

**TACKLING CORONAVIRUS (COVID-19)**  
CONTRIBUTING TO A GLOBAL EFFORT

# FROM PANDEMIC TO RECOVERY: LOCAL EMPLOYMENT AND ECONOMIC DEVELOPMENT

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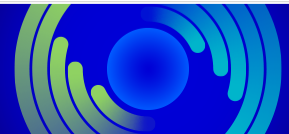
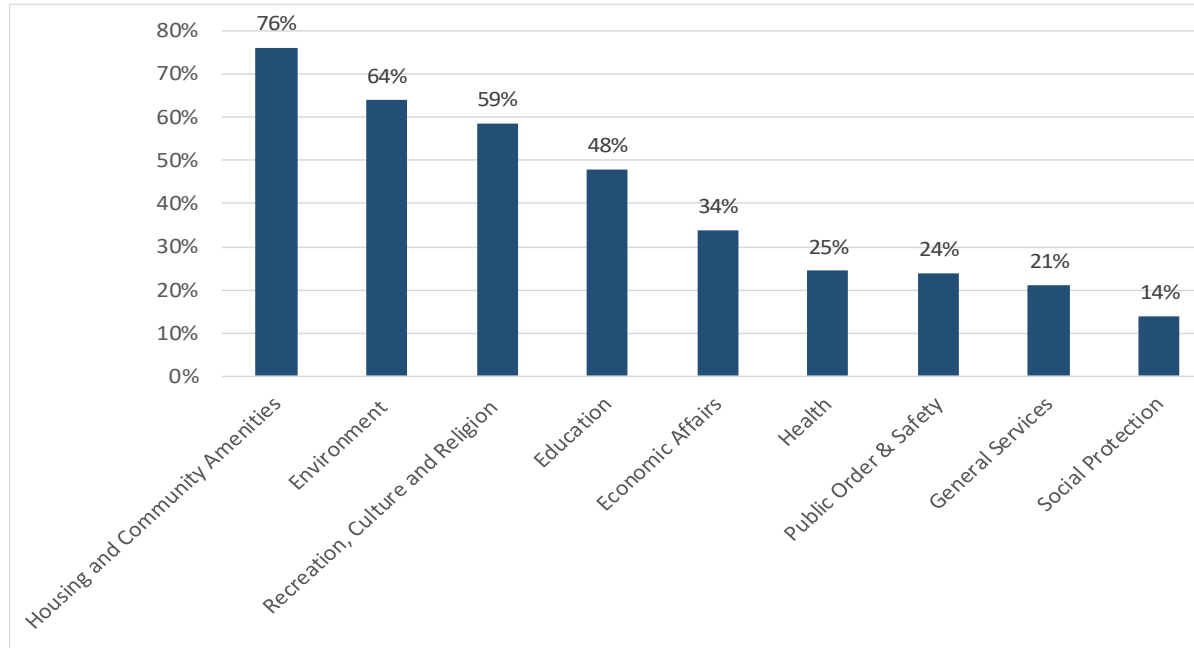
# Subnational governments are on the frontlines of managing the crisis (and recovery) on a range of issues

Subnational governments are responsible for **public expenditure** in many core areas

Emergency response actions by localities typically cover:

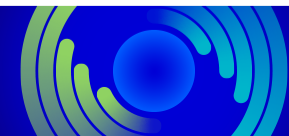
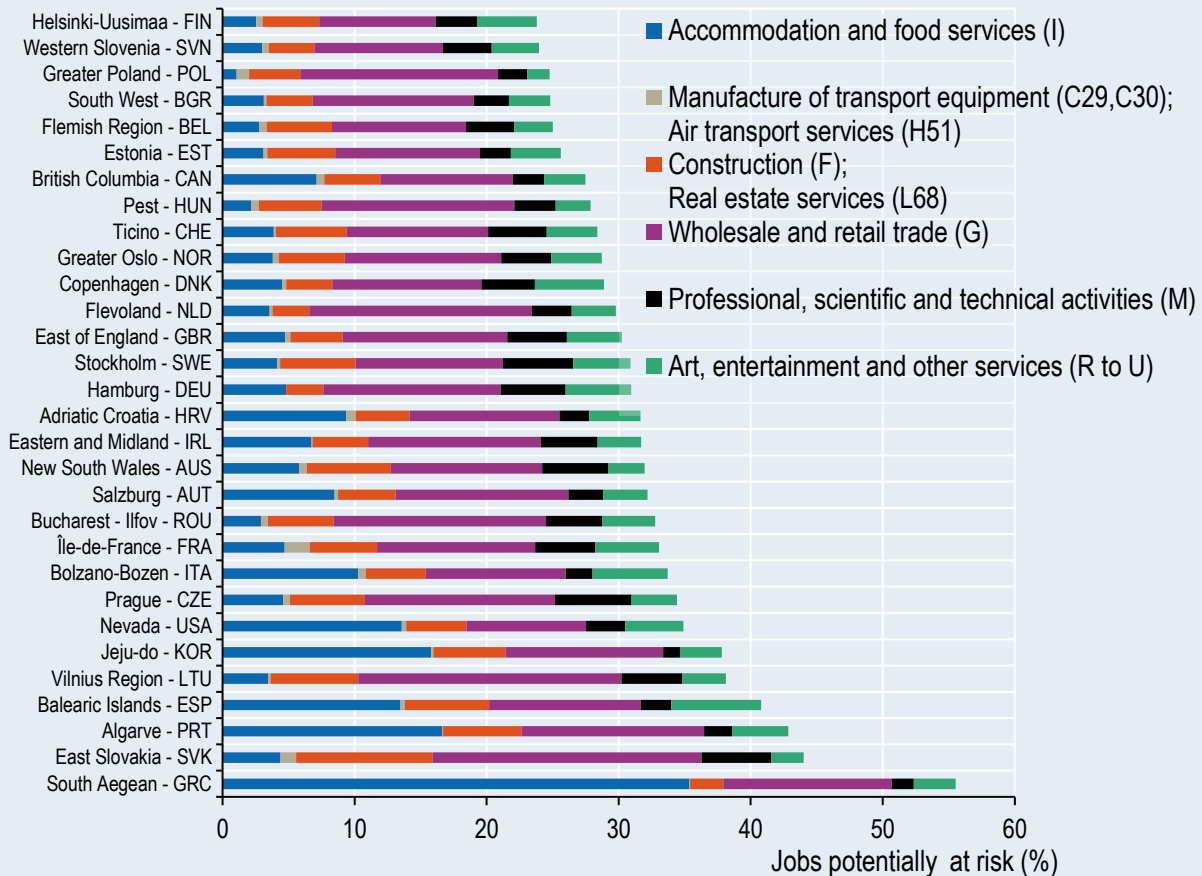
- Communications and **awareness**
- **Social distancing** measures
- Continuity of **public services**
- Workplace access and **transport**
- Support to **vulnerable groups**
- Support to **firms**

The share of subnational government in public expenditure by functional area (2017)



# Tourist destinations and large cities have a higher share of jobs potentially at risk in the short term

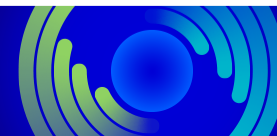
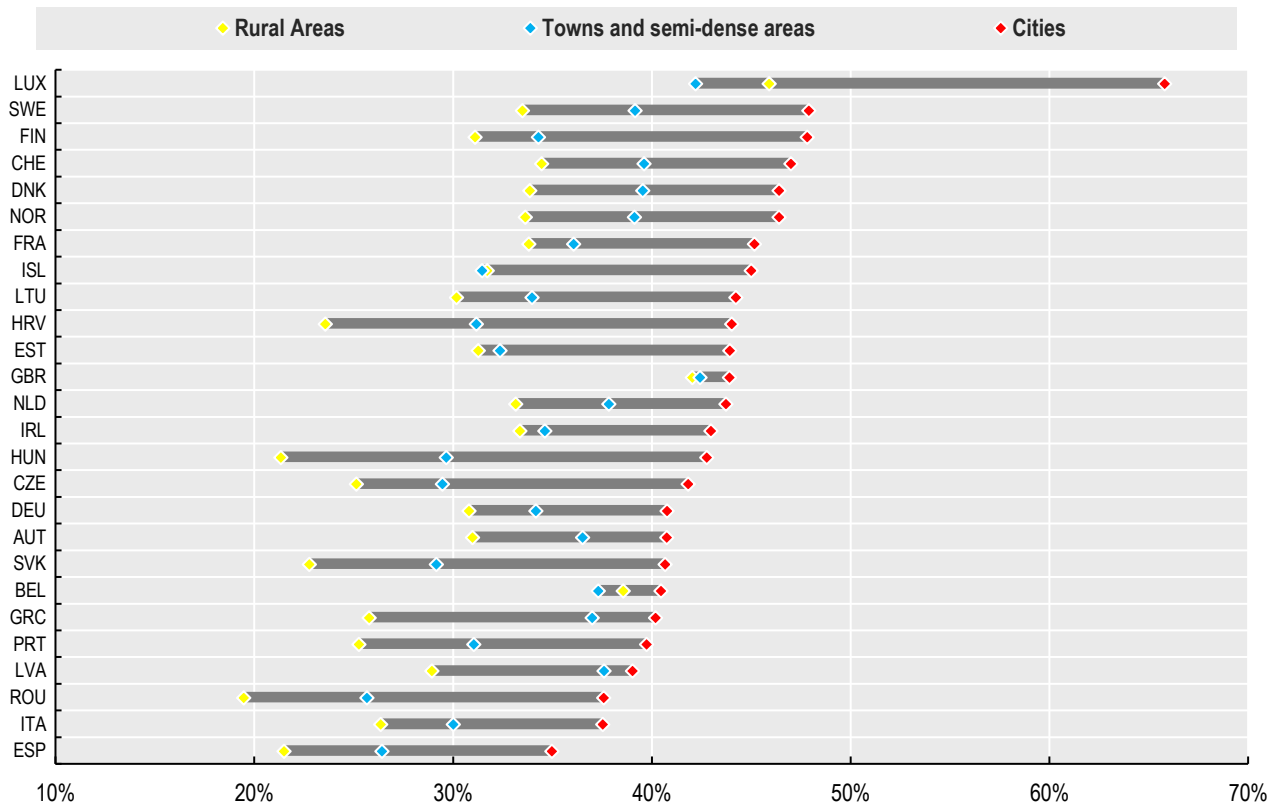
Regions with the highest share of jobs potentially at risk, by country



# Cities have a greater share of occupations amenable to teleworking

The city-rural gap is particularly significant in **Croatia, Finland, Hungary and Luxembourg** and **Luxembourg**

Important regional gaps in **access to high-speed internet** as well as an urban-rural divide in **digital skills**



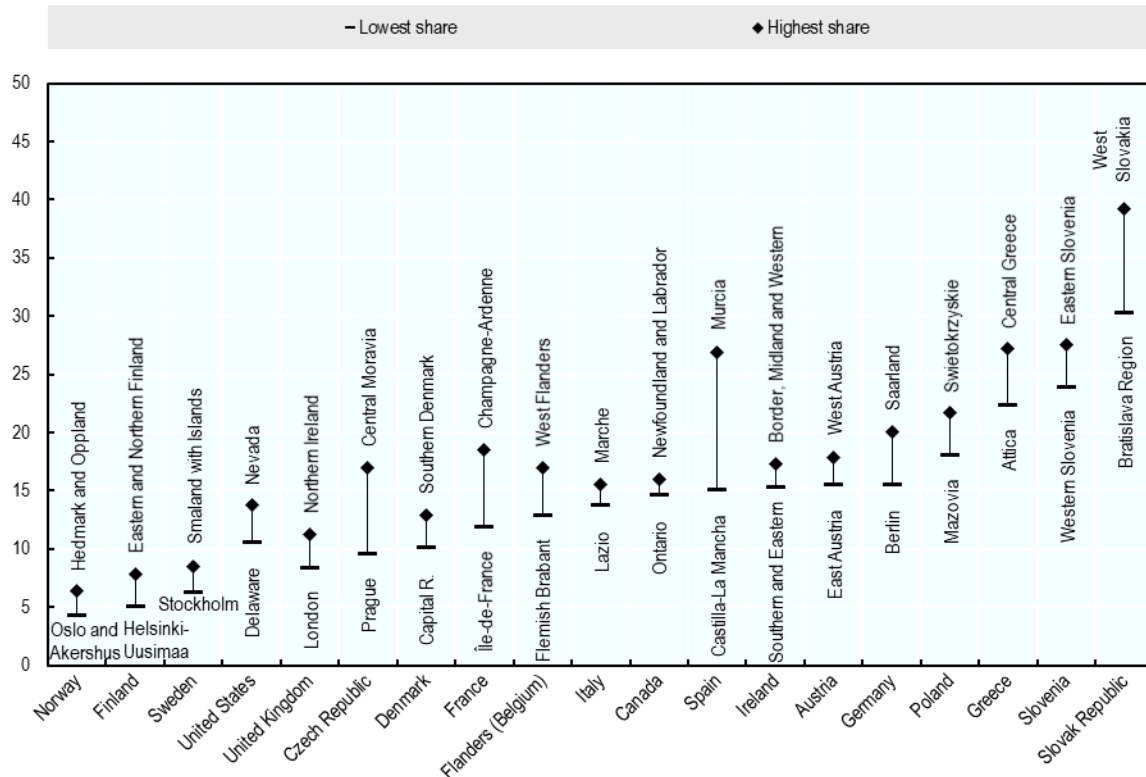
# Digitalisation and automation will be accelerated in many sectors

Overall OECD estimates **14% at high risk of automation**, 32% risk of significant change

Regional range in OECD from around **4% to 40%**

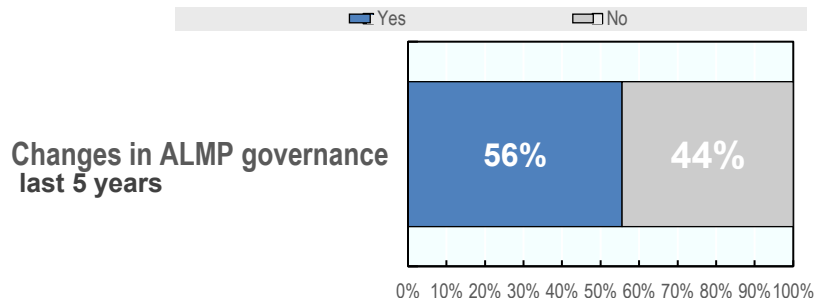
Within country regional difference can be **over 10 percentage points** across regions (*metro level being developed*)

Percentage of jobs at high risk of automation, highest and lowest performing TL2 regions, by country, 2016

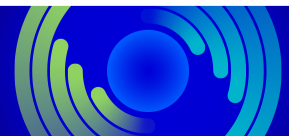
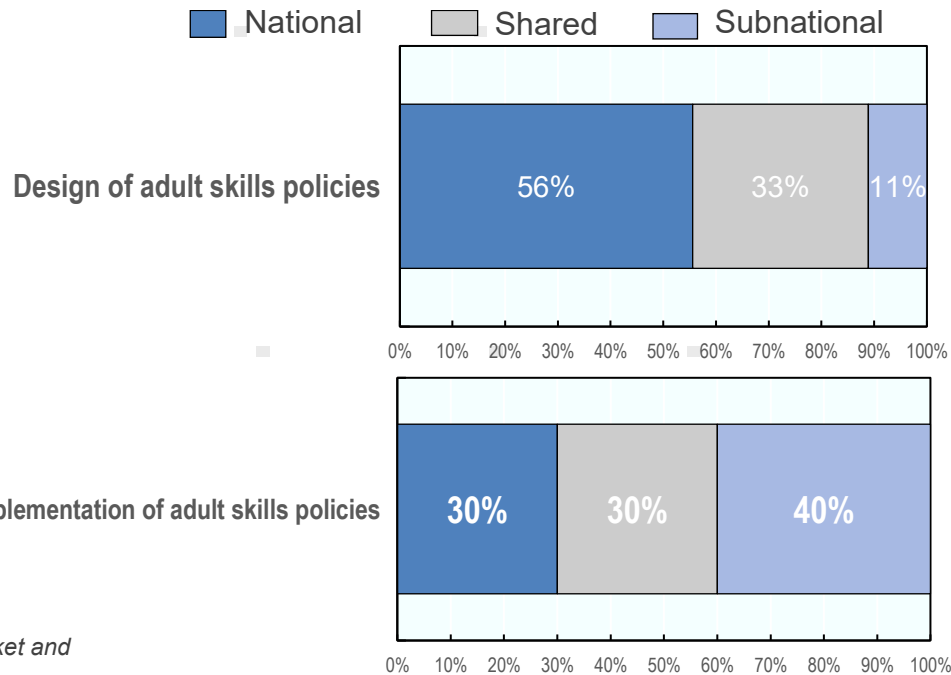


# National and subnational efforts to support job recovery and skills transitions

The spatially differentiated impacts and transitions will require spatially relevant responses



Source: Preliminary results of *OECD survey on subnational variation in labour market and related policies*, 21 countries reporting as of 12 May



# Current policy responses: Local labour markets

## Navigating national programmes

In **Canada**, many cities help low-income individuals, the self-employed and recently laid-off workers to apply for the Canada Emergency Response Benefit

## Implementing partner for national government

**Italian regions** are responsible for disbursing the national redundancy fund.

## Connecting workers to essential jobs

The **US** National Association of State Workforce Agencies launched a national website for displaced workers to access COVID-19 employment opportunities



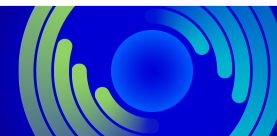
## Providing direct financial assistance to SMEs/ self-employed

The **Basque Country** (Spain) set up a 25 million EUR credit line at 0% interest to support SME liquidity, while the government prepares a EUR 500 million credit line. **Berlin** allocated over EUR 100 million in support of micro enterprises and freelance workers

## Offering access to skills training

The **Occitanie region** (France) launched a EUR 4 million plan to “train rather than fire” and expanded e-learning programmes

**Engaging the social economy** In **France**, the regions have been making targeted efforts to support social economy organisations



# Possible long-term scenarios for local labour markets

## Accelerating the digital transition



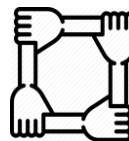
- More rapid automation of jobs
- Rise in teleworking
- Online delivery of local education and training
- Greater shift from bricks and mortar to online commerce
- Increased need for digital infrastructure and tools for all communities and households

## Re-visiting globalisation



- Re-location of production in strategic/ essential goods and services
- Restrictions on international movements of people
- Diversification of suppliers

## Sense of collective destiny/ public goods

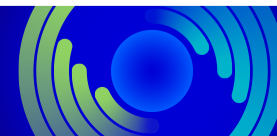


- Increased willingness to implement green measures, albeit pressure to create any job fast
- Greater role for the social economy and corporate social responsibility in local development
- Revisiting job quality for essential workers
- Resilient health systems for workforce

## Reimagining public life



- Changes to local spatial planning
- Rethinking cultural and sporting events and other public gatherings





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# Thank you

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