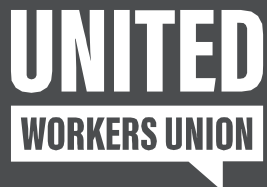


Joint Select Committee on Artificial Intelligence

Submission of the United Workers' Union

21 September 2026



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Acknowledgement to Country

The United Workers' Union is a national trade union. We acknowledge and respect the continuing spirit, culture and contribution of Traditional Custodians on the lands where we work, and pay respects to Elders – past, present and emerging. We extend our respects to Traditional Custodians of all the places that United Workers' Union members live and work around the country.

About the United Workers' Union

United Workers' Union ('UWU') is a powerful union with 150,000 workers across the country from more than 45 industries and all walks of life, standing together to make a difference. Our work reaches millions of people every single day of their lives. We feed you, educate you, provide care for you, keep your communities safe and get you the goods you need. Without us, everything stops. We are proud of the work we do— our early childhood educators are shaping the future of the nation one child at a time; supermarket logistics members pack food for your local supermarket and farms workers put food on Australian dinner tables; hospitality members serve you a drink on your night off; aged care members provide quality care for our elderly and cleaning and security members ensure the spaces you work, travel and educate yourself in are safe and clean.

Introduction

UWU welcomes the opportunity to make this targeted submission to the Joint Select Committee on Artificial Intelligence (AI). This submission focuses on the workforce and skills implications of AI-driven workplace automation of administrative and production tasks and whole roles that would otherwise be done by workers; and the impact of this on the quality, security and safety of our members' jobs. It contributes insights from a recent UWU member survey and targeted case studies to show the impact of this role and task replacement on the quality and security of members' jobs. It also shows their pessimism about the environment of rapid workplace change, and the effectiveness of laws and regulations to address the impact of AI on their jobs and communities.

UWU members work in a wider range of industries, job roles and workplaces than any other union. Unsurprisingly, AI-facilitated workplace change affects UWU members differently in their job depending on where and how they work. In logistics and manufacturing, UWU members are experiencing both productive and administrative automation and workplace change, targeted automation of parts of roles and of whole jobs to reduce labour costs and undermine classification systems, and increased surveillance on productivity and performance resulting in work intensification. In UWU's service and education and care industries, members have seen mostly administrative automation, including increases in surveillance, algorithmic roster optimisation aimed at squeezing hours and labour costs and shifting travel costs back on to members, and associated reductions in the quality of care they are able to provide.

UWU welcomes the Prime Minister's commitment to harnessing the powerful potential of AI in the nation's interests, through the creation of mandatory Australian Standards for AI.¹ These standards must effectively regulate employer practices, protect and enhance workers' rights at work, and provide effective worker voice in harnessing and targeting the benefits of AI. Without appropriate protections for UWU members' workplace rights, privacy, safety and their jobs, the introduction of AI in their workplaces is already being experienced by UWU members as a new way for employers to pursue old goals: squeezing the proportion of outlay on labour costs and introducing work-intensifying labour management practices. There is also a special imperative in ensuring that AI innovation in government-funded delivery of essential public services in early childhood education and care and aged care upholds effective workplace minima and quality provision of care and education, rather than being targeted at reducing labour and care costs to extract profit at the expense of people.

Recommendations

1. UWW calls for regulatory oversight of AI at work as a critical aspect of mandatory Australian Standards for AI, including in relation to workplace rights, anti-discrimination, privacy, taxation laws, and for protections for environment and First Nations culture and self-determination. This is imperative for Governments to build trust with working people about the impact of AI on their jobs and livelihoods.
2. UWW recommends a review of business taxation structures, addressing signs that our tax system is positively incentivising business adoption of algorithmic management and automation of job tasks at the expense of wages, conditions, classification structures and replacing jobs for humans.
3. The introduction of Worker Voice in AI governance is a critical component of fair introduction of AI across the economy. UWW recommends the establishment of industry-level councils. Councils would be directed to address the need for stronger regulation and industry strategies, ensure productivity gains are directed to improvements in wages and conditions, and address the looming work, health and safety crisis caused by work intensification, lack of consultation, surveillance and other disruptive technologies.
4. UWW has contributed to the development of the Australian Council of Trade Unions' submission to this inquiry and supports its recommendations to the Committee.

AI Automation, Algorithmic Management and Surveillance in UWW Industries

Expert predictions about the effect of AI on the labour market of the future vary widely as to the net effect on jobs, but there is a consensus that more AI-exposed jobs – such as in logistics, where productive automation can replace whole jobs, or in clerical or HR roles where functions are able to be replaced by algorithmic administration - are already experiencing labour market effects.² UWW is currently surveying members across our broad industry base on the presence, use and impact of AI automation and surveillance in their workplaces. Early data on responses¹ paint a picture of increasingly intrusive AI surveillance, automation and algorithmic management in UWW members' workplaces - that has already begun to reach a

¹ N=342 respondents in this sample. Respondents were in Aged Care (15.7%), Education (12.4%), Logistics, Warehousing and Supermarket Supply Chain (9.9%), Manufacturing (9.1%), Security (9.4%), Cleaning (7.7%), Health (7.5%), Early Childhood Education and Care (6.6%), and other industries. UWW organises and represents members in more than 45 industries nationally.

critical point for some members, with stronger responses in logistics, manufacturing and in aged care home care.

A significant minority of respondents (42%) believed they had not yet experienced negative effects of AI at work. The majority however told us that algorithmic management is already changing workplace conditions and tasks in ways that improve profit for employers, in some cases replacing tasks and roles wholesale:

- There is more intrusive surveillance on how and when they do their work (**29%**)
- AI has resulted in changes to the way work is done at the workplace (**35%**), the duties they do in their jobs (**18%**) and the skills they need to do it (**19%**)
- AI rostering has resulted in shifts, rosters and hours of work changed (**19%**), unpredictable hours (**20%**), allocated less work or denied shifts (**15%**).
- AI monitoring and surveillance is linked to requirements to meet unrealistic or unsafe targets (**15%**), or to performance management (**18%**)
- They have seen others lose jobs (**10%**) and had their pay, bonus or allowances affected by AI-related workplace change (**7%**).

Significantly, while recent workplace change affecting quality of their working life was top of mind for respondents, not all of them recognised it as specifically AI-related or AI-driven. **43%** initially identified that AI processes, machines, surveillance, rostering, activity measures or other changes had been introduced to their workplace in the past two years. However, this rose to **78%** when we asked about members' experience of specific AI-powered management and productive systems and processes:

- Rostering and shift allocation done by new software rather than a human
- Cameras in the workplace monitoring people moving through space
- Surveillance software tracking location, workflow or productivity, or health and safety
- Productivity tracking software using dashboards, performance metrics or leaderboards
- Introduction of new AI tools and machines, which require new skills to operate
- Requirements to use new AI software or processes, changing the way their job is done
- Email, chat, message or phone call monitoring
- AI screening in recruitment, like AI job interviews.

The majority of UWW members responding to the survey told us their employers have introduced algorithmic management and administration changes at work without properly consulting them; only **14%** positively indicated that consultation had occurred. This is particularly troubling given work, health and safety duties under both the harmonised and

Victorian schemes for persons conducting a business or undertaking to conduct effective consultation and control risks and hazards at work. Consultation on major change is also required under most Awards and enterprise agreements. Members highlighted specific administrative workplace changes – AI rostering, AI performance monitoring linked to disciplinary procedures, AI business tools like call lines, invoice processing and HR functions, AI client assessment tools, AI audio recording and surveillance in common workplace areas, and use of facial recognition for clock-in and clock-out – that they felt were particularly intrusive. Illustrative quotes point to the way algorithmic management and surveillance is being employed to undermine workplace conditions across UWU’s industries:

“Rostering done by AI and many breaches of the EA [Enterprise Agreement] occur.” – **Aged Care Member**

“I feel like with our work associated with KPI, more advanced technologies are used to keep us working while tightening the time given to complete the job, which makes [it] harder and prone to getting injured. They never consider about employee safety rather than their business upgrades.” – **Logistics Member**

“They have cut our freezer break, told us to stay on task and our down time is being monitored and need to pick faster.” – **Logistics Member**

“We are still negotiating our new EBA, specifically an amendment around AI and surveillance monitoring in the workplace specifically in regard to disciplinary matters. Despite this not yet being agreed to in a new EBA, there have been conditions around agreeing to video surveillance and your possessions/vehicle being able to be searched being added into new employee contracts.” – **Food and Beverage Industry Member**

“AI has been used in many interviews or applications for jobs I have attended recently.” – **Hospitality Member**

“They have cancelled leave...rejected leave based on new rostering principle but not elaborated. Leaderboards were started with new metrics, no consultation until HSRs reached out... then got an overview of intent and nothing more.” – **Casinos Member**

“The sign in and out app was not discussed. We were told we had to install it on our personal phones. The app also requires us to read and sign various memos/documents prior to signing in (In our own time.)” – **Cleaning Member**

“The app for clocking in and out, tracks where we are... The chat GPT for case notes has been recent, but I don’t do it because I think it’s unethical.” – **Disability Care Member**

“Online portal for filing case notes and incident reports. Unable to edit notes after submitting, causing staff anxiety about documenting incorrectly and attracting blame. Upshot is that incidents go unreported to avoid attracting blame.” - **Disability Services Member**

“We were not consulted on any of it. Just told at a meeting that going forward cameras would be installed in our rooms and movements tracked.” – **Early Childhood Education and Care Member**

“I think the new AI screening software will make us redundant in the next few years. It was tried but has been implemented as yet.” – **Security Member**

“My job is on the chopping block due to AI. Everyone in my role across the business is likely gone by the end of the year.” – **Anonymous Member**

AI Pessimism, Rapid Workplace Change and Fairness at Work

Members across our industries tell us that these changes, often happening without adequate consultation, and the pace of AI change more generally does not feel supported by Government action. Members are pessimistic about the introduction of AI to their workplaces and more broadly in their lives:

- They believe that laws upholding fairness are not keeping pace with new technology. **(68%)**
- They believe the ethical considerations of AI haven't been properly thought through. **(79%)**
- Only **(19%)** agreed that the introduction of AI technologies will have a positive impact on their working life.
- Only **(14%)** agreed with the proposition that AI technology will have a positive effect on their community and on society.

Only **15%** of respondents agreed that the Government is listening to working peoples' concerns about AI. Recent Essential Media polling on attitudes to AI regulation in the workplace also shows that 74% are concerned or very concerned about artificial intelligence and automation in their working life over the next five years.³ 87% of Australians agree that employers should be required to consult workers before introducing AI that will alter their jobs, and 86% agree that Australia should have regulation around employer use of AI to automate HR administrative processes such as hiring, firing and performance management.⁴

Case study: Unsafe Algorithmic Performance Management in Logistics

AI is being implemented across logistics operations, in an industry that has historically been quick to adopt automation technology. Some of the uses of new technology have included further integrating already automated systems, offering new services to clients (e.g. GPS tracking and data analysis),⁵ as well as re-invigorating old ideas of Taylorism and the control of labour.⁶ In warehousing, although automation and AI technology has been adopted, it has not necessarily removed the dangerous tasks undertaken by human workers – instead, it has reduced worker agency and outsourced decision making about how and when to do tasks to algorithmic and human management.⁷

In early 2024, Woolworths introduced a new worker performance management program. Under this program, members reported that they risked potential disciplinary action if they failed to achieve 100% adherence to a speed-related metric known as ‘pick rates.’

These ‘pick rates’ are underpinned by software algorithms that automate the estimated time for task completion. This then generates statistics on individual pick rates which are then tied to staff performance and disciplinary action. This system facilitates considerable monitoring, data collection and increased management surveillance, which is then used against workers rather than as a tool to assist them.

The Woolworths performance management program was the subject of negotiations in the 2024 enterprise agreement bargain. UWW members took industrial action over 17 days in November-December 2024, forgoing wages to win (amongst other matters) a new clause to be added to workplace agreements that ensures that the workers will not be disciplined for the speed that they can work at, and an acknowledgement that not everybody can pick at 100%. This was an important victory, but workers should not have to take strike action and forgo wages to ensure that AI is introduced to workplaces in a way that is transparent, fair and safe.

UWW member ‘Roy’ works in the manual picking area:

“We just heard mostly through the union that a 12-week plan was being introduced to monitor performance, they do that anyway. But this time we didn't know what would happen after 12 weeks, we didn't know if we were going to lose our jobs. So, monitoring again, again and again and see what our percentage was over those 12 weeks. Outcomes were very unclear, we didn't know if we were going to lose our job or get training to meet these new standards.

“The 100% rate became very concerning. Consistently over the year I hit 80% because of my age, or after lunch for example after eating and working so hard your percentage drops off. I'm still the same range now, up to 80%-85%. It's quite hard for our bodies to keep up with it.

“At the negotiating table we wanted to change the 100% and the employer didn’t want to. The performance target is why we ended up going on strike. These ‘engineered standards’ show your gap times too, so how long you stop and start. This data for example, monitors how long it takes you to pick up an order, and how many minutes and that data over the day will create your pick rate. So, after a seven to eight hour shift it will say you finished at 80%.

“I can start at 100% but I end the day at 85% based on fatigue, eating lunch and age, I’m 53. It’s a computer-based algorithm and it doesn’t take into consideration your fatigue. No two people are the same.”

Case Study: Profit Motive Algorithmic Rostering in Aged Care Home Care

The introduction of algorithmic rostering optimisation technology in home care has created uncertainty and inconsistency in home care workers’ schedules, resulting in reduced hours for workers and reduced consistency of care for clients. Commonly, mobile apps are used for rostering, client notes, administration and geo-tracking. These mobile apps provide geo-surveillance linked to pay, and determine how long a particular service should take, when in reality members tell us that the amount of time needed to provide care properly cannot always be predetermined – rather, it needs to reflect the individual needs of a person on a particular day. Rosters are subject to daily changes, updated in real time via the app, rather than workers receiving a roster two weeks in advance.

Home Care workers often travel long distances between clients, often in unpaid time. This is an increasingly fraught issue for members because rather than allocating workers to clients in a defined radius based on skillset, relationships with clients and location, algorithmic rostering regularly results in workers having to drive further to clients for jobs that may only take thirty minutes. Employer profit motive is driving these rostering changes. This allows the home care provider to expand their service area, but workers often face economic costs that are not wholly covered by the employer in unpaid travel time and motor vehicle costs.

‘Anna’, a home care member with over 20 years’ experience in the sector, told us:

“Previously, my employer had area coordinators who would be responsible for matching clients and support workers and would check in on them and check that things were going well, as well as local “allocators” who would prepare rosters for workers, two weeks in advance. We could talk to both the coordinators and allocators about issues that arose, and they knew us, and they knew about the clients. That is no longer the case... Now, AI does a lot of the role that allocators used to do. It calculates the cheapest possible route between client sessions. So, say one client cancels a session at the last minute, this means the rostering program will re-calculate the cheapest route again, and my whole roster for the day

will change. Sometimes you wake up and you're already behind schedule. You can never really switch off; you always have to be checking the app for roster changes.

“The vast majority of workers are on 30-hour part-time contracts. Yet workers are told they have to provide full-time availability of up to 38 hours so AI can allocate you shifts whenever throughout the day. In the past, if you had a gap, rostering staff would allocate you work. Now the app creates these massive gaps in your schedule, which makes your shifts throughout the day very inconsistent, and we might have to wait hours between shifts and it's very frustrating. Workers can end up with two to three hours of work over the course of an eight hour day. You cannot plan; you cannot take a second job because if you are unavailable, you are in breach of your contract.”

“There was no consultation about rostering, we were just told that it was coming. The Joint Consultative Committee in our EBA states that the employer is obliged to consult with us, yet they completely violated this at every stage. We were never consulted, never able to provide feedback. It was put up with it or leave. Both clients and workers have been told that if you don't like it, you can leave”

Across the care economy, algorithmic management is framed as a solution to perceived problems of inefficiency in the sector, while being vague about the tangible benefits.⁸ This does not lead to better quality care but instead seeks greater control over workers, with increasing levels of surveillance of care workers and care recipients.⁹ This raises moral questions about the role of technology in a sector that is socially expected to be grounded in compassion and care that enables self-determination for older people, with workers utilising specialised knowledge, skills and context in their day-to-day to perform their role.

Case Study: Automation at a Food Production and Warehousing Company Affecting Roles and Tasks

UWU members work in sub-sectors of manufacturing, including food and beverage production and processing. Aspects of this work are already highly automated (including processes along the supply chain), however the increased production and efficiency of operations owned by some of the largest manufacturers of food and beverages in Australia (and globally), has not resulted in higher wages for workers. Wages as a proportion of revenue has declined in sub-sectors where UWU members work as more automation has been adopted, without commensurate increases in wages for workers that reflects those gains in production and productivity and is more pronounced where there is greater asymmetry of bargaining power.¹⁰ This suggests any increase in profits resulting from the use of automation and AI will not be

automatically shared with workers. The increased adoption of AI and Industry 4.0 technology, as the next wave of industrial revolution, is not a universal guarantee of work becoming safer, more productive or better paid if workers and their unions are not embedded in the process of adoption and able to organise and bargain in order to achieve it.

The planned introduction of automated processes to move product between buildings at one large food production and distribution Company's worksite has changed job roles for workers on site. Members on site told us that automation of one process had already reduced the frequency of tasks that attracted higher classification rates for store people, because the new tasks were not fully captured in the EBA - "the classification structure is pretty old and doesn't capture it."

'Bob', a store person at the Company's site, told us about the Company's plans to automate another a role currently done by workers – the movement of pallets across the work site. The company has not yet indicated how this will affect existing employees, but has been testing automated pallet shuttles on site.

"They just keep using the word autonomous.

Some months ago, they had a trial where there were pallets being carried by shuttles that were completely robotic and programmable – the robot would drive itself through the warehouse with the pallet on it. We all sort of hated it because it would get in our way and stop and start moving again... it wasn't smart or intelligent.

"They set a course that these things were allowed to run through – a certain area that they would drive through – we use those same areas, there wasn't any exclusion from our forklifts in the area. They just said, be careful not to run into it because it's an expensive robot!

"So many of us were complaining about the things being a safety issue. People were raising them at the toolbox meeting, but I have no idea if the feedback was going higher.

Case Study: Profit Motive Automation and Labour Reduction in Casinos

Casino operators in Australia and the US are installing 'AI dealers' and electronic table games to replace human dealers on the casino gaming floor. Media reporting has suggested that for some operators this is due to falling visitor numbers at casinos, incentivising a reduction in labour costs.¹¹ This is despite patrons' preference for human dealers and workers at the casino, which adds to the overall experience that cannot be found in other modes of gambling (e.g. online).¹²

UWU member 'Tom' has seen his employer's table games operations undergo significant change to reduce labour costs in the past three years, through the introduction of electronic table games and AI dealers that reduce both the number of staff required to do the role, and the degree of skill.

"People might not think of it necessarily as traditional AI, but it is. It's an artificially intelligent system. It plays the table games instead of a dealer. And we have seen an increase of those tables on the floor, and a reduction in traditional, human-run tables to reduce labour costs...

Tom told us that the changes in the way the Casino was operating were being introduced incrementally, in a way that fundamentally affected both the job role and the conditions in which patrons were gambling.

"Dealing is an art form, and it's becoming more and more of a lost art form. Even new workers who joined today will not know what dealing was like 10 years ago, or 20 or 30 years ago... There's a bit of de-skilling, but also it's a bit of job creep where the company will be like 'OK, so you don't have to worry about this element of your job anymore, so now you can worry about this one instead'.

He described the role of the table games dealer as having conversations and providing human interaction to the process of gaming. He also described the introduction of AI systems in gaming as being incentivised by the establishment having more control over the conditions in which patrons were gambling and the conversations that may occur around winning and losing.

"[The casino] has more control over what people see on the screen, and it's significantly easier to encourage people to stay there longer than it is to keep them at the table... maybe you even get the odd dealer here or there who says to [a patron] 'Maybe you won enough tonight.' Well, that's not something the house would like, you know? Dealers aren't evil people. We understand when people win, they probably want to take it home with them."

This points to a broader ethical issue around the uptake of automated systems in socially sensitive areas. Casinos and other hospitality venues operate as gambling venues under restricted licenses, and must take steps to ensure responsible gambling; but our members point to the fact that this specific form of automation reduces human contact in gambling in ways that undermine social cohesion. Requiring that casinos provide good, secure, well-paid jobs benefits not only casino workers, but raises employment standards across local labour markets as other employers must offer better pay and conditions to attract and retain skilled

and experienced staff. Introduction of automation that replaces jobs wholesale or undermines job roles has social on-costs that must be considered.

Case study: Health, Safety and Surveillance in Casinos

Casino operators are adopting AI technology and implementing it throughout their operations.¹³ One form the technology takes is AI-enhanced surveillance, which operators claim is used to identify and prevent problem gambling,¹⁴ protect patrons and staff, and monitor for any illegal behaviour occurring. However, workers at casinos have raised concerns that the technology is used opaquely, without sufficient consultation with workers and their union. Bianca, our member at a casino, discussed the intrusive level of surveillance at work. **"AI is used for facial recognition"**, she said, describing an environment where constant AI surveillance was targeted both at staff and at patrons of the establishment. AI surveillance was constantly monitored and used to support staff performance management and disciplinary action. Bianca described the way that work processes had changed specifically to support better functioning of the AI surveillance, at the expense of staff health protections:

"Now you can't wear a face mask... and it was implemented because the facial recognition software is struggling. And some of the [staff] are unhappy because they want to wear a face mask and be protected, especially during flu season."

On the other hand, the presence of the surveillance did provide some additional support for management to ban patrons who behaved antisocially.

"[At one point] someone threatened to kill me... they were able to escalate it to security. And although the guy wasn't [in my area] anymore, they were able to apprehend him with the facial recognition and get him banned." Troublingly, she described potentially discriminatory aspects of the use of AI facial recognition, where patrons could be falsely identified because the program had difficulty distinguishing people of particular racial backgrounds.

She described the psychological effects of being constantly watched at work. "they'll sometimes click onto [an area] and start watching it. And so sometimes you might forget [part of your procedure] and then think am I going to get yelled at because they just happen to be watching my [area]? So, it's always in the back of your mind."

Case Study: AI Threat Detection in Airport Security Screening Changing Jobs

The use of AI and surveillance technology is becoming more widespread in the security industry, particularly among multinational companies that have the capital to invest. Recent analysis of the industry notes that facial recognition technology, Internet of Things (IoT)

devices and more sophisticated alarm monitoring systems being used by security firms extend their role beyond traditional guarding and patrol functions.¹⁵

For example, SIS Ltd, which has security contracts in Australia, has advertised its intent to increase investment in AI, with an executive saying “The real story of this sector today is not numbers – it’s AI, robotics and automation”.¹⁶ Wilson Security has invested in “digital monitoring centres, predictive surveillance technology and cybersecurity solutions”.¹⁷ Certis Security envisions significant aspects of traditional security services work to be undertaken entirely by robots; with four-legged patrol robots conducting surveillance, and humanoid robots operating as concierges.¹⁸

UWU members working in security screening at an airport in Western Australia have reported the use of AI in screening to help identify potential threats. While at present these processes can be more of a nuisance and disruption rather than enhancing their jobs, if the software becomes more advanced in coming years one member believes AI in security screening could have the potential to replace jobs, rather than enhance security screening processes in their work. **UWU member ‘James’** who works in security screening as an Aviation Protection Officer, spoke to us about AI use to identify perceived threats:

“We do have a system in place where AI software will detect and send an alert if something is picked up. What it does is identify an organic mass, and it highlights it as a potential threat and highlights the area in a yellow box. It then tells the screener this may be a potential IED (Improvised Explosive Device). This program highlights the area inside a bag that’s just been screened, and that could have the potential to be a bomb.

“It is quite early stages. For example, it will pick up water or a book. In the future it could impede our jobs, and it could remove the use of a human screener.

“If AI can recognise things at a higher degree than humans, it will take jobs away.”

There may be a competitive advantage for security companies to be seen to be utilising ‘cutting edge’ technology, whether the technology invested in, developed, or implemented by these companies fulfils all its promises or not. What is missing from the brochures and media releases is the impacts of increased AI surveillance and technology use on the general public and how it is directed to manage, replace or control the labour of security guards.

Regulating for Fairness

While productivity may be important for economic prosperity, it is equally important who benefits from it and how. All too often suggestions about improving productivity are actually about increasing the benefits to companies alone. In fact, for the most part, the benefits of

productivity growth have been disproportionately captured in the form of business profits, dividend payouts, and executive compensation, without commensurate wages growth for workers¹⁹

Across many of the stories shared in this submission is a common factor: employers are automating jobs and parts of jobs that were previously done by UWW members. Carving apart and replacing jobs is a strategy to reduce labour costs and undermine hard-won classification structures, and is being conducted in the context of a broader tax system that incentivises large companies to purchase and depreciate the machines and software that are replacing members' jobs as business expenses.²⁰ Large investments in automated picking and packing machines, conveyors and AI-driven systems can be depreciated by companies over a period of years, reducing taxable income and boosting profits. In Australia, accelerated depreciation rules let business front-load claims for a larger portion of an AI asset's costs as a tax deduction in the early years of use, boosting cash flow and making rapid capital investments attractive.

Another recognised strategy for international profit shifting is having a subsidiary pay royalties to parent company for the right to use its intellectual property (IP), such as license fees for proprietary software. The IP is moved to a country with low corporate taxes, and the subsidiary pays the royalty in that country, which is then deducted from the overall corporate tax bill. In 2022 the then Assistant Minister for Charities, Competition and Treasury, Andrew Leigh MP, proposed limiting the ability of large multinationals to claim tax deductions for such royalty payments in low tax jurisdictions.²¹ That idea should be revived.

These positive incentives to shunt the cost of tasks normally done by labour into capital expenditure must be urgently reviewed in the context of rapidly increasing employer uptake of AI in both productive and administrative tasks. We are in a period of rapid workplace change that will fundamentally affect the ability of future generations to fairly and safely harness and benefit from the productivity gains in this next industrial revolution. UWW members strongly supported the idea that if employers are benefitting from AI, the community should see that benefit reinvested through a tax on AI.

How we as a nation choose to distribute productivity gains is critical, and industrial regulations are crucial in ensuring productivity gains are fairly distributed through higher wages and better working conditions. A critical component of this is the involvement of worker voice in regulatory oversight of AI. UWW has identified that across our industries, the pace and type of change is varied. Just as our workplace relations system is grounded in industry-based awards that recognise typical conditions inherent to workplaces in specific industries, and our work, health and safety laws, regulations and codes of practice recognise industry-specific conditions as contributing to specific risks and hazards, productive technological change must be addressed

as an industry-specific issue. UWU has long supported the introduction of industry councils to consult, address and regulate industry specific approaches to technological innovation, ensuring worker voice and a fair share of productivity benefits to working people.

As well as proactive regulation to ensure worker voice in decision making, Governments must work together to regulate artificial intelligence and algorithmic management systems to ensure that they are never used to infringe upon workplace rights.²² This includes:

- Algorithmic management and artificial intelligence must never replace human oversight of workplace practices, especially in areas impacting on workplace conditions and adherence to workplace and discrimination laws in hiring, firing, promotions, rostering and
- In accordance with work, health and safety laws, regulations and codes of practice, employers must both inform and meaningfully consult workers and their unions before introducing new technologies impacting health and safety at work, including acting to control psychosocial and work intensification risks and hazards.
- Surveillance at work must be understood as a fundamental issue for consultation. The Fair Work Act and related privacy legislation must be reviewed to address workers' privacy concerns related to AI at work. Employers must provide full disclosure and meaningful consultation around the introduction of biometric surveillance, data collection and retention, and should not be used in performance management and disciplinary proceedings, and steps taken to ensure adherence to privacy laws, workplace laws, anti-discrimination laws and other relevant laws.

Conclusion

There are growing signs that UWU members are pessimistic about the positive benefit of unregulated AI at work and, in specific areas, are already experiencing rapid adoption of algorithmic management and production innovations in their workplaces:

- AI improvements to “productivity” are experienced as unrealistic and unsafe productivity measures and workplace monitoring.
- AI administrative tools are in charge of managing peoples' hours, and strict algorithmic rostering imposing poor conditions breaching workplace laws and reducing the quality of care provided to vulnerable people, must be given oversight.
- AI innovations to support “safety” can also increase surveillance at work and create privacy risks and poorly consulted or controlled work, health and safety risks and hazards.

- AI-facilitated automation “upgrades” mean changes that shunt the business cost of tasks or whole jobs normally performed by people into capital expenditure costs, which are generously incentivised by our taxation system.

UWU’s recommendations speak to the need for regulation that keeps pace with community expectations and protects fundamental working conditions and fairness, addressing these issues as core concerns for workers at the front line of rapid AI administrative and productive automation at work.

If the Committee has questions in relation to this submission, or requires further information from UWU, please contact Dr Alicia Pearce, National Research Coordinator via email at Alicia.Pearce@unitedworkers.org.au.

Signed,



Gary Bullock

National Secretary

United Workers Union

¹ The Hon Anthony Albanese MP, Prime Minister of Australia *AI in Australia’s Interests* (Speech to the University of Sydney, 15 July 2026), available at <https://www.pm.gov.au/media/ai-australias-interests-0>

² Australian Government Department of Employment Relations *AI and Employment in Australia: Monitoring Framework and Evidence to Date* (July 2026), available at <https://www.dewr.gov.au/workplace-relations/resources/ai-and-employment-australia>

³ Essential Media *Essential Report: 1 September 2026* (conducted August 2026), question available at <https://essentialreport.com.au/questions/concerns-regarding-working-life>

⁴ Essential Media *Essential Report: 1 September 2026*, (conducted August 2026), question available at <https://essentialreport.com.au/questions/attitudes-to-ai-regulation-in-workplace>

⁵ IBISWorld Thematic Report X0016 – Integrated Logistics in Australia, published August 2026 by Michael Doyle.

⁶ D Snell, ‘Workers’ rights and the AI jobs debate’, presented at the Centre for Future Work AI symposium ‘Which Way Forward? AI and Decent Work’, April 2026. Article available at: <https://futurework.org.au/news/workers-rights-and-the-ai-jobs-debate/>

⁷ L Kelly (2023), ‘Re-politicising the future of work: Automation anxieties, universal basic income, and the end of techno-optimism’, *Journal of Sociology*, 59(4), pp 828-843.

⁸ B Barbosa Neves, Geoffrey Mead, Alexandra Sanders, Naseem Ahmadpour, Alex Broom and Kalervo Gulson (2025), ‘Breaking or Repairing Long-Term Care for Older People? AI Delegation and the Carefication of Later Life’, *Science & Technology Studies*, 38(4).

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companies by market share (with capital to invest in automation and AI) pay lower wages than small batch producers. For example, entry level factory bakery jobs in Melbourne start at around \$70,000 at smaller production employers/manufacturers (Bread solutions, Daniels Donuts, Noisette). Whereas a member at level 3 employed by Arytza, Goodman Fielder or George Weston averages \$64, 000 - \$66, 000 per year. The comparison was based on union EBAs with the relevant large employers.

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¹² R N Velotta, 'Will AI put me out of a job? How artificial intelligence is being used in casino gambling', Las Vegas Review Journal, 4 February 2026. Available at: <https://www.reviewjournal.com/business/casinos-gaming/will-ai-put-me-out-of-a-job-how-artificial-intelligence-is-being-used-in-casino-gaming-3615788/>.

¹³ Ibid.

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¹⁵ IBISWorld Industry Report 07712 – Investigation and Security Services, published August 2026 by Varis Desai.

¹⁶ C Kumar, 'Exclusive: From manpower to machines: SIS's AI push signals new era in security services', *Fortune India* (online), 31 March 2026. Available at: <https://www.fortuneindia.com/business-news/exclusive-from-manpower-to-machines-siss-ai-push-signals-new-era-in-security-services/131750>

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²⁰ Centre for International Corporate Tax and Accountability Research *Job Losses and Profit Shifting at DP World: How AI Automation Threatens Australia's Economic Wellbeing* (March 2026).

²¹ A Leigh, 'By ensuring multinationals pay their fair share of tax, we can invest in Australia's future' (20 October 2022) <https://www.smartcompany.com.au/tax/andrew-leigh-multinationals-pay-tax/>

²² See International Trade Union Confederation, 'Artificial Intelligence: What are the Implications for Trade Unions?' (October 2025), available at <https://www.ituc-csi.org/Artificial-Intelligence-What-are-the-implications-for-trade-unions;>