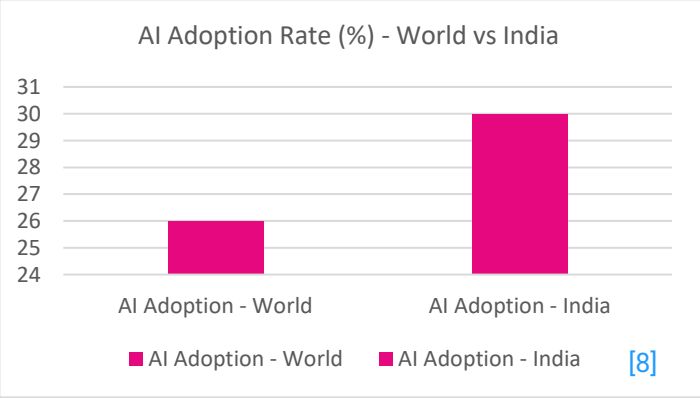
NEWSLETTER

Industry insights & trends for Blue Collar workforce (Edition-4, 2025)

The Transformative Impact of AI Evolution

- AI's evolution is set to contribute a substantial $19.9 trillion to global economy through 2030 while driving 3.5% of global GDP.[1, 2]
- As a result, 98% of business leaders regard AI as a priority for their organizations, leading to job impacts across all regions of the globe. [1]
- AI is projected to impact nearly 40% of jobs worldwide, with some positions being replaced and others being complemented. [2]
- Generative AI can eliminate mainly white-collar roles, but it may also affect blue-collar fields like retail, manufacturing, agriculture, and food processing. [3]
- According to Pearson, generative AI could handle about 30% of white-collar roles, but less than 1% of blue- collar jobs. [4]
- On the positive side, 35% of top growing jobs are blue-collar roles, with over 1.7 million positions projected by 2032. [5]
- The global AI skills gap could lead to a significant labour shortage in the coming years [6], while India's AI talent pool struggles to keep pace with the rapid growth of its AI market. [7]

Some Key Statistics on Blue-Collar Domain in AI



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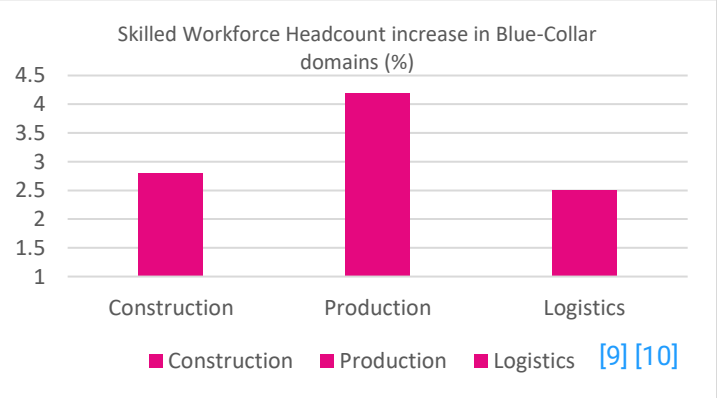

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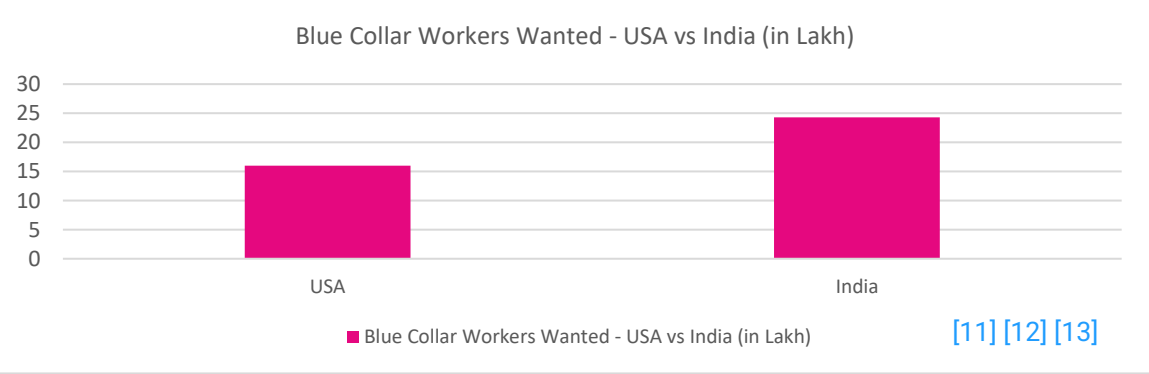

[11] [12] [13]

Positive Impact of AI on Blue-Collar Domain

New Job Role Creation

- AI-driven. AI can lead to the creation of 1.7 million new blue-collar jobs over the next 10 years [14] in different sectors by 2025 [15] including Construction [16], Manufacturing [17], Retail [18], Transportation [19], and Agriculture [20].

Enhancing Workspace Safety

- AI contributes to safer workplaces by providing real-time insights, risk assessment, and behaviour monitoring [21][22].
- AI can help transform frontline workers - drivers, mechanics, construction workers, service technicians - by making them better and safer. [23]

Increases Productivity & Efficiency

- Frees workers to focus on complex activities, boosting productivity in industries like manufacturing, logistics, and construction. [24].
- Improved efficiency in the workplace by reducing human errors and speeding up processes [25].

Re-skilling Opportunities

- Globally, up to 375 million workers need to be AI-skilled by 2030 [26].
- Re-skilling opportunities offer workers a pathway to better job security and career advancement [27].

Other Impacts

- AI plays a pivotal role in redefining work-life balance [28].
- Reducing stress by automating repetitive tasks [29].
- Realistic training experience with AI-powered simulations [30].

Negative Impact of AI on Blue-Collar Domain

Job Displacement

AI-driven automation (e.g., robotics) is replacing repetitive blue-collar tasks in manufacturing and logistics, threatening millions of jobs in India's 300-450 million-strong workforce. [31]

Skills Gap

Many blue-collar workers lack training to adapt to AI technologies, with only 5% of India's workforce formally skilled, risking unemployment as automation grows. [32]

Economic Inequality

AI eliminates middle-skill jobs (e.g., machine operators), polarizing the job market and widening income gaps between low-skilled workers and high-skilled professionals. [33]

Worker Uncertainty

Fear of job loss due to AI, coupled with high turnover rates (15% monthly in some sectors), destabilizes India's blue-collar workforce. [34]

Observations

- The Blue-collar job market is undergoing a remarkable resurgence, often referred to as the "Blue Collar Recruitment Boom" [35] [36].
- AI & Robotics threaten Blue-collar jobs [37]. However, right now the percentage of risk of blue-collar jobs being automated is very less [38].
- The Government should take radical actions to save jobless Blue-collar workers from severe economic damage [39].
- AI is making Blue-collar workers' job safer and more accessible [40].
- Companies need to create a culture of continuous learning and AI-upskilling to take advantage of potential gains in productivity [41].