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Department of Industry, Science & Resources

**Submission from the Australian Lottery & Newsagents Association (ALNA) on the Safe and Responsible AI in Australia Discussion Paper**

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**About ALNA**

The Australian Lottery and Newsagents' Association (ALNA) is the national industry body representing Lottery Agents and Newsagents'. There are over 4000+ Lottery Agents and Newsagents in Australia. They are generally family run businesses and are an important and trusted part of Australian communities and approximately 2.5 million Australians shop at their local agency every day.

ALNA represents a network of trusted individuals and their small businesses within communities across Australia. They are deeply rooted in their local areas, offering convenience through their diverse products, services, and widespread distribution of information via newspapers and magazines, thereby supporting an informed society and supporting many community groups. Individually, their voices may go unheard, particularly for those with regional or remotely based businesses. However, when unified, ALNA members together support each other's long-term resilience and growth, making sure their local communities continue receiving the benefits of their supportive local newsagencies and lottery retailers.

**Our Submission**

The Australian Lottery & Newsagents Association (ALNA) appreciates the opportunity to provide input on the 'Safe and Responsible AI in Australia' discussion paper. As the peak national body representing Australian newsagents and lottery agents, our mission is to help our members successfully navigate the fast-changing retail landscape and adopt innovative technologies such as AI to boost their teams productivity, alleviate skills shortages and to provide opportunities to leap frog some of the steps of digital adoption.

**1. Introduction**

AI has immense potential to enhance operational efficiency, improve customer service, and generate new revenue streams for small businesses. For our members, generative AI tools hold promise in areas like customer and staff engagement, training, digital adoption, personalised marketing, predictive analytics, stock management, fraud detection, and customer relationship management. However, we also acknowledge that smaller enterprises often lack the resources, technical expertise, and capacity to adopt and manage AI solutions at the same level as larger businesses.

**2. Recommended Measures to Foster AI Adoption among Small Businesses**

**a. Education and Awareness:**

A critical barrier to AI adoption among small businesses is a lack of understanding of AI's capabilities and potential benefits. We recommend that the government invest in education and awareness

programs. These could be tailored to different sectors and use cases and made accessible via industry bodies like ALNA, online platforms and face to face meetings and webinars.

**b. AI Toolkits and Consulting Services:**

To reduce the entry barrier, the government could develop AI toolkits tailored for small businesses. These toolkits could provide practical guidance on identifying potential AI use cases, selecting appropriate AI tools, and implementing AI solutions. The government could also fund AI consulting services for small businesses to provide individualised advice and support.

**c. Financial Support and Incentives:**

Investing in AI can be a significant financial burden for small businesses. The government could consider offering financial incentives, such as grants or tax credits, to support small businesses in their AI adoption efforts. This could also include incentives for businesses that collaborate with AI technology providers or research institutions.

**3. Regulatory Framework to Ensure Safe AI Deployment**

In light of the increasing influence of AI technologies, we acknowledge the need for robust regulation. A fair and balanced regulatory approach should consider the following:

**a. Transparency:**

Generative AI tools should be required to operate transparently in an open-source manner. Users should be able to understand how the AI system functions, how it uses their data, and how it makes decisions.

**b. Accountability:**

Clear lines of accountability should be established for AI applications, especially in the event of harmful consequences. If an AI system causes harm, there should be a mechanism for redress.

**c. Data Privacy and Security:**

AI systems often rely on large amounts of data, some of which may be sensitive or personal. The government should ensure robust data protection standards are in place and enforced. Small Businesses could be helped on this journey, and with the likely reforms to Privacy that will require greater oversight of personnel data held by small businesses. This could occur by harnessing government lead initiatives to facilitate third party digital identity verifications (like ConnectID) connected to widely accepted payment models so that small businesses no longer have to hold personal data for payments as some do now.

**d. Bias and Fairness:**

The government should establish guidelines to prevent AI systems from perpetuating or exacerbating biases, especially those that could harm vulnerable groups or individuals. It is our view that encouraging the development of AI models that are inherently inquisitive is likely to lead to less opportunities for biases or harm.

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In conclusion, AI holds great promise for small businesses. However, their successful adoption requires a collaborative effort from industry, government, and the wider community.

ALNA looks forward to working with the government to shape a future where AI technologies are safely and productively integrated into the daily operations of small businesses across Australia.

We appreciate the opportunity to provide insights in our submission on matters that directly affect our members.

Yours sincerely,



Ben Kearney

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