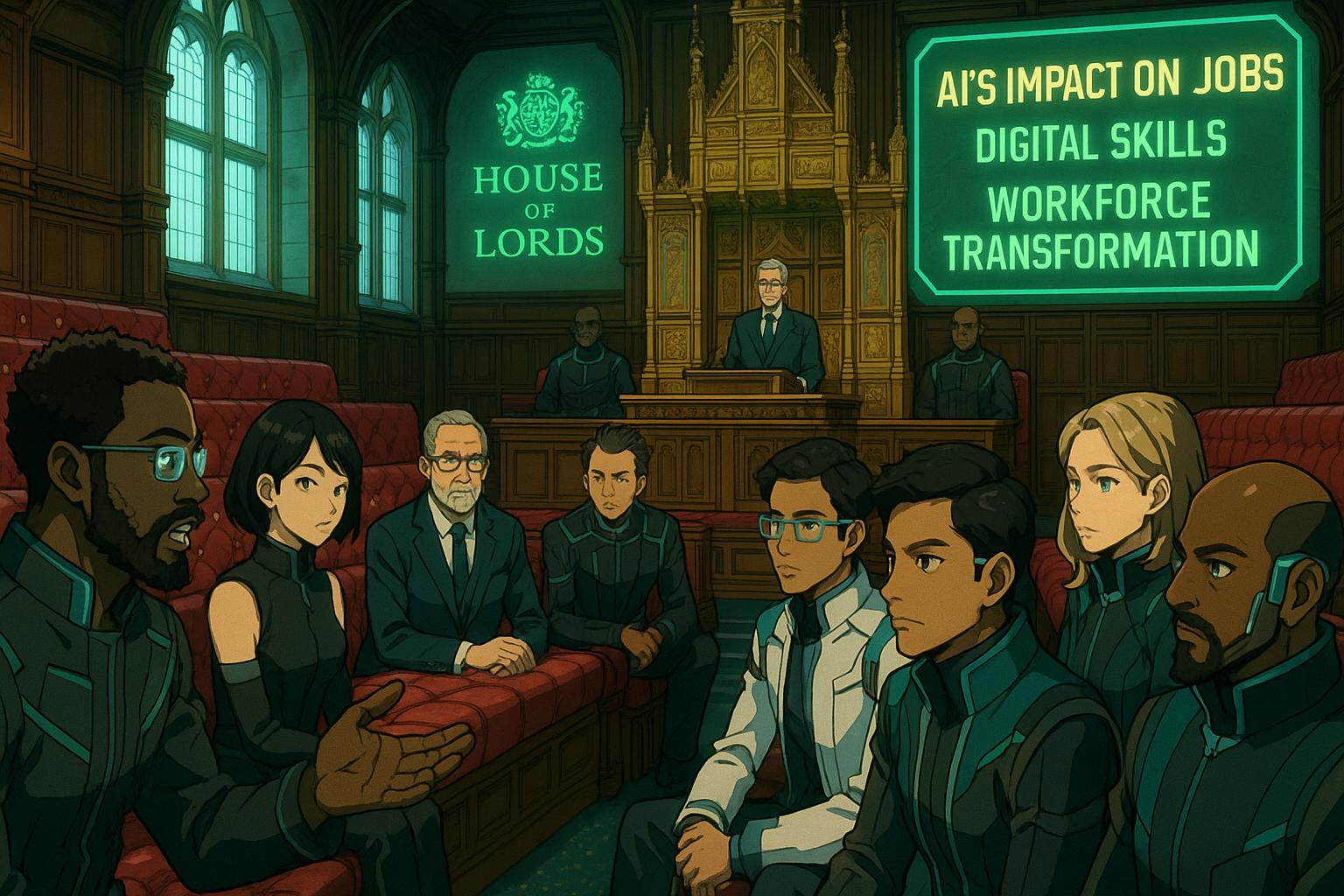
# UK leaders call for urgent action as AI threatens millions of jobs but boosts economic growth



In a significant gathering at the House of Lords, technology industry leaders engaged in a compelling discussion about the future of artificial intelligence (AI) and its anticipated effects on the UK jobs market. The event, led by Steven George-Hilley from Centropy PR, brought together experts who shared insights on pressing industry challenges, notably the digital skills shortage and AI's capacity to enhance compliance while not only automating but also transforming traditional job roles.

Key speakers underscored that while AI presents remarkable opportunities, it also poses profound challenges. Richard Cuda from Kasha emphasised how AI and digital technology can empower entrepreneurs to forge new business paths. Meanwhile, Leigh Allen, a strategic advisor at Cellebrite, pointed out the potential of AI to assist law enforcement agencies in navigating the complexities of modern investigations. He remarked, “In a world where police forces are under increasing strain to combat crime and national security threats, AI technology represents a key enabler in unlocking digital evidence and significantly reducing investigation times.” This assertion echoes a growing recognition of AI’s role in enhancing operational efficiency across sectors.

However, the discussion also delved into the grave concerns about job displacement. Richard Denison, a crossbench peer, had previously emphasised that AI could replace several human roles, perhaps even those within the Lords. Citing research that anticipates up to five million UK workers being affected by AI within the next decade, he advocated for proactive measures to mitigate these risks. This sentiment finds support in a September 2023 report from the Pissarides Review, which highlighted that while AI has been linked to job creation, it has also led to significant job losses. The report revealed that 47% of businesses reported reductions in workforce due to AI integration, while only a little over half noted job creation, raising concerns about the widening gap in job quality and regional equality.

Moreover, recent analyses indicate that the nature of job displacement will vary significantly across different regions and job types. The Institute for Public Policy Research has warned that up to eight million jobs could be jeopardised without decisive government intervention, particularly affecting back office roles that traditionally have lower barriers to entry. This analysis highlighted the imperative of collaboration among government, employers, and unions to create a sustainable workforce capable of adapting to this rapidly evolving technological landscape.

While the figures may seem alarming, some reports argue that the long-term impact of AI on the job market could be less catastrophic than anticipated. A study from Tony Blair's Institute for Global Change projected that while AI could displace up to three million jobs by 2030, the overall economic growth could spike by as much as 6% by 2035, suggesting that emerging opportunities might offset some losses.

Moreover, lenders and employers are demonstrating a growing appetite for AI skills, with a recent PwC report revealing that job postings requiring these specialised skills have surged 3.6 times faster than general job postings in the past decade. This surge indicates a shift in the job landscape towards positions that demand advanced competencies in AI and machine learning, reflected in employers offering a 14% pay premium for such roles.

In line with these developments, industry leaders advocate for a concerted focus on equipping the future workforce with critical digital skills. Linda Loader, a software development director at Resonate, stressed the importance of leveraging AI applications in sectors like transportation to drive innovations. She stated, “By exploring smaller AI use cases now, we can build a solid foundation and understanding for more extensive, secure transport applications in future.”

The discourse surrounding AI's impact on the job market highlights the dual nature of technological advancement: it presents both significant risk and opportunity. To navigate this transformative landscape, a collaborative approach involving all stakeholders—government, education, and industry—is essential. Only then can the UK harness AI's potential while safeguarding its workforce against the uncertainties that lie ahead.

### Reference Map

1. Paragraphs 1, 2
2. Paragraphs 2, 3
3. Paragraph 4
4. Paragraphs 5, 6
5. Paragraph 5
6. Paragraph 6
7. Paragraph 7

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://businesscloud.co.uk/news/tech-leaders-descend-on-house-of-lords-to-discuss-role-of-ai/> - Please view link - unable to able to access data
2. <https://www.theguardian.com/technology/2023/jul/24/house-of-lords-told-it-could-be-upgraded-with-peer-bots> - In July 2023, during a House of Lords debate, Richard Denison, a crossbench peer, highlighted the potential of AI to replace human roles, including those of Lords themselves. He cited examples of AI delivering speeches in his style and voice, raising concerns about AI's impact on the UK jobs market. Denison referenced studies suggesting that up to 5 million UK workers could be affected by AI advancements over the next decade, emphasizing the need for proactive measures to address these challenges.
3. <https://www.theguardian.com/global-development/2023/sep/20/ai-having-positive-impact-on-uk-jobs-but-could-increase-regional-inequalities-says-report> - A September 2023 report from the Pissarides Review into the Future of Work, funded by the Nuffield Foundation, found that while AI and automation have led to job creation, they have also resulted in job elimination. The study noted that 47% of businesses reported job losses due to AI, while 67% reported new positions created. However, the rapid adoption of AI could exacerbate regional inequalities and erode job quality if not properly managed.
4. <https://www.pwc.co.uk/press-room/press-releases/research-commentary/artificial-intelligence--ai--exposed-sectors-see-a-fivefold-incr.html> - A May 2024 report by PwC highlighted that sectors more exposed to AI are experiencing a fivefold increase in productivity growth. The study found that job postings requiring AI skills in the UK have grown 3.6 times faster than all job postings over the past decade. Additionally, UK employers are willing to pay a 14% wage premium for jobs that require AI skills, with the legal and information technology sectors experiencing the highest premiums.
5. <https://www.pwc.co.uk/issues/generative-artificial-intelligence/uk-ai-jobs-barometer.html> - PwC UK's 2024 AI Jobs Barometer report revealed that job postings requiring AI skills in the UK have grown 3.6 times faster than all job postings over the past decade. The report also noted that sectors more exposed to AI are experiencing a fivefold increase in productivity growth. However, it emphasized the need for workers to adapt and build new skills to remain competitive in the evolving job market.
6. <https://www.ippr.org/media-office/up-to-8-million-uk-jobs-at-risk-from-ai-unless-government-acts-finds-ippr> - A report by the Institute for Public Policy Research (IPPR) warned that up to 8 million UK jobs could be at risk from AI unless proactive government action is taken. The study identified back office, entry-level, and part-time jobs as most exposed to automation, with women being significantly more affected. The report emphasized the need for government, employers, and unions to collaborate to preserve and create new automation-safe jobs.
7. <https://www.theguardian.com/technology/2024/nov/08/ai-may-displace-3m-jobs-but-long-term-losses-relatively-modest-says-thinktank> - A November 2024 report by Tony Blair's Institute for Global Change estimated that AI could displace up to 3 million UK jobs by 2030. However, the report suggested that long-term losses would be relatively modest, with potential GDP growth of up to 6% by 2035. The think tank emphasized the need for an 'upgrade' to the UK's labor market infrastructure to address these challenges and opportunities.