INQUIRY INTO ARTIFICIAL INTELLIGENCE (AI) IN NEW SOUTH WALES

Organisation: Shop, Distributive and Allied Employees' Association NSW Branch

Date Received: 23 October 2023

The Hon. Jeremy Buckingham, MLC
Chair
Inquiry into artificial intelligence (AI) in New South Wales
Parliament of New South Wales
Macquarie St
Sydney NSW 2000

Dear Chair,

Submission to the Inquiry into artificial intelligence (AI) in New South Wales

Thank you for the opportunity to make a submission to this inquiry. The SDA is one of the largest unions in New South Wales, representing over 65,000 members working in the retail, fast food and warehousing industries. Nationally, the SDA represents over 200,000 members.

Artificial intelligence is bringing significant change to Australian workplaces. With this comes opportunities to increase workplace productivity and for workers to share in those productivity gains. For there to be positive change shared by all, New South Wales needs the right policy setting with fair and responsible employment protections.

The impacts of artificial intelligence and other automation technologies on workers in the retail, fast food and warehousing industries can broadly be categorised in two ways:

1. Automation of tasks, through technologies such as self-serve checkouts, cashierless technology, online sales, automated warehousing.

2. AI and algorithmic driven management systems, often driven by demand, for management tasks such as allocation of tasks, rostering, inventory and recruitment.

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The rapid pace of automation through AI technologies has the potential to lead to redundancies, higher rates of casualisation and insecure work and put downward pressure on wages.

The SDA recommends the New South Wales Government mitigate these risks through policy that:

(a) fosters training and education to provide workers with the skills required by new technology;

(b) increases funding for training and education, especially in TAFE NSW;

(c) increases employer contributions to training, including by introducing training funds for individual workers, with contributions made by employers, similar to a superannuation fund;

(d) facilitates a tripartite (government, employers and registered organisations) approach to training and skills;

(e) strengthens and expands consultation mechanisms with workers when new technologies are introduced;

(f) encourages employers to retrain or redeploy workers where jobs are displaced; and

(g) provides appropriate levels of redundancy pay when jobs are displaced and workers cannot be retrained or redeployed.

AI driven management systems also have potential to have negative impacts on workers in various ways. For example, in recent years, the use of demand driven automated rostering systems has become more prevalent. The SDA has seen the negative impact that these systems can have on workers when not used appropriately. At times, the systems fail to take into account the needs of the workers, who need rosters that can work with their commitments to family, caring and community. They can also lead to intensification of work and unrealistic workloads. Both issues increase the risk of psychological injuries and poor mental health.

In addition, using AI to monitor employees has become even more pervasive in a post COVID world. Concerningly, the use of AI has even been extended to monitor workers engaging in legitimate legal industrial activity, not just at work but around the world. This behaviour should not be permitted in Australia because the monitoring is happening in another jurisdiction.

The SDA recommends the New South Wales Government mitigate these risks through policy that:

(a) regulates the automated allocation of work to ensure it is safe;

(b) increases resources for safety regulators to deal with workload and mental health issues;

(c) ensures that laws are updated to prohibit the use of AI to monitor employees engaging in lawful industrial activity and where necessary to permit the extra jurisdictional operation of such laws; and

(d) allows for registered organisations to inspect software/platforms/code/algorithms/ apps used to allocate work and set workload.

Should you have any queries in relation to this matter, please contact SDA Industrial Officer, Mr Mitchell Worsley

Yours faithfully,

Bernie Smith
<u>BRANCH SECRETARY-TREASURER</u>