



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](#).

Slovak Republic

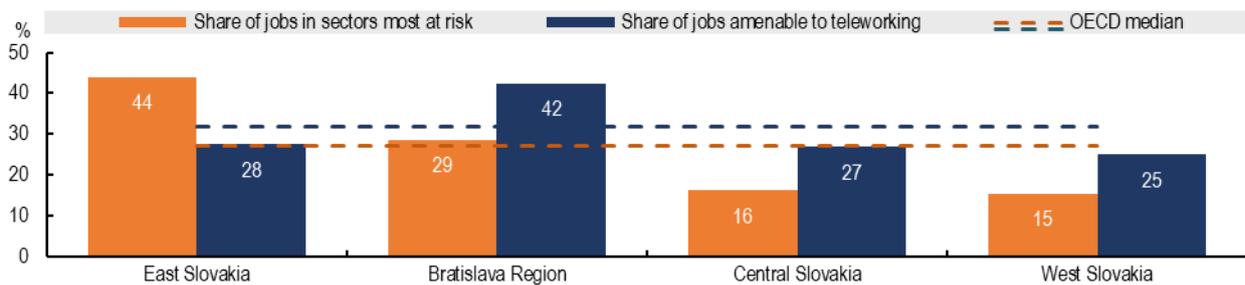
The share of jobs in sectors most at risk from COVID-19 varies from 15% in West Slovakia to 44% in East Slovakia.

In 2019, unemployment rates varied over three-fold across regions, from a low of 2.4% in Bratislava Region to a high of 9.1% in East Slovakia

All regions saw the share of middle-skill jobs decrease between 2000 and 2018. In half of regions, this was predominantly offset by increasing shares of high-skill jobs, while in the Bratislava region and Central Slovakia, the opposite was true.

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>.

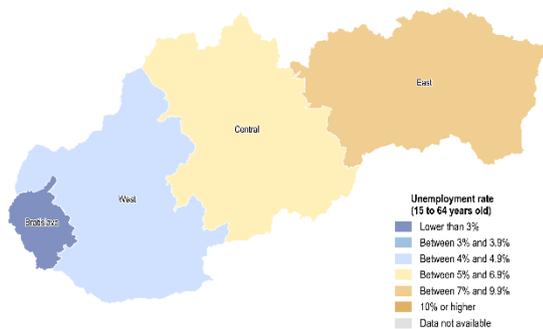
COVID-19 has put unprecedented pressure on local labour markets and economies. The share of jobs in the sectors most at risk from containment measures (e.g. accommodation and food services, and wholesale and retail trade) varies from less than 15% to more than 35% across OECD regions. In the Slovak Republic, disparities between regions are relatively large: the share of jobs in sectors most at risk ranges from 15% in West Slovakia to 44% in East Slovakia.

While containment measures have restricted economic activity in some sectors, the rapid expansion of teleworking has helped maintain other jobs. Widespread teleworking is more feasible in some regions than others. The share of jobs amenable to teleworking varies roughly 17 percentage points across regions, from almost 25% in West Slovakia to just over 42% in the Bratislava Region. Only in the Bratislava Region is share of jobs amenable to teleworking above the OECD median region.

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Local labour market performance prior to COVID-19

Unemployment rate, 2019



Change in unemployment rate, 2008-2018



Note: The unemployment rate is computed as the share of unemployed people over the labour force, for the age group 15-64.

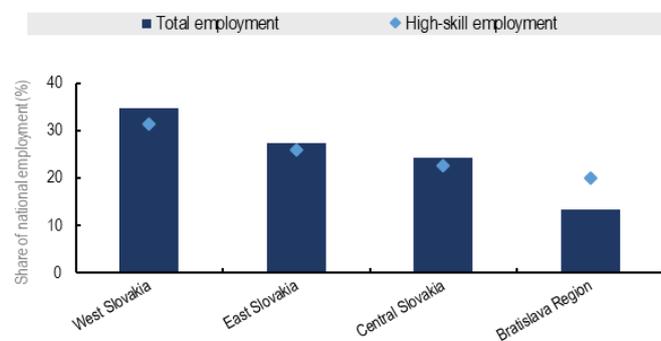
Source: OECD (2020), "Regional labour markets", *OECD Regional Statistics (database)*, <https://doi.org/10.1787/f7445d96-en>.

Prior to the COVID-19 pandemic, unemployment rates in the Slovak Republic were just above the OECD average. Rates varied over three-fold across regions, from a low of 2.4% in Bratislava Region to a high of 9.1% in East Slovakia. Looking at the decade following the 2008 crisis, all regions had unemployment rates lower in 2018 than in 2008, a pattern seen in 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 5.5 percentage points in Central Slovakia, which had the second-highest unemployment rate in 2008.

Change in net employment, 2008-2018



Employment by region and skill level, 2018

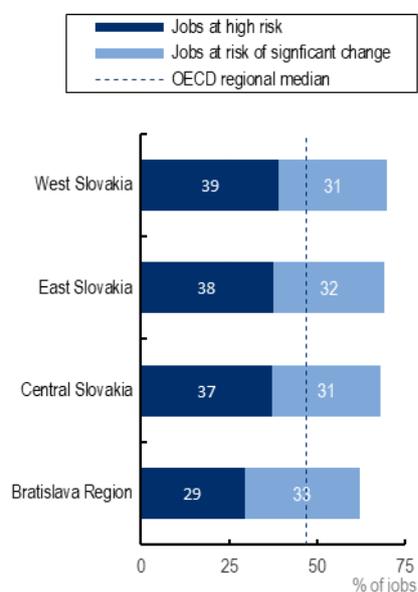


Source: OECD (2020), "Regional labour markets", *OECD Regional Statistics (database)*, <https://doi.org/10.1787/f7445d96-en> and OECD calculations on EU Labour Force Survey.

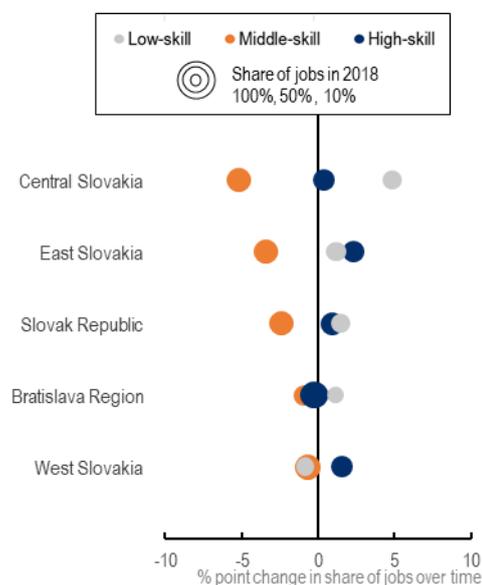
In three out of four regions, the number of people employed grew between 2008 and 2018. East Slovakia was responsible for almost two-thirds of net employment growth over this period, and in 2018, accounted for almost 35% of all employment in the Slovak Republic and roughly 31% of all high-skill employment. Looking at a longer time period (2000-2018), the geographic concentration of both all jobs and high-skill jobs (as measured by the number of people employed) increased slightly in the Slovak Republic.

Local labour market transitions

Share of jobs at risk of automation, 2018



Job polarisation, 2000-2018



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).

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 the Slovak Republic have a higher 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 62% in the Bratislava Region to 70% in West Slovakia.

Following general OECD patterns, in the Slovak Republic, all regions saw the share of middle-skill jobs decrease between 2000 and 2018. The share of middle-skill jobs decreased by over 5 percentage in Central Slovakia. However, in all regions, the number of middle-skill jobs actually grew over this period, albeit relatively less than jobs overall. In half of regions, decreasing shares of middle-skill jobs were predominantly offset by increasing shares of high-skill jobs. In the Bratislava Region and Central Slovakia, the opposite was true.

Notes

¹ Data is presented 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.