Finance Sector Union

A digital just transition

The critical need for workers' voices and job security in AI

Stage 1 – Considering new technology

Employers are increasingly adopting new technologies, particularly generative AI. This stage of exploration and identifying potential use cases must be undertaken jointly with workers.

Workers should have access to clear information and knowledge so they can actively contribute to the development of ideas and roadmaps. Consultation may occur through representative groups such as unions or, where practicable, through direct engagement with staff.

To achieve this, new rights must be embedded in the *Fair Work Act 2009 (Cth)* that require employers to share information and seek workers' views before introducing or developing new technologies. Employers should reach agreements with workers before introducing new technologies to ensure job security, skills development, transparency, privacy protections, and data use protections.

Stage 2 – Development and testing

Once an employer decides what kind of technology to adopt or build, it is crucial to continue consultation. Workers must have the opportunity to provide tangible feedback on design, testing, and potential workplace impact.

This obligation should extend throughout the entire development and testing phase, ensuring the technology is shaped with worker input.

Stage 3 – Training and preparation

Before and during development, employers must begin offering training to workers forecast to be impacted or displaced by new technologies. This ensures staff are prepared for the arrival of new technology and, if necessary, can undertake longer-term retraining through universities, RTOs or VET colleges.

Early investment in training allows workers to adapt to change rather than being displaced by it.

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Stage 4 – Pre-deployment consultation

Before new technology is deployed – whether on a trial or permanent basis – employers must consult with all affected areas of the workforce.

This consultation should focus on how the platform works, how it will alter workflows, and what risks or opportunities it creates. Employers must provide all relevant information and invite feedback from workers, including whether the change should proceed at all.

Employers should formally consider this feedback and provide written responses. While not every suggestion must be adopted, the process ensures transparency and accountability.

Changes to the *Fair Work Act 2009 (Cth)*, modern awards, and enterprise agreement model terms will be required to embed these rights. This is a new consultation process that extends beyond the existing consultative regime in the *Fair Work Act 2009 (Cth)* in terms of both timeframe and subject matter.

Stage 5 – Implementation and impact

As in the current consultation processes, employers must engage directly with affected workers during implementation. Individual conversations should explore how changes will affect each worker and what can be done to mitigate negative impacts.

Employers must take all reasonable steps to reduce harm, with retrenchment as an absolute last resort. Legislative change will be needed to enshrine "retrenchment as a last resort" in the *Fair Work Act*, awards, and enterprise agreements.

Stage 6 – Redundancy, redeployment and retrenchment

Where jobs are made redundant, redeployment within the workplace should be the preferred option if suitable roles exist. However, redeployment is inappropriate if those roles are also being automated or replaced.

If retrenchment cannot be avoided, stronger transition measures are required. These should include:

- An employer-funded training scheme to support reskilling through RTOs, VET colleges, or universities.
- Twelve months at full pay to (optionally at half pay) to provide financial stability while workers retrain.

These reforms would require amendments to the *Fair Work Act*, modern awards, and enterprise agreement terms.

Stage 7 – Ongoing review

Consultation does not end at deployment. Employers must continue engaging workers to ensure the technology is functioning as intended and not creating new risks. Reviews should occur monthly in the early period, moving to six-monthly thereafter.

Embedding in enterprise agreements

All these stages can be embedded in enterprise agreements as best practice for managing technological change. A claim reflecting this model should be pursued in bargaining to secure stronger protections at the workplace level. However, this will only apply to workers covered by enterprise agreements where employers are open to including these terms.

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Protecting workers' data

Data security

Data breaches are increasing, yet much of the personal information held by employers is not protected under current privacy laws. This includes: contact details, employment records, pay information, leave balances and leave records and evidence, performance records, banking/financial details, and union membership.

Employers should only collect and retain data to the extent required by law, and where it is for the benefit of the employee.

Given this information is digitised in most workplaces, stronger protections are urgently required.

Disclosure obligations

Employers should be required to disclose:

- What personal information they collect and why
- Who it is shared with and when
- How workers can access, correct, or verify their information
- Whether monitoring software is used and how it functions

Secure handling

Any transfer of employee data must be encrypted and never conducted by email. Data must be destroyed once employment ends, except where retention is legally required. Employers should also be strictly prohibited from selling employee data.

Legislative reform

These protections must be incorporated into enterprise agreements, but broader reforms to the *Fair Work Act 2009 (Cth)* and the *Privacy Act 1988* are also required. This should include a civil remedy provision giving workers the ability to enforce their rights.

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Training and education for the future

Beyond transition support, workers must have proactive opportunities to retrain and upskill throughout their careers.

A dedicated training fund for finance sector employees would allow workers to access further education, with transferable skills not tied to a single employer. Employers should provide regular briefings on emerging industry needs and encourage staff to pursue training pathways aligned with future opportunities.

Embedding such provisions in enterprise agreements and in legislation would help build a more skilled, adaptable workforce – to the benefit of workers, employers, and the wider economy.

We call on the Federal Government to work with unions to build:

1. **AI implementation agreements:** Employers should reach agreements with workers and their unions before introducing new technologies to ensure job security, skills development, transparency, privacy protections, and data use protections.
2. **AI act and AI authority:** Australia needs a dedicated AI act and a well-resourced regulator to address AI risks and protect against bad-faith uses of AI technology.
3. **A stronger Fair Work Act** that provides fit for purpose redundancy rights including longer redeployment, better training and education rights as well as obligations to maintain employment for workers while they retrain and find another job.
4. **A new model consultation clause** that recognises the important role that employees play in co-design for AI platforms.
5. **A new education and retraining scheme** where workers have time and security to transition to a new economy and new ways of working alongside AI.
6. **An amended Privacy Act** that includes employee data and ensures that employers are taking proper care of worker data.
7. **New laws to protect workers from unfair, and intrusive surveillance** and ensures that the only reason for surveillance is to ensure the safety of workers and the public.
8. **An amended health and safety regime** that protects workers from harmful AI and from harmful surveillance practices.

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