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A Second Bite at the Golden Apple

Australia’s Data Centre Opportunity

John Allsopp & Mark Pesce

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Introduction

Data centres have become the great divisive cultural issue of the mid 2020s.

On one hand, they represent the most concrete manifestation of technological progress, bringing together enormous amounts of resources to produce effectively unlimited cognition on demand. Electrons go in one side cognition comes out the other.

On the other hand, data centres typify all of the most arrogant and excessive demands that technology would place upon us. Often in the hands of actors whose motives are - if we can put it succinctly - impure.

Between these two extremes there lies a middle path. This document represents our own view of that path.

In part one, we lay out the already deep integration of data centres into our work practices.

Next we address directly the most significant objections to data centres.

Finally, we take a look at the enormous opportunity open to Australia - *if* it can walk the middle path and get this right.

As with all things NOOPS, we have a strong point of view. We sincerely believe that artificial intelligence is the biggest technological transformation of our lifetime.

For that reason, it should be treated seriously and forthrightly.

We do not claim to have all of the answers, nor do we possess a crystal ball to foresee all of the potential problems that might come in the future. We can only offer what we believe are well-grounded observations, and sensible suggestions.

We believe in Australia, and want to see the nation benefit from a generational opportunity.

We look forward to your comments and critiques.

John Allsopp & Mark Pesce

Part One: Where the Work Happens

One way to understand data centres is to recall the day the world should have ended.

On the 25th of March 2020, Prime Minister Scott Morrison came onto every television screen in Australia - and began sending everyone home, as the only known effective method for preventing the spread of COVID-19.[1]

Frightened, Australians did as they were told. But leaving desks and workplaces behind carried another fear: suddenly 'dead in the water', would we watch our economy collapse beyond repair?

If people can't work, they can't produce. If they can't produce, everything falls apart. That was the logic and it made so much sense that everyone believed it unquestioningly.

The right-of-centre government of Australia pivoted into socialism, creating JobKeeper - a payment of $1,500 a fortnight for every worker stood down - to keep money and commerce coursing through a foundering economy.[2]

Everyone predicted financial wreckage. Everyone expected it.

It never came.

Not only did the world not end, it found its footing - after a few rough weeks. People who had done office work all of their careers found that office work could happen anywhere they had a 'good enough' computer and internet connection.

Australia's National Broadband Network justified its $51 billion investment almost overnight, saving the nation that amount and more in lost productivity.[3]

Businesses, freed from the infrastructure costs associated with running business office spaces, found another way to boost profits.

Australia spent the better part of two years popping in and out of 'lockdown', Melbourne and Sydney being particularly affected.[4]

At the end of 2021, as restrictions lifted, work had changed completely, becoming 'hybrid', 'work from anywhere' and 'flexible'. Workers loved their newfound capacity to prioritise their activities. Bosses had mixed feelings, but overall output held up - and in many sectors rose.[5]

How can work happen without a workplace, without an office?

Pandemic restrictions did not change the nature of work; they simply forced us into an awareness of how much work had already changed.

Over the previous decades, all of the tools of work had migrated from physical objects - pen, paper, typewriters and filing cabinets - to their nearest digital equivalents: PCs, networks, printers, and servers. The organisation's output became a set of digital artefacts.

As the Web matured, it became the ideal interface for these new tools. From the late 1990s a rapid development in 'web-based applications' meant that almost all of these digital artefacts could be

created, read, updated and deleted through a web browser, which could be running on almost any computer anywhere in the world.

That's the beginnings of 'Software as a Service', or SaaS. Companies like Google, SAP and Salesforce built their businesses on SaaS product offerings; incumbents like Microsoft and Adobe pivoted to offer their own SaaS services.[6]

By March 2020, most businesses used subscription-based software, delivered as a service over the web. Working from a corner of the dinner table during a COVID-19 lockdown meant using exactly the same applications used in the office, in exactly the same way. Work didn't have to change at all.

Business coordination came through these SaaS applications: Zoom, Slack, Teams, Google Meet, and so forth. Every one of these applications found their universal use cases during the pandemic. They - plus the plethora of other SaaS applications used by businesses - kept businesses running smoothly despite long-term closure of the 'place of business'.

That was only possible because the place of business wasn't the office.

The place of business had moved to the data centre.

Every SaaS app, and the vast majority of mobile apps, runs inside a data centre. Without a data centre there is no Microsoft 365, no Zoom, no Salesforce, and no Google Drive. All of these applications have been designed to run in data centres.[7]

The data centre is so fundamental to the design of these apps that there is no way to bring them 'in house', unless the business itself builds its own data centre to host those apps.

Work is no longer a story about offices. Work happens almost entirely within and because of data centres.

The final proof of this nearly invisible shift came in early 2026, when US Census Bureau construction data showed that spending on data centre buildouts had surpassed office buildouts for the first time in history.[8]

Australia follows a similar trajectory: Sydney and Melbourne have seen delayed office building projects, while data centre construction has grown at 65 per cent a year for three years running - reaching $2.6 billion in 2024-25, one dollar in every eight of non-residential building investment.[9]

The place of work has shifted to the data centre; investment reflects that shift.

Part Two: Do It Right or Do It Elsewhere

In July 2026, Prime Minister Anthony Albanese delivered his government's policy statement about AI and data centres.[10]

It made news around the world.

Against the populist tendency to rail against data centres as the condensation of all of the ills of technological society, Albanese presented a series of concrete proposals - on their way to becoming laws and regulations - that would effectively answer the most common concerns about their rapid proliferation, and, in the process, deprive critics of their most persuasive arguments.

Critics tend to both dramatically oversimplify and catastrophise the issues of data centres. Dealt with reasonably and rationally - the way forward, according to the Federal Government of Australia - they offer a path toward a 'best of both worlds' scenario; where data centres bring both growth *and* resilience.

The critiques break down, broadly, into two classes: environmental impacts and social impacts. Let's cover the environmental impacts first.

— Energy

Data centres consume huge amounts of electricity; effectively, a data centre is a factory where electrons enter on one side, and computation exits the other. Electricity is the raw material; without it, the data centre has nothing to work with.

Until about a decade ago, electricity utilisation had broadly plateaued in the developed economies, largely due to efficiencies in lighting - LEDs are an order of magnitude more energy efficient than incandescents - and improved designs of electrical appliances.[11]

Since then, the developed world has embarked on a decades-long project of 'electrification', where electricity is supplanting other fuel sources, such as petroleum and natural gas, as the main source of energy consumed at home and in businesses.[12]

Though still in a relatively early stage, vehicle electrification has significantly moderated the demand for petroleum, paired with a greater demand for electricity for vehicle charging. In addition, home appliances such as stoves, ovens and furnaces are being replaced with their electric equivalents - induction ranges, electric ovens and heat pumps.[13]

All of this adds to the demand on the grid, although this growth in demand could be confidently forecast and planned for by electricity generators and distributors.

No one had planned for the explosive growth in data centres.

Capital spending on data centres has roughly tripled since 2022, with the hyperscale operators alone budgeting close to two-thirds of a trillion US dollars for 2026 - and no slowdown in sight.[14] Global data centre electricity consumption has grown from roughly 290 Terawatt-hours (TWh) in 2022 to **around 565 TWh projected for 2026**[15] - growing at nearly a fifth a year, a pace the

International Energy Agency expects to continue, reaching **close to 950 TWh by 2030**: a doubling in six years.[16]

It takes years to build out electricity infrastructure; the data centre explosion has unfolded on a timescale of months. That mismatch creates a massive overdemand situation for electricity, where consumers, businesses and data centres all compete for the same limited supply of electrons.[17]

Data centres are primarily gated by access to electricity, so any proposal to build a data centre has to factor in the ability of the grid to deliver that electricity reliably, sustainably, and without placing undue burdens on other consumers of electricity.

The United States of America represents a case study in how to do this incorrectly.

Throughout that nation, electricity bills are skyrocketing, because consumers are shouldering new and substantial buildout and maintenance costs for generating and delivering electricity. In the PJM market - thirteen states, from Illinois to North Carolina - capacity pricing jumped more than eight times over the year before, with data centres identified as the primary driver, feeding through to household bill increases of fifteen dollars a month and more in parts of Ohio and Maryland.[18]

Consumers consider themselves as being publicly taxed for private gain, and that has produced a very strong political response: some jurisdictions seek to shut down public debate over new data centre proposals, while in others, incumbent office-holders have lost pre-selection for being seen as insufficiently sensitive to these concerns.[19]

Australia seeks to step around this issue before it becomes a problem, with one requirement at the heart of the announced standards: that every data centre proposal come with a fully costed plan to generate the electricity to be used by that data centre through renewable means. Those standards are due to become law in early 2027, after passing through National Cabinet.[20] Roughly ninety data centre projects currently sit in Australia's approvals pipeline;[21] **the standards should be applied to them now, as conditions of approval**, rather than waving them through ahead of the law they'll be grandfathered out of.

More than a third of Australia's single-dwelling homes have solar PV systems installed; the grid generally has a surfeit of electrons on bright, sunny days.[22] The technologies of battery-grid storage are well developed and deployed throughout the nation.[23]

The infrastructure is, in short, well understood and already available.

Given that a data centre is relatively price-inelastic when it comes to the cost of electricity - they will pay any reasonable amount for their input electrons - the Australian government has outlined how a data centre buildout can provide the capital inputs needed not just for the renewable electrification of those data centres, but for the rest of the Australian economy.[24] This isn't a thought experiment: Ireland's energy regulator now requires new data centres to source at least 80% of their demand from additional renewable generation,[25] and Amazon has already signed agreements with nine Australian renewable projects specifically to power its facilities here.[26]

That's framed as the 'price to play' in Australia. Given the cheap-and-dropping cost of renewable generation, the numbers work out well for a data centre operator who gets an inexpensive, reliable

and inexhaustible supply of electrons, while never having to worry about a war in the Middle East or a sudden supply shock jeopardising operations.[27]

It also means that data centres are better than 'non-polluting'; the data centre buildout leaves Australia cleaner and more resilient than beforehand.

— Water

The conversion of electrons into computation generates waste heat. Every time every transistor on every chip turns on or off, a tiny bit of heat gets released. Multiplied across the quadrillions of transistors within a single data centre, a tiny bit of heat becomes a blast furnace's worth of heat energy that has to be transported away from the chips quickly, before they begin to melt.

Data centres have historically cooled themselves using air passed through a heat exchanger with cool water running through it. The warm air is passed through another heat exchanger; the air gets cooled down while the water - at both entrance and exit - gets warmer.[28]

The water then gets passed through a cooling tower where the water loses its heat to the air in evaporation.[29] In a 100 megawatt data centre - a large facility of the type proposed to be built in Australia - keeping the facility at safe operating temperatures would evaporate somewhere between 5 and 20 million litres of water, every single day - roughly enough to meet the demands of a city of 40,000 residents.[30] (There are only 42 municipalities in Australia with populations larger than 40,000.)

Those figures describe the worst case - but it's also common enough that communities in the United States have experienced competition for water resources because of data centre buildouts.[31]

As the driest continent, Australia does not have the capacity to site facilities that consume the equivalent water supply of a large regional centre.[32] Evaporative cooling cannot work in Australia.

Fortunately, there is a strong alternative.

At the 2026 Consumer Electronics Show, NVIDIA CEO Jensen Huang introduced the new 'Vera Rubin' series of AI accelerators. The full 'rack', the size of a room, contained hundreds of components that had been fully redesigned around a technology now sweeping the industry: Direct Liquid Cooling (DLC).[33]

The system runs a continuous, *closed-loop* supply of warm water - around 43ºC - over the components, carrying the heat away, where it is ejected from the data centre through banks of radiators. Because the returning water runs hotter than the outside air on all but the most extreme days, the radiators alone can shed the heat, and the same water returns to the chips to collect more. **No water is lost to evaporation.**

In fully dry configurations (a design Microsoft announced in late 2024 as its standard for new builds)[34] water consumption after the initial fill approaches zero: top-up amounts measured in thousands of litres a year, about the same as a small garden pond. One caveat for our climate: radiators shed heat less readily on 45-degree days, so Australian facilities must be specified for summer extremes - a solvable design parameter, and a regulatable one.

Albanese promised that regulation would ‘minimise water use’ by data centres.[35]

Direct Liquid Cooling with dry heat rejection represents the current state-of-the-art for minimal water use.

Regulation should require new data centre designs to employ these systems - not merely encourage them. Today only around a fifth of operators use direct liquid cooling;[36] most facilities described as ‘closed-loop’ still include an evaporative stage. The technology standard is exactly the difference between the two columns below - and because dry cooling replaces evaporative towers and chillers with slow-turning radiator fans, the noisiest cooling plant disappears along with the water.[37]

This chart lays out the stark difference between doing it, and doing it right:

Metric	Worst-Case (Evaporative Towers)	Best-Case (Fully Dry Closed-Loop DLC)
Cooling Method	Evaporative cooling towers (water continuously evaporates into the air to dissipate heat).[38]	Direct-to-chip closed loops paired with dry air coolers (radiators).[39]
Annual Water Consumption	**~2.6 million gallons per MW** (~9.8 million litres/MW).[40]	**Near zero** after the initial charge.
Daily Footprint (100 MW Facility)	**1.5 million to 5 million gallons/day** (~5.7M to 19M litres/day).[41]	Negligible (top-up measured in thousands of litres per year).[42]
Equivalent Impact	Equal to the daily water demand of a city of **30,000 to 50,000 residents**.[43]	Equivalent to a household filling a small garden pond once a year.

Best-case column describes fully dry direct-to-chip designs (per Microsoft’s zero-water design for new builds, announced December 2024);[44] most currently deployed “closed-loop” systems retain a hybrid evaporative stage — which is precisely why the standard matters.

— Property

The first and most substantial of the social impacts of data centres - and, specifically data centres used either to train or inference generative AI - concerns intellectual property rights. Training of these AI models requires feeding them *trillions* of words. While publicly available sources on the Internet comprise a significant amount of that data, training has extended to anything and everything that can be ‘scraped’ up by an AI model trainer looking for content, any content. Some of this content is protected by copyright.[45]

The question, so far not cleanly settled by any court anywhere in the world, is whether using material under copyright for training represents a violation of that copyright - by definition, a material economic damage to the copyright holder. The closest any court has come is a split: a US federal court found that training on lawfully acquired books could be fair use, while building a library of pirated copies was not - a distinction that produced the largest copyright settlement in history rather than a clean precedent.[46]

DISCLOSURE: Both Mark Pesce and John Allsopp are registered claimants in the Bartz v. Anthropic class action settlement (referenced above), under which Anthropic will compensate authors whose written works were used for training purposes.

The Australian government's position, as outlined in Anthony Albanese's policy statement, is that access to Australian intellectual property for model training must be based on explicit consent and fair compensation.[47] The first of those is burdensome, but conceivable. The second - what constitutes 'fair compensation' - will be contested throughout the global legal system for many years to come.

As this is an active and strongly contested area of both policy and case law, NOOPS can only point to the open issues around property rights.[48] We believe this is a solvable problem, though any solution will almost inevitably produce a WIPO-class international framework. Individual nations (with the possible exception of the United States) lack sufficient standing to force their own solutions on other parties.

Can Australia insist on a 'good enough' solution that will in all likelihood be 'routed around' by other jurisdictions? That's less a question of whether this is a hill worth dying on, than a question of whether it's actually any sort of hill at all.

Our next white paper will explore this topic in greater detail.

— Work

The final issue, the one that feels most existential, concerns the future of work, jobs and the economy. The data here can be read multiple ways, and an unnerving string of statements from both AI industrialists and academic economists has produced broad concern that AI-in-data-centres will simply absorb all available work, resulting in mass unemployment.

Here are the basic facts:

- With notable exceptions there are no widespread signals of AI-related job displacement, a finding confirmed by the Department of Employment and Workplace Relations' real-time analysis of AI's labour-market impacts, the first such research published by any government. Instead the analysis found graduate employment high and software and tech jobs growing.[49]
- Displacement disproportionately disadvantages juniors over seniors.[50]
- This process has only commenced: current data likely do not reflect long-term trends.

2025 may be remembered as 'the year copywriters disappeared'. Not all copywriters, not in every instance, but in cases where 'good enough' copy would suffice, that work has been automated by language models.[51]

Similar impacts have been repeatedly predicted for a range of professional practices, including call centres, software engineering and radiology. Call centres will likely move to nearly full automation. There is some indication of softening in software engineering, particularly in wage growth. Demand for radiologists, though, remains high[52] and may be subject to a Jevons paradox: the advent of AI diagnostic tools has increased demand for radiologists to consult on the most difficult scans.[53]

This indicates that employment impacts may be *very* uneven. Some jobs will vanish, never to return: call centres. Some will be transformed: software engineering. Others will be amplified: radiologists.

However, even if a job or role survives its encounter with artificial intelligence, **it will be transformed by that encounter**. As AI enters organisational workflows, it changes the why as much as (often more than) the how.

Nearly everyone's job will change. Many will change significantly. A few will become almost unrecognisable to their antecedents.

That will feel existentially terrifying.

Prime Minister Albanese directly rejected the framing of AI as a 'jobs apocalypse'. "We should not treat AI as a threat to good jobs - we must use it as an instrument to help create them."[54]

Flipping the script points Australia toward a future where disruptions are both expected *and welcomed* as opportunities to create new roles in an increasingly automated business sector.

Albanese made the argument that technology shifts work rather than erasing it with a story from his own life: his first job out of school was standing in a Commonwealth Bank branch, convincing customers to abandon their passbooks and trust a strange new hole in the wall called an ATM.[55] The tellers' work changed beyond recognition; the banking remained.

There's an example that is even more instructive: the disappearance of the entire class of secretarial labour following the introduction of the personal computer.

In 1970 roughly one in six workers did secretarial and clerical labour: typing, filing, communications and scheduling. Today it's closer to one in ten, while the role has been rebadged as 'executive assistant', 'administrative assistant' and so forth.[56]

The how of that role has completely changed in the last five decades, because of technology, but the need for the role remains - the why - even as we get 'autonomous agents' that will handle a lot of the time-consuming detail work.

This pattern will be repeated throughout the workforce as AI automation takes hold.

All of our roles will change - including analysts. ;)

— Doing It Right

In each of these areas of central concern: power, water, property and work - we have complete agency. We can decide to power data centres with electrons generated renewably - or with gas turbines. We can mandate data centres use closed-loop cooling systems, or deplete our limited aquifers. We can make sensible decisions about the permission, compensation and notification rights for intellectual property. And we can use 'social licence' to police businesses that would use AI as a weapon against labour.

We can abandon neither our agency nor our responsibilities when it comes to the construction of data centres. They represent, in microcosm, the choices we are making for our future.

Australia will be the first country in the world to bring these issues into a single, national framework.[57]

We can decide to ‘do it right’ - or prepare ourselves to pay a different price.

Part Three: Another Bite of the Golden Apple

Australia has been here before.

A generation ago the greatest resources boom in our history arrived on our doorstep. China industrialised, and it did so out of Australian iron ore and Australian gas.[58] We dug it up, we shipped it out, and we let the proceeds slip through our fingers.

Norway faced the same moment with North Sea oil and made a different choice. It taxed petroleum profits at seventy-eight per cent and banked the money, by law, into a sovereign fund.[59] That fund is now worth about NOK 21.3 trillion — around two trillion US dollars, for five and a half million people.[60]

Qatar is a closer comparison, because Qatar's boom was gas, like ours. Australia and Qatar each export roughly 80 million tonnes of LNG a year. In 2023, Qatar's government collected about A$56 billion from its share. Australian governments, all levels combined, collected about A$11 billion — and more than half of our LNG production pays no royalties at all.[61] Qatar's gas money went into the Qatar Investment Authority, now managing somewhere between US$500 and 600 billion.[62] Ours went — where, exactly? The Grattan Institute did the accounting: the Commonwealth earned about $200 billion from the boom and spent more than ninety per cent of it as it came in.[63] There is a fair defence of some of this — Norway owns its petroleum industry outright, we chose royalties and private investment decades earlier — but the fund balances speak for themselves.

We got the century's easiest economic decision and turned it into a decade of tax cuts. Everyone agreed nothing like it would come around again.

It just did.

This time the resource isn't under the ground. It's the sun, the wind, the land, the stable institutions — and the timing.

Parts One and Two dealt with what data centres are and what we have to get right if we want to enjoy our great luck, instead of being burned by it.

This part is about the money: where it flows now, where it flows if we build, and where it flows if we don't.

The case against, put properly, is an accounting argument. In the March quarter of 2026, data centre equipment pushed Australian private capital spending to records — about 17 per cent of all private investment.[64] Nearly all of that equipment is imported. The server racks were enough to tip Australia into its first trade deficit in ten years.[65] HSBC's chief economist reckons imports offset close to 85 per cent of the GDP contribution of the investment surge;[66] Westpac puts the leakage nearer half.[67] From there the conclusion seems to write itself: we're buying hardware we don't make, the money leaves the moment we spend it, why are we cheering?

The numbers are right. Roughly 60 per cent of what an AI data centre costs is the servers,[68] they come from overseas, and they'll keep coming from overseas every four to six years as the hardware is refreshed.[69] Nobody should pretend otherwise, and this paper doesn't.

But an import bill only means something next to the alternative. So look at the other column in the ledger.

Australia already imports its digital life. The ABS has tracked it: digital services imports grew from $119 million in 2009–10 to $18.5 billion in 2023–24. Over those fifteen years we imported $87 billion of digital services and exported $5 billion. Seventeen dollars out for every dollar in — and that was before the AI era began in earnest.[70] Gartner expects Australian organisations to spend more than A$33.6 billion on public cloud in 2026, up 17.9 per cent in a year, having grown 18.9 per cent the year before.[71] Nobody publishes an Australian forecast for 2030, but the arithmetic isn't hard: hold that growth rate and the cloud bill alone passes $60 billion a year within four years. Add AI, which every business in the country is now being sold, and the that growth accelerates.

The GPUs are foreign either way, but if we build, while we import the hardware, we keep the construction, the land, the energy system, the operations, the grid assets and the option to sell. If we rent, we import the hardware anyway: embedded in someone else's hourly rate, alongside their electricity, their staff, their buildings and their margin. We keep nothing. One path has a large import bill attached to a domestic asset. The other is a subscription, compounding at close to twenty per cent a year, forever. Trade deficits for server racks will run for a few quarters. The rent runs for decades.

And the rent is only the defensive half of the argument.

Those flows can run the other way. Compute is a tradeable service - on the way to becoming a commodity, and Australia sits next to the largest concentration of demand on earth. Austrade is already pitching Australia as the data centre and AI services hub for Asia: the cables land here, the time zones work, and Australia holds Tier-1 status under US chip export rules — clearance most of the region doesn't have.[72] This isn't a theoretical capability. AirTrunk was built from Sydney into the Asia-Pacific's hyperscale platform and sold for A$24 billion, the largest data centre transaction anywhere.[73] Fifteen years of digital services exports totalling $5 billion isn't a ceiling. It's a measure of how much room the flow has to reverse.

The domestic dividend follows the infrastructure too. The e61 Institute, no cheer squad for the sector, makes the point that matters: the direct GDP effect of the build is modest, and the real prize is whether cheap local compute triggers the follow-on investment in software, R&D, and AI adoption across every industry - where productivity gains actually live.[74] That dividend lands in whichever country's firms sit closest to the infrastructure. At the moment it is landing offshore. The same honesty applies to jobs: a hyperscale campus employs hundreds in construction and dozens in operation, and developer projections overstate the local effect by 300%.[75] The employment case is the electricians, the construction trades, and the industries that grow up around cheap rewewable power — not the badge count in the server hall.

Then there is the question of owning any of it. Canada has put CAD$2 billion into sovereign compute.[76] Britain has a national research resource and a six-gigawatt target.[77] France has committed a €100 billion envelope.[78] Australia, the second-largest destination for data centre investment in the world,[79] has an Office of AI.[80] Norway's deepest lesson was never the tax rate; it was that the state held equity in the boom.[81] A public stake in training capacity for Australian

research, Australian government, and Australian models describes the difference between hosting the boom and owning a piece of it.

All of which would matter less if the window were open indefinitely. It isn't.

The buyers are at the door now, with deadlines attached. OpenAI has anchored NEXTDC's $7 billion, 612-megawatt campus at Eastern Creek, first phase targeted for 2027.[82] Anthropic, reported to be after 1.4 gigawatts of Australian training capacity[83] (about the size of the country's entire existing data centre fleet[84]) is, per the AFR, telling developers it will buy any capacity deliverable by mid-2027, ahead of its listing. The hyperscalers will spend over two-thirds of a trillion US dollars this year[85] and are deciding now where the next decade of capacity goes. When they can't get grid connections fast enough they don't wait: in Texas, Anthropic's newest campus comes with a 1.6-gigawatt gas plant built into the financing.[86] Capital this impatient goes wherever it can plug in. It is choosing between Australia, the American gas belt and its Gulf of Mexico in roughly a two-year window. It will not reopen the question because we weren't ready.

A seller's market is when you set terms, and Australia has already shown it can: when we introduced mandatory power-consumption reporting for data centres, the United States copied us.[87] The terms worth setting are the ones outlined in Part Two, and the Australian Federal Government has announced most of them.[88] What we need is speed, a bit of nerve - and the discipline not to fumble a windfall for the second time in living memory. **The one certainty is that the AI transformation of Australian work arrives either way.** Not building doesn't stop it. It just means we go through the same upheaval as everyone else while *paying rent* on the infrastructure it runs on.

Same land. Same sun. Same wind. Same stable, slightly boring, trustworthy country. Except this resource doesn't run out, the customer can't ship the mine home, and what we build to serve those data centres powers *everything else* we do for a century.

Last time, we ate the apple and spat out the core. The tree is fruiting again.

Footnotes

1. Department of the Prime Minister and Cabinet, transcript of Prime Minister Scott Morrison's press conference, 25 March 2020; and ABC News, "Read Scott Morrison's full statement on the new national coronavirus restrictions", 25 March 2020. The national restrictions directed Australians to stay home except for specified purposes and to work from home where possible.↩

2. Australian Treasury, *JobKeeper Payment: Supporting businesses to retain jobs*, 2020. The programme paid eligible employers $1,500 per fortnight for each eligible employee.↩

3. NBN Co, *Corporate Plan 2021*, 2020, records the network's peak-funding estimate and its role in supporting work, education and telehealth during the pandemic. NBN Co, "Coronavirus (COVID-19) and nbn: latest updates, working from home tips and FAQs", documents the March 2020 provision of up to 40 per cent additional capacity as home data demand rose.↩

4. Reserve Bank of Australia, *The COVID-19 Pandemic: 2020 to 2021*, traces the repeated imposition and easing of restrictions. ABC News records Melbourne reaching 200 cumulative lockdown days by August 2021 in "Melbourne marks 200 days of COVID-19 lockdowns since the pandemic began", 19 August 2021, and the end of its final 2021 lockdown in "Melbourne bids farewell to COVID-19 lockdown and the controversial curfew", 21 October 2021.↩

5. Australian Productivity Commission, *Working from home*, 2021. The Commission documents the pandemic-driven shift to home working, the likely persistence of hybrid work, and evidence that many employees can work effectively outside the office.↩

6. Peter Mell and Timothy Grance, US National Institute of Standards and Technology, *The NIST Definition of Cloud Computing*, Special Publication 800-145, 2011. NIST defines software as a service as using a provider's applications running on cloud infrastructure, accessed through client interfaces such as a web browser.↩

7. NIST describes cloud computing as on-demand access to a shared pool of configurable computing resources in *The NIST Definition of Cloud Computing*. Microsoft provides an example of the physical global infrastructure behind such services in *Azure global infrastructure*.↩

8. US Census Bureau, *Value of Construction Put in Place at a Glance*; and Building Design+Construction, "Data center construction spending outpaces office market for the first time", 3 February 2026. The latter reports that the seasonally adjusted annual rate for data-centre construction first exceeded office construction in December 2025.↩

9. Infrastructure NSW, *Data centres in NSW: Consultation paper*, 2026. It reports that data-centre construction averaged 65 per cent annual growth over the preceding three years, reached $2.6 billion in 2024–25, and accounted for about 12 per cent of NSW non-residential construction.↩

10. Prime Minister of Australia, "AI in Australia's interests", 15 July 2026; and Department of the Prime Minister and Cabinet, transcript of the Prime Minister's National Press Club address, 15 July 2026. The announcement covers legislation requiring new data centres to secure new generation, pay their grid-connection costs and meet water-efficiency standards; a national AI framework; an Office of AI; and protections for Australian creative work.↩

11. International Energy Agency, *Electricity 2026: Demand*, 2026, attributes the long period of flat electricity demand in advanced economies partly to efficiency improvements and economic restructuring. For lighting specifically, the US Department of Energy reports that LED products use at least 75 per cent less energy than incandescent lighting in *Energy Savings Forecast of Solid-State Lighting in General Illumination Applications*, 2021.↩

12. International Energy Agency, *Electricity 2026: Demand*, 2026. The IEA identifies electrification as a structural driver of renewed electricity-demand growth in advanced economies.↩

13. International Energy Agency, *Electricity 2026: Demand*, 2026. The IEA identifies electric vehicles, air conditioning and heat pumps among the technologies increasing electricity consumption.↩

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