Social Innovation Research Institute
Society 4.0 Forum
8 November 2018

Shaping the Digital Economy for Good

#Society4.0
Presentation:
Work in the Data Economy – What Action is Needed to Ensure Good Work for All?

Andrew Dettmer
National President
Australian Manufacturing Workers Union
GOOD WORK FOR ALL?

ANDREW DETTMER
NATIONAL PRESIDENT AMWU
Union membership

Union density and blue-collar workforce share, 1954-2016

Source: ABS, Cat. 610.0; ABS, Cat. 6325.1; ABS, Cat. 6310.0; ABS, Cat. 6333.0; Bowden et al, Work & Strife in Paradise, Appendix 21
WHAT THE DECLINE IN WORKERS’ SHARE OF GDP MEANS FOR YOU

SIZE OF GDP PIE TODAY = $1.9 TRILLION

WORKERS’ SHARE OF ECONOMIC PIE

58.4%  ↓  47.1%

1975  2018

VALUE OF WORKERS’ LOST SLICE

$210 BILLION PER YEAR

NUMBER OF EMPLOYED AUSTRALIANS

12.5 MILLION

LOSS PER WORKER

$16,800/YEAR

futurework.org.au

SOURCE: CENTRE FOR FUTURE WORK from ABS Catalogues 5218.0 and 4102.0 GDP data for March quarter
WHAT ARE THE IMPLICATIONS OF INDUSTRY 4.0 FOR WORKERS?
CROWDWORKERS & CROWDSOURCING

New form of work?

Return to casual work as dominant labour form?

OED as original

AirTasker
ALGORITHMIC MANAGEMENT

- Continuous tracking
- Constant performance evaluation
- Automatic implementation
- System interacts with workers
- Low transparency
TERMS OF SERVICE

• Adherence contracts

VS

• Fair Work Act, s3: “The object of this Act is to provide a balanced framework for cooperative and productive workplace relations that promotes national economic prosperity and social inclusion for all Australians”
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I. General. (a) The software (including Boot ROM code, embedded software and third party software), documentation, interfaces, content, fonts
WHO ARE THE PLATFORM WORKERS?


• Well educated
  – <18% high school only
• More women than men in age 36+ category
• Combine crowd work with caring responsibilities
• 6% dissatisfied with work
• Most dissatisfied with pay

• Average pay:
  – CrowdFlower (now Figure 8)
    • $US2.65 per hour
  – Amazon Mechanical Turk
    • $US8.51 per hour
  – US Minimum wage
    • $US7.25 per hour
  – Australian minimum wage
    • $18.29 per hour (or $US12.96)
THE NATURE OF CROWDWORK

• Poorly paid
  – Embarrassment

• Isolated
  – Panopticon – unseen virtual supervisor gives and takes, sometimes capriciously.

• Vulnerable
  – “We do this work because it’s our only option.”

• “Fakework”
  – Click rates on sites

In a word
Humiliating
WHAT DO WE HAVE TO WORRY ABOUT?

Frey and Osborne (2013) – 47% of all jobs negatively impacted
Nedelkoska and Quintini (2018) – 11% of jobs negatively impacted

Not uniform
Low value jobs will continue while products useful, esp. where physical manipulation required
High value jobs will increase in value, esp. those involving social and cognitive intelligence
Mid-level jobs under greatest threat of digitisation
NAH, NOTHING TO SEE HERE...

World Bank, World Development Report 2019

“Inequality in most emerging economies has declined or remained unchanged over the last decade.”
CONTRAST WITH...
The World Bank Solution...

- More deregulation
- Increased “labour flexibility” (i.e. right to hire and fire)
- Fewer collective rights
- Weaker unions
Airtasker agreement with Unions NSW

- Minimum rates of pay
- Insurance
- Safety
- Dispute settlement
WE SURVEYED MEMBERS

WHAT DID WE FIND OUT?
DELEGATES SURVEY

* 250 delegates
* Call Centre
* Repeated questions from 2012-13
* Some new questions
Respondents indicating their employer does the following things "often"

- Invests in new technologies to help solve problems/innovate
- Invests in new plant and equipment
- Trusts us (you and your fellow workers) to understand what's required and get the work done independently
- Works with other companies to solve problems/innovate
- Works with government industry support programs to identify business opportunities

2013 vs 2018
We had an employee consultative committee that focused on genuine business decisions and solutions. We were better connected with other businesses. We encouraged innovation and problem solving. We had workforce development plans and we were provided with genuine training and skills development.

Respondents agree/strongly agree that productivity would be improved by the following measures.
The company I work for is profitable.
I am very confident about the future of the company I work for.
The company follows a continuous improvement plan.

The chart shows the percentage of respondents who agree or strongly agree with each statement in 2013 and 2018.
<table>
<thead>
<tr>
<th></th>
<th>Often</th>
<th>Sometimes/Occasionally</th>
<th>Never</th>
<th>Not Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engages the talents and creativity of their workers outside their traditional roles</td>
<td>12%</td>
<td>59%</td>
<td>27%</td>
<td>2%</td>
</tr>
<tr>
<td>Consults with the workers about what can be improved in the workplace</td>
<td>16%</td>
<td>59%</td>
<td>24%</td>
<td>1%</td>
</tr>
<tr>
<td>Introduce new technologies to make it easier for us to do our jobs</td>
<td>10%</td>
<td>68%</td>
<td>21%</td>
<td>2%</td>
</tr>
<tr>
<td>Discuss the introduction of new technologies in the workplace</td>
<td>13%</td>
<td>58%</td>
<td>29%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>I believe that technological changes will...</strong></td>
<td><strong>Strongly Agree / Agree</strong></td>
<td><strong>Disagree / Strongly Disagree</strong></td>
<td><strong>Not Sure</strong></td>
<td></td>
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<tr>
<td>-----------------------------------------------</td>
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<tr>
<td>Improve job security</td>
<td>31%</td>
<td>61%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Replace existing jobs</td>
<td>69%</td>
<td>25%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Require existing workers to undertake additional training</td>
<td>89%</td>
<td>9%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Improve productivity</td>
<td>69%</td>
<td>25%</td>
<td>6%</td>
<td></td>
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<tr>
<td>Make it harder for older workers to find a job</td>
<td>84%</td>
<td>14%</td>
<td>2%</td>
<td></td>
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<tr>
<td>Make it harder for younger workers to find a job</td>
<td>45%</td>
<td>49%</td>
<td>5%</td>
<td></td>
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<tr>
<td>Put my current employer out of business</td>
<td>12%</td>
<td>81%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Statement</td>
<td>Strongly Agree / Agree</td>
<td>Disagree / Strongly Disagree</td>
<td>Not Sure</td>
<td></td>
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<tr>
<td>There is a high level of trust between the shop floor and the leadership of our company</td>
<td>12%</td>
<td>86%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>The benefits of improved productivity are shared with workers through increased wages or improved conditions at work</td>
<td>16%</td>
<td>82%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>My workplace identifies and develops talented workers</td>
<td>28%</td>
<td>68%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>The company relies on insecure employment such as casuals, labour hire workers or contractors too much</td>
<td>65%</td>
<td>33%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>My workplace should engage in more Research and Design (R&amp;D)</td>
<td>72%</td>
<td>19%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>The skills and training I need for my work have changed over time</td>
<td>75%</td>
<td>24%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>The job that I do now is different to the job that I was initially employed to do because it requires different skills</td>
<td>64%</td>
<td>35%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>I expect that I will need to undertake further training because of changes to the way I work as a result of new technology</td>
<td>69%</td>
<td>28%</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>
Change

THE

RULES

AMWU