Australian AI Fair-Go

Submission on the Draft Expectations for Data Centres and AI Infrastructure Developers: Tasmania

Durable Tasmanian capability, transparent local benefit and proportionate infrastructure expectations

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Executive summary

Tasmania is right to ask not only whether data-centre and AI infrastructure projects can be built, but what enduring value they leave behind. The draft Expectations already establish a strong foundation by linking major infrastructure development to jobs, skills, local procurement, regional community benefit, digital capability, energy responsibility, water security and transparent reporting. This submission supports that direction and focuses on one question: how can large infrastructure investment leave more practical capability in Tasmania after construction activity has passed?

The central proposition is simple: physical hosting should be matched by capability retention. A project should not be treated as delivering its full public benefit merely because servers, buildings and electricity demand are located in Tasmania. Its contribution should also be assessed by the durable skills, supplier capability, digital access, research opportunity and community capacity that remain available to Tasmanians.

This submission does not offer technical evidence on electricity-system engineering, cooling design, water modelling or planning assessment. Those matters are appropriately addressed through the specialist processes identified in the draft. The focus here is the economic, community and capability dimension of the infrastructure itself, consistent with the consultation scope.

Recommendations

1. Require major proponents to publish a concise Tasmanian Capability and Community Benefit Plan covering operational employment, training, local procurement, regional benefit and digital capability contributions.
2. Treat capability-building as broader than workforce recruitment alone by encouraging practical contributions such as training partnerships, technical mentoring, community or research compute access, digital inclusion support, and pathways for Tasmanian SMEs and independent builders.
3. Broaden early stakeholder engagement beyond established institutions so that local councils, community organisations, educators, small businesses, disability and accessibility voices, independent technical contributors and regional groups can identify locally relevant benefits and risks.
4. Strengthen transparency by asking proponents to report forecast and actual outcomes for operational jobs, local procurement, skills commitments and community benefits, not only infrastructure inputs such as energy and water use.

5. Preserve the draft's proportional approach: maintain the distinction between large infrastructure developments and small edge or on-site systems, and scale expectations to actual impacts rather than applying hyperscale obligations indiscriminately.

1. Perspective and scope

I submit from regional Queensland as an independent Australian builder and sole operator of Fractal Media Infrastructure. My earlier federal Senate submission on artificial intelligence and data centres argued that national AI capability has multiple layers: domestic hosting and compute capacity, institutional capability, and broad practical capability among Australians. That submission also argued that infrastructure policy should be judged by participation as well as location - whether investment expands practical capability across regions, communities and capability levels, rather than merely placing infrastructure within national borders.

That argument is relevant here in a narrower and more practical form. Tasmania's consultation is explicitly focused on infrastructure and its implications for the State's economy, energy system, communities and environment. The draft already states that data-centre and AI infrastructure can support technology-enabled industries, research, innovation, specialised jobs, training, supply chains and the digital ecosystem. This submission therefore stays within that frame and asks how those benefits can be made durable, visible and broadly accessible.

The draft also sensibly distinguishes large-scale developments from small-scale edge or on-site enterprise facilities. That proportionality should be retained. Infrastructure expectations should reflect actual scale and impact, not become a template that unintentionally burdens small local deployments that do not create comparable electricity, water, planning or community effects.

2. Hosting should leave capability behind

The draft expects projects to provide a clear and lasting return to Tasmanians through construction and operational jobs, skills development, local procurement, supply chains and broader digital capability. This is the right test. The next step is to make "broader digital capability" concrete enough to be planned, measured and reviewed.

A large data centre can be physically located in Tasmania while many of its highest-value capabilities remain external: specialised expertise can be flown in, key procurement can be sourced interstate or overseas, digital services can be controlled by distant vendors, and local communities can be left mainly with construction activity and infrastructure demand. None of those outcomes are inevitable, but they are possible unless durable local capability is treated as an explicit project objective.

The policy opportunity is therefore not to require every project to become a public research facility, nor to prescribe one contribution model. It is to ask proponents to explain, early and publicly, what capability they intend to leave behind and how that contribution fits the scale and nature of the project.

3. A Tasmanian Capability and Community Benefit Plan

For significant projects, the Government could request a short Tasmanian Capability and Community Benefit Plan as part of early engagement. This would not need to create a new statutory approval pathway. It could operate as a practical expression of the existing non-statutory Expectations and draw together commitments that the draft already asks proponents to consider.

The plan could address:

- expected construction and ongoing operational employment, clearly distinguishing temporary construction peaks from sustained roles;
- apprentice, trainee, graduate and cadet pathways, including how proponents will work with TasTAFE, the University of Tasmania and other education or training providers;

- local procurement targets or supplier-development approaches across design, construction, maintenance and supporting services;
- regional benefit where projects are located outside major centres, including digital connectivity, training, community infrastructure or other enduring local initiatives;
- practical contributions to Tasmania's digital ecosystem, research and technology-enabled industries; and
- how promised benefits will be measured and publicly reported after operations begin.

The value of such a plan is not bureaucratic volume. It is legibility. Communities and government should be able to distinguish between broad statements of intent and specific commitments that can later be compared with actual outcomes.

4. Capability should extend beyond institutional recruitment

The draft appropriately identifies universities, TasTAFE, industry and research organisations as important partners. Those institutions are necessary, but they should not be the only routes through which local capability is recognised or supported.

Tasmania's digital ecosystem also includes small businesses, sole traders, independent developers, open-source maintainers, community technology groups, educators outside formal research roles, and people using technology for accessibility or disability support. These groups may not require large grants or formal research agreements to benefit from infrastructure investment. Smaller, practical pathways can matter: technical mentoring, workshops, supplier onboarding, community compute or research credits, access to non-sensitive test infrastructure, local open-source collaborations, and small-scale innovation partnerships.

The principle is not that every proponent must fund every category. It is that "digital capability" should be interpreted broadly enough to include people and organisations outside the usual institutional pipeline where a project can reasonably support them.

5. Early engagement should include the missing seats

The draft requires early engagement with communities, the Tasmanian Aboriginal community and other stakeholders before development applications are submitted. This is important because many of the opportunities and concerns associated with large digital infrastructure are locally specific and may not be obvious from a project-level economic model.

A practical stakeholder map for significant projects could include local councils and community organisations, but also regional business networks, educators, small technology firms, accessibility and disability organisations, independent technical contributors, relevant environmental groups, utilities and infrastructure providers, and communities likely to experience construction, noise, traffic, water or energy effects.

The purpose is not to create a veto by consultation or to demand unanimous support. It is to improve project design, surface practical local opportunities, identify foreseeable impacts earlier, and give communities enough information to distinguish credible commitments from generic assurances.

6. Report outcomes, not only promises

The draft already encourages publication of non-sensitive information on forecast and actual energy and water use, employment, local procurement, environmental performance and delivery of community commitments. That is a strong basis for accountability and should be retained.

For jobs, procurement and capability commitments, reporting should make the forecast-to-actual comparison easy to understand. Useful measures could include sustained operational jobs, Tasmanian apprentices or trainees supported, proportion of procurement flowing to Tasmanian suppliers, delivery status of community commitments, and any capability programs promised during project development.

The aim should be light but meaningful transparency. Reporting should avoid commercially sensitive, security-sensitive or personal information, while still allowing the public to see whether major claimed benefits were delivered. This is especially important because construction employment can be highly visible while long-term operational effects are less obvious.

7. Keep proportionality and existing pathways

The draft takes a measured approach by using existing planning, environmental, infrastructure and commercial processes rather than creating a new standalone approval system. It also states that the Expectations do not apply to small-scale edge or on-site enterprise facilities and should reflect the scale of a proposal and its likely impacts. Both features are worth preserving.

A useful principle for future reviews is that obligations should rise with infrastructure footprint and public impact. A hyperscale or large AI compute facility with major electricity, water, network and community implications should face much stronger expectations than a small on-site system serving a local enterprise. Preserving this distinction reduces unnecessary compliance spillover while keeping scrutiny focused where the external impacts are greatest.

Conclusion

Tasmania has an opportunity to treat data-centre and AI infrastructure as more than a siting and utility question. The draft already recognises that major projects should deliver enduring economic and community benefits. The strongest version of that principle is simple: if Tasmania hosts the infrastructure, Tasmanians should retain more capability because it was built there.

That capability can take many forms - skilled jobs, apprenticeships, stronger suppliers, better connectivity, research opportunity, digital inclusion, community infrastructure, technical mentoring and new pathways for local businesses and builders. Not every project will deliver each benefit, but significant proponents should be able to explain what lasting capability they will create, how it relates to local priorities, and how delivery will be reported.

The goal is not to make infrastructure investment harder for its own sake. It is to make the public-benefit bargain clearer: commercially viable projects can proceed through existing pathways, while Tasmania gains durable value that extends beyond the construction phase and beyond the boundary fence of the facility.

Preparation note

Artificial intelligence tools were used as drafting, research and review assistants under human direction. The submitter has reviewed, adopted and accepts responsibility for the contents of this submission.

References

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4. Australian AI Fair-Go public page. https://instance001.github.io/ai-fair-go.html

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