

## **POSITION PAPER – MUNUCCLE 2020**

**Committee:** International Labour Organisation (ILO)

**Subject / Issue:** “Does technology help or hinder working conditions?”

**Author:** Republic of South Africa



The topic of technology is one that has, and still concerns, the entirety of the known world for over the past century. Especially throughout the last three decades, technology's advance into everyday lives has allowed us to experience great sociological change, that not only alters the quotidian habits and rituals set by history, but also creates and establishes new perspectives, new initiatives, goals, and ambitions throughout today's and tomorrow's global economy. The world is going into a new, 'future' era, which tries and manages to break the limits of what humans believe to be possible. A future era, which places and evaluates new sets of human values – that promotes great amounts of innovation and hope for the future.

The Republic of South Africa thus, recognizes the furtherance of technological ability as an important motive, in regard to the International Labour Organisation. The issue granted by the committee, sets question and critique the utility provided by technology, concerning modern topics such as AI, Big Data, Structural and technological unemployment, as well as compare them to the current day situation, which is focused primarily towards the COVID-19 pandemic taking place throughout the globe.

Managing to recognize the said proposition, the Republic of South Africa, a loyal and invested member of the ILO since 1994, would like to elucidate its stance on the issue. The delegation of the Republic of South Africa thus, wishes to mention the role of information and communication technology in South Africa, along with its impact on its economic sectors, as well as the focus placed towards the agenda of the Sustainable Development Goals, that envision thorough plans concerning technology within South Africa's labour force and industries.

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The South African department of statistics ruled within their 2014 report, that the ICT sector contributed to 2.7% of the country's economic activity. Although this set of data might seem narrow, especially when compared to some of the other MEDC's throughout Europe, such as Germany, it is groundbreaking for the Republic's economy, due to two major factors, which are:

- The influence created by ICT throughout South Africa's economy, and thus, labour force.
- The widening of the ICT trade deficit throughout South Africa, which affects local business, employment, and economic growth.

The Information and communications technology branch has experienced growth of up to 12% throughout 2019 thanks to the fact that most households and businesses are investing more capital within the sector. Telecommunications and broadband within the country are booming, there has been a surge of approximately 10% concerning 4G/LTE population coverage, as well as an expansion of tech imports within South Africa, allowing for increased production within economic branches such as Manufacturing and Finance, which occupied over 30% of nominal GDP shares in 2017. Thus, a conclusion concerning working conditions in South Africa is deduced – easier communication and improved effort distribution throughout the country's work force, allowing for an overall increase in quality and quantity of work. Example can be taken from both the mining and manufacturing industries in the country, which are now better able to extract and process natural resources like minerals such as diamonds, gold, and platinum – some of the many natural riches within South African borders – thanks to the provision of new technology.

On the other hand, this importation of technology has also further increased South Africa's ICT trade deficit. Exportation of South African technology, although increasing, hasn't been able to draw level with the elevating amounts of importation, leaving behind a trade deficit of R97 billion in 2014. Something worth

noting is the what kind of goods are being traded – half of the ICT imports consisted of television, communication, and radio equipment, whilst another 31% was dedicated to office and computing machinery. Adversely, 60% of South African ICT exports concern broadcasting and telecommunication services. This demonstrates South Africa's reliance on foreign equipment, something the country attempts to compensate by furthering production levels and increasing pressure upon its labour force.

Such factors, along with other economic and geopolitical causes, have led to an increase of startup and infrastructure costs, making South Africa one of the most expensive locations to open business in, allowing for the take over of many local firms by GAFAM. Such events have resulted in lots of lost jobs and employment opportunities for local markets, an increase between foreign and local competition concerning employment, which is ultimately leading South Africa to financial and technological dependence. This effect also leads to a new set criterion for employees throughout the country, causing further damage to the local sector, resulting in higher low-wage poverty rates, as well as harsher conditions and wages for employees within the primary and secondary economic sectors. This is something that can be demonstrated thanks to the Gini coefficient as well as other indexes, which show that the top 20% of the population holds around 70% of the country's income.

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The Republic of South Africa has been a major supporter of the initiative behind the Sustainable Development Goals (SDG's). The country recognizes that it has played a big role in the negotiation, formation, and popularization of the SDG's outside of Europe, throughout several occasions such as within G77+China, Southern African Development Community (SADC), Regional Indicative Strategic Development Plan (RISDP), and Agenda 2063 .

Thanks to its participation and commitment concerning these technological agendas, the Republic of South Africa has been able to:

- Combat high unemployment rates (28% in 2019), by creating jobs, improving education throughout the entirety of the country (plans to invest 16.7% of total government resources on basic education programs in 2018/19), and transferring employees under the risk of unemployment to related professional endeavors, that would allow them to receive training and experience in newer, more technologically advanced domains, thus, allowing them to continue working under proper conditions. All of this is attributed thanks to monetary aid, as well as South Africa's focus towards technology. Since working conditions are generally changing due to the trend of deindustrialization in the country, people nowadays are more interested towards tech industries, rather than manufacturing, since they can provide a wider variety of jobs, opportunities, as well as higher wages.
- Vow for employment equity, by maintaining and reinforcing the Employment Equity Act, which ensures all employees receive equal opportunities and are treated fairly by their employers – something which is implemented thanks to regulation and monitoring performed via technological innovation.
- Protect domestic workers, by assuring them proper wages and generating working opportunities, through promotion and investments. Industries such as GAFAM, which bring forward advanced technologies to South Africa, put domestic workers under risk, thanks to the creation of substitutes. Positions such as medical transcriptionists and lab technologists, mining plant operators, taxi and bus drivers, couriers, tour guides, etc. are experiencing a steady decrease in workers thanks to the new technologies that are now able to replace them. Thus, initiatives are taken so workers either settle in different economic sectors, or they receive training in order to have access to new jobs positions, such as data analysts, AI testers, system optimizers, etc.

South Africa has also been able to progress throughout other initiatives, concerning goals such as “Peace, justice and strong institutions”, “Quality Education”, and “Climate Action”. The country also recognizes collaboration, coherence, and impact as necessary principles for the

achievement of the SDG's Agenda, and supports the implementation of trade, as well as improved access to technology.

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Although facing plenty of institutional, economic, and financial repercussions, the Republic of South Africa would like to demonstrate its support for technological development, and its role in working conditions.

The opportunities that technology has granted South Africa, especially after the abolition of apartheid in the 1990's, has allowed for the nation to utilize its prospects and resources, to bring forward prosperity, peace and innovation. The implementation of information, manufacturing, financial, and agricultural technology has allowed South Africa to reach a new economical peak. A peak, which is only going to grow taller as we advance to the previously mentioned 'future era. South Africa is no longer in a position where it accounts only for itself – it is responsible for a large spread of neighboring nations, that it supports thanks to trade, technology, and labour.

Values such as cooperation and unity are essential to our agenda, and we are grateful to achieve mutuality and respect throughout this delegation.

Thus, the Republic of South Africa is looking forward with great aspiration to cooperate and contribute to the development of improved labour conditions around the world.