November 2026

All-Island Workforce Report:

Tomorrow's Talent by Ibec, CBI, Hays

Ibec HAYS CBI

About Ibec

Ibec is Ireland's largest lobby and business representative group.
Our purpose is to help build a better, sustainable future by influencing, supporting and delivering for business success. With over 340 employees, Ibec engages with key stakeholders in Ireland and internationally through our six regional offices and our Brussels office, along with an extensive international network in the UK and US.

Ibec's policy positions are shaped and informed by our diverse membership, which range from small to large, domestic to multinational.

As well as lobbying, Ibec provides a wide range of professional services and management training to members on all aspects of human resource management, occupational health and safety, employee relations and employment law.

About the CBI

The CBI represents 850 members who themselves comprise 1,200 separate registered companies and over 150,000 trade association members. Founded 60 years ago and representing some of the biggest names in business, household brands and globally traded corporations that employ people in all sectors and across every region and nation of the UK, the CBI is the voice of business.

About Hays

For 30 years, Hays has been connecting organisations and professionals across the Republic of Ireland and Northern Ireland. In that time, we've seen the world of work across the island evolve significantly, from changing skills needs and emerging industries to new expectations from employers and professionals.

Today, Hays is a leading recruitment and workforce partner, with our approach built around deep specialist expertise. Our consultants focus on the professions and sectors they know best, combining an in-depth understanding of local talent markets with strong professional networks, workforce data and the reach of a global organisation.

Our expertise spans technology, engineering, construction & property, finance & procurement, human resources, life sciences, business support, and education. This specialist focus gives us a closer view of how individual talent markets are changing, where demand is growing, which skills are becoming harder to find and what professionals increasingly expect from their careers.

We support organisations across permanent, temporary and contract recruitment, alongside broader workforce solutions and project services. But our role extends beyond filling immediate skills gaps. By bringing together specialist knowledge, market data and our understanding of the workforce, we help organisations make more informed decisions about the people and skills they need, both now and for what comes next.

Thirty years on, that combination of specialist expertise, local knowledge and global reach remains central to how we work. It enables us to help organisations navigate changing skills needs with greater confidence, while helping professionals understand their opportunities and take the next step in their careers.

Table of Contents

01. Forewords 2

02. Key Findings 6

03. The All-Island Economy Today 9

04. Barriers & Challenges to Labour Mobility 16

05. AI in the All-Island Economy 20

06. The Regulatory Landscape 24

07. Conclusion 26

Appendix: Survey on the All-Island Economy 27

01. Forewords

Ibec Foreword:



Fergal O'Brien, Executive Director Policy, Lobbying and Global Affairs, Ibec

In recent decades, the all-island economy has evolved from a conceptual ambition into a daily, dynamic operational reality for thousands of businesses. Today, companies located across the island benefit immensely from the scale provided by a deeply integrated market for goods, services, and, crucially, talent. This transformation is one of our greatest shared economic achievements.

The ability to seamlessly live and work between jurisdictions has fortified the peace and prosperity of this island. For individuals and businesses, particularly those in the border regions, this integration is not just high-level policy; it is an everyday reality. It provides a highly practical mechanism for addressing skills shortages, driving cross-border business growth, and strengthening our broader economic resilience.

The joint work of our respective business communities has consistently and constructively championed North/South cooperation with a clear goal in mind: that both jurisdictions fully capture the benefits of scale that the all-island economy provides.

For households, this integration has delivered tangible dividends. It has brought greater employment opportunities, allowing citizens the flexibility to work in one jurisdiction and live in the other. The creation of high-quality jobs has helped raise the standard of living across the board, while our combined, larger population base continues to act as a powerful magnet for both indigenous and foreign direct investment. Furthermore, there remains enormous potential for citizens on both sides of the border to benefit from more 'joined up' and efficient public service provision in critical areas such as health, education, and security.

However, we cannot take this hard-won success for granted. We are operating in an increasingly uncertain global geopolitical and economic environment. This current climate only underscores the critical importance of close, ongoing cooperation between the UK and Ireland and crucially across the all-island economy. Such partnership is essential to ensuring the continued delivery of growth and to insulating the shared economy against external macroeconomic shocks.

A major success story of the all-island economy has been our integrated labour market, which has experienced remarkable employment growth in recent years. Yet, as the findings of this report indicate, we are beginning to see signs of slowing hiring intentions. It is also clear that labour market policy and administrative rules across the all-island labour market are not supportive of hybrid working. This data acts as a timely reminder that sustained effort, innovative policy, and collaborative business leadership are required to maintain our competitive edge and unlock the full, untapped potential of our shared economy.

Ibec is delighted to once again partner with our colleagues at the Confederation of British Industry (CBI) on this vital piece of research, continuing our longstanding and fruitful relationship. We also extend our sincere thanks to Hays for their invaluable support on this initiative. Together, we remain fully committed to championing an all-island economy that is prosperous, resilient, and equipped for the opportunities of tomorrow.

CBI Foreword:



Angela McGowan,
Director,
CBI NI

The Belfast/Good Friday Agreement brought an end to more than 30 years of conflict and instability, giving people, businesses, and investors in Northern Ireland the reassurance of peace. That peace paved the way for prosperity, creating the confidence needed to attract investment and expand trade networks across the island. In the last two decades, supply chains have become increasingly integrated, cross-border trade has grown strongly, and businesses, both locally and internationally, have come to see the island as a natural market in which to grow.

Businesses continue to expand on an all-island basis and with good reason. InterTradeIreland research consistently shows that businesses who trade cross-border tend to report higher growth, stronger profit margins, and greater resilience.[1]

People have always been the foundation of this prosperity. Their skills and ambition are among the all-island economy's greatest assets. Ensuring that talent can move easily across the island is therefore not a peripheral issue; it is central to our continued shared prosperity and competitiveness.

Businesses are acutely aware of the opportunity to tap into the talent that is available in the all-island skills pool. Many employers, especially in border regions, rely on talent from the other jurisdiction. Others rely on the ability of employees to move seamlessly across jurisdictions between sites - whether it be a lorry driver delivering goods from one site to another or an IT worker supporting a company's offices in Belfast and Dublin.

The impact of labour mobility benefits us all: when people move freely, firms gain access to a larger talent pool, and employees gain access to more opportunities. A more integrated labour market can address skills shortages and unlock further growth across the island.

But the potential of the all-island labour market is still not being fully realised. The evidence in this report shows that businesses still face a web of tax, payroll, social insurance and visa rules, alongside practical pressures for employees which include transport links and housing affordability. These barriers have real consequences; businesses say they make skills shortages harder to fill, reduce labour-market flexibility, and result in lost talent.

At a time of acute skills pressures and rapid technological change, we cannot afford to leave talent untapped. A more connected labour market can build capabilities for both jurisdictions, across the all-island economy.

The peace secured in 1998 gave us the platform for prosperity. Our task now is to build on it, unlocking the full potential of our people to create a more productive and resilient all-island economy.

1 InterTradeIreland. Maximising Economic Opportunities across the island of Ireland: Corporate Plan 2026-2028. https://intertradeireland.com/assets/general/InterTradeIreland-Corporate-Plan-2026-2028.pdf

Hays Foreword:



Barney Ely,
Managing Director,
Hays Ireland

Ireland and Northern Ireland possess a wealth of talent, skills and ambition. As an island, we have an opportunity to connect that potential more effectively, creating new possibilities for shared economic growth. Yet at a time when employers face persistent skills shortages and professionals' priorities continue to evolve, realising that opportunity will depend on making cross-border working more accessible and building greater confidence among both organisations and individuals.

This report provides a valuable contribution to that understanding. Developed by Hays, in partnership with Ibec and the Confederation of British Industry, its findings draw on the lived experiences of professionals shaping the island's future. They show both the scale of the opportunity and the practical challenges that cross-border hiring holds.

There is clear interest among professionals, with higher pay and better career opportunities among the strongest attractions. Almost half of respondents would consider working for a cross-border employer in their next role, especially if it were easier to live in one jurisdiction and work in the other. This reflects a workforce increasingly willing to look beyond traditional geographic boundaries for progression, flexibility and a better fit with personal priorities.

The benefits for businesses should not be underestimated either. Our findings show that hiring leaders increasingly believe the skills needed to fill current vacancies exist in the other jurisdiction. Amid ongoing capability gaps, cross-border hiring offers organisations an opportunity to reach skills unavailable in their immediate market, and access the people needed to deliver on their ambitions. Careful workforce planning, a better understanding of regulatory hurdles and specialist industry knowledge can help unlock the island's combined skills while creating wider opportunities.

However, interest alone will not create mobility, and experiences will vary across sectors, locations and communities. Today's professionals consider the overall experience a role offers, including how it fits around their lives and whether the practical arrangements are sustainable. Commuting and housing costs, tax and social security complexities, and access to flexible working, can influence the size of the opportunity available. Progress requires listening carefully, recognising differences between the two jurisdictions and giving employers and professionals the specialist advice needed to navigate cross-border opportunities with confidence.

For 30 years, Hays has worked alongside organisations and professionals throughout the island, developing specialist knowledge of local talent markets, skills needs and what people increasingly expect from their working lives. Our purpose is to combine that understanding with evidence and human judgement; helping professionals identify opportunities that match their ambitions and circumstances, and organisations shape workforces and working practices that remain attractive in a changing market.

I hope this report encourages employers, policymakers and industry bodies to work together and turn shared ambition into practical progress. By making cross-border opportunities easier to understand and navigate, we can help organisations reach the skills they need, while also giving more people the confidence and choice to build rewarding careers across the island.

02. Key Findings

As we approach nearly 30 years of the Belfast/Good Friday Agreement, the all-island economy has experienced a period of remarkable dynamism and growth. Since 2019, total employment across the island has surged by 550,000 jobs, a testament to the collective resilience and ambition of our businesses and workforce.[2] Despite this success, the all-island labour market today presents a still untapped opportunity for both employers seeking top-tier talent and professionals looking to advance their careers.

Recognising this evolving landscape, Ibec, the CBI, and Hays have partnered to develop this major new work trends survey. Drawing on insights from over 1,200 respondents, including both employers and employees spanning across sectors and geographies, this report captures the pulse of the all-island economy, identifying the leading opportunities and practical challenges defining the future of work.

Our findings reveal a workforce with a strong appetite for cross-border mobility, driven by the prospect of better career progression and higher wages. For businesses, an interconnected labour market offers a tangible solution to pronounced skills gaps, unlocking access to a broader, highly capable talent pool. There is therefore widespread optimism and preparedness for technological advancement, with employers looking to embrace the transformative potential of Artificial Intelligence (AI) and an agile workforce already experimenting with the day-to-day uses of AI.

However, to fully realise the benefits of a seamless all-island workforce, practical hurdles must be acknowledged. Complexities around dual-taxation, commuting costs, visas, and regulatory alignment continue to weigh on the minds of both employers and employees across the island. While hybrid working provides a vital bridge, closing the gap between intention and action requires clarity and cooperation.

This report serves as a vital barometer of the current state of play. By highlighting these core trends, we aim to equip businesses, workers, and policymakers with the insights needed to navigate a changing landscape and, through greater collaboration North and South, support the all-island economy to thrive in the years ahead.

2 Central Statistics Office (CSO) and Northern Ireland Statistics and Research Agency (NISRA) (2025), *Ireland and Northern Ireland – A Joint Census Publication 2021–2022: Key Findings*, 2 July 2025. https://www.cso.ie/en/releasesandpublications/ep/p-cpini/irelandandnorthernireland-ajointcensuspublication2021-2022/keyfindings/

Key findings at a glance

Strong appetite for cross-border work: Nearly half (46%) of respondents would consider a cross-border role for their next career move, drawn primarily by higher pay and better opportunities. However, the cost of commuting remains the single biggest deterrent, cited by 55% of respondents, ahead of poor transport links and tax complexity.

Solving the skills shortages: While half of all employers find recruitment increasingly difficult, the all-island labour market offers a clear solution; over 69% believe the specific skills needed to fill their current vacancies already exist in the neighbouring jurisdiction.[3]

A shifting labour market: Following a remarkable period of growth that added 550,000 jobs since 2019,[4] hiring is showing early signs of cooling. Currently, 26% of those involved in recruitment anticipate a tightening market over the next 12 months, a trend consistent across both SMEs and large enterprises.

Perceptions of a single labour market: Despite the tangible successes of the all-island economy, 33% of all respondents do not view the two jurisdictions as a single, unified labour market, highlighting the opportunity to strengthen connectivity and opportunities to fully seize the benefits of the all-island labour market.

Navigating tax and bureaucracy: Administrative hurdles remain a significant barrier, with only 30% of respondents feeling they clearly understand dual-tax requirements. A lack of clarity, dual payroll obligations, and top-up tax bills continue to complicate cross-border mobility for both employers and employees.

Business priorities for mobility & flexibility: To unlock the full potential of cross-border working, employers are calling for tax alignment (53%) and improved transport links (51%). This is coupled with a strong demand for flexible arrangements, with 68% of employees preferring hybrid roles compared to just 14% who would consider fully on-site positions.

Rising to the AI opportunity: Businesses are feeling confident about the future of technology, with 60% of employers reporting they are prepared for the impact of AI. This robust readiness mirrors a broader trend of strong AI adoption across the island.

An uneven AI transition: The impact of the AI transition varies across the all-island economy. While 65% of respondents working in Ireland feel their organisation is prepared for AI's impact on the workforce, this falls to 54% in Northern Ireland. Firm size also matters: only 19% of the smallest firms say AI has changed their recruitment needs, compared to 55% among the largest, suggesting that both geography and organisational scale are shaping the transition.

Changing skills needs: Changes in skills requirements appear to be a more significant labour-market impact of AI than changes in demand for roles. More employers report a change in the skills required for existing roles (26%) than a reduced need for certain roles (10%) or an increased need for new roles (5%), highlighting the growing importance of upskilling and reskilling as AI adoption continues.

The drive for regulatory alignment: There is substantial support for harmonised regulation, with over 54% of respondents identifying all-island regulatory alignment as vital for their sector. Crucially, this figure jumps to 74% among C-suite executives and companies that regularly recruit across the border.

3 'Employer' refers to respondents who responded that they are involved in recruiting new staff, either as a hiring manager in their area or across the organisation. 'Respondent' refers to all respondents, both employers and employees.

4 Central Statistics Office (CSO) and Northern Ireland Statistics and Research Agency (NISRA) (2025), Ireland and Northern Ireland – A Joint Census Publication 2021–2022: Key Findings. https://www.cso.ie/en/releasesandpublications/ep/p-cpini/irelandandnorthernireland-ajoint-censuspublication2021-2022/keyfindings/

03. The All-Island Economy Today

3.1 There has been remarkable growth in all-island employment

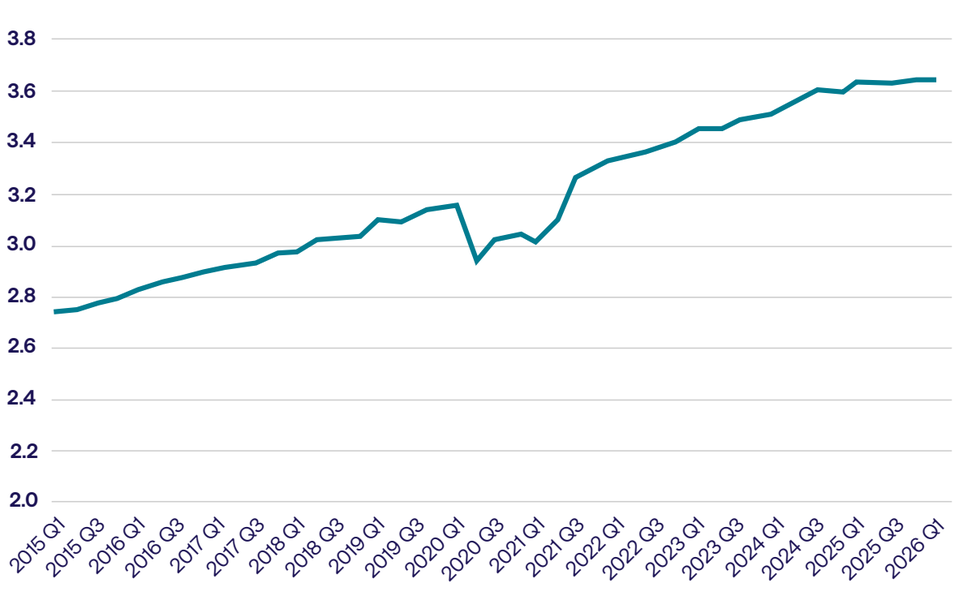
The all-island economy has evolved from a conceptual ambition into a daily operational reality for thousands of businesses. Companies located on the island now benefit from the scale provided by an integrated market for goods, services, and talent.

A major success of the all-island economy has been the integrated labour market that has thrived in recent years. Access to a wider pool of talent offers increased flexibility giving business greater ability to fill vacancies.

Total all-island employment has risen by 550,000 jobs since 2019, an increase of almost 18%. Around 244,000 of those extra net jobs were in health, education and public services with another 159,000 in high-tech services roles.[5] This pattern has held in both jurisdictions.

Figure 1

Total employment in the All-Island labour market, million



5 Central Statistics Office (CSO) and Northern Ireland Statistics and Research Agency (NISRA) (2025), Ireland and Northern Ireland – A Joint Census Publication 2021–2022: Key Findings, 2 July 2025. https://www.cso.ie/en/releasesandpublications/ep/p-cpini/irelandandnorthernireland-ajointcensuspublication2021-2022/keyfindings/

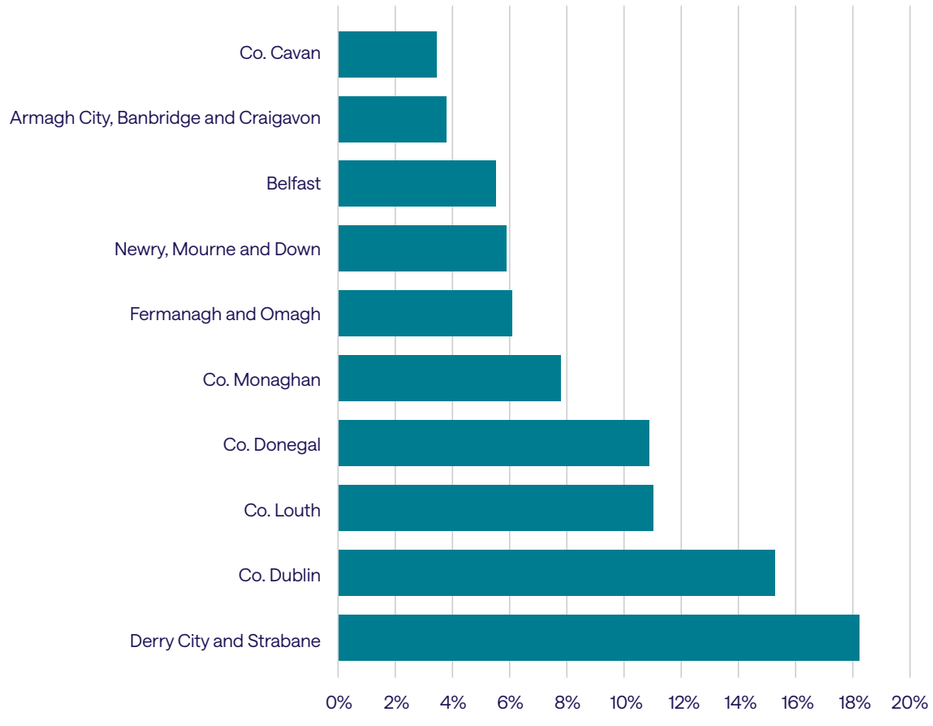
3.2 Cross-border working has potential to strengthen the all-island labour market

The most recent Census data showed roughly 18,000 people working cross-border,[6] with one-in-ten respondents from our survey currently working across the border, and an additional 11% having done so in the past. These workers tend to be concentrated close to the border, with the single largest agglomeration of cross-border workers, by place of work, in Derry City and Strabane with 18% of the total on the island. Another 15% work in Dublin, with 11% working in each of Louth and Donegal.

This data shows that cross-border working is not just driven by the proximity of the workers to the border itself, but also by the pull of major employment centres as demonstrated by the prominence of Dublin's labour market on the east coast and of Derry-Strabane in the north-west.

Figure 2

Share of total cross-border workers by place of work



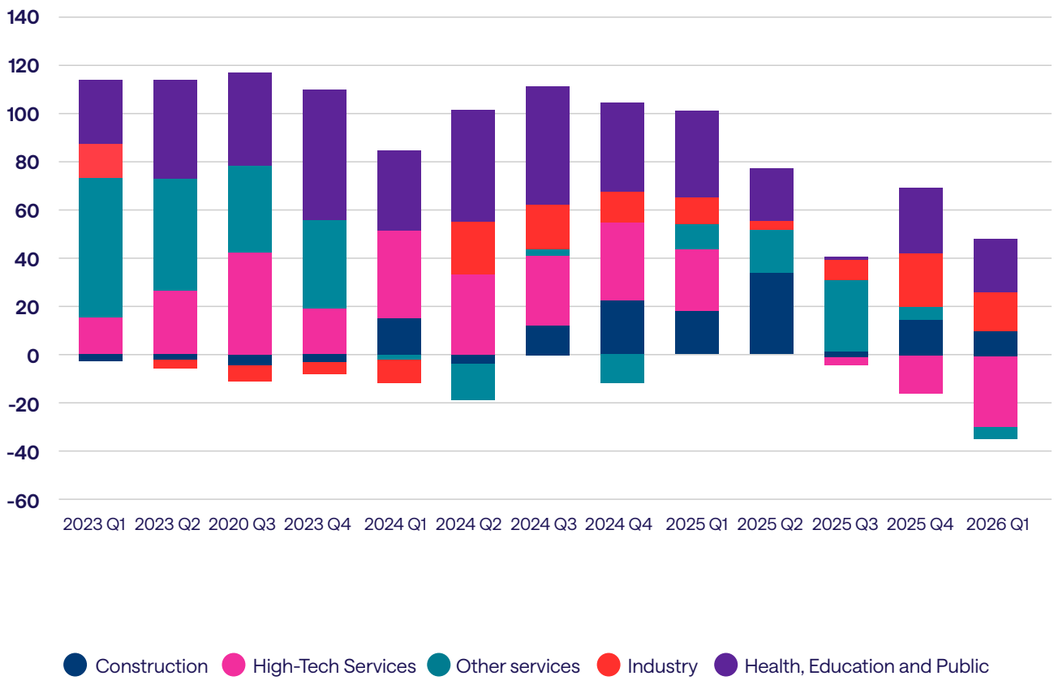
6 Central Statistics Office (CSO) and Northern Ireland Statistics and Research Agency (NISRA) (2025), Ireland and Northern Ireland – A Joint Census Publication 2021–2022: Key Findings. https://www.cso.ie/en/releasesandpublications/ep/p-cpini/irelandandnorthernireland-ajointcensuspublication2021-2022/keyfindings/

Despite recent growth in the all-island labour market, there are now some early signs of slowing hiring across the island. Half of employers said that over the past year it has become more difficult to recruit, with only 19% saying it has become easier. When asked about future expectations for recruitment, around one quarter (26%) expect recruitment conditions to worsen in the coming 12-month period. Only 16% expect it to improve.

This view is remarkably consistent across different sizes of companies with 25% of SME respondents and 27% of large company respondents (those with over 250 employees) anticipating a worsening environment. This, at a time of softening labour demand, suggests mismatches in certain skills areas are becoming more pronounced.

Figure 3

Drivers of recent change in all-island employment, thousands of workers[7]



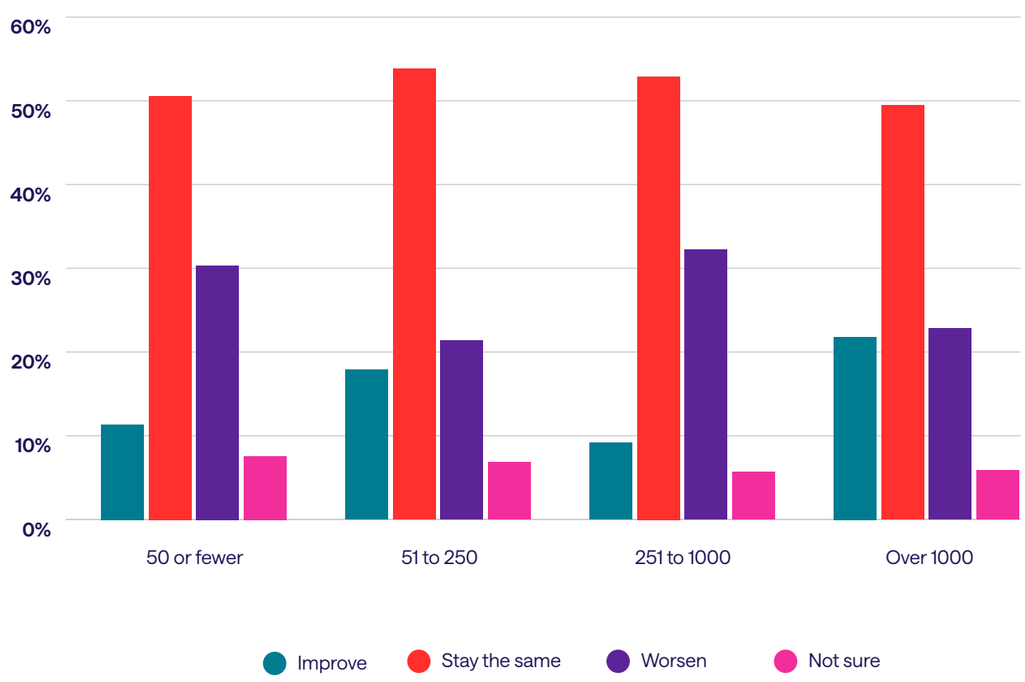
7 Central Statistics Office (CSO) and Northern Ireland Statistics and Research Agency (NISRA) (2025), Ireland and Northern Ireland – A Joint Census Publication 2021–2022: Key Findings. https://www.cso.ie/en/releasesandpublications/ep/p-cpini/irelandandnorthernireland-ajoint-censuspublication2021-2022/keyfindings/

Meanwhile, over 69% of hiring managers believe the specific skills needed to fill their current vacancies already exist in the neighbouring jurisdiction, suggesting the all-island labour market could address this mismatch. There is also some evidence that cross-border recruitment supports better outcomes.

Only 6% of those who don't recruit cross-border expect recruitment conditions to improve in the next year, while 22% of those who regularly recruit cross-border expect improvements suggesting further benefit of a smooth-functioning all-island labour market.

Figure 4

Employer views on change in the all-island recruitment environment in the year ahead by company size



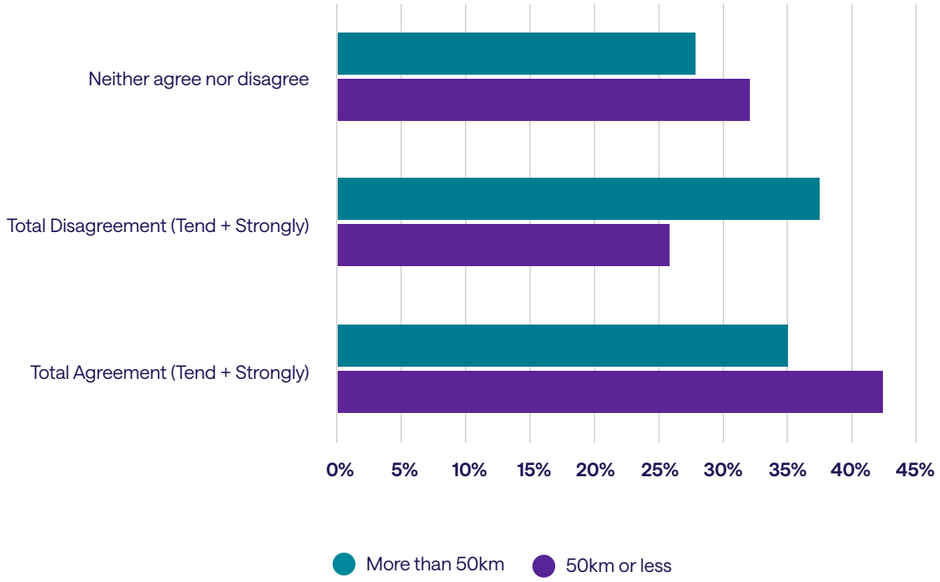
3.3 An all-island labour market exists in practice, but not yet in perception

Despite the significant success and opportunity of the all-island economy and shared labour market, there remain mixed perceptions of the all-island labour market. When asked if they considered the labour markets in both jurisdictions as a single labour market, 38% of respondents said they did whilst 33% said they did not. Some 29% of respondents neither agreed not disagreed.

This perception varies by the distance the respondents live from the border itself. Living within 50km of the border increases the likelihood of seeing the island as one labour market compared to living further afield, with 42% of respondents who live less than 50km of the border seeing it as a single labour market (34% neither agreed or disagreed, and 24% disagreed).

Figure 5

Perceptions of the island as a single labour market, by distance from the border



Perceptions also appear to be shaped by direct experience of cross-border working and recruitment. For those who work in an organisation which recruits cross-border regularly, 52% see the island as a single labour market. However, this falls to 22% amongst persons working in businesses which don't recruit or intend to recruit cross border. Similar for those who have at some point worked cross-border, 56% see the all-island as a single labour market, versus 34% for those who have never worked cross border, indicating that perceptions may increase with increased prevalence of cross-border working.

Using a model controlling for age, sector and seniority, our data shows that having previously worked cross-border increases the probability of someone seeing the island as a single labour market by nearly 22 percentage points, regardless of where the person currently lives or works.

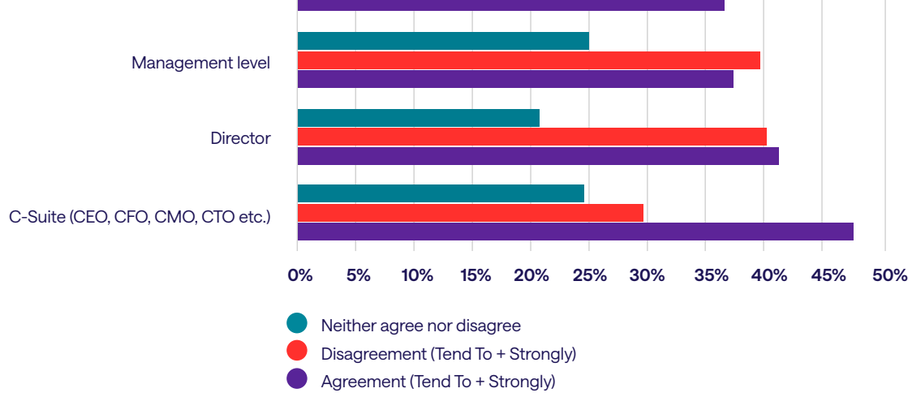
Table 1

Employers' perceptions of the all-island economy as a single labour market by cohort experience

Q: NI and Ireland make up a single labour market/Respondent experience	Agree	Disagree	Neither / Unsure
Organisation recruits cross-border regularly	52%	31%	18%
Organisation does not recruit cross-border or intend to	22%	51%	27%
Has personally worked cross-border	56%	24%	20%
Has never worked cross-border	34%	35%	32%

Figure 6

Share of respondents who agree or disagree that the island is a single labour market, by seniority



Perception also varies by seniority, with 47% of C-Suite executives and over 40% of directors supporting the idea that the island functions as a single labour market, and falling among those in less senior roles, with uncertainty about the proposition rising substantially for earlier career and graduate roles.

Perception, however, does not need to dictate reality. The data indicates that perception of the all-island labour market is impacted by experience of and proximity to it, suggesting that as organisations continue to grow on an all-island basis and if cross-border hiring becomes increasingly practical, proximity and experience will grow perception among the workforce. This requires addressing barriers that hold both employers and employees back from labour mobility.

04. Barriers & Challenges to Labour Mobility

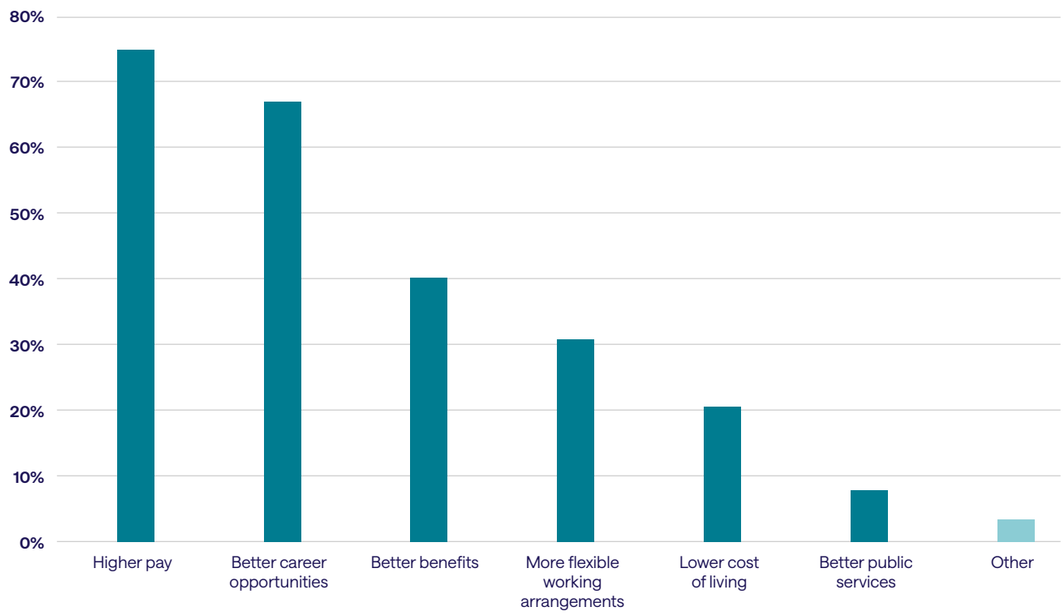
4.1 Barriers to labour mobility

While cross-border workers from our survey tend to be concentrated close to the border, there is strong appetite for cross-border working more broadly; 46% of respondents would consider it for their next job, and 59% say they'd be more likely to consider it if it were easier to live in one jurisdiction and work in the other.

This suggests a real desire to embrace the benefits of the all-island labour market. Higher pay (75%) and better career opportunities (67%) emerge as the main draw among those willing to consider cross border work, followed by better benefits (40%) and more flexible working arrangements (30%).

Figure 7

Factors that would make respondents more likely to consider cross border work

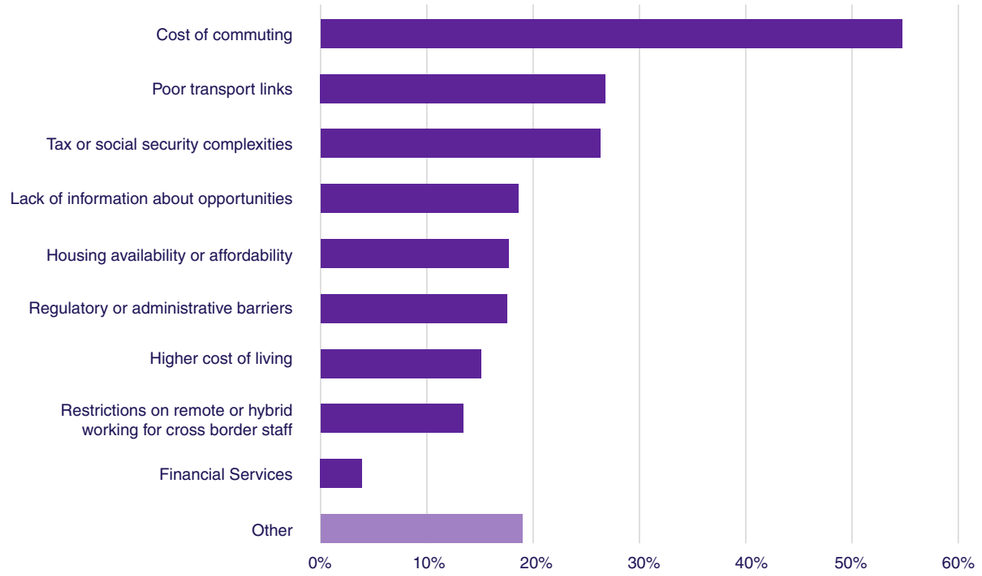


While the opportunities presented by cross-border employment draw optimism, many workers remain deterred by practical barriers that limit their willingness to consider roles across the border. As a result, the all-island labour market is unable to fully realise its potential to expand the talent pool available to employers and increase career opportunities for workers.

The cost of commuting emerged as the single biggest deterrent to cross-border work (55%), ahead of poor transport links (27%) and tax complexity (26%).

Figure 8

Barriers to cross-border working among respondents unlikely or unsure about considering cross-border work



4.2 Tax complexity holds back labour mobility potential

Tax is among the most complex barriers that both employers and employees face, and a lack of clarity on its implications hold them back from considering or offering cross-border work. Living in one jurisdiction and working in another can trigger dual-tax requirements, permanent establishment risk, and a plethora of questions around pensions, social security, and benefits. These complexities have become exacerbated by the increased prevalence of hybrid working following the Covid-19 pandemic, and are reflected in our survey results; most respondents, including both employers and employees, say they do not feel they understand the dual-tax requirements involved in cross-border work (only 30% feel they do). Lack of clarity around tax implications and dual payroll obligations hold back 70% and 63% respectively of respondents who cite tax as a barrier.

Top-up tax bills, an additional tax liability arising where the tax due in the worker's country of residence exceeds the tax paid in the jurisdiction of work, however, stand out as a particular Northern Ireland concern: 55% of those working in NI flag top-up bills as a deterrent to cross-border working, compared to only 30% in Ireland. This may reflect asymmetrical tax relief which disproportionately concerns residents in NI. Residents in Ireland who work in NI can benefit from a Transborder

Workers' Relief, which can protect Irish residents from certain top-up tax by removing foreign employment earning from Irish income tax liability. No such relief, however, exists for residents in NI, who instead rely on the UK's foreign tax credit system, which does not directly relieve a top-up tax bill.

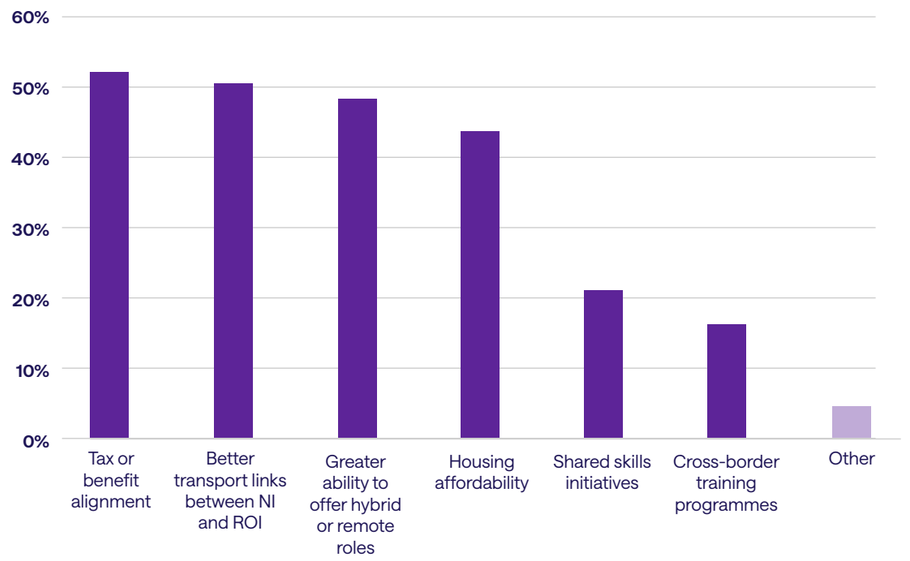
The findings may also reflect the wider uncertainty about the tax implications of cross-border working. Of 139 respondents who cite tax as a deterrent to cross-border working, only 16 have experienced working cross-border. This suggests perceptions of potential tax liabilities and a lack of clarity on their implication itself act as a deterrent.

For some, citizenship status itself is a barrier. 17% of respondents say it affects their ability to work cross-border, and where it is a barrier, visa or work permit requirements are by far the dominant issue (75%), ahead of a lack of clear information on cross-border rights (40%). A shared economy, deeply integrated supply chains, and the prevalence of all-island business operations, particularly in the border regions, mean employers often require work to be carried out across both Ireland and Northern Ireland. Differing immigration systems, however, mean only Irish and UK nationals are able to work seamlessly across both jurisdictions, as a visa for Ireland does not permit work to be carried out in NI, and vice-versa. This significantly limits the pool of mobile all-island talent by requiring non-Irish or British nationals to obtain separate permission to work in each jurisdiction.

Employers' perceptions of what would improve talent mobility across the island reveal strategic blockages and potential solutions. Employers' top asks for improving cross-border labour mobility are tax or benefit alignment (53%), better transport links (51%), fewer barriers to offer hybrid or remote roles to cross-border employees (49%), and housing affordability (44%). Preferred employee working arrangements reflect this appetite for flexibility as hybrid working was the most cited preference (68%), ahead of fully remote roles (60%), while only 14% of respondents would consider a fully on-site role. These preferences further emphasise the impact of barriers to hybrid work on holding back willingness to take up cross-border roles, and the potential opportunity should they be addressed.

Figure 9

Employers' priorities for improving cross-border labour mobility



05. Artificial Intelligence (AI) in the All-Island Economy

5.1 AI is increasingly embedded in the labour market, but organisational readiness varies

Beyond physical mobility, AI has been changing the nature of the labour market. The AI story in the all-island labour market isn't one of future adoption, but a reality already embedding itself into the economy. Nearly three-quarters of respondents (74%) report AI-use in their day-to-day work at least occasionally, with around half (49%) doing so regularly. Organisations themselves are responding to the opportunity, with 60% of employers feeling either "very prepared" or "somewhat prepared" for AI's impact on the workforce. This mirrors a broader picture of relatively strong AI adoption across the UK and Ireland.[8]

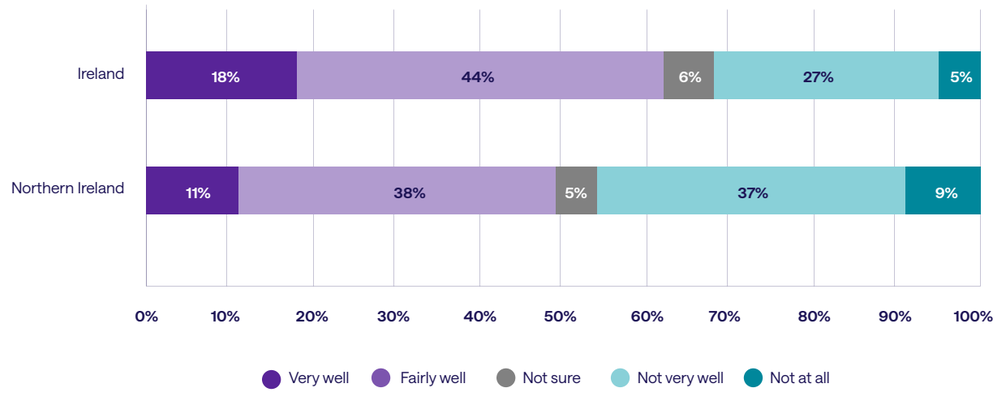
Regular AI usage, however, varies strongly by seniority, with just 29% of graduates and entry-level workers using AI regularly, rising steadily to 69% among directors. However, despite reporting high regular use (63%), C-suite respondents show the lowest confidence that their organisation is prepared for AI's impact (51%), compared to directors (66%), management (61%) and intermediate-level respondents (60%). This could suggest that greater exposure to AI may bring more awareness of the challenges involved in harnessing it effectively.

There are also signs of differences in AI readiness North and South. The difference in regular AI use among respondents is relatively small, at 50% in Ireland compared with 46% in Northern Ireland, but a wider gap emerges at an organisational level: 65% of respondents in Ireland believe their organisation is prepared for AI's impact, compared with 54% in Northern Ireland.

An even clearer North–South difference emerges in perceptions of leadership understanding. While AI is increasingly part of working life across the all-island economy, respondents in Northern Ireland are less confident that organisational leadership is equipped to understand and respond to its implications. Nearly two-thirds of respondents in Ireland (62%) believe their leaders understand the potential impact of AI on work and skills "fairly well" or "very well", compared with around half (49%) in Northern Ireland. The gap is particularly pronounced at the highest level of confidence, with 18% of respondents in Ireland saying their leaders understand AI's impact "very well", compared to only 11% in Northern Ireland.

Figure 10

Respondents' views on how well their leaders understand the impact of AI on work and skills, by jurisdiction



8 UK worker and business AI adoption both compare favourably with European peers (Federal Reserve Bank of St Louis, "Mind the Gap: AI Adoption in Europe and the U.S.", 30 March 2026, www.stlouisfed.org/on-the-economy/2026/mar/mind-gap-ai-adoption-europe-us; ONS, "Artificial intelligence in UK businesses: 2023 to 2026", 20 July 2026, www.ons.gov.uk/businessindustryandtrade/business/businessservices/articles/artificialintelligenceinukbusinesses/2023to2026). Irish individual adoption is similarly strong, though Irish firm-level adoption sits closer to the EU average (CSO, "Generative AI", Household Digital Consumer Behaviour 2025, 5 December 2025, www.cso.ie/en/releasesandpublications/ep/p-isshdcb/householddigitalconsumerbehaviour2025/generativeai/;Eurostat, "The use of artificial intelligence technologies in the European Union – Key results – 2026 edition", 26 March 2026, https://ec.europa.eu/eurostat/documents/7870049/23260410/KS-01-26-009-EN-N.pdf).

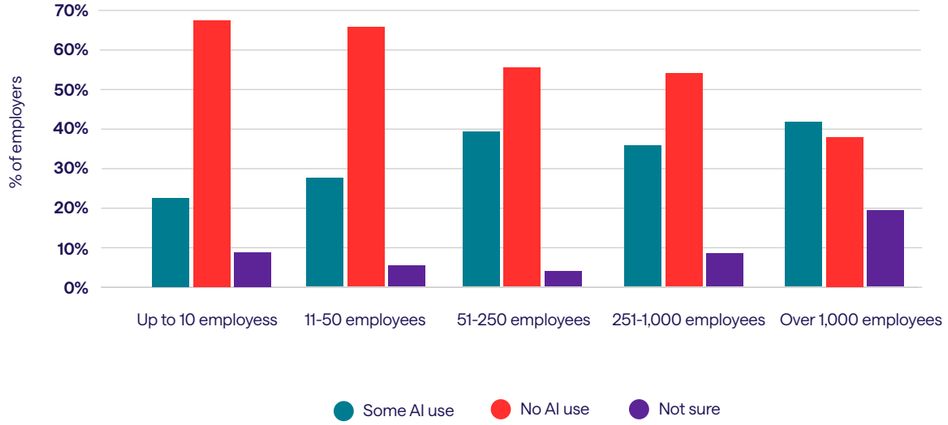
5.2: AI is reshaping recruitment and skills needs

AI's impact on recruitment reveals key changes in the labour market. 41% of employers say AI has changed their recruitment needs in the past year. More employers cite a change in skills required for existing roles (26%) rather than a reduction in certain roles (10%), or an increase in new roles (5%), highlighting AI's impact on skills more so than job availability itself. As organisations continue to integrate AI, their ability to anticipate changing skills needs and support employees to adapt will be critical. The challenge across the island will be to ensure the future skills needed to manage the transition, and for the capability to secure future skills to keep pace with the speed of AI adoption.

Firm size also emerges as an important factor: across the all-island economy, only 19% of the smallest firms (up to 10 employees) report that AI has changed their recruitment needs, rising to 55% among the largest firms (over 1,000 employees). The relationship with firm size is also evident in recruitment itself, where 23% of the smallest firms report some AI use in recruitment, rising to 42% among the largest firms. Wider UK evidence also points to a relationship between firm size and AI adoption more broadly: ONS data shows that 28% of the smallest businesses report AI use, rising to 49% amongst the largest.[9]This suggests not only that the impact of AI is felt unevenly across the economy, but also that geography isn't the only dividing factor—organisational capacity to adopt and respond to AI may play an important role.

Figure 11

Use of AI in recruitment, by company size[10]



Overall across the island 37% of employers report some AI use in recruitment. Where AI is used, it's typically for administrative tasks including writing job descriptions (28%) and CV screening (22%), while AI use during interviews remains rare (5%). This mirrors broader trends in business AI adoption elsewhere and suggests that even where organisation have begun to use AI in recruitment, its use remains concentrated in specific elements of the process rather than wholesale change.

The findings suggest that the AI challenge for the all-island labour market is not only one of adoption, but of whether organisations have the leadership and skills required to harness it effectively. With AI already changing the skills needed across the labour market, anticipating and supporting employers and employees to upskill and reskill will become increasingly important. Building these capabilities on an all-island basis will be essential to prevent differences in AI readiness North and South from widening and to ensure the smooth function of the all-island labour market.

9 Artificial intelligence in UK businesses: 2023 to 2026, ONS Business Insights and Conditions Survey, 20th July 2026. https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/articles/artificialintelligenceinukbusinesses/2023to2026

10 As respondents could select multiple AI uses, "some AI use" is calculated from the total respondent base after subtracting "No AI use in recruitment" and "not sure" responses.

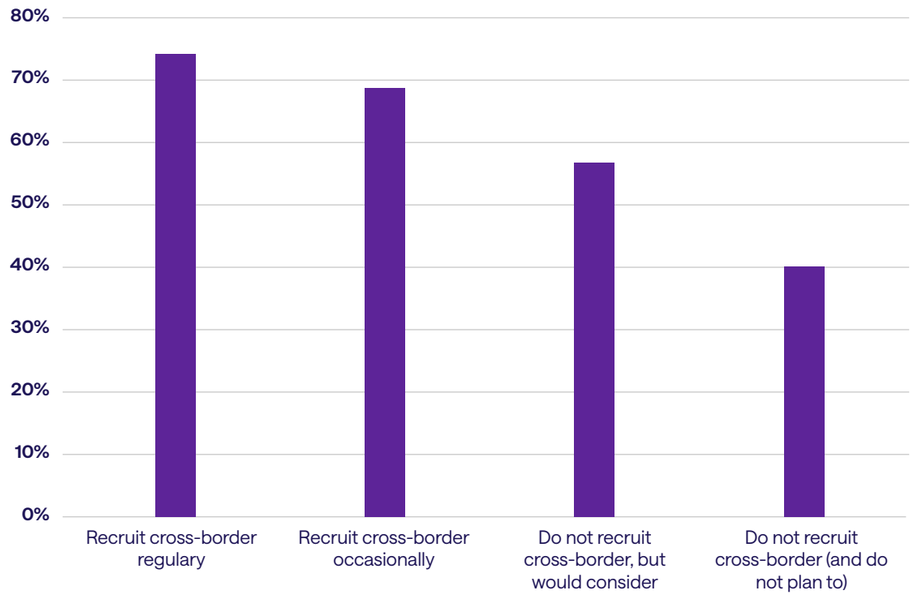
06. The Regulatory Landscape

There is a clear desire in the survey responses for greater cross-border regulatory alignment with over 54% of respondents believing that all-island regulatory alignment is important for their sector, while only 24% feel that it is not important.

The share of respondents viewing regulatory alignment as important rises to 74% for those working in companies who recruit cross border regularly and separately for C-Suite respondents.

Figure 12

Share of respondents who view alignment as important by regularity of recruiting cross-border



Across the sectors in our survey greater regulatory alignment was most important in physical goods sectors. 60% of respondents in industry, construction, and logistics saw the need for greater alignment, 56% in professional and financial services, and falling to 48% in consumer and commercial services and in high-tech and digital services. This divergence is unsurprising given Northern Ireland remains aligned to EU Single Market rules for goods and the Single Market also sees much more significant alignment on goods in and of itself. However, it does mean that a plurality of services companies would also see benefits from greater alignment.

There is, however, a clear awareness gap. When asked how aware the respondents were of regulatory differences between NI and Ireland that affected their work, only 42% were aware to any degree, whereas 43% were not very aware (26%) or not aware at all (17%). Awareness, however, rises to 66% among those working in firms who regularly recruit cross-border, suggesting some of the awareness gap is driven by engagement with the all-island economy.

Using a model controlling for location and sector, our data shows that seniority and experience of cross-border work play a significant role in awareness of regulatory differences. C-Suite and Director level respondents were 17 percentage points more likely to be aware of the issues than mid-level workers. Having ever worked cross-border increases awareness by 16 percentage points, emphasising the role of engagement with the all-island labour market.

Finally, when asked about the impact of EU-linked rules that apply in NI on their sector, 40% of respondents reported some level of impact, while the remaining 60% either reported no impact or were unsure. Over half (53%) of respondents in Northern Ireland report these EU-linked rules impacting their sector, compared to just 33% in Ireland. Among all respondents who saw some impact, 16% said the impact was mostly positive and 18% said it was negative whilst the vast majority (66%) viewed the impact of EU-linked rules as mixed.

Negativity around the impact of EU-linked rules rises to 25% among those working in NI from just 14% in Ireland.

The impact of the regulations varies significantly by firm size. Among those who reported an impact, SMEs (firms with fewer than 250 employees) were the most divided in their views, with 20% describing the impact of EU-linked rules as positive and a further 20% describing it as negative. On the other hand, mid-sized (78%) and large firms (69%) were far more likely to see a mixed impact from the rules.

Conclusion

The findings in this report should support a more informed debate on the policy changes needed to unlock the full potential of the all-island labour market. They point to a clear need for greater clarity and information, practical measures to support labour mobility, closer policy alignment where appropriate, and collaboration to address the barriers that continue to limit cross-border working. Addressing these challenges will be essential to building a more connected and resilient labour market that enables businesses and workers across the island to fully benefit from the opportunities of the all-island economy.

Appendix

Survey on the All-Island Economy

The All-Island Workforce Report survey was conducted jointly by the CBI, Hays and Ibec from the 12th of May to the 15th of June 2026 across the island of Ireland. The survey captured 1,211 individual respondent profiles across 94 distinct data fields and variables.

Of the individual respondent profiles 893 were complete across all questions and 318 were partially complete. There were 437 respondents from Northern Ireland and 774 from Ireland. Some chart totals may exceed 100%, where respondents were able to select multiple options.

Ibec Head Office
84/86 Lower Baggot Street
Dublin 2
T: +353 (0)1 605 1500
E: info@ibec.ie
www.ibec.ie

CBI Northern Ireland
Pearl Assurance House
1 Donegall Square East
Belfast
BT1 5HB.
T: +44 (0) 28 9010 1100
E: Northern.Ireland@cbi.org.uk

Hays, Ireland
Office 401, Fitzwilliam Hall, 25–27
Fitzwilliam Place, Dublin 2, D02 T292
T: +00 353 1 571 0010
www.hays.ie

Hays, Northern Ireland
5th Floor, Donegall House, Donegall
Square North, BT1 5GB
T: +028 9044 6911
www.hays.co.uk