



1 June 2024

Committee Secretary
House Standing Committee on Employment, Education and Training
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Committee Secretary,

RE: Inquiry into the Digital Transformation of Workplaces

The Multicultural Professional Network (MPN) is a People and Planet First Verified Social Enterprise. Our vision is to highlight the importance of hiring, retaining, nurturing, and upskilling diverse talent with a particular focus on executive sponsorship. The Multicultural Professional Network (MPN) welcomes the opportunity to provide a submission to the House Standing Committee on Employment, Education and Training's inquiry into the digital transformation of workplaces. As a network dedicated to promoting diversity and inclusion in the workplace, MPN recognises the significant impact that automated decision-making and machine learning techniques can have on employment and workplace relations. We propose robust measures to ensure these technologies support diversity, equity, and inclusion (DEI) efforts.

We propose the following to the committee:

- Develop and implement guidelines to ensure that AI and automated decision-making systems promote fairness and avoid discrimination.
- Establish training programmes to equip employees with the necessary skills to adapt to and thrive in an increasingly automated workplace.
- Create support structures for businesses, particularly small and medium-sized enterprises, to integrate these technologies responsibly.
- Promote research into the long-term impacts of AI and automation on job quality and workforce dynamics, ensuring that policies are data-driven and effective.

1. Benefits for Productivity, Skills Development, Career Progression, and Job Creation in Australia

Automated decision-making and machine learning have the potential to significantly enhance productivity by streamlining processes and reducing administrative burdens. According to a study by [McKinsey & Company](#), AI and automation could raise productivity growth globally by 0.8 to 1.4 percent annually. These technologies can provide valuable opportunities for skills development as workers engage with new tools and methodologies. [The World Economic Forum](#) estimates that by 2025, 85 million jobs may be displaced by automation, but 97 million

new roles may emerge, highlighting the potential for job creation and career progression.

AI can be leveraged at almost every point in the recruiting process, from onboarding to pipeline management to employee experience and engagement. AI algorithms can flag biases and improve hiring, performance management, and compensation policies, helping to ensure equal opportunities for employee growth. AI for employee engagement can help a company surface when underrepresented groups feel disengaged, unearth root causes, and launch targeted interventions and support programs to improve retention and advancement among a diverse range of employees.

2. Risks, Opportunities, and Consequences for the Nature of Work

The introduction of automated decision-making and machine learning in the workplace presents both risks and opportunities. AI poses significant risks and opportunities for workplace DEI efforts. It has the potential to perpetuate existing biases and discrimination if not properly designed and implemented. Existing patterns of bias and discrimination in workplace data can be exacerbated by AI if not carefully monitored. AI systems should be developed, monitored, and tested for fairness, explainability, and inclusivity to mitigate these risks.

To ensure that AI is helping rather than harming DEI efforts, companies should regularly audit algorithms to ensure they are free from discriminatory elements and take measures to secure and protect the data collected and used for AI systems. Companies should also have a trained human in the loop to review AI outputs and intervene when necessary.

3. Effects on Managerial Prerogative, Labour Rights, and Equality

Automated systems can affect managerial decision-making and labour rights. There is a need to balance the efficiency gains from these technologies with the preservation of procedural fairness and equality. The use of AI in hiring, for example, has been shown to potentially perpetuate existing biases. A study by MIT Sloan Management Review found that 85% of AI leaders acknowledged that their AI systems could produce biased outcomes. Safeguards must be in place to prevent discrimination and ensure that workers' rights to organise and advocate for fair treatment are not compromised.

4. Appropriate Safeguards and Regulatory Interventions

To guide the responsible implementation of these technologies, it is crucial to establish appropriate safeguards. This includes ensuring that employers have the necessary digital skills and resources to effectively use these tools. The Australian Industry Group (Ai Group) reports that 75% of businesses believe that their employees lack the skills needed for the digital economy. Additionally, regulatory interventions should focus on promoting transparency, accountability, and fairness in the deployment of automated decision-making systems.

5. Effects on Gender Equality, Job Security, and Disadvantaged Cohorts

The impact of these technologies on gender equality, job security, and vulnerable worker cohorts must be closely monitored. It is important to ensure that the benefits of digital

transformation are equitably distributed and do not exacerbate existing inequalities. Special consideration should be given to the needs of small businesses and initiatives aimed at Closing the Gap.

To ensure responsible and ethical AI innovation that supports DEI efforts, companies must adopt safeguards such as diverse and representative data sets, regular audits, transparent AI systems, and clear ethical guidelines. There should be public and private AI guardrails, including government support for research and development to ensure ethical and equitable use of the technology.

The Government could consider launching R&D funding to Research Institutes. This funding can potentially mitigate the financial problem of properly training generative AI, allowing smaller companies with higher levels of cultural competency to also be involved in vetting and shaping these tools.

Conclusion

The Multicultural Professional Network (MPN) supports the Committee's efforts to investigate the digital transformation of workplaces and its implications. We believe that with careful consideration and appropriate safeguards, automated decision-making and machine learning can contribute positively to the future of work in Australia. We are committed to working towards a future where technological advancements benefit all workers and promote a more inclusive and equitable workforce. Thank you for considering our submission. Please do not hesitate to contact me if you require further information.

Yours sincerely

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