

**Question:** *Do governments have a role to play, collectively, in either purchasing tools—and are there better tools—or in building our own tool that schools can use?*

**Answer:** The sentiment behind the federal government purchasing AI tools for schools is understandable. This approach might overcome some of the perceived challenges of equity (across schools, between systems and jurisdictions). It might also send a strong positive signal on the importance of these tools in supporting Australia's education system. There are several reasons, however, why we caution against governments playing a top-down role in purchasing or tailoring generative AI tools. Centralised purchasing may lead to a restrictive, one-size-fits-all approach, ignoring the rapidly evolving nature of the industry, the availability of diverse free tools, and the decreasing costs of customization.

**Need for experimentation, not one-size-fits all solutions:** The role of government should be geared towards enabling experimentation and sharing of uses, rather than the potential one-size-fits-all imposed solution through purchasing a specific tool. A variety of tools may be needed for specific uses in different contexts. There is significant value in a process of experimentation and entrepreneurial discovery about applications of generative AI in education. These experiments should occur in classrooms. The best return on any funding is not in purchasing tools but in mechanisms that enable innovation, reveal information about how AI tools are being used, and facilitate collaboration and communication amongst the sector.

**Significant challenges in purchasing a tool:** We anticipate that the remarkable pace of change and the competitive dynamics of the generative AI sector will continue. But this creates substantial risks for large purchasing programs. There is a high risk that if the government purchases tools then those tools will become outdated quickly – perhaps even before the project is delivered. This risk is on top of the usual risks associated with government procurement. Locking Australian schools into one tool is highly risky. To be clear, this is not to say that individual schools should not purchase tools, or that budget should not be given to individual teachers to do so.

**The low price of generative AI tools:** There are many high-quality generative AI tools available at zero price. Much classroom experimentation can occur with these tools alone, rather than through premium subscription services. Even in the case of subscription services, the costs of generative AI tools are orders of magnitude lower than some other education technologies, particularly hardware (e.g. laptops). We anticipate that generative AI tools will be integrated into existing subscription software packages as a substitute and complement to standalone tools.

**The costs of tailoring tools at the individual level are declining:** While tailoring tools to the education sector is a good question, it is also worth noting that the tailoring of existing tools, including low-cost and free ones, is rapidly declining. In only the past few months we've seen major efforts to lower the cost of customising foundational Large Language Models. We anticipate these costs to continue to fall. In many ways the individual prompting of a teacher into a generative AI platform is a form of tailoring to their circumstances, rather than at some higher jurisdictional level.

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