

Unions should be focused on upgrading skills of workers, not resisting automation

By Barrie McKenna

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Like modern-day Luddites, the Teamsters union wants parcel giant UPS to outlaw drones and driverless vehicles.

The demand, made at the launch of contract talks this month, is a big deal because the UPS collective agreement is one of the largest in the United States, covering roughly 260,000 workers.

This isn't a battle they will win. The Luddites failed to halt the mechanization of textile mills during Britain's industrial revolution in the early 19th century. And so too will the Teamsters' in their misguided effort to block technological advances in parcel delivery.

The use of aerial drones and autonomous vehicles is still at the experimental stage in the booming parcel business. But if these technologies can make deliveries faster and cheaper, they will find their place – with or without the Teamsters seal of approval.

If UPS doesn't embrace these new technologies, Fedex or Amazon will. And that would render UPS less productive and less competitive, jeopardizing the jobs the union wants to protect. Amazon and UPS have both been testing the use of drones in parcel delivery in recent months. UPS, for example, is trying to use drones to deliver packages more quickly from trucks to doorsteps.

The UPS contract is the latest flashpoint in the conflict between man and machine in the digital age.

Automation has been steadily climbing up the skills ladder, replacing jobs once thought untouchable, including taxi dispatchers and burger flippers. Truck drivers, real estate agents and nursing home workers could be next.

Last week, Amazon opened a prototype convenience store in Seattle with no cashiers, no registers and no cash. Customers simply walk in, put purchases into a basket and walk out the door without so much as making eye contact with anyone. A smartphone app, cameras, sensors and machine-learning algorithms do the rest.

McDonald's now has self-service kiosks at roughly a third of restaurants in Canada and the United States that allow diners to order and pay from a machine.

The same technology trends sweeping through retailing, shipping and manufacturing are also revolutionizing the mining industry. The days of soot-faced underground miners is fading as the industry goes high tech, embracing drones, self-driving haulers, autonomous shovels and tunnel borers. The trend could eventually wipe out up to 70 per cent of remaining mine jobs, according to a 2016 report by the International Institute for Sustainable Development in Winnipeg.

Think of how many jobs the smartphone has rendered obsolete. A vast array of products and services once purchased separately are now crammed into a single device. Your phone is a bank, a travel agent, a letter carrier, a music player, a television, a camera, a typewriter, an encyclopedia, a newspaper and a map.

Some companies, such as IBM, have transformed themselves from makers of things to seller of services.

The constant is that companies are producing a lot more, but with many fewer workers.

Trying to roll back the clock is futile. There will always be bank tellers, airline agents, warehouse workers and truck drivers. But there

will be fewer of them, and the ones who remain will need to be more skilled and productive than ever.

Labour unions, such as the Teamsters, would be better off securing commitments from companies to train workers for the jobs of the future, rather than trying to save jobs destined for elimination. As technology changes the nature of work, UPS may need thousands of drone pilots and driverless vehicle technicians.

Many employers in developed countries are looking at a future of labour shortages, in spite of all the dislocation, because of the rising average age of the population. Automation

isn't just about cutting costs and improving service. For some, it will be the key to survival.

The future is bright for the workers with skills that are in high demand.

There is, of course, a darker side. Look down the road and UPS probably won't have 260,000 workers. In the parcel business and elsewhere, there may be a surplus of lower-skilled workers, with nothing to do.

The focus of employers, policy makers and unions should be on upgrading skills to match the changing nature of work, not resisting the inevitable march of technology.