

26 June 2026

Senate Committee on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Via email: ec.sen@aph.gov.au



Chamber of Commerce
and Industry WA

T: (08) 9365 7555
E: membership@cciwa.com
W: www.cciwa.com

Dear Chair

REFERENCES COMMITTEE INQUIRY: ARTIFICIAL INTELLIGENCE AND DATA CENTRES

Thank you for the opportunity to provide a submission into the References Committee Inquiry on Artificial Intelligence and Data Centres.

The Chamber of Commerce and Industry of Western Australia (CCIWA) is the peak body advancing trade and commerce in Western Australia (WA). We are fundamentally committed to using our insights to develop and advocate for public policies that help realise our vision to make WA the best place to live and do business.

The Committee inquiry focuses on three aspects of the current technological era, notably: the effectiveness of existing regulatory frameworks, the potential impacts of AI and data centres, and other related matters.

At the end of 2025, CCIWA published a report, [Powering AI: Scoping Western Australia's data centre opportunity](#), which investigated the opportunities that the data centre sector presents to WA, outlining the global state of play for data centres, the benefits of a growing data centre sector in WA, and the factors that make WA internationally competitive for data centre investment.

In what follows, we outline key points presented in our report.

Data centres present an opportunity to grow our economy

Past trends indicate that existing global investment in data centre capacity will double by 2032, and Australia's own capacity will double by the end of this decade.^{1,2}

All sectors of the economy will benefit as businesses capitalise on the productivity gains made possible through cloud computing and other data applications enabled by data centres. For example, in the life sciences sector, Artificial Intelligence (AI) has the potential to assist in diagnosing medical conditions, monitoring patient health, and developing treatment plans.³

¹ World Economic Forum. [This is the state of play in the global data centre gold rush](#). April 2025.

² CBRE. [Australia Data Centres 2024](#). October 2024.

³ Alowais, S.A. et al. [Revolutionizing healthcare: the role of artificial intelligence in clinical practice](#). September 2023.

In addition to productivity gains and data security, the construction and operation of data centres stimulate local economic growth by attracting investment, creating jobs, expanding the pool of skilled workers, and enabling emerging industries.^{4,5,6}

Innovation is key to reducing resource and environmental burden

Much public commentary has focused on water and heat impacts of data centres. However, such commentary fails to acknowledge that not all data centres are equal – some are more energy efficient, while others do not use water.

In Western Australia, innovative cooling solutions reduce the demand on water and energy.⁷ Leveraging these technologies, such as immersion cooling, across Australia can dramatically reduce water consumption and energy demand. Further, global companies are investing directly in renewables to power their data centre operations.⁸ This, in turn, can provide a baseline income for projects, improving their financial feasibility.

Data centres as a diversification opportunity

WA has further competitive advantages to support Australia's growing data centre sector. WA's vast landmass makes the State suitable to support emerging industries and WA's proximity to Asian markets makes it an ideal location to store the region's data.

The Western Australian Government's strong diversification agenda makes the State fertile ground for developing industries and WA has a reliable energy mix underpinned by gas and renewables. Federal Government settings should focus on helping and facilitating this objective.

Conclusion

Ultimately, data centres encourage investment, generate additional tax revenue, and diversify industries, as will be required for the long-term strength of Australia's economy. To realise these benefits, regulatory settings must incentivise local data centre development and make data centres in Australia competitive.

Should you wish to discuss the content of this letter further, please do not hesitate to contact Dr Daniel Kiely, CCIWA Chief Economist, via email at [REDACTED].

Yours sincerely

Will Golsby
Chief Executive Officer

⁴ McKinsey & Company. [Investing in the rising data center economy](#). January 2023.

⁵ Mandala. [Empowering Australia's digital future](#). October 2024.

⁶ U.S. Chamber of Commerce. [Building data centers creates jobs](#). August 2017.

⁷ DUG. [World's first carbon-free data centre planned for takeoff in regional WA. | DUG Technology](#). June 2021.

⁸ Amazon. [Carbon-free energy](#). Accessed May 2025.