New Australian AI Standards legislation

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New AI Legislation

The **Australian Prime Minister** Anthony Albanese **announced on 10 November 2026 that strong mandatory safety and security protections will be legislated through AI Standards**.

The new mandatory AI Standards will apply to **"all frontier AI companies that wish to operate in Australia."**

The Prime Minister stated:

"Artificial intelligence presents enormous opportunities for Australia, *but we must* ***also be prepared for the new risks that come with rapidly advancing technology ...***

These protections will ensure we keep Australians safe and secure our national interests, *while seizing the generational opportunities that AI offers."*

The AI Standards **will be enforced by a new regulator for AI Safety**, which will **"work with the Australian AI Safety Institute to provide technical expertise and oversight as global standards evolve."**

The AI Safety regulator would be able to **"enforce significant penalties for AI companies that fail to comply with ... (the AI Standards) ... that will help to keep Australia safe."**

The confirmation of proposed Australian AI Standards legislation **follows the Prime Minister's July announcement** that the government intended to introduce "**a set of Australian Standards for AI**."

Mandatory AI Standards

Under the proposed AI Standards, **"frontier AI companies"** will be required by the regulator to:

1. **Maintain security controls** across all stages of development and deployment.
2. **Identify and manage serious risks** associated with their models.
3. **Allow independent evaluation** of their models.
4. **Provide mandatory notification of incidents** to the government rapidly.
5. **Maintain and publish safety and security frameworks** to ensure good governance, risk management and transparency.
6. **Respond to updated standards and rules** as technologies change.

The AI Standards are aligned with the interim report of the **Joint Select Committee on Artificial Intelligence**, outlined in the Committee's letter to the Prime Minister on 12 October 2026. The **Committee's final report** is due to be released **on 30 November 2026**.

While the announcement focused on mandatory AI Standards for frontier AI companies, the Prime Minister **confirmed there are a range of other policy areas to be covered in the Australian AI Standards legislation**. Further details of the legislation will become available in due course as the government completes its detailed work and consultation.

Key Takeaways

Frontier AI companies

It is expected that the **AI Standards will apply to entities that build and train AI models and agents (frontier AI developers).** A "frontier" AI company is **typically an entity that is among the most advanced AI developers, training or deploying large and complex AI systems.** There will likely be some territorial link requirement in the legislative definition, to only capture entities that seek to operate in Australia**.**

Regulatory Approach

The government has indicated that:

- A new **AI Safety regulator** will be created.
- There is intention to ensure that Australian AI Standards are **"internationally interoperable" and "aligned with recognised international technical standards."**

The proposed approach may therefore shift to align with international approaches.

Existing compliance landscape

The **current compliance landscape for Australian businesses remains unchanged**. Most notably:

- **Data centre proponents and operators remain, and will remain, constrained by State and Federal planning laws and the "Data Centre Expectations"**, with National Data Centre Standards in the pipeline.
- APP entities that **use personal information in their AI systems must still comply with the Privacy Act**, including meeting the **ADM Transparency Obligations before** the **10 December 2026** deadline.
- **Regulatory expectations on directors continue to increase**, with regulators emphasising that **directors should understand AI risks and implement appropriate governance measures**.

Next Steps

Do now

Monitor for developments and participate in future consultation opportunities.

The **Committee's final report at the end of November will influence the approach to the standalone AI legislation**, and the Prime Minister's office has foreshadowed further consultation in the announcement.

Do next

Review contractual arrangements with developers and deployers of AI models and agents.

Consider **the impacts of proposed AI Standards on contractual arrangements** with in-scope companies, including whether existing security requirements and reporting obligations are sufficiently aligned with the proposed changes.

Do later

Prepare for anticipated legislative reforms to additional AI policy areas.

Based on the Committee's interim report and the Prime Minister's previous announcements, this is expected to include provisions addressing copyright, critical infrastructure, workforce skills and training.