



Job Creation and Local Economic Development 2020: Rebuilding Better examines the impacts of COVID-19 on different types of local labour markets. It also considers their performance prior to the pandemic, and how COVID-19 could impact other ongoing local labour market transitions such as digitalisation, automation and the polarisation of jobs. Finally, it discusses the role local actors will play in rebuilding better. Consult the full publication [here](#).

Ireland¹

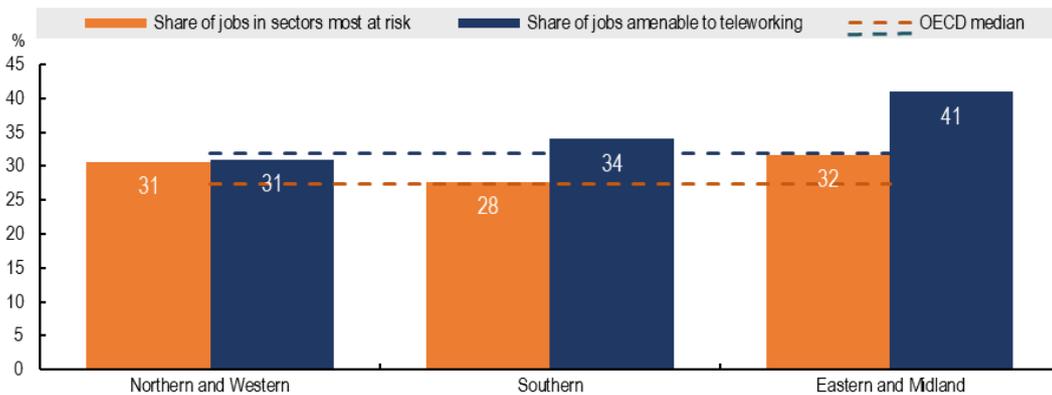
The share of jobs amenable to teleworking in Ireland varies from 31% in Northern and Western to 41% in Eastern and Midland.

All Irish regions had lower unemployment rates in 2018 compared to 2008, and gaps between regions shrunk over this period.

All regions in Ireland have seen decreasing shares of middle-skill jobs since 2000, but in Border, Midland and Western, the share of low-skill jobs grew relatively more than high-skill jobs.

The potential impacts of COVID-19 on local labour markets

Jobs in sectors most at risk and amenable to teleworking



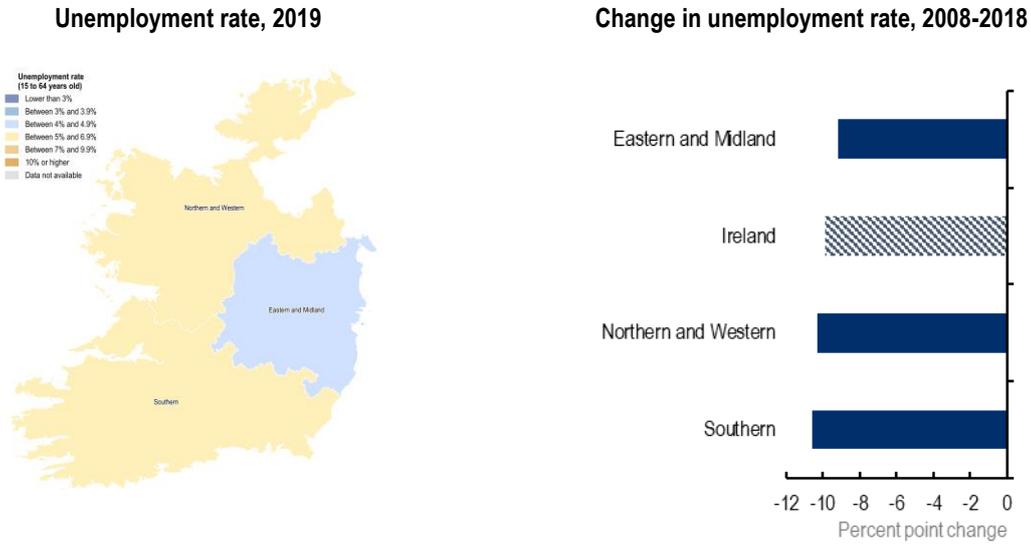
Note: Share of jobs at risk is based on estimates of sectors most impacted by strict containment measures, such as those that involve travelling and direct contact between consumers and service providers. The sectoral composition of the regional economy is based on data from 2017 or latest available year. Share of jobs amenable to teleworking is based on the types of tasks performed in different occupations, and the share of those occupations in regional labour markets. These figures do not account for gaps in access to IT infrastructure across regions, which could further restrict teleworking potential. The OECD median presented here is the median of OECD regions with available data for each indicator. Source: OECD calculations on OECD (2020), "Regional economy", *OECD Regional Statistics (database)*, <https://doi.org/10.1787/6b288ab8-en>; and OECD (2020), *OECD Regions and Cities at a Glance 2020*, <https://doi.org/10.1787/959d5ba0-en>.

COVID-19 has put unprecedented pressure on local labour markets and economies. The share of jobs in the sectors most at risk from containment measures (e.g. accommodation and food services, and wholesale and retail trade) varies from less than 15% to more than 35% across OECD regions. In Ireland, all regions have a share of jobs at risk that is close to or higher than the OECD median region. Disparities between regions are relatively small: the share of jobs in sectors most at risk ranges from 28% in Southern to 32% in Eastern and Midland.

While containment measures have restricted economic activity in some sectors, the rapid expansion of teleworking has helped maintain other jobs. The share of jobs amenable to teleworking is higher than the median OECD region in Southern, and Eastern and Midland, but widespread teleworking is more feasible in some regions than others. The share of jobs amenable to teleworking varies roughly ten percentage points across regions, from 31% in Northern and Western to almost 41% in Eastern and Midland.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

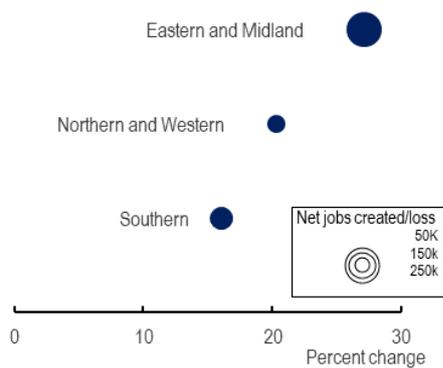
Local labour market performance prior to COVID-19



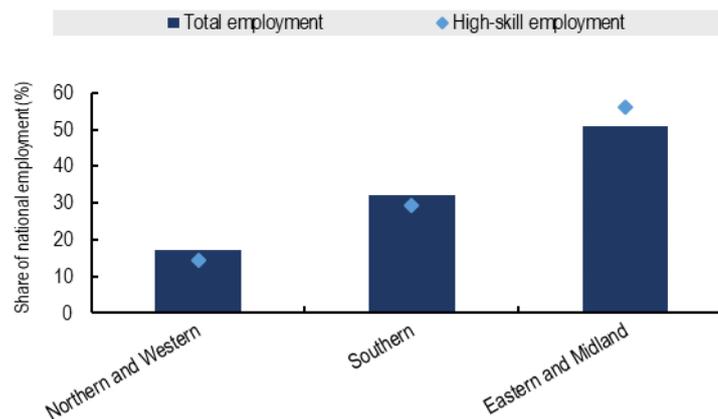
Note: The unemployment rate is computed as the share of unemployed people over the labour force, for the age group 15-64.
 Source: OECD (2020), "Regional labour markets", *OECD Regional Statistics (database)*, <https://doi.org/10.1787/f7445d96-en>.

Before the COVID-19 pandemic, unemployment rates in Ireland were relatively low. They varied less than 1 percentage points across regions, from a low of 4.8% in Eastern and Midland to a high of 5.7% in Southern in 2019. Looking at the decade following the 2008 crisis, all regions had unemployment rates lower in 2018 than in 2008, a pattern seen in only one-third of OECD countries. Regional gaps in unemployment also shrank over this period, thanks to relatively larger declines in the regions with the highest rates in 2008. For example, the unemployment rate decreased by over 10 percentage points in Southern, which had the highest unemployment rate in 2008.

Change in net employment, 2008-2018



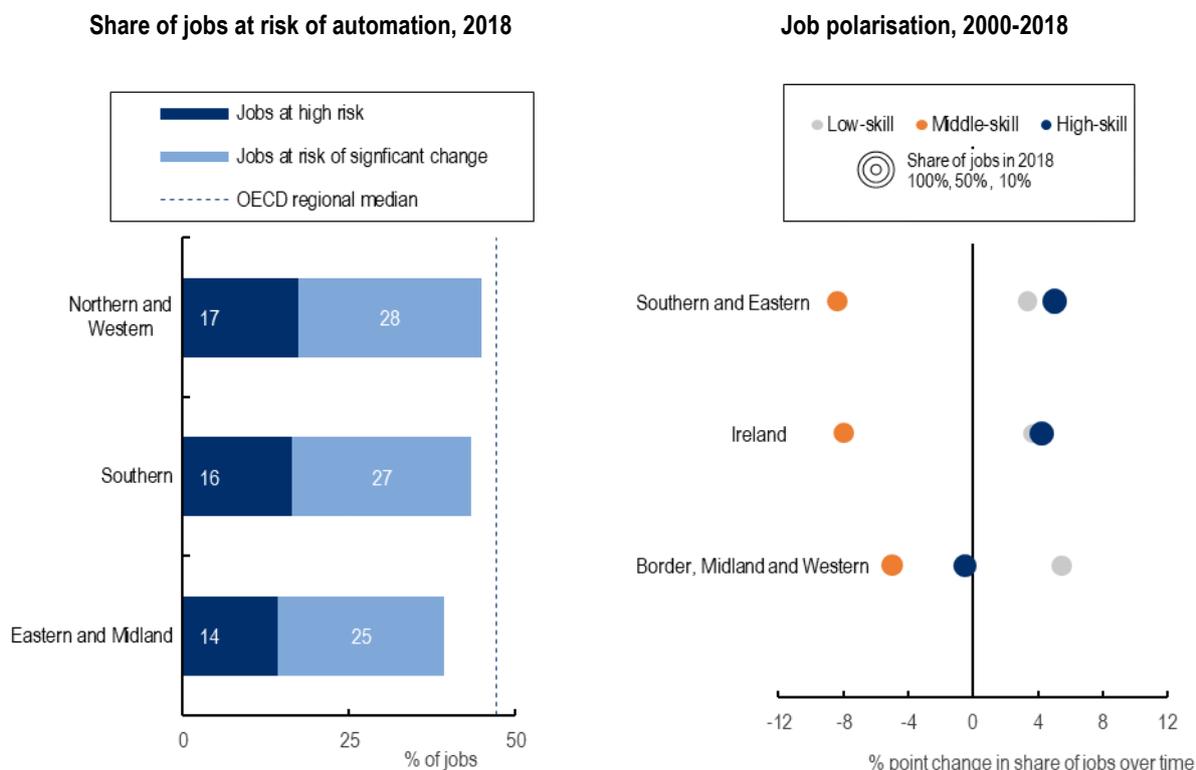
Employment by region and skill level, 2018



Source: OECD (2020), "Regional labour markets", *OECD Regional Statistics (database)*, <https://doi.org/10.1787/f7445d96-en> and OECD calculations on EU Labour Force Survey.

In all regions, the number of people employed grew between 2008 and 2018. Eastern and Midland was responsible for 60% of net employment growth over this period. In 2018, Eastern and Midland, which includes the capital, Dublin, accounted for over 50% of all employment in Ireland and roughly 56% of all high-skill employment.

Local labour market transitions



Note: In Panel A "high risk" refers to the share of workers whose job faces a risk of automation of 70% or above. "Significant risk of change" reflects the share of workers whose job faces a risk of automation between 50% and 70%.

In Panel B, high-skill occupations include jobs classified under the ISCO-88 major groups 1 (legislators, senior officials, and managers); 2 (professionals); and 3 (technicians and associate professionals). Middle-skill occupations include jobs classified under the ISCO-88 major groups 4 (clerks); 6 (skilled agricultural workers); 7 (craft and related trades workers); and 8 (plant and machine operators and assemblers). Low-skill occupations include jobs classified under the ISCO-88 major groups 5 (service workers and shop and market sales workers); and 9 (elementary occupations). For purposes of comparison over time, this data is presented for the former NUTS2 regions of Ireland, before the new regional classification went into effect in 2016.

Source: OECD calculations based on Survey of Adult Skills (PIAAC) (2012); and EU Labour Force Survey; Nedelkoska L. and G. Quintini (2018), "Automation, skills use and training", <https://doi.org/10.1787/2e2f4eea-en>; and OECD (2020), *OECD Employment Outlook 2019: The Future of Work*, <https://doi.org/10.1787/9ee00155-en>.

COVID-19 will likely accelerate automation, putting additional pressures on places with relatively high shares of jobs at risk. All regions in Ireland have a lower share of jobs at high risk or risk of significant change from automation than the OECD median region. The share of jobs at risk ranges from 39% in Eastern Midland to 45% in Northern and Western.

Following general OECD patterns, in Ireland, all regions saw the share of middle-skill jobs decrease between 2000 and 2018. The share of middle-skill jobs decreased by more than 8 percentage points in Southern and Eastern, representing a net decrease of almost 30 000 middle-skill jobs. In Southern and Eastern, decreasing shares of middle-skill jobs were predominantly offset by increasing shares of high-skill jobs, while in Border, Midland and Western, the share low-skill jobs grew relatively more.

Active labour market policies: institutional arrangements

Active labour market policies will be of growing importance as the COVID-19 response moves from emergency supports to facilitating labour market transitions. The institutional arrangements for these policies, and the role of subnational governments, varies significantly across countries.

X	Centralised, including branch offices of national ministry / agency	In Ireland, active labour market policies include work programmes, recruitment subsidies, training and education income supports, some elements of the public employment service, and activation supports for people with disabilities. At the national level, the Department of Employment Affairs & Social Protection (including the Public Employment Service - Intreo), the Department of Education & Skills, and Solas: National Training Agency, are responsible for active labour market policies. Income and employment support services are delivered via a nationwide framework of 64 Intreo Centre (ICs). These centres act as a single point of contact for all jobseekers and employers, providing financial support and PES services, including labour market activation.
	<i>Decentralised to subnational governments</i>	
	<i>Fully outsourced or delivered through network of public, private, and/or non-profit providers</i>	
	<i>Combined system with shared competences, or different systems for different target groups</i>	

Source: OECD (forthcoming), "Local and regional variations in labour market and skills policies: A cross-country comparison", *OECD Local Economic and Employment Development (LEED) Papers*.

Notes

¹ Data is presented mainly at the TL2 level, which typically corresponds to the first administrative tier of subnational government. See Reader's Guide of the full report for more information on the methodologies behind the calculations.