Digitalisation and AI at work: what is a just transition?

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A Just Transition for Digital Change

- **Sector & multi-employer bargaining** covering an entire sector or region, irrespective of the turnover of work(ers) and size of firms.

- **Swedish Job Security Councils:** almost 80% of the labour force covered; high percentage of unionisation, collective bargaining coverage & social partners’ cooperation

- Denmark: 2 tripartite agreements to create 8-10.000 **new apprenticeships** (2016) and a broader agreement on **adult VET** with over 80 commitments (2017)

- IG Metall won right to **28-h week** for up to 2 years & 4.3% pay rise = seen as benchmark for other sectors

- Orange, France: **Data use, training & Right to disconnect**

- Ireland: FSU campaign to the **right to disconnect**, Spain’s telework regulation
The cost to safe haven

- Approximate magnitude:
  - Lower bound average: 1%
  - Upper bound average: 5%
- Much higher costs for older workers, much higher need for ROA occupations in manufacturing

Source: Authors’ calculations based on Survey of Adult Skills (2012, 2015), Education at a Glance (2018) and OECD STAN
Covid-19 implications

• Job losses (actual & projected)
• Telework
• Faster automation
• More monitoring and AI-powered management
• Platform economy issues laid bare
Teleworking regulation (Spain)
non-discrimination
material costs in charge of companies
collective rights
Right to disconnect
collective bargaining
Digital change in the World of Work

• Monitoring & data ownership, collection and repurposing
  – The extent to which the monitoring of workers and the ownership, collection and repurposing of their data is carried out and regulated

• Algorithmic transparency
  – The misuse, discrimination and bias risks associated with algorithms

• Liability & security standards for automated and human-to-machine systems
  – The uncertainty over accountability, liability and security standards for automated and human-to-machine systems affecting workers’ health and safety

• New business models and/or processes
  – The impact of digitally enhanced processes on organisational change and business models

• Structural change and automation
OECD (G20) Recommendation on AI

Building human capacity and preparing for labour market transformation

- Governments should (...) empower people to effectively use and interact with AI systems (...), including by equipping them with the necessary skills.
- Governments should take steps, including through social dialogue, to ensure a fair transition for workers as AI is deployed, such as (...).
- Governments should also (...) promote the responsible use of AI at work, to enhance the safety of workers and the quality of jobs, to foster entrepreneurship and productivity, and aim to ensure that the benefits from AI are broadly and fairly shared.
Substantial differences in the way consultations with social partners:

- Unions – if at all – were involved mostly after business organisations & to a lesser extent in shaping Digital Agendas and Innovation strategies vs. Industry 4.0 and FoW discussions (*TUAC Survey, 2018*)

Introduction of AI at work:

- Majority of employees (52%) said they would prefer AI to be deployed as an on-demand helper—essentially, acting as their own employee—rather than as their manager (9%), coworker (11%), or proactive assistant (32%) (*Gartner Survey, 2018*)

- Only 23% of respondents reported that the introduction of new technologies that have the potential to monitor performance and behaviour or data protection issues had been addressed by information and consultation at company level so far (*ETUC Survey, 2018*)

Effects on work intensity, autonomy & transparency:

- AI implementation was rarely done following coordination or negotiation with workers’ representatives and is leading to more intense working rhythms (52 vs. 11 %), greater scope for employees to be monitored, less autonomy (60 % vs. 4%) BUT also more transparency over performance (50 % vs. 13%) (*Ver.di Survey, 2019*)
Consultation

Pro-active policies & dialogue

AI under human command to safeguard autonomy & self-determination

Workers & their representatives need to co-set the goals of the use of AI Systems from the very beginning.
HR: IT’S AUTOMATIC

Virtually all HR services can be automated to some degree. Only five functions are relatively less susceptible to automation, according to KPMG International.

- Can be fully or partially automated
- Is less susceptible to automation

Source: KPMG International.
Co-Design
Scope for information & consultation, social dialogue & collective agreements

**Monitoring & data ownership, collection and repurposing**
- **Information and Consultation**
  - Clarity on the sources and purpose of collection, use and storage of workers' individual and collective data
  - Consent over data use and sharing including to third parties
  - Consultation on confidentiality parameters (e.g. encryption and aggregation of data)

**Algorithmic transparency over use**
- **Information and Consultation**
  - Disclosure on the use of digital systems in human resources or management decision-making
  - Transparency via accessible data log registrars, labelling and/or audits
  - Explainability

**Social Dialogue and Collective Bargaining**
- Data protection rules incl. on consent and tools for encryption and anonymization to ensure privacy by design
- Rules on transparency and portability
- Guidance on the scope and limits of monitoring

**Liability & security standards for automated and human-to-machine systems**
- **Information and Consultation**
  - OHS rights, audits and technology/impact assessments
  - Precautionary standards and ex-ante and ex-post risk assessment

**Social Dialogue and Collective Bargaining**
- Transparency provisions
- Accountability standards and reporting mechanisms (compliance)
- Anti-discrimination and disclosure standards (to detect possible bias) and rights to redress

**New business models and/ or processes**
- **Information and Consultation**
  - Changes in the business model/strategy
  - Changes in work organisation and work processes
  - Due diligence across value chains

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**Structural change and automation**
- **Information and Consultation**
  - Outsourcing and offshoring
  - Potential redundancies

**Social Dialogue and Collective Bargaining**
- Transitional pathways
- Employment protection legislation

**New business models and/ or processes**
- **Social Dialogue and Collective Bargaining**
  - Wage adjustments
  - Working time (incl. mobile work, telework, right to disconnect)
  - Training rights and governance
  - Interoperability standards

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