Frequently Asked Questions about the California AI-Unemployment Tracker

This FAQ answers common questions about the California AI-Unemployment Tracker (CAIT), including what it measures, how AI exposure is defined, and how the tracker should be interpreted. For detailed results, methodology, and discussion of the findings, please see the accompanying report and technical appendix.

1. What is the California AI-Unemployment Tracker (CAIT)?

The California AI-Unemployment Tracker (CAIT) links state unemployment insurance (UI) claims data with measures of AI exposure in occupations. It tracks unemployment trends across demographic groups, industries, and regions using both *potential* exposure and *observed* measures of AI use across occupations. It is designed to serve as an early warning system for emerging labor market changes associated with AI.

2. Why did California Policy Lab (CPL) and the California Employment Development Department (EDD) create the tracker?

Generative AI has been adopted rapidly across industries since late 2022. Since then, reports of AI-related layoffs have become increasingly common, along with broader speculation about AI's potential impact on workers and the labor market. However, the public conversation has moved faster than the available evidence.

CPL and EDD created the tracker to provide timely, credible data on how AI may be affecting workers and the labor market statewide. By monitoring these trends in near-real-time, the tracker helps policymakers and the public better understand how AI is shaping the labor market and respond more effectively to emerging risks.

3. Does the tracker capture all job loss related to AI?

No. The tracker focuses on workers who file for unemployment insurance (UI) benefits after losing a job. Many workers who lose jobs never file for UI benefits, so will not appear in UI data. Some find new jobs quickly, some are not eligible for benefits, and others do not file claims.

Even with these limitations, UI claims are one of the most timely and widely used indicators of labor market conditions. By tracking AI exposure within UI claims, the California AI-Unemployment Tracker provides an early signal of whether workers in AI-exposed occupations are increasingly experiencing job loss and turning to the social safety net for support.

4. Can the tracker determine whether a specific job loss was caused by AI?

Not directly. CAIT measures job loss among workers in occupations with different levels of AI exposure, but it cannot determine whether AI caused a specific layoff. More broadly, no dataset currently exists that can definitively identify whether a particular job loss was caused by AI.

The tracker links UI claims to established measures of occupational AI exposure, which estimate the extent to which tasks in an occupation can be performed by modern AI. These measures are widely used and provide the best available indication of where AI may affect jobs, but they do not directly identify employers' reasons for layoffs.

The tracker provides an early signal of where AI-related labor market pressures may be emerging. Its findings should be interpreted alongside other evidence.

5. How is AI exposure measured?

The tracker uses established research approaches that assess whether AI could potentially perform or assist with tasks in an occupation and how AI tools are currently being used in practice.

Each occupation consists of many tasks, which vary in AI exposure (i.e. how well AI could perform those tasks). An occupation's AI exposure score reflects the average level of exposure across those tasks. For example, a score of 0.5 means that, on average, about half of the job's tasks could be affected by AI. The score is best understood as an indicator of potential task-level impact, not a prediction of job loss.

6. What is the difference between potential and observed AI exposure scores?

The *potential* exposure measure reflects what AI could do based on occupational tasks. This approach was developed in 2024 by a team of OpenAI and academic researchers, is widely used by AI researchers, and is considered an industry standard.

The *observed* use measure reflects how frequently AI is currently being used in practice by users of Anthropic's Claude tool. This measure was developed in 2025 as part of the Anthropic Economic Index, and can be updated as the capabilities of Claude change.

These measures are generally correlated, but do not always align because they capture different dimensions of AI's impact. For example, some occupations may have high *potential* exposure but low *current* use because employers may choose not to adopt AI, AI may not be suitable for all work contexts, or other constraints.

7. How are "high," "moderate," and "low" AI exposure defined?

Occupations are grouped based on their exposure scores. Occupations in the top 25 percent of AI exposure scores are classified as high exposure, occupations in the middle 50 percent are classified as moderate-exposure, and occupations in the bottom 25 percent are classified as low exposure.

8. Which occupations are included in the tracker, and which have high AI exposure?

The tracker includes all occupations reported in all new unemployment insurance claims that can be mapped to standard occupation codes. Occupations with high AI exposure tend to involve tasks such as writing, coding, analysis, and information processing. Examples include

but are not limited to mathematicians, copy editors, correspondence clerks, communication workers, and computer programmers. Occupations involving physical, manual, or in-person service tasks tend to have lower exposure.

9. Does increased AI adoption among businesses guarantee higher unemployment?

Not necessarily. Businesses may be integrating AI without layoffs, and may even hire workers to accommodate the technology. Broader economic conditions may allow displaced workers to find new jobs quickly without appearing in unemployment insurance data. These factors mean that AI-related impacts may not be fully reflected in aggregated, statewide unemployment trends.

10. How did CPL and EDD validate this approach to tracking AI exposed layoffs?

We assessed the credibility of our methodology by comparing AI-exposure trends in UI claims several years before and after the release of ChatGPT in late 2022, using two independent exposure measures, as well as comparing findings with national research.

We also validated CAIT by analyzing data for several large layoffs that employers publicly attributed to AI adoption. Using public WARN notices and unemployment insurance claims data, we tracked what happened around the time those layoffs occurred. In these cases, unemployment insurance claims increased sharply following the announced layoffs, particularly among workers in occupations with high AI-exposure. This suggests the tracker can detect known AI-related displacement episodes in near real time.

Similar patterns across multiple measures increase our confidence that the findings are meaningful, though continued monitoring is needed as AI and the labor market continue to change.

11. Where can I learn more about the findings?

The tracker provides interactive data on AI exposure and unemployment insurance claims in California. For a detailed discussion of the findings, methodology, and limitations, see the accompanying report and technical appendix.