

Part B: Submission

1. Introduction

The Australian Services Union (ASU) is one of Australia's largest Unions, representing approximately 135,000 members.

The ASU was created in 1993. It brought together three large unions – the Federated Clerks Union, the Municipal Officers Association and the Municipal Employees Union, as well as a number of smaller organisations representing social welfare workers, information technology workers and transport employees.

Current ASU members work in a wide variety of industries and occupations because the Union's rules traditionally and primarily cover workers in the following industries and occupations:

- Local government
- State government
- Social and community services
- Transport, including passenger air and rail transport, road, rail and air freight transport
- Clerical and administrative employees in commerce and industry generally
- Call centres
- Electricity generation, transmission and distribution
- Water industry
- Higher education (Queensland and SA)

The ASU has members in every State and Territory of Australia, as well as in most regional centres.

2. Overcoming digital challenges

The ASU recognises that the nature of work will change radically within the next thirty years as a consequence of advancements in digital technology, artificial intelligence and robotics.

We recognise that the nature and timing of these changes cannot be accurately forecast at this stage, however we understand that the adopting of and adapting to new technologies can provide better jobs and better services to the community.

Engaging with staff on the possible future of work at employer level will provide workers a better opportunity to influence and improve how such technologies are implemented.

The ASU notes that the introduction of new technologies is changing the nature of work and when and where work occurs. We are supportive of appropriate flexible work practices which improve members working lives and provide a better work life balance, but inappropriate use of the new technologies can lead to work intensification and a worse work life balance.

We believe areas of focus for government should include transparency, respect of human rights, Just Transition key principles, skills development and training and strong industrial relations rights.

3. Just transition

Artificial intelligence (AI) and its applications are already displacing workers, and with the rapid development in its capabilities, it is expected that many more tasks done by humans today, will be done by AI and robots in the future.

This is why the ASU believes it is essential that the principles of a “Just Transition” be at the centre of government regulation to hopefully prevent the unintended consequences of AI whilst accentuating its benefits to workers and society.

The term “Just Transition” has been around for some time, with the framework initially devised by trade unions in the context of climate change. Just transitions involve a range of social interventions needed to secure workers' jobs and livelihoods threatened by economic dislocation and change. Just transitions are desirable for all transition including technological transformations such as artificial intelligence.

A Just Transition policy framework should address the uncertainties regarding job impacts, risks of job losses, of undemocratic decision-making processes and of

lowering rights at work, as well as of regional or local economic downturn, among others.¹

Key principles of a Just Transition should “include:

- Research and early assessment of social and employment impacts
- Social dialogue and democratic consultation of social partners and stakeholders
- Active labour market policies and regulation, including training and skills development
- Social protection, including securing of pensions
- Community renewal and economic diversification plans
- Sound investments leading to high quality, decent jobs”²

We believe it is essential for the Australian Government to establish an authority with sufficient powers and resources to plan and coordinate Just Transition principles for workers and employers.

4. Industrial relations - Workers’ Rights

Major stakeholders (government, business, trade unions etc.) must work together to develop a central industrial relations framework to help prevent high societal costs including: job displacements, inequalities in income and job insecurity that may result from the introduction of AI.

The mainstreaming of artificial intelligence should not deepen inequalities in income and opportunities. Any productivity gains from AI, and digitalisation at large, should be shared fairly.³ It is imperative that workers be consulted on AI systems in terms of their implementation, development and deployment.

In addition, in a world where the casualisation or individualisation of work is rising, all workers in all forms of work must have the same, strong social and fundamental rights. One way to achieve this is to ensure that collective agreements and worker representation mechanisms account for the use of new technologies.

The ASU acknowledges that consultation regarding artificial intelligence does not currently fall appropriately within the specific industrial requirements for consultation on organisational change until a specific proposal is developed by the employer for

¹ TUAC Briefing, Shaping the introduction of AI for the benefit of all [online] Accessed at: <https://tuac.org/news/shaping-introduction-ai-benefit/#>

² The Impact initiative, Towards a just transition for inclusive digitalisation [online] Accessed at: <https://www.theimpactinitiative.net/blog/blog-towards-just-transition-inclusive-digitalisation>

³ TUAC Briefing, Shaping the introduction of AI for the benefit of all [online] Accessed at: <https://tuac.org/news/shaping-introduction-ai-benefit/#>

introduction. New consultative mechanisms and requirements should be sought for inclusion within modern awards and collective agreements.

In addition, we need to ensure businesses in the “gig economy” don't undercut the wages of Australian workers. The best way to do that, and to ensure workers' rights are upheld, is to make sure our industrial relations legislation is a level playing field for both workers and employers and one that delivers a fair outcome for all.

Digitalisation and automation of the workplace has already led to an increase in the number of non-standard workers - including part-time employment, temporary employment, contractual arrangements involving multiple parties, or even ambiguous employment relationships such as undeclared work.⁴

These types of non-standard work arrangements have already led to some negative implications for workers' wellbeing compared with that of standard workers with the potential for these new forms of work to undermine existing collective bargaining practices.

It is imperative the government take into account these non-standard working arrangements and develop labour and employment legislation to safeguard against the rising “gig economy”.

5. Portable entitlements

With the rise of artificial intelligence and the “gig economy” it is likely workers will change jobs more frequently. It is essential that workers are able to pool their entitlements such as long service leave, annual leave and sick leave and take them with them as they move jobs. Workers who experience insecure work should still have the opportunity to save for employment and insure against sickness or other risks.

Last year a Senate Committee on the Future of Work and Workers recommended “that further consideration be given to implementing portable leave schemes—which allow individuals to accrue leave entitlements across their working lifetime and transfer them to new positions—across a range of industries, recognising the increasingly flexible working patterns of modern Australians.”⁵

⁴ CESE, Future of Work: Joining forces for a Just Transition to digital Europe [online] Accessed at: <https://www.eesc.europa.eu/pt/node/64831>

⁵ Senate Select Committee on the Future of Work and Workers, Hope is not a strategy – our shared responsibility for the future of work and workers report [online] Accessed at: https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Future_of_Work_and_Workers/FutureofWork/Report

6. Skills development including training and retraining employees

It will be imperative for the Commonwealth to invest in skills development including the training and retraining of workers. The days of a 'job for life' are now over. We need to now turn our attention to what the future of work will look like and make sure that there are no mass dismissals caused by the introduction of artificial intelligence.

Advanced training and retraining of employees will be essential as will labour market programs that encourage workers to update their skills constantly and habitually as part of work or alternatively match skills and not just jobs so that greater attention is paid to transferable skills.

Focusing on skills development and ongoing workplace training and by preparing the workforce ahead of time will help to combat employee's fear of losing their jobs to new technology.

There will also be a need for Government measures to help displaced workers retrain and find new employment. The latest McKinsey report released this week affirms "without a concerted effort to support displaced workers to retrain and re-enter the workforce, unemployment could rise by up to 2.5 percent and income inequality could widen by up to 30 percent."⁶

Further the report warns that without a strong governmental response, AI has the potential to widen our already moderate levels of income inequality. This will depend on how much Australia increases its efforts to retrain and redeploy surplus workers.⁷

It is imperative for government stop automation from driving up inequality. One way to achieve this is to ensure government works closely with all stakeholders to ensure the benefits of new technologies are felt across different sectors of the economy, while creating new highly skilled and well paid jobs.

⁶ McKinsey Report, Australia's automation opportunity, Reigniting productivity and inclusive income growth [online] Accessed at: <https://www.mckinsey.com/~media/mckinsey/featured%20insights/future%20of%20organizations/australias%20automation%20opportunity%20reigniting%20productivity%20and%20inclusive%20income%20growth/australias-automation-opportunity-reigniting-productivity-and-inclusive-income-growth.ashx>

⁷ Ibid.