Digital Policy Alert

How Governments Address Labour and AI

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AI is set to reshape the nature of work, and first signs thereof are appearing In tech firms. Anthropic claimed in November 2026 that over 90% of the changes merged into its core codebase are now written by Claude, with human guidance. Salesforce's chief executive reportedly stated that support staff was cut from about 9,000 to about 5,000 “because I need less heads.” Klarna said that its AI assistant did the work of 700 full-time agents in 2024, although it later reversed course .

Governments are especially concerned about the displacement of roles in their workforce. For instance, in October 2026, China's State Council called on firms to explore an "unemployment buffer period" when deploying AI at scale, with advance notice periods and retraining programmes. At the same time, governments aim to address shifts in the daily reality of work, including worker surveillance and AI use in management and hiring.

Domestic Regulation

Labour is an uncommon concern in AI regulation to date: The DPA has documented 45 domestic policy and enforcement developments on AI and labour since January 2020. The DPA's systematic taxonomy reveals the following trends in AI labour regulation:

- The US is the most active jurisdiction, with 21 state-level and 9 federal developments, followed by the UK (3). Twelve other jurisdictions record 1 each.
- Most developments are currently under deliberation (28), while 11 are in force or adopted and 6 are concluded, rejected or revoked.
- A large majority of labour rules are found in binding laws (33), compared to 4 binding orders and 4 non-binding guidelines. Only 4 enforcement cases and inquiries focus on AI and labour.

Recently, California adopted laws on automated decision systems in employment and notice of technological displacement, while Italy’s implementing decree for the AI Act prohibits final employment decisions from being based solely on automated processing. In China, the Hangzhou Intermediate People's Court ruled in April 2026 that companies may not terminate workers if the only reason is to replace them with AI systems.

Our text-level analysis of 84 rulebooks across 19 jurisdictions shows how governments address labour in AI in detail. We show that governments use two regulatory requirements, appearing 15 times, namely: worker protections against AI-related harms in employment such as discriminatory hiring (9 provisions) and restrictions on worker monitoring and management through AI surveillance, scoring or ranking (6).

International Coordination

Our text-level analysis of nine international AI frameworks shows that six cover labour across seven provisions, all except the G7 Principles, the G7 Code of Conduct and the Council of Europe Framework Convention.

International frameworks primarily focus on worker protections. In this regard, three frameworks, the UNESCO Recommendation, the ASEAN Guide, and the UN General Assembly resolution, mention measures such as workforce impact assessments, job redesign, information for employees and transition support for displaced workers. None of the frameworks address restrictions on using AI to monitor, score or manage workers.

International AI frameworks rarely focus on labour or address it in actionable language. Of the seven provisions, three focus on labour as the core concern (in the UNESCO Recommendation, the ASEAN Guide, and the UN General Assembly resolution), while four only touch upon it tangentially. Three provisions across two frameworks provide actionable language (the ASEAN Guide and the UNESCO Recommendation), and four address labour in non-actionable language, including the UN General Assembly resolution's core provision on labour markets.

Alignment Between Domestic and International Action

To date, labour gets little attention in either domestic rulebooks or international frameworks. Worker protection is the more common domestic requirement and appears in three international frameworks. Worker monitoring and management is found only in domestic rulebooks. In addition, the international language behind this overlap is mostly not concrete. Fewer than half of the provisions are actionable, all of them in the ASEAN Guide and the UNESCO Recommendation, and fewer than half are mainly about labour.

To understand how governments tackle labour and AI in depth, readers can explore our AI Governance Hub's labour page. It shows the relevant DPA entries and the full-text provisions of domestic AI regulations and international AI frameworks, structured using our taxonomy. The page draws data from the DPA's Activity Tracker, which provides daily updates on digital policy and provides tailored notifications, as well as our full-text analysis tool Clairk.

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