

# SERBIA

The ILO Work4Youth project worked with the Statistical Office of the Republic of Serbia to implement the School-to-work transition survey (SWTS) in 2015 (March–April). The results of the survey were published in D. Marjanovic (2016): *Labour market transitions of young women and men in the Republic of Serbia*, Work4Youth Publication Series No. 36 (Geneva, ILO). The report is also available in Serbian. The objective of this country note is to offer a general summary of youth labour market trends in Serbia based on the SWTS. Youth is defined as 15–29.

## Main findings of the ILO SWTS

### *Human capital and mismatch*

- Almost all surveyed youth had attended school or a training programme at some point in their lives (only 0.3 per cent of youth had never attended any school in 2015). Almost half of the youth population had already completed school (47.4 per cent) and 49.2 per cent was still attending school in 2015. Young women in Serbia have equal opportunities to young men in terms of access to education.
- SWTS results show a correlation between the levels of education and a young person's labour market transition: a young person with tertiary education was able to complete the transition from school to a stable/satisfactory job in 11.1 months compared to 24.5 months for youth with secondary education and 40.1 months for youth with primary education only.
- A majority of employed youth is adequately educated for the job they were doing (66.4 per cent of young workers with qualifications matching to those expected for the occupation in 2015). Yet not all educated youth is able to find a job that matched their level of qualifications; 18.8 per cent of working youth were overeducated for their job in 2015. At the same time, undereducation of young workers remains a problem in the country, especially in rural areas; 14.9 per cent of working youth had an education level below the expected for the occupation.
- Almost one-half (48.2 per cent) of current students in Serbia showed a preference for future work in the government/public sector. While the attraction of public sector employment is understandable given concerns with job security, the ability of the sector to absorb a significant number of young workers is limited.

The ILO **School-to-work transitions surveys (SWTS)** are implemented as an outcome of the Work4Youth (W4Y) project, a partnership between the ILO and The MasterCard Foundation. The project has a budget of US\$14.6 million and will run for five years to mid-2016. Its aim is to “promote decent work opportunities for young men and women through knowledge and action”. The immediate objective of the partnership is to produce more and better labour market information specific to youth in developing countries, focusing in particular on transition paths to the labour market.

See the website [www.ilo.org/w4y](http://www.ilo.org/w4y) for more information.

### *Underutilization of the youth labour potential remains a top concern*

- The youth labour underutilization rate in Serbia was relatively high at 40.9 per cent in 2015. The share of underutilized labour potential consisted of 12.0 per cent of the youth population in irregular employment (either in self-employment or paid employment with contract of less than 12 months), 22.1 per cent unemployed and 6.7 per cent inactive non-students.
- The youth unemployment rate stood at 30.8 per cent in 2015, almost twice the EU-28 average of 16.1 per cent in the same year (Eurostat, youth aged 15-29). The unemployment rate in Serbia was higher for young women than young men (35.8 and 27.3 per cent, respectively).
- Youth with the lowest levels of education are the most disadvantaged in finding work. The youth unemployment rate for those with primary education was 40.7 per cent unemployed compared to 32.9 per cent for those who finished university or postgraduate studies. By far the most successful group in finding work, however, were youth who followed the vocational education system. The unemployment rate for youth with secondary vocational training was 6 per cent while those with post-secondary vocational training faced an unemployment rate of 18.4 per cent.
- The duration of unemployment is often long. One-half (50.9 per cent) of unemployed youth had been looking for work for longer than one year in 2015.
- The share of youth neither in employment nor in education or training (NEETs) in Serbia amounted to nearly one-quarter of the youth population in 2015 (24 per cent). The share among young women was slightly higher than that of young men (26.1 and 21.9 per cent, respectively).

### *Low employment rates for youth remain a strong hindrance to the country's productive transformation*

- Less than one in three (31.8 per cent) youth in Serbia was employed in 2015. The employment ratios were higher for young men than young women (38.1 and 25.1 per cent, respectively).
- Most young workers (79.8 per cent) were in paid employment, but a significant number (17.5 per cent) remained in vulnerable employment as own-account workers (6 per cent) or unpaid family workers (11.5 per cent). At the same time, 17.3 per cent of youth in paid employment were engaged without a written contract and one-quarter (24.1 per cent) of young workers with time-limited contracts had a contract of duration less than one year.
- The services sector absorbs the majority of Serbia's young workers (52.1 per cent of young male workers and 77 per cent of young female workers), followed by industry (29.3 per cent of young male workers and 14.8 per cent of young female workers) and agriculture (18.6 and 8.1 per cent, respectively).
- Informal employment affected close to one half of young workers in Serbia (47.6 per cent in 2015).
- Only a small segment (8.7 per cent) of employed youth worked less than 20 hours during the reference week in 2015, while 13.7 per cent worked excessively long hours (more than 50 hours per week).

## **Selection of data tables**

**Table 1. Youth population by educational status, 2015 (%)**

<b>Educational status</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Never attended school	0.3	0.4	0.2
Dropped out before graduation or completion of school	3.2	3.4	3.0
Currently attending school	49.2	45.5	53.0
Education completed	47.4	50.7	43.8
Total	100	100	100

**Table 2. Key youth labour market indicators – traditional distribution, 2015 (%)**

	<b>Total</b>	<b>Male</b>	<b>Female</b>
Employed	31.8	38.1	25.1
Unemployed (strict definition)	14.2	14.3	14.0
Inactive	54.1	47.5	61.0
Total	100	100	100
Youth labour force participation rate	45.9	52.5	39.0
Youth unemployment rate (strict definition)	30.8	27.3	35.8

Note: The "strict" definition of unemployment refers to persons without work, available to work and actively engaged in a job search. The "broad" definition excludes the job search criteria. The youth unemployment rate is the number of unemployed persons divided by the youth labour force (employed plus unemployed).

**Table 3. Key youth labour market indicators – alternative distribution, 2015 (%)**

	<b>Total</b>	<b>Male</b>	<b>Female</b>
In regular employment	19.8	22.0	17.5
In irregular employment	12.0	16.1	7.6
Unemployed (broad definition)	22.1	22.6	21.7
Inactive students	39.3	35.2	43.7
Inactive non-students	6.7	4.1	9.5
Total	100	100	100
Youth labour force participation rate (broad definition)	53.9	60.8	46.7
Youth unemployment rate (broad definition)	22.1	22.6	21.7
Youth labour underutilization rate	40.9	42.8	38.8

**Table 4. Distribution of NEET youth by composition, 2015 (%)**

<b>Sex</b>	<b>NEET rate</b>	<b>of which:</b>	
		<b>Inactive non-students</b>	<b>Unemployed non-students</b>
Total	24.0	11.8	12.2
Male	21.9	9.5	12.4
Female	26.1	14.2	11.9

**Table 5. Employed youth by status in employment, 2015 (%)**

<b>Status in employment</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Wage and salaried workers (employees)	79.8	75.6	86.4
Employers	1.8	2.1	1.2
Own-account workers	6.0	7.6	3.4
Contributing (unpaid) family workers	11.5	13.1	8.9
Not classifiable	1.0	1.5	0.1
Total	100	100	100

**Table 6. Distribution of youth employment by sector at the 1-digit level, 2015 (%)**

<b>Sector</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
<b>Agriculture</b>	14.6	18.6	8.1
<b>Industry</b>	23.8	29.3	14.8
<b>Services</b>	61.7	52.1	77.0
Agriculture, forestry and fishing	14.6	18.6	8.1
Mining	1.2	1.7	0.2
Manufacturing	18.2	20.9	13.8
Electricity, gas, steam	0.6	0.8	0.1
Water supply	0.6	0.9	0.0
Construction	3.3	4.9	0.7
Wholesale and retail trade	19.9	16.8	25.0
Transport	3.9	4.0	3.8
Accommodation	6.7	5.4	8.7
Information and communications	3.9	4.2	3.5
Financial activities	2.6	2.4	3.1
Professional scientific activities	1.7	1.3	2.4
Administrative and support activities	2.6	3.0	2.1
Public administration	4.3	5.1	3.0
Education	3.0	1.0	6.3
Health and social work	3.5	1.4	6.8
Arts and entertainment	4.9	4.6	5.3
Other services	4.1	2.6	6.4
Private households	0.3	0.2	0.5
Activities of extraterritorial organizations	0.1	0.0	0.2

**Table 7. Young wage and salaried workers by type of contract, 2015 (%)**

<b>Type of contract</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Written agreement	82.7	81.3	84.7
Oral agreement	17.3	18.7	15.3
Unlimited duration	60.9	60.7	61.2
Limited duration	39.1	39.3	38.8
– Less than 12 months	24.1	26.4	20.8
– 12 months to less than 36 months	10.2	7.5	14.0
– 36 months or more	4.9	5.5	4.0
Total	100	100	100

**Table 8. Youth informal employment by composition, 2015 (%)**

	<b>Total</b>	<b>Male</b>	<b>Female</b>
Youth formal employment rate	52.4	51.5	53.7
Youth informal employment rate	47.6	48.5	46.3
Of which:			
– Informal employment outside the informal sector (share in informal employment)	81.4	79.5	84.7
– Employment in the informal sector (share in informal employment)	18.6	20.5	15.3
Total	100	100	100

**Table 9. Employed youth by overeducation, undereducation or matching qualifications, 2015 (%)**

Qualifications match	Total	Male	Female
Undereducated	14.9	16.2	12.7
Overeducated	18.8	15.3	24.5
Matching qualifications	66.4	68.5	62.8
Total	100	100	100

**Table 10. Youth unemployment rates by level of completed educational attainment, 2015 (%)**

Educational attainment	Total	Male	Female
Less than primary (including no schooling)	30.1	31.2	-
Primary	40.7	39.6	42.7
Secondary vocational	6.0	4.8	6.7
Secondary general	29.9	25.3	38.6
Post-secondary vocational	18.4	16.1	27
University and postgraduate studies	32.9	30.1	34.9

**Table 11. Unemployed youth by duration of job search, 2015 (%)**

Duration of job search	Total	Male	Female
Less than a week	1.0	1.6	0.3
1 week to less than 1 month	4.7	2.6	7.0
1 month to less than 3 months	10.6	10.3	10.8
3 months to less than 6 months	17.2	19.2	15.1
6 months to less than 1 year	15.6	16.5	14.6
More than a year	50.9	49.7	52.1
Total	100	100	100

**Table 12. Youth population by stages and subcategories of transition, 2015 (%)**

Stage of transition	Total	Male	Female
<b>Total transited</b>	<b>20.0</b>	<b>23.5</b>	<b>16.4</b>
Transited to stable employment	16.0	18.2	13.7
Transited to satisfactory temporary employment	2.0	2.5	1.4
Transited to satisfactory self-employment	2.1	2.8	1.2
<b>In transition</b>	<b>39.8</b>	<b>40.9</b>	<b>38.6</b>
Unemployed (broad definition)	17.2	17.8	16.6
In non-satisfactory temporary employment	3.8	4.7	2.8
In non-satisfactory self-employment	3.1	4.4	1.7
Active students	9.8	10.4	9.2
Inactive non-students with aim to work in the future	5.9	3.7	8.3
<b>Transition not yet started</b>	<b>40.2</b>	<b>35.6</b>	<b>45.0</b>
Inactive students	39.3	35.2	43.7
Inactive non-students with no plans to work in the future	0.8	0.4	1.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Note: Unless otherwise specified, the categories exclude current students.