



Royal Commission into
Artificial Intelligence

Scoping Paper

South Australian Royal Commission
into Artificial Intelligence

29 October 2026

Acknowledgement of Country

The Royal Commission into Artificial Intelligence (the Commission) acknowledges the traditional countries and Nations throughout South Australia on which the Commission will conduct this inquiry. The Commission acknowledges all Aboriginal peoples across South Australia as the Traditional Custodians of the lands and waters, and who are of the oldest continuous living culture on Earth. We pay our respects to Elders past, present, and emerging, and to their lores, customs, and creation spirits. We acknowledge the important role Aboriginal peoples play within the South Australian community, and their enduring cultural practices of caring for Country.

A note on language:

The Commission respectfully uses the term 'Aboriginal' to refer to people who identify as Aboriginal, Torres Strait Islander, or both Aboriginal and Torres Strait Islander.

Opening Statement from the Commissioners

How Artificial Intelligence affects South Australia – from the community, workers, and businesses through to the education sector – is at the heart of the work of this Commission.

As an independent Royal Commission, we are seeking to provide practical and tangible recommendations that will help position South Australia now, and into the future, to harness the benefits of AI while safeguarding society from any AI related risks and challenges.

The release of this Scoping Paper is the first opportunity for South Australians to learn about the themes which will guide our work, and some of the important questions we will be considering.

It is also an opportunity for South Australians to provide their views to the Commission, through making a formal submission. The paper asks several questions, which are intended to prompt considered and helpful insights about your views of the impacts, risks, and opportunities of AI in this state. These responses will be reviewed in the coming weeks and will help inform our ongoing enquiries.

This is just the first phase of our engagement. In the coming months, the Commission will seek views from interested parties – including taking submissions from the public, stakeholder consultations, industry roundtables, and holding a series of community forums.

As our work continues, we will also seek views from businesses, industry bodies, unions, technology developers, academics, infrastructure experts, independent specialists, teachers, and students.

I, along with Commissioners Kate Pounder and Dr Christopher Manning, look forward to hearing from South Australians. I believe that your contributions will provide valuable insights which will help shape the state's AI future.

Iain Ross AO
Chair, Royal Commission into Artificial Intelligence

Introduction

The purpose of this Scoping Paper is to seek responses to the themes and issues raised in the paper. This first phase of the inquiry is focused on inviting and understanding a diverse range of views and perspectives. This will help the Commission clarify and refine a set of priority themes and issues for future consultation.

About the Commission

The type of society shaped by AI is not predetermined; it will be shaped by the choices we make: how we choose to use AI, for what purposes and to what ends.

The Commission has been asked to provide advice and recommendations to the South Australian Government by 1 July 2027 on how South Australia can harness AI to improve prosperity, productivity, and community wellbeing. Its recommendations will address AI's economic, societal, workforce, and public interest implications, and support its safe and responsible use. Unlike a Royal Commission principally established to investigate past events or wrongdoing, this Commission is both policy and future focused.

Although national and global action on AI is vital, many of its most immediate effects will be felt at the state level through its impacts on public services, industries, and communities. A state-based Commission can examine these impacts in depth and develop practical recommendations that reflect the state's distinctive economy, institutions, regions, and communities, including its small business, innovation, cultural, and creative sectors.

Being a state-based Royal Commission, the Commission is particularly interested in the actions that South Australia has agency over, for example state-based service delivery, state powers and regulatory responsibilities, and state level investments. Understanding where the state is best placed to intervene will be an important consideration.

Terms of Reference

The Terms of Reference require the Commission to inquire into the economic and societal opportunities and implications resulting from AI in South Australia including:

- The opportunities, barriers, and policy settings for AI to improve productivity, innovation, and economic growth to enable South Australian industry to be nationally and globally competitive including where change can be transformative to the South Australian economy.
- How South Australia can leverage the social benefits of AI while safeguarding people and society from any AI-related risks and challenges.
- The policy, legislative, and regulatory frameworks required in South Australia to encourage the safe and responsible development, deployment, adoption, and use of AI across industry, government, research, and the community.
- The impacts of AI on the labour market and workplace practices including mitigation of impacts on employment in South Australia.
- How the education system, including schools, higher and vocational education, should adapt to the expansion of AI.
- How AI can be utilised to simplify and streamline the regulatory environment for South Australian businesses.
- The opportunities and associated risks for South Australia in adoption of AI to improve quality and productivity in the provision of public services, including the health system.

The Terms of Reference require the Commission to have regard to several matters including:

- The importance of technological innovation remaining human centric with appropriate legal and regulatory safeguards and accountability.
- The current and potential impacts and opportunities of AI on systemic trust, civics, and the democratic process.
- The implications of AI for the sovereignty of data belonging to or relating to the South Australian community, industry, and government and the degree of strategic autonomy that South Australia should seek to maintain over AI systems data, and critical capabilities.
- Opportunities to pilot or test practical application of AI solutions in a safe and responsible way to improve the lives of South Australians.
- How existing public and private mechanisms, programs or initiatives can be better utilised or scaled to support effective and efficient delivery of the recommendations of the Commission.
- Consideration of the costs and benefits of implementing the recommendations of the Commission, including both economic benefits and to the social fabric of South Australia.

Matters that are beyond the scope of the Commission's Terms of Reference include data centres and matters that primarily fall within the responsibility of the Commonwealth, including matters of national security, financial market stability, critical national infrastructure, intellectual property and copyright.

Approach of the Commission

The Commission will be evidence-based, transparent, and informed by engagement with a broad range of interested parties, including subject matter experts, key stakeholders, and members of the South Australian community.

In addition to making practical recommendations for actions that can be taken in the short to medium-term, the Commission will also seek to understand how AI may impact South Australia in the longer-term. This will ensure South Australia is well positioned to make the most of the opportunities presented by AI while taking some proactive steps to prepare for and shape the potential future.

The Commission will draw on evidence, research, and emerging developments in Australia and around the world. A comprehensive program of engagement will ensure a broad range of perspectives are considered. This engagement will include public submissions, community and industry forums, and targeted stakeholder consultations. The Commission intends to consult businesses, industry bodies, unions, technology developers, academics, researchers, advocacy groups, infrastructure experts, independent specialists, teachers, students, representatives of creative industries, cultural groups, and members of the community.

Several themes will be examined in the coming months, which are set out below. Collectively, they provide a practical approach to addressing the **Terms of Reference**. The themes will be further informed by feedback received in response to this paper and may continue to evolve as the Commission progresses its work.

What is artificial intelligence?

There is no universal agreement on how to define AI. It is complex, changing, and multidisciplinary. That said, AI can be broadly understood as a range of existing and emerging technologies and techniques that enable software to approximate human thinking and behaviours.¹

more visible, while others are built into our environment in more subtle ways like smart homes, traffic management, smart electricity grids, surveillance integration, social media and streaming platforms, and pricing modelling in insurance products.

AI is becoming increasingly embedded in society and presents in many forms with differing functions. Some advancements like driverless cars and robotic systems are

The interconnections among fundamental technical terms in the field of artificial intelligence (AI)

Artificial intelligence (AI) in its broadest sense is a range of techniques to enable software to approximate human thinking and behaviours.

Machine learning is a subset of AI and uses advanced algorithms to detect patterns in large datasets to allow software to learn and adapt.

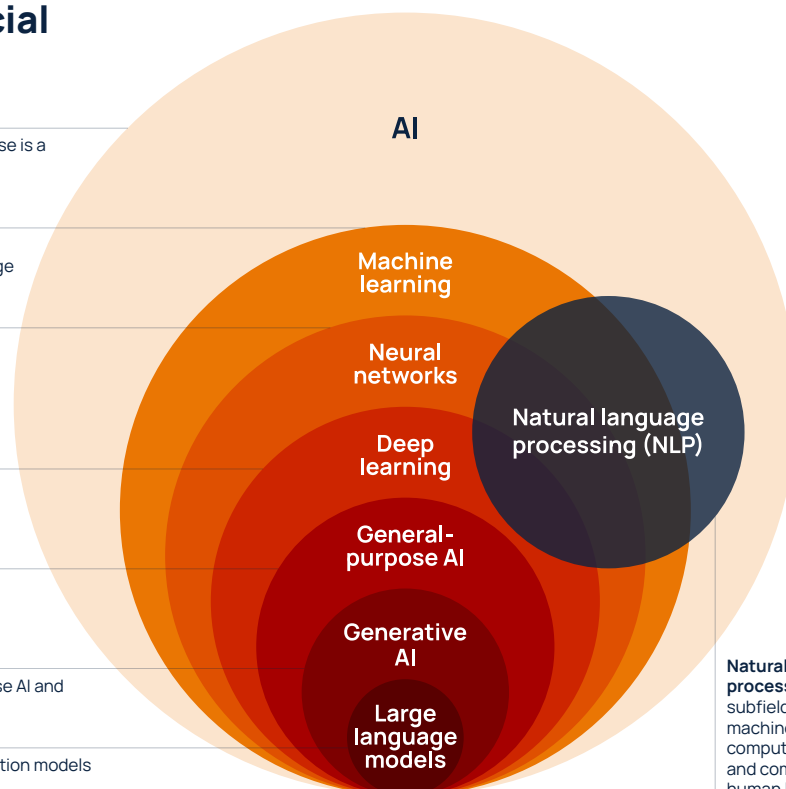
Neural networks are machine learning programs that process inputs and generate outputs through interconnected nodes or artificial neurons. These nodes loosely model the neurons in a brain.

All **deep learning** systems are made of neural networks. They can recognise complex data patterns.

General-purpose AI operates on the foundations of machine learning and deep learning. It can handle a broad range of tasks.

Generative AI is one subset of general purpose AI and can generate text, images, video, sound, etc.

Large language models is a subset of foundation models focused on written text.



Natural language processing (NLP) is a subfield of AI that uses machine learning to enable computers to understand and communicate with human language.

Source: ARC Centre of Excellence for Automated Decision-Making and Society

¹Yang, F., Goldenfein, J., and Nickels, K. (2024, July 10). GenAI concepts. ADM+S and OVIC. <https://www.admscentre.org.au/genai-concepts/>

Understanding AI's opportunities, harms, and risks requires consideration of not only the technical aspects but also the cultural, social, political, legal, economic, and environmental contexts in which it operates.

Recent advancements of AI include generative systems which can recognise, interpret, and generate many forms of content including text, images, music, audio and videos based on a user's prompts. Common uses include chatbots and virtual assistants, image generation tools, voice to text translation, music composition, coding and software development, recommendation engines, machine learning and creating virtual environments.

Agentic and autonomous AI systems are still developing and mark a distinct shift from previous systems with the ability to act with little to no human intervention to achieve pre-determined goals. These are increasingly being used across a range of functions including detecting fraud and analysing financial trends, directing transportation route planning, and to track and determine online pricing.

There are also important advances in other AI fields and applications. For example, there are a growing number of specialist or narrow AI models being developed for particular industries or fields, such as health, energy, mining and environmental management, or to make AI capability safer or more transparent. There are advances in industrial AI which combine AI with computer vision, robotics or other physical systems, e.g. to improve vehicle or robotic safety or precision, to inspect anything from microbes to crops, or to better maintain physical assets and infrastructure.

Opportunities and implications

AI is already shaping the ways we live, work, learn, and receive services. AI presents the opportunity to transform the South Australian economy to improve productivity, innovation, and economic growth. Realising the benefits of AI must also address its challenges, with critical consideration given to what is needed for these benefits to be shared safely and broadly across society.

AI can be used for public good and assist us in everyday activities, but it also creates risk of harms and adverse impacts across society and the environment.² For example, many of us use biometric and facial recognition technology daily to unlock our smart devices, and those same technologies could be used for surveillance, creating privacy and human rights violations. Generative AI can help newsrooms and journalists improve ways of working and producing the news, but the same technologies can potentially sideline local news engagement³, and erode democracy and public trust through misinformation and disinformation and election interference.

AI can enhance the skills and capabilities of workers through applications such as administrative support, data analysis, recruitment, and robotics. While automating routine tasks can improve efficiency and performance, difficult-to-detect errors and inaccurate outputs could actually create additional work.

AI has the potential to significantly reshape the economy. It will likely replace some jobs and

tasks previously undertaken by humans but it also has the potential to increase productivity and create new jobs. A key challenge is finding the right balance between embracing the opportunities of AI and ensuring appropriate supports and safeguards for the workers who may be adversely impacted by its use.

The use of AI in education and training has the potential to support student learning, and reduce teachers' administrative workload, including through the use of conversational assistants to support student learning⁴, teacher administrative support for lesson planning, and personalised and public learning and training systems to help people confidently use AI in everyday contexts. This needs to be balanced against growing concerns about the impact AI is having on cognitive ability, erosion of critical thinking, and our social interaction with others, particularly for children.

While AI can make learning and skills development more accessible, it can also exacerbate inequalities through unequal access to AI technologies, reliable infrastructure, and trained instructors. This could widen the existing digital gap⁵, contribute to regional disadvantage, and lead to uneven knowledge and skills development across society.

There are strong opportunities for local innovation, new startup companies and systems that can support safe and responsible AI development and deployment, transform industries, and support small-to-medium enterprises. Realising these benefits requires the right settings and strategic approaches, including economic, legal and regulatory frameworks, and safe and ethical technological advancement.

²Lupton, D., & Bailey-Charteris, B. (2026). "Just One Prompt Is Enough to Kill a Tree": Knowledge and Attitudes Concerning the Environmental Impacts of Generative AI Among Australians. *Environmental Communication*, 1–17. <https://doi.org/10.1080/17524032.2026.2673346>

³<https://www.sydney.edu.au/news-opinion/news/2026/01/27/ai-sidelines-australian-journalism-new-study-finds.html>

⁴<https://www.education.sa.gov.au/parents-and-families/curriculum-and-learning/ai/edchat>

⁵<https://www.admscentre.org.au/mapping-the-digital-gap/>

What can a South Australian Royal Commission do?

The Royal Commission is our opportunity to better understand what this global phenomenon might mean for South Australia in three ways.

First, the Commission can hear directly from all South Australians on how you envisage your future in a world with AI in it, and it can represent those views in its final report to Government. The impact of AI will be felt for many years and decades to come. The Commission represents a unique opportunity for South Australians to shape their collective future.

Second, it can analyse and explore the potential risks and opportunities that AI presents for the particular characteristics of South Australia. For example, South Australia has industry strengths in defence, space, mining and agriculture – how might AI impact these? South Australia has incredible cultural and community assets in our arts and our sports, from the Arts Festival to Gather Round, how do we ensure our unique voice isn't lost in AI slop? And South Australia is home to one of the oldest, continuously cultivated bodies of human knowledge in the world through our Aboriginal communities – how might they shape our way forward?

Finally, the Commission can explore how AI can assist in a safe way the delivery of the services that the South Australian Government is responsible for. This is in a context where the South Australian population is older and more disadvantaged than the national average and even more so in the regional areas. For example, the South Australian Office of AI is already exploring use cases in:

- **Health:** examining transcription solutions to support clinical documentation and reduce workload.
- **Emergency services:** testing AI-assisted drafting of faster, clearer public bushfire warning messages during emergency events, using existing fire-spread information and AI to support warning-message preparation.
- **Transport:** testing computer vision and machine learning using existing traffic cameras, including traffic incident detection and other traffic management use cases to improve traffic management and road safety.

Potential themes and issues

Outlined below are a series of potential themes and issues drawn from the Commission's [Terms of Reference](#). The themes provide a way of exploring the matters within the scope of the inquiry. They are intended as a starting point for discussion, rather than a fixed or final framework.



AI in society

How can SA preserve trust in society and democratic institutions and use AI to improve wellbeing?



Better services for people and the state

How should AI be used to safely deliver better services to the community?



Growing innovation in South Australia

How can SA leverage AI to drive innovation and economic prosperity?



Managing the economic transition

How should SA support the potential workforce implications and broader impacts of AI on the state's economy?



Education, training and skills of the future

How will SA's education systems and practices need to adapt in response to the expansion of AI?



Safe and trusted AI

What laws and regulations does SA need to manage AI risks and challenges?

The Commission appreciates that there are significant interlinkages between the themes and some issues will be relevant across multiple themes. We invite your views on whether these themes reflect the issues that matter to South Australians. Have we missed anything? Can the themes and issues be refined or better expressed?

A series of questions are presented in the subsequent sections. Your feedback will help ensure the Commission's approach is informed by lived experience, diverse perspectives, and evidence. The themes may continue to develop and change in response to what we hear and learn as our work progresses.



AI in society

AI is increasingly shaping and impacting the lives and wellbeing of South Australians in everyday contexts. Consideration will need to be given to how benefits and risks can be understood and managed in the public interest alongside protecting and promoting democratic processes, civic and cultural life, and building public trust. This includes exploring how and where AI can deliver societal benefits that are inclusive, equitable, accessible, and aligned to South Australian values. While matters relating to intellectual property and copyright fall outside the scope of the Commission's Terms of Reference, some matters will require further investigation including concerns about government and community data use and protection, data sovereignty and strategic autonomy. Indigenous data sovereignty and cultural governance of AI systems will also need consideration.

Potential areas of interest could include:

- Exploring the kind of future society South Australians want and how AI can help achieve that future.
 - Understanding the diverse ways AI could improve the lives and wellbeing of South Australians and help achieve social goals and benefits.
 - Exploring how public trust can be built and maintained across South Australia alongside a developing AI future.
 - Opportunities to maximise participation, social inclusion and the sharing of social benefits.
- Assessing the ways South Australia should address ethical risks and harms like bias, discrimination, and inequality.
 - Examining how AI use could lead to different outcomes across the South Australian community, and what could be done to safeguard against adverse impacts.
 - Understanding the challenges AI raises for South Australia's democracy and exploring the ways democratic rights, freedoms, and processes should be protected.



Better services for people and the state

AI presents opportunities for the South Australian Government, Local Government and non-government organisations to harness AI to improve their services and operations, make meaningful differences in the lives of South Australians, and deliver clear public benefits.

This includes exploring how AI could support the delivery of services that are easier to use, more accessible, and responsive to people's needs, as well as understanding how AI could be used to improve decision-making quality and evidence-based policy development. The South Australian Government has the potential to be a leader in public sector AI and demonstrate safe and responsible use at scale.

Potential areas of interest could include:

- Understanding the ways AI is and could be used across the public sector to improve the effective and efficient delivery of services.
- Understanding what is needed to ensure the use of AI in public sector services serves the needs of all South Australians, including marginalised and vulnerable people, groups, and communities.
- Exploring the opportunities of AI to improve services and citizen experience.
- Considering the opportunities of AI to improve South Australian Government compliance, regulatory, and assurance functions, and reduce fraud and inefficient use of limited resources.
- Examining what governance processes and safeguards are required to build confidence and public trust in the South Australian Government's use of AI to deliver safe, responsible, and fair outcomes for all citizens.
- Considering how the South Australian Government could beneficially shape societal and economic outcomes through procurement and innovation.
- Using AI to assess priority areas where government should seek to focus its effort and investment.
- Establishing best practices in ethical and safe AI.
- Identifying opportunities to use AI to reduce red tape and compliance burdens.



Growing innovation in South Australia

AI-enabled innovation presents opportunities for South Australian industries, businesses, and the broader economy. South Australia can support AI-enabled innovation while ensuring that it is used safely and responsibly. We need to consider the opportunities, barriers, and policy settings that impact innovation to enable AI to improve productivity, strengthen South Australian industries and support economic growth, while ensuring new AI applications can be tested safely.

Potential areas of interest could include:

- Understanding current innovation in South Australia and what makes it unique.
 - Exploring how existing systems, such as innovation precincts, can support innovation in an AI era.
 - Assessing the current state of AI in South Australia and identifying the state's opportunities and advantages.
 - Identifying practical barriers and enablers to innovation in South Australia.
 - Examining how well placed the South Australian innovation landscape is to create new inventions, companies, industries and jobs.
- Understanding how AI related innovation can help South Australia achieve its priorities and create new opportunities and benefits for all South Australians.
 - Assessing current AI adoption in South Australia, whether it should increase and, if so, how to ensure the benefits of innovation are realised for all South Australians.



Managing the economic transition

The increased adoption of AI could have significant implications for South Australia's productivity, economic growth, and the composition and competitiveness of South Australian industries. Economic opportunities and challenges created by AI may not be experienced equally across different workers, workplaces, sectors, and communities. It will be important to understand what these changes could mean for the South Australian economy and its workforce, and what supports and safeguards may be required to help with the transition.

How AI is changing the nature of work, the quality of jobs and quality of life in South Australia will need to be considered. This includes the opportunities and challenges for the labour market, including how roles and workplace practices may change, how workers and employers may need to adapt to these changes, and how any adverse impacts on employment and working conditions could be mitigated.

Potential areas of interest could include:

- Understanding how AI's impacts will vary across different regions of the state.
 - Examining AI's distinct impacts on small and medium businesses.
 - Identifying the protections needed to safeguard workers' rights.
 - Considering how government can support the economic transition as AI adoption becomes more common and how to mitigate any negative impacts.
- Assessing how AI will affect different industries, workforces, and jobs over the next 5 years and the next 20 years.
 - Examining how increased AI adoption may change the world of work, both positively and negatively.
 - Exploring how AI can improve productivity in South Australia and how those benefits should be realised and shared.



Education, training and skills of the future

Changes associated with AI raise important questions about both the opportunities AI may offer for learning and skills development and the challenges it may create for educational quality, integrity, participation, critical thinking, and human judgement. Education and training will be essential for helping people, workplaces, and institutions adapt to broader changes expressed across the above outlined themes.

Exploring how South Australians can develop the knowledge, skills, and practical capabilities needed to understand, use, and adapt to AI across schools, vocational education and training, and universities, will be critical. This includes considering possible changes to teaching, learning and assessment, and enhancing the capabilities of educators, trainers and organisational leaders. The readiness of institutions to deliver education in a world of AI will be crucial to realising the economic and social benefits while mitigating adverse impacts.

Potential areas of interest could include:

- Exploring how AI tools can be used to improve student educational outcomes rather than undermining them.
- Identifying the education about AI needed across all levels of society.
- Exploring how education systems need to evolve in response to AI while maintaining their core purpose, including changes to assessment and teacher training.
- Identifying the skills that current and future generations will need to successfully navigate a world with AI, including lifelong learning and on-the-job training.
- Considering how to ensure that our education and training institutions deliver critical thinking skills.



Safe and trusted AI

The development and use of AI raise questions about what laws, regulations, standards, and accountability measures are needed to protect the public and ensure the development and deployment of AI is centred on people's needs, rights, and wellbeing. South Australia may be able to learn from other jurisdictions to ensure AI systems, data, and capabilities are governed effectively, while supporting responsible innovation across industry, research, government, and the community. Importantly, consideration will need to be given to how South Australia should position its regulatory approach in an environment where certain aspects of AI may be more appropriately regulated at a national level.

Potential areas of interest could include:

- Mapping the current legal and regulatory environment, including the powers and levers the South Australian Government has relevant to AI regulation.
- Identifying areas where emerging harms are not adequately addressed by regulation and the regulatory measures best suited to addressing identified gaps, i.e. regulations, standards, guidance materials, testing and evaluation and capability building.
- Considering the actions that can be taken to provide assurance and trust in a world of AI.
- Examining the extent to which the state can establish and enforce accountability and liability for harms caused by AI.
- Considering whether South Australia can meaningfully regulate AI independently or whether it will need to cooperate with other jurisdictions.
- Assessing the adequacy of current data governance arrangements in South Australia and identifying gaps or opportunities.
- Exploring how to preserve sovereignty and agency over South Australian data and technologies.

Questions for consideration

The Commission invites views on the questions below:



Do the proposed themes presented in this paper adequately capture and reflect areas and issues of key concern? If not, what themes and issues do you propose the Commission explore as part of its inquiry?



What do you see as the potential opportunities of AI in South Australia and why?



What are you most concerned about in the context of AI in South Australia and why?



What should the Commission focus on when considering AI in the context of South Australia?



Is the language and terminology used in this paper clear, understandable, and/or appropriate? If not, what could be done to improve clarity, accessibility, and appropriateness?

How to make a submission

The purpose of this paper is to seek initial responses to the [Terms of Reference](#) and the thematic approach proposed by the Commission. A submission may respond to any of the questions raised in this paper, provide comment on the proposed themes, or raise other matters relevant to the Terms of Reference. You do not need to answer every question.

Submissions in response to this paper are sought by **Monday 30 November 2026**.

Information about how to provide your written submission is available within the [Practice Guidelines](#) on the Commission's website. Submissions should be made using the [online tool](#).

Written submissions made to the Commission will be published on the website. While the default position is for submissions to be made public, the Commission may consider a request for all or part of your submission to be treated as confidential on a case-by-case basis.

This will not be the only opportunity to share your views with the Commission. The Commission's website will also set out the other ways the Commission will speak to and hear from people whose advice and ideas will assist the Commission.

How to stay informed

You can stay informed about the work of the Commission by subscribing for updates on the [Commission's website](#).

The Commission intends to maintain a public reference list of key resources that are informing the Commission's work. This will be available on the website.

Key terms

Term	Plain-language meaning
Artificial Intelligence or AI	means the broad range of existing and emerging technologies and techniques that enable software to approximate human thinking and behaviours.
Agentic AI	The terms “agentic AI” and “AI agents” are sometimes used interchangeably, however there are important distinctions. Agentic AI refers to systems of multiple co-ordinated AI agents that can break down tasks, collaborate, and pursue complex objectives autonomously over extended periods. These systems are designed to operate in more open-ended, less predictable physical or virtual environments and to function with minimal human supervision.
AI agents	The terms “AI agents” and “agentic AI” are sometimes used interchangeably, however there are important distinctions. AI agent(s) refers to systems that perceive and act upon their environment with a degree of autonomy, using tools as needed to achieve specific goals and adapt to changing inputs and contexts.
AI system	means a machine-based system that infers from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence real-world or digital environments and outcomes.
AI safety	means that AI should be designed, developed and used in a way that is human-centric, trustworthy and responsible (see The Bletchley Declaration by Countries Attending the AI Safety Summit, 1–2 November 2023). The main concern of AI safety is to make sure that AI systems are developed, deployed and used in ways that align with the norms and values of the broader public or specific user groups.
Responsible AI	means how the design, use and management of AI systems is in a way that is ethical, lawful and safe. It is an ongoing process that brings together human, technical and organisational practices to ensure risks are managed and standards are applied across the AI lifecycle.
Human-centric AI	means AI that prioritises human needs, rights, values, and well-being throughout the development and deployment of AI systems.
Generative AI or GenAI	means software systems that create content as text, images, music, audio and videos based on a user’s prompts.



Royal Commission into Artificial Intelligence

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