

# AI on Australian Terms

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## Key Principles

### Incentivise frontier AI investment in Australia

- Improve legal certainty for AI companies and bring advantages of AI training home for Australians.
- Address AI company concerns about the 'long tail' – material on the internet that is openly available but for which striking voluntary deals is not realistic/possible.

### Deliver compensation, control and certainty

- Uphold Prime Minister's commitment to a strong and vibrant Australian creative and media sector.
- Provide control and compensation to rights holders.
- Provide certainty for all stakeholders, including AI companies.



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## Option A

### Voluntary Data Access Arrangements (Compensation and Control)

- Rights holders and AI companies negotiate voluntary data access arrangements to allow training on material owned by rights holders.
- \$ is set by negotiation by parties to the arrangement.
- AI companies do not do deals where they do not train on the data.
- Rights holders must digitally protect material online if they don't want it to be used in training without a licence.

### Opt Out Control

Any rights holders who do not want to have online material trained on can opt out by adopting digital protection to stop AI from crawling and training on content. Rights holders would also opt out of statutory data training authorisation or extended collective licence.

#### Statutory data training authorisation (Compensation)

OR

#### Extended collective licences (Compensation)

Statutory permission to access unprotected material on the internet for training purposes only. AI companies must meet conditions to access statutory permission including payments to central body. Distribution of payments to registered rights holders.

Statutory change to extend licences that Australian collecting societies provide on behalf of members for categories of material (e.g. music or text) to 'long tail' material belonging to non-members and unprotected material.

### Strengthening and Safeguarding Options

- Increased use of digital protection for online content (eg robots.txt) to enable 'opt out' from training
- Serious statutory penalty for evading protections
- Protections for Indigenous Cultural and Intellectual Property
- Best efforts requirement on AI companies to exclude pirated content from training datasets
- Transparency requirements on AI companies
- Oversight and audit requirements for compliance with training conditions

## Option B

### Voluntary Data Access Arrangements (Compensation and Control)

- Rights holders and AI companies negotiate voluntary data access arrangements to allow training on material owned by rights holders.
- \$ is set by negotiation by parties to the arrangement.
- AI companies do not do deals where they do not train on the data.
- Rights holders must digitally protect material online if they don't want it to be used in training without a licence.

### Opt Out (Control)

Any rights holders who do not want to have online material trained on can opt out by adopting digital protection to stop AI from crawling and training on content.

### Statutory Authorisation via Mandatory Data Access Arrangements with X entities

- To receive authorisation to train on unprotected material online, AI companies must agree data access arrangements with a minimum number of companies for a minimum period of time (quota). \$ value is set by parties to the negotiation.
- Once Mandatory Data Access Arrangements quota has been met, AI companies can access statutory permission/safe harbour to use unprotected material on the internet for training purposes only.
- No additional \$ would be payable to creators or rights holders beyond deals negotiated to achieve quota.

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