TASMANIAN GOVERNMENT

ECONOMIC DIVERSIFICATION AND INVESTMENT STRATEGY

SOME SUGGESTIONS FROM ACCESS PARTNERSHIP

Tasmania's Economic Diversification and Investment Strategy aims to position the state at the forefront of digital innovation, including by supporting the adoption of AI by Tasmanian businesses to deliver long-term economic growth and productivity outcomes.

To support this, Access Partnership, in collaboration with Forsius Technology Consulting, recommends the Tasmanian Government consider three complementary initiatives.

1. Boosting AI readiness among Tasmanian SMEs

Adoption of AI among small, and medium enterprises (SMEs) in Australia has increased, with 42% now reporting using AI in some form, with the most common use cases being for administrative tasks, marketing and decision-making. However, Tasmanian SMEs face disproportionately high barriers to adoption, particularly around lack of financing, skills gaps, and uncertainty around managing risks associated with AI.

We recommend a structured, three-part analysis:

1. Sector prioritisation framework: developing a framework to identify sectors where AI usage has greatest potential to drive economic impact. This would consider factors including each sector's contribution to the Tasmanian economy, share of SMEs, exposure to productivity and labour constraints, degree of international competition, and readiness for AI adoption based on digital baselines.
2. Identify high accessibility use cases: Building on the sector analysis, we recommend developing a set of use cases where barriers to adoption are low. Each case would be evaluated for accessibility, commercial viability, scalability, and capacity to address challenges commonly faced by Tasmanian SMEs.
3. Address barriers through government enablement: Lastly, we recommend examining barriers faced by Tasmanian SMEs in adopting AI and identify targeted areas where the government can act as an enabler and connector, helping businesses move from awareness and experimentation to sustained adoption.

This program would support evidence-based decision-making by the Tasmanian Government by pinpointing where AI can deliver the most meaningful impact and gains, and how government programs and investments can accelerate uptake across SMEs.

2. AI Plug-and-Play toolkit: Enabling MSME Adoption at Scale

To help businesses overcome barriers and adopt AI quickly and confidently, Access Partnership recommends practical AI Plug-and-Play Toolkit that would combine:

1. a simple readiness diagnostic to identify priority applications, guide businesses to recommended starting points, and surface capability gaps and risk considerations;

2. a user-friendly AI risk guide to enable safe AI adoption without the need for deep in-house expertise, including practical templates and checklists covering AI governance, that is, around responsible use, data protection, and risk management;
3. a set of use case-driven AI playbooks to help SMEs apply AI within existing business software and digital tools and to utilise Gen AI models, combining step-by-step workflows, pre-configured starter kits and ready-to-use prompts, with common use cases to be selected from top verticals comprising the majority of the SME sector.
4. a suite of foundational and task-based learning resources, leveraging existing vendor and ecosystem content, to support effective use and build capability over time.

Designed for rapid deployment and ease of use, this approach would enable businesses to move from uncertainty to action and accelerate capture of AI-driven productivity gains.

3. Government AI Investment Assessment

To support the Tasmanian Government in undertaking cost-benefit analyses on AI initiatives, Access Partnership recommends a Total Economic Value framework to assess the social and economic value of initiatives to support AI adoption and diffusion. This could support prioritisation of investments in initiatives by the Tasmanian Government.

This framework would include:

1. a theory of change relevant to the adoption of AI within different key sectors of the Tasmanian economy;
2. a cost benefit analysis model, which identifies the key benefits and cost streams, and parameters to capture and monetize these where possible. For example, the impact on jobs (e.g., task level, by demographic groups); and risks of fraud and scams;
3. worked examples of a cost-benefit analysis for AI initiatives.