4 August 2023

Director
Technology Strategy Branch
Industry Innovation and Science
Department of Industry, Science and Resources
Via email: DigitalEconomy@industry.gov.au

Dear Director,

The National Retail Association welcomes the opportunity to provide feedback on behalf of the retail industry to the Safe and Responsible AI in Australia discussion paper.

National Retail applaud DISR for their commitment to provide a long-term framework to guide and encourage the safe and effective application of AI technologies in Australia. We broadly support the identified principles and priorities to harness the opportunities, while safeguarding against the potential negative impacts, of AI technologies. We also support the finding that the safe and responsible deployment and adoption of AI presents significant opportunities for Australia to improve economic and social outcomes.

About the National Retail Association

The National Retail Association is Australia's most representative retail industry organisation. We are a not-for-profit organisation that represents approximately 75,000 outlets from every category of retail such as fashion, groceries, department stores, household goods, hardware, quick service restaurants, cafes and services.

We work with our members to develop industry-wide policy platforms or positions on issues affecting the Australian retail sector. We bring the insights and concerns of retailers to the table to ensure that regulation is realistic, cost-effective, and manageable across all retail businesses. We work proactively at international, federal, state, and local government levels to ensure the interests and needs of the Australian retail and services sectors are protected and promoted.

National Retail Position

National Retail believes that the principles provide a strong guidance structure for the use of AI. However, we urge Government to ensure that future actions support, not restrict, current innovation and employ a strong consultative approach so that changes are achievable, support the safety of retail precincts and promote positive long-term outcomes.

National Retail takes this opportunity to highlight that the retail industry is proactively involved in using AI technologies to improve security and safety. We understand that across all jurisdictions:

- Less than 20% of all crimes in a retail setting are reported;
- 10% of offenders are responsible for up to 65% of business losses due to retail crime;
- Frontline retail workers are facing heightened rates of aggression, abuse and anti-social behaviour, threatening situations and physical assaults, swarming, Organised Retail Crime (ORC); and,
- Technology is identified as a strong tool to assist in the detection and deterrence of criminals.

Technologies such as facial recognition and number plate recognition are invaluable tools to help identify recidivist and high-risk offenders with an active banning notice, or a history of stealing, carrying / concealing weapons, threatening / harming staff or customers, or damaging property or vehicles. These systems can alert security teams and provide police with key intelligence to support the apprehension of criminals in the event of an offence. We consider that these individuals are not customers as they are not entering retail precincts to shop, rather they are potential offenders that are putting the safety of retail workers and the community at risk. Ultimately, AI crime prevention tools create a safer environment for retailers, staff, customers and the wider community.

Recommendations

National Retail submits that future actions should support, not restrict, current innovation and we urge the Australian Government to employ a strong consultative approach so that changes are achievable, support the safety of retail precincts and promote positive long-term outcomes.

1. Collaboration and consultation

National Retail urges the Australian Government to continue to work collaboratively with all jurisdictions and industry to establish an appropriate level and mix of regulations to enable businesses to utilise AI technologies safely and effectively.

2. Support industry innovation

Actions should support current innovation and employ a collaborative approach to ensure practical, long-term benefits of AI are realised. The retail sector will be an essential partner. We encourage Government to continue to consult with industry in the development of standards, guidelines and education.

Sincerely,

David Stout
Director Policy