



Submission

Getting it right: Building AI infrastructure that works for Australia

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Acknowledgement of Country

The National Rural Women's Coalition pays our respects to the ancestors, elders and especially the women that are a part of the longest living civilisation on earth, the First Nation peoples of Australia. We acknowledge their strength and resilience. They are the custodians of the land, and we celebrate together their right to continue with cultural practices on the land and water where they live.

About the National Rural Women's Coalition

The National Rural Women's Coalition (NRWC) is a national advocacy organisation representing women in rural, regional and remote Australia. We work to improve their wellbeing, health, economic security and safety. We elevate women's knowledge and lived experience to strengthen participation in leadership and decision making, while challenging stereotypes about rural, regional and remote women, and celebrating their diversity and contributions. Through domestic and global advocacy and engagement with government, we work to ensure policies are informed by a rural and gendered lens so no rural woman is left behind.

NRWC member organisations



Definition of rural, regional and remote

In this submission, 'rural Australia' refers to rural, regional and remote Australia. The term is used to recognise both geographic location and the broader cultural, social and contextual characteristics of communities outside major metropolitan areas. It reflects the diversity of rural Australia, including the unique histories, values, lived experiences, community assets and local conditions that shape community identity, resilience, opportunities and priorities, and influence how people experience services, infrastructure, policy and economic development. This diversity includes First Nations women, culturally and linguistically diverse (CALD) women and migrant women, whose experiences and priorities may differ across rural communities.

Introduction

The NRWC makes this submission to the Office of AI to help shape the future of AI training and infrastructure in Australia. Our submission considers the issues through the experience of women living in rural, regional and remote Australia, with a particular focus on water and energy security, land use, affordability, local infrastructure, community participation, safety, skills and employment. We also advocate for ensuring the benefits of AI investment be shared beyond metropolitan centres.

We thank the Office of AI for the opportunity to provide a submission informed by the lived experience of rural, regional and remote women, and we acknowledge and thank these women for generously sharing their expertise and experiences.

Core policy recommendations

The NRWC positions this submission on three distinct policy pillars. We urge the Commonwealth to move beyond voluntary guidelines and implement strict and enforceable rules to ensure regional infrastructure strengthens rather than strains rural Australia.

1. Statutory water neutrality requirements for regional areas

Relevant Commonwealth, state and territory water and planning legislation should be amended to require data centres in water stressed or drought prone regional areas to meet strict water neutrality requirements. Data centres should not be permitted to rely on scarce potable or agricultural water for cooling and should instead be required to use closed loop cooling, recycled water or other low water systems that do not reduce water security for existing communities, agriculture or the environment. This is particularly important for rural women, who can experience increased household, caring and farm pressures during periods of water scarcity.

2. Mandatory regional care infrastructure levy

All data centre developers should be required to make an upfront contribution to the regional communities in which they operate, with the size of the contribution scaled according to the size, resource demand and economic value of the development. This should not depend on communities having to prove or repeatedly advocate that impacts are occurring. Funding should be legally ring fenced for essential local services and infrastructure, including health, housing, policing, family violence and sexual assault services, crisis accommodation, childcare and emergency services, with priority given to areas already experiencing service shortages or increased demand associated with the development.

The allocation of this funding should be place based, community led and locally controlled, with host communities having a formal role in deciding how benefits are prioritised and invested. Rural women should be actively represented in these decisions, and benefit arrangements should continue throughout the life of the project.

3. Guaranteed sovereign compute capacity for public interest research

Technology companies should not monopolise the computing capacity built on Australian soil. We propose a mandatory five per cent community benefit quota for data centres receiving government financial support, concessions or regulatory approvals. This capacity

should be made available free of charge for Australian public interest research, with dedicated access for research that improves outcomes for rural, regional and remote communities and addresses evidence gaps affecting rural women, including First Nations women, CALD women and migrant women.

Consultation questions

NRWC has responded only to consultation questions that have a clear and material relevance to women living in rural, regional and remote Australia.

Capacity thresholds for application of the AI standards

Is a single threshold such as an energy capacity (MW) sufficient to identify the data centres that should be subject to the AI standards? If not, what additional thresholds (for example water use, compute [FLOPS], or electricity consumption [MWh]) should be considered?

No. An energy capacity threshold alone would not capture all impacts that may be significant in rural locations. Additional triggers should include water demand, local water stress, electricity consumption over time, land footprint, cumulative development within a catchment or electricity network, and demands on transport and telecommunications infrastructure. A facility that is modest in energy capacity may still have a material local impact where water is scarce, infrastructure is constrained or land is important for agriculture.

Does a tiered approach sufficiently capture different types of facilities and ensure proportionate obligations relating to Australia's energy transition, water management, and communities?

A tiered approach is appropriate only if it can escalate obligations according to local impact as well as electricity connection capacity. From a rural perspective, the framework should have stronger requirements where a project is located in a water stressed area, relies on constrained infrastructure, competes with productive agricultural land or forms part of a cluster of developments whose cumulative impacts are significant. Local context should be capable of moving a project into a higher level of scrutiny even where its energy capacity is comparatively lower.

The approach to the application of the AI standards

At what point in development processes should mandatory requirements apply for large data centres?

Requirements that affect where data centres are located, water use, land use conflict, infrastructure needs and community engagement should apply early in the development pathway, before key decisions are effectively locked in. For rural communities, consultation that begins after a site, water source or network connection has been substantially settled is often too late to influence outcomes. Proponents should therefore be required to disclose likely water, energy, land, telecommunications, workforce and community impacts during the early planning stages.

Following the passage of the proposed legislation, when should compliance start? For example, immediately, or staggered for different requirements, recognising practical constraints around planning and approvals, and to ensure regulation is

proportionate. How should certainty for, and impacts on, the Australian community be balanced with these considerations?

A staged approach may be reasonable for obligations that require new infrastructure or long lead times, but transparency, community engagement and disclosure obligations should commence early and as a priority. Projects already in development should not be exempt from requirements. In rural areas, where a single development can place substantial pressure on local systems, certainty for investors should be balanced against the need to avoid locking communities into unmanaged water, energy, land or infrastructure impacts.

Making a positive contribution to the energy transition

Should the Commonwealth establish national baseline energy and water efficiency metrics for data centres? What might be the benefits and/or unintended consequences of this approach?

National baselines would improve consistency and transparency, but they should not substitute for place based assessment. Energy and water efficiency can involve trade-offs, and climatic conditions, water scarcity and network constraints vary substantially across rural Australia. A nationally efficient facility could still create an unacceptable local impact if it relies on scarce water or adds pressure to a constrained electricity network. Baseline metrics should therefore be accompanied by local impact tests. The standards should also include a lifecycle approach to associated infrastructure, including decommissioning and end-of-use obligations.

Should all data centres be required to meet energy and water performance thresholds? If not, how should requirements change or scale for different data centres?

Minimum performance expectations should apply broadly, with stronger obligations where local conditions create higher risks. Scaling should take account of facility size, actual energy and water demand, water source, local water stress, electricity network constraints, competing land uses and cumulative impacts.

How frequently should data centres be required to transparently and publicly report their energy use, efficiency, and emissions as part of plans demonstrating compliance with mandatory requirements?

Reporting should be regular enough to allow communities and regulators to identify emerging impacts rather than only reviewing performance retrospectively. At a minimum, public reporting every six months should be required, with more frequent reporting where a facility is large, operating in a constrained system or subject to specific conditions. Reporting should be accessible by the general public at the facility level and explain local as well as national impacts.

Using innovative, efficient, and sustainable solutions to minimise water use

Should data centres be required to meet performance metrics or ratings for water usage and efficiency in data centres?

Yes.

If so, are existing metrics (for example, WUE ratings) fit for purpose, or would new or adjusted metrics be more appropriate (for example, by factoring water stress regions

and water sources into WUE ratings)? Should a minimum NABERS data centre rating, based on WUE and agreed by states and territories, be required once a facility is operational?

Water efficiency metrics should explicitly account for water source and local water stress. An efficient data centre can still create a significant local impact if it draws potable or otherwise scarce water from a drought-prone catchment. The framework should distinguish between potable, recycled and other non-potable sources, and reflect existing agricultural, environmental and community uses, including preservation of water for communities and agriculture during drought and other periods of shortage.

Should water-use thresholds trigger additional requirements? If so, what thresholds should apply, and should they align with the tiered approach outlined on page 8?

Water-use thresholds should trigger additional requirements, but the trigger should be sensitive to local conditions rather than relying on a single national volume. Lower thresholds should apply in drought-prone or water-stressed regions, where there is competition with agriculture or environmental flows, or where local water infrastructure has limited capacity.

What aspects of water use should data centres transparently and publicly report? E.g. maximum and peak demand, potable and non-potable water sources, efficiency measures, drought resilience measures and impacts on local water systems.

Public reporting should include all the elements listed in this question, as well as total annual water use, WUE, expected demand during drought and extreme heat events, infrastructure upgrades funded by the proponent, and impacts on existing local water users. Facility level reporting is important because national or state level figures can conceal significant impacts on individual catchments, local water systems, communities, small businesses and industries.

Should a nationally consistent hierarchy of water sources be adopted for data centres, prioritising non-potable/recycled water with potable water as last resort?

Yes. Potable water should be a last resort, particularly in water stressed rural communities. Where recycled or non-potable supply is not currently available, proponents should assess and fund feasible local recycled water, water collection or other water security infrastructure. Access to scarce potable water should not be assumed as the default.

Should data centres be required to demonstrate that proposed water use will not adversely affect local water security, drought resilience, environmental water requirements, or existing water users as part of a plan outlining their compliance?

Yes. This should be a core requirement before approval. Assessments should consider drought, climate variability, cumulative impacts, agricultural production and community needs.

In rural, regional and remote areas, proponents should go beyond avoiding harm. Where water supplies are already constrained, they should contribute to improving local water availability and resilience, including through recycled water, storage, harvesting or other infrastructure that provides a lasting community benefit.

Imposing no net costs on consumers and communities

What gaps (if any) exist in electricity and water infrastructure charging and cost allocation arrangements that could result in consumers bearing costs associated with data centre-driven network or infrastructure augmentation?

NRWC supports the proposed approach in the Consultation Paper that data centres should meet the infrastructure costs created by their development, so these costs are not passed on to households, farms, small businesses or local communities. This is particularly important in rural areas, where existing infrastructure may already be limited and households often face higher costs.

Aside from infrastructure and network augmentation costs attributable to their energy and water demand, are there other significant potential costs from data centre activity, and how might accountability be provided for managing these?

Yes. Potential costs extend well beyond energy and water infrastructure. These include pressure on housing and rental markets, road maintenance and traffic management, competition for scarce skilled labour, demands on local government and essential services, and reduced reliability or availability of telecommunications and utilities. Many of these pressures already exist in rural, regional and remote communities, so additional demand associated with data centre development could significantly worsen existing shortages and service gaps.

The loss of productive agricultural land is also a significant potential cost. In rural Australia, this can affect food production, farm expansion, regional employment and local economies, particularly where high quality agricultural land is displaced by data centre development.

Accountability should include an upfront local impact assessment, binding mitigation and community benefit commitments, and transparent public reporting throughout construction and operation. Where proponents fail to meet those commitments, there should be clear and accessible enforcement mechanisms that do not place the burden on communities to repeatedly advocate, complain or undertake lengthy processes to protect their interests. Any breaches and enforcement action should be made public.

Potential pressure on telecommunications, medical services, policing, crisis accommodation, food supplies and other essential services should also be assessed before approval, particularly where projects involve large temporary workforces or rapid population growth. Many of these services are already stretched or difficult to access in rural areas, so even relatively small increases in demand can have a disproportionate impact. A gendered community safety assessment should form part of this process, including potential impacts on sexual assault, domestic and family violence, health and emergency services. Where a project creates additional demand, proponents should be required to fund reasonable mitigation.

Meaningful engagement with communities and councils

What does best practice community engagement look like for data centres, including with nearby businesses?

Best practice community engagement in rural, regional and remote Australia should begin early, before major location and infrastructure decisions are finalised, and continue through

construction and operation. It should use multiple participation methods, including in-person meetings, online options, written submissions and direct engagement with affected landholders and businesses. Timing and format should recognise distance, caring responsibilities, farm and shift work, and variable digital connectivity.

Engagement should deliberately include women, including First Nations, CALD and migrant women, as well as local businesses, agricultural producers, community organisations and people whose views may not be captured through traditional industry, landholder or local government forums. Safe and confidential participation options should be available.

Importantly, consultation should not place an unreasonable burden on rural communities. Communities should not have to spend large amounts of time, money and energy repeatedly organising, advocating or opposing a project simply to have legitimate concerns considered. Proponents should be required to demonstrate how community feedback has influenced project design and how competing interests have been balanced. Where significant concerns are raised, there should be clear, accessible mechanisms for resolution and accountability that do not rely on communities continually fighting to be heard.

What role should the Commonwealth's mandatory requirements play in relation to location and community engagement? For example, the Commonwealth could promote transparency around where new data centres are being developed or plans for community engagement.

The Commonwealth should set a clear national baseline for siting and community engagement, including early disclosure of proposed locations and resource needs, consideration of cumulative impacts, and a requirement to demonstrate net community benefit.

Proponents should also be required to transparently show how community concerns have been addressed, with clear accountability where commitments are not met. National requirements should help avoid overconcentration of data centres in individual rural communities.

Mandatory requirements should also ensure that gendered safety, training and service impacts are considered. This should include whether projects create additional risks for women's safety, place pressure on already limited health, policing, family violence and sexual assault services, or fail to provide women with equitable access to local training, employment and leadership opportunities.

How can communities and industry work together to ensure data centres deliver lasting community benefits? How can upfront commitments be reflected in state and territory planning processes or community engagement?

Community benefits should be place based, community led and designed to deliver lasting value throughout the life of the project. Host communities should have a meaningful role in deciding how benefits are designed, governed and invested, with rural women actively represented in those decisions. Jobs, apprenticeships and infrastructure investment may provide important benefits, but proponents should also demonstrate what lasting difference these investments will make, who will benefit and whether they reflect locally identified priorities.

Community benefit commitments should be specific, measurable and enforceable through planning conditions or other binding mechanisms. Additionally, community benefits should be additional to, rather than a substitute for, the costs of mitigating project impacts or meeting existing planning, infrastructure and regulatory obligations.

Proponents should also be required to address project related pressures on housing, health, policing, family violence and sexual assault services, and other essential services, particularly where these are already constrained.

Western Australia's Community Benefits Guideline for large scale renewable energy projects provides a useful model for place based community benefits plans that direct investment towards locally identified priorities.

How should competing land uses be managed and prioritised, for example where land is also suitable for housing or agriculture?

Competing land uses should be assessed through a place based process that gives appropriate weight to productive agricultural land, future town growth, housing needs, water access, cultural and environmental value, and cumulative development. Data centre development should not automatically take precedence simply because of its capital value, and marginal or industrial land should be preferred.

Assessment should also consider the full footprint of the development, including associated energy, transmission, road and other supporting infrastructure, and the cumulative impact of multiple projects in the same area.

Should data centre proponents be required to explore options with government and industry to uplift community telecommunications connectivity alongside their own investment?

Yes. Where a data centre requires major fibre or telecommunications upgrades in rural, regional and remote areas, proponents should be required to assess and deliver improved connectivity for nearby communities, businesses and services.

Any claimed community benefit should result in actual improvements in access, reliability or capacity for local users, not simply infrastructure passing through the region. This is particularly important where telecommunications are already poor, as reliable connectivity supports business, education, health care, emergency services, family violence support and social connection.

Building skills and training

How should data centre operators be required to provide skills and training opportunities, including for under-represented cohorts in skilled workforces, during construction and into ongoing operation?

Requirements should include measurable pathways for women, including First Nations women, CALD women and migrant women, and other underrepresented groups, not just general workforce targets. Data centre development should be used to build the skills of women already living in rural Australia and create local career pathways from the outset.

Measures could include apprenticeships, traineeships, scholarships, work placements, mentoring and partnerships with regional TAFEs and training providers. Training design

should recognise the particular barriers rural women can face, including distance, limited local course availability, caring responsibilities, transport and the cost of travel or temporary accommodation. Training should lead to recognised qualifications and ongoing employment, with pathways into technical, supervisory and leadership roles.

Workplaces should also be safe and sustainable for women, with appropriate facilities, harassment prevention, clear reporting pathways, flexible employment practices and a focus on retention and progression.

What broader workforce development obligations should apply to data centre operators during ongoing operations?

Operators should be required to make an ongoing contribution to the local skills base through partnerships with regional schools, TAFEs, registered training organisations and universities, and through continuing development opportunities for local workers.

Workforce obligations should measure whether women in rural, regional and remote communities are gaining qualifications, entering new occupations and progressing into skilled, technical and leadership roles. The framework should also monitor whether data centre recruitment is worsening workforce shortages in other essential rural sectors.

Reporting should include local employment, participation and retention of women, as well as workplace safety indicators, including sexual harassment prevention measures and whether women remain and progress in the workforce over time.

Security, safety and transparency

What safeguards should apply?

Safeguards should explicitly address gendered harms, including technology facilitated abuse, non-consensual sexual deepfakes, stalking, impersonation, privacy breaches and discriminatory automated decision making. These risks can be particularly serious for women experiencing violence and for women in rural and remote areas, where access to specialist legal, policing, health and family violence services may already be limited. Safety requirements should therefore include gender impact assessment, testing for foreseeable harms to women, clear incident reporting and accessible mechanisms for redress.

Safeguards, reporting and redress mechanisms should also be accessible and culturally safe for First Nations women, CALD women and migrant women.

Investing in local capability, skills, research and innovation

What contributions would add the greatest value to Australia's future industries and research and innovation system? For example: sourcing local AI solutions, access to compute capacity, locally based research and engineering staff, investing in Australian research presence, university and public research organisation partnerships, investing in the VET system, and commercialisation activity.

From a rural perspective, valuable contributions include access to compute capacity and technical support for regional universities, TAFEs, research organisations, small businesses and not for profits. Value should also be placed on partnerships that locate research and engineering activity outside capital cities and support AI applications that address regional challenges in agriculture, disaster preparedness and recovery, health service delivery, environmental management and transport.

Contributions should also include a specific focus on building the digital and AI capability of women in rural communities, including women who may not currently work in technology related fields.

What indicators could best demonstrate contribution to Australian research, innovation and public interest purposes? For example: locally based research and engineering staff, university and public research organisation partnerships, research outputs and commercialisation activity, or other approaches.

Indicators should show where benefits are located as well as their national total. Relevant measures should include the geographic location of research and engineering staff, partnerships with regional universities and TAFEs, the share of compute or research support accessed by regional organisations, participation by rural small businesses and not for profits, and the number of projects addressing rural public interest needs. Where workforce data are reported, sex disaggregated reporting is needed to assess whether women are sharing in these opportunities and benefits.

How should frontier AI developers measurably support skills, training and education opportunities beyond what is required of data centre operators (as outlined earlier in this paper) to create a sustainable workforce and contribute to the required workforce adaptations?

Developers should support accessible AI and digital capability building beyond metropolitan centres through regional education partnerships, scholarships, short recognised training courses, work placements, mentoring, and access to technical expertise and compute. A specific objective should be to increase the participation of women in rural Australia, including women who do not currently work in technology related fields.

Programs should reflect regional realities through local, online and hybrid delivery, flexible scheduling, and travel or accommodation support where needed. Pathways should extend from introductory digital skills through to technical AI, cyber security and data roles, as well as management and leadership opportunities for women.

Training should also be linked to real employment and business opportunities in the region. Outcomes should be measured by location and sex, including participation, completion, qualifications, employment and career progression, so benefits to rural women can be demonstrated rather than assumed.

Conclusion

For women in rural, regional and remote Australia, the proposed AI standards must ensure that the costs and risks of data centre development are not disproportionately borne by local communities, while the benefits are shared fairly. This includes protecting water security, productive land and essential services, ensuring meaningful community participation, and addressing gendered safety impacts.

At the same time, AI investment presents an important opportunity to build regional capability. The standards should support lasting benefits through local employment, improved infrastructure and deliberate investment in the skills, training and leadership pathways of women in rural Australia.

AI infrastructure should strengthen, not strain, the communities that host it.

