Australian Government

Department of Finance

Guidance on the use of generative artificial intelligence (AI)

July 2024

The purpose of this Guidance is to provide advice for Department of Finance staff on the safe and responsible use of AI - both publicly available AI resources and Copilot for Microsoft 365, a 'closed' internal generative AI tool. This Guidance highlights the known risks of using generative AI tools in a government context and sets out the responsibilities of all staff (both APS staff and labour hire contractors) when using generative AI tools in the course of their work at Finance.

1.   Publicly available generative artificial intelligence (AI) tools

A publicly available generative AI tool is any AI tool that is publicly available, takes user inputs (queries) and uses generative AI to create outputs (responses). Examples include ChatGPT (OpenAI), Gemini (Google) and Claude (Anthropic).

AI presents significant opportunities for productivity and service delivery improvements, but it also presents risks which AI users must understand and manage appropriately.

As a first step, staff planning to use a publicly available generative AI tool should review the Interim guidance on government use of generative AI tools and Australia's AI Ethics Principles (AI Ethics Principles). Staff should ensure their use of generative AI tools is consistent with Finance's Acceptable Use Policy and the APS Values.

2.   What is acceptable use of generative AI in Finance?

It is the responsibility of all Finance staff to use generative AI safely and responsibly, taking into consideration privacy, sensitivity and classification of any data and information inputs as well as transparency and accountability in providing advice and making decisions.

Staff must be aware that any information and data they input into a publicly available AI tool is no longer in Finance's control and we do not know who may be able to access it, as there are no explicit protections around the re-use of this information by AI platforms or third parties.

Staff must not enter personal, sensitive or classified information or data into publicly available AI tools. Staff must also be mindful that queries in themselves may enable external parties to extrapolate classified or sensitive information by aggregating content entered over time.

Further, staff must consider the transparency and accountability implications of using generative AI tools, and be aware that generative AI tools may reproduce biases inherent in their training data. They can also produce factually incorrect outputs – also known as

1

'hallucinations' – which are sometimes clearly nonsensical, but at other times can seem plausible. Outputs provided by generative AI should be evaluated critically and treated as a starting point for further research. This is particularly important when using AI to assist with drafting advice or making a decision that could impact individuals or groups.

When using any generative AI tool to support your work:

DO NOT

- input sensitive or classified information including personally identifiable information into publicly available generative AI tools
- let generative AI tools make decisions for you

DO

- comply with your obligations under the Privacy Act 1988, including the Australian Privacy Principles, and the Protective Security Policy Framework (PSPF)
- use tools to provide insights and hasten your inquiry process, but understand that the responsibility lies with you for how the results are used
- be able to explain, justify and take ownership of your advice and decisions, consistent with the accountability principle in Australia's AI Ethics Principles and the APS Values
- treat AI-generated content as a starting point for further research and analysis, being wary of biases and hallucinations in the AI tool that could cause harm when inaccurate information is provided confidently
- fact-check using reliable sources of information, be aware of the potential for bias and hallucinations in generative AI model training data and seek diverse perspectives in the review and decision-making process to minimise the effects of bias in AI output
- consider the intellectual property rights of third parties as well as broader copyright issues when using AI generated information.

If you are not able to fully apply this guidance, if you suspect malicious intent, or if you have generated or accessed data while using AI that is not appropriate, please report these instances to the Information Technology Security Advisor (ITSA@finance.gov.au). If you believe there has been a breach of personal information, please report this to Privacy@finance.gov.au and via the Data (Privacy) Breach Incident Reporting Form.

3.   Copilot for Microsoft 365 in Finance

The use of Copilot for Microsoft 365 in Finance is governed and managed by the Finance AI Working Group. The AI Ethics Principles and departmental Acceptable Use policy apply. Copilot licence holders must undertake mandatory training, provided by the DTA, on the Responsible use of AI as part of their Copilot licence allocation obligations.

Copilot for Microsoft 365 is an AI assistant that's integrated in Microsoft 365 apps like Word, Excel, PowerPoint, Teams and Outlook. When Finance staff use the Copilot feature in these

apps, Copilot can only access information on the internal Finance Protected network, such as SharePoint files, the intranet, Teams chats and Outlook emails. This is why it is a 'closed' internal generative AI tool and is not a 'publicly available generative AI tool'.

However, when using Copilot in the Edge browser, you can toggle between 'Work' and 'Web' mode, and it's important to understand the difference between these two functions.

- When using Copilot in Edge in *Work* mode, you are using Copilot for Microsoft 365, where Copilot can only access information on the internal Finance Protected network. This is consistent with the Copilot for Microsoft 365 integration settings in other apps, like Word or Teams, and is not a 'publicly available generative AI tool'.
- When using Copilot in Edge in *Web* mode, this is like using any other publicly available generative AI tool which can access the public internet. This function was previously called Bing Chat and is distinct from the 'Copilot for Microsoft 365' integration.

4. Whole of government considerations and prospects for generative AI

The use of AI in government is currently being examined at both the whole-of-government (WofG) level and within Finance.

AI in Government Policy

The Digital Transformation Agency (DTA) is responsible for developing and implementing policies to position the Australian Government as an exemplar in the use of AI. This work was commenced by the AI in Government Taskforce, which was co-led by the DTA and Department of Industry, Science and Resources (DISR) from September 2023 to June 2024 and was staffed by officers seconded from across the APS.

Since the Taskforce concluded, the DTA has resumed responsibility for this work and is currently finalising the *Policy for the responsible use of AI in government.* The Policy is expected to take effect later in 2024 and will:

- enable the APS to engage with and deploy AI in a way that is safe, responsible, and ethical by providing APS-wide guidance on generative AI
- provide agencies with governance, risk management and training and development approaches to enable responsible use of generative AI in Government.

In June 2024, the Data and Digital Ministers Meeting endorsed the [National framework for the assurance of artificial intelligence in government](), establishing a nationally consistent approach to safe and responsible AI.

Finance's AI Working Group

The Finance AI Working Group is co-led by the Information and Communication Technology Division and Regulatory Reform, Risk and Insurance Division to:

- develop a practical roadmap to the use and guardrails for implementing generative AI technology safely in Finance
- gather use-cases and evaluate opportunities for implementation through a *risk -and --rewards-based evaluation* approach
- support the adoption of evaluated and secure AI solutions in Finance through use-cases
- collaborate with the DTA to help drive practical risk, privacy and governance approaches for AI use in Government.

The AI Working Group has received over 150 use-cases to date and evaluates them for use in the department. Staff are welcome to submit a potential use-case for generative AI via the Use Case Development form.

Whole-of-economy AI policy

The Department of Industry, Science and Resources (DISR) is responsible for developing policy and regulatory frameworks to support safe and responsible AI adoption in Australia. In late 2023, DISR conducted a public consultation to understand community, industry and expert views on safe and responsible AI in Australia and released the Government's interim response in early 2024: Safe and responsible AI in Australia consultation: Australian Government's interim response.

Following this consultation process, the Government committed to developing a targeted, risk-based regulatory regime for AI in Australia, that protects against potential harms of AI while allowing the benefits of AI innovation to flourish largely unimpeded. The government's approach includes mandatory guardrails for higher-risk AI uses and a Voluntary AI Safety Standard for all AI uses. DISR is also working with other portfolios to clarify and strengthen existing laws and regulatory frameworks governing areas exposed to AI risk, including privacy, copyright, cyber security and education.

As these broader regulatory reforms evolve, policies relating to AI in government will be reviewed to ensure government continues to be an exemplar in the safe and responsible use of AI.

Additional resources

Further guidance and research on approaches to responsible use of AI is available at:

- National framework for the assurance of artificial intelligence in government
- NSW Artificial Intelligence Assurance Framework
- The Responsible AI Network, hosted by the National Artificial Intelligence Centre
- Implementing Australia's AI Ethics Principles report
- Free online courses developed by the National AI Centre and delivered by NSW TAFE
- Microsoft's Responsible AI Principles and Approach