

HOW AI IS RESHAPING MEDIATION, LABOUR RELATIONS, AND CONFLICT MANAGEMENT PRACTICE

A keynote for Canadian mediators

"If we are willing to let machines hold scalpels, what are we willing to let them hold in conflict?"



A working question for this room.

THE OPERATING CONTEXT

170M /
92M

new jobs created / displaced by 2030
2030

44%

of legal and mediation work projected
to be supported or automated by AI

\$4.4T

long-term annual productivity
opportunity from AI

*If forty-four percent of our craft can be
supported by a machine, what is the
remaining fifty-six percent — and have we
named it?*

AI is the fourth party at the table.

"As the fourth party has become more competent, it is able to take on more things that previously the third party had to handle."

— Colin Rule, Negotiation Mastery, Harvard Business School Online, 2026

Mediators are no longer alone in the room — even when they are.

01 Drafts, summarizes, and stress-tests positions

02 Models settlement zones and predicts acceptance

03 Flags emotionally charged language in real time

If the machine prepares the brief, opens the caucus, and drafts the agreement — at what point in the process do we still need a human?

56%

of participants preferred the AI-generated consensus statement over a human mediator's.

Across 5,700+ deliberations on polarizing public questions.

22.8% → 38.6%

Groups reaching unanimous agreement, without and with AI facilitation.

*If a machine produces a settlement statement
that parties prefer to ours — is that a threat, a
tool, or a mirror?*

HYBRID OUTPERFORMS BOTH

59%

AI alone

68%

Human alone

82%

Hybrid

Resolution success rate across reviewed workplace disputes.

FASTER, NOT SHALLOWER

40%

reduction in resolution time when AI supports workplace dispute workflows.
workflows.

63% of routine disputes now handled by automated systems before human review.

*What do we owe a party whose dispute is
resolved in two hours instead of two
months — and what might we have
missed?*

01 Hallucinated citations and fabricated authority

02 Inability to read sarcasm, silence, or grief (failure rate 68% on sarcasm; F1 score 0.61 on complex emotion)

03 15% performance drop in cross-cultural contexts

An arbitral award was annulled in Canada because the arbitrator delegated his reasoning to AI.

ARIHQ v. Santé Québec, 2026 QCCS 1360 — April 22, 2026

Every legal citation in the award was fabricated. The court did not ban AI — it drew a line: AI may assist, but must not decide.

If our award, our recommendation, or our mediator's report were audited tomorrow — could we defend every citation in it?

CANADA INDUSTRIAL RELATIONS BOARD

Policy No. 12

Generative AI by parties. Effective November 1, 2025. Mandatory disclosure of AI use in submissions. submissions.

ONTARIO

Bill 149

Working for Workers Four Act. As of January 1, 2026, employers with 25 or more employees must disclose AI use in publicly posted jobs.

FEDERAL

Indefinitely delayed

Bill C-27 and the proposed Artificial Intelligence and Data Act remain on hold. The Voluntary Code of Conduct (Innovation, Science and Economic Development Canada, updated 2025) is the operative federal frame.

"Privileged information put into AI systems may be stored — and AI often cannot distinguish what is confidential from what is not."

— Steven Nappi, 'AI Mediation: Ethically Questionable?'

The first rule of the room may already have been broken outside it.

*When a party tells me something in caucus
and I run it through a public language model
— whose secret have I just shared?*

Bias is not a glitch in the system. It is **a record of the system.**

Algorithmic bias observed in 37% of reviewed mediation systems.

23%

of employees trust their employer to deploy AI in their interest.

Trust is a more expensive asset than efficiency.

*In a profession built on neutrality, can a tool
trained on the past be neutral about the
future?*

- 01 **Data literacy** — knowing what the model can and cannot see
- 02 **Procedural literacy** — knowing when to disclose AI use to parties
- 03 **Ethical literacy** — knowing where the machine's authority must stop

DISCLOSE

Tell parties when, how, and why AI is used in the process.

VERIFY

Treat every machine output as a draft draft until a human has confirmed it. it.

PRESERVE

Keep confidentiality, neutrality, and and judgment with the human.

What disclosure would I want — as a party — from the mediator sitting across the table?

01 Hold the silence that the algorithm cannot read

02 Carry the moral weight of a decision that has consequences

03 Make the room feel safe enough for the truth to enter it

The question is no longer whether AI enters our
our practice.

It already has. The question is what we choose to remain accountable for.

- We disclose.
- We verify.
- We do not delegate judgment.

Thank you.

Fifteen minutes for the conversation we are about to have.