
EMBARGOED until 6:00am AEST, Thursday July 2 2026

As AI reshapes work, Australia must build the productivity infrastructure of the capability economy, with the foundations now being built across 160 institutions in ANZ and Canada

With the Productivity Commission projecting up to \$116 billion of additional GDP from AI over the next decade, and the Reserve Bank warning the transition will be 'painful' without infrastructure for workforce mobility, MortarCAPS CEO Charlsey Pearce says Australia has a once-in-a-generation chance to build the sovereign capability infrastructure on which that productivity dividend depends.

SYDNEY, 2 July 2026. A coalition of Australia's largest employers, universities and professional bodies this week commenced the discovery phase of the Human Capability Record (HCR), the portable, learner-owned record of human capability being built under the MortarCAPS Data Standard (MCDS) as productivity infrastructure for an AI-era labour market.

The Discovery coalition stewarding the HCR includes **Commonwealth Bank, KPMG, the Australian Computer Society (ACS), Victorian Tertiary Admissions Centre (VTAC), the University of Sydney, the University of Technology Sydney, and Western Sydney University**, joined by supporting partners across identity, trust and credentialling: **the Australian Access Federation, Higher Ed Services, CAUDIT, Capability.co and an independent K-12 schools partner**. The work picks up the Charter of Rights and Risk Register co-designed at HEDx with 200 sector leaders and led by University of Sydney students, and turns it into a buildable specification under MCDS, with the discovery being led by Cevo and Ingenuity Partners.

The HCR is designed around a single principle: the worker, not the institution, the platform or the vendor, holds and controls the verified record of their capability. It is the architectural opposite of the centralised platforms now failing globally, and the rail on which the up to \$116 billion of additional GDP the Productivity Commission projects from AI over the next decade will either travel or stall.

Charlsey Pearce, CEO of MortarCAPS, said the design intent is to give workers a way to make their genuinely distinctive value visible, and to do it on their own terms, under a Charter of Rights co-designed with learners themselves at HEDx.

"The Castlereagh Statement laid it out plainly. In an AI era, productivity comes from people being able to show what makes them genuinely distinctive: the experience, the judgement, the collaboration, the leadership, the human capabilities that don't fit on a transcript or get caught by a CV keyword scan. The HCR will be the first record built to carry that, and it is wired with a Charter of Rights covering ownership and data sovereignty, consent, transparency, human agency, fairness and protection from commercial exploitation. The worker, not the platform, controls their own story."

Ms Pearce said the Charter of Rights approach is also a direct architectural response to the centralised, platform-held learner data stack the sector has relied on globally. The limits of that model have been thrown into sharp relief by the major learning-platform breach disclosed in early May, which affected approximately 275 million users across more than 8,800 institutions worldwide, including several major Australian universities and a state education department.

Introducing the Human Capability Record

MortarCAPS is moving into the discovery and design phase of the **Human Capability Record (HCR)**: a portable, learner-owned digital record of formal qualifications, micro-credentials, work experience and informal learning, built on the HCS25 framework (Head, Heart, Hands, Lead) from The Institute of Working Futures.

“As work continues to evolve, there’s growing focus on how people can build and apply their skills in different contexts. Approaches that make capability easier and safer to share has potential to help support workforce mobility over time, and we’re joining the program to explore how this could be designed in a way that is practical, trusted and useful for both individuals and organisations.”

Jane Adams, Executive General Manager Human Resources, Commonwealth Bank

The HCR is being co-designed with the tertiary sector, employers, professional bodies and learners across Australia.

“As the peak body for Australian & New Zealand tertiary CIOs, CAUDIT has long argued that a shared, sovereign approach to recognising and moving capability, built once, owned by a neutral steward, and governed jointly, is what allows institutions to spend less time integrating systems and more time supporting students. The Human Capability Record is precisely the architecture this moment requires.”

Greg Sawyer, Chief Executive Officer, CAUDIT

Built for the AI-era economy

The HCR is not, ultimately, an education-sector reform. It is productivity infrastructure for an AI-era labour market: the data and trust layer on which workforce adaptability now depends.

“Every era defines its critical infrastructure. For the post-war generation it was highways, power and water—designed in the public interest to sustain growth for half a century. In an AI-enabled economy, that role is played by trusted, portable human capability data. The decision to treat it as infrastructure is singular; the value it accrues for decades.”

David Reeve, Chief Information Officer, UTS

Australia’s productivity challenge, its workforce participation gaps, its acute and shifting skills shortages and the coming AI-driven transition all turn on the same capacity: to move people into work, redeploy them when industries change, reskill them at scale, and match talent to opportunity quickly and fairly. Interoperable

capability infrastructure is what makes that capacity national rather than institutional. It lets a worker's verified capability be recognised wherever the demand is, shortening every transition.

The HCR is designed to carry not just formal qualifications but employer-recognised evidence: skills based evidence, workplace assessment, on-the-job capability, and credentials validated by employers and industry bodies. A worker can present verified capability directly to an employer and navigate skills-led career pathways rather than re-credentialing for each move. Read against the HCS25 capability framework (Head, Heart, Hands, Lead), the same record makes the durable, transferable human capabilities that matter most in the AI era visible alongside technical skills: providing a natural home for a future National Skills Taxonomy.

"The Human Capability Record reflects our own approach to learning in the AI era and helps students make visible the communication, collaboration, judgement, leadership and adaptability capabilities they develop across their learning, that aren't always fully captured by a transcript alone. We're proud of the role University of Sydney Business School students have played in helping facilitate this co-design process, with student agency and data ownership and control embedded in its design, and we're looking forward to contributing further as the program evolves."

Professor Adam Bridgeman, Acting Deputy Vice-Chancellor (Education and Students), University of Sydney

"For too long, the value of someone's skills has been locked inside the institution that first recognised them. The Human Capability Record changes that. It lets a professional carry a verifiable record of what they actually know and can do across employers, jurisdictions and stages of life. As the professional association for Australia's technology workforce, ACS strongly endorses a sovereign, learner-owned approach to recognising capability in the AI economy."

Beau Tydd, President, Australian Computer Society

"AI is rewriting the labour market faster than any single institution can keep up. The protection against that, for workers, for employers, for the economy, is not better-credentialled silos. It is a portable, learner-owned record of capability that lets people move when work moves. The infrastructure is semantic. The economy it underwrites is the capability economy."

Dorothy Hisgrove, National Managing Partner – People & Inclusion, KPMG

The foundations are being built

While the HCR enters discovery, the data standard it relies on is already in active use.

The **MortarCAPS Data Standard (MCDS)**, now live at V2.1.1 with a new Recognition of Credit standard, spans 24 domains and more than 5,400 entities covering curriculum, student management, finance, HR, research administration and government reporting, drawn from reference data across four jurisdictions. It is live across 160+ institutions in Australia, New Zealand and Canada, with a community of 690 participants.

MCDS is backed by a deep ecosystem of Founding Partners, including AWS, Microsoft, Salesforce, Ellucian, TechnologyOne and Workato, alongside endorsement and implementation support from a growing network of technology partners.

“As a delivery partner, Cevo is proud to help contribute to the build of critical digital infrastructure Australia will need for the capability economy. The Human Capability Record is the kind of system that can deliver long-term national benefit: trusted, secure, interoperable and designed around the individual. It is a privilege to be involved in work that connects technology delivery with such a clear public purpose.”

James Lewis, Head of Public Sector, Cevo (Delivery Partner)

The Budget’s productivity bet depends on this stack

The 2026–27 Budget includes a pathway for university students with relevant TAFE qualifications to complete their degrees quicker through a National Credit Recognition Framework, alongside \$75.1 million over 4 years for a new, modern trade skills assessment system, an \$85.2 million package to accelerate recognition of migrant skills, a \$654.3 million expansion of Digital ID, and the legislated establishment of the Australian Tertiary Education Commission (ATEC). [\[Australian Government Budget\]](#)

Each measure addresses a productivity bottleneck the Reserve Bank and Productivity Commission have flagged for years, and each one rests on the same dependency.

Seamless recognition of skills and education through a common language and shared infrastructure will support learners, workers, and industry. Empowering learners and workers to take ownership of their capabilities enables them to meet their study and career goals in the contemporary and future world of work. Employers and industry benefit from a clearer articulation of capability and opportunity in their current and future workforce. Education is a lifelong process, and streamlined recognition of skills developed in the workplace, community, and through formal education at all stages empowers learners and workers to move confidently and easily between employment and education throughout their life.”

Teresa Tija, CEO, VTAC

Employers are looking for the same shift. Australia’s largest employers of skills-led talent all indicated the upgrade is overdue.

The choice in front of Australia

Ms Pearce said the narrative around the future AI economy needs a reframe.

“The dystopian story about AI, data and the future of work writes itself. The better story, productivity that comes from honouring human capability rather than commodifying it, is the one Australia is uniquely positioned to tell. We are closer than most people realise. Let’s get on with it.”

E N D S

Media contact

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Available for interview: Charlsey Pearce (Sydney, AEST). Background briefings available for productivity/economy, technology and education correspondents. Interviews of the quoted individuals and organisations can also be arranged.

Prototype walkthrough for journalists: Accredited journalists are invited to request a confidential demonstration of the Human Capability Record prototype as HCR Discovery formally commences. Contact the media addresses above to arrange a session.

About MortarCAPS

MortarCAPS is a not-for-profit standards body for higher education data, operating across Australia, New Zealand, and Canada. The MortarCAPS Data Standard (MCDS) is live across 160+ institutions in ANZ and Canada, with a community of 700+ participants. Founding Partners include AWS, Microsoft, Salesforce, Ellucian, TechnologyOne and Workato. The Human Capability Record (HCR), a portable, learner-owned digital record of human capability stewarded by MortarCAPS, enters discovery in 2026.