

AI and Inequality: Spotlight on the Key Issues Affecting Ireland



The State We Are In: Inequality in Ireland 2026

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Artificial intelligence (AI) is reshaping Ireland's economy and society, bringing new opportunities and risks for equality. As one of Europe's leading digital economies and home to the European operations of many major technology companies, Ireland is particularly exposed to these changes. While the government is betting on AI to stimulate economic growth, the benefits of this transformation are unlikely to be shared evenly. AI is already disrupting workplaces, changing the nature of employment, reproducing existing patterns of discrimination, and taking a toll on our environment.

These considerations raise a fundamental question: **who stands to gain from the growth of Ireland's digital economy, and who will be left behind?**

This chapter examines how AI is affecting economic and social inequality in Ireland, including its implications for workers, communities, and marginalised groups. While the long-term impacts remain uncertain, the choices we make now about how AI is developed, deployed, governed, and evaluated will shape who gets to benefit from Ireland's digital transformation.

1. State of Play: AI & Ireland's Digital Economy

Ireland has emerged as a key player in the global digital ecosystem. With access to a highly educated and English-speaking workforce, stable democracy, low corporate tax rate, and friendliness with Big Tech, many multinational firms have chosen Ireland as the base of their European headquarters. As of February 2026, over 1,000 digital companies were operating in Ireland as part of a \$50 billion digital economy.¹ Today, eight of the leading providers of foundation AI models base their European operations in Ireland.² This position has afforded Ireland undeniable economic growth, but dependency on Big Tech firms threatens the government's willingness to act as a watchdog.³

Ireland's concentration of knowledge-intensive and professional occupations and significant investment in AI infrastructure contribute to its high exposure to AI-driven change. An estimated 63% of jobs in Ireland are exposed to AI to some degree, slightly above the average of 60% for advanced economies, meaning that changes in how AI is adopted could have significant implications for Irish workers and workplaces.⁴ Ireland also has exceptionally high levels of digital skills. In 2025, 82.8% of people aged 16–74 had at least basic digital skills, well above the EU average of 60.4% and second only to the Netherlands (83.6%).⁵ Despite this strong foundation, not all workers or communities will have the equal capacity to benefit from this transformation, making the distribution of AI's risks and rewards a key issue for equality and inclusion.

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- 1 International Trade Administration, "Ireland - Digital Economy," International Trade Administration | Trade.gov, September 20, 2024, <https://www.trade.gov/country-commercial-guides/ireland-digital-economy>.
 - 2 Department of the Taoiseach, "Digital Ireland: Connecting Our People, Securing Our Future.," Government of Ireland, February 18, 2026, https://assets.gov.ie/static/documents/5e511b3a/National_Digital_and_AI_Strategy_2030.pdf.
 - 3 Johnny Ryan, "Ireland Is Big Tech's Lapdog – and That Compromises Its EU Presidency.," The Guardian, June 30, 2026, <https://www.theguardian.com/commentisfree/2026/jun/30/ireland-big-tech-lapdog-eu-presidency-digital-sovereignty>; Eoin Burke-Kennedy, "US Firms Apple, Microsoft and Eli Lilly Paid Almost 50% of State's Corporate Tax in 2024," The Irish Times, February 19, 2026, <https://www.irishtimes.com/business/economy/2026/02/19/three-multinational-companies-paid-close-to-50-of-states-corporate-tax-in-2024/>.
 - 4 Williamson, Gannon, Daly, Fitzgerald and Coates, (2024), "Artificial Intelligence: Friend or Foe? An Analysis of How AI Could Impact Ireland's Labour Market", Department of Finance and Department of Enterprise, Trade and Employment <https://assets.gov.ie/static/documents/artificial-intelligence-friend-or-foe-an-analysis-of-how-ai-could-impact-irelands-labo.pdf>
 - 5 Eurostat, "People with at Least Basic Digital Skills % of People Aged 16-74," Eurostat, 2024, https://ec.europa.eu/eurostat/cache/dashboard/digitalisation/#/detailed/DS_10.

1.1 Irish government strategy on AI

The Irish government has positioned AI as a central pillar of its digital policy, viewing AI as a critical driver of economic competitiveness and productivity. While policy documents have largely emphasised that AI should be trustworthy, human-centred, and rights-respecting, government action has predominantly focused on advancing AI adoption, attracting investment, cooperation with multinationals, and ensuring regulatory compliance.

1.1.1 Legislative and Governance Framework

The implementation and enforcement of the EU AI Act have become the defining features of Ireland's AI governance framework. Entering into force in August 2024, the EU AI Act is the first-ever comprehensive legal framework on AI worldwide. The goal of this regulation is to protect people's health, safety, and fundamental rights while promoting wider adoption of trustworthy, "human-centric" AI systems.⁶ The Act adopts a risk-based approach, imposing increasingly stringent obligations according to the risk level posed by an AI system.⁷ On August 2, an additional set of transparency requirements under Article 50 of the Act went into effect,⁸ requiring providers and deployers of certain AI systems to inform users when they are interacting with AI or exposed to deepfake and AI-generated content.⁹

Ireland's Regulation of Artificial Intelligence Act 2026 established the national framework for enforcing the EU AI Act domestically.¹⁰ Rather than creating a single AI regulator, the Act provides for a distributed regulatory model in which 15 existing public bodies act as competent authorities within their respective sectors.¹¹ The newly established Oifig IS na hÉireann (AI Office of Ireland) is tasked with overseeing this distributed model and supporting AI growth with the goal of reinforcing Ireland's position as a desirable hub for AI.¹²

1.1.2 National AI Strategy and Adoption

Ireland launched its first National Artificial Intelligence Strategy, *AI – Here for Good*, in July 2021.

The strategy aims to ensure a responsible, rights-respecting, and inclusive approach to developing, applying, and adopting AI. It envisions a future for Ireland as an international leader in using

AI for business, public services, and societal benefits through a people-centred approach to trustworthy AI development and adoption. Acknowledging the massive growth in AI development, this strategy was refreshed in late 2024 with an aim to "balance innovation with proportionate regulation and trust-building measures."¹³

6 Department of Enterprise, Trade and Employment. 2024. EU Artificial Intelligence (AI) Act. Department of Enterprise, Trade and Employment. <https://enterprise.gov.ie/en/what-we-do/innovation-research-development/artificial-intelligence/eu-ai-act/>.

7 European Commission. 2025. AI Act. Shaping Europe's Digital Future. <https://digital-strategy.ec.europa.eu/en/policies/regulatory-framework-ai>.

8 European Commission, *Commission Starts Enforcing AI Act Rules and New Transparency Requirements on 2 August*, Press Release, July 31, 2026, <https://digital-strategy.ec.europa.eu/en/news/commission-starts-enforcing-ai-act-rules-and-new-transparency-requirements-2-august>.

9 European Commission, *Guidelines on Transparency Obligations for Providers and Deployers of Certain AI Systems*, August 6, 2026, <https://digital-strategy.ec.europa.eu/en/policies/guidelines-ai-transparency-obligations>.

10 Marie McGinley et al., *Irish Artificial Intelligence Act 2026 Signed into Law*, Lexology, July 30, 2026, <https://www.lexology.com/library/detail.aspx?g=bbdd26d8-301e-4e25-8668-d6073766953d>.

11 EU Artificial Intelligence Act, *Overview of All AI Act National Implementation Plans*, EU Artificial Intelligence Act, June 17, 2026.

12 Department of Enterprise, Tourism and Employment, *AI Office of Ireland Established under the AI Regulation Bill 2026, Paul Byrne Appointed as CEO*, Government of Ireland, July 30, 2026, <https://enterprise.gov.ie/en/news-and-events/departments-news/2026/july/20260730.html>.

13 Department of Enterprise, Tourism and Employment, *National AI Strategy Refresh* (Government of Ireland, 2024), <https://enterprise.gov.ie/en/publications/national-ai-strategy-refresh-2024.html>.

The Government updated its strategy again in February 2026, launching the *Digital Ireland – Connecting our People, Securing our Future*, which “sets out the Government’s ambition and vision to 2030 to ensure Ireland remains a digital leader in an increasingly competitive global environment.”¹⁴ The Strategy outlines five goals: Apply, Grow, Invest, Lead, and Empower. Social inclusion is addressed primarily through online safety, trust, digital literacy, and skills development. However, this approach does not sufficiently address the systemic social and economic inequalities that AI may exacerbate. Rather than examining how AI could reshape the distribution of wealth, power, and opportunity, the Strategy largely frames equality in terms of ensuring people across socioeconomic groups can adopt AI.¹⁵ Overall, the Strategy advances a pro-growth agenda while offering less consideration of social and economic equality.

1.1.3 Advisory Councils

The Government has established expert advisory structures to support AI policy and adoption. The AI Advisory Council, established in 2024, provides independent advice on AI policy and trust, drawing on expertise across academia, business, law, and civil society.¹⁶ The Enterprise Digital Advisory Forum focuses on digital transformation and AI adoption among businesses.¹⁷ The Government’s updated AI strategy also proposes additional advisory structures covering areas such as public-sector AI and semiconductors.¹⁸

1.2 Competitiveness as a guiding principle

Ireland’s approach to AI is increasingly shaped by a competitiveness agenda that prioritises technological innovation and the expansion of the digital economy. Across the EU and G7, many governments have introduced measures to accelerate AI adoption and grow domestic AI ecosystems.¹⁹ Analysis of AI policies, guidelines, and regulations issued by supranational bodies between 2018 and 2025 identifies a broader shift from early vision-setting towards governance frameworks centred on “innovation with protections.” While these frameworks recognise social and ethical risks, they increasingly position AI as a strategic driver of economic growth and global competitiveness.²⁰

This shift reflects growing concern that Europe is falling behind the US and China in AI development. The 2024 Draghi Report on European Competitiveness called for greater investment in AI infrastructure, supercomputing capacity, and regulatory reform, while the 2025 AI Action Summit in Paris saw European Commission President Ursula von der Leyen announce major investments to accelerate AI development and close the gap with global competitors.²¹ This

14 Department of the Taoiseach, “Digital Ireland: Connecting Our People, Securing Our Future,” Government of Ireland, February 18, 2026, https://assets.gov.ie/static/documents/5e511b3a/National_Digital_and_AI_Strategy_2030.pdf.

15 Ibid

16 Department of Enterprise, Tourism and Employment, *Artificial Intelligence (AI) Advisory Council*, Government of Ireland, December 11, 2025, <https://www.gov.ie/en/department-of-enterprise-tourism-and-employment/campaigns/artificial-intelligence-ai-advisory-council/>.

17 Department of Enterprise, Tourism and Employment, *National AI Strategy Refresh* (Government of Ireland, 2024), <https://enterprise.gov.ie/en/publications/national-ai-strategy-refresh-2024.html>.

18 Department of the Taoiseach, “Digital Ireland: Connecting Our People, Securing Our Future,” Government of Ireland, February 18, 2026, https://assets.gov.ie/static/documents/5e511b3a/National_Digital_and_AI_Strategy_2030.pdf.

19 OECD, *Recent Policy Developments on AI in the Labour Market*, OECD Artificial Intelligence Papers, 63rd ed., OECD Artificial Intelligence Papers (2026), <https://doi.org/10.1787/c0ffced7-en>.

20 Delaram Golpayegani et al., *Evolution of Supranational Institutional Success Criteria in Post-2018 AI Guidelines*, FORSEE, n.d., <https://forseeproject.eu/publication/evolution-of-supranational-institutional-success-criteria-in-post-2018-ai-guidelines/>.

21 Mario Draghi, *The Future of European Competitiveness. Part A, A Competitiveness Strategy for Europe*. (European Commission. European Political Strategy Centre., 2025), <https://doi.org/10.2872/9356120>; European Commission, *EU Launches InvestAI Initiative to Mobilise €200 Billion of Investment in Artificial Intelligence*, Press Release, February 11, 2025, https://ec.europa.eu/commission/presscorner/detail/en/ip_25_467.

agenda is reflected in the priorities of Ireland's Presidency of the Council of the European Union, which began on 1 July 2026. Under the theme "Strength with Unity," Taoiseach Micheál Martin identified enhancing European competitiveness, values, and security as the Presidency's three overarching priorities.²²

1.3 Economic Dependence as a Threat to Responsible Policymaking

Ireland's competitiveness agenda must be understood within its larger economic context. While the concentration of digital firms in Ireland has generated employment, it has also fostered economic dependence. Three US firms – Apple, Microsoft and Eli Lilly – accounted for almost half of Ireland's corporate tax revenue in 2024.²³ This raises concerns about potential conflicts of interest undermining Ireland's capacity to act as an effective watchdog over major tech firms, particularly given its already spotty track record of protecting digital rights. The revolving door between government and technology company employees further supports this assessment.²⁴ These concerns were expressed in an open letter signed by dozens of academics calling on Ireland to recuse itself from chairing meetings on digital and tax rules given its "insurmountable conflicts of interest" – a request to which the government, unsurprisingly, did not acquiesce.²⁵

Government AI policy should ultimately be determined through transparent democratic processes – not behind the closed doors of luxury hotel conference rooms. Pope Leo succinctly captures these concerns in his *Magnifica humanitas*: "In many cases within the digital context, control over platforms, infrastructure, data and computing power does not rest with States, but with major economic and technological actors...When such power is concentrated in the hands of a few, it tends to become opaque and evade public oversight, increasing the risk of distorted forms of development that give rise to new dependencies, exclusions, manipulations and inequalities."²⁶

2. Economic Equality

The rapid rise of artificial intelligence (AI) raises fundamental questions about the wealth distributional consequences of technological change. As AI reshapes production systems, who will benefit: workers or capital owners? Among workers, will it reinforce existing inequalities by disproportionately benefiting highly skilled workers, or generate broader gains through increased productivity?

The dominant narrative among AI developers and businesses is that AI will drive productivity, innovation, and economic growth, although robust evidence of economy-wide productivity gains

22 European Parliament, "Taoiseach Micheál Martin to Present Ireland Council Presidency Priorities," Newsletter, European Parliament, July 6, 2026, <https://www.europarl.europa.eu/news/en/agenda/plenary-news/2026-07-06/2/taoiseach-micheal-martin-to-present-ireland-council-presidency-priorities>.

23 Johnny Ryan, "Ireland Is Big Tech's Lapdog – and That Compromises Its EU Presidency," The Guardian, Guardian News and Media, June 30, 2026, <https://www.theguardian.com/commentisfree/2026/jun/30/ireland-big-tech-lapdog-eu-presidency-digital-sovereignty>; Eoin Burke-Kennedy, "US Firms Apple, Microsoft and Eli Lilly Paid Almost 50% of State's Corporate Tax in 2024," The Irish Times, February 19, 2026, <https://www.irishtimes.com/business/economy/2026/02/19/three-multinational-companies-paid-close-to-50-of-states-corporate-tax-in-2024/>.

24 Johnny Ryan, "Ireland Is Big Tech's Lapdog – and That Compromises Its EU Presidency," The Guardian, Guardian News and Media, June 30, 2026, <https://www.theguardian.com/commentisfree/2026/jun/30/ireland-big-tech-lapdog-eu-presidency-digital-sovereignty>.

25 Mark Dempsey and Anna Marchese, "The Irish Presidency of the Council of the European Union Should Welcome Scrutiny from Academia," Tech Policy. Press, Tech Policy Press, August 3, 2026, <https://www.techpolicy.press/the-irish-presidency-of-the-council-of-the-european-union-should-welcome-scrutiny-from-academia/>.

26 Pope Leo XIV, *Magnifica Humanitas*, Encyclical letter, Chapter 3, *Technology and Dominance*, The Holy See, May 15, 2026, https://www.vatican.va/content/leo-xiv/en/encyclicals/documents/20260515-magnifica-humanitas.html#TECHNOLOGY_AND.

remains limited.²⁷ At the same time, concerns about economic displacement remain significant. Early estimates were alarming: Frey and Osborne (2013) estimated that 47% of US employment was at high risk of computerisation.²⁸ More recent research suggests that AI is more likely to transform many jobs than eliminate them entirely, though job loss is still a critical concern for many workers.²⁹ Transformed work itself presents new concerns for equality as algorithmic management threatens to undermine workers' power and decision-making authority.³⁰ Ultimately, a recent analysis by ESRI predicts that income inequality in Ireland will rise slightly due to AI.³¹

While previous waves of technological change offer some insight, the large-scale implications of AI for long-term economic equality remain uncertain. This section examines how AI is reshaping work in Ireland and how its benefits and risks may be distributed across workers and society.

2.1 Lessons from Earlier Waves of Technological Transformation

In 1933, John Maynard Keynes predicted widespread technological unemployment "due to our discovery of means of economising the use of labour outrunning the pace at which we can find new uses for labour".³² Nearly a century later, the relationship between technological advancement and economic wellbeing continues to drive discourse and research.

Broadly speaking, previous waves of technological change have not had long-term devastating effects on overall employment, though workers did experience short- and medium-term disruption.³³ Historical evidence shows that the adoption of general-purpose technologies (of which AI is one) has often increased wage polarisation by hollowing out middle income roles. Automation and computerisation fuelled growth in high-income cognitive jobs and lower-income service work while reducing demand for middle-income routine work.³⁴ Typically, displaced middle income workers moved into lower-paid service occupations, which were less susceptible to automation due to their reliance on flexibility and interpersonal skills.³⁵ Such layoffs also have a negative impact on the mental health and wellbeing of eliminated and remaining workers alike.³⁶

Inequality does not depend solely on technological and economic change, but on the policies governing its adoption. Examining automation across Europe, Doorley et al. (2023) found that while automation contributed to increased wage inequality, this did not translate into equivalent increases in household income inequality. Taxation, welfare systems, and household risk-sharing

27 Alexandros Minotakis et al., *Narrative Framework on Success among SME Representatives* (FORSEE, 2026), <https://forseeproject.eu/publication/narrative-framework-on-success-among-sme-representatives/>.

28 Carl Benedikt Frey and Michael A. Osborne, "The Future of Employment: How Susceptible Are Jobs to Computerisation?," *Technological Forecasting and Social Change* 114 (January 2017): 254–80, <https://doi.org/10.1016/j.techfore.2016.08.019>.

29 Pawel Gmyrek et al., *Generative AI and Jobs: A Refined Global Index of Occupational Exposure* (ILO, 2025), <https://doi.org/10.54394/HETPo387>.

30 *Negotiating digitalised workplaces: rights and obligations, Ireland*, with Marta Lasek-Markey (Friedrich-Ebert-Stiftung e.V, 2026).

31 Karina Doorley et al., *Artificial Intelligence and Income Inequality in Ireland* (ESRI, 2026), <https://doi.org/10.26504/jr16>.

32 John Maynard Keynes, "Economic Possibilities for Our Grandchildren," *The Nation and Athenæum*, in *Essays in Persuasion* (1930), p.363, <https://www.hetwebsite.net/het/texts/keynes/keynes1930grandchildren.htm>.

33 Andrew G. Ross et al., "Labour Market Dynamics in the Era of Technological Advancements: The System-Wide Impacts of Labour Augmenting Technological Change," *Technology in Society* 77 (June 2024): 102539, <https://doi.org/10.1016/j.techsoc.2024.102539>; David H. Autor, "Why Are There Still So Many Jobs? The History and Future of Workplace Automation," *Journal of Economic Perspectives* 29, no. 3 (2015): 3–30, <https://doi.org/10.1257/jep.29.3.3>.

34 Doorley et al., 2026; D. H. Autor et al., "The Skill Content of Recent Technological Change: An Empirical Exploration," *The Quarterly Journal of Economics* 118, no. 4 (2003): 1279–333, <https://doi.org/10.1162/003355303322552801>.

35 David H. Autor and David Dorn, "The Growth of Low-Skill Service Jobs and the Polarization of the US Labor Market," *American Economic Review* 103, no. 5 (2013): 1553–97, <https://doi.org/10.1257/aer.103.5.1553>.

36 Holly Elser et al., "Layoffs and the Mental Health and Safety of Remaining Workers: A Difference-in-Differences Analysis of the US Aluminium Industry," *Journal of Epidemiology and Community Health* 73, no. 12 (2019): 1094–100, <https://doi.org/10.1136/jech-2018-211774>.

mechanisms absorbed many of the resulting employment and income shocks.³⁷ As Ireland pursues an agenda of AI growth, these insights are critical in ensuring that government services are prepared to handle new demands related to AI-related displacement.

2.2 Key Factors in Understanding AI Disruption

Two factors are particularly important in assessing the economic disruption of AI: exposure and complementarity. Exposure measures the extent to which tasks within an occupation can potentially be affected by AI. However, exposure alone cannot determine whether a job is likely to be displaced. Complementarity captures the extent to which AI can augment rather than substitute for human labour, taking account of factors including the nature of work, education, on-the-job training and professional experience.³⁸

AI has the potential to automate cognitive tasks, whereas earlier waves of automation focused on physical tasks. As a result, AI is positioned to disrupt highly educated, high-income workers likely to be found in white collar jobs.³⁹ High-exposure, high-complementarity occupations are more likely to experience productivity gains, as AI can support rather than replace human expertise. These include many highly skilled roles such as managers, directors, senior officials and professionals.

By contrast, high-exposure, low-complementarity occupations face greater displacement risks, particularly where work is repetitive, data-driven and requires limited human discretion. For example, administrative roles involving data entry, file management and basic communication are particularly vulnerable.⁴⁰ These workers may experience a drop in demand for their labour with reduced employment opportunities and lower earnings.⁴¹

37 Karina Doorley et al., *Automation and Income Inequality in Europe*, no. LISER Working Paper Series 2023-11 (n.d.), <https://ideas.repec.org/p/irs/cepswp/2023-11.html>.

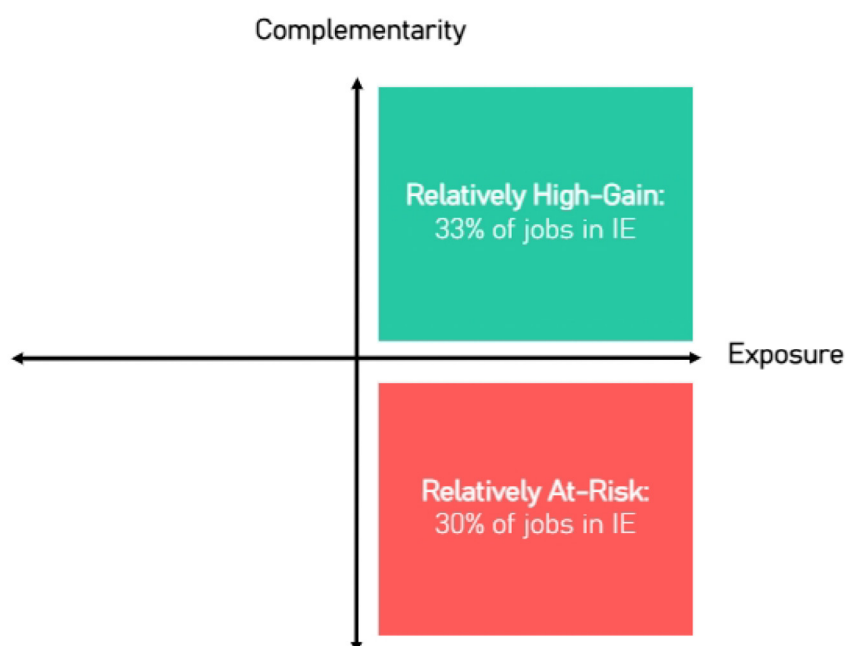
38 Carlo Pizzinelli et al., "Labor Market Exposure to AI: Cross-Country Differences and Distributional Implications," *IMF Working Papers* 2023, no. 216 (2023): 1, <https://doi.org/10.5089/9798400254802.001>; Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

39 Doorley et al., 2026; Williamson et. al., 2025; Tyna Eloundou et al., "GPTs Are GPTs: Labor Market Impact Potential of LLMs," *Science* 384, no. 6702 (2024): 1306–8, <https://doi.org/10.1126/science.adj0998>.

40 Mauro Cazzaniga et al., "Gen-AI: Artificial Intelligence and the Future of Work," *Staff Discussion Notes* 2024, no. 001 (2024): 1, <https://doi.org/10.5089/9798400262548.006>; Pizzinelli et al., 2023; Williamson et. al., 2025.

41 Pizzinelli et al. (2023).

Figure 8: Conceptual Framework of Exposure and Complementarity as a Measure of Risk vs. Gain



Source: Williamson et al., 2024.

To be certain, white-collar workers are not the only workers exposed to AI. While lower income and service workers may face a lower risk of job loss due to AI, workers across a variety of service and transportation sectors are experiencing increased surveillance and task intensification due to AI. Gig workers - who face low pay and fewer legal protections - are particularly vulnerable to algorithmic control measures.⁴²

Additional concerns relate to AI's tendency to operate as a capital-biased innovation, shifting economic returns away from labour and towards technology owners. A CEPR analysis finds that regions with greater AI patenting activity – particularly those with strong industrial bases – experienced declined labour shares of income, furthering the unequal distribution of AI-driven gains.⁴³

This uneven distribution of AI's risks and rewards complicates efforts to predict its overall impact on income inequality: while AI may create productivity gains for highly skilled workers, it may also intensify inequality if displaced workers lack access to new opportunities or if the benefits of AI adoption accrue primarily to capital owners.⁴⁴

2.3 Impact of AI on Ireland's Labour Market

Ireland's reliance on digital and knowledge-intensive industries makes it particularly exposed to these dynamics. Globally, AI is projected to affect approximately 40% of jobs, rising to 60% in advanced economies where cognitive and task-intensive roles are more prevalent. Ireland's

42 Lena Simet and Anna Bacciarelli, "AI Already Runs the Gig Economy," Human Rights Watch, Foreign Policy In Focus, June 3, 2026, <https://www.hrw.org/news/2026/06/03/ai-already-runs-the-gig-economy>.

43 Antonio Minniti et al., *AI and the Distribution of Income between Capital and Labour*, March 3, 2026, <https://cepr.org/voxeu/columns/ai-and-distribution-income-between-capital-and-labour>.

44 Mauro Cazzaniga et al., "Gen-AI: Artificial Intelligence and the Future of Work," *Staff Discussion Notes* 2024, no. 001 (2024): 1, <https://doi.org/10.5089/9798400262548.006>; Karina Doorley et al., *Artificial Intelligence and Income Inequality in Ireland* (ESRI, 2026), <https://doi.org/10.26504/jr16>; Antonio Minniti et al., *AI and the Distribution of Income between Capital and Labour*, March 3, 2026, <https://cepr.org/voxeu/columns/ai-and-distribution-income-between-capital-and-labour>.

exposure is even higher at 63%.⁴⁵ In 2025, 19.6% of all Irish businesses reported using AI, climbing from 8.0% in 2023. Small and medium enterprises (SMEs) and large enterprises were even more likely to report AI use at 79.3% and 57.3%, respectively.⁴⁶ However, workplace adoption of AI is not consistent across occupations: more than one-third of white-collar occupations use AI tools at work, compared to less than 20% for the rest of occupations and 6% for elementary occupations.⁴⁷ As is the case globally, higher-income and highly educated workers are more likely to be exposed to AI.⁴⁸

Approximately 33% of roles in Ireland, particularly in healthcare, education, and social services, are expected to benefit from AI-enabled productivity improvements as routine tasks are automated and workers gain more time for higher-value activities. Of the more than 400 occupations assessed by the Department of Finance, 102 were identified as being in a relatively "high gain" position.⁴⁹ These workers are expected to experience increased productivity and "modest but broadly shared wage gains."⁵⁰ Additionally, AI adoption may generate new employment opportunities in areas such as AI implementation, governance, and oversight.⁵¹

However, approximately 30% of Irish jobs face a higher risk of displacement, particularly in sectors characterised by routine cognitive tasks and limited opportunities for human-AI complementarity. Of the occupations assessed by the Department of Finance, 72 were identified as relatively "at risk." Industries involving high levels of information processing and limited physical labour or interpersonal interaction are most vulnerable to AI disruption. In Ireland, financial services and insurance, alongside information and communication technology, face the highest levels of exposure, with 97% and 94% of roles respectively affected. These sectors are particularly vulnerable due to the limited complementarity of many occupations, increasing the likelihood of task automation and potential job displacement.⁵² Ireland is already experiencing signs that AI is contributing to disruption as recent layoffs at several Big Tech firms in Ireland fuel uncertainty amongst Irish workers.⁵³

2.3.1 Identifying Factors Affecting Exposure and Complementarity

The distribution of these impacts is uneven across geography, gender, education and age.

Geography: AI exposure is higher in Ireland's urban centres, where financial services and Information and Communication Technology (ICT) employment is heavily concentrated. Dublin

45 Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

46 Eurostat, "Businesses Using AI Technologies (% of Businesses)," 2025, https://ec.europa.eu/eurostat/cache/dashboard/digitalisation/#/detailed/DS_3.

47 Ignacio González Vázquez et al., eds., *Digital Monitoring, Algorithmic Management and the Platformisation of Work in Europe* (Publications Office, 2025), <https://doi.org/10.2760/9406086>.

48 Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

49 Ibid.

50 Karina Doorley et al., *Artificial Intelligence and Income Inequality in Ireland* (ESRI, 2026), <https://doi.org/10.26504/jr16>.

51 Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

52 Ibid; Molly Newell, *Accounting for Workers in the Age of AI: Understanding the Impact of Artificial Intelligence on Financial Services Employment in Ireland* (Financial Services Union, 2025), https://www.tasc.ie/assets/files/pdf/fsu_accounting_for_workers_in_the_age_of_ai.pdf.

53 Ciara O'Brian, "At Least 60 Jobs Expected to Go at Microsoft's Irish Operations," *Irish Times*, July 7, 2026, <https://www.irishtimes.com/business/2026/07/07/up-to-60-jobs-could-go-at-microsofts-irish-operations/>; Roger Lee, "Tech Layoffs," *Dataset, Layoffs.Fyi*, 2026 2020, <https://layoffs.fyi/>; Ciara O'Brian, "Amazon's Irish Operations Set for up to 325 Layoffs amid Wider Cost Cuts," *Irish Times*, January 28, 2026, <https://www.irishtimes.com/business/2026/01/28/amazon-to-cut-16000-corporate-jobs-worldwide/>.

faces the most significant exposure nationally, with 71% of workers employed in roles with high AI exposure.⁵⁴ While rural areas are less exposed due to greater employment in sectors such as agriculture, they may also benefit less from productivity gains associated with AI-intensive industries. This creates a risk that AI could reinforce existing regional inequalities.

Gender: Unlike previous waves of automation, which disproportionately affected male-dominated manufacturing roles, AI-driven transformation is expected to have a greater impact on many female-dominated occupations.⁵⁵ Women in Ireland are more likely to work in administrative, customer service, and support roles with higher exposure to AI. Approximately 76% of women are employed in high AI-exposure occupations, compared with 51% of men. Furthermore, 38% of women are employed in high-exposure, low-complementarity roles considered most vulnerable to displacement, compared with 23% of men. This gender gap is wider than other advanced economies – a disparity that is partly explained by the higher proportion of men employed occupations with lower AI exposure such as agriculture, transportation, and construction.⁵⁶

An additional factor potentially undermining women's long-term job security is the lower rates with which they engage with AI. An analysis of web traffic data estimates the gap between men's and women's AI adoption has stabilised at 16% since 2025. Additionally, women tend to use AI products for shorter periods of time and are less likely to use "frontier" models.⁵⁷ This gender gap is even more pronounced in Irish workplaces. Ireland has the largest gender gap in advanced digital skills use in Europe, with 44% of men using advanced digital skills at work compared with just 18% of women, reflecting a pronounced "digital glass ceiling" in the most digitally intensive occupations. While occupational and sectoral segregation explains part of this disparity, women remain less likely than comparable men to use advanced digital skills, and the persistence of larger gaps among younger workers suggests the inequality is unlikely to diminish without targeted intervention.⁵⁸

Education: With higher levels of education linked to higher levels of exposure, highly educated individuals stand to both gain and lose the most from AI.⁵⁹ According to 2024 estimates, approximately 95% of individuals with doctoral degrees work in high-exposure occupations, compared with 26% of those with lower levels of education. While higher education generally increases workers' ability to complement AI through skills such as problem-solving and analytical reasoning, it does not eliminate displacement risks. Notably, 38% of workers with honours bachelor's degrees are employed in high-exposure, low-complementarity occupations.⁶⁰

Age: Younger workers are slightly more likely to be exposed to AI than older workers, reflecting their higher levels of educational attainment and concentration in occupations with greater AI

54 Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

55 Ibid.

56 Ibid.

57 Katelyn Cranney et al., "Global Evidence on Gender Gaps and Generative AI Over Time," preprint, SSRN, 2026, <https://doi.org/10.2139/ssrn.6880085>.

58 Adele Whelan et al., *Squandered Skills? Bridging the Digital Gender Skills Gap for Inclusive Growth in Ireland – A Comparative European Perspective* (ESRI, 2026), <https://doi.org/10.26504/JR15>.

59 Tyna Eloundou et al., "GPTs Are GPTs: Labor Market Impact Potential of LLMs," *Science* 384, no. 6702 (2024): 1306–8, <https://doi.org/10.1126/science.adj0998>; Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

60 Harry Williamson et al., "Occupational Exposures, Complementarity and the Potential Consequences of A.I. for the Labour Market: Some Evidence from Ireland," *Journal for Labour Market Research* 59, no. 1 (2025): 30, <https://doi.org/10.1186/s12651-025-00418-w>.

exposure.⁶¹ At the same time, initial trends suggest that AI may create systemic challenges for younger workers' long-term career progression, as automation reduces demand for entry-level roles that have traditionally served as pathways into employment and skills development.⁶² In contrast, older workers are more likely to work in roles such as skilled trades and elementary occupations, which are currently less affected by AI. However, despite lower exposure, older workers may face challenges adapting to technological change, as they are generally less likely to participate in lifelong learning and digital skills training.⁶³

Spotlight: The Impact of AI on Young Workers in Ireland

Across Ireland, youth employment in key white-collar sectors, including technology, finance, real estate, and science, has declined by more than 9% over the past three years.⁶⁴ While it's unclear how much of that drop is directly related to AI, young workers are facing mounting uncertainty as AI reshapes labour markets.

Research from the National Youth Council of Ireland,⁶⁵ *Irish Young People Decode AI*, found that teenagers as young as 13 are already concerned that AI may negatively affect their employment prospects. At the same time, young people recognise AI's potential benefits, creating a clear demand for stronger education, governance, and regulation to ensure technological change is managed fairly.

Early signs suggest that AI is already influencing young people's career decisions in Ireland. Applications to IT-related higher education courses have fallen to their lowest level since 2017, amid growing concerns that AI will disrupt employment opportunities in the technology sector.⁶⁶ These concerns are reinforced by recent layoffs affecting Irish employees at major companies including TikTok, Microsoft, Meta, Salesforce, and Amazon.⁶⁷

Beyond immediate employment impacts, AI may also affect the longer-term development of young workers. Entry-level roles have traditionally provided opportunities for informal learning, mentorship, and the gradual accumulation of workplace skills. As AI automates routine tasks often assigned to early-career employees, there is a risk that younger workers lose access to these important pathways for professional development and progression.⁶⁸

61 Ibid.

62 Reuban Murray, *Irish Young People Decode AI: Verdicts from NYC's Citizens' Youth Juries* (National Youth Council of Ireland, 2026), <https://www.youth.ie/documents/irish-young-people-decode-ai-verdicts-from-nycis-citizens-youth-juries/>; Vivek Soundararajan, "AI Could Mark the End of Young People Learning on the Job – with Terrible Results," IPR Blog, University of Bath, February 13, 2026, <https://blogs.bath.ac.uk/iprblog/2026/02/13/ai-could-mark-the-end-of-young-people-learning-on-the-job-with-terrible-results/>; Donal MacNamee, "Students Turning Away from College IT Degrees as AI Wipes out Jobs," Business Post, June 6, 2026, <https://www.businesspost.ie/tech/students-turning-away-from-college-it-degrees-as-ai-wipes-out-jobs/>.

63 Ibid.

64 Donal MacNamee, "Students Turning Away from College IT Degrees as AI Wipes out Jobs," Business Post, June 6, 2026, <https://www.businesspost.ie/tech/students-turning-away-from-college-it-degrees-as-ai-wipes-out-jobs/>.

65 Reuban Murray, *Irish Young People Decode AI: Verdicts from NYC's Citizens' Youth Juries* (National Youth Council of Ireland, 2026), <https://www.youth.ie/documents/irish-young-people-decode-ai-verdicts-from-nycis-citizens-youth-juries/>.

66 Donal MacNamee, "Students Turning Away from College IT Degrees as AI Wipes out Jobs," Business Post, June 6, 2026, <https://www.businesspost.ie/tech/students-turning-away-from-college-it-degrees-as-ai-wipes-out-jobs/>.

67 Ciara O'Brian, "At Least 60 Jobs Expected to Go at Microsoft's Irish Operations," Irish Times, July 7, 2026, <https://www.irishtimes.com/business/2026/07/07/up-to-60-jobs-could-go-at-microsofts-irish-operations/>; Roger Lee, "Tech Layoffs," Dataset, Layoffs.Fyi, 2026 2020, <https://layoffs.fyi/>; Ciara O'Brian, "Amazon's Irish Operations Set for up to 325 Layoffs amid Wider Cost Cuts," Irish Times, January 28, 2026, <https://www.irishtimes.com/business/2026/01/28/amazon-to-cut-16000-corporate-jobs-worldwide/>.

68 Vivek Soundararajan, "AI Could Mark the End of Young People Learning on the Job – with Terrible Results," IPR Blog, University of Bath, February 13, 2026, <https://blogs.bath.ac.uk/iprblog/2026/02/13/ai-could-mark-the-end-of-young-people-learning-on-the-job-with-terrible-results/>.

2.4 Impact on Household Income and Expenses

While AI adoption may generate productivity gains and wage increases for some workers, ESRI analysis finds that these benefits are unlikely to offset income losses from job displacement. Increases in returns to capital are also expected to disproportionately benefit households at the top of the income distribution, where most capital income is concentrated. Overall, AI adoption is projected to reduce average household disposable income, with middle- and higher-income households experiencing the largest losses as displacement effects outweigh wage and capital gains. Lower-income households are also affected, though Ireland's tax and welfare system absorbs some of the income shock. Despite these protections, income inequality is expected to rise moderately as AI-driven job losses combine with unequal access to wage and capital gains.⁶⁹

Households also face rising utility costs linked to the expansion of AI infrastructure in Ireland. An analysis by Friends of the Earth Ireland estimates that Irish households paid an additional €715 million due to the rapid expansion of data centres and the added pressure on the Irish Single Electricity Market. These costs are likely to intensify in the coming decade; Friends of the Earth estimates that households could face an extra €1.43 billion in electricity bills linked to data centre growth. These additional costs highlight that the distributional impacts of AI extend beyond employment and income, affecting households through broader economic and infrastructure pressures⁷⁰.

2.5 Inequality within Digitally Transformed Workplaces

The growing use of digital tools to organise, manage, and evaluate workers is reshaping workplaces in the name of efficiency while creating new challenges for worker rights. Digital tools – ranging from card swipe readers and GPS tracking to AI-enabled recruitment and algorithmic performance management – are frequently presented by employers as neutral interventions intended to streamline operations and boost efficiency. In reality, these tools constitute a significant power reconfiguration that undermines workers' autonomy, dignity, privacy, and decision-making authority.⁷¹

One of the most significant developments is algorithmic management, defined by the Organisation for Economic Co-operation and Development (OECD) as "the use of technological tools to fully or partially automate tasks traditionally carried out by human managers, including the collection of worker data without the processing of such data."⁷² Initially developed in platform work and call centres, these systems have since expanded into sectors including retail, manufacturing, financial services, health care, and office-based occupations.⁷³ Algorithmic management operates primarily through algorithmic direction – which allocates working time, provides instructions to workers, and guides work tasks – and algorithmic evaluation, which automates worker monitoring, benchmarking, and rewards. The use of algorithmic evaluation is particularly prevalent among clerical, industrial operators, and service workers.⁷⁴

69 Karina Doorley, Jan Gromadzki, Piotr Lewandowski, Dora Tuda, and Philippe Van Kerm. "Automation and Income Inequality in Europe." IZA Discussion Paper, No. 16499 (2023).

70 Sean Fearon, *The Cost of Data Centres: Modelling the Impact of Data Centres on Electricity Bills for Irish Households* (Friends of the Earth, 2026), https://www.friendsoftheearth.ie/assets/files/pdf/the_cost_of_data_centres_-_modelling_the_household_electricity_costs_of_irelands_data_centre_sector.docxpdf.pdf.

71 *Negotiating digitalised workplaces: rights and obligations, Ireland*, with Marta Lasek-Markey (Friedrich-Ebert-Stiftung e.V, 2026).

72 OECD, *How Widespread Is Algorithmic Management in Workplaces?* (2025), <https://doi.org/10.1787/cda7a114-en>.

73 Ignacio González Vázquez et al., eds., *Digital Monitoring, Algorithmic Management and the Platformisation of Work in Europe* (Publications Office, 2025), <https://doi.org/10.2760/9406086>.

74 Ibid.

Recent evidence points to the proliferation of algorithmic management systems. An OECD survey of over 6,000 firms found widespread and growing adoption of algorithmic management across advanced economies.⁷⁵ Similarly, the AIM-WORK survey found that approximately one in four EU workers report being subject to algorithmic management, while almost one-third reported using AI-powered tools at work. In Ireland, the forms of algorithmic management workers report experiencing most frequently are the assignment of working time (30%) and tasks (26%).⁷⁶

The equality implications are particularly evident in the rise of AI-enabled recruitment, where automated systems increasingly determine access to employment⁷⁷. While AI-enabled recruitment systems can ideally improve process consistency, lessen administrative burdens, provide more timely feedback to applicants, and reduce some forms of human bias by applying more standardised decision-making processes, these benefits rely entirely on the quality of the system itself. Significant ethical risks remain, including algorithmic bias, privacy loss, power imbalances, limited transparency and explainability, reduced human oversight, and unclear accountability.⁷⁸ Of particular concern is the tendency of these systems to reproduce existing social biases against underrepresented groups. University of Washington research found that AI tools, including LLMs, favoured white and male applicants across 550 real resumes. According to this research, the AI tools favoured white-associated names 85% of the time and female-associated names 11% of the time.⁷⁹ While the EU AI Act places some limitations on these systems, oversight is critical in ensuring that AI-hiring systems don't continue to block marginalised communities from accessing employment.⁸⁰

3. Digitalising Inequality: How AI Systems Can Exacerbate Social Inequality within Ireland

Artificial intelligence has the potential to deepen existing patterns of social inequality in Ireland if systems are designed, trained, or deployed without adequate safeguards. While AI offers various efficiencies in workplaces, it can also reinforce existing biases and disproportionately disadvantage groups that already experience discrimination.

3.1 Algorithmic Bias

As decision-making is increasingly delegated to AI systems, ensuring these technologies do not reproduce existing inequalities has become a technical challenge and an ethical imperative. Algorithmic bias refers to "prejudicial, discriminatory, unjust, inaccurate, or otherwise disparate performance or outcomes from algorithmic systems based on racial, gender, or other attributes of an individual or a group."⁸¹ While algorithmic systems are often perceived as objective,⁸² research consistently shows they can reflect and amplify the biases embedded within the data on which

75 Anna Milanez et al., *Algorithmic Management in the Workplace: New Evidence from an OECD Employer Survey*, OECD Artificial Intelligence Papers, 31st ed., OECD Artificial Intelligence Papers (2025), <https://doi.org/10.1787/287c13c4-en>.

76 Ignacio González Vázquez et al., eds., *Digital Monitoring, Algorithmic Management and the Platformisation of Work in Europe* (Publications Office, 2025), <https://doi.org/10.2760/9406086>.

77 Anna Lena Hunkenschroer and Christoph Luetge, "Ethics of AI-Enabled Recruiting and Selection: A Review and Research Agenda," *Journal of Business Ethics* 178, no. 4 (2022): 977–1007, <https://doi.org/10.1007/s10551-022-05049-6>.

78 Ibid.

79 Moody, K. 2024. AI Tools Are Biased in Ranking Job Applicants' Resumes, Study Shows. HR Dive. <https://www.hrdiver.com/news/ai-tools-are-biased-in-ranking-job-applicants-resumes/732134/>.

80 Nazareth & Partners, "What the EU AI Act Means for Staffing Businesses," EU Artificial Intelligence Act, March 17, 2026, <https://artificialintelligenceact.eu/what-the-act-means-for-staffing-businesses/>.

81 Abeba Birhane, "Algorithmic Bias," in *Open Encyclopedia of Cognitive Science*, 1st ed., with Michael C. Frank et al. (MIT Press, 2026), <https://doi.org/10.21428/e2759450.50c7e139>.

82 Bibin Xavier, "Biases within AI: Challenging the Illusion of Neutrality," *AI & SOCIETY* 40, no. 3 (2025): 1545–46, <https://doi.org/10.1007/s00146-024-01985-1>.

they are trained.⁸³ Bias can arise through flawed training data, poor model design, unintentional decisions by developers, or the use of proxy variables that indirectly capture protected characteristics such as religion, gender, ethnicity, or disability.⁸⁴ The opacity of many AI systems – both in their design and deployment – also makes it difficult for individuals to understand or challenge decisions that affect them.

Evidence of algorithmic discrimination has emerged across disciplines including healthcare,⁸⁵ employment,⁸⁶ criminal justice,⁸⁷ and public administration.⁸⁸ Predictive policing systems, for example, have been shown to reproduce historical patterns of racial discrimination by relying on biased crime and policing data.⁸⁹ Even newer generative AI systems exhibit similar shortcomings. Large language models have been found to reproduce harmful stereotypes, associating women with lower-paid occupations and caregiving roles, while generating disproportionately negative content about LGBTQ+ people.⁹⁰

Facial recognition technology (FRT) presents a particularly significant concern. Numerous studies have found that FRT systems produce higher error rates for women and people with darker skin tones.⁹¹ The Irish Council for Civil Liberties has warned that the deployment of facial recognition technology in Ireland would have an “enduring and long-term effect on individuals’ ability to freely participate in public protest and move freely in publicly accessible places”.⁹² Despite these very legitimate concerns, in July 2026 the Irish government granted An Garda Síochána expanded powers to use artificial intelligence to analyse biometric data.⁹³

Recent European rulings demonstrate that algorithmic discrimination is increasingly being recognised under existing equality law. In rulings handed down in 2025, equality authorities in France and the Netherlands determined that Meta’s advertising algorithms discriminated against women by disproportionately showing STEM job advertisements to men. These landmark decisions confirmed that anti-discrimination protections apply equally to algorithmic systems and that technology companies can be required to modify AI systems that produce unlawful discriminatory outcomes.⁹⁴

83 Alexandros Minotakis et al., *Gendered Perspectives among SME Representatives* (FORSEE, 2026), <https://forseeproject.eu/publication/gendered-perspectives-among-sme-representatives/>.

84 Adrian Byrne et al., *Bias in AI: Tackling the Issues through Regulations and Standards* (Public Policy, 2024), <https://publicpolicy.ie/papers/bias-in-ai-tackling-the-issues-through-regulations-and-standards/>; “Generic Risks and Biases: Processing and Validation Bias Types,” Inter-Parliamentary Union, Parliamentary Data Science Hub, <https://www.ipu.org/ai-guidelines/generic-risks-and-biases>

85 Raj M. Ratwani et al., “Addressing AI Algorithmic Bias in Health Care,” *JAMA* 332, no. 13 (2024): 1051, <https://doi.org/10.1001/jama.2024.13486>.

86 Zhisheng Chen, “Ethics and Discrimination in Artificial Intelligence-Enabled Recruitment Practices,” *Humanities and Social Sciences Communications* 10, no. 1 (2023): 567, <https://doi.org/10.1057/s41599-023-02079-x>.

87 Julia Angwin et al., “Machine Bias There’s Software Used across the Country to Predict Future Criminals. And It’s Biased against Blacks,” *ProPublica*, May 23, 2016, <https://www.propublica.org/article/machine-bias-risk-assessments-in-criminal-sentencing>.

88 Melissa Heikkilä, “Dutch Scandal Serves as a Warning for Europe over Risks of Using Algorithms,” *POLITICO*, March 29, 2022, <https://www.politico.eu/article/dutch-scandal-serves-as-a-warning-for-europe-over-risks-of-using-algorithms/>.

89 United Nations, “Racism and AI: ‘Bias from the Past Leads to Bias in the Future,’” United Nations, Office of the High Commissioner, July 30, 2024, <https://www.ohchr.org/en/stories/2024/07/racism-and-ai-bias-past-leads-bias-future>.

90 Noah Siegel and Jackie Key, “Challenging Systematic Prejudices: An Investigation into Bias against Women and Girls in Large Language Models,” UNESCO (2024). <https://unesdoc.unesco.org/ark:/48223/pf00000388971>.

91 Abeba Birhane, “Algorithmic Bias,” in *Open Encyclopedia of Cognitive Science*, 1st ed., with Michael C. Frank et al. (MIT Press, 2026), <https://doi.org/10.21428/e2759450.50c7e139>.

92 Irish Council for Civil Liberties, “Facial Recognition Technology (FRT),” Irish Council for Civil Liberties, 2022, <https://www.iccl.ie/facial-recognition-technology/>.

93 Houses of the Oireachtas, *Garda Síochána (Recording Devices) (Amendment) Act 2026*, July 16, 2026, <https://www.oireachtas.ie/en/bills/bill/2025/82/>; Róisín Á Costello and Olga Cronin, “Garda AI Bill Lacks Legal Clarity and Threatens Fundamental Rights – ICCL and Trinity Law Professor,” Irish Council for Civil Liberties, June 23, 2026, <https://www.iccl.ie/news/garda-ai-bill-iccl-trinity/>.

94 Rosie Sharpe, “Meta Held to Account over Discriminatory Algorithm,” *Global Witness*, March 30, 2026, <https://globalwitness.org/en/campaigns/digital-threats/meta-held-to-account-over-discriminatory-algorithm/>.

3.2 Ireland's Digital Divide

While Ireland enjoys high levels of digital skills, disparities remain due to limited access to devices or connectivity, a lack of digital skills, and difficulties navigating online services.⁹⁵ Older adults, people with lower levels of educational attainment, and disadvantaged communities are less likely to possess the digital skills needed to use AI safely and effectively, increasing the risk of exclusion from AI-enabled services and employment opportunities.⁹⁶

Digital inclusion is a core component of the Government's efforts to address social equality concerns related to AI. In the 2026 National Digital & AI Strategy 2030, the government commits to "enabling and empowering our people, workers and businesses to develop and embrace new technologies...[The Government] will ensure that all cohorts of society are supported to thrive in a digital Ireland, including through flexible, agile and fit-for-purpose digital skills provision."⁹⁷

3.3 The Use of Digital Tools to Advance Harmful Activities

The growing sophistication of generative AI is making it increasingly difficult to distinguish authentic content from synthetic media. While these technologies offer legitimate benefits, they also create new risks for democracy by enabling the rapid creation and dissemination of convincing false or misleading content. AI-generated deepfakes, synthetic media, and AI-powered social media bots can imitate genuine users, spread inaccurate information to voters, and undermine trust in democratic institutions.

The reliability of AI-generated information is also a concern. During the 2026 Scottish pre-election period, researchers found that 34.1% of responses produced by ChatGPT, Google Gemini, Google AI Overviews, Grok, and Replika contained factual errors including incorrect election dates, inaccurate voter ID requirements, fake candidates, and fabricated political scandals.⁹⁸

Generative AI is also increasingly being used to amplify extremist narratives. Following the 2023 Dublin riots, AI-generated images and videos became common within Ireland's emerging far-right movement, particularly in anti-immigration campaigns. One AI-generated image depicting Conor McGregor standing in front of a burning bus - referencing the riots - received over 20 million views. Researchers have also documented the use of AI-generated images portraying fictional "supporters" and fabricated scenes intended to provoke anti-migrant sentiment.⁹⁹ Similar trends were observed following the 2024 Southport riots in the UK, where AI-generated racist imagery attracted significantly higher engagement than other content, demonstrating how generative AI can accelerate the spread of disinformation, hate speech, and social division.¹⁰⁰

95 Department of Enterprise, Tourism and Employment, "Charter for Digital Inclusion," Government of Ireland, 2026, <https://enterprise.gov.ie/en/what-we-do/supports-for-smes/digital-transformation/charter-for-digital-inclusion/>.

96 European Commission, "Digital Decade DESI Visualisation Tool," 2026 2023, <https://digital-decade-desi.digital-strategy.ec.europa.eu/>.

97 Department of the Taoiseach, "Digital Ireland: Connecting Our People, Securing Our Future.," Government of Ireland, February 18, 2026, https://assets.gov.ie/static/documents/5e511b3a/National_Digital_and_AI_Strategy_2030.pdf.

98 Hancock Jamie and Azzurra Moores, *Electoral Hallucinations: Safeguarding UK Elections in the World of LLMs and AI Chatbots* (Demos, 2026), <https://demos.co.uk/research/electoral-hallucinations-safeguarding-uk-elections-in-the-world-of-llms-and-ai-chatbots/>.

99 Ben Quinn and Dan Milmo, "How the Far Right Is Weaponising AI-Generated Content in Europe," The Guardian, November 26, 2024, <https://www.theguardian.com/technology/2024/nov/26/far-right-weaponising-ai-generated-content-europe>.

100 Bitesize, "Timeline of How Online Misinformation Fuelled UK Riots," Bitesize, BBC, BBC, <https://www.bbc.co.uk/bitesize/articles/zshjs82>.

Case Study: Deepfakes as a Form of Sexual Violence

A growing threat facing women and children is the damaging proliferation of sexual deepfake images. As generative AI (GenAI) tools become more accessible and sophisticated, they can create increasingly realistic synthetic pornography that depicts real people falsely engaging in sexual acts without their consent. Today, “nudifying” tools are widely accessible and affordable, making their threat ever more significant.¹⁰¹ Deepfake creators have targeted influencers, journalists, public figures, and private individuals with thousands of images and videos spread across online platforms.¹⁰² Victims of non-consensual deepfake pornography (i.e., synthetic and false depictions of sexual acts) can face severe consequences, including harassment, humiliation, and reputational harm. Midlands-North-West MEP Maria Walsh has described this problem as “the next frontier of gender-based violence.”¹⁰³

The disturbing extent of this problem was brought into focus in January 2026 when analysis by AI Forensics of over 20,000 images generated by Grok – an AI-powered chatbot developed by Elon Musk’s xAI – found that 53% contained individuals in minimal attire, of which 81% presented as women and 2% appeared to be aged 18 or younger.¹⁰⁴ The content targeted both private individuals and public figures, with many images involving online models and sex workers. Some of the content veered into violent territory, with Grok “altering images to depict real women being sexually abused, humiliated, hurt, and even killed.”¹⁰⁵

Several national governments then put pressure on X to prevent Grok from creating these harmful images.¹⁰⁶ On January 14, X stated that Grok will no longer be allowed to “edit images of real people in revealing clothing such as bikinis.”¹⁰⁷

As the home of X’s European headquarters, Ireland’s Data Protection Commission (DPC) has taken the lead of the European response. On 16 February, the DPC launched a “large-scale inquiry” into X to assess whether Grok violated the General Data Protection Regulation (GDPR).¹⁰⁸ The EU also launched an investigation under the power of the Digital Services Act (DSA).¹⁰⁹ Irish civil society groups, including Rape Crisis Ireland, have called for a total ban on AI “nudification” functions capable of producing deepfake sexual images of children and adults.¹¹⁰ Despite these investigations and public outcry, X has not yet faced punitive action from Irish or European authorities.

101 *Mapping the ‘Nudify’ Tools Ecosystem*, The Lifecycle of Gendered Deepfakes: Threat Analysis, Distribution Patterns, and Policy Implications of AI and Image-Based Violence (Institute for Strategic Dialogue, 2026), <https://www.isdgglobal.org/publication/mapping-the-nudify-tools-ecosystem/>.

102 Haleluya Hadero, “Deepfake Porn Could Be a Growing Problem amid AI Race,” Irish Examiner, April 18, 2023, <https://www.irishexaminer.com/opinion/commentanalysis/arid-41119129.html>.

103 Dara Bradley, “Deepfake Porn ‘next Frontier of Gender-Based Violence,’” Connacht Tribune, Connacht Tribune, February 4, 2026, <https://www.connachttribune.ie/news/deepfake-porn-next-frontier-of-gender-based-violence-5595798>.

104 Paul Bouchaud, *Grok Unleashed: Grok Generating Flood of Sexualized Images of Women, Including Minors, and Extremist Propaganda* (AI Forensics, 2026), <https://aiforensics.org/uploads/GrokUnleashed.pdf>.

105 Maggie Harrison Dupré, “Grok Is Being Used to Depict Horrific Violence Against Real Women,” Futurism, January 2, 2026, <https://futurism.com/future-society/grok-violence-women>.

106 Justin Hendrix and Ramsha Jahangir, “Tracking Regulator Responses to the Grok ‘Undressing’ Controversy,” Tech Policy. Press, January 6, 2026, <https://www.techpolicy.press/tracking-regulator-responses-to-the-grok-undressing-controversy/>.

107 Hadas Gold, “Elon Musk’s Grok Can No Longer Undress Images of Real People on X,” CNN, January 15, 2026, <https://edition.cnn.com/2026/01/14/tech/grok-elon-musk-image-generation>.

108 Data Protection Commission, *Data Protection Commission Opens Investigation into X (XIUC)*, Press Release, February 17, 2026, <https://www.dataprotection.ie/en/news-media/press-releases/data-protection-commission-opens-investigation-x-xiuc>.

109 Mahima Kapoor, “Ireland Launches Data Protection Probe into Grok’s Deepfakes,” Data Watcher, February 17, 2026, <https://www.dw.com/en/ireland-launches-data-protection-probe-into-groks-deepfakes/a-75997610>.

110 Rape Crisis Ireland, *RCI Calls for a Ban on ‘Nudification’ Functionality of AI*, Press Release, January 6, 2026, <https://www.rapecrisisireland.ie/rci-calls-for-a-ban-on-nudification-functionality-of-ai/>.

The rapid rise of sexual deepfakes demonstrates how emerging technologies can replicate and amplify existing forms of violence against women and children. Rather than creating entirely new harms, these tools can accelerate long-standing patterns of exploitation, harassment, and gender-based abuse by making it easier to target victims at scale and with greater realism. Without stronger safeguards and accountability, AI systems risk reinforcing existing inequalities by enabling forms of digital violence that disproportionately affect women and children.

3.4 Disability and Inclusion

With 16% of the global population experiencing significant disability,¹¹¹ supporters of AI tout its potential to facilitate inclusion. Advances in AI-powered accessibility tools, particularly large language models (LLMs), can enhance communication and independence by converting text to speech, summarising complex information into plain language, providing real-time translation, and interpreting multimedia content. These technologies have the potential to reduce barriers in employment, education, and everyday life. However, their benefits are not guaranteed. People with disabilities may also face heightened risks from algorithmic bias, inaccessible system design, data privacy concerns, and unequal access to digital technologies. Ensuring AI systems are developed according to universal design principles and are accessible by default will be essential if AI is to reduce, rather than reinforce, existing inequalities.¹¹²

4. Global Inequality

Artificial intelligence has the potential to widen existing global inequalities by concentrating technological, economic and political power in a small number of countries. While AI adoption has expanded rapidly, access, infrastructure and the capacity to develop advanced AI systems remain highly uneven. Frontier AI development is dominated by a handful of countries, with the United States accounting for approximately 75% of the computing power among the world's leading AI supercomputers and China around 15%.¹¹³ These countries, alongside a small number of firms, also control the development of most frontier AI models and the critical semiconductor supply chains required to build them. As a result, many countries depend on foreign providers for access to advanced AI systems, undermining digital sovereignty and limiting their ability to shape governance, ensure transparency, or adapt AI to local needs.¹¹⁴

Global inequalities are also embedded within the AI supply chain. The hardware underpinning AI relies on critical minerals such as cobalt, lithium and copper, much of which is extracted in low- and middle-income countries under conditions associated with labour exploitation, environmental degradation, and weak regulatory oversight.¹¹⁵ For example, Amnesty International has documented forced evictions and exploitative working conditions linked to cobalt mining in the

111 United Nations, "Building an Accessible Future for All: AI and the Inclusion of Persons with Disabilities," United Nations, Regional Information Centre for Western Europe, December 2, 2024, <https://unric.org/en/building-an-accessible-future-for-all-ai-and-the-inclusion-of-persons-with-disabilities/>.

112 Ibid.

113 United Nations, *Preliminary Report of the Independent International Scientific Panel on AI: Evidence-Based Assessment of Opportunities, Risks and Impacts of Artificial Intelligence*, Risks and Impacts of Artificial Intelligence (United Nations, 2026), https://www.un.org/independent-international-scientific-panel-ai/sites/default/files/2026-07/en_Preliminary%20Report_.pdf.

114 Ibid; Ann-Katrien Oimann, *Milestone M4: Report on Success Criteria of Different AI Stakeholders* (FORSEE, 2026), https://forseeproject.eu/wp-content/uploads/sites/7/2026/05/FORSEE_Milestone-M4-V2.0.pdf.

115 Miriam Aczel et al., *The Environmental Cost of AI's Energy Use: Carbon, Water and Land Footprints* (United Nations University Institute for Water, Environment and Health (UNU INWEH), 2026), <https://doi.org/10.53328/INR26RMA002>; Alberto Lemma, "Critical Minerals, Critical Moment: Africa's Role in the AI Revolution," ODI Global, February 10, 2025, <https://odi.org/en/insights/critical-minerals-critical-moment-africas-role-in-the-ai-revolution/>.

Democratic Republic of Congo.¹¹⁶ Profit flows also mirror exploitative colonial patterns of resource extraction: while Africa holds around 30% of the world's critical mineral reserves, it captures only 10% of the global revenue generated from these resources.¹¹⁷

Labour exploitation also extends beyond mining. An estimated 150 – 430 million workers in “digital sweatshops” across the Global South undertake the data labelling, tagging, transcription, and content moderation tasks that underpin AI systems, often under poor working conditions characterised by low pay, long hours, psychological stress, and inadequate union protection.¹¹⁸

At the end of the supply chain, low-income countries also disproportionately bear the burden of growing volumes of electronic waste generated by AI infrastructure.¹¹⁹ Together, these dynamics risk reinforcing existing global inequalities, with advanced economies capturing most of AI's economic value while many of the environmental and social costs are externalised to the Global South to the benefit of countries like Ireland.

5. Looking Ahead

Artificial intelligence is more than a technological transformation, but an economic and social one, as well. While the long-term consequences remain uncertain, it is already clear that the distribution of AI's benefits and costs will depend on the choices made by governments, employers, and society. Treating technical performance, productivity, and adoption as measures of success alone risks overlooking the wider consequences for workers, communities, equality, and the environment.¹²⁰ As Pope Leo has warned, when efficiency becomes the standard by which everything is judged, “it begins to dictate what matters and what can be discarded,” reducing “human beings to mere cogs in a system driven toward ever greater efficiency.”¹²¹

Ireland's AI policy must move beyond a narrow focus on competitiveness, adoption, and technological efficiency towards a broader conception of what constitutes successful AI. Technological progress should be judged not only by how effectively AI can transform society, but by whether that transformation produces a fair, inclusive, democratic, and sustainable future. As the European home to many leading technology firms, Ireland has a particular responsibility to uphold strong enforcement and accountability, while ensuring that the wealth and opportunities generated by AI are distributed more equitably across society.

A more inclusive approach requires broadening who has a meaningful role in decisions about AI. Social dialogue and collective bargaining give workers, unions, and employers a role in shaping how AI is implemented, allowing concerns to be addressed and workplace-specific agreements

116 Amnesty International, “Democratic Republic of the Congo: Industrial Mining of Cobalt and Copper for Rechargeable Batteries Is Leading to Grievous Human Rights Abuses,” Amnesty International, September 12, 2023, <https://www.amnesty.org/en/latest/news/2023/09/drc-cobalt-and-copper-mining-for-batteries-leading-to-human-rights-abuses/>.

117 Alberto Lemma, “Critical Minerals, Critical Moment: Africa's Role in the AI Revolution,” ODI Global, February 10, 2025, <https://odi.org/en/insights/critical-minerals-critical-moment-africas-role-in-the-ai-revolution/>.

118 Michelle Du and Chinasa T. Okolo, “Reimagining the Future of Data and AI Labor in the Global South,” Brookings, October 7, 2025, <https://www.brookings.edu/articles/reimagining-the-future-of-data-and-ai-labor-in-the-global-south/>.

119 Miriam Aczel et al., *The Environmental Cost of AI's Energy Use: Carbon, Water and Land Footprints* (United Nations University Institute for Water, Environment and Health (UNU INWEH), 2026), <https://doi.org/10.53328/INR26RMA002>

120 Ann-Katrien Oimann, *Milestone M4: Report on Success Criteria of Different AI Stakeholders* (FORSEE, 2026), https://forseeproject.eu/wp-content/uploads/sites/7/2026/05/FORSEE_Milestone-M4-V2.0.pdf.

121 Pope Leo XIV, *Magnifica Humanitas*, Encyclical letter, Chapter 3, *Technology and Dominance*, The Holy See, May 15, 2026, https://www.vatican.va/content/leo-xiv/en/encyclicals/documents/20260515-magnifica-humanitas.html#TECHNOLOGY_AND.

to be developed.¹²² Evidence from finance and manufacturing suggests that consulting workers or their representatives is associated with better AI performance, while worker representation can also help reduce some negative impacts on working conditions.¹²³ However, increasingly complex AI systems may widen information gaps between workers and employers, putting pressure on existing forms of social dialogue.¹²⁴ While collective agreements between unions and employers explicitly addressing AI are still uncommon, the March 2025 agreement between the Financial Services Union and Bank of Ireland presents a promising path forward.¹²⁵

Upskilling and retraining will be critical in addressing gaps in digital readiness and preparing displaced workers for new roles: the World Economic Forum predicts that 40% of skills required on the job are set to change and 63% of employers already cite skills gaps as a key barrier to digital transformation.¹²⁶ In this vein, the Irish government has proposed several initiatives addressing skills shortages.¹²⁷ However, upskilling cannot be treated as a complete solution. The pace of AI development means that workers need to continually update their skills to stay current with recent developments. Rapid cycles of retraining can contribute to reskilling fatigue,¹²⁸ while excessive reliance on automated systems can weaken human expertise and problem-solving capacity – challenges that ultimately threaten worker wellbeing. Digital literacy should focus not only on teaching people how to use AI, but on developing the critical capacity to understand and challenge it.

Ultimately, ensuring that everyone benefits from the digital economy requires more than widespread AI adoption. It requires policies that distribute its gains fairly, protect people from its harms, address its environmental costs, and give people a meaningful role in determining how these technologies shape their lives.

122 OECD, *Recent Policy Developments on AI in the Labour Market*, OECD Artificial Intelligence Papers, 63rd ed., OECD Artificial Intelligence Papers (2026), <https://doi.org/10.1787/coffced7-en>.

123 *The Impact of AI on the Workplace: Main Findings from the OECD AI Surveys of Employers and Workers*, OECD Social, Employment and Migration Working Papers no. 288, vol. 288, OECD Social, Employment and Migration Working Papers (2023), <https://doi.org/10.1787/ea0a0fe1-en>.

124 OECD, *Recent Policy Developments on AI in the Labour Market*, OECD Artificial Intelligence Papers, 63rd ed., OECD Artificial Intelligence Papers (2026), <https://doi.org/10.1787/coffced7-en>.

125 Bank of Ireland and Financial Services Union, "AI Agreement between the Bank of Ireland Group and FSU," 2025, https://www.fsunion.org/assets/files/pdf/boi_fsu_ai_agreement.pdf.

126 World Economic Forum, *Future of Jobs Report 2025: 78 Million New Job Opportunities by 2030 but Urgent Upskilling Needed to Prepare Workforces*, News Release, January 7, 2025, <https://www.weforum.org/press/2025/01/future-of-jobs-report-2025-78-million-new-job-opportunities-by-2030-but-urgent-upskilling-needed-to-prepare-workforces/>.

127 Department of the Taoiseach, "Digital Ireland: Connecting Our People, Securing Our Future.," Government of Ireland, February 18, 2026, https://assets.gov.ie/static/documents/5e511b3a/National_Digital_and_AI_Strategy_2030.pdf.

128 Tittu Elizabeth Biju et al., "AI-Driven Skill Volatility and the Emergence of Re-Skilling Fatigue: The Human Cost of Perpetual Learning," *Frontiers in Artificial Intelligence* 9 (May 2026): 1785979, <https://doi.org/10.3389/frai.2026.1785979>.

The year 2026 marks 25 years since TASC was established. Throughout that period, economic inequality and democratic accountability have remained at the centre of the organisation's work. This report looks back over 25 years of TASC research, examines the current state of inequality in Ireland and considers how artificial intelligence may affect existing economic and social inequalities.

TASC's research has consistently shown that Ireland has a very unequal distribution of market income, but that its tax-and-transfer system substantially reduces the resulting inequality. The state is much better at compensating for inequality after it arises than at changing the structures that produce it. Drawing on the latest evidence, the report examines the distribution of income, poverty and deprivation, the housing crisis and the central role played by social transfers in supporting household living standards.

A special-focus chapter by TASC Technology Researcher Molly Newell explores how the rapid development of artificial intelligence could reshape work and inequality in Ireland. It considers who is most exposed to displacement, who may benefit from productivity gains and how AI could affect workplace power, discrimination, public services and the distribution of wealth.



TASC (Think tank for Action on Social Change) is an independent progressive think-tank whose core focus is addressing inequality and sustaining democracy.

