

TESTIMONY

OF

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THE PENNSYLVANIA AFL-CIO

ON

THE IMPACT OF A.I. ON PENNSYLVANIA'S WORKFORCE

BEFORE THE

SENATE DEMOCRATIC POLICY COMMITTEE

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Good afternoon, Chairwoman Muth and members of the Senate Democratic Policy Committee. My name is Angela Ferritto, and I am the President of the Pennsylvania AFL-CIO. I am here today on behalf of our affiliated labor organizations and the 700,000 working members, who, along with their families, we are privileged to represent.

Thank you for the opportunity to present testimony to you today regarding the impact that Artificial Intelligence (A.I.) can have on our workforce across our Commonwealth. As A.I. becomes more prominent in our day-to-day lives, Pennsylvanians rely on legislators to develop policy that centers the needs of workers in response to the adoption of A.I. tools and systems.

Artificial Intelligence is rapidly expanding, becoming increasingly prevalent across the workforce in various industries. While we cannot yet precisely calculate the disruption that may be caused by the adoption of A.I. in the workplace, we can articulate some of the immediate pressing challenges, concerns, and implications that unfettered A.I. can have on workers and their jobs. Among top concerns relating to the impact of A.I. on our workforce include (but are not limited to) job displacement and automation, unequal impact across industries, skill requirements and job polarization, and the psychological impact on workers.

While we understand that there are ways in which the adoption of A.I. could possibly complement existing work, raise productivity, and boost economic growth – if it is not done in a closely and intentionally measured way, it can also be a slippery slope to displacing workers, eroding the quality of jobs, and exacerbating inequities among women and people of color. Without pointed efforts to ensure displacement does not occur, A.I. can increase unemployment on our already broken Unemployment Compensation system and create detrimental psychological impact on workers and their families.

As A.I. advances, policymakers have both the capacity to shape how it will affect workers – for better and worse – and the responsibility to ensure that workers aren't left behind. Policy solutions should be designed to maximize the benefit to workers, complimenting their ability to do their jobs rather than automating their positions.

The potential for the widespread automation of jobs and displacement of workers are perhaps the most prevalent issues. Worker security must be a top priority in the face of expanding A.I. – we are opposed to the displacement of workers to automated jobs.

Effective policy solutions must center assurances around job retention and invest in adequate training for workers to adjust to A.I. adoption where necessary. Policymakers need to ensure that legislation around A.I. integration includes an in-depth plan to address the economic and job impacts created.

Over previous decades, technological change has largely impacted routine tasks in middle-wage jobs. Conversely, the impact of A.I. is likely to span a broader degree of occupations, automating

or augmenting nonroutine tasks that had not been previously impacted. These types of nonroutine tasks are often found in low-wage jobs (like janitorial services and home health aides) and in high-wage jobs (like managerial roles).

As A.I. tools perform routine tasks more efficiently, positions with duties such as data entry, customer service, and basic analysis are highly vulnerable. The use of automated technologies to replace workers in performing such duties creates significant challenges for displaced individuals, with a strong likelihood of leading to income insecurity.

The impact of A.I. on jobs is disproportionate across industries, with those relying on routine tasks and manual labor being especially vulnerable to automation. This imbalance contributes to income inequality, while leaving displaced workers often struggling to find comparable alternative employment.

As A.I. is becoming more prevalent, the job market is requiring new and evolving technical skill sets to keep up. While jobs focused on advanced technological and analytical skills will rapidly expand for A.I. development and maintenance – jobs that perform routine tasks such as clerical workers and cashiers for example are most at risk of being completely automated. The jobs created are not comparable nor equivalent to those that are lost, creating a steep economic trench between those potentially coming into the industry and those who could be forced out with no comparable role to move into.

This polarization of jobs creates a divide between individuals without access to education and training opportunities, exacerbating income inequality. Policymakers and businesses alike must be prepared to mandate upskilling programs that will equip workers with ample time to learn the skills to adapt. They must also be accountable for ensuring that workers are not displaced and left behind.

While job retention is critical, we must also work to ensure that the impact of A.I. tools will not create occupational segregation. We cannot allow wage gap disparity to be unintentionally widened for women and people of color, due to disproportionately women-dominated roles (such as administrative and social service positions) being among the most highly exposed to the impact of Artificial Intelligence.

Additionally, it's critically important to point out that the psychological well-being of workers affected by A.I. implementation may be easily overlooked from a technical perspective, but it is profoundly important for businesses and policymakers alike to consider. This includes (but is not limited to) growing anxiety and mental health issues due to the fear of losing their job and uncertainty about their future. Additionally, the impact of the lack of human interaction from automation is notably concerning. A.I. replacements can also erode workers' job satisfaction and sense of purpose, feeling devalued by automation.

Policy must evolve in real time to get ahead of potential challenges that A.I. may impose. The focus should be on steering the creation of A.I. to complement workers without displacing

them, preparing workers for the adoption of A.I. by investing in retraining and relevant skill work, and meeting the needs of any worker who is ultimately displaced.

On behalf of the 700,000 hardworking people and their families represented by the Pennsylvania AFL-CIO, we strongly encourage you to focus on getting ahead of the core issues that Artificial Intelligence can impose on our workforce across the state. We look forward to the opportunity to work with you further as you look to build future policy solutions to protect workers and their jobs. Thank you.