

ESTIMATES BRIEF – Hot Issue**APS AI PLAN****Budget Estimates – May 2026****APS AI Plan****Subject/Issue**

The APS AI Plan sets out initiatives to accelerate the safe, responsible and effective adoption of artificial intelligence across the APS, with an implementation update table provided at Attachment A.

Key facts and figures

- The APS AI Plan: funded through a cross-portfolio 2025-26 MYEFO measure providing \$225.2 million over four years from 2025-26, and \$0.4 million per year ongoing from 2029-30:
 - Department of Finance (Finance): \$28.9 million over four years from 2025-26 to establish a central AI Delivery and Enablement function to take the lead in accelerating the uptake of safe and effective AI and support the delivery of the APS AI Plan.
 - Digital Transformation Agency (DTA): \$7.7 million over four years from 2025-26 to strengthen AI governance functions and establish an AI Review Committee to provide expert advice on high-risk government AI use cases.
 - Australian Public Service Commission and DTA: \$22.1 million over four years from 2025-26 (and \$0.4 million per year ongoing) to deliver fundamental AI capability building activities and deliver a coordinated workforce planning initiative to help agencies manage AI-driven changes in job design, skills and mobility.
 - Finance and DTA: \$166.4 million over three years from 2025-26 to expand the GovAI platform and design, build and pilot a secure, AI assistant (GovAI Chat).
- Chief AI Officers (CAIOs): As of 22 May 2026, AIDE has been notified of 42 CAIO appointments (37 from the 104 Non-corporate Commonwealth entities and 5 from the 74 Corporate Commonwealth Entities).
- All Non-corporate Commonwealth entities must appoint a CAIO by 30 June 2026. Corporate Commonwealth entities and Commonwealth companies are highly encouraged to appoint a CAIO.
- The Australian Government, through DISR, has recently signed memoranda of understanding with Anthropic and Microsoft, which include provisions supporting the APS AI Plan.

APS AI PLAN

Key points*APS AI Plan*

- The APS AI Plan supports improved government service delivery and public sector productivity while ensuring AI is used safely, responsibly and transparently.
- The Plan comprises of 15 practical initiatives anchored to three pillars:
 - Trust: Building confidence through transparency, ethical use, and strong governance.
 - People: Uplifting capability across the APS for safe and effective use of AI, while recognising the impact change has on people.
 - Tools: Expanding access to secure, fit-for-purpose AI technologies.
- AI Delivery and Enablement (AIDE) is responsible for delivering the APS AI Plan, focusing on reducing common barriers, addressing uncertainty and scaling high-value uses. AIDE commenced on 12 January 2026 and is currently undertaking discovery and mobilisation.
- CAIOs are mandatory for all non-corporate Commonwealth entities by July 2026, providing senior leadership for AI adoption and change and complementing the existing leadership role of AI Accountable Officials, who retain responsibility for governance, assurance and oversight.
- The APSC is leading mandatory AI training and workforce capability planning to support safe, responsible AI use across the APS.
- An AI Review Committee within Digital Transformation Agency is being stood up to provide expert, non-binding advice on high-risk government uses.

GovAI

- GovAI is the APS's whole-of-government AI service, supporting safe, secure and consistent use of AI across Commonwealth entities. It supports the 'tools' pillar of the Plan.
- GovAI builds APS capability by providing shared training, common tools, secure infrastructure, and practical AI solutions that allow agencies to safely learn, trial and apply generative AI.
- These include GovAI Chat, Interactive Learning Environment, APS AI Library, Model Brokerage Service, and AI hosting service solutions.
 - GovAI Chat: a generative AI assistant for APS staff providing central access to leading AI models. GovAI Chat is designed as a trusted, secure environment with onshore processing, APS-controlled data governance and auditable responses, and integrated training.

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- **Interactive Learning Environment:** available to all APS staff with a GovTEAMS account and used by over 3,900 APS staff. It provides beginner and intermediate practical training on safe policy-aligned use of AI and effective prompting using AI models from Anthropic, OpenAI and Google;
- **APS AI Library:** A whole-of-APS library (in development) to share AI use cases, templates and reusable assets. The first release will be trialled from July 2026 with an initial group of agencies nominated through CAIOs.
- **GovAI Model Brokerage (trial):** providing agencies with secure, government-managed access to onshore AI models in an IRAP assessed infrastructure. This enables agencies to accelerate AI solutions or deploy AI applications through a central connection, reducing procurement, cost and deployment times.
- **Secure development and hosting environments:** A low-cost platform for agencies to build and test AI proofs of concept, supported by guidance to uplift technical skills across the APS. Eight agencies are currently using the service.

GovAI Chat Trial

GovAI Chat commenced an initial controlled alpha trial on 28 April 2026. The trial is designed for use with OFFICIAL-level and publicly available information and is available to support up to 5000 participants over an 8-week period. This will help provide insights on usability, accessibility, value and security. The insights will inform future platform improvements and features.

- Following the alpha trial, GovAI Chat will:
 - be evaluated to assess user feedback, system performance and assurance outcomes and use findings to inform prioritised platform improvements and future features
 - progress to a beta trial anticipated for July 2026 subject decisions on readiness by the GovAI program board supported by an independent digital confidence assessment. The Beta phase is anticipated to support up to 20,000 participants.

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Background

On 12 November, the Minister for Finance announced the APS AI Plan in the Annual Statement on APS Reform. The plan was developed by Finance, the DTA, the APSC, the Department of Industry, Science, and Resources, and the Department of Prime Minister and Cabinet, in consultation with the broader APS.

The Memorandum of understanding between the Australian Government and Microsoft on collaboration on AI opportunities was signed on 23 April 2026 by Senator the Hon Tim Ayres, Minister for Industry and Innovation and Minister for Science.

The Memorandum of understanding between the Australian Government and Anthropic on collaboration on AI opportunities was signed on 1 April 2026 by Senator the Hon Tim Ayres, Minister for Industry and Innovation and Minister for Science.

Supporting information**Questions on Notice – response complete for all**

- QoNs F262. AI delivery and enablement. 29 January 2026
- QoNs F291. Chief AI officers. 29 January 2026
- QoNs F293. Trust initiatives. 29 January 2026
- QoNs F295. Productivity Gains. 29 January 2026
- QoNs F300. AI strategic communication initiatives. 29 January 2026
- QoNs F305. APS AI Plan 2025. 29 January 2026

Freedom of Information (FOI) Requests

- 25-26/190 Journalist request for briefs from the Minister for Finance's February 2026 estimates briefing pack on AI in Government and GovAI. Response provided on 13 April 2026.
- 25-26/215 Emily Grace requesting documents held by the Department of Finance relating to expenditure on artificial intelligence systems, platforms, and tools across the Australian Public Service between 1 July 2025. Response pending.

Recent Ministerial Comments

- Nil

Relevant Media Reporting

- [The federal government wants to use AI to speed up drug and housing approvals. Can we trust it? - ABC News](#), Cameron Wilson, ABC News, 15 May 2026.
- [Data centre developers face Greens-led Senate inquiry over power use](#), Jenny Wiggins, Australian Financial Review, 13 May 2026.
- [Australia's AI crossroads | The Australian](#), Staff Writer, The Australian, 29 April 2026.
- [Whitepaper: A roadmap for responsible AI adoption in Australia's public service](#), The Mandarin, 23 April 2026.

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- [AI isn't coming for your job, it's coming for your to-do list](#), Jake Dimarco, The Canberra Times, 20 April 2026.
- [Anthropic partners with federal government for APS AI expansion](#), Eleanor Campbell, The Canberra Times, 2 April 2026.
- [Tech giant eyes wider APS rollout under new agreement](#), Eleanor Campbell, The Canberra Times, 2 April 2026.
- [Finance chief AI officer Paul Hubbard on Delivery](#), James Riley, InnovationAus, 31 March 2026.
- ['AI wrote it' is today's version of 'the dog ate my homework', minister tells public servants](#), Chris Johnson, PSNews, 21 March 2026.
- [Chatbots poised to clear the backlog](#), Public Eye, The Canberra Times, 9 March 2026.
- [The APS is different: Gallagher to avoid AI job cuts](#), James Riley, InnovationAus, 4 March 2026.
- [Up to 20,000 public servants to join GovAI trials](#), David Allen, InnovationAus, 3 March 2026.

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APS AI Plan implementation update

As at May 2026

	Pillar	Initiative	Description	Primary carriage	Supporting	Status	Actions
1	Trust	AI in government policy and guidance updates	The government will update AI policy to strengthen public trust in government by providing clarity, enhancing accountability, and ensuring effective risk identification and management in the use of AI.	DTA	-	Completed	The DTA updated the Policy for the responsible use of AI in government in December 2025 and published the Australian Government AI Impact Assessment Tool. DTA is engaging with agencies to support implementation and monitoring of mandatory requirements across a phased timeline to April 2027. The DTA has commenced planning for other foundational learning modules to support key AI products such as the AI technical standard for Australian Government and Guidance for AI proof of concept to scale. Additionally, the DTA will be releasing an agentic AI addendum to the AI Technical Standard which will outline additional controls and guardrails for using autonomous AI agents and systems, including agentic AI, while maintaining human accountability.
2	Trust	AI Review Committee	Establish an AI Review Committee to enhance whole-of-government oversight and ensure consistent, responsible deployment of AI across the APS.	DTA	-	Underway	DTA is progressing approaches to potential committee members prior to formal appointments being made by the Minister for Finance. First meeting is expected in late June 2026.

Attachment A

3	Trust	Clear expectations of external service providers	Provide clear expectations for external service providers by equipping agencies to assess risks and manage compliance throughout the procurement lifecycle, and meet their probity obligations under the Commonwealth Procurement Rules and the Policy for the responsible use of AI in government.	Finance / DTA	-	Underway	The Department of Finance updated the Management Advisory Services Panel and People Panel arrangements to require suppliers to advise of any planned use of AI in delivering services. The Department of Finance is updating the Commonwealth Contracting Suite and Clausebank to include clauses in Commonwealth contracts clarifying accountabilities and transparency requirements regarding the use of AI. The DTA has developed and published AI procurement guidance, alongside a dedicated AI Clausebank and model AI contract clauses on BuyICT.gov.au, to clearly set expectations for external service providers on the responsible use of AI. Under Digital Marketplace 2 (DMP2), sellers are required to advise whether and how AI is used in delivering offered services, ensuring AI use by external providers is visible to government at the sourcing stage and supporting proportionate risk assessment and probity.
4	Trust	AI strategic communications	A centrally coordinated approach to internal communication to ensure agencies are aligned with consistent, clear messaging on the safe and responsible adoption of AI.	Finance	DTA, APSC	Underway	The Department of Finance centrally coordinates updates to the GovAI website, including the AI Blog, to support consistent whole-of-government communication on AI adoption. Following the 30 June deadline for Chief AI Officer nominations, Finance will engage the Chief AI Officer cohort to review and inform the Communications Plan.

Attachment A

5	People	Foundational learning	Build the foundational capability of public servants to use AI responsibly and effectively.	APSC	-	Underway	Agencies must implement mandatory training for all staff on responsible AI use by December 2026. Agencies should consider the Guidance for staff training on AI and can use the AI fundamentals training module. Over 19,000 APS staff have completed this course, and over 8,700 APS staff have viewed AI learning webinars (between 1 July 2025 and 31 March 2026). The APSC is continuing to build foundational AI skills for APS employees and building capabilities to empower Senior Executives to shape the authorising environment, understand risk, and make balanced judgements in an AI-enabled APS.
6	People	Staff consultation and engagement	Issue a Circular setting out clear standards for consultation on AI-related workplace changes.	APSC	-	Underway	The APSC is consulting with agencies on the Circular which will support agencies to apply standards aligned with existing consultation obligations in APS Enterprise Agreements, alongside existing consultative mechanisms (including Agency Consultative Committees).
7	People	AI delivery and enablement	Establish a central function to take the lead in accelerating the deliberate uptake of safe and effective AI.	Finance	DTA, APSC	Underway	The AI Delivery and Enablement (AIDE) division was established in Finance in January 2026 to accelerate practical AI adoption across the APS to improve government service delivery. Working with DTA and APSC, Finance has established APS AI Plan implementation reporting to track progress and support whole-of-government visibility. Finance is identifying and progressing high-impact AI priority opportunities that address common challenges across the APS, deliver public value and have potential to scale across government. Finance is also addressing common barriers to AI adoption and progressing the design and prototyping of use-case-level metrics and reporting protocols to support more consistent implementation across agencies.

Attachment A

8	People	Chief AI Officers	Appointment of SES-level leaders to accelerate consistent and collaborative AI capability development across the APS. Chief AI Officers (CAIOs) will drive adoption and advocate for strategic change within their agencies.	Finance	DTA, APSC	Underway	Under the APS AI Plan, all agencies are expected to nominate a Chief AI Officer by 30 June 2026 and confirm details to the Department of Finance (AIDE@finance.gov.au). On 25 November 2025 AIDE released a CAIO Information Pack to assist agencies with appointing a 'senior leader'. Agencies with Chief AI Officers are published on GovAI. As of 19 May, 40 entities have confirmed appointment of their Chief AI Officer. Outcomes of this initiative will be strengthened where CAIOs and Accountable Officials work together to drive the progression of responsible and effective AI adoption. The integration of these approaches produces better decisions to improve government service delivery.
9	Tools	GovAI open trial / GovAI: centrally hosted AI services	Leverage GovAI as a centralised AI hosting service to provide agencies a secure, Australian-based platform for developing customised AI solutions at low cost.	Finance	-	Completed	The GovAI Model Brokerage service is a secure API gateway that gives Australian Government agencies access to approved AI models. Instead of negotiating separate contracts with multiple AI providers, applications connect to a single government-managed endpoint that routes securely to models. Agencies can opt-in at any time. Onshore models are available from major AI model families including OpenAI, Anthropic, and Mistral.

Attachment A

10	Tools	GovAI Chat	Provide access to secure generative AI for everyone in the public service.	Finance	-	Underway	GovAI Chat is hosted onshore in government-certified environments with access controls and audit logging, and is designed to comply with the Protective Security Policy Framework and the <i>Privacy Act 1988</i>. GovAI Chat alpha was launched in April 2026 and can scale access to 5,000 APS participants. User feedback and assurance findings will inform product improvements and the design of the mid-2026 beta (targeting up to 20,000 participants). The current alpha is limited to OFFICIAL information. Work toward PROTECTED information handling has commenced and accreditation is expected to be completed in Q3 2026.
11	Tools	Guidance on public and enterprise AI services	Clear guidance on the use of public generative AI tools to give public servants confidence to use platforms like ChatGPT, Claude, and Gemini up to OFFICIAL level information.	DTA/ Home Affairs	-	Completed	The Department of Home Affairs published the Protective Security Policy Framework Policy Advisory 1 – OFFICIAL Information Use with Generative Artificial Intelligence on 7 October 2025. The DTA updated agency and staff guidance on public generative AI on 10 October 2025.

Attachment A

12	Tools	Support for AI tool procurement	Continue to enhance AI procurement pathways to make it easier for agencies to access trusted AI products and services in line with government standards.	DTA	Finance	Completed	The AI model contract was published on buyICT.gov.au on 25 October 2025, and updated guidance on AI procurement in Government was published on buyICT.gov.au on 1 December 2025. Procurement arrangements will continue to be reviewed to ensure they remain fit-for-purpose for a rapidly evolving supplier ecosystem. The DTA will deliver an AI in Government Showcase in October 2026, an event for Australian vendors and providers to showcase AI capabilities.
13	Tools	Re-using intellectual property	Provide a platform where intellectual property (IP) is discoverable and reusable across the APS which will reduce duplication, reduce costs, and accelerate knowledge sharing within the APS.	Finance	-	In progress	The Department of Finance is consulting with agencies on the IP reuse platform to ensure agencies can contribute, discover and reuse IP confidently. An upgraded APS AI Library that supports IP storage and reuse across agencies is targeted for launch late 2026 through GovAI.
14	Tools	Central register of generative AI assessments	A centralised register for completed assessments for AI systems and services.	Finance	DTA	In progress	Design and scoping is underway to expand the APS AI Library to include a secure, centralised register of completed generative AI assessments (including FOCI, IRAP, cyber-security and impact assessments). Participants from 40 agencies completed a research survey and representatives from 19 agencies attended research interviews to identify sharing opportunities and requirements for this expanded APS AI Use Case Library capability.

Attachment A

15	Tools	New whole-of-government cloud policy	A new whole-of-government cloud policy to support responsible AI use in government by ensuring agencies can securely and efficiently leverage cloud infrastructure.	DTA	-	Completed	The DTA published the whole-of-government cloud policy on 8 December 2025.
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