



CHARTERED ACCOUNTANTS™
AUSTRALIA + NEW ZEALAND

30 May 2019

Artificial Intelligence
Strategic Policy Division
Department of Industry, Innovation and Science
GPO Box 2013
Canberra ACT 2001

Via email: artificial.intelligence@industry.gov.au

Dear Sir/Madam

Artificial Intelligence: Australia's Ethics Framework

Chartered Accountants Australia and New Zealand welcomes the opportunity to provide feedback to the Department of Industry, Innovation and Science on the Artificial Intelligence: Australia's Ethics Framework discussion paper ('the discussion paper'). Appendix A includes our detailed submission and Appendix B provides more information about Chartered Accountants Australia and New Zealand (CA ANZ).

- We support the principles based framework and encourage its continued development to remain flexible and agile
- We recommend the principles are reframed to focus on the positive actions to be taken, rather than the negative actions to be avoided. We also recommend that the principles include a clear statement relating to trust and integrity.
- We suggest establishing an independent body, such as a responsible innovation organisation, to improve global alignment as well as educating and supporting people impacted by algorithms.

Should you have any queries concerning the matters discussed above or wish to discuss them in further detail, please contact Karen McWilliams via email at karen.mcwilliams@charteredaccountantsanz.com or phone (612) 8078 5451.

Yours sincerely,

Simon Grant FCA
Group Executive
Advocacy & Professional Standing
Chartered Accountants Australia and
New Zealand

Karen McWilliams FCA
Business Reform Leader
Advocacy & Professional Standing
Chartered Accountants Australia and
New Zealand

Appendix A

General Comments

Chartered Accountants Australia and New Zealand supports the discussion of ethics in AI and continues to encourage a collaborative multi-stakeholder approach, which includes business, regulators, individuals and professions, aiming for the development of a framework that is fit for purpose and widely adopted.

We note that the discussion paper is broad and covers different aspects relating to AI with the chapters aimed at providing a strong foundation for both awareness and achievement of better ethical outcomes. However, by covering a broad range of issues, the specific audience for the framework is not particularly clear. The discussion paper includes references to those that design, develop and deploy the technology. We encourage clearer identification of the target audience for this framework.

We are concerned that the 8 core principles in the paper reflect the negative connotations attached to AI. As summarised in our [“Machines can learn, but what will we teach them?” paper](#), the UK’s House of Lords released its suggested five principles for a cross-sector AI Code that reflects positive outcomes and impacts on society. For example, Artificial intelligence should be developed for the common good and benefit of humanity. We recommend that the core principles are balanced to include the positive impacts that the technology can have on society.

As highlighted in our March 2019 submission to the [Australian Human Rights Commission on the Artificial Intelligence: Governance and Leadership white paper](#), we consider that there would be economic and social value in establishing a responsible innovation organisation to improve global alignment and collaboration with similar bodies globally. This organisation could also act as the independent body that educates and supports people that are impacted by algorithms as well as acting as a mediator for those that wish to challenge the use or output of algorithms.

Specific consultation questions

1. Are the principles put forward in the discussion paper the right ones? Is anything missing?

As noted above, the 8 principles focus on the negative attributes that are often attached with AI. We recommend the principles are reframed to focus on the positive actions to be taken, rather than the negative actions to be avoided. For example, referring to inclusivity rather than discrimination.

Whilst we support the intent behind principle 1, we consider that it may be difficult to implement in practice. In particular, from whose perspective are the costs and benefits identified and how can these be appropriately ‘compared’ to identify whether the benefits are greater than the costs. We suggest that principle 2, Do no harm, is reconsidered and rewritten to reflect an active principle (currently it is passive) such as “Take active steps to do no harm”. We consider that it is important that those designing systems are taking proactive measures to embed ethics into their processes. For example, the first principle identified by the UK’s House of Lords states ‘Artificial Intelligence should be developed for the common good and benefit of humanity.’ We suggest that if principle 2 is amended as suggested, it may also address the intent behind the proposed principle 1.

Whilst we appreciate the importance of regulatory and legislative compliance identified as principle 3, we don’t consider this to be an ethical principle. Further, in many instances the regulatory environment has not actually caught up with the speed of technological development.

Principle 5, Fairness, states that “particular attention to ensure the ‘training data’ is free from bias or characteristics which may cause the algorithm to behave unfairly”. We recommend this principle is reconsidered, as we don’t consider it would be possible to ensure that data is free from bias.

We recommend principle 6, Transparency and explainability, also includes an explanation to people around how the identified algorithm is being used and as a result how it impacts them. This would allow for greater transparency allowing affected individuals to understand the bigger picture and how they are impacted by the process.

2. Do the principles put forward in the discussion paper sufficiently reflect the values of the Australian public?

As noted in the discussion document, it will be important for citizens to have trust in the AI applications developed by business, governments and academia. We recommend that the principles include a clear statement relating to trust and integrity. For example, AI Systems should be designed and operate on principles of trust and fairness to uphold the integrity of artificial intelligence.

7. Are there additional ethical issues related to AI that have not been raised in the discussion paper? What are they and why are they important?

We support Australia forming its own framework along with a toolkit of practical and implementable methods that can be used to support core ethical principles. We support the principles based framework and encourage its continued development to remain flexible and agile to enable it to interact with other global frameworks and regulations as technologies continue to evolve.

Appendix B

About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand is a professional body comprised of over 120,000 diverse, talented and financially astute members who utilise their skills every day to make a difference for businesses the world over.

Members are known for their professional integrity, principled judgment, financial discipline and a forward-looking approach to business which contributes to the prosperity of our nations.

We focus on the education and lifelong learning of our members, and engage in advocacy and thought leadership in areas of public interest that impact the economy and domestic and international markets.

We are a member of the International Federation of Accountants, and are connected globally through the 800,000-strong Global Accounting Alliance and Chartered Accountants Worldwide which brings together leading Institutes in Australia, England and Wales, Ireland, New Zealand, Scotland and South Africa to support and promote over 320,000 Chartered Accountants in more than 180 countries.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents 788,000 current and next generation professional accountants across 181 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications to students and business.