



THE RISE OF AI AND THE FALL OF TRADITIONAL EMPLOYMENT

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ABSTRACT

This paper throws light on how artificial intelligence affects labour law and employer's protection. Artificial intelligence and robotization are leading to loss of job in certain diligence. It has lead to significant changes in the employment field. Though it has numerous advantages similar as increased effectiveness, lower time consuming, productivity and cost effectiveness, it also has led to disadvantages like mass severance and demarcation. This paper shows impact on Indian economy due to the mass severance and the query performing from humans being replaced by AI in the near future. It also sheds light on how to check the issues coming over due to artificial intelligence and robotization in the employment field. The paper ends with suggestions regarding development of artificial intelligence without affecting the employment structure.

KEYWORDS: Artificial intelligence, labour law, employer's protection, robotization, loss of job, employment field, increased effectiveness, lower time consuming, productivity, cost effective, mass severance, demarcation, Indian frugality, employment structure

INTRODUCTION:

Artificial intelligence has been in debate in the recent times due to its influx in the industries. AI in the job industry has many benefits as well. Traditional employment refers to a long-established model of work in which an individual(the employee) performs labour or services for another party(the employer) in exchange for stipend, wages or payment, generally under a contract of service. This relationship is characterized by stability, durability, collective scores, and legal protections governed by public labour laws. The amount of time spent making products will be reduced. The same is true for the service created with the help of technology or some other force. The data collected shows money spent on making a product by a robot costs less than paying a worker for the same job. An AI can work all day without stopping and never gets sick, so it doesn't cause any disruption .The work will be more accurate than before. The rise

of the new artificial revolution, characterised by digitalization, networking and intelligence, has made artificial intelligence (AI) a driving force for the continued advancement of humankind. AI is largely valued by countries worldwide. For case, Germany's Assiduity 4.0 aims to produce smart manufacturing. AI development from multiple perspectives to reshape the global artificial division of labour through artificial elevation and intelligent metamorphosis. The labour force employment structure in the United States and several European countries has begun to polarise as a attendant miracle that's characterised by an increase in high- professed jobs in low- professed sectors and a drop in jobs in medium- professed sectors.

As the foremost arising frugality, China has espoused a public design to seize the transformative prospects presented by the rearmost artificial revolution surge. In 2016, this design integrated the conception of AI in the 13th Five- Time Plan. Following this, in 2017, the



State Council unveiled the upcoming Artificial Intelligence Development Plan. The report of the 19th National Congress accentuated the emulsion of AI with the palpable frugality to foster growth. By October 2018, the Political Bureau of the CPC Central Committee convened for its ninth group study, fastening on AI's elaboration and unborn line. It's extensively agreed that AI impacts employment through negotiation and creation goods. AI development can lower the cost of ministry and outfit, leading enterprises to replace mortal labour with robots, and increase product robotization, performing in negotiation goods, that eventually beget job loss. AI development can also have a positive impact on employment. In addition to expanding product scale by reducing costs, promoting capital accumulation and adding the productivity of machines and outfit, AI complements the chops of the labour force in exploration and development(R&D) and design and communication, opening new job openings. A lack of agreement remains among scholars regarding how AI affects employment structure, grounded on the negotiation and creation goods. In the environment of artificial elevation, exploration on the impact of AI on employment structure is particularly important for China, where population ageing is getting decreasingly serious. Likewise, exploration on the effect of AI on the traditional employment structure tends to borrow a direct perspective, with smaller analyses of non-linear impacts. It's essential to explore non-linear impact trends. Also, while the impact of AI on original employment structure is frequently explored, former exploration largely ignores its spatial spillover goods on employment structure.

REVIEW OF LITERATURE:

The crossroad of artificial intelligence(AI) and labour law has come a fleetly expanding field of scholarly interest, especially in the environment of how robotization and algorithmic decision- timber are dismembering traditional employment models. colorful studies have examined the profitable,

legal, and social counteraccusations of AI integration in the pool, pressing both the openings and challenges it presents.

1. robotization and Technological Severance

One of the foremost warnings came from Frey and Osborne(2013), who prognosticated that over to 47 of U.S. jobs were at high threat of being automated. Their work has been foundational in showing how AI could lead to mass technological severance, particularly in routine- grounded occupations.

2. Changing Nature of Work

Susskind(2020), in" A World Without Work", explores how intelligent machines are altering the structure of employment, suggesting that traditional full- time jobs may be replaced by task- grounded gig work, undermining the stability and protections that standard employment offered. This shift has also been emphasized by the World Economic Forum(2023), which states that AI'll both displace and produce jobs, but the net effect may vary extensively across sectors.

3. Algorithmic Management and Legal Grey Areas

Research by Mateescu & Nguyen(2019), through the Data & Society Research Institute, introduced the term" algorithmic operation", pertaining to the use of AI to cover, estimate, and discipline workers. Their study exposes a legal vacuum – being labour laws assume mortal decision- makers, not software systems.

4. Labour Law and the Gig Economy

The rise of AI- enabled platforms(Uber, Swiggy, Amazon Flex) has inspired legal education on the reclassification of workers. Scholars like De Stefano(2016) and Cherry & Aloisi(2020) argue that gig workers are frequently misclassified as independent contractors due to algorithmic control, thereby barred from introductory labour protections similar as minimal pay envelope, sick leave, and union rights.

5. Bias and Demarcation in AI Systems



A growing body of literature, including studies by Barocas, Hardt, & Narayanan(2019), has concentrated on how AI systems used in hiring and HR operation can replicate and indeed amplify social impulses, leading to unlawful demarcation grounded on gender, race, or age. These enterprises punctuate how anti-discrimination laws must acclimatize to regard for opaque, data- driven decision- timber.

6. International Labour norms and Regulatory Response

International associations similar as the International Labour Organization(ILO) have published reports(e.g., " Work for a Brighter Future," ILO Global Commission on the Future of Work, 2019) prompting member countries to borrow forward- looking programs to insure that AI- driven changes in work do n't erode workers' rights. still, perpetration remains patchy and slow, especially in developing countries.

RESEARCH GAP:

Some articles and researches also highlighted the impact of labours on rise of artificial intelligence. This study says about the impact and loss of traditional employment and rise of Artificial intelligence and how it affects the life of people employed as labour as AI is more skillful and low maintenance and highly efficient

OBJECTIVE OF THE STUDY:

- 1) The main objective of this study is to show the impact of labours due to the rise of AI
- 2) To identify the legal protection of labours from the rise of AI.
- 3) To identify the laws regarding AI
- 4) To identify the suggestions to improve AI without affecting traditional employment.

STATEMENT OF PROBLEM:

The main statement of problem in this study is the impact of labours due to the rise of AI. The significant impact of rise of Artificial intelligence has led to decrease in importance of mankind labours which made displacement of

traditional, full time jobs especially in IT, logistics, administrative works. there is no universally accepted legal framework to protect workers or labours who are displaced by the AI. AI- grounded platforms(e.g., Uber, Zomato, Amazon Flex) are promoting non-standard forms of employment that warrant lawful recognition as" employment" under traditional fabrics. This undermines access to

- 1) minimum wage laws
- 2) Social security schemes
- 3) Trade union rights

IMPACT OF AI IN ONLINE LABOUR MARKETS:

The Job replacement Effect

To conduct our study, we anatomized job posts from a leading global online freelancing platform from July 2021 to July 2023. Online freelancing platforms give a good setting for examining arising trends due to the digital, task- acquainted, and flexible nature of work on these platforms. We concentrate our analysis on the preface of two types of word AI tools ChatGPT and image- generating AI. Specifically, we wanted to understand whether the preface and prolixity of these tools dropped demand for jobs on this platform and, if so, which types of jobs and chops are affected most and by how important.

Using a machine learning algorithm, we first grouped job posts into different orders grounded on their detailed job descriptions. These orders were also classified into three types homemade- ferocious jobs(e.g., data and office operation, videotape services, and audio services), robotization-prone jobs(e.g., jotting; software, app, and web development; engineering), and image- generating jobs(e.g., graphic design and 3D modeling). We also examined the impact that the preface of Gen AI tools had on demand across these different types of jobs. We find that the preface of ChatGPT and image- generating tools led to nearly immediate diminishments in posts for online gig workers across job types, but particularly for robotization-prone jobs. After



the preface of ChatGPT, there was a 21 drop in the daily number of posts in robotization-prone jobs compared to homemade-ferocious jobs. Writing jobs were affected the most(30.37 drop), followed by software, app, and web development(20.62) and engineering(10.42).

ETHICAL ISSUES ARISING OUT OF USE OF AI AT workplace:

It can cause bias during screening of resumes. integrity of the algorithm is grounded on the data it's trained. Numerous employers use resumes of high performing workers as data to cover resumes of other workers. It may increase work effectiveness and productivity but it may also lead to demarcation and bias. For instance, data fed may be of an hand of a particular gender, estate, specialization or demography which may lead to selection of applicants of the same criteria. Indeed during online interviews it's an issue. AI are being used to observe and estimate the conditioning and attention of campaigners during virtual interviews. occasionally there may be a network issue, attention deficiency hyperactivity complaint or lack of attention of the seeker which may have an adverse result in the evaluation of AI. Although AI leads to neutrality, there needs an mortal involvement, emotional evaluation and subjectivity in judging the campaigners. AI are also being used for evaluation of performance and effectiveness of workers. It's set up to be discriminative and inaccurate because it leaves out the rigors, sickness or disability or health affections of workers. There's a need of private test and not an objective one. AI uses a lot of information about workers to help with managing the pool. It looks at the data, organizes it, and figures out what it means. This information frequently includes private particular details(like watchwords, fiscal word, natural data, as defined in the 'Information Technology(Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011'), which employers use for different reasons. numerous people are upset that not everyone knows how their particular information is being used by machine

literacy. In this situation, there are strict rules set by the Information Technology Act 2000 and the 'Information Technology(Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011'.

The Covid- 19 epidemic has changed how employers work with their workers. Working from home or in a combination of office and home has come important after Covid. A lot of employers are using virtual reality to talk to their workers and do their work. There have been claims of workplace sexual harrassment and unwanted advances, but no measures have been taken to address the issue. Regrettably, Multiple companies warrant proper guidelines for their employers' conduct on virtual reality platforms. This can cause problems at work moment, employers need to change their rules or make new ones to keep their workers safe in virtual reality.

METHODOLOGY:

This research is descriptive in nature based upon secondary data .Secondary data are those data which are collected from websites , journals and other research works are used for this paper.

JUDICIAL STANDING:

In the case, Uber BV v. Aslam, Uber motorists claimed they were workers entitled to rights like minimal pay envelope and paid leave. The Court held that motorists were indeed " workers " under UK law, despite being managed by an app(AI/ algorithm).The Court emphasized" control by the platform"(algorithmic supervision, rating systems, automated opinions) as a crucial factor in determining employment – a corner step toward feting AI-intermediated connections in legal employment terms.

In the case of Shramik Bharti v. State of U.P and Ors., the court held that preface of an AI powered attendance system in government services didn't violate workers' sequestration rights if it complies with Personal Data Protection Bill, 2019 and other applicable laws.



The court held in K.K.Gautam v. State of U.P and Ors., that the AI powered face recognition technology for covering attendance at government seminaries must abide by Personal Data Protection Bill, 2019 and other applicable laws.

In Soma Mondal v. Union of India the court held that using AI by public sector banks for reclamation must be transparent, fair and not discriminative against any particular group of campaigners.

Use of AI in the police department for prophetic policing should be transparent and they should have clear guidelines for its use was held by the court in State of Maharashtra v. Vijay Tukaram Gomate.

Court directed the government to insure that use of AI powered surveillance system by the Indian government is in compliance with the Personal Data Protection Bill, 2019 and other applicable laws and the data are used only for the purpose they're collected in Anivar A Aravind v. Ministry of Home Affairs

INDIAN LAWS REGARDING AI:

1) Codes on wages, 2019

Merges laws like the minimal stipend Act, Payment of stipend Act, etc. It Ensures minimal pay envelope and timely payment to all workers. It is applicable to AI that applies to workers across sectors, including those laterally managed by platforms or AI- grounded systems.

2) Indian copyrights Act,1957

There is a copyright ownership in AI algorithm as it includes computer based programs.

3) Competition Act,2002

It restricts competition among businesses and trade and prevents from abuse of dominant positions.

4) Information technology Act,2000

It's the top legislation regulating digital that deals and electronic governance. Compensation for breach of sensitive particular data sequestration is dealt

under Sec 43A of the Act. Section 72A of the act also covers AI. Therefore AI is being implicitly

regulated. In a check conducted at 2018, 93 people have expressed their concern over elusion of their right to sequestration by use of AI. The Supreme Court in Justice K.S. Puttaswamy v. Union of India. It has brought instructional sequestration into the horizon of right to privacy under fundamental rights.

5) Industrial Relations Code, 2020

It Consolidates laws related to trade unions, artificial controversies, and employment termination. It includes rules for retrenchment, layoffs, and check of establishments. Applicability Doesn't yet address automated termination or algorithmic opinions in firing workers a implicit slate area as AI expands.

6) Law on Social Security, 2020

It points to give social security(e.g., provident fund, ESI, motherliness benefits) to all workers, including gig and platform workers. Recognizes platform workers and gig workers as separate orders – a pioneering move. Applicability AI- grounded gig platforms(Swiggy, Uber, Zomato) fall under this law, though perpetration and benefits delivery remain unclear.

7) Occupational Safety, Health and Working Conditions Code, 2020

Regulates safety, health, and working conditions for workers in manufactories, mines, and other establishments. Applicability Can apply to workplaces with AI- controlled surroundings(e.g., automated storages), but enforcement in similar tech-heavy surrounds is still evolving.

SUGGESTIONS:

Everyone should learn about Artificial Intelligence so they can be ready for job openings and new career fields that use it. Governments should spend a lot of money on



programs to educate scholars about machine literacy, robotics, and big data. likewise, giving training plutocrat and support to people in need, especially in underprivileged areas, would help constrict the gap between those who are good at technology and those who can not get the help they need because they do not have enough plutocrat. Laws and rules should be made to control how Artificial Intelligence is used in different diligence. This will help make sure that all workers are treated fairly, no matter where they come from or how important experience they have. Laws need ways to catch and discipline people who break the rules, and make sure everyone follows the norms to keep people safe and encourage new ideas in the assiduity. A frame requirements to make sure that everyone is treated fairly and inversely. It should concentrate on guarding sequestration, following safety rules, and making sure people's jobs are secure. This will help everyone have the same chance to succeed and move forward together.

The government should give plutocrat to people who have to change jobs because of new technology like AI. This will help them during the transition. This would help make sure that people who lost their job can still support themselves while looking for a new one. Also, giving people openings to learn new chops and acclimatize to changes in the job request can help everyone to succeed, no matter their former experience

or knowledge. Lawmakers need to review and change the being labour laws to make sure they still work well in a world that is fleetly changing because of AI. To make changes, we might need to change laws like the Industrial Disputes Act of 1947 and the minimal stipend Act of 1948. This is to handle issues like losing jobs, how workers are grouped, and making sure gig workers' rights are defended. New rules may be demanded to control how AI is used in areas similar as computer bias, data privacy, and monitoring. Governments and groups that make rules can produce moral rules and beliefs for using AI at work. This will help people use AI

in a good way and make sure it's in line with what society believes is right. Some of the effects that these rules might include are making sure AI systems are fair, transparent, responsible, and do not show bias. Controllers can make rules to help companies and AI inventors use AI technology responsibly at work. To keep workers' information private and make sure particular data is used responsibly in workplaces that use AI, we need to make the laws that cover data indeed stronger. Controllers can use current laws or produce new laws to make sure AI systems follow rules about gathering and using workers' data. Workers should be allowed to view and edit their particular information and understand how it's being used. We need to have rules to make sure that no one differently can get or use the data without authorization. Encouraging translucency and responsibility. Controllers can make sure that AI systems at work are responsible and open. This makes sure that we can understand and review how opinions are made. This could mean making sure employers explain choices made by AI that may affect their workers and creating ways for people to get backing if algorithms are illegal or discriminative towards them. Authorities can help workers and companies trust AI technologies more by promoting honesty and responsibility. Helping people who have a stake or interest to get involved and share. Policymakers and controllers need to talk to employers, workers, AI inventors, and civil society groups to understand their enterprises and ideas about using AI at work. Working together like this can help produce fair laws and rules that cover everyone's rights and break the delicate problems caused by AI. likewise, controllers can produce groups of experts to give advice and information about AI issues. Investing in monitoring and making sure rules are followed and executed. We need to make sure that the police and other authorities have enough coffers to check that workplaces are following the laws and rules about AI. Controllers can make sure that people are



following the rules for keeping data safe and acting immorally by doing checks and examinations. Corrections like forfeitures can make people and companies follow the rules for using AI and stop them from breaking the law. Rules and laws are veritably important for working the issues AI causes at work and promoting responsible use of AI. Controllers can produce rules that cover workers, make people trust AI technology, and support fair and lasting workplaces in the digital age by changing laws, setting ethical rules, perfecting data protection, being open and responsible, making it easier for people to join in, and spending plutocrat to make sure the rules are followed. We must keep an eye on and manage the right changes to the way people work and the job assiduity, which could make the business request worse because of dislocation. Creating new ideas and being creative is important for having a fair competition. ending the income gap will make it less likely for people to lose their jobs. It can be seen as the first step in getting relieve of the bad and goods caused by. The job request is changing because of Artificial Intelligence. Creating a plan for managing jobs in the future will be salutary for this. The employer has to make sure that the workers are suitable to acclimatize to their jobs. The employer has to let the workers do their job and give them a fair chance. It was easily said in the labour law. Advancements in AI could lead to the high threat jobs most likely to be lost. New technology developments valuing workers is important for strength in the association, jobs and work industry.

CONCLUSION:

The integration of Artificial Intelligence into the pool represents both a technological vault and a legal challenge. As AI- driven systems decreasingly take over reclamation, operation, and indeed termination processes, the foundations of traditional employment are being readdressed. In India, while the recent labour canons have conceded gig and platform workers, the legal frame remains unprepared to regulate the complications of

AI- managed employment. Issues similar as algorithmic bias, lack of translucency, job relegation, and corrosion of social security pose significant pitfalls to workers' rights. The absence of explicit legal provisions on AI in labour laws create. To insure that technology enhances rather than erodes labour protections, it's pivotal for Indian labour law to evolve. This includes feting algorithmic decision- making in legal terms, administering explainability and fairness in AI tools, and strengthening the rights of workers innon- traditional and AI- regulated employment settings. Labour law must acclimatize not only to guard mortal quality in the plant but also to insure that the benefits of AI are equitably distributed in the world of work.

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