

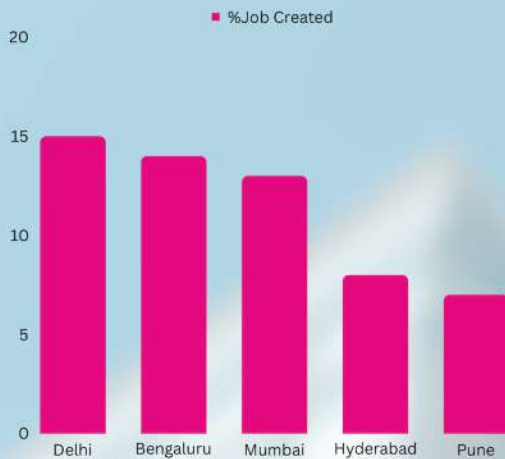


Market Trends

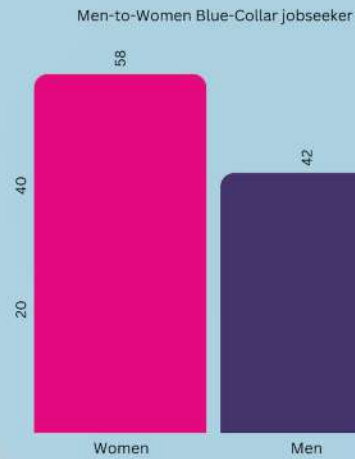
- Hiring intent for non-white collar jobs up 10% YoY in Q1FY24.
- According to a report by McKinsey & Company, India is expected to create 90 million new jobs by 2030. Of these, 70% are expected to be blue-collar jobs.
- There has been an increase in the migration of blue-collar workers from India to the Gulf Cooperation Council (GCC) nations in 2023.
- Soon, Korea to sign pact with India to source skilled manpower, open doors for blue-collar workers.
- Germany looking at sourcing workers from India to address skills shortages.

At a Glance

A survey reported by NEWS18 has revealed that blue-collar jobs will grow by 12% in 2023 as compared to 2022.



City wise blue-collar job creation [Source: News18, Jan, 2023]



[Source: News18, Jan, 2023]

Annual Blue-Collar Job Market Index Highlights 50% Growth in Hiring Trends from 2022 To 2023

Blue-collar job vacancies grew 7% in March to 57,11,154

Blue-collar workers in India increased from 232 million in 2017-18 to 243 million in 2021-22 indicating growth rate of 4.7% per year

Apple Becomes Largest Blue-Collar Job Creator In India's Electronics Industry With 1 Lakh New Jobs

Insights and Observations

- Increasing demand of blue-collar workers in India
- Enough skilled blue-collar workers are not available in the market
- Technology may not directly increase wages, it can help workers be more competitive and access new work opportunities. This is particularly important for women, who are looking for new opportunities to contribute to their family income, with signs of a looming recession.
- Most blue-collar jobs are going to freshers with tech skills.
- As the Indian economy becomes more complex and sophisticated, there is a growing demand for skilled blue-collar workers. This is particularly true in sectors such as manufacturing, construction, and IT. Therefore, available blue-collar workers need to be upskilled to become job-ready
- Wages for blue-collar workers should be at par in comparison to other countries for preventing migration of blue-collar workers
- Participation of women as blue-collar worker should be increased across various sectors



Increasing demand of Blue-collar workers in India

The blue-collar workforce in India is an important part of the economy, comprising more than 80% of the total workforce. These workers are essential for the functioning of several sectors, including manufacturing, construction, transport and logistics. However, the current situation of blue-collar jobs in India is characterized by a complex combination of factors, including

- **Increasing demand:** The Indian economy, according to IMF estimates, will emerge as the world's third largest economy by 2027. This growth is fueling the demand for skilled blue-collar workers in different sectors.
- **E-commerce boom:** As per a report by Statista on the Indian E-commerce Market expected to reach \$200 billion by 2027 from \$22 billion in 2018. This growth is creating new opportunities for blue-collar workers in the logistics sector.
- **Skills shortages:** India presents a paradox of skill shortages despite a situation of labor surplus, which threatens the growth story. There is a need for 33 million skilled workers in building and construction and 18 million in transportation and logistics.
- **Technological advances:** According to a World Economic Forum report, automation would certainly provide millions of new job possibilities in the future. However, even in blue-collar jobs, professionals will be required to have a working grasp of novel technology such as AI, ML, and data analytics.

Current status of skilled-labourer in blue-collar domain

- Due to an acute **shortage of skilled labour** in the frontline or **blue-collar workforce**, the companies across different sectors are **hiring** more number of **apprentices** to make them job ready.
- According to a recent report by the **World Economic Forum, India needs to skill or upskill over 400 million workers by 2030** to meet the demands of the changing economy. The report also highlights that the **demand for skilled blue-collar workers is expected to grow by 25% in India** over the next decade.
- According to **Harsha Goenka, RPG Group Chairman**, the key issues that are affecting his business are: **shortage of skilled construction workers, truck drivers, and plantation workers.**
- There has been a **50% increase** in the **migration of blue-collar workers** from **India to the Gulf** Cooperation Council (GCC) nations in the **first seven months of 2023**, according to a study conducted by Huntr, a United Arab Emirates-based marketplace connecting migrant workers with enterprises.
- Deloitte's Blue Collar Work force Trends Report 2023 shows that the current female blue collar work force participation is at 8 per cent (1 in 12), a rise from <2 per cent a couple of decades earlier.

Government of India initiatives to counter the skill shortage

- **Atmanirbhar Bharat Rojgar Yojana (ABRY)** to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic.
- **Pradhan Mantri Rojgar Protsahan Yojana (PMRPY)** to incentivise employers for creation of new employment.
- **National Career Service (NCS) Project** for transformation of the National Employment Service to provide a variety of career related services like job matching, career counselling, vocational guidance, information on skill development courses, apprenticeship, internships etc.
- **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)** is a Skill Certification scheme with the objective of enabling Indian youth to take up industry relevant skill training that will help them in securing a better livelihood.
- **Production-Linked Incentive (PLI) Scheme** across 14 key sectors, to create national manufacturing champions and to create 60 lakhs new jobs.
- **The National Industrial Corridor Development Programme** is India's most ambitious infrastructure programme aiming to develop futuristic industrial cities along with creating employment opportunities and socio-economic development.
- The **Centre's Budget** announcement to boost capital expenditure during **2023-24 by 33 per cent to Rs 10 lakh crore** is likely to drive up **blue-collar job creation.**
- The Indian government is taking steps to formalize the blue-collar workforce **Pradhan Mantri Shram Yogi Maan-dhan (PMSYM)** scheme and the Employees' Provident Fund Organisation (EPFO).



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