-facing services. Agencies should be required to maintain clear human override mechanisms and the capacity to withdraw systems rapidly if unforeseen harms emerge.

Recommendation 2
Build a Trusted Adoption Network anchored by a central ethics advisory body with AI ethics officers embedded across agencies, setting common standards, providing pre-deployment reviews for high-risk systems, and establishing protocols for emerging risks including algorithmic bias in high-stakes decisions and the safe deployment of frontier AI models.

3. Recognition of Autonomous/Agentic AI Within Business Processes

The Strategy must account for the emergence of autonomous AI agents — systems capable of executing multi-step business processes with minimal human intervention. Within government and enterprise, these agents are most safely and effectively deployed within the governed boundaries of established business platforms, where they inherit existing access controls, audit trails, data governance, and process logic. The governance framework should distinguish between autonomous AI operating within controlled enterprise environments, where accountability and explainability are structurally embedded, and autonomous AI operating outside institutional systems, where risks of uncontrolled action, data leakage, and accountability gaps are significantly higher. An appropriate risk appetite is key for AI innovation and investment attraction. A strategy designed for the horizon to 2032 that does not account for AI agents operating autonomously within government and business processes risks being outdated before

[12] Australian Government, Policy for the Responsible Use of AI in Government (v2.0, 2025).

implementation is complete. Agentic AI is not a future consideration, it is an immediate design requirement for governance, workforce planning, and procurement frameworks.

Recommendation 3
Establish governance settings for the adoption of autonomous AI agents, including tiered autonomy levels, mandatory audit trails, escalation protocols, and a risk-differentiated approach that recognises governed enterprise-embedded agents as lower-risk than uncontrolled standalone systems.

4. Embed AI Workforce Targets in Government Projects

Mandate that large Queensland Government digital and infrastructure projects, particularly those associated with the Brisbane 2032 Olympic and Paralympic Games and major regional infrastructure, allocate a minimum percentage of roles to qualified AI practitioners, including experienced data scientists, AI engineers, and machine learning specialists alongside graduates and trainees who have completed AI-related study or training. This would ensure projects of this scale are staffed with the depth of expertise required for safe and effective delivery, while simultaneously building a pipeline of emerging talent through structured on-project experience.

Recommendation 4
Mandate that large Queensland Government digital and infrastructure projects allocate a minimum percentage of roles to qualified AI practitioners, including experienced specialists in data science, AI engineering, and machine learning, alongside graduates and trainees with AI-related qualifications.

5. Establish a Cross-Government Data Governance Framework for AI

Develop a cross-government data governance framework for AI, building on existing QGEA instruments to address the specific data requirements of AI-driven service delivery. The framework should establish clear principles regarding authoritative data sources, recognising that core operational systems of record such as finance, human resources, procurement, asset management, and service delivery platforms hold the governed, transactional data most valuable for AI applications. Data governance for AI should prioritise integration with these authoritative sources rather than creating parallel data stores, ensuring AI systems operate on current, governed, and auditable data.

This framework should update inter-agency data sharing protocols to enable large-scale data linkage and analytics while remaining consistent with the Information Privacy Act 2009 and the Queensland Privacy Principles; mandate consistent adoption of data quality, metadata, and cataloguing standards to ensure datasets are discoverable, interoperable, and fit for AI applications; create structured pathways for responsible public–private data collaboration, including privacy-preserving techniques such as federated learning and synthetic data, to unlock the value of government data assets without compromising citizen trust; and invest in data engineering capability alongside AI skills, recognising that data readiness is a prerequisite for effective AI deployment. This framework should build on the Queensland Government's existing Open Data Policy Statement and align with the National AI Plan 2025's emphasis on high-value public datasets as a foundation for domestic AI capability.

Recommendation 5
Develop a cross-government data governance framework addressing inter-agency data sharing protocols consistent with the Information Privacy Act 2009, data quality and interoperability standards, structured pathways for responsible public–private data collaboration using privacy-preserving techniques, and investment in data engineering capability to ensure Queensland's data foundations are fit for AI-scale use.

6. Modernise Government Procurement Frameworks for AI and Cloud Services

Review and update Queensland Government procurement settings to remove structural barriers to modern technology delivery models. Current frameworks were designed for capital-expenditure software licensing and project-based delivery, creating unintentional friction for agencies seeking to adopt cloud-native platforms, subscription and consumption-based services, continuously updated AI capabilities delivered through platform releases, and shared responsibility operating models. The Strategy should mandate a procurement modernisation workstream that enables outcome-based and consumption-based contracting models alongside traditional approaches; accommodates continuous delivery of AI capabilities without requiring re-procurement for each model or feature update; addresses data residency, sovereignty, and portability requirements appropriate to cloud-hosted services; and ensures that procurement evaluation criteria recognise embedded AI capabilities within existing enterprise platforms alongside standalone AI product acquisitions.

Recommendation 6
Modernise Queensland Government procurement frameworks to support cloud-native delivery models, consumption-based pricing, continuous AI capability updates, and equitable evaluation of embedded platform AI alongside standalone AI products.

Proposed Metrics

- Proportion of AI projects in production meeting accredited trust, transparency, and ethical-governance standards.
- Uptake of AI training and capability across the public-sector workforce, including completion rates for structured programs.
- Level of industry–government collaboration, measured by co-funded projects, joint pilots, and SME participation rates.
- Percentage of government project roles filled by Queensland AI-trained graduates and trainees.
- Number of agencies with designated AI ethics officers and completed FAIRA assessments for all active AI deployments.

Theme 2: Community

Enabling Queenslanders with the skills and tools to participate in the digital economy, while building trust and confidence in and use of digital and AI to access products and services.

Context and Issues

Queensland's AI opportunity will only be realised if the broader community has the skills, confidence, and trust to engage with these technologies. The 2025 Australian Digital Inclusion Index found that while nearly half of Australians (45.6 per cent) have recently used generative AI, uptake is shaped significantly by age, education, language, location, and occupation.[13] Younger people, professionals, and those with higher education are leading adoption, while older Australians, people with lower levels of education, and those in regional or manual occupations are far less likely to engage with AI tools.

The digital divide is particularly acute in Queensland's regional and remote communities. The National AI Plan 2025 noted that only 29 per cent of regional organisations are adopting AI compared to 40 per cent in metropolitan areas, and that regional businesses have a higher proportion (26 per cent) unaware of AI opportunities altogether.[14] Around 40 per cent of First Nations people, and one in five Australians broadly, remain digitally excluded.[15] These disparities risk entrenching existing inequalities as AI reshapes access to government services, employment, and economic participation. The Queensland AI Strategy must ensure equitable wealth creation and distribution in order for the Strategy to be sustainable.

The Strategy should also recognise that AI-enabled engagement between citizens and government is already bidirectional. On the outbound side, AI enables government to personalise and translate communications at scale, including plain language conversion, multilingual support, and accessibility formatting. On the inbound side, citizens are already using commercial AI tools to draft legal claims, appeals, complaints, FOI requests, and submissions to government. This creates practical challenges that agencies must prepare for: higher volumes of AI-drafted inbound communications, documents that appear professional but may contain fabricated references or misapplied legislation, and equity concerns where AI-empowered citizens achieve better outcomes than those without access. The AI literacy agenda should therefore include practical guidance on the limitations and responsibilities of using AI to engage with government, not only building confidence in AI, but ensuring citizens understand what AI gets wrong and what they remain responsible for.

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[13] ARC Centre of Excellence for Automated Decision-Making and Society, RMIT, Swinburne and Telstra, 2025 Australian Digital Inclusion Index (November 2025) https://digitalinclusionindex.org.au/.

[14] Australian Government, National AI Plan 2025 (December 2025) https://www.industry.gov.au/publications/national-ai-plan.

[15] Ibid.

Workforce Displacement and Skills Readiness

Current education pipelines are too slow to meet industry demand. The traditional qualification cycle of three to four years cannot keep pace with the speed of technological change. Regional communities are particularly exposed, where the impacts of automation, digital systems, and physical AI are already reshaping employment and increasing the risk of displacement in foundational industries.

For Queensland, this has specific implications. Mining, agriculture, and manufacturing remain central to the state's economic base, regional employment, and export performance. In mining, autonomous haul trucks, drills, and train networks are already operational across major Australian sites. The Mining and Automotive Skills Alliance projects that the sector will need over 72,000 additional workers over the coming decade, but with technology fundamentally reshaping the skills required.[16] In agriculture, precision farming, autonomous machinery, and AI-driven supply chain optimisation are already displacing routine roles while creating demand for new technical capabilities.[17]

Recommended Actions

7. Launch a State-Wide AI Confidence Campaign

Launch a state-wide public awareness initiative to build community confidence and reduce misconceptions about AI. This campaign should use relatable, practical messaging to demonstrate how AI can assist rather than replace workers, explain how AI is used in government and industry services, provide citizens with practical digital-literacy resources, and include forums and citizen panels to gather community feedback and surface ethical concerns.

Recommendation 7
Launch a state-wide AI confidence and awareness campaign using relatable messaging, local success stories, and citizen forums to build public trust, dispel misconceptions, and promote informed participation in the digital economy.

[16] Mining and Automotive Skills Alliance, Industry Workforce Plan 2024 (Report, February 2024) https://ausmasa.org.au/media/5vxngfo2/ausmasa-industry-workforce-plan-2024.pdf.
[17] Sophia Duan and David A Fleming-Muñoz, 'AI Isn't Likely to Wipe Out All Farming Jobs — But It Is Changing Who Bears the Risks', The Conversation (online, 9 February 2026) https://theconversation.com/ai-isnt-likely-to-wipe-out-all-farming-jobs-but-it-is-changing-who-bears-the-risks-275227.

8. Accelerate AI Literacy Across Education

Fast-track the integration of AI literacy into Queensland schools, from primary through to graduation, expanding upon models from other jurisdictions such as New South Wales's purpose-built AI education tool for public school students.[18] This extends through TAFEs and universities, where micro-credential programs co-designed with industry should focus on practical applications including ethical AI use, prompt engineering, data analysis, and automation management.

Recommendation 8
Accelerate AI literacy integration across Queensland schools, TAFEs, and universities, including industry co-designed micro-credentials focusing on practical AI applications, ethical use, and data literacy.

9. Embed Inclusion by Design

AI adoption must be accompanied by meaningful engagement and inclusion. The Strategy should embed equitable access from the outset, ensuring that culturally and linguistically diverse (CALD) communities, people with disability, and regional Queenslanders are not left behind. This requires representative datasets with mandatory bias audits, co-design with affected communities from pilot stages, inclusive design standards covering accessibility and multilingual support, and clear recourse pathways such as human review of AI-influenced decisions. Queensland's geographic spread makes this especially critical.

Recommendation 9
Embed inclusion by design through representative datasets, bias audits, community co-design with CALD communities and people with disability, accessibility and multilingual standards, and clear contestability pathways for AI-influenced decisions.

10. Embed First Nations Data Sovereignty and Self-Determination

Queensland's AI Strategy must recognise that Aboriginal and Torres Strait Islander peoples are not simply a cohort to be included in a broader digital equity agenda. They have distinct rights, governance structures, and relationships to data, knowledge, and country. Any AI strategy that treats First Nations engagement as a checkbox risks repeating

[18]NSW Government, 'NSW to Roll Out Purpose-Built AI Education Tool to All Public School Students from Year 5' (Ministerial Release, 2025) https://www.nsw.gov.au/ministerial-releases/nsw-to-roll-out-purpose-built-ai-education-tool-to-all-public-school-students-from-year-5.

historical patterns of extractive policy-making, where data and knowledge are gathered from communities without meaningful benefit flowing back to them.

The AIIA recommends that the Queensland Government adopt First Nations data sovereignty as a foundational principle of the Strategy, consistent with the CARE Principles for Indigenous Data Governance (Collective Benefit, Authority to Control, Responsibility, and Ethics) and the work of the Maiam nayri Wingara Aboriginal and Torres Strait Islander Data Sovereignty Collective.[19] The National AI Plan 2025 has committed to upholding the principles of the Framework for Governance of Indigenous Data, ensuring that First Nations communities have control over the collection, access, use, and sharing of their data.[20] Queensland's Strategy should align with and build upon this national commitment.

What this means in practice:

Co-design, not consultation. First Nations communities should be involved from the earliest stages of AI system design, not brought in at the end for comment. This means establishing dedicated co-design processes with representative community organisations before any AI system intended to serve or affect First Nations peoples is procured or deployed.

Data inclusivity and ownership. Queensland Government agencies hold significant data about First Nations individuals and communities in health, child protection, justice, housing, and welfare systems. The Strategy should establish clear principles ensuring that data collected from or about First Nations peoples is not used to train AI models without informed community consent, that communities have the right to access, correct, and withdraw their data, and that benefits derived from the use of First Nations data (including improved service design) are shared back with those communities.

Culturally safe AI systems. AI systems deployed in contexts that disproportionately affect First Nations Queenslanders, including child protection decision-support tools, justice risk assessments, and welfare eligibility systems, carry particular risks of encoding and amplifying existing systemic biases. The Strategy should require mandatory cultural safety assessments for any high-risk AI system likely to affect First Nations peoples, conducted with the involvement of First Nations experts and governed by Indigenous-led oversight bodies rather than solely by government agencies.

Investment in First Nations-led AI capability. The Strategy should not only seek to bring First Nations communities along as beneficiaries of AI, it should actively invest in First Nations-led AI enterprises, researchers, and community-controlled organisations

[19] Maiam nayri Wingara Aboriginal and Torres Strait Islander Data Sovereignty Collective, Indigenous Data Sovereignty Communique (Communique, 20 June 2018) https://www.maiamnayriwingara.org/mnw-principles.

[20] Australian Government, National AI Plan 2025 (December 2025) 19; National Indigenous Australians Agency, Framework for Governance of Indigenous Data (2024) https://www.niaa.gov.au/sites/default/files/documents/2024-05/framework-governance-indigenous-data.pdf.

developing AI applications for their own purposes. This includes dedicated funding streams within the AI Innovation Portfolio (Recommendation 16), pathways in the AI literacy and education agenda (Recommendation 8) that reach community-controlled schools and remote learning centres, and procurement policies that create genuine opportunities for First Nations technology businesses.

Governance and accountability. The Strategy should establish a First Nations AI Advisory Council with genuine decision-making influence over policies and programs that affect Aboriginal and Torres Strait Islander communities. This Council should include representatives from community-controlled organisations, land councils, and First Nations technology leaders, and should report publicly on outcomes.

Recommendation 10
Embed First Nations data sovereignty as a foundational principle of Queensland's AI Strategy, adopting the CARE Principles for Indigenous Data Governance. Require co-design with First Nations communities prior to deployment of any AI system affecting them; establish data ownership and consent frameworks for government-held First Nations data; mandate cultural safety assessments for high-risk AI systems; invest in First Nations-led AI capability through dedicated funding and procurement pathways; and establish a First Nations AI Advisory Council with genuine governance authority over relevant programs and policies.

11. Establish Concrete Workforce Transition Supports

Develop an AI Workforce Transition Charter providing structured support for workers in mining, agriculture, manufacturing, and other sectors facing AI-driven displacement. This Charter should be developed in partnership with unions, industry bodies, and affected communities and should include reskilling pipelines delivered through TAFE Queensland and registered training organisations, with a focus on AI-adjacent skills such as autonomous systems operation, data analysis, and digital equipment maintenance. The Charter should also include income safety nets for workers during transition periods, industry transition agreements negotiated between government, employers, and unions, and regional transition hubs in communities most affected by AI-driven workforce change.

PwC's 2025 AI Jobs Barometer found that AI-exposed industries experienced substantially higher productivity growth, but also noted declining demand for roles without AI-complementary skills.[21] A proactive transition framework will help ensure that the productivity benefits of AI are broadly shared rather than concentrated among those already well-positioned to adapt.

[21] PwC Australia, The Fearless Future: How AI is Impacting Australia's Jobs and Workers (June 2025).

The Strategy should also reframe the narrative around AI in physical industries. In mining, agriculture, manufacturing, and construction, all critical to Queensland's regional economy, AI is not primarily about displacing workers but about removing them from harm. Autonomous mining systems remove operators from blast zones and unstable ground. Precision agriculture reduces exposure to heat stress, chemical handling, and heavy equipment accidents, particularly critical in Queensland's climate. AI-driven inspection and predictive maintenance in manufacturing reduce human exposure to high-temperature and high-pressure environments. In the context of the Brisbane 2032 construction program, computer vision for site safety and wearable AI for fatigue and heat detection offer immediate safety gains. This safety framing is not only more accurate, it is the narrative most likely to build support among unions, regional communities, and workers in affected industries.

Recommendation 11
Develop an AI Workforce Transition Charter incorporating reskilling pipelines through TAFE, income safety nets, industry transition agreements, and regional transition hubs for workers in mining, agriculture, and manufacturing facing AI-driven displacement.

Proposed Metrics

- Queensland AI Trust Index: proportion of citizens who believe AI is used safely, responsibly, and for public benefit, measured via annual polling.
- Participation rates in AI literacy and awareness programs, disaggregated by demographic, region, and educational level.
- Number of graduates and displaced workers retrained or entering AI-related roles annually.
- Uptake of AI micro-credentials across the Queensland workforce, measured by enrolment and completion rates.

Theme 3: Infrastructure

Providing the physical infrastructure and technologies that offer the foundational connectivity and platforms essential for the digital economy.

Context and Issues

Queensland's digital economy depends on secure, sustainable, and scalable data infrastructure. Current constraints in computing capacity, energy access, planning approvals, and digital connectivity limit the state's ability to attract and sustain AI investment at the scale required. Without coordinated action, Queensland risks losing ground to competing jurisdictions in what is rapidly becoming a global race for AI-ready infrastructure.

The scale of the opportunity is significant. The global data-centre market is projected to grow from USD 269 billion in 2025 to USD 584 billion by 2032.[22] Within Australia, the Clean Energy Finance Corporation has estimated that between 2.2 and 3.2 gigawatts of data-centre capacity will be operational by 2035, up from around 0.3 GW in 2024–25, representing up to $135 billion in investment and between 8 and 11 per cent of Australia's projected electricity consumption.[23]

Queensland is well positioned to capture a significant share of this investment, but several barriers must be addressed. Coordination between data-centre developers, energy providers, and water utilities remains fragmented. The Queensland Energy Roadmap 2025 projects a need for up to 6.8 GW of wind and large-scale solar and up to 3.8 GW of storage by 2030, but data-centre load profiles are not yet explicitly integrated into long-term grid-planning models.[24] Additionally, the Australian Government has recently released national expectations requiring data centres to invest in additional renewable energy and responsible water use.[25]

The Strategy should also look beyond construction-phase capacity targets. As the data-centre industry matures, the dominant workload shifts from capital-intensive model training to high-volume inference, which is rapidly commoditising. The competitive differentiators for jurisdictions will increasingly be long-term energy cost competitiveness over 10 to 15 year horizons, high-bandwidth low-latency network interconnection to major cloud regions, and regulatory and fiscal settings that support operational efficiency at scale. Queensland's infrastructure strategy must ensure the state is cost-competitive to

[22] Fortune Business Insights, Data Center Market Size, Share & Forecast Report, 2034 (March 2026) https://www.fortunebusinessinsights.com/data-center-market-109851.

[23] Clean Energy Finance Corporation and Baringa, Getting the Balance Right: Data Centre Growth and the Energy Transition (December 2025) https://www.cefc.com.au/media/hs5ner3s/getting-the-balance-right-data-centres-and-the-energy-transition-full-report.pdf.

[24] Queensland Government, Queensland Energy Roadmap 2025 (October 2025) https://www.treasury.qld.gov.au/policies-and-programs/energy/energy-roadmap/.

[25] Australian Government, Expectations of Data Centres and AI Infrastructure Developers (March 2026).

operate in, not merely attractive to build in during the current investment wave.

Recommended Actions

12. Establish a Digital Infrastructure Coordination Office

Create a single coordination body within the Queensland Government to streamline approvals, align energy and land-use planning, and provide a unified interface for investors. This Office would serve as a one-stop shop for data-centre and computing-infrastructure proponents, oversee planning coordination with departments responsible for environment, energy, and water, and facilitate fast-tracked approvals.

Recommendation 12
Establish a Digital Infrastructure Coordination Office within the Queensland Government to streamline approvals, align energy and land-use planning, and provide a unified interface for data-centre and computing-infrastructure investors.

13. Integrate Data Centres into Energy and Water Planning

Explicitly position data-centre development within Queensland's broader energy and water-security strategies. This should include prioritising renewable energy zones and embedded-generation options to support reliable and sustainable power supply; including data-centre load profiles in long-term grid-planning models to ensure cost predictability and grid stability; and supporting best-practice water management approaches to improve efficiency and minimise environmental impact.

Recommendation 13
Integrate data-centre development into Queensland's energy and water planning frameworks, prioritising renewable energy integration, long-term grid planning, and sustainable resource management.

Proposed Metrics

- Reduction in average approval time for new data-centre developments (target: minimum 30 per cent reduction within three years).
- Share of Queensland AI workloads processed on local, sovereign, or secure infrastructure.

- Volume of renewable energy dedicated to powering digital infrastructure, measured in megawatts and percentage of total load.
- Number and capacity of data-centre projects approved and operational within Queensland.

Theme 4: Business

Supporting businesses, particularly small and family businesses, to adopt digital and AI technologies to drive economic growth, foster innovation and enhance productivity.

Context and Issues

Queensland has a chance to carve out a leadership position in responsible, competitive AI development. However, the growth curve is currently blunted. Investors face regulatory uncertainty and scaling barriers; SMEs and family businesses face procurement challenges and financing hurdles; and other jurisdictions are moving faster with targeted incentives.

The National AI Centre's AI Adoption Tracker found that over one-third of Australian SMEs have adopted AI, yet adoption varies dramatically by size and sector, with primary industries including construction, manufacturing, and agriculture showing the highest levels of unawareness of AI's potential.[26] These sectors are not peripheral, they are central to Queensland's economic base, regional employment, and export performance. Persistent gaps in AI adoption within these industries therefore present a material risk to the state's productivity and competitiveness.

AI integration demands upfront expenditure on licences, integration, and training that most SMEs cannot secure through standard lending. Programs like the Queensland Government's Digital Solutions Program,[27] the ARM Hub AI Adopt Centre's AI Readiness Assessment,[28] and the recent CSIRO Innovate to Grow program[29] provide a strong foundation, but more comprehensive and sustained support is needed, particularly for regional businesses.

Beyond SME adoption, Queensland must also address the broader innovation ecosystem. Research translation and commercialisation pathways remain underdeveloped, and there is a risk that publicly funded AI intellectual property is lost offshore without adequate retention frameworks.

Recommended Actions

14. Introduce Targeted AI Investment Incentives

Design and implement a suite of fiscal measures, such as AI-specific R&D tax credits, targeted grants, and co-investment schemes, to attract large-scale AI investments. These

[26]Department of Industry, Science and Resources, 'AI Adoption in Australian Businesses for 2025 Q1' (2025) https://www.industry.gov.au/news/ai-adoption-australian-businesses-2025-q1.

[27]Queensland Government, Our Thriving Digital Future: Queensland's Digital Economy Strategy 2023–2026 Action Plan https://www.qld.gov.au/about/how-government-works/strategies-and-initiatives/digital-economy-strategy.

[28]ARM Hub, AI Adopt Centre AI Readiness Assessment (2025) https://aiadopt.ai/.

[29]CSIRO, 'Queensland Government and CSIRO Launch Free Program to Help SMEs to Innovate' (March 2026) https://www.csiro.au/en/news/All/News/2026/March/Queensland-Government-and-CSIRO-launch-free-program-to-help-SMEs-to-innovate.

incentives should be aligned with Queensland's priority sectors including resources, health, agriculture, defence, and tourism, and should focus on high-value activities such as model development, ethical AI testing, and export-oriented product design. Queensland's competitive proposition should be explicitly articulated, including access to unique sectoral datasets in mining and agriculture, world-class research institutions, streamlined regulatory pathways, the Brisbane 2032 platform, and dedicated concierge services for international AI firms seeking to establish Asia-Pacific operations.

Recommendation 14
Introduce differentiated AI investment incentives that leverage Queensland's unique advantages, such as renewable energy, research excellence, sectoral expertise, and the Brisbane 2032 platform, to position the state as the preferred destination for AI investment.

15. Tactical SME and Family Business Adoption Support

Develop targeted programs to lower the threshold for SME and family business adoption of AI. This should include skills transformation programs delivered in partnership with TAFEs and industry; AI licence credits or vouchers for small Queensland-owned businesses to offset upfront software costs; and dedicated regional outreach to ensure businesses outside South East Queensland can access the same level of support.

Recommendation 15
Develop tactical SME and family business adoption supports including workforce upskilling programs, licence credits, and dedicated regional outreach to ensure equitable access across Queensland.

16. Launch an AI Innovation Portfolio

Launch a coordinated AI Innovation Portfolio spanning the entire innovation lifecycle, from early-stage ideation and research translation to commercialisation and export. The portfolio should provide seed and scale-up grants for AI ventures co-funded with industry partners, leverage university research outputs through matched funding and shared IP models, integrate with federal programs such as the National Reconstruction Fund and the National AI Centre, and establish or expand AI innovation precincts that co-locate researchers, startups, corporates, and investors with embedded legal, IP, and commercialisation advisory services.

Recommendation 16
Launch a coordinated AI Innovation Portfolio spanning research translation to commercialisation, with seed grants, matched university funding, federal program integration, and co-located innovation precincts.

17. Introduce IP Retention Frameworks

Develop standardised IP retention frameworks for publicly funded AI research and startups receiving government assistance. This should include preferred-jurisdiction clauses and supporting fiscal incentives, such as tax credits or royalty-sharing arrangements, that ensure IP developed with Queensland support remains at least partially owned or licensed within the state while encouraging export-oriented commercialisation; establishment of a Queensland AI IP Register to track and protect key assets; and development of fair IP and licensing frameworks for AI training data.

AI capabilities developed for Queensland's unique operating conditions, including tropical agriculture, remote mining operations, disaster resilience, and Great Barrier Reef environmental monitoring, represent exportable intellectual property with commercial value across comparable geographies in Southeast Asia, the Pacific, Africa, and South America. The IP retention framework should therefore be designed not only to prevent IP leakage but to position Queensland as a creator and licensor of domain-specific AI capability.

Recommendation 17
Introduce clear IP retention frameworks for publicly funded AI, including preferred-jurisdiction clauses, local commercialisation incentives, a Queensland AI IP Register, and fair licensing models for AI training data.

Proposed Metrics

- Total AI-related investment attracted to Queensland, measured annually against national and international comparators.
- Number of industry partners supplying AI solutions to government, with year-on-year growth tracked.
- Rate of SME AI adoption across key sectors, benchmarked against national averages.
- Number of AI patents registered in Queensland annually, disaggregated by origin and sector.
- Percentage of locally generated AI IP retained in Queensland or Australia.
- Value of private and public investment leveraged through the AI Innovation Portfolio.

Delivering the Strategy

A comprehensive AI strategy requires not only clear policy directions but also a framework for how the Strategy itself will be governed, reviewed, and kept current. The pace of AI development is rapid, with capabilities evolving in months rather than years. A strategy that lacks built-in review mechanisms and accountability structures risks falling behind the technology curve and failing to translate ambition into sustained action.

The Queensland Audit Office's September 2025 report compared AI governance arrangements across all Australian jurisdictions and found that Queensland is the first nationally to mandate ISO 38507 compliance but, unlike several other states, lacks a whole-of-government AI strategy or central oversight body with explicit responsibility for strategy-level coordination.[30] Academic research on adaptive AI governance has argued that traditional regulatory approaches risk obsolescence, and that effective governance requires governance coordinating committees, pre-determined revision rounds, and central AI officers.[31]

Recommended Actions

18. Establish Adaptive Strategy Governance and Review Mechanisms

The AIIA strongly recommends that the Strategy be designed as a living framework, not a static policy document. This should include formal review cycles, at least annually, with scope for interim updates in response to major technological or policy shifts; a standing advisory mechanism comprising industry, academia, and community representatives to provide timely intelligence on emerging risks and opportunities; clear designation of responsibility for whole-of-strategy oversight, whether through the proposed Centre for AI Enablement or a dedicated Office for AI (as established in New South Wales and South Australia)[32]; and structured cross-agency coordination mechanisms to ensure consistent implementation and prevent the siloed approaches identified in the Queensland Audit Office report.

Recommendation 18
Design the AI Strategy as a living framework with annual review cycles, a standing advisory mechanism, designated whole-of-strategy oversight responsibility, and structured cross-agency coordination, ensuring the Strategy remains aligned with evolving technology, risk, and opportunity.

[30] Queensland Audit Office, Managing the Ethical Risks of Artificial Intelligence (Report 2: 2025–26) 38.
[31] Anka Reuel and Trond Arne Undheim, 'Generative AI Needs Adaptive Governance' (arXiv preprint, 6 June 2024) arXiv:2406.04554.
[32] Government of South Australia, AI for South Australia https://www.ai.sa.gov.au/; NSW Government, 'About the NSW Office for AI', Digital NSW https://www.digital.nsw.gov.au/policy/artificial-intelligence#about-nsw-office-for-ai.

Phased Implementation Roadmap

The AIIA recommends that the Strategy sequence its recommendations across three phases, aligned with the 2032 planning horizon. This phasing reflects the reality that some actions are prerequisites for others, and that attempting to deliver all recommendations simultaneously risks diluting impact and overwhelming agency capacity.

Phase 1: Foundations (2026–2027). The first phase should establish the institutional architecture, governance settings, and data foundations upon which all subsequent actions depend. This includes standing up the Centre for AI Enablement and Innovation (Recommendation 1), which provides the central coordination and capability hub for the public sector; establishing the Trusted Adoption Network and ethics advisory body (Recommendation 2) to ensure governance keeps pace with deployment; establishing governance settings for autonomous and agentic AI (Recommendation 3) before these systems become widespread in government operations; developing the cross-government data governance framework for AI (Recommendation 5), without which data-dependent initiatives will stall; embedding First Nations data sovereignty as a foundational principle and establishing the Advisory Council (Recommendation 10); establishing the Digital Infrastructure Coordination Office (Recommendation 12) to begin unlocking the investment pipeline; and designing the Strategy's own governance and review mechanisms (Recommendation 18) to ensure accountability from the outset.

Critically, Phase 1 should operate on two parallel tracks rather than treating institutional establishment as a prerequisite for adoption. The first track establishes the governance and coordination architecture outlined above. The second is an immediate adoption track: deploying AI tools into willing and ready agencies now, launching SME support programs, beginning AI literacy pilots in schools, and accelerating cybersecurity capability. The institutions should be informed by early adoption experience, not serve as gates through which all activity must pass. Early, visible wins in productivity and service delivery will generate the momentum, political support, and evidence base that sustains the longer-term reform agenda.

Phase 2: Build and Scale (2028–2030). With governance, coordination, and data foundations in place, the second phase should focus on building capability and activating adoption across government, community, and industry. This includes embedding AI workforce targets in government projects (Recommendation 4); modernising government procurement frameworks for AI and cloud services (Recommendation 6); launching the state-wide AI confidence campaign (Recommendation 7) and accelerating AI literacy across education (Recommendation 8); embedding inclusion by design across AI deployments (Recommendation 9); establishing workforce transition supports for affected industries (Recommendation 11); integrating data centres into energy and water planning (Recommendation 13); introducing AI investment incentives (Recommendation 14); and rolling out tactical SME and family business adoption supports (Recommendation 15).

Phase 3: Maturity and Legacy (2031–2032). The final phase should focus on scaling innovation, embedding sovereign capability and national resilience, and ensuring Queensland's AI ecosystem is self-sustaining beyond the Games. This includes launching the full AI Innovation Portfolio spanning research translation to commercialisation (Recommendation 16) and introducing IP retention frameworks to ensure publicly funded AI capability remains onshore (Recommendation 17). By this stage, the foundational and scaling investments should be generating measurable returns in public service quality, workforce readiness, business competitiveness, and investment attraction, providing the evidence base for the Strategy's first major review cycle and its next iteration beyond 2032.