

Tasmania AI Data Centre Inquiry

Submission

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My name is Rachel Ledesma, and I am an individual living in Kingston, Tasmania 7050.

I am extremely concerned about the impact of AI and AI Data Centres on Tasmania, and Australia in general.

At the outset, I want to make it very clear that I do not condone the Tasmanian government's decisions to accept private companies, including Firmus but not exclusive to, building and running AI data centres in Tasmania. I am appalled at the lack of any consultation with citizens and concerned individuals in the state that the government has chosen to ignore, thus, I am submitting this evidence as a plea for a larger and detailed inquiry into the concerns on public health, extraction of natural resources, consumption of said resources, theft and copyright precedents, unevidenced employment claims and overall lack of transparency by the government, which the government itself should be asking for – if they had the best interests of their constituents as priority.

Please see the evidence below which clearly reflects my concerns.

For any questions, please contact me via the methods above.

Rachel Ledesma

1. Public Health Concerns

a)) Unregulated air pollution

- Tasmania's EPA decided in August 2026 that Firmus's 288MW Bell Bay data centre did not need a formal environmental assessment, finding the risk of serious harm “very low or negligible” — leaving detailed air-quality conditions to be set later by the local council rather than the state environmental regulator.

Source: [Pulse Tasmania — "George Town Council approves 288-megawatt AI data centre at Bell Bay"](#)

- The Bell Bay site alone will run 276 backup diesel generators. Diesel exhaust contains NOx and fine particulate matter that can be 200–600 times more concentrated than emissions from an equivalent gas-fired power station, and is classified as carcinogenic.

Source: [Federation of American Scientists — "Advance AI with Cleaner Air and Healthier Outcomes"](#)

b)) Unregulated noise pollution

- Firmus is only required to lodge a noise verification survey within 60 days of starting operations — i.e. compliance is checked after the facility is already running, not before approval.

Source: [ABC News — "Firmus AI data centre at Bell Bay gets tick from planners ahead of George Town Council vote"](#)

- Within weeks of approval, Firmus lodged an appeal to the Tasmanian Civil and Administrative Tribunal (TASCAT) calling the council's restriction on backup-generator operating hours “unreasonable” — an early sign that even the limited noise conditions imposed are being contested by the operator rather than treated as a firm floor.

Source: [Data Centre News \(via HeadTopics\) — "Data centre company lodges appeal against 'unreasonable' restricted generator use"](#)

- A peer-reviewed letter in the journal *Eco-Environment & Health* (Elsevier) states plainly that data centre noise from diesel generators and HVAC systems can reach up to 96 A-weighted decibels internally — well above the 85 dBA threshold considered harmful to hearing — and that this “adversely affects data centre staff, nearby communities, and local wildlife.” The same letter identifies air pollution as “the most acute concern,” citing modelling that US data centres could contribute to nearly 1,300 deaths annually by 2030 and a public health burden exceeding \$20 billion, and notes that in some areas data centres draw up to 57% of their cooling water directly from potable drinking supplies. The authors conclude that “the global data centre boom is emerging as a public health concern” and call for mandatory public reporting of data centre pollution and stricter siting rules away from populated areas.

Source: [Tao & Gao, "Global data center expansion and human health: A call for empirical research," *Eco-Environment & Health*, Vol. 4, Issue 3 \(2025\), Elsevier](#)

- Residents living near existing data centres describe the lived reality behind those figures: a constant low-frequency hum and diesel-generator noise disrupting sleep, headaches and stress from round-the-clock operation, and worry over particulate and diesel exhaust drifting into their neighbourhoods. Researchers interviewed note that chronic noise exposure near data centres is linked to poorer sleep, elevated stress and cardiovascular strain, and is especially harmful to children's cognition, learning and reading comprehension.

Source: [U.S. News & World Report — "'Living in Hell': Data Center Neighbors Grapple With Noise, Air Pollution"](#)

c)) Unregulated air/soil/water emissions

- Backup generator sites store large volumes of diesel fuel on-site (commonly 10,000–50,000 litres per generator); accidental spills or leaks can cause localised soil, surface-water and groundwater contamination requiring costly remediation — a risk multiplied across facilities running dozens to hundreds of generators.

Source: [Air Quality and GHG Emissions Assessment of Data Centers in Texas \(arXiv preprint\)](#)

- Data centre backup generators fall into the “non-road diesel engine” (NRDE) category — alongside tractors, diggers and haul trucks — which is completely unregulated in Australia: non-road diesel engines make up only about 3% of the number of on-road engines but emit more total particulate matter than every on-road petrol, diesel and LPG vehicle in the country combined. The federal government's own 2022 cost-benefit analysis found this unregulated category caused 5,387 years of life lost and \$1.6 billion in economic cost in a single year (2018), and that introducing best-practice emission standards immediately — rather than a voluntary industry agreement — would cut the most deaths and deliver the greatest net economic benefit (\$2.2 billion). More than three years after completing this analysis and running public consultation, the federal government has still not made a regulatory decision, and Australia remains the only major OECD jurisdiction with no emissions standard for this entire engine class — meaning Firmus's 276 diesel generators at Bell Bay are being approved directly into that regulatory vacuum.

Source: [DCCEEW — "Non-road diesel engines – cost-benefit analysis: final report" \(Boulter, Cope, Hanigan, Chaston, Morgan & Kulkarni, 2022\)](#)

- The Centre for Safe Air — an NHMRC Centre of Research Excellence, whose submission to this inquiry was co-authored by Dr Bill Dodd and Professor Fay Johnston of the University of Tasmania's own Menzies Institute for Medical Research — told the NSW Parliamentary Inquiry into Data Centres that diesel backup generators are “one of Australia's most significant unregulated sources of harmful air pollution.” Diesel particulate matter is classified as carcinogenic by the WHO, with no known safe level of exposure, and short-term NO₂ exposure has been found to increase cardiovascular disease mortality by 2.2% and respiratory disease mortality by 4.5% per 10.7 µg/m³ increase — impacts that fall hardest on children, pregnant people, older adults and people with pre-existing conditions. The submission notes Australia is an outlier among OECD nations on this point: the US, EU and Singapore all mandate advanced after-treatment technology achieving 80–97% reductions in PM_{2.5}/NO_x, while Australian planning frameworks — including fast-track pathways like the one used to approve Bell Bay — do not require cumulative emissions modelling for generator clusters or model worst-case scenarios such as prolonged generator operation during an extended grid outage.

Source: [Centre for Safe Air \(Dodd, Green, Johnston et al.\) — Submission No. 108, NSW Parliamentary Inquiry into Data Centres \(April 2026\)](#)

- Data centre health-impact research also flags PFAS (“forever chemical”) contamination as a documented risk alongside air, water and noise emissions from large-scale digital infrastructure — a combination regulators have historically assessed separately rather than as a single cumulative approval.

Source: [Environmental Health Sciences — "AI Data Center Health Impacts"](#)

- Nine of the world's ten biggest PFAS (“forever chemical”) producers are now expanding production specifically to meet AI data centre demand — including for “two-phase immersion cooling,” where servers are submerged directly in PFAS fluid. PFAS are linked to cancers, birth defects, reduced fertility, kidney damage and other serious health problems, and do not break down in the environment. ChemSec's executive director warned this expansion risks unleashing a “tidal wave of forever chemicals” that could overwhelm the partial PFAS restrictions now being introduced in the EU, UK and US.

Source: [The Guardian — "'Tidal wave' of Pfas being launched to satisfy AI industry, campaigners warn"](#)

2. Unregulated Uncapped Public Drinking Water and/or Agricultural Water Extraction and Security

- Firmus's own leaked FAQ material revealed the company planned to draw on Tasmanian irrigation water for cooling — with an internal note reading “we do not want to highlight this yet.” Tasmanian Irrigation subsequently confirmed publicly that it had given Firmus no undertaking to supply water, and that its scheme was intended for agricultural use and hydrogen production, not AI data centres.

Source: [ABC News — "'We do not want to highlight this yet': AI data centre's FAQ slip-up"](#)

3. Unregulated and Uncapped Public Power Consumption — Energy Demand, Grid Strain, and Household Power Prices

- Hydro Tasmania has not yet decided whether to grant Firmus's request — the state-owned utility says it is still assessing the application and expects to make a decision by the end of 2026. Firmus currently holds only a 3-year, 104MW contract for its Launceston site; it needs an entirely new, long-term deal to secure power for all three proposed Tasmanian facilities. The 450MW request equals roughly 30% of Tasmania's total current energy use and would make Firmus the state's single biggest power user by a wide margin, well ahead of Bell Bay Aluminium's 355MW. Hydro has confirmed it would not fund, build or maintain the new wind/solar generation such a deal would require — that risk would sit with Firmus or third-party developers.

Source: [ABC News — "Hydro Tasmania to decide by end of year on AI data centre company Firmus's request for 450 MW"](#)

- Nationally, AEMO's 2026 Integrated System Plan forecasts data centre electricity demand on Australia's main grid will roughly triple by 2030 and could reach close to 10% of total National Electricity Market demand by 2050, as one of the largest new sources of electricity demand the grid has ever had to absorb — growth that puts sustained upward pressure on wholesale power prices nationally, including in states like Tasmania that export power into the shared market.

Source: [W.Media — "AEMO: Data centres could account for almost 10% of NEM electricity demand by 2050"](#)

- Tasmania's own trajectory is worse than the national average: the Climate Council's data centre analysis found that while national data centre electricity demand is set to triple by 2030, in Tasmania specifically “energy use is predicted to increase by 400% by 2030” — from around 20 GWh currently to roughly 90 GWh (AEMO figures). Climate Council modelling by Baringa and the CEFC found that if this demand is not matched with new renewables and storage, it flows through to higher wholesale power prices in Tasmania as well as neighbouring states, even though Tasmania's own generation is largely hydro. Climate Council CEO Amanda McKenzie has said “out-of-control construction of data centres would hit Australians in the hip pocket” and called for governments to urgently introduce strict rules requiring new data centres to bring their own renewables and storage.

Source: [Climate Council — "Data Centres: The Three Non-Negotiables to Protect Our Climate and Power Bills" \(Tasmania state-of-play briefing\)](#)

- Tasmania's "renewable" grid is not the abundant surplus it's marketed as: around 90% of the state's power is hydro, and Tasmania was a net electricity importer across Basslink — drawing mainland coal-and-gas power — for 11 of 12 months in 2023–24 and 10 of 12 months in 2024–25, the worst multi-year hydro drought on record, during which Hydro Tasmania's profit before tax collapsed 96%, from \$193.7 million to \$7.5 million. CSIRO data shows 19 of 25 Tasmanian hydrological gauges recording a statistically significant declining streamflow trend since 1970 — the highest proportion of any drainage division in Australia. Meanwhile Boyer Paper Mill, Australia's last newsprint manufacturer and a major Tasmanian employer, was told by Hydro Tasmania there was no spare capacity for the 45–60MW it needed to electrify its coal-fired boiler — around the same time Firmus secured 104MW.

Source: [The Point / Australia Institute \(Louise Morris\) — "Tasmania's renewable energy is being handed to an AI startup while local industry left waiting"](#)

- In parliament on 9 September 2026, Greens MP Vica Bayley put the maths directly to Premier Rockliff: Tasmania's AI and data centre pipeline has a potential energy demand of over 1,150MW, while Hydro Tasmania's business case for the Marinus Link export cable is built on mass energy exports delivering an estimated \$470 million in "super-profits" to offset local power prices. Asked twice how both mass local AI demand and mass export could be delivered simultaneously, and whether he had advice from Hydro Tasmania confirming the super-profits were still achievable, the Premier did not answer either question directly — his first response called the question "scaremongering," and his second ran out the clock without addressing it, according to the official House of Assembly Hansard record.

Source: [Tasmanian Greens \(Vica Bayley MP\) — Question to the Premier, House of Assembly Hansard \(9 September 2026\)](#)

4. Employment Claims vs. Reality

- Firmus's own figures work out to roughly half a job per megawatt: about 52 ongoing roles at St Leonards and 115–144 ongoing roles at the 288MW Bell Bay site (reports vary slightly), against a combined power draw approaching 450MW across its three proposed Tasmanian sites.

Source: [Cessnock Advertiser \(AAP\) — "AI data centre approved despite community concerns"](#)

- Even the jobs that do exist are not guaranteed to stay human. Meta is already testing robots inside its US data centres to swap cables, restart servers and carry out inspections — with one internal estimate suggesting a working cable-swap robot alone could replace up to 80% of certain technician workloads. One Meta data-centre worker told reporters: "We thought those of us performing the physical tasks were safe for a while, but not anymore — it's coming for us all, unfortunately."

Source: [Decrypt — "Meta Tests Robots to Handle Data Center Work"](#)

Source: [Novara Media \(UK\) — "Meta Tests Robots That Could Replace Human Workers at Data Centres"](#)

- Firmus's own jobs projections have been publicly disputed by an independent expert. AI researcher Professor Toby Walsh has said modern, highly automated data centres “rarely require that level of labour” Firmus claims — and Firmus's reliance on specialised liquid immersion cooling adds a further complication, since the global pool of technicians trained to maintain that technology is, by most accounts, extremely limited. The headline pitch for Firmus's first stage was up to \$2.1 billion in investment for around 100 direct jobs — a ratio critics say reflects the fact that AI data centres are, by design, among the most capital-intensive, least labour-intensive infrastructure that can be built.

Source: [The Point / Australia Institute \(Louise Morris\) — "Tasmania's renewable energy is being handed to an AI startup while local industry left waiting"](#)

5. Tax Avoidance, Profit Shifting, and Royalties

- The ATO finalised ruling TR 2026/2 on 4 September 2026, reclassifying certain cross-border payments that US tech giants route to their own overseas parent companies as royalties — meaning they become taxable in Australia rather than shielded from it.

Source: [The Conversation — "Why big tech will hate the Australian tax office's latest ruling"](#)

- Apple, Microsoft and Amazon together reported almost A\$30 billion in Australian income for 2023–24, yet paid only about A\$478 million in tax between them — the scale of the gap this ruling is meant to close.

Source: [Startup Daily — "Why Apple, Google and other global tech giants will hate the ATO's latest ruling on cross-border payments"](#)

- Firmus is a Singapore-domiciled, largely foreign-institution-funded company that is on track to become Tasmania's single biggest electricity user — raising an open question for the inquiry: what royalties or resource-rent payments, if any, will flow back to Tasmania in return for reserving hundreds of megawatts of the state's power supply, beyond the jobs and voluntary renewable-energy commitments the company has offered?

Source: [Cryptobriefing — "Firmus seeks to raise \\$5B in IPO on Australian Securities Exchange"](#)

6. Government Secrecy and Lack of Transparency — Tasmania-Specific

- This isn't a recent scramble — it has been Tasmanian government policy for eight years. The Office of the Coordinator-General's 2018 “Data Centre Action Strategy” set out a deliberate plan to court data centre investors with cheap hydropower, low water costs and streamlined approvals, years before AI turned this into a global speculative rush. Greens MP Tabatha Badger has told parliament the Office of the Coordinator-General has been courting AI facilities since 2018 with no public consultation process Tasmanians have ever seen, raising a basic question: which companies were engaged under that strategy, and through what process?

Source: [Office of the Coordinator-General — "Data Centre Action Strategy" \(2018\)](#)

Source: [Tabatha Badger MP — "AI Factories and Datacentres" speech, House of Assembly \(25 March 2026\)](#)

- Tasmania has the weakest political donation disclosure laws of any Australian state: the Rockliff government has proposed a \$5,000 threshold before a donor's identity must be disclosed at all, and even then declarations would only stay published online for a minimum of six months before reverting to on-request inspection.

Source: [ABC News — "Weak laws mean most political donations in Tasmania remain a secret — that could be about to change"](#)

- Tasmania's own Integrity Commission has warned that a "revolving door" between government and industry — including former premiers and staffers moving directly into corporate lobbying roles — can create "industry-friendly networks" that "warp access to politicians," and that Tasmania is the only state that still allows lobbyists to be paid success fees for achieving a policy outcome for a client.

Source: [ABC News — "Covers would come off political lobbying under changes being urged in Tasmania"](#)

- A single local council with limited resourcing for technical/financial scrutiny — George Town Council — was the sole approval body for Firmus's 288MW Bell Bay facility, Tasmania's largest single power-consuming development, despite the state's own EPA declining to formally assess it.

Source: [ABC News — "Firmus 288-megawatt AI data centre at Bell Bay, Tasmania gets approval after 6-1 council vote"](#)

- Councillors themselves said their hands were largely tied: acting only as a planning authority, they could weigh the proposal solely against the Tasmanian Planning Scheme, not against the wider energy, water or AI-policy questions residents raised — and Tasmania's EPA had already decided in August it did not need to assess the project at all, finding the risk of serious harm "very low or negligible." Greens MP Tabatha Badger called the state government's role "shameless," saying it had "backed in Firmus without asking Tasmanians."

Source: [Pulse Tasmania — "George Town Council approves 288-megawatt AI data centre at Bell Bay"](#)

- A Greens-sponsored parliamentary petition calling for a moratorium on all new AI data facilities until legislated guardrails are in place drew more than 4,200 signatures within a week of launching — an unprecedented response by Tasmanian parliamentary petition standards — and later grew past 10,000. Greens MP Tabatha Badger noted the Tasmanian Parliament "hasn't been presented with a business case for these AI factories. Neither has the Tasmanian community." The parliamentary inquiry's committee membership itself reflects how narrow support for a pause is: of its members, only Greens MP Tabatha Badger and independent MP Helen Burnet have publicly backed a moratorium; the Labor and Liberal members have not.

Source: [Tasmanian Greens \(Tabatha Badger MP\) — "Parliamentary Petition Calls for AI Data Centre Moratorium"](#)

- A third Tasmanian council has effectively admitted it isn't equipped to assess these projects. Considering Firmus's 52MW Wesley Vale application, Latrobe Council voted to formally ask the Planning Minister to

declare it a “major project” — meaning the council itself would not have to assess it — and separately requested amendments to the planning scheme, which Mayor Peter Freshney said was “not fit for purpose” to appropriately consider data centre proposals. “Those concerns from the community and others in the sector cannot be addressed to the extent they need to be under the current framework,” Cr Freshney said. Residents were given just 14 days to lodge representations on the application.

Source: [ABC News — "Six new AI data centres proposed for Tasmania, but companies behind them are being kept secret"](#)

- The power deal underpinning Firmus's whole Tasmanian pitch has never been made public or put to a parliamentary vote. Firmus's original 104MW agreement with state-owned Aurora Energy and Hydro Tasmania only became publicly known because the company's own co-CEO mentioned it on ABC Radio — not because government disclosed it. Greens MP Tabatha Badger has called the arrangement “highly unusual,” saying: “There's never been any details on what exactly was promised to Firmus, or what Firmus was promising to deliver for the Tasmanian community.” The much larger 450MW request — up to 30% of the state's entire power supply — is being decided inside Hydro Tasmania's boardroom by the end of 2026, again with no parliamentary vote or public tender.

Source: [The Point / Australia Institute \(Louise Morris\) — "Tasmania's renewable energy is being handed to an AI startup while local industry left waiting"](#)

- Residents around the Tamar River are crowdfunding an urgent legal challenge, via the Tasmanian Civil and Administrative Tribunal (TASCAT), against Firmus's approved 288MW facility at Long Reach, Bell Bay — built on land that lost its 50-year conservation protection in 2007 and was approved without a comprehensive environmental impact assessment. Whatever the outcome, this is the first legal test of how these approvals hold up outside the planning-council process, on a site that will help set the precedent for the rest of Tasmania's data centre pipeline.

Source: [GoFundMe — "Stop the data centre on the banks of the Tamar River" \(Tamar Valley community legal fund\)](#)

7. Regulatory Responses Elsewhere — Precedents for Enforcement

- The Lane Cove Responsible Planning Group's submission to the NSW Parliamentary Inquiry into Data Centres offers a directly comparable case study: a 131-member community group and a 911-signature petition opposing the clustering of five hyperscale data centres in a small residential precinct in Sydney. Their submission documents that the existing AirTrunk SYD2 facility had, for years, failed to submit mandatory noise verification reports and an overdue Long-Term Environmental Management Plan required by its own approval conditions — and that early monitoring found it was already operating louder than predicted, exceeding night-time noise limits at nearby homes, with “limited enforcement or follow-up mechanisms” once conditions go unmet. The group's core recommendations — mandatory cumulative-impact assessment where multiple data centres are proposed in one area, minimum separation distances from homes and schools, and proof of compliance with existing conditions before any further approvals are granted — are a template Tasmania's own inquiry could adopt directly, and the submission itself notes that

several US and European jurisdictions have already paused approvals specifically to review cumulative impacts of clustering.

Source: [Lane Cove Responsible Planning Group — Submission No. 132, NSW Parliamentary Inquiry into Data Centres \(30 April 2026\)](#)

- By contrast, Australia's own forthcoming federal data centre standards are not expected to be legislated until early 2027 — and the government has confirmed they will not apply retrospectively. Facilities already approved or under construction, including Tasmania's, could escape the new rules entirely, even as ABC analysis shows the next generation of approved-but-unbuilt centres will be significantly bigger and more resource-hungry than those already running.

Source: [ABC News — "The bigger, hungrier AI data centres set to escape looming water and power restrictions"](#)

- Prime Minister Anthony Albanese confirmed this directly: “This ... will be for new proposals. You can't retrofit,” he told ABC Radio Sydney — meaning every data centre approved before the 2027 legislation, including everything currently on the table for Tasmania, is permanently exempt from the very standards the federal government is designing in response to these concerns.

Source: [The Canberra Times — "AI rules won't apply to under-construction data centres"](#)

- Tasmania's own state framework is, by its own wording, unenforceable. The Tasmanian Government's “Draft Expectations for Data Centres and AI Infrastructure Developers” (September 2026) states plainly: “These expectations are a non-statutory statement of government policy. They do not create a new approval or regulatory process, alter statutory assessment criteria, fetter independent decision-makers or replace any requirement to comply with existing laws.” Even its water and energy provisions — requiring proponents to “partner with new energy generation projects,” minimise water use and be “transparent about how they source electricity” — are framed only as things “proponents are expected to” do, with compliance left to voluntary certification and commercial arrangements rather than any statutory approval condition, licence, or penalty.

Source: [Tasmanian Government \(Building Tasmania\) — "Draft Expectations for Data Centres and AI Infrastructure Developers: Tasmania" \(September 2026\)](#)

8. Untaxed, Unregulated Wall Street Financialisation & Speculation

- Firmus Technologies, the company behind Tasmania's proposed AI factories, is funded almost entirely by outside institutional capital — including a US\$10 billion debt facility led by global hedge fund Blackstone — and is now pitching an ASX float that could raise up to \$7 billion at a valuation above \$50 billion, which would make it one of the largest listings in Australian history, rivalling Telstra's.

Source: [ABC News — "AI data centre provider Firmus courting investors ahead of IPO on Australian Securities Exchange"](#)

Source: [TheNextWeb — "Nvidia-backed Firmus targets \\$2bn ASX IPO after locking in \\$505m equity and \\$10bn Blackstone debt"](#)

- The Australia Institute's co-CEO, economist Dr Richard Denniss, argues Big Tech is now “running the same script” the gas industry used for decades: inducing governments to hand over public resources free and untaxed by exploiting fear of missing out. “That FOMO ... is being weaponised by the world's most profitable companies at the moment,” he said, warning that the same pattern seen with gas — profits posted to overseas head offices while locals are left with higher bills — is repeating with AI data centres, and that if the same politicians who negotiated Australia's gas deals go on to negotiate with the world's most powerful AI companies, “the red light should be flashing in voters' minds.”

Source: [The Point — "From gas to big tech: Richard Denniss warns Australia is falling for the same old trick"](#)

- The same US AI companies competing for Tasmanian and global data centre capacity — Anthropic, Google, OpenAI and xAI — have each signed Pentagon contracts worth up to US\$200 million to build AI tools for military decision-making, tying the commercial data-centre boom directly to defence-industry financing.

Source: [The Intercept — "AI Giants Work Hand-in-Hand With the Pentagon, Contracts Reveal"](#)

- In the US, investment accounts and family members tied to the president hold financial stakes in AI chip and data-centre companies that stand to benefit directly from the same administration's fast-tracked permitting policy for data centres — a documented overlap that ordinary conflict-of-interest rules do not require the president to recuse from.

Source: [Data Center Dynamics — "US President Donald Trump personally invests millions in data center industry firms"](#)

Source: [American Investigator — "Trump's Investment Accounts Are Trading Data-Center Companies as His Administration Speeds the Buildout"](#)

Source: [Bloomberg — "2026 Trump Stock Trades vs. Congress" \(graphics/data feature\)](#)

- Even Microsoft co-founder Bill Gates has publicly rejected leaving AI and data-centre expansion to industry self-regulation, arguing the sector's own commercial incentives conflict with the public interest and that enforceable government rules — not voluntary pledges — are now required.

Source: [TechSpot — "Bill Gates: tech executives are privately terrified of AI"](#)

- Firmus's capital structure — Nvidia, Coatue, Blackstone and Jane Street among its investors, with a pre-IPO valuation that roughly tripled in six months — is built to deliver returns to those offshore institutional backers first; nothing in that structure obliges the company to prioritise Tasmania's water security, grid stability or host communities over shareholder returns.

Source: [Cryptobriefing — "Firmus seeks to raise \\$5B in IPO on Australian Securities Exchange"](#)

- Beyond the direct AI-model contracts, the same hyperscale cloud providers underpinning the global data-centre boom — Microsoft, Amazon and Google — also hold a combined US\$9 billion Pentagon cloud-

computing contract (the Joint Warfighting Cloud Capability), running to 2028, tying their commercial infrastructure growth directly to US military computing needs.

Source: [Nextgov — "AWS, Google, Microsoft, Oracle awarded \\$9B Pentagon cloud contract"](#)

- Historian Yuval Noah Harari has warned that AI and machine learning could make centralised data processing far more efficient than the distributed processing that underpins democratic systems, and that if democracy cannot adapt, humans risk living under “digital dictatorships.”

Source: [World Economic Forum \(Davos\) — Harari remarks, via X/Twitter](#)

- In a more recent lecture, Harari sharpened this warning: the primary danger of AI, he argues, is not killer robots but “banal AI bureaucrats” — AI agents making decisions inside black boxes across banking, university admissions, courts, employment and government, without the people affected understanding how or why. He warns that as AI takes over the bureaucratic machinery society relies on to build trust between strangers, “millions of AI bureaucrats will increasingly take over bureaucracies and make decisions” — a warning directly relevant to Tasmania handing unprecedented power, water and data access to foreign-controlled AI infrastructure with limited public oversight.

Source: [Professor Yuval Noah Harari — "On the dangers of millions of AI bureaucrats" \(YouTube\)](#)

- Former US President Barack Obama has said publicly that AI “is something that is moving very fast in private hands, and if we don't get on top of it, I think can be dangerous,” urging lawmakers to build a public policy framework before the technology outpaces oversight.

Source: [CNN Politics — "Political debate over AI intensifies amid warnings about 'catastrophic risk'"](#)

Source: [The Guardian — "Obama urges Democrats to push for AI safety regulation"](#)

- In September 2026, Anthropic researcher Jacob Coxon publicly resigned, stating that Anthropic and OpenAI “are racing straight to self-improving superintelligence and gambling with our lives” — a warning echoed by at least two of his former Anthropic colleagues, who confirmed staff internally believe the technology carries a real risk of catastrophic harm.

Source: [TechCrunch — "'Gambling with our lives': Anthropic researcher quits, warns against self-improving AI"](#)

Source: [ABC News — "Anthropic researcher quits saying AI developers believe 'it could kill us all'"](#)

- Days later, the United Nations human rights chief Volker Turk separately warned the UN Human Rights Council that he shared “the concerns of industry insiders that advanced AI could pose an existential risk to humanity,” calling for “all-out effort to put cast-iron guarantees in place around the safety and security of AI before it is too late” — a global regulatory body echoing exactly the accountability gap this inquiry is being asked to address at the local level.

Source: [ABC News — "Autonomous drones and AI called out by UN human rights chief"](#)

- Days after Coxon's resignation, Anthropic CEO Dario Amodei himself published an essay, "We Must Pace the Frontier," stating: "We must slow the pace at which we improve the capabilities of AI models." OpenAI's Sam Altman and xAI's Elon Musk both publicly endorsed the call — Altman writing "I agree with Dario that we need to pace the frontier," and Musk simply posting "Dario is right." When the CEOs of the companies building this technology, and racing to deploy it in facilities like Tasmania's, are themselves calling for a slower pace and independent oversight, that is a strong signal the industry cannot be left to regulate itself.

Source: [The Wrap — "Sam Altman, Elon Musk Back Anthropic CEO's Call to Slow AI Development as Safety Concerns Mount"](#)

- Microsoft co-founder Bill Gates has separately warned that AI "will empower bad actors who have relatively little power now" while "the same tools will also concentrate power in places where it already exists" — naming critical infrastructure, including power grids and water systems, among the systems most exposed.

Source: [Thurrott.com — "Bill Gates Issues a Strident Warning About AI"](#)

- In his own nearly 6,000-word essay, Gates went further than a warning, saying plainly that "there is no plan" to manage AI's coming disruption and that he would support a credible one if it existed. He wrote that AI "will either be the greatest equalizer ever invented, or the worst source of injustice," and called on citizens, communities and institutions — not just governments and companies — to actively meet, plan for and mitigate the risks, rather than leave the transition to be shaped solely by the industry building the technology.

Source: [Bill Gates — "The turbulent AI era is here. The choices we make now are critical." \(gatesnotes.com\)](#)

- Firmus's own financing looks shakier than its public pitch suggests. In July 2026, Nvidia named Firmus and rival Sharon AI as the first partners in an experimental "AI Compute Partnership" financing scheme — covering Firmus's separate 360MW, up-to-170,000-GPU project in Batam, Indonesia — under which Nvidia would take a 50% cut of revenue above an agreed threshold. Nvidia quietly paused the scheme less than two months later, in late August 2026, after its own staff raised internal antitrust concerns and prospective partners objected to the control Nvidia sought over how they ran their businesses — a reminder that a company seeking Tasmanian public power, water and land approvals is itself relying on financing arrangements novel and risky enough to draw internal antitrust alarm within weeks of launch.

Source: [Techstrong.ai — "NVIDIA Pauses \\$36 Billion Revenue-Sharing Financing Model Amid Antitrust Scrutiny, Partner Pushback"](#)

- While chasing approvals across the state, Firmus has also been rapidly buying local goodwill: within weeks it signed sponsorship deals with the Tasmania Devils (AFL/AFLW, six years, branding on coaching uniforms and playing shorts), the Tasmania JackJumpers and Tasmania Jewels (principal community partner), and Cricket Tasmania/Hobart Hurricanes (five years, over \$1 million for grassroots programs) — while the Devils' own CEO confirmed the sponsorship's dollar value is "commercial in confidence." Marketing academics quoted on the deals said the sponsorships could offer Firmus "visibility, legitimacy and social licence" but would need genuine community engagement to build lasting public trust, with one report on the pattern explicitly framing it as a test of "social licence or 'sportswashing'." Critics have asked why a

company that keeps its sponsorship figures confidential should be trusted to be transparent about the far larger public power, water and land resources it has been allocated.

Source: [Capital Brief — "Social licence or 'sportswashing'? Behind Firmus' new play to win over Tasmanians"](#)

Source: [ABC News — "AI data centre company Firmus announced as Tasmania Devils AFL sponsor"](#)

- Firmus is targeting up to \$30 billion in committed annual revenue and a valuation that could reach US\$80 billion ahead of its IPO, with its biggest customer (Meta) and its founders based offshore. HSBC's chief economist has directly compared the data-centre boom to the early-2000s LNG boom, warning that foreign ownership means profits are likely to flow overseas while “near-term economic benefits for Australia are limited,” most equipment is imported from Asia rather than built locally, and that without enough new local energy and water supply, data centres “will likely put upward pressure on the prices of these resources — potentially crowding out other industries and also affecting the cost of living for households.”

Source: [Wilson Asset Management \(reproducing Australian Financial Review reporting\) — "Nvidia-backed Firmus targets \\$30b revenue ahead of IPO in fourth quarter"](#)

9. Australians' Copyright Rights Under Threat of Theft

- A leaked Attorney-General's Department consultation document titled “AI on Australian Terms” sets out two options that would let AI companies train on Australians' copyrighted work — photos, business websites, council reports, songs, writing — by default, unless the individual creator actively opts out. Under one option, the government's own briefing material states no additional payment would ever reach anyone outside deals struck with a handful of large rights-holder organisations.

Source: [ABC News — "AI companies could use creators' work without paying them under leaked government copyright proposal"](#)

- The leaked document was tabled by ACT Senator David Pocock, who has called the arrangement the “ultimate dirty deal” — warning that easing copyright protections in exchange for AI data-centre investment would throw creatives “under the bus.”

Source: [The Guardian — "Pocock says Labor easing copyright protections for AI datacentre investment would throw creatives 'under the bus'"](#)

- On ABC Radio National Breakfast, Shadow Minister for Defence James Paterson argued it was in Australia's national interest for Australians to hand over their data to train US frontier AI models — illustrating that the push to ease copyright protection for AI training is being framed, at the federal political level, as a sovereignty and investment trade-off rather than a creators'-rights question.

Source: [ABC Radio National Breakfast — "Paterson says AI investment in Australia's national interest"](#)

- Digital Rights Watch has separately warned that AI systems and the data centres running them operate as opaque “black boxes,” and is pushing for mandatory transparency and record-keeping requirements so it

can actually be verified whether a model was trained on Australians' copyrighted work without consent — rather than simply assumed.

Source: [Digital Rights Watch — "The Fight for Digital Rights in the Age of AI"](#)

- Australia currently has no text-and-data-mining exception in copyright law (unlike the EU, UK, US, Japan and Singapore), meaning AI companies are already required to licence copyrighted training data here — which is precisely the existing protection the leaked opt-out proposal would weaken for anyone who doesn't find out about the scheme and act to opt out.

Source: [SoftwareSeni — "Complying with Australian AI Regulations Using Existing Laws: Privacy, Consumer Protection, and Copyright"](#)