

Al Transparency Statement

Introduction

The Office of the Fair Work Ombudsman (Agency) is committed to engaging responsibly and transparently with Artificial Intelligence (AI) technologies to support its purpose to promote harmonious, productive, and cooperative workplace relations.

Recognising the transformative potential of AI, the Agency is taking a proactive but cautious approach, focusing on internal workforce improvements and internal capacity building while ensuring that AI is implemented ethically, securely, and responsibly.

This statement outlines the Agency's commitment to meeting the <u>Policy for the Responsible Use of AI in Government</u> (Policy). The Agency will adopt AI technologies transparently and securely, informed by genuine consultation with our staff and ensuring alignment with government-wide principles for responsible AI implementation.

The Agency's approach includes participation in Whole-of-Government Trials, developing robust internal governance structures, and a commitment to addressing critical areas such as purpose, decision-making, risk mitigation, data protection and public transparency as Al adoption evolves. Central to this commitment is maintaining public trust and ensuring Al activities we conduct are ethical and responsible.

Commitment to Transparency and Public Trust

The Agency recognises the importance of transparency in maintaining public trust as we determine our approach to, and implementation of, Al. We will ensure that Al adoption remains transparent, accountable, and aligned with the latest standards and ethical guidelines.

If we decide to use personal information when we procure or build AI technologies, we will comply with the Australian Privacy Principles and will provide an explanation of how personal information has been used in a way which is transparent and easily understood.

The Agency will continue to adopt AI cautiously, ensuring that use aligns with our core values of fairness, respect, and accountability, and that it delivers meaningful benefits to both the community we serve and our employees.

Current AI Use

The Agency's engagement with AI is in its initial stages and primarily focused on establishing robust governance processes to effectively leverage AI in a safe, ethical, and responsible way that complies with our legislative and policy obligations. For example, through the Whole-of-Government Co-Pilot AI Trial a small subset of Agency staff have undertaken training and explored the potential of this secure generative AI tool to enhance productivity and business outcomes.

A number of software products we use to support our administrative functions include AI tools within the product offering. The Agency also leverages software products with AI features such as technologies used for language conversion and chatbot designed to make finding information on <u>our website</u> easier for users.

Currently, Al is not used for decision-making within the Agency or by the Fair Work Ombudsman (FWO). Our use of Al falls under the classification of **workplace productivity and analytics for insights** under the Policy.

Guiding Principles and Planned Activities for AI Use

The FWO is committed to establishing a strong foundation for responsible, ethical and transparent adoption of AI. As the Agency begins to explore the potential of AI technologies, it remains focused on setting up robust governance mechanisms and aligning with its core principles to ensure AI is implemented ethically and securely:

Ethics and Accountability: Oversight of AI initiatives will be managed through a dedicated governance framework, including a new internal governance body to provide strategic direction, monitor AI initiatives and adoption, and ensure ethical and consultation considerations are addressed as the Agency adopts and integrates AI technologies. This will ensure that all AI has human oversight and will not replace human decision-making.

Employee Consultation, Safety and Wellbeing: As both a regulator and an employer, the FWO is committed to ensuring that it consults with its employees about the potential use of AI in the workplace and that AI enhances workplace safety and wellbeing in addition to supporting the services we deliver.

The Agency prioritises the responsible and ethical use of AI to support our employees to do the valuable work they provide to our community in a way that enhances our productivity and efficiency. We aim to be an employer that uses AI in our work in a manner that fulfils the objective of harmonious, productive, and cooperative workplace relations.

Caution and Proactivity: The Agency is taking a cautious yet proactive approach to AI adoption, focusing on gradual integration. This involves addressing risks and building internal expertise to create a sustainable and impactful AI framework.

Privacy: The Agency is committed to ensuring that we maintain the trust of employers, employees, their representatives and our own employees in relation to our handling of personal information. Our Al governance framework will follow best practice guidance on the use of commercially available Al products and on using personal information to train Al products published by the Office of the Australian Information Commission.

Cyber Security: All Al initiatives will align with government security standards, including the Protective Security Policy Framework and Information Security Manual, to continue safeguarding sensitive data, our systems and ensure compliance with cyber security practices.

In the coming year, the Agency will focus on the following key activities to support our adoption of AI:

- Governance and Oversight: The Agency is establishing governance mechanisms to ensure transparency, monitor AI initiatives and adoption, and evaluate ethical considerations and consult with our workforce and stakeholders. These mechanisms will guide AI implementation, outline how we will undertake risk assessments, and provide a governance framework for responsible and ethical AI use.
- AI Use Case Exploration: Initial efforts will focus on internal AI applications in workplace
 productivity and data insights using controlled pilot projects. The Agency will develop internal
 policies to guide AI use, provide training to build staff capability, and evaluate the potential of AI
 to streamline processes while maintaining ethical safeguards.

Al Accountable Official

The FWO has appointed the Chief Information Officer as the AI Accountable Official responsible for:

- overseeing the development and implementation of AI initiatives within the Agency,
- ensuring compliance with the Policy and other relevant frameworks,
- providing strategic oversight on AI governance and risk management, and
- acting as a key liaison for whole-of-government AI collaboration.

Artificial Intelligence definition

When discussing AI, the Agency applies the Organisation for Economic Co-operation and Development definition:

An AI system is a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after deployment.

Review, Updates, and Contact Information

This transparency statement was last updated on 28 February 2025.

The FWO is committed to ensuring transparency as Al adoption evolves. This transparency statement will be reviewed and updated at least annually or whenever there are significant changes to the Agency's Al use, governance framework or relevant government policies.

For any inquiries or comments regarding this statement, please complete our Feedback form.