

RURAL NEETS IN SERBIA



2009/2019
OVERVIEW

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EXECUTIVE SUMMARY

The situation of rural Youths Neither in Employment nor in Education or Training (NEET) aged between 15 and 34 years old, over the last decade (2010–2019) in Serbia is presented in this report. The main criterion for analysis was the degree of urbanisation, where the comparison was done between rural areas, towns and suburbs, cities, and the whole country. The data available on EUROSTAT and the national Statistical office of Serbia were used as main resources for statistical interpretation.

The statistical procedures used in the report rely on descriptive longitudinal analysis, using graphical displays (e.g. overlay line charts) as well as the calculation of proportional absolute and relative changes between observed years.

The analysis of the youth population in Serbia aged 15–24 years in total as well as the youth population for different degrees of urbanisation, for the period 2010–2019, showed a decreasing trend.

In the period 2014–2019 (which is with available data for the case of Serbia) it can be observed that the youth employment rate is increasing in all areas of urbanisation. In contrast to the employment, the level of unemployment in Serbia is constantly decreasing in the period 2014–2019. This trend is similar for all three areas of urbanisation.

The decrease in the number of early school leavers is registered in the case of entire Serbia, cities, and rural areas. The only trend of increasing of early school leavers' rate is recorded for the towns and suburbs, for the observed period 2014–2019.

In the period 2010–2019, the NEET rate is declining in Serbia for all three degrees of urbanisation. In comparison to EU countries, Serbia is still significantly above the European average, but with a tendency of reducing the gap.

РЕЗИМЕ

У овом извештају је представљена ситуација са руралним младима, који нису запослени, ни у образовању или обуци (НЕЕТ) старости између 15 и 34 године, током последње деценије (2010-2019) у Србији. Главни критеријум за анализу био је степен урбанизације, где је извршено поређење између руралних подручја, градова и предграђа, већих градова и целе земље. Подаци доступни на ЕУРОСТАТ-у и националном Заводу за статистику Србије коришћени су као главни извори за статистичку интерпретацију.

Статистичке методе које се користе у извештају ослањају се на дескриптивну лонгитудиналну анализу, користећи графичке приказе (нпр. Графиконе прекривања линија), као и израчунавање пропорционалних апсолутних и релативних промена између посматраних година.

Анализа укупне популације младих у Србији од 15 до 24 године, као и популације младих за различите степене урбанизације, за период 2010-2019, показала је тренд смањења.

У периоду 2014-2019 (што су доступни подаци за случај Србије) може се приметити да се стопа запослености младих повећава у свим областима урбанизације. За разлику од запослености, ниво незапослености у Србији се константно смањује у периоду 2014-2019. Овај тренд је сличан за сва три подручја урбанизације.

Смањење броја оних који прерано напусте школу регистровано је у случају целе Србије, већих градова и руралних подручја. Једини тренд повећања стопе раног напуштања школе забележен је у градовима и предграђима, за посматрани период 2014-2019..

У периоду 2010-2019. Стопа НЕЕТ-а у Србији опада за сва три нивоа урбанизације. У поређењу са земљама ЕУ, Србија је и даље знатно изнад европског просека, али са тенденцијом смањења овог јаза.



COST Action CA18213
Rural NEET Youth Network:
Modeling the risks underlying rural
NEETs social exclusion

1. INTRODUCTION

This report consists of three main sections. In the first section, the contextualisation of the research background is given and the most important information about the economic, social and political position of youth in Serbia is given. In the second section, the methodology of research is presented, including a description of the investigated population. The third section deals with the explanation and discussion of the obtained results of research. Finally, the most important findings of this report are given in the conclusion section.



1. CONTEXTUALIZATION

Serbia is a country in south-eastern Europe, located in the heart of the Balkan Peninsula, where the vast majority of its about 7 million citizens are Serbs, and the rest belong to any of the 40 different national communities found therein. The actual number of people living in Serbia is not exact. The last assessment was done in 2018 and the number was 6 982 604. From this, 51.3% (3 580 898) are female and 48.7% (3 401 706) male. On the other hand, this is also not the final number, considering that there is strong depopulation taking place with the annual ratio of -5‰ (Statistical office of the Republic of Serbia, 2019).

Serbia is located at the heart of what was once the multi-ethnic Socialist Federal Republic of Yugoslavia. Although a small country, Serbia has one of the major land routes from Western Europe to the Middle East. At its borders lie Hungary, Romania, Bulgaria, Macedonia, Albania, Bosnia and Herzegovina, Montenegro, and Croatia. Consequently, Serbia is home to a significant number of minority communities, including, but not limited to, Albanians, Hungarians, Bosnians, Croats, Montenegrins, Bulgarians, Macedonians, Bulgarians, Romanians, and Roma (Serbia.com, 2020).

The Constitution of the Republic of Serbia stipulates that Serbia is a 'state of the Serbian people and all its citizens, based on the rule of law and social justice, the principles of civil democracy, human and minority rights and freedoms, and commitment to European principles and values'. The Serbian political system is based on the principle of separation of authority between the executive, legislative and judicial branches of government. The holder of legislative authority is the National Assembly: it is the representative body of 250 members who are elected in direct elections using a proportional electoral system, by voting from the electoral list and the distribution of parliamentary seats in proportion to the number of votes the electoral lists received. The holder of the executive authority is the Government of the Republic of Serbia, which consists of 18 ministries, two vice presidents and a prime minister. The current Government also has three ministers without portfolio. The official Serbian currency is the Dinar (RSD).

During the period after WWII Serbia, as the central part of Yugoslavia, was under a communist regime and was considered to be a semi-developed industrialised country. The



end of the 1980s brought the beginning of the economic transition from a planned to a market economy, and Serbia had a favourable position in the region. However, that position was lost due to the civil war that started in Yugoslavia, followed by economic sanctions imposed from 1992 – 1995. During the economic sanctions, being unable to export and import, most of the Serbian industrial facilities lost their marketplace position. The technology used became outdated and obsolete. Low levels of industrial production, among other things, resulted in record-breaking hyperinflation. At the final stage, during the NATO bombing of entire territory of Serbia in 1999, many of the remaining industrial facilities and infrastructure were completely destroyed.

After democratic reforms in 2000, Serbian industry has been liberalised and the process of transition started. Many large industrial factories could not survive this new era, and the process of privatisation begun. This was of course followed with the downsizing process. In many industrial regions, many people lost their jobs as part of that process. The problem was that in those industrial regions, the level of entrepreneurial activities was very low, and they were unable to absorb most of the skilled workers who were on the market. So, this process was followed with internal migration, where people started to move towards large centres, e.g., Belgrade, the capital city, and Novi Sad in the most developed region in Serbia (Vojvodina). Consequently, by far the largest of Serbia's cities is Belgrade, which has a population of more than 1.2 million. All events that happened during 90's, followed by the internal migration of people, have hindered equitable development. In 2012, Serbia's north was more developed than its south, which largely relies on agriculture. Serbia's cities have also been more developed, a consequence of which is that Serbia is still witnessing an influx of domestic migrants to its urban centres. The urban population is highly concentrated in just a handful of urban centres, namely Belgrade, Novi Sad, Nis, Subotica, and Kragujevac. Together they are home to 46% of the country's urban population.

The process of transition in Serbia is still not completed, however, after the first 10 years the first signs of economic growth were witnessed and since then exponential economic growth has followed. In 2010, Serbia almost had the highest economic growth among all the countries in the region, which amounted to 1.9% (real economic growth). Still, major economic problems in Serbia included a high unemployment rate (19.2%, measured in October 2013) and a high foreign trade deficit (\$ 6.9 billion) (Serbia.com, 2020).



In recent years, Serbia has attracted large investments from foreign companies. As an example, it can be mentioned, that FIAT company has transferred one part of its production to the city of Kragujevac in Serbia. The factory "FIAT automobili Kragujevac" is located there, in which FIAT 500 is produced. Such investment, and many others, have led to the fact that average real economic growth in the last 10 years has been 4.45%. Estimates of the overall economic activity in the Republic of Serbia in 2019, measured by the real trends of Gross domestic product (GDP), indicate a growth of 4.0% when related to the year 2018. Serbia offers favourable tax rates, including incentives for new investors. Low tax rates, such as the tax on corporate profits, is only 10%, making it one of the lowest in Europe (Statistical office of the Republic of Serbia, 2019).

The Republic of Serbia has a strong tendency to rebuild and invest in modern industry that follows the model of the free market. The largest sector of Serbian industry is the tertiary (service) sector, constituting 63.8% of GDP. Then follows the secondary (industrial) sector with 23.5% of GDP and primary (agricultural) sector with 12.7% of GDP. More than half of the overall export-import exchange Serbia conducts is with the EU. First on the list of exported goods is corn, then sugar and after that comes the raspberries.

The real GDP growth in the fourth quarter of 2019, compared to the corresponding period of the previous year, amounted 6.2%. According to seasonally adjusted GDP data, gross domestic product increased by 1.7% in the fourth quarter of 2019, compared to the previous quarter. Observed by activities, in the fourth quarter of 2019, compared to the same quarter of the previous year, significant real growth in the gross value added was recorded in the construction sector; 48.3%, in the information and communication sector; 8.2% in the wholesale and retail trade sector. Repair of motor vehicles and motorcycles; transportation and storage and accommodation and food service activities amounted to 8.1%.

Net salaries and wages (taxes and contributions deducted), when 2019 is compared with 2018, increased by 10.3% in nominal terms and by 8.5% in real terms. The annual inflation rate was estimated at 1.9%.



1. 1. Strategic national legislation for youth

Young people between the ages of 15 and 29 made up 21.07% of the population in Serbia, which amounted to 1 322 201 persons according to the last organised census (Azanjac et al., 2014). According to the Constitution of Republic of Serbia, the legal age of adulthood in Serbia is 18, and the age of working ability is acquired at 15. According to Eurostat data, in 2019 there 16.6% of young people were aged 15 to 29. This number is equal to the European average, which is also 16.6% according to Eurostat. However, macro-geographic trends are indicating that Serbia is an ageing country. This is mostly the result of the fact that young people are reticent to marry, deciding not to have kids, or delaying these decisions for an older age. Although

In particular, for those young people who move to study in urban centres, a lack of job opportunities and housing, combined with urban poverty, leaves many with little choice but to return to their rural communities. Although recent studies show internal migration remains rather low, with just 16% of young people claiming to have moved from their village, town, or city, upwards of 70% of young Serbs express a desire to leave their communities and move elsewhere in Serbia (Azanjac et al., 2014).

Just as there is urban-rural migration in Serbia, there is also outward migration. Emigration and the issue of “brain drain” are viewed as compellingly acute, particularly in rural areas. More so than their urban counterparts, young people living in Serbia’s rural communities express a great desire to leave the country. Some studies have shown that as many as one in two young people between the ages of 15 and 26 would leave Serbia if given the opportunity (Pejic, 2004). As many as 500 000 young people are believed to have left Serbia since the end of communism in 1990. Many of those who have left have been among Serbia’s best and brightest. According to the Ministry of Science and Technology, in the past decade alone some 2 000 researchers left Serbia in search of professional opportunities elsewhere. Most were from IT and natural science disciplines (Azanjac et al., 2014).

Bearing this in mind, and faced with the fact that there is a decrease in the numbers of newly born in Serbia on the one hand, and increase of young educated and skilled people migrating to Western Europe on the other, in recent years Serbia has made significant strides in develo-



ping policies that are cognizant of and responsive to the concerns of Serbia's youth.

The adoption in 2011 of a national Law on Youth (Law on Youth, 2020) represents a significant step forward in the realisation of young people's rights. Continuous monitoring of the position, attitudes and needs of young people is of particular importance bearing in mind that young people are the primary resource of innovation and the driving force of a society. Establishment of numerous associations and informal youth groups, Youth Offices, the Umbrella Youth Organisation Serbia have helped in this process. In addition, many new laws have been introduced: the main Law on Youth; the additional Law on the Fundamentals of the Education System (Law on Fundamentals of the Education System, 2020); the Law on Higher Education (Law on Higher Education, 2020); the Law on Volunteering (Law on Volunteering, 2010); and, other relevant acts and documents. These are basically the base for the development of the National Strategy for Youth for the period from 2015 to 2025 (National Strategy for Youth, 2015). The National Strategy for Youth for the period from 2015 to 2025 was created on the basis of needs and expectations of young people, specific to the Republic of Serbia, evaluation of recommendations of the previous strategies and reviews of the Council of Europe's youth policy. Within the strategy, nine general objectives are elaborated through specific objectives, expected results and planned activities for their implementation (CeSID, 2019).

However, while Serbia's youth has made demonstrable headway in the policy domain, young people continue to face significant obstacles on the road from childhood to adulthood. This review sheds light on the opportunities and challenges confronting young people in Serbia, as well as how Serbia's youth might successfully advocate for policies and reforms that overcome such obstacles.



1. 2. Education

Education is critical for the intellectual and professional development of children around the world and Serbia is no exception. However, besides the fact that the appropriate legislation covering this segment has been proclaimed, the reform of Serbia's education system has proven to be slow, as politicisation and controversy have impeded efforts to improve the education system, whether formally or informally (Azanjac et al., 2014).

As of 2006, one-year of kindergarten (preschool training for the kids of age 6–7) was established as an obligatory part of Serbia's public education system. Of course, there are kindergarten programs for kids from 1–6 years as well, which are not obligatory.

Serbia mandates eight years of primary education for all 7 – 14 year olds. This education is mandatory and parents must enrol their children in accordance with the law. Official data on primary education coverage offers impressive figures for primary school attendance and graduation (99% and 95%, respectively).

At age 15, young people begin secondary education, which generally lasts until the age of 19. This includes vocational or trade schools, which last three years; professional schools, which offer four-year programs in specific fields such as electricians, mechanics, industry, economy, nursing, etc.; grammar schools, which offer a more general high school education in preparation for university; and, art schools, which offer four year programs in the fine and applied arts, as well as music and ballet. Of those that complete primary school, 83% are said to go on to attend secondary school. Among those least likely to attend (let alone complete) primary and secondary schools are the Roma population, young girls in rural areas, and the disabled. It is thought that as many as 85% of young people with developmental disabilities do not attend school, while just 10 – 15% of the Roma complete primary education (Baucal & Stojanović, 2011).

After the high school, a number of higher education formal and non-formal educational opportunities are available, including both public and private universities. With the intro-



duction of private universities and a new array of non-formal educational institutions, attendance at tertiary educational institutions has risen since 2000. In 2006, some 229 355 students were officially enrolled in universities, a significant increase from the 182 941 who attended in 2001 (UNICEF, 2002). The number of young graduates from these institutions remains lower still, at about 3% of the total youth population (National Youth Strategy, 2008). It is thought that about 40% of university students do not complete their studies. Of those who do, many study far longer than the official length of study would suggest. For example, in 2008 most 4-year courses of study lasted 6.8 years. Six-year courses, which are still existing at faculties of medicine, took some 7.6 years to complete. Thus, on average, one year of study lasts 1.45 years (TransMONEE, 2009). While this has changed since the introduction of the Bologna reforms, the average number of years needed to complete higher education is still thought to exceed the official requirements.

One of the main problems affecting the education system is its emphasis on learning and memory to the detriment of critical thinking, problem solving and teamwork. As a consequence, there is little linkage between the education that young people receive and the needs of the labour market. Old-fashioned professional profiles and a lack of training and development skills leave young graduates poorly prepared for the job market. The lack of career guidance and professional orientation makes young people less able to make active career development decisions or to think creatively about employment opportunities. After finishing school, many young people in Serbia think that they lack even basic information on how to be competitive on the labour market.

In order to address this gap, non-formal education programs and organisations want to increase youth employability by offering retraining and extracurricular professional development programs. The civil sector is particularly active in this regard, providing various programs aimed at creating entrepreneurship, as well as offering career guidance. State institutions, such as the Workers' University, have also made efforts in the area of retraining. Unfortunately, little is known about the effectiveness of such educational initiatives, as non-formal education in Serbia is poorly regulated.



1.3. Employment

Positioning youth in the labour market and resolving youth unemployment are of critical importance to the future of every society. This should be also considered as the most important issue that has to be addressed in Serbia today. Serbia's youth has been disproportionately affected by high levels of unemployment, especially during times of previous economic crises. Both the economic crises experienced in the 1990s and the global recession of 2008 adversely affected the potential and existing job opportunities for Serbia's youth, leaving as many as one in two young people jobless or underemployed. The situation seems to be the same during the new economic crisis happening in 2020, based on the state of emergency and the closing of borders due to the COVID-19 pandemic.

Unfortunately, accurate statistics on youth unemployment are notoriously difficult to come by. According to the latest data available from the Republican Statistical Office (Statistical office of the Republic of Serbia, 2020), the total unemployment rate in Serbia, in 2019 was 10.4 %, representing a drop by 2.3 p.p. compared to 2018. Also, in 2019 the trend of increasing formal and decreasing informal employment has continued. Compared with 2018, formal employment increased by 92 700, of which 82 200 is in non-agricultural activities. Informal employment decreased by 24 600, of which 20 700 were outside agriculture. The rate of informal employment in 2019 was 18.2%, and it is 1.3 p.p. less than in 2018. The majority of the informally employed was noted in the age group 25–54 and among the self-employed people (e.g. freelancers).

Based on these statistics, compared to the previous year, employment rates of the young did not change much. The number of employed amounted to 153 800, and the employment rate was 21.5%. The youth unemployment rate amounted to 27.5% and was less than the rate in the previous year by 2.2 %. Observed by regions, the greatest youth unemployment rate, 32.8%, was recorded in the Region of Šumadija and West Serbia, while the lowest rate of 22.3% was registered in the Region of Vojvodina. The youth inactivity rate amounted to 70.4% in 2019, and it is unchanged compared to 2018. The NEET rate (representing the share of young people who do not either work or study in the total population of the young aged 15–24) amounted to 15.3%, where this rate is greater with women (by 1 %) in comparison to men. Compared to the previous year, this rate is less by 1.2%. The early school-lea-



vers rate, or the percentage of the young aged 18–24 with completed elementary school as their highest qualification, who did not continue further education, amounted to 6.6%, which is by 0.2 % more than in 2018.

In addition to these statistical facts, an important issue that has to be addressed is the fact that one of the most significant problems affecting young people in Serbia is obtaining their first job. Young people in Serbia are often confronted with a requirement that professional experience is required for most of opened positions. On the other hand, they are unable to gain professional experience without a first job, but unable to obtain a first job without prior professional experience. As a result, young people (and in particular, young graduates) often face prolonged unemployment, making getting the elusive first job more difficult.

For those young people who do find employment, most do so as a result of personal and political connections rather than public job announcements. According to the Survey on the Necessary Skills of Employees in Serbia, as many as 34% of employers acknowledge hiring on the basis of friendship or family connections, while just one in four employers' places job announcements or places ads through the National Employment Service. The preponderance of jobs obtained through connections, rather than merit, fosters professional complacency among Serbia's youth: graduates give up the job search, waiting instead for a relative or friend to come through with a job offer (Azanjac et al., 2014).

In large part because of the difficulty in entering the formal job market, many young people have had little choice but to join the informal economy. Although it is impossible to obtain precise figures about the number of young people currently working in the informal economy, apparently as many as 29% of young people work in the informal economy (Operational Program for Human Resource Development, 2012–2013).

Of those young people who do find work in Serbia's formal sector, most are well-educated Serbian males from (sub)urban areas. In addition to women and the uneducated, surveys indicate that ethnic minorities and youth who come from lower socioeconomic strata are not only the most vulnerable to transition and the effects of economic crises, but are most likely to remain in a vicious circle of poverty and unemployment (CeSID & MOS, 2007).



2. METHODOLOGICAL NOTE

The Serbian national report uses information gathered by the National Reports Editorial Team of the Rural NEET Youth Network in the Eurostat platform. The main data presented and analysed in this report are from the following Eurostat database:

- Population Statistics: [yth_demo_020]
- EU Labor Force Survey (EU-LFS): [lfst_r_pgauwsc]; [lfst_r_ergau]; [lfst_r_urgau]; [edat_lfs_9913]; [edat_lfse_30]; [edat_lfse_29]
- Statistical office of the Republic of Serbia. (2020), Labor Force Survey in The Republic of Serbia, 2019.
- Statistical office of the Republic of Serbia. (2019). Estimated number of population in the Republic of Serbia, 2019.

Selected indicators were extracted from the different databases according to two criteria:

- Time range: the previous decade (2010–2019) in order to have a sufficiently long period of time to capture the main changes and continuities in young people's trajectories in education, training and employment. The analysis mainly covered 3 dates – 2010–2014–2019 – in order to capture the impact of the economic and financial crisis.
- Age group: age group range varies accordingly to the data available in each indicator (15–24; 15–29; 15–34; and 15–39). Whenever possible, age range also covers young adult's data (30–34 and 35–39) in order to describe the extent of crisis impact on these age groups.

Besides a descriptive analysis, in order to compare data main changes and continuities in different time periods, absolute and relative change were calculated considering the 3 main time points that were selected – 2010, 2014 and 2019. Absolute change refers to the simple difference in the indicator over two periods in time and it is expressed in percentage points (pp). Relative change expresses the change of a value of an indicator in an earlier period and it is expressed in percentage terms.

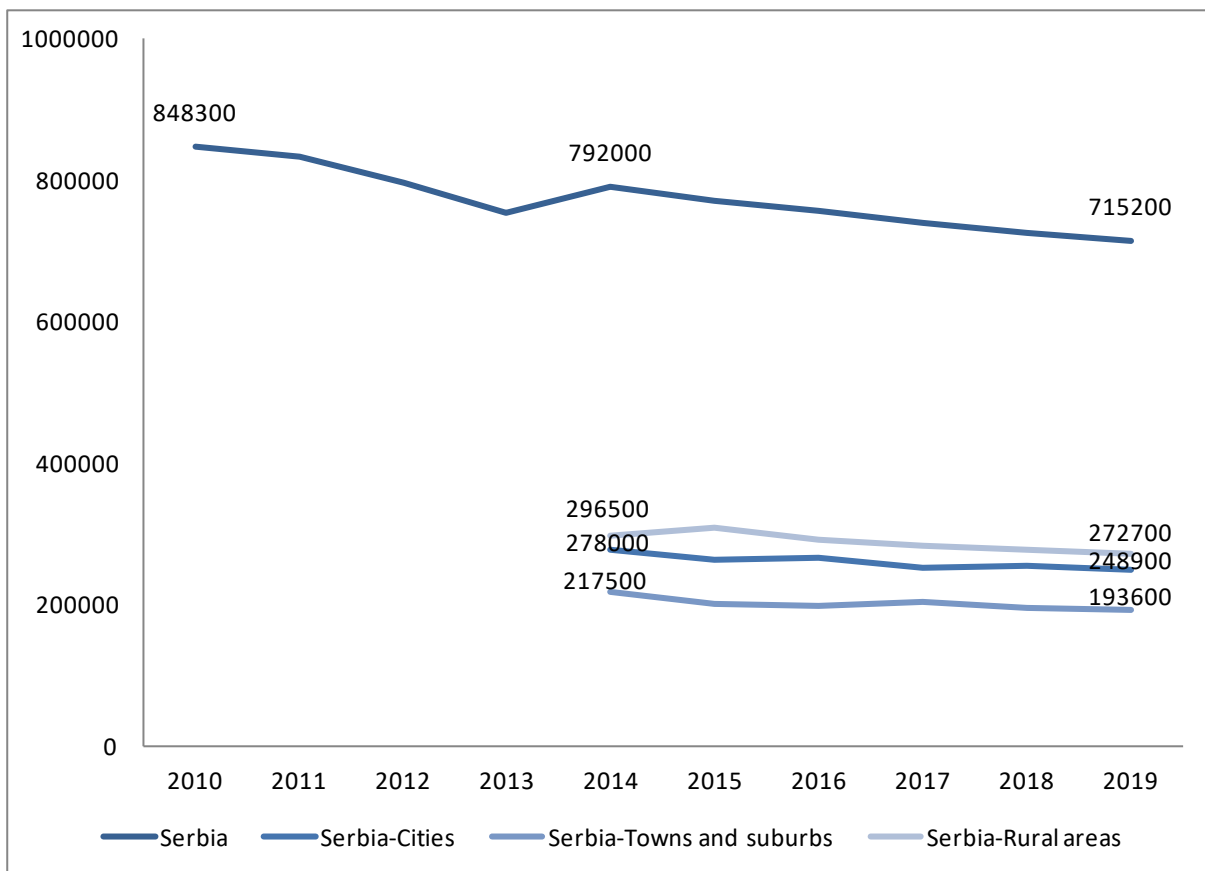


3. DATA ANALYSIS

3. 1. Population and youth population

The total youth population in Serbia aged 15–24 years and populations for different degrees of urbanisation is presented in Chart 1. For the period 2010–2013, the data for the degree of urbanisation is missing, except Total. Therefore, the complete data are presented only for the period (2014–2019). Analysing the chart, it can be concluded that the youth population in Serbia decreasing. When considering the gender, the male population numbered 436 600 in 2010, 405 900 in 2014, when complete statistics began to be observed, and 368,200 in 2019. In the same years, the female statistics were 411 700 in 2010, 386 100 in 2014, and 347 000 in 2019.

Chart 1. Total youth population 2009–2019 (Serbia) by degree of urbanisation



Source: Eurostat (lfsa_pgauws) – extracted on 12.5.2020



Table 1. Ratio of youth population by age subgroups and absolute and relative change in Serbia (2010–2014, 2014–2019 and 2010–2019)

	2010	2014	2019	Absolute change 2010–2014	Absolute change 2015–2019 (Relative change 2015–2019)	Absolute change 2011–2019 (Relative change 2011–2019)
Overall (from 15 to 29 year)	19.3%	17.80%	16.60%	-1.50 (-7.80)	-1.20 (-6.74)	- 2.70 (-13.98)
15–19	5.80%	5.30%	5.10%	- .50% (-8.60%)	.20% (-3.77%)	-0.70 (-12,07%)
20–24	6.50%	5.90%	5.50%	- .60% (-9.20%)	- .40% (-6.78%)	- 1.00 % (-15.38%)
25–29	7.00%	5.50%	6.60%	- .40% (-5.70%)	- .50% (-7.587%)	- 0.90% (-12.86%)

Source: Eurostat: yth_demo_O20 – data extracted in 27.06.20

According to Table 1, the ratio of youth population has been declining in Serbia, during the period from 2010 to 2019, across different age classes. The overall youth population, in the age group from 15 to 29 years, has a decrease of -2.70 %. The change was more evident in the period 2010–2014, with -1.50%, compared to the period 2014–2019, with -1.20%. The decrease of young population, in the different age subgroups was distributed almost equally, with small differences. This way, for the period 2010–2010, the decrease of the 15–19 year group was -0.70%; for the 20–24 years group, 1.00%; and, for the 25–29 years group, -0.90%.



3. 2. Employment and Unemployment

3. 2. 1. Youth employment

According to the data presented in Table 2 and Chart 2, there is an almost constant increase of youth employment in Serbia, across all levels of urbanisation. The level of employment was analysed within the entire country, for the period 2010 to 2019. In this scope of time, the overall increase of the employment (for the entire age group of 15–39) was 12.20%. The largest increase is evidenced for the age group 25–29, and it equals 15.10%. The next one is for the group aged 30–34, with the value of 10.10%, followed by the 20–24 group, with 10.00%. Minimal increase is recorded for the 15–19 age group, with the value of 1.00%. Also, the largest percentage of employed young people in 2019 was in the age group 30–34 years, equal to 75.80%.

When it comes to the employment, based on the level of urbanisation, it was investigated in the time period 2014 – 2019, which was the only available data in the EUROSTAT base. Based on this data, the highest level of young employed people in Serbia was recorded in the cities, equalling 56.3% in 2019. A slightly lower percentage was in rural areas (56.2%) and the lowest level was in towns and suburbs (51.6%). The increase of the level of employment, for the period 2014 – 2019, was highest in the rural areas (9.7 %), followed by cities (8.1%) and towns and suburbs (7.79%).



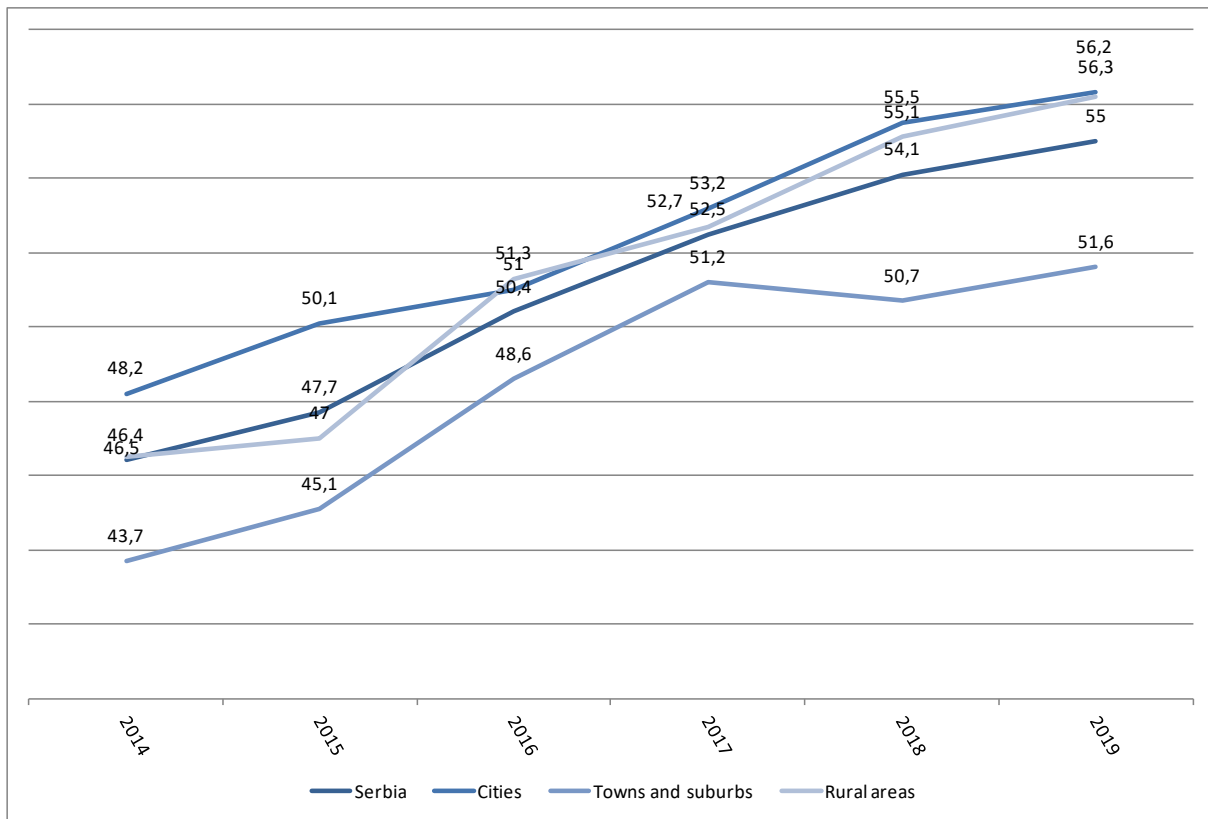
Table 2. Youth employment shares in general and by all age subgroups (15–19, 20–24, 25–29; 30–34), across different levels of degree of urbanisation

	2010	2014	2019	Relative change 2010–2014 (Absolute change 2010–2014)	Relative change 2014–2019 (Absolute change 2014–2019)	Relative change 2010–2019 (Absolute change 2010–2019)
Country						
Overall (15–39)	42.80	46.40	55.00	3.60 (8.40)	8.60 (18.53)	12.20 (28.50)
15–19	4.50	4.50	5.50	0.00 (0.00)	1.00 (22.22)	1.00 (22.22)
20–24	25.70	24.80	35.70	-0.90 (-3.50)	10.90 (43.95)	10.00 (38.91)
25–29	48.40	52.50	63.50	4.10 (8.50)	11.00 (20.95)	15.10 (31.19)
30–34	65.70	65.10	75.80	-0.60 (-0.90)	10.70 (16.44)	10.10 (15.37)
Cities						
Age groups						
Overall (15–39)	a.	48.2	56.3	b.	8.1 (16.80)	c.
15–19	a.	2.5	3.0	b.	0.5 (20)	c.
20–24	a.	19.2	26.7	b.	7.5 (39.06)	c.
25–29	a.	52.6	64.4	b.	11.8 (22.43)	c.
30–34	a.	66.2	78.1	b.	11.9 (17.98)	c.
Towns and suburbs						
Age groups						
Overall (15–39)	a.	43.7	51.6	b.	7.79 (18.08)	c.
15–19	a.	3.0	4.1	b.	1.1 (36.67)	c.
20–24	a.	21.2	34.3	b.	13.1 (61.79)	c.
25–29	a.	48.9	60.9	b.	12.0 (24.54)	c.
30–34	a.	63.8	71.2	b.	7.4 (11.60)	c.
Rural areas						
Age groups						
Overall (15–39)	a.	46.5	56.2	b.	9.7 (20.86)	c.
15–19	a.	7.4	8.8	b.	1.4 (18.92)	c.
20–24	a.	33.0	44.9	b.	11.9 (36.06)	c.
25–29	a.	55.0	64.4	b.	9.4 (17.09)	c.
30–34	a.	64.6	76.3	b.	11.7 (18.11)	c.

Source: Eurostat: yth_demo_020 – data extracted in 27.06.20



Chart 2. Total youth employment 2014–2019 in Serbia by degree of urbanisation



Source: Eurostat (lfst_r_ergrau) – data extracted on 27.06.2020

In the period 2014–2019 (which is with available data for the case of Serbia) it can be observed that the youth employment rate is increasing in all areas of urbanisation. In recent years, the highest employment is among young people from cities, followed by employment of young people from rural areas.



3. 2. 2. Youth unemployment

Considering that the level of employment is increasing in Serbia, as would be expected the trend of the level of unemployment is displaying the opposite behaviour, as shown in Table 3 and Chart 3.

When observing the entire country, in the period 2010–2019 there was a slow decrease of unemployment in the period 2010 – 2014 (-1.30%), which was followed by a large decrease in the period 2014 – 2019 (-11.40%). This resulted with the large decrease in the entire time period 2010 – 2019, equal to -12.70%. When it comes to the different age subgroups, the highest decrease in unemployment is with the age group 20–24 years, equalling -20.10% for the period 2010–2019.

If comparing the unemployment rate according to the level of urbanisation, a decreasing trend is expressed in all subgroups. In 2019, the level of unemployment was highest in the towns and suburbs at 17.8 %. In rural areas it was 14.7%, while in cities it was 14.1%.



Table 3. Youth unemployment shares in general and by all age subgroups (15–19, 20–24, 25–29; 30–34), across different levels of degree of urbanisation*

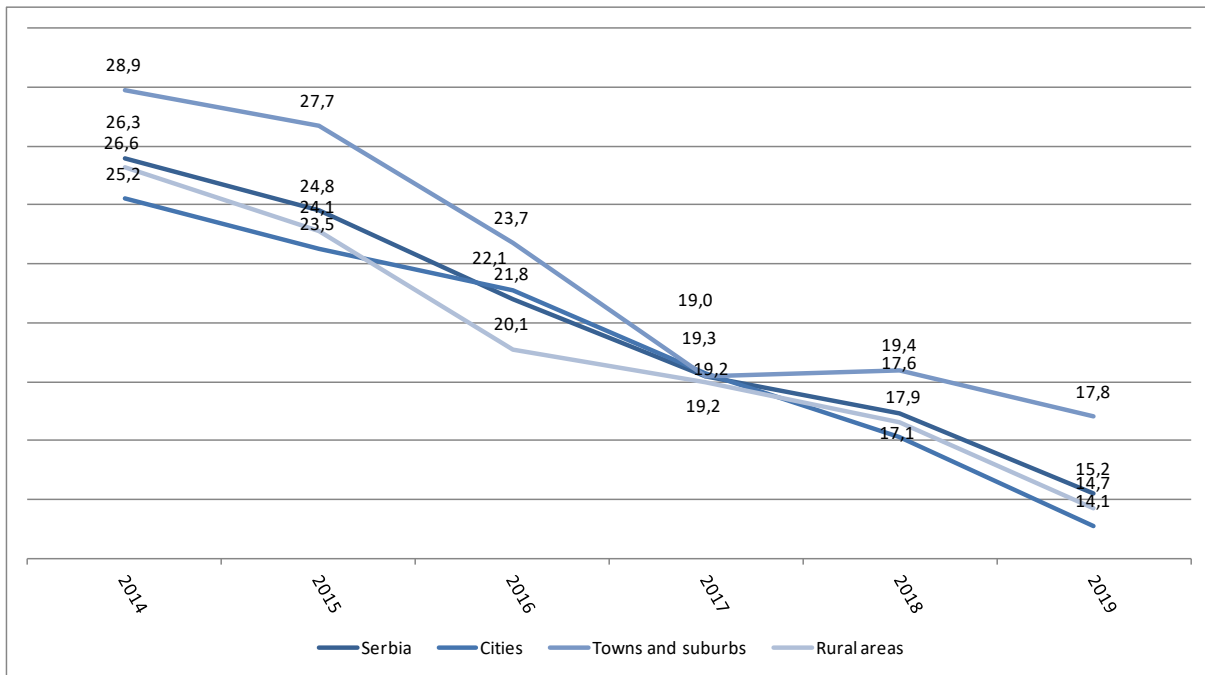
	2010	2014	2019	Relative change 2010–2014 (Absolute change 2010–2014)	Relative change 2014–2019 (Absolute change 2014–2019)	Relative change 2010–2019 (Absolute change 2010–2019)
Country						
Overall (15–39)	27.9	26.6	15.2	-1.30 (-4.70)	-11.40 (-42.86)	-12.70 (-45.52)
15–19	4.50	4.50	5.50	0.00 (0.00)	1.00 (22.22)	1.00 (22.22)
20–24	25.70	24.80	35.70	-0.90 (-3.50)	10.90 (43.95)	10.00 (38.91)
25–29	48.40	52.50	63.50	4.10 (8.50)	11.00 (20.95)	15.10 (31.19)
30–34	65.70	65.10	75.80	-0.60 (-0.90)	10.70 (16.44)	10.10 (15.37)
Cities						
Age groups						
Overall (15–39)	a.	48.2	56.3	b.	8.1 (16.80)	c.
15–19	a.	2.5	3.0	b.	0.5 (20)	c.
20–24	a.	19.2	26.7	b.	7.5 (39.06)	c.
25–29	a.	52.6	64.4	b.	11.8 (22.43)	c.
30–34	a.	66.2	78.1	b.	11.9 (17.98)	c.
Towns and suburbs						
Age groups						
Overall (15–39)	a.	43.7	51.6	b.	7.79 (18.08)	c.
15–19	a.	3.0	4.1	b.	1.1 (36.67)	c.
20–24	a.	21.2	34.3	b.	13.1 (61.79)	c.
25–29	a.	48.9	60.9	b.	12.0 (24.54)	c.
30–34	a.	63.8	71.2	b.	7.4 (11.60)	c.
Rural areas						
Age groups						
Overall (15–39)	a.	46.5	56.2	b.	9.7 (20.86)	c.
15–19	a.	7.4	8.8	b.	1.4 (18.92)	c.
20–24	a.	33.0	44.9	b.	11.9 (36.06)	c.
25–29	a.	55.0	64.4	b.	9.4 (17.09)	c.
30–34	a.	64.6	76.3	b.	11.7 (18.11)	c.

Source: Eurostat (lfst_r_urgau) data extracted on 29.04.2020; ILOSTAT-Youth Labor Statistics

Notes: a. Data not available in Eurostat databases; b. and c. relative changes could not be calculated due to data missing for 2010



Chart 3. Total youth unemployment 2014–2019 in Serbia by degree of urbanisation



Source: Eurostat (lfst_r_urgau) – data extracted on 27.06.2020

In contrast with the level of employment, the level of unemployment in Serbia was constantly decreasing in the period 2014–2019. This trend is similar for all three areas of urbanisation. The highest unemployment rate is among young people coming from towns and suburbs.



3. 3. Education

3. 3. 1. Young people by educational attainment level

The data describing the levels of education of young people in Serbia, in the age group 15–24, and presented in accordance to different levels of urbanisation, is given in Table 4.

Table 4. Serbia population, aged 15–24, by ISCED levels (%) and degree of urbanisation, including absolute and relative change time periods (2009–2013, 2013–2019, 2009–2019)

	2010	2014	2019	Relative change 2010–2014 (Absolute change 2010–2014)	Relative change 2014–2019 (Absolute change 2014–2019)	Relative change 2010–2019 (Absolute change 2010–2019)
Country						
ISCED 0–2	46.60%	41.90%	40.90%	- 4.70% (- 10.10%)	- 1.00% (- 2.39%)	- 5.70% (- 12.23%)
ISCED 3–4	50.80%	54.00%	55.60%	3.20% (6.30%)	1.60% (2.96%)	4.80% (9.95%)
ISCED 5–8	2.60%	4.10%	3.50%	1.50% (57.70%)	-0.60% (-14.63%)	0.90% (34.62%)
Cities						
ISCED 0–2	a.	37.30%	38.80%	b.	1.50% (4.02%)	c.
ISCED 3–4	a.	57.80%	56.60%	b.	-1.20% (-2.08%)	c.
ISCED 5–8	a.	4.90%	4.60%	b.	-0.30% (-6.12%)	c.
Towns and suburbs						
ISCED 0–2	a.	41.90%	42.60%	b.	0.70% (1.67%)	c.
ISCED 3–4	a.	54.60%	54.40%	b.	-0.20% (-0.37%)	c.
ISCED 5–8	a.	3.60%	3.00%	b.	-0.60% (-16.67%)	c.
Rural areas						
ISCED 0–2	a.	46.30%	41.70%	b.	- 4.60% (- 9.94%)	c.
ISCED 3–4	a.	50.10%	55.50%	b.	5.40% (10.78%)	c.
ISCED 5–8	a.	3.70%	2.80%	b.	-0.90% (-24.32%)	c.

Source: Eurostat (edat_lfse_9913) – data extracted in 27.06.2020

Notes: a. Data not available in Eurostat databases; b. and c. relative changes could not be calculated due to data missing for 2010.



The level of education, influenced by the indicator of the level of urbanisation, was analysed in the time period 2014–2019. In this period of time, in the cities the ISCED 0–2 level was recorded with an increase of 1.5%, ISCED 3–4 with a decrease of –1.20% and ISCED 5–8 with a decrease of –0.60%. Towns and suburbs had an increase of ISCED 0–2 level of 0.70%, a decrease of ISCED 3–4 level of –0.20% and a decrease of ISCED 5–8 of –0.60%. The strongest relative change was observed in the rural areas where the ISCED 0–2 level decreased by –4.60%, while ISCED 3–4 increased by 5.40% and ISCED 5–8 had a decrease of –0.90%.

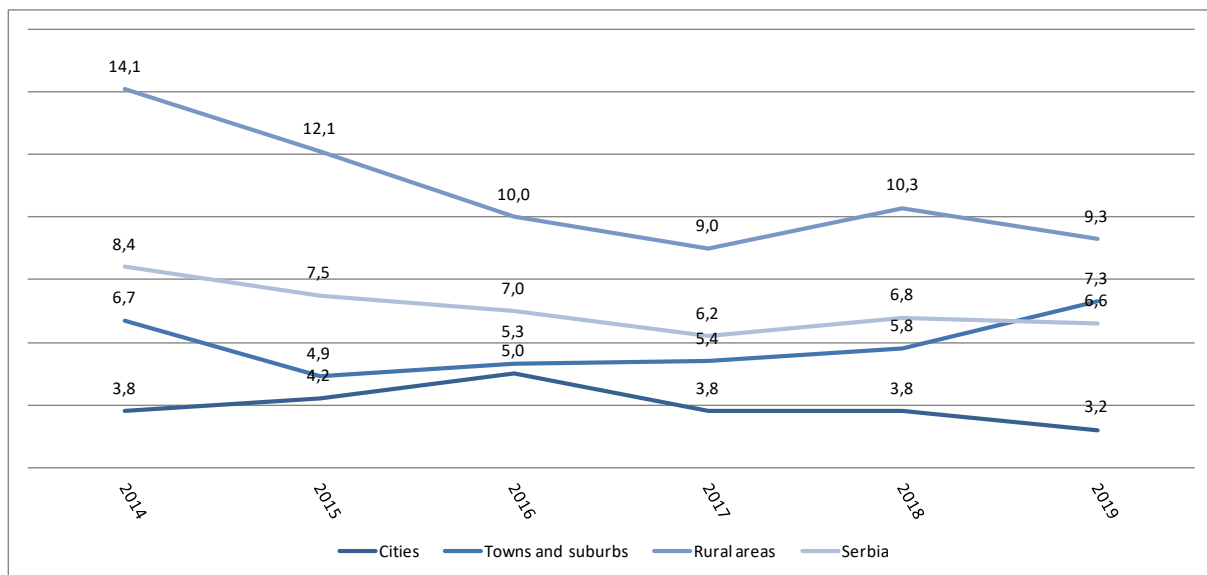
Based on the results presented in Table 4, the following can be noted. If observing the entire country of Serbia, with the data available for the period 2010–2019, the level of the ISCED 0–2 educated youth had a decrease of –5.70%. On the other hand, the level of ISCED 3–4, in the same period increased by 4.80%. Also, the education level of ISCED 5–8 has increased by 0.90%.



3.3.2. Early school leavers

The trends of early school leavers aged 18–24, in the period 2014–2019, presented by the level of urbanisation, are given in Chart 4.

Chart 4. ESLET rate (%) 2014–2019 (Serbia) by degree of urbanisation



Source: Eurostat (edat_lfse_30) – data extracted in 27.06.2020.

According to the data presented in Figure 3.3.2.1., following can be reported. The trend of ESLETs in Serbia as a whole have seen a small decrease from 8.4% in 2014 to 6.6% in 2019. This is the result of different trends expressed in different levels of urbanisation. Accordingly, the level of ESLETs in the cities has seen only a small decrease from 3.8% to 3.2%. Towns and suburbs, unfortunately, have experienced an increasing of the level from 6.7% to 7.3%. On the other hand, rural areas have evidenced the strongest decrease of ESLETs, from 14.1% in 2014 to 9.3% in 2019. Unfortunately, the level of early school leavers in rural regions is still the highest compared to towns and suburbs, the cities, and the Serbian average.

The decrease in the number of early school leavers is recorded in the case of Serbia as a whole, including cities and rural areas. The only trend of increasing is recorded for towns and suburbs, during the period 2014–2019. Furthermore, it is notable that in the rural areas the number of early school leavers is exceptionally high.

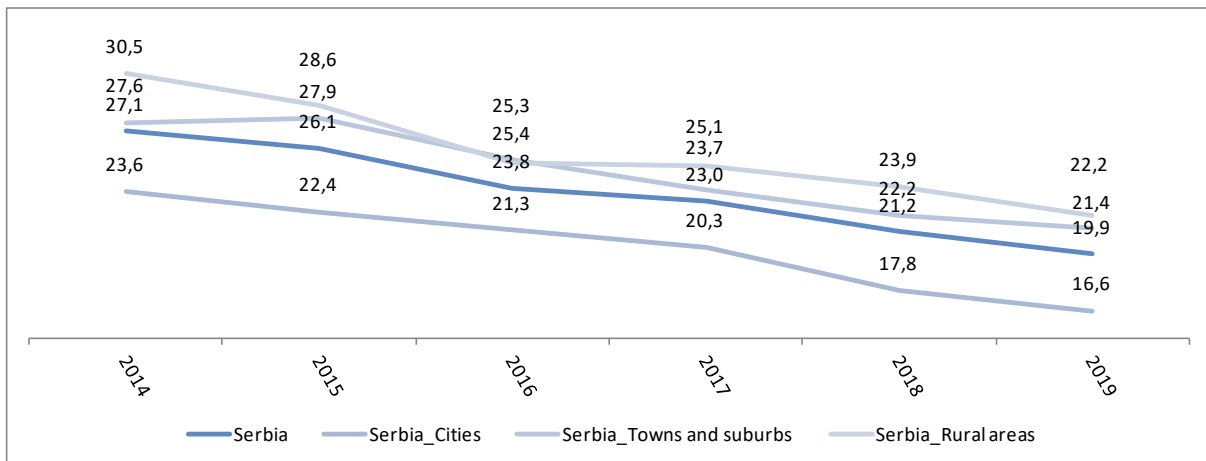


3. 4. NEETs

3. 4. 1. NEET rate

Chart 5 displays the overall evolution of the NEETs proportion in Serbia, based on the degrees of urbanisation, between 2014 and 2019. According to the chart, the NEET rate in Serbia has come down from 27.10%, in 2014, to 19.90%, in 2019. In cities, a similar variation occurred, with the NEET share coming down from 23.60% in 2014, to 6.60% in 2019. Alongside this, in towns and suburbs, this figure has dropped from 27.60% to 21.40%. Finally, in rural areas, the NEETs share has fallen from 30.50% to 22.20%.

Chart 5. NEET rate by degree of urbanisation, for all years from 2014 to 2019, in %

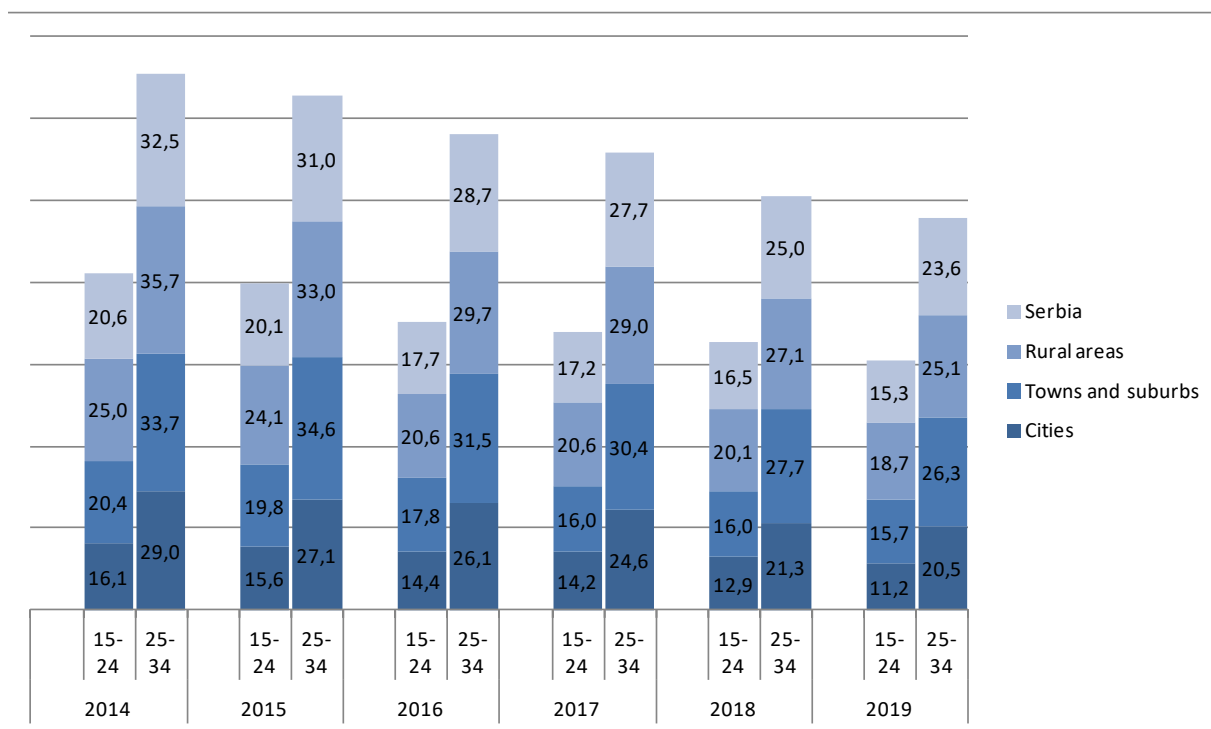


Source: Eurostat (edat_ifse_36) – data extracted in 20.06.2020



The trend of the NEETs number decrease is evident for all the age groups, across the entire country, and for all degrees of urbanisation and which is presented in Chart 6. However young people from subgroup 25-34 are more likely to belong to the NEET population than the 15-24 age subgroup since they are less likely to be in the education system at that age.

Chart 6. NEET rate by age subgroups and degree of urbanisation, for all years from 2014 to 2019



Source: Eurostat (edat_lfse_36) – data extracted in 20.06.2020



NEET rate (%) by age subgroups and by degree of urbanisation in Serbia, including absolute and relative change, is given in Table 5.

Based on the results presented in the Table 5, if observing the entire country of Serbia, in 2019 the largest percentage of NEETs is evidenced in the age group 25–29 years and it equals 25.2%. It is then followed by the 30–34 age group, with 22.1%. Luckily, all the age groups are expressing a strong decrease in the period 2014–2019, with the highest relative change in the case of the 20–24 age group, which equals 10.3%.

Based on the level of urbanisation, the largest level of NEETs is evidenced in the rural region in the age group 20 – 24 at 32.1%, then in the age group 25–29, with 27.9%. Optimistically, all the groups have shown a decrease in the period 2014–2019. Hopefully they will attain the EU average in the near future if such trends continue.



Table 5. NEET rate (%) by age subgroups and by degree of urbanisation in Serbia, including absolute and relative change, for the period 2014-2019

	2010	2014	2019	Relative change 2010-2014 (Absolute change 2010-2014)	Relative change 2014-2019 (Absolute change 2014-2019)	Relative change 2010-2019 (Absolute change 2010-2019)
Country						
15-19	9.5	11.5	9.4	2.0 (21.1)	-2.1 (-18.26)	-0.1 (-1.05)
20-24	30.8	28.9	20.5	-1.9 (-6.2)	-8.4 (-29.07)	-10.3 (-33.44)
25-29	34.0	33.7	25.2	-0.3 (-0.9)	-8.5 (-25.22)	-8.8 (-25.88)
30-34	31.4	31.4	22.1	0.0 (0.0)	-9.3 (-29.62)	-9.3 (-29.62)
Cities						
Age groups						
15-19	a.	8.4	5.7	b.	-2.7 (-32.14)	c.
20-24	a.	22.4	16	b.	-0.10 (-28.57)	c.
25-29	a.	29.9	22.4	b.	-7.50 (-25.08)	c.
30-34	a.	28.3	19	b.	-9.30 (-32.86)	c.
Towns and suburbs						
Age groups						
15-19	a.	10.8	10.7	b.	-0.10 (-0.93)	c.
20-24	a.	29.6	20.4	b.	-9.20 (-31.08)	c.
25-29	a.	34.7	25.5	b.	-9.20 (-26.51)	c.
30-34	a.	32.8	27	b.	-5.80 (-17.68)	c.
Rural areas						
Age groups						
15-19	a.	14.6	11.9	b.	-2.70 (-18.49)	c.
20-24	a.	34.8	32.1	b.	-2.70 (-7.76)	c.
25-29	a.	37	27.9	b.	-9.10 (-24.59)	c.
30-34	a.	34.3	22.4	b.	-11.90 (-34.69)	c.

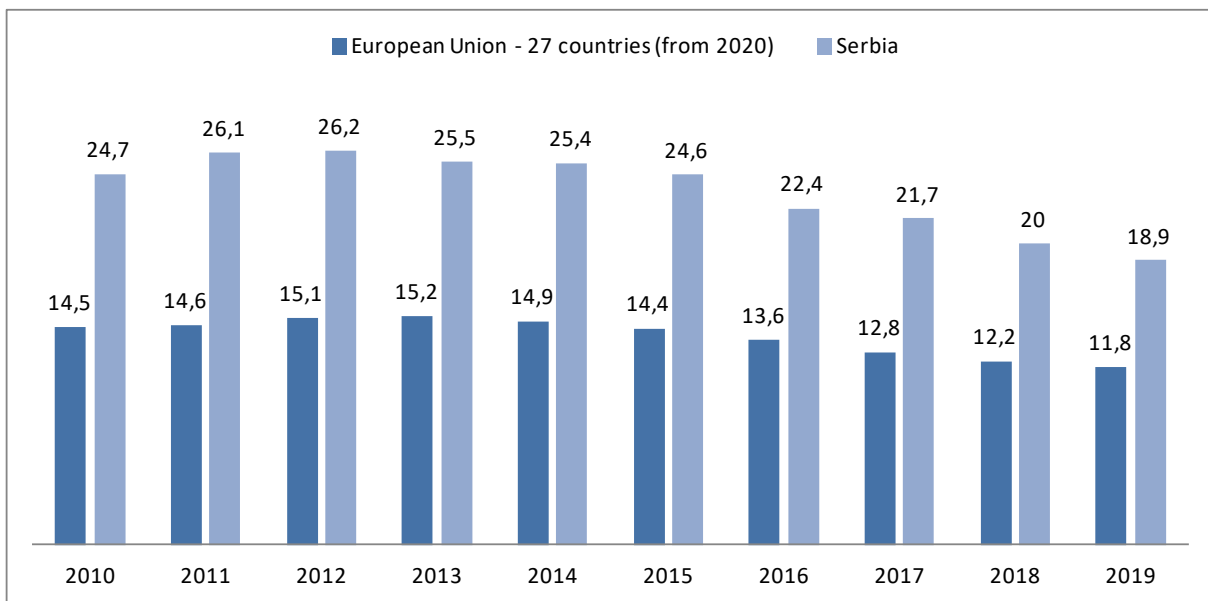
Source: Eurostat (edat_lfse_29) – data extracted in 29.04.2020

Notes: a. Data not available in Eurostat databases; b. and c. relative changes could not be calculated due to data missing for 2010



The total percentage of NEETs in Serbia, compared to the EU average, for the period 2010–2019 is presented in Chart 7.

Chart 7. Comparison of NEETs in Serbia to EU average, in %



Source: Eurostat (edat_lfse_36) – data extracted in 20.06.2020

In the period 2010–2019, the NEET rate is declining in Serbia for all three degrees of urbanisation. In comparison to EU countries, Serbia remains well above the European average, but with a tendency of lowering the existing gap.



If comparing the percentage of NEETs in Serbia to the NEETs average in the EU, which is 14% for the year 2019, the percentage in Serbia is larger by 5.9 %. This is of course not a good indicator for Serbia. However, the comforting fact is that the percentage of NEETs in Serbia is decreasing steadily over the years. Hence, the absolute change for the period 2010 to 2019 is -6.5, with a relative change of -24.62%. The homologous variation equals -1.3.

When analysing the difference for the urban and the rural regions, the NEETs percentage in Serbia is 3.7% larger than the EU average, for the cities as urban regions; 6.9% larger for the towns and suburbs; and, 7.2% for the rural regions. This is the evidence that the rural regions in Serbia are largely underdeveloped compared to the EU average. Also, the positive fact is that the absolute and the relative decrease for the NEETs percentage in Serbia is the highest for the rural regions (-8.3% and -27.21% respectively), compared to the towns and suburbs (-6.2% and -22.46% respectively) and cities (-7.0% and -29.66% respectively).

When it comes to comparison based on the NEETs gender, there are no significant differences. The percentage of male NEETs is 6%, compared with 5.9% for females. The most important difference is with NEETs in rural areas, where there are 6.1% male and 8.6% of female NEETs.



4. CONCLUSIONS

MonYouth population | The analysis of the total youth population in Serbia aged 15–24 years, as well as youth populations living in different areas of urbanisation, for the period 2010–2019, showed a declining trend. The reason for this is in strongly negative demographic trends in the entire population due to low birth rates. Another reason for the diminishing young population is very extensive migration towards Western Europe and the United States of America. Due to the poor social, economic, and living conditions, the most common group of people that decide to migrate are young and educated people (the so-called “brain drain”).

Youth employment and unemployment | During the period 2014–2019 (for which data is available for the case of Serbia) it can be observed that the youth employment rate is increasing in all areas of urbanisation. Consequently, the level of unemployment in Serbia is constantly decreasing in the period 2014–2019. This trend is similar for all three areas of urbanisation. Although these seems to be very good results, this should be observed in the context of the previously described decrease of the total youth population in Serbia. Namely young people leave Serbia and this way the number of employable people decreases which in turn leads to an artificial decrease in the unemployment rate.

Educational attainment | Educational attainment | The decrease in the number of early school leavers is recorded in the case of Serbia as a whole, including cities and rural areas. This trend is recorded only for the towns and suburbs, for the period 2014–2019. If observing the entire country of Serbia, the level of the ISCED 0–2 educated youth saw a decrease while the education levels of ISCED 3–4 and ISCED 5–8 increased during the same period.

NEETs | During the period 2010–2019, the NEET rate has been declining in Serbia in all three degrees of urbanisation. In comparison to EU countries, Serbia is still above the European average. Serbia is a candidate country for the European Union and as such strives to reach the European average in all segments of development. To achieve this, many strategies and plans were adopted in Serbia aiming to decrease the number of NEETs. Considering the results presented in this report, it can be concluded that the results are positive but not as yet satisfactory.



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6. IMPORTANT LINKS

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