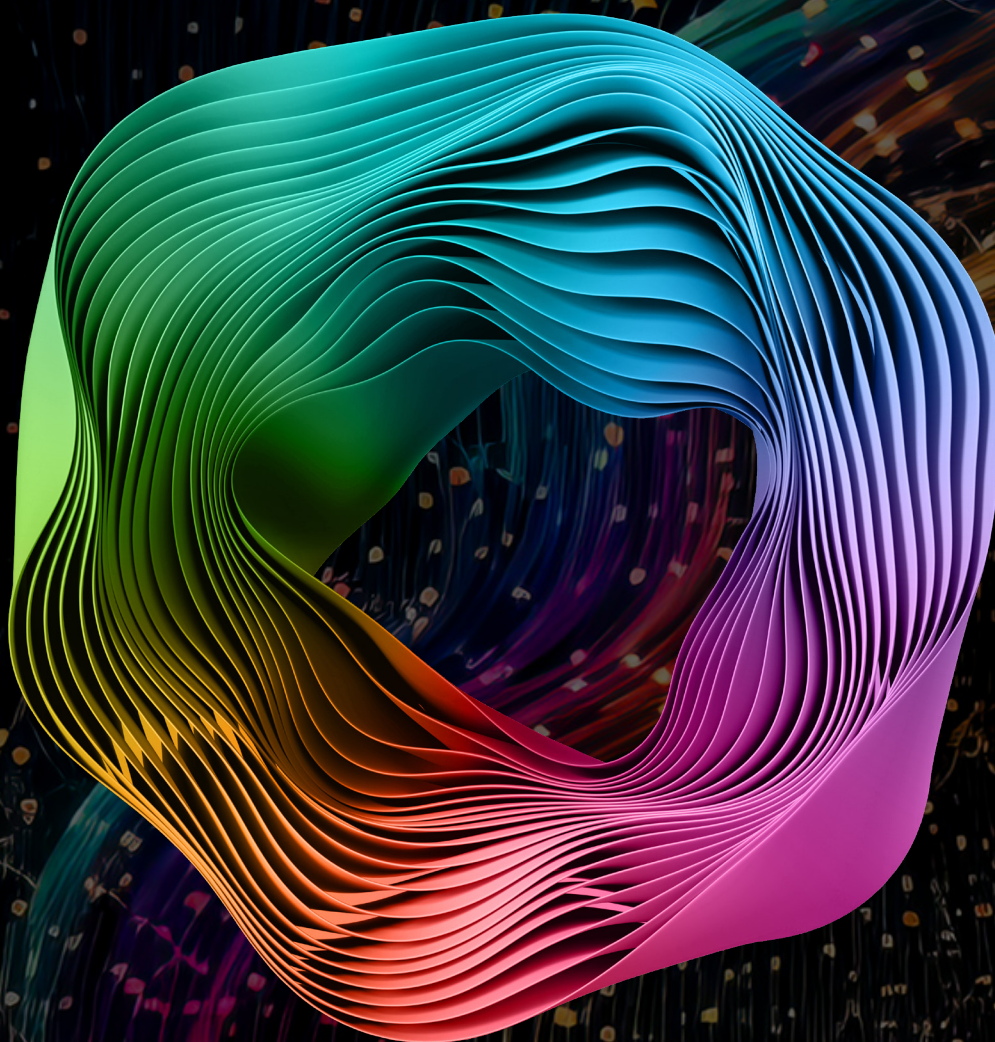


**Deloitte.**



**Generative AI:**  
Australia update

Deloitte AI Institute

**Deloitte**  
**Access Economics**

# Report overview

This report was co-developed by Deloitte Access Economics and the Deloitte AI Institute to provide insights for Australian C-suite executives on generative artificial intelligence (gen AI) and its increasing popularity with university students and employees. The report findings are based on a survey of more than 11,900 Asia Pacific residents, including nearly 1,300 Australian students and employees.

This is an expansion of the previous edition of the report, *Generation AI: Ready or not, here we come*, which was released in 2023. It enables an examination of trends in gen AI use within Australia and allows for cross-country comparisons across Asia Pacific.

## Gen AI use among Australian employees continues to grow rapidly

Generative Artificial Intelligence (gen AI) continues its transformation of work and study in Australia. Gen AI applications like ChatGPT, Midjourney, and GitHub Copilot continue to grow in capabilities and are being joined by the likes of Gemini and Claude. This report, 12 months since the release of our research report, *Generation AI: Ready or not, here we come!*, updates our analysis of gen AI use and attitudes when it comes to this fast paced technology. We find that gen AI use in Australian workplaces has increased from **32% to 38% of all employees**.<sup>i,ii</sup> In comparison, the number of internet users in Australia has increased by 1%.<sup>1</sup> This **20% increase** in gen AI usage in less than a year represents a significant jump in usage on top of already fast adoption.

Young people who have grown up with AI already in their life — who we have dubbed ‘Generation AI’ — continue to lead the adoption of gen AI in Australia. Australian employees aged 18 to 24 years old are **more than twice as likely** to be using gen AI compared to those aged 55 years or older. This suggests that age and early exposure to digital technologies are key drivers of high gen AI use.

**38%**  
of employees use  
gen AI in Australian  
workplaces

<sup>i</sup> To ensure comparability between the 2023 and 2024 surveys, the 2024 survey responses were weighted based on the age of 2023 survey respondents for this question.

<sup>ii</sup> Due to a lack of familiarity with the term ‘generative AI’ in 2023, the 2023 survey referred to ChatGPT throughout. In 2024, ChatGPT was expanded to include all forms of generative AI. This should be kept in mind when making cross survey comparisons.

## Employees have transitioned from experimenting to systematically applying gen AI at work

In the past 12 months, **64%** of gen AI users have increased the amount they engage with the tool.<sup>iii</sup> **1 in 5** have more than doubled their use. Employees are utilising gen AI more frequently and for a greater number of tasks at, including creating written content, generating ideas, and conducting research. For example, in the past 12 months the share of employees using generative AI to create written content has increased by nearly 60%.

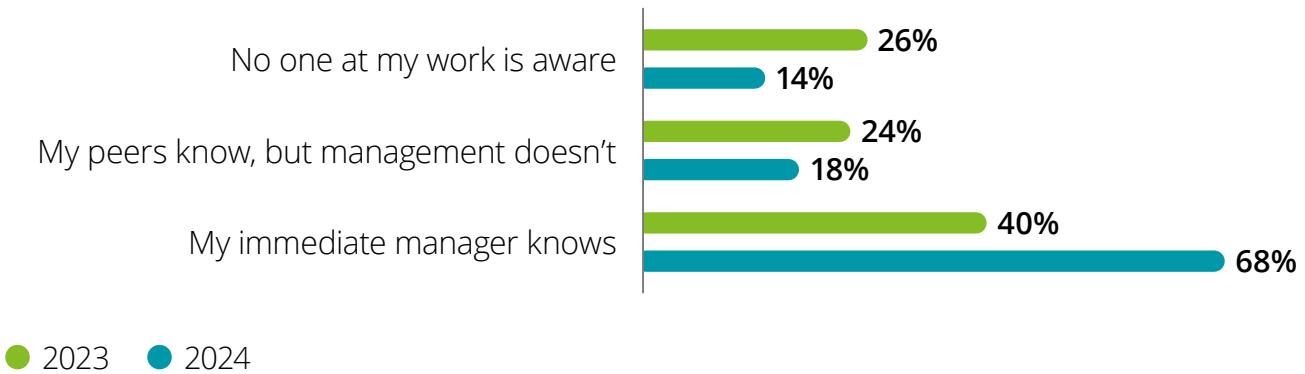
There is increasing awareness among managers around employee use of gen AI. The percentage of Australian employees using gen AI for work purposes who believe management knows has increased from **36% to 56%** in past year (Figure 1). This indicates increasing recognition among employees and management about the value from gen AI.

However, **more than a quarter (27%)** employees continue to use operating without the knowledge of management. This unsupervised use of gen AI leads to potential risks, such as misuse of confidential information, and suggests businesses are still having to play catch-up with their own employees. When asked to categorise their place of employment in terms of maturity of gen AI use (by selecting either laggard, late majority, early majority, early adopter, or innovator), **only 14%** of Australian employees consider their business to be early adopters or innovators. This is expected to increase to just 20% in five years' time.

More than a **1/4** of employees use gen AI without the knowledge of management

<sup>iii</sup> This statistic refers to survey respondents who were using gen AI 12 months ago.

**Figure 1: Managers are increasingly aware of gen AI use by employees**



Source: Deloitte gen AI surveys (2023 and 2024)

## As in 2023, users of gen AI are experiencing large improvements in their productivity, performance, and wellbeing

According to our gen AI survey, **3 in 4 Australians** that use gen AI said that it has improved the speed at which they can complete tasks. This increased speed has led to significant time savings. Half of gen AI users (47%) said they use the time saved to complete additional tasks at work, while 1 in 4 invested time in additional learning or skill development.

Gen AI has also improved Australians performance at work. In 2024, **70% of Australian employees** agreed that gen AI had improved their ability to generate new ideas, compared to 67% in 2023. Further, most Australian employees said that gen AI:

- increased the quality of their outputs (67%),
- improved their ability to learn new skills (60%), and
- increased the accuracy of their outputs (56%).

**1 in 2 (48%)** of gen AI users said that the technology has increased the wellbeing they feel during work and/or study. Two thirds (64%) agree that the nature of their work and/or study has improved, reflecting that gen AI allows users to automate repetitive tasks and focus on engaging projects.

# How will businesses be disrupted by gen AI?

Gen AI is not merely a productivity enhancing tool. It is a new technology that businesses are increasingly employing to develop novel service offerings and re-organise business processes.

Three notable examples of business gen AI adoption in Australia include:

- **Telstra** developing a gen AI knowledge bot, *AskTelstra*, which allows staff to search over 2,000 manuals via a simple interface.
- **Lendlease** creating a digital platform, *Podium for Development*, which uses computational design and gen AI to configure optimal designs and reduce waste.
- **Foresight Medical** utilising gen AI to recognise ocular biomarkers and, in turn, advance the early diagnosis of Alzheimer's disease.

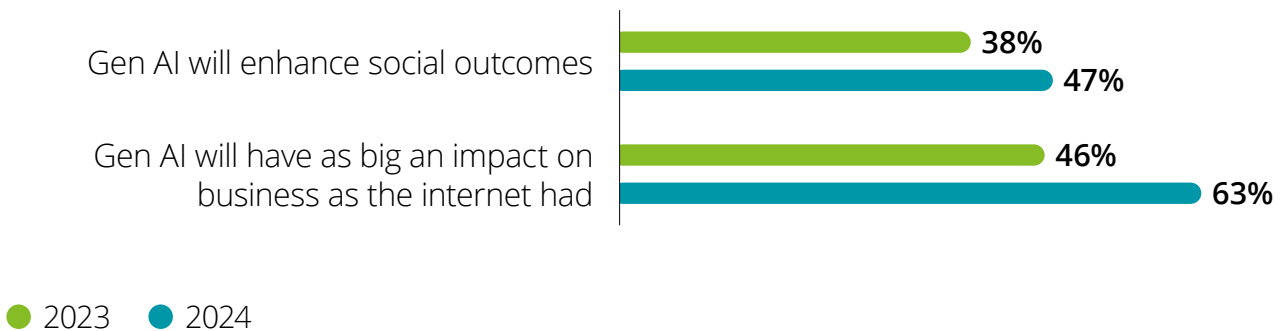
This is likely to be a disruptive process, where new entrants to the market will utilise gen AI to challenge established business models and incumbents.

Finance, information, computing, and technology (ICT) and media, professional services, and education will face imminent and extensive disruption, based on analysis undertaken in the original Generation AI report. Gen AI will also generate significant disruptions across a range of other industries, including healthcare, government services, real estate, and the arts.

## Australians are also increasingly expecting gen AI to generate significant economic and social change

In the past 12 months, the percentage of Australian employees who agree gen AI will have as big an impact on business as the internet had has increased from **46% to 63%** (Figure 2). Similarly, the percentage who believe gen AI will enhance social outcomes – such as, access to training, education, and healthcare – has **increased by 24%**.

Figure 2: Expectations of the economic and social impact of gen AI are rising



Source: Deloitte gen AI surveys (2023 and 2024)

47%  
believe gen AI  
will enhance  
social outcomes

## Australian employees are now more concerned than ever about the risks of gen AI

In the past 12 months, the share of Australian employees who are concerned about key risks associated with gen AI use has increased across each risk type (see Figure 3).

For example, in 2023, 73% of employees were alarmed about gen AI making factual errors. By 2024, this percentage had **increased to 87%**. Other major concerns for Australian employees in 2024 include the misuse of personal, confidential, or sensitive information (89% of surveyed respondents), legal risk and copyright infringement (84%) and a lack of accountability (84%).

Australian business leaders need to address these risks and empower employees to fully utilise gen AI applications. In doing so, businesses can mitigate these risks. Addressing these risks are a business imperative. Over the longer term, businesses that do not explore the use of gen AI in their business or industry risk being left behind by competitors.

**Figure 3: Australian employees are increasingly alarmed about gen AI risks**



Source: Deloitte gen AI surveys (2023 and 2024)



## Australian businesses need to do more to embrace gen AI

While 38% of Australian employees are using gen AI for work purposes, **47%** are not aware of any actions taken by their business to respond to its rapid emergence in the workforce. This may reflect either a lack of action or a breakdown in communication between senior leaders and employees about the response to this important development. As a result, **only 20%** of employees believe their business is taking full advantage of gen AI.

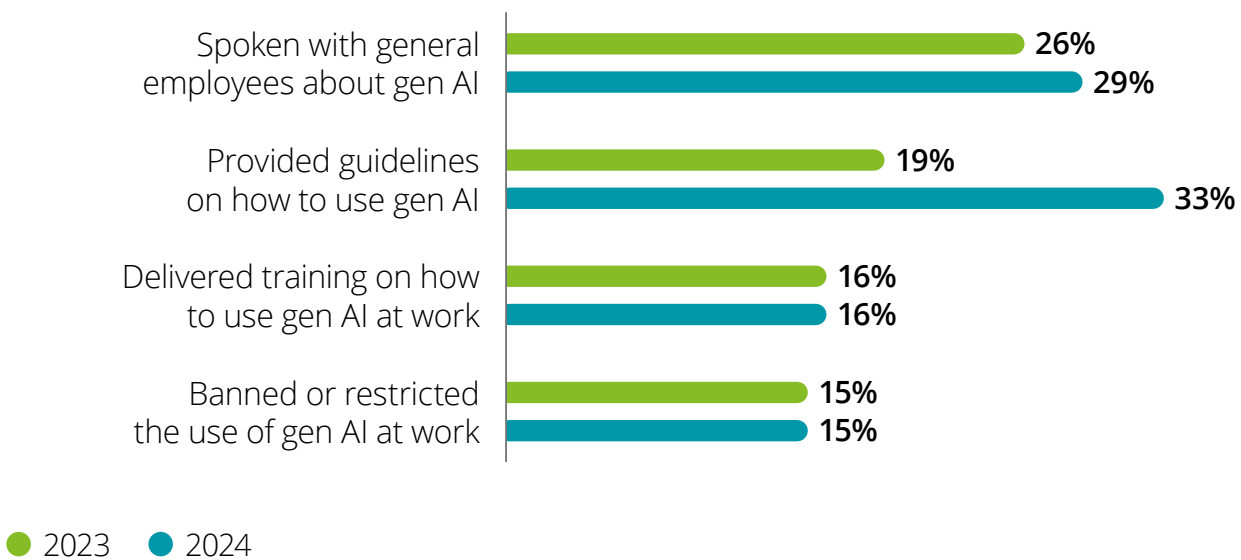
**20%**  
of employees believe their business is taking full advantage of gen AI

Some businesses have taken a knee-jerk reaction to the emergence of gen AI, with 15% of employees across Australia working in a business that bans or restricts the use of gen AI (unchanged from 2023, see Figure 4). However, banning or restricting gen AI has been found to be ineffective and can, in some cases, increase gen AI use by employees.

The most common action to address the emergence of gen AI remains speaking with employees (increasing from 26% in 2023 to 29% in 2024) and/or provided guidelines on how to use gen AI at work (19% to 33%). However, there has been no change in businesses delivering training on gen AI or banning the use of gen AI. Training related to gen AI use has been found to increase worker productivity and improve working conditions for employees.<sup>2</sup>

There is also a role for businesses in informing employees of how they can adopt gen AI through identifying use cases. Currently, only one third (34%) of employees believe their business has identified use cases and many lack an understanding of the extent to which gen AI can be used in their role. A recent Deloitte Access Economics survey found that **three quarters (73%)** of employees who haven't used gen AI don't believe it is relevant to their role.<sup>3</sup> However, research suggests that AI will impact **86% of all occupations across Australia and impact 25% of all working time across the economy.**<sup>4</sup>

**Figure 4: There is more businesses could do to facilitate the adoption of gen AI**



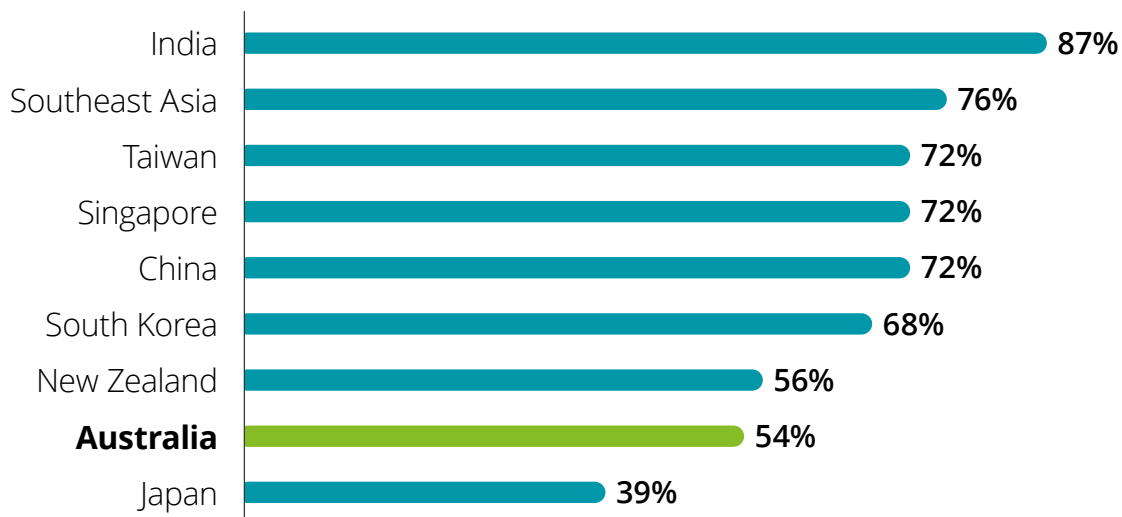
Source: Deloitte gen AI surveys (2023 and 2024)



## Australia is lagging behind other countries in Asia-Pacific

Australia has the second lowest share of gen AI users (including employees and students for use at work, study, or personal purposes) of Asia Pacific locations surveyed – **54% compared to an Asia Pacific average of 67%**. In fact, developing locations, such as China, India, and Indonesia, Malaysia, Philippines, Thailand, and Vietnam, have a 30% higher share of gen AI users than developed locations (including Australia Japan, Taiwan, Singapore, South Korea, and New Zealand).<sup>5</sup> This adoption gap partially reflects that these locations have more ‘digitally native’ people as a percentage of their total populations. In fact, **nearly half (46%)** of those surveyed in India were aged between 18 and 35 years old, compared to **34% of Australians** surveyed.

Figure 5: Australia has the second lowest share of gen AI users of Asia Pacific locations surveyed

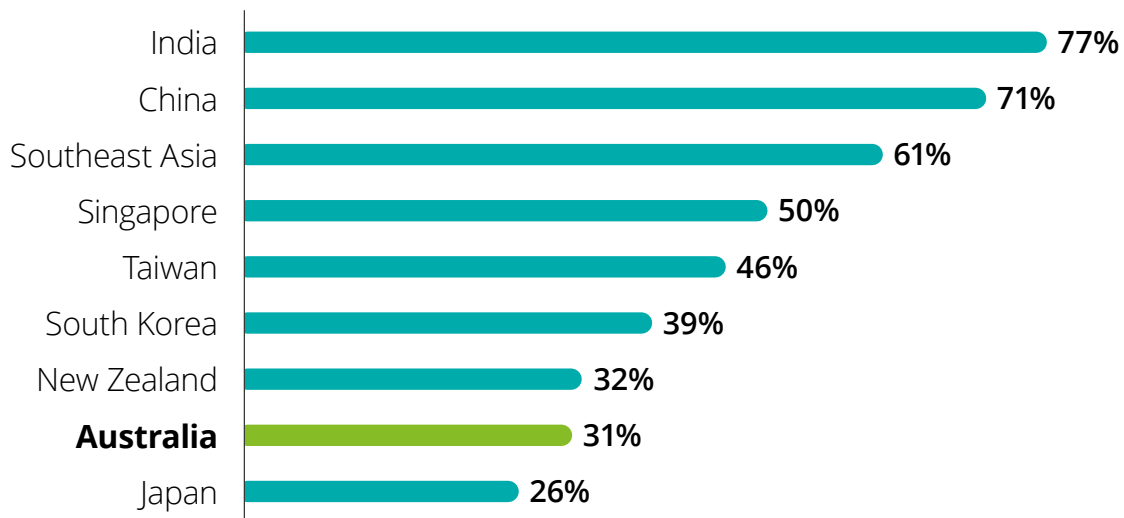


Source: Deloitte gen AI survey (2024)

**Generative AI:** Australia update

Australian employees and students are also less likely to be acting in response to the rapid emergence of gen AI, compared to other Asia Pacific locations. Actions taken include researching the basics of gen AI, advancing programming skills, collaborating with others about the technology and undertaking formal study. **Only 31%** of Australians have begun to prepare, compared to an average of 49% across Asia Pacific and 71% in China specifically.

**Figure 6: Australians are less likely than other Asia Pacific locations to have taken action in response to gen AI**



Source: Deloitte gen AI survey (2024)

Gen AI is going to have the largest disruption to professional and managerial roles.<sup>6</sup> Australia, as a country with a high proportion of its workforce in these roles (39% of total workforce), will be extremely susceptible to short-term disruption by gen AI.<sup>7</sup> As such, Australia must take urgent action to close its gen AI gap relative to the rest of Asia Pacific.

# Australian businesses should action three 'no-regret' moves

The rise of gen AI means that business leaders and employees both need to think strategically and act proactively to respond to the rapidly changing environment. So, what are the critical steps business leaders can take now? Based on the analysis of our findings, three moves with high-impact potential stood out:

1

## **Develop and implement a gen AI strategy**

that focuses on your businesses' core value areas. The strategy should outline how AI can help boost the competitive advantage of your business and include plans to engage employees (e.g., through providing guidelines) and invest in the technology (e.g., by purchasing bespoke AI products).

2

**Empower your employees to own their AI journey.** This could involve delivering short training sessions with practical examples, leveraging expertise from trusted partners, and encouraging greater collaboration between employees using the technology – for example, through a competition or showcase. Maintaining competitive advantage will require businesses to proactively upskill their employees, rather than waiting for education providers to catch up.

3

**Develop your data infrastructure and data governance** iteratively as needed to embrace generative AI. This may include improvements to the quality of structured data through data cleaning, as well as the establishment of a key governance framework for managing risks.

**To find out more**

about gen AI adoption across the Asia Pacific, [click here](#) →

# Endnotes

1. DataReportal (2024). Digital 2024: Australia. <https://datareportal.com/reports/digital-2024-australia#:~:text=There%20were%2025.21%20million%20internet%20users%20in%20Australia%20in%20January,January%202023%20and%20January%202024>
2. Lane, M., Williams, M., and Broecke, S., The impact of AI on the workplace: Main findings from the OECD AI surveys of employers and workers, OECD (2023), <https://www.oecd.org/publications/the-impact-of-ai-on-the-workplace-main-findings-from-the-oecd-ai-surveys-of-employers-and-workers-ea0a0fe1-en.htm>
3. Deloitte Access Economics, Ready, Set, Upskill: Maximising the ROI of skills and training, (report commissioned by RMITO, February 2024) <https://www.deloitte.com/au/en/services/economics/analysis/ready-set-upskill.html>
4. Deloitte Access Economics, ACS Australia's Digital Pulse 2023, (report commissioned by the Australian Computer Society, 16 November 2023) <https://www.deloitte.com/au/en/services/economics/perspectives/australias-digital-pulse.html>
5. International Monetary Fund, Groups and Aggregates Information (2024), <https://www.imf.org/en/Publications/WEO/weo-database/2023/April/groups-and-aggregates>
6. Pizzinelli, C., A. Panton, M. M. Tavares, M. Cazzaniga, and L. Li, Labor Market Exposure to AI: Cross-country Differences and Distributional Implication, IMF Working Paper 23/216 (2023)
7. Australian Bureau of Statistics (2024). Labour Force, Australia, Detailed. Table 7. <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>

# Contact us



**John O'Mahony**

Partner, Deloitte Access Economics

[joomahony@deloitte.com.au](mailto:joomahony@deloitte.com.au)



**Kellie Nuttall**

Partner, Consulting Strategy & AI

[knuttall@deloitte.com.au](mailto:knuttall@deloitte.com.au)



**Nick Hull**

Associate Director, Deloitte Access Economics

[nhull@deloitte.com.au](mailto:nhull@deloitte.com.au)



**Erica Dodd**

Senior Manager, Consulting Strategy & AI

[edodd@deloitte.com.au](mailto:edodd@deloitte.com.au)



**Vonnie Herbert**

Senior Analyst, Deloitte Access Economics

[vherbert@deloitte.com.au](mailto:vherbert@deloitte.com.au)



**Katie McGregor**

Analyst, Deloitte Access Economics

[kmcgregor@deloitte.com.au](mailto:kmcgregor@deloitte.com.au)



# Deloitte.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organisation”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organisation”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

## **About Deloitte**

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organisation”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 415,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

## **About Deloitte Asia Pacific**

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

## **About Deloitte Australia**

The Australian partnership of Deloitte Touche Tohmatsu is a member of Deloitte Asia Pacific Limited and the Deloitte organisation. As one of Australia’s leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, risk advisory, and financial advisory services through approximately 14,000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at <https://www2.deloitte.com/au/en.html>.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

© 2024 Deloitte Touche Tohmatsu

1362641919\_Designed and produced by The Agency | Deloitte Australia\_05/24