



SENATE SUBMISSION | SELECT COMMITTEE ON ARTIFICIAL INTELLIGENCE AND DATA CENTRES

Human, Community and Public-Interest Safeguards in Artificial Intelligence Infrastructure Policy

Submission — National Lived Experience Commission

17 June 2026 | Submitted to the Senate Select Committee on Artificial Intelligence and Data Centres

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1. About the National Lived Experience Commission

The National Lived Experience Commission (NLEC) is a registered national Australian charity with a recognised charitable purpose of advancing public debate. NLEC converts lived experience into structured systems intelligence — identifying recurring patterns of preventable harm, governance failure and service-system dysfunction across Australia's social, health, justice, housing, disability and community service systems, and publishing evidence-based recommendations for reform.

NLEC is not a government agency, regulator, ombudsman or complaints body. Its authority rests in the quality of its evidence and the rigour of its methodology. NLEC makes this submission in the exercise of its charitable mandate to advance public debate on matters of public importance.

2. Executive Summary

NLEC makes this submission to the Senate Select Committee on Artificial Intelligence and Data Centres to ensure that the human, community and public-interest dimensions of AI infrastructure policy are not overlooked in a debate that has thus far focused primarily on economic, environmental and regulatory dimensions.

NLEC's core concern is this: the communities most likely to be harmed by poorly governed AI infrastructure — people with disability, older people, people experiencing mental health challenges, people in poverty, people in rural and remote areas, and people in contact with welfare, justice and health systems — are the communities least likely to be heard in the policy processes that govern it.

NLEC makes six recommendations to the Committee, centred on: lived experience impact assessment requirements; protection of non-digital service pathways; prohibition of fully automated decision-making in essential services; transparency and accountability requirements for AI systems used in government services; community benefit obligations for data centre development; and the establishment of a national AI harm monitoring function.

3. NLEC's Interest in AI Infrastructure Policy

NLEC's interest in AI infrastructure policy arises from its reform mandate across ten domains — including social services and income support, disability and NDIS, mental health, housing, justice and health — in which AI systems are increasingly being deployed to make or inform decisions that directly affect the lives of people with lived experience of disadvantage.

The deployment of AI in government services is not a future risk. It is a present reality. Automated decision-making systems are already used in income support compliance, NDIS planning, health triage, housing allocation, child protection risk assessment and justice risk profiling. The infrastructure that supports these systems — data centres, cloud computing, AI platforms — is the subject of this inquiry.

NLEC submits that the Committee cannot adequately assess the public interest implications of AI infrastructure without considering the lived experience of the people most affected by AI-enabled government services.

4. AI in Government Services — The Lived Experience Risk

4.1 Automated Decision-Making and Systemic Harm

Australia has direct experience of the harm that automated decision-making in government services can cause. The Robodebt scheme — in which an automated income averaging algorithm was used to generate debt notices against income support recipients — resulted in hundreds of thousands of incorrect debt notices, significant psychological harm to recipients, and a Royal Commission finding of serious systemic failure.

The Robodebt Royal Commission found that the scheme caused harm to vulnerable people, that the automated system was not subject to adequate human oversight, and that the people most affected — income support recipients — were not involved in the design or governance of the system. This is precisely the pattern that NLEC's National Co-Design Standards Framework is designed to prevent.

NLEC submits that the lessons of Robodebt must be embedded in the governance framework for AI infrastructure in Australia. The infrastructure that enables automated government decision-making must be subject to the same public-interest safeguards as the decisions themselves.

4.2 AI in NDIS Administration

NLEC's 2026 National Lived Experience Intelligence Report assesses the Disability and NDIS domain as Critical — deteriorating. The NDIS is increasingly using data analytics and algorithmic tools to inform planning decisions, identify "outlier" plans and flag participants for review. People with disability have reported experiences of plans being reduced or rejected on the basis of algorithmic assessments that do not reflect their actual support needs.

NLEC submits that the use of AI and algorithmic tools in NDIS administration must be subject to: mandatory transparency requirements; independent audit; human review of all adverse decisions; and genuine co-design with people with disability in the development and governance of these tools.

4.3 AI in Mental Health and Crisis Services

AI-enabled triage, risk assessment and service allocation tools are increasingly being deployed in mental health and crisis services. NLEC's 2026 Intelligence Report identifies system-induced harm as a cross-cutting national finding — the evidence that system contact itself generates harm is substantial. The deployment of AI tools in mental health services without adequate human oversight and lived experience co-design risks amplifying this harm.

5. Digital Exclusion and Vulnerable Communities

The expansion of AI-enabled government services creates a significant risk of digital exclusion for the communities NLEC serves. People with disability, older people, people with low literacy, people in rural and remote areas, and people experiencing

mental health challenges or homelessness are disproportionately likely to lack the digital access, literacy or capacity to navigate AI-enabled service systems.

NLEC submits that the expansion of AI infrastructure in Australia must be accompanied by a binding commitment to maintain accessible, non-digital service pathways for all essential government services. The right to access essential services must not be contingent on digital literacy or connectivity.

Specific concerns include:

- Income support recipients who cannot navigate digital compliance systems face payment suspension — a harm that Robodebt demonstrated can be catastrophic
- NDIS participants who cannot engage with digital planning tools may receive inadequate plans that do not reflect their actual support needs
- People in mental health crisis who cannot access digital triage systems may be unable to access timely support
- Older people in aged care who cannot use digital interfaces may be unable to exercise their rights under the Aged Care Act
- People in rural and remote areas with limited connectivity may be effectively excluded from AI-enabled services that assume reliable internet access

6. Community and Environmental Impacts of Data Centre Development

NLEC notes that data centre development has significant community and environmental impacts that disproportionately affect communities with limited political power to resist or shape that development. These include:

- **Water consumption:** Large-scale data centres consume significant volumes of water for cooling — a resource that is increasingly scarce in many Australian communities, particularly in regional and rural areas
- **Energy consumption:** Data centre energy demand places pressure on electricity grids and may increase energy costs for households and small businesses in affected areas
- **Land use:** Data centre development may displace other land uses, including agricultural, residential and community uses, without adequate community consultation
- **Employment:** Data centre development often generates fewer local jobs than the scale of investment might suggest, while imposing significant infrastructure costs on local communities

NLEC submits that data centre development should be subject to mandatory community benefit agreements, including commitments to local employment, community infrastructure investment, water and energy efficiency standards, and genuine community consultation processes that meet the standards of NLEC's National Co-Design Standards Framework.

7. Lived Experience Impact Assessment for AI Systems

NLEC submits that any AI system used in the administration of essential government services — including income support, disability services, health, housing, child protection and justice — should be subject to a mandatory lived experience impact assessment before deployment and at regular intervals thereafter.

A lived experience impact assessment should:

- Identify the communities most likely to be affected by the AI system, including communities experiencing disadvantage
- Gather structured evidence from people with lived experience of the service domain in which the AI system will be deployed
- Assess the risk of harm to vulnerable communities, including risks of digital exclusion, algorithmic bias, loss of human oversight and erosion of rights
- Be conducted by an independent body with no financial interest in the deployment of the AI system

- Be published publicly before the AI system is deployed
- Include a commitment to ongoing monitoring and public reporting on the system's impact

NLEC's National Evidence Collection Program — which will gather original lived experience evidence from 620+ participants across ten reform domains by June 2027 — is designed to generate exactly this kind of evidence. NLEC is available to contribute to lived experience impact assessments of AI systems used in government services.

8. Recommendations

R1 Mandatory Lived Experience Impact Assessment

The Committee recommend that any AI system used in the administration of essential government services be subject to a mandatory lived experience impact assessment before deployment, conducted by an independent body, published publicly, and subject to ongoing monitoring and reporting.

R2 Protection of Non-Digital Service Pathways

The Committee recommend that the expansion of AI-enabled government services be accompanied by a binding legislative commitment to maintain accessible, non-digital service pathways for all essential government services, with specific protections for people with disability, older people, people with low literacy and people in rural and remote areas.

R3 Prohibition on Fully Automated Adverse Decisions

The Committee recommend that fully automated adverse decision-making — without meaningful human review — be prohibited in essential government services, including income support, disability services, health, housing, child protection and justice. All adverse decisions must be subject to human review and a right of appeal.

R4 Transparency and Accountability for Government AI Systems

The Committee recommend that all AI systems used in government services be subject to mandatory transparency requirements, including: public disclosure of the system's purpose, methodology and decision criteria; independent audit at regular intervals; and public reporting on the system's impact on affected communities.

R5 Community Benefit Obligations for Data Centre Development

The Committee recommend that data centre development be subject to mandatory community benefit agreements, including commitments to local employment, community infrastructure investment, water and energy efficiency standards, and genuine community consultation processes meeting co-design standards.

R6 National AI Harm Monitoring Function

The Committee recommend the establishment of a national AI harm monitoring function — independent of government and industry — to gather, analyse and publish evidence on the impact of AI systems on vulnerable communities, with particular focus on people with disability, older people, people experiencing mental health challenges, people in poverty and people in rural and remote areas.

"The communities most likely to be harmed by poorly governed AI infrastructure are the communities least likely to be heard in the policy processes that govern it. That is the gap NLEC exists to fill."

— National Lived Experience Commission, June 2026

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