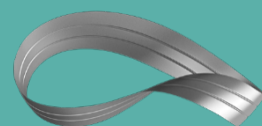

PRODUCTIVITY COMMISSION – FIVE PILLARS OF PRODUCTIVITY INQUIRIES

ISA SUBMISSION

September 2025



INDEPENDENT
SCHOOLS
AUSTRALIA

Acknowledgement of Country

Independent Schools Australia acknowledges the traditional custodians of country throughout Australia and recognises the continuing connection to land, waters and community. We pay respect to Elders past and present and commit to the ongoing journey of reconciliation.



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1. ABOUT ISA

Independent Schools Australia (ISA) is the national peak body for Independent schooling in Australia. ISA represents the sector on national issues and engages with the Australian Government, national agencies, media, key stakeholders, and the wider Australian community.

Working with the eight state and territory Associations of Independent Schools (AISs), ISA represents almost 745,000 students, 1,230 schools and a workforce of over 128,000 people.

Independent schools are long-established partners in Australia's education system, alongside government and Catholic schools. They make a valuable contribution to society and the learning and wellbeing of Australian children.

The Independent school sector is diverse, and schools serve a wide range of communities. The latest available data shows that more than one in six Australian school students attends an Independent school. For secondary students, it is over one in five.

Students at Independent schools reflect the full diversity of Australian society – including those who experience one or multiple forms of disadvantage. These students include:

- high-needs students with disability attending special schools.
- Aboriginal and Torres Strait Islander students attending remote 100 per cent Indigenous schools.
- students living in regional, rural and remote locations.
- highly disadvantaged and disengaged young people attending Independent special assistance schools.

Most families with children enrolled in Independent schools are middle-to-low-income earners, increasingly from culturally diverse backgrounds, and residing in outer-suburban and inner-suburban communities. Many of these families are currently facing economic stress and are making substantial sacrifices for their children's education.

According to the most recent data, the majority of Independent schools charge annual fees of less than \$6,000, and there was a greater number of schools charging less than \$1,200 per year than those charging over \$20,000. Some Independent schools charge no fees at all. More than half of the sector's recurrent income comes from parents and families.

Many Independent schools provide a religious or values-based education. Others promote a specific educational philosophy or alternatively recognised curriculum. Some have been established by community groups seeking to meet particular needs or to reflect the religious values of a community. Independent Catholic schools are a significant part of the sector, accounting for eight per cent of the Independent sector's enrolments.

Most Independent schools are set up and governed independently on an individual school basis. However, some schools with common aims and educational philosophies are governed and administered as systems, for example, Lutheran schools. Systemic schools account for 20 per cent of schools in the sector but the majority of schools in the sector are autonomous non-systemic schools.

2. INTRODUCTION

ISA has prepared this submission in response to the Productivity Commission's inquiries into its *five pillars of productivity*. ISA consulted with the state and territory Associations of Independent Schools (AISs) in preparing this submission.

The collective impact of education on productivity is profound and well documented. A well-educated population fosters a dynamic economy characterised by technological progress, entrepreneurship, and efficient allocation of resources.

Societies that prioritise schooling are better equipped to respond to changing economic landscapes, as their workforce is both versatile and quick to adapt. In this way, investment in education not only empowers individuals but also drives sustained economic growth and prosperity for entire communities.

The Independent school sector also contributes significantly to the Australian economy, including an investment of \$10.6 billion into education by parents and families:

- Independent schools saved governments an estimated \$8.5 billion in 2023-24 in recurrent costs and an estimated that an additional \$2.6 billion in infrastructure costs.
- Every student in an Independent school reduces the funding burden on government schools, as their education is heavily subsidised by parents and families. Each Independent school student receives on average \$11,700 less recurrent government funding than students in government schools.

Recent research commissioned by ISA estimates that the enhanced educational outcomes provided by Independent schools contributed an estimated \$1.55 billion to growth in GDP in 2023-24. This economic benefit is provided annually as a result of quality of learning and teaching, that supports students in achieving excellent outcomes across a range of educational measures.¹ These figures only serve to reinforce the importance of the provision of quality education in improving productivity nationally.

The figures above illustrate the significant contribution that Independent schools make to the Australian economy. To ensure this value is not eroded, schools must be supported to deliver high-quality education to the future Australian workforce through initiatives and platforms which facilitate teacher-led learning and the autonomy of Independent schooling.

¹ [Economic Contribution of the Independent School Sector, AEC Group, 2025](#)

3. RECOMMENDATIONS

ISA makes the following recommendations in relation to the 5 Pillars of Productivity Inquiries:

Invest in a single online national platform for teachers to access lesson planning materials

- ISA supports the development of a national platform for the public provision of high-quality, curriculum-aligned lesson planning materials, but teachers must retain the autonomy to adapt resources to their own contexts, and their use should not be mandatory.
- ISA would support the provision of other high-quality curriculum and assessment resources in addition to lesson planning materials.
- ISA calls for consultation with all sectors of schooling to ensure resources are relevant for diverse pedagogical, geographic, and cultural contexts.
- Ongoing maintenance, dynamic feedback mechanisms, and accessibility for regional and remote schools are critical to the platform's success and must be factored into its development.

Lead national efforts for equitable access to educational technology and AI

- ISA strongly supports equitable access to educational technology and artificial intelligence.
- ISA calls for freely available professional learning for teachers and leaders to ensure the effective and ethical use of AI is effectively integrated across schools and systems, including but not limited to the creation of a national cross-sectoral community of practice.
- Reliable telecommunications and ICT infrastructure in regional and remote schools must be accessible and affordable, as it is critical to ensuring equitable access.
- ISA recommends that the adoption of specific technology or platforms should not be mandatory and supports rigorous assessment and quality assurance of edtech and AI tools.

Additional measures to build a skilled and adaptable workforce

- ISA urges the Productivity Commission to look more widely at possible solutions to the other challenges facing Australia's schools, and which have the potential to impact student outcomes, particularly the current teacher shortage.

Delivering quality care more efficiently and regulatory reform

- ISA supports regulatory reforms that enhance safety and quality in the care economy. However, given the significant work already underway in the early childhood education and care (ECEC) sector, it may be more appropriate not to include ECEC at this point.

Data and digital technology

- ISA supports calls for copyright reform to enable schools and teachers to fully utilise digital technologies and AI for education.
- ISA supports recommendations that avoid imposing costly and technically challenging requirements on schools, such as a right to erasure.

4. BUILDING A SKILLED AND ADAPTABLE WORKFORCE

Independent schools have a vital role to play in supporting a high-quality and skills-based future Australian workforce. Draft recommendations 1.1 and 2.2 of the Productivity Commission's *Building a skilled and adaptable workforce interim* report refer specifically to school education.

Draft recommendation 1.1: Invest in a single online national platform for teachers of all sectors to access lesson planning materials

ISA supports a bank of high-quality, curriculum-aligned lesson planning materials being made publicly available for all schools, regardless of their sector or pedagogical approach. However, it must also be acknowledged that teachers are best placed to both determine their own lesson planning and to adapt available resources to meet the individual needs and context of their students and school communities.

Pre-prepared lesson planning materials cannot replace the role of the teacher in classrooms. It is the unique role of teachers to foster the critical connection between student and content, and there is a risk that by steering schools towards prescriptive resources such as lesson planning materials, teachers' professional judgement, expertise, and ability to shape their own teaching practices will be minimised.

ISA would also support expanding the scope of an online national platform for teachers to include a range of other high-quality curriculum and assessment resources in addition to lesson planning materials.

ISA also seeks to understand the parameters regarding the purpose and use of a national platform and does not support the mandated use of resources. A core principle of Independent schooling is the autonomy of schools and educators to develop and utilise their own approaches to teaching resources and classroom management within the broader schooling framework.

Independent schools are diverse and have a range of pedagogical approaches which would need to be taken into account when identifying or developing lesson planning and any other curriculum-aligned resources. Some of these pedagogical approaches, such as Montessori, Steiner, and the International Baccalaureate, are approved as an alternative curriculum by the Australian Curriculum, Assessment and Reporting Authority (ACARA). Other schools have a faith-based approach to education, some are focused on providing supports to students with disability and/or highly educationally disadvantaged students, some schools educate Aboriginal and Torres Strait Islander students in remote Australia, and others are best described as mainstream schooling.

Given that it is not possible to create resources that are equally relevant for all schools, there would need to be a commitment to the creation of a range of resources to support the individual needs of students and their unique community settings. Nuanced and deep consultation with stakeholders would be a prerequisite if this approach is to have any authentic impact on teacher workload and student learning.

Beyond pedagogical contexts, lesson planning and other curriculum materials also need to consider the unique requirements of classrooms in different geographical, socio-economic and cultural contexts, along with jurisdictional curricula, to support effective differentiated learning.

The University of Melbourne's Ngarrngga project² provides a strong example of how best to provide high-quality curriculum resources that are applicable across varied school contexts.

ISA regards the regular updating of materials to ensure they remain relevant and accessible as critical to the success of the proposed platform. An example of the need for timely and ongoing maintenance is the teacher resource platform Scootle. As the platform and the materials aged, many resource links,

² <https://www.ngarrngga.org/>

which relied on older technology such as Adobe Flash, were no longer accessible. And while Education Services Australia (ESA) has recently undertaken work to rectify these issues, the time taken to do this work has led to a decline in users and new resources are required to fill curriculum gaps and support cross-curriculum topics. A long-term funding commitment from governments to maintain the proposed platform and keep materials up to date is required to ensure the platform maintains its relevance over time.

There is also a need to incorporate feedback mechanisms for both the platform functionality and the hosted resources. The platform will be more successful and utilised by teachers if it is demonstrably dynamic and responsive to teachers' needs. The platform will also need to be sufficiently optimised to function in regional or remote areas that do not have access to high-speed internet, and for schools that are reliant on older computing hardware.

Draft recommendation 2.2: Lead national efforts to ensure equitable access to educational technology and artificial intelligence

The *Australian Framework for Generative Artificial Intelligence in Schools*³ was developed by the National AI in Schools Taskforce to guide the responsible and ethical use of generative AI tools in ways that benefit students, schools, and society. The National AI in Schools Taskforce included representatives of all school sectors, including the Independent sector, the Australian Government and jurisdictions.

The Framework is based on six key principles: teaching and learning, human and social well-being, transparency, fairness, accountability, privacy, security and safety. The principle of fairness encompasses the elements of accessibility and inclusivity, equity and access, non-discrimination, and respect for cultural and intellectual property.

Draft recommendation 2.2 reflects the importance of ensuring that the adoption of AI in Australian schools supports equity, rather than entrenching disadvantage, and is strongly supported by the Independent sector.

However, to support this recommendation, there is a need for professional learning for teachers and school leaders. Unless teachers understand how best to use AI in classrooms and with students, there will be different student experiences around the use of AI, which is dependent on the level of confidence and familiarity of the teacher or school leaders with the use of AI to inform learning. As a non-systemic sector, it is difficult to ensure this type of professional development for teachers takes place across all Independent schools. A national cross-sectoral communities of practice would be one model with great potential to support teacher professional learning in this space.

An additional concern for the Independent sector is the capacity of regional and remote schools to fully participate in the significant changes that AI could bring to classrooms and schools. While AI has great potential to help uplift student achievement and engagement in regional and remote Australia and to assist in addressing a significant teacher shortage in many areas, the lack of access to reliable technological infrastructure is a barrier to equitable access, which needs to be addressed.

And while equitable access is of vital importance, state and territory Associations of Independent Schools have noted that the use of any particular technology, platform or tool should not be mandatory. Some Independent schools have a pedagogical approach to the introduction of technology in the classroom, which has been approved through the ACARA recognition process for alternative curriculum. Schools should be able to retain the capacity to introduce edtech and the use of edtech and AI in a way that suits their pedagogical approach.

Independent Schools Australia also sees value in the rigorous assessment of edtech and AI tools for use in schools, including appropriate safeguards as required. ISA is aware that a number of jurisdictions have built their own AI tools for use by government schools, which have appropriate guardrails built in. This is more difficult in non-systemic, independently governed schools. Having

³ [Australian Framework for Generative Artificial Intelligence \(AI\) in Schools. Department of Education, 2023](#)

edtech and AI tools that have already been assessed and quality assured would be very helpful to all schools, particularly given the proliferation of education tools with built-in AI in every conceivable context. Some of this work is already underway in Education Service Australia with the Safer Technologies 4 Schools (ST4S) assessments and the introduction of a new AI Module into the ST4S Framework⁴. This approach, which makes reports available to all school sectors, is strongly supported by ISA.

Possible additional measures to build a skilled and adaptable workforce

While the recommendations in the interim report put forward two key recommendations for ensuring that students develop the foundational skills required for upskilling and entry into new occupations, there are significant other challenges currently being faced by Australian school. The current and ongoing teacher shortage and the pressures this puts on schools is a significant concern for the Independent school sector. It is ISA's view that there are measures in this area that could be considered by the Productivity Commission as a means to improving educational outcomes for students and by extension, productivity.

For example, the changing nature of the teacher workforce is an issue that many school leaders are grappling with. There is a growing presence of neurodiverse and psychologically vulnerable Gen Z teachers entering the education workforce, highlighting the unique challenges they face due to factors like digital immersion, pandemic-related disruptions (which may have resulted in reduced practicums), and rising rates of anxiety and other mental health conditions.⁵

This change suggests that school leaders need to shift from traditional expectations of autonomy and resilience to a leadership model grounded in empathy, flexibility, and human understanding. School leaders are increasingly being required to utilise strategies such as personalised mentoring, flexible workloads, peer support networks, psychological safety, and strength-based role design to support beginning teachers.⁵ This change is placing an increased stress on school leaders who need more support and access to resources to support teachers and to assist in teacher retention.

Schools and systems are also looking for other ways to approach the attraction and retention of teachers. A national database of teachers across all three schooling sectors could enhance workforce mobility, teacher attraction and retention and provide a strong evidence base for identifying trends. This data could potentially be linked to other administrative datasets, in an environment such as the ABS' Person Level Integrated Data Asset (PLIDA).

This could enable all sectors to identify subject-specific teacher shortages by region, assess housing availability for new ITE graduates and examine issues such as the impact of commuting times on teacher retention. The impact of travel time on teacher retention is particularly significant in metro/urban areas where high housing costs often force teachers to reside at considerable distances from their workplaces. Schools and systems could use these insights to develop solutions to barriers to teacher attraction and retention.

5. DELIVERING QUALITY CARE MORE EFFICIENTLY

The Independent sector is broadly supportive of initiatives and measures which align regulation between jurisdictions, and which bolster safety and quality in early childhood education and care (ECEC) delivery as outlined in the Productivity Commission's *Delivering quality care more efficiently* interim report.

⁴ <https://st4s.edu.au/news/launch-of-the-new-ai-module-for-the-st4s-framework/>

⁵ <https://educationhq.com/news/neurodiverse-and-vulnerable-how-principals-can-best-lead-incoming-gen-z-teachers-195784/>

However, it was also noted that it is critical that the need to find an agreed approach does not provide a barrier to the ability of states and territories to implement measures to enhance safety in a timely manner and to be responsive to arising issues.

The interim report primarily emphasises the value in aligning regulation across the Aged Care, NDIS, and veterans' care sectors, recognising that the regulation and operations of the ECEC sector are not as easily compatible. It is ISA's view that should the Australian Government and jurisdictions wish to trial the proposed unified regulatory approach outlined in the interim report, ECEC should not be included. As noted below, there are already significant regulatory changes taking place in the ECEC sector which significantly overlap with the Productivity Commission's proposed measures.

National screening clearance

Draft recommendation 1.1 of the Productivity Commission's *Delivering quality care more efficiently* interim report calls for greater alignment in quality and safety regulation of the care economy to improve efficiency and outcomes for care users. This includes a national screening clearance for workers across care sectors, including ECEC.

There have recently been several tragic and widely reported instances of child sexual abuse in the ECEC sector. There is recognition that the current state-based screening systems are not effectively preventing child abuse from occurring in ECEC settings. It seems very likely that in several of these instances, an effective national worker clearance screening system would have potentially stopped some of the perpetrators from moving rapidly between ECEC providers.

Work is already underway on a national Working with Children Check (WWCC) for ECEC, with all state and territory governments having agreed to introduce reforms during 2025 to support information sharing between jurisdictions and prevent re-offenders from being able to secure employment with vulnerable groups in a different state or territory. The national ECEC register to be released in 2026 will further support these measures.

This is an important prerequisite to the Productivity Commission's proposed approach.

The Productivity Commission's proposal to create a universal national screening clearance across care sectors is supported by ISA, so long as this enhances child safety in all jurisdictions and the administrative burden on schools is reduced as much as possible.

As noted by the Association of Independent Schools of South Australia, the success of these systems will be reliant on effective mechanisms being established to enable timely notifications across jurisdictions of persons considered no longer suitable for employment.

Common suitability assessment for providers operating across the aged care, NDIS, veterans' care and ECEC sectors

ISA can see the possible benefits of a unification of suitability assessments for providers operating across the care sectors, including ECEC, as long as the scope is not expanded beyond the need to demonstrate 'sound governance and operational management' as outlined in the Productivity Commission's interim report. A unified assessment would need to be carefully constructed to ensure that providers in any of the four nominated care sectors are not being asked to provide information which is not relevant to their context or the services they deliver. However, given that the interim report notes several times that the greatest similarity is between the aged care, NDIS and veterans' care sectors, perhaps in the initial stages it would be sensible not to include the ECEC sector.

A consistent regulatory approach to artificial intelligence in the care sector

The Productivity Commission's recommendations do not include ECEC in its proposed consistent regulatory approach to AI in the care sector. ISA is broadly supportive of this exclusion, as ECEC services operating in Independent schools are already subject to substantial regulation and a complex intersection of operational requirements.

The *Australian Framework for Generative Artificial Intelligence in Schools* was developed to support all people connected with school education including school leaders, teachers, support staff, service

providers, parents, guardians, students and policy makers. It is also applicable to ECEC services provided in the Independent school sector.

6. DATA AND DIGITAL TECHNOLOGY

The need for copyright reform in schools

The intersection of AI and copyright is an issue that requires careful consideration and is currently the subject of significant work. ISA is aware that the Schools Copyright Advisory Group (CAG schools) has provided a submission to this Inquiry. ISA is represented on this group and would encourage the Productivity Commission to consider the CAG submission.

CAG argues that copyright reform is urgently needed to ensure that Australian educational institutions, including schools, and teachers can safely develop, teach and use edtech and AI tools for the benefit of Australian students.

Australia's outdated copyright framework is blocking the use of digital teaching methods and the development and use of edtech (including AI) in schools. CAG notes that many of the ways that teachers use modern teaching tools are not clearly permitted under existing exceptions or the educational statutory licences in section 113P of the Copyright 1968 (Cth) (Copyright Act) (statutory licence).

The fact that Australia's educational copyright laws are no longer fit for purpose in the era of edtech and AI makes it increasingly difficult for teachers, schools and other education bodies to utilise digital technologies and AI in classrooms.

Edtech and AI also have significant potential in reducing the teacher workload burden, a critical element of the current teacher shortage in Australia. The Teacher Workload Reduction Fund is a national initiative established under the National Teacher Workforce Action Plan, with the Australian Government investing \$25 million over three years to pilot innovative approaches aimed at reducing teacher workloads and maximising the value of teachers' time. Funding was provided to states and territories to support projects such as the use of digital forms and generative artificial intelligence for lesson planning.

These pilots are designed to free teachers from excessive administrative tasks, allowing them to focus more on teaching and supporting student learning. However, Australia's copyright framework has to allow the use of these types of tools in classrooms for the benefits to be fully felt in schools and by teachers.

Draft recommendation 3.2: Do not implement a right to erasure

ISA sees merit in draft recommendation 3.2 of the Productivity Commission's *Harnessing data and digital technology* interim report, which recommends not implementing a right to erasure. Most schools' current IT systems lack the technical capability to perform erasures as were previously recommended by the Privacy Act Review. Implementing a right to erasure could well result in schools incurring significant digital infrastructure review and change costs, with minimal privacy benefits to students.

7. CONCLUSION

The Independent school sector encompasses a broad diversity of schools, students, teachers, school leaders and communities and makes a significant contribution to Australia's education system, to the broader economy and to national productivity.

School autonomy is a key feature of the sector, and any national initiatives, such as a single online platform for lesson planning, must be developed through consultation with the sector and tailored to the varied pedagogical, cultural, and geographic contexts across Australia.

The focus of the Productivity Commission's *Building a skilled and adaptable workforce* interim report recommendations is the provision of an online platform and the use of edtech and AI tools. However, there are many other measures that could also contribute to achieving the aims of the 5 Pillars of Productivity Inquiries. ISA sees benefit in looking at a broader range of possible approaches to enhancing student outcomes through supporting the education workforce and addressing teacher shortages.

Any productivity enhancements relating to schooling must ensure that teachers' professional judgement and expertise remain central to classroom practice, and that resources and AI used in classrooms support, not replace, the unique role of teachers. Further, teachers need to be supported in their use of new technologies, such as generative AI, to ensure equitable outcomes for students.

ISA would be happy to discuss our submission or be involved in further consultation to ensure that any policy reforms targeting productivity are effective, equitable, and responsive to the needs of the Independent school sector and the broader Australian community.