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| **Labour Force Survey**  | SERB232 RS10 310818 |

**Labour Force Survey, II quarter 2018**

– Preliminary results –

In the second quarter of 2018, number of the employed amounted to 2 896 800, and number of the unemployed to 391 600. Employment rate, amounting to 48.6%, presents the highest value in the period 2014-2018 (for which the comparable data series are available). Activity rate amounted to 55.2% and unemployment rate to 11.9%.

**Graph 1** Trend of employment/unemployment rates (in %), population 15+, 2014-2018



**Activity rate** of population aged 15 and over amounted to 55.2%, where the activity rate of males was 63.6%, and of females 47.3%. The greatest activity rate was noted in Beogradski region (57.2%) and in Region Šumadije i Zapadne Srbije (56.2%). In Region Južne i Istočne Srbije, it was 53.7% and the lowest rate was recorded in Region Vojvodine (53.5%).

**Employment rate** of population aged 15 and over amounted to 48.6%, i.e. 56.4% regarding males and 41.4% regarding females. The greatest employment rate was noted in Beogradski region (51.5%) and in Region Šumadije i Zapadne Srbije (49.1%). In Region Vojvodine it was 48.1%, and the lowest rate was recorded in Region Južne i Istočne Srbije (45.3%).

**Informal employment rate** on the level of all activities was 21.0%, whereof almost 60% of informal sector related to employment in agricultural activities[[1]](#footnote-1).

**Unemployment rate** of population aged 15 and over amounted to 11.9%, i.e. 11.3% regarding males and 12.6% regarding females. Observed by regions, the highest rate was recorded in Region Južne i Istočne Srbije (15.6%), in Region Šumadije i Zapadne Srbije it was 12.6%, and in Beogradski region 10.1%. Unemployment rate was the lowest in Region Vojvodine (10.0%).

Comparison with the previous quarter

Relative to the first quarter 2018, employment increased by 208 500.

Increased employment reflected to decreased unemployment (by 77 200) and inactivity (by 139 300). Number of inactive persons amounted to 2 670 900.

Employment rate increased by 3.6 percentage points (p.p.), while unemployment and inactivity rates decreased by 2.9 and 2.3 p.p., respectively.

Employment was equally increased in all regions of Serbia, primarily in the sections of the following activities: Manufacturing, Construction, Financial and insurance activities, Professional, scientific and technical activities. Employment was mostly provided to persons aged 35-64, with lower or secondary education completed. Number of seasonal jobs was doubled relative to the first quarter this year, amounting to 40 400.

Apart from increased employment in informal sector by 107 100 persons, due to usual increased volume of agricultural works during the second quarter of a year, this year, additionally, **significant employment increase was recorded in formal employment** – by 101 400 persons, primarily in non-agricultural activities (by 73 600), mostly in **manufacturing**, which is in accordance with the data from the Central Registry of Compulsory Social Insurance. Number of formally employed, in the second quarter 2018 amounted to 2 289 600 persons and number of informally employed to 607 200 persons (whereof about 60% were engaged in agriculture).

Similar trend of increased employment, noted on the level of total population, encompassed also the young population, aged 15-24. Number of employed young was increased by 21 600, reaching the level of 157 000, while the number of unemployed and inactive persons decreased (by 12 100 and 12 300, respectively) reaching the level of 59 400, i.e. 512 100, respectively.

Even though the mentioned status changes on the level of total population are insignificant, due to relatively small contingent of young labour force, they significantly influenced rates of employment and unemployment of the young population. Namely, employment rate of young increased by 3.0 p.p., while unemployment decreased by even 7.1 p.p. relative to the first quarter this year. Moreover, unemployment of young, with the rate of 27.5% is still on high level relative to total population.

The share of young who neither work nor attend school (in formal and non-formal education) in total population of young aged 15-24 (so called NEET rate) was decreased relative to the previous quarter (by 2.7 p.p.) and now amounted to 14.6%. NEET rate of population aged 15-29 amounted to 18.4%.

Comparison with the same period of the previous year

Relative to the second quarter of the previous year, on the level of total population, there was no statistically significant change in the number of employed and unemployed population, while the situation is not same by regions. Namely, in Beogradski region and Region Vojvodine in the mentioned period, increased employment was noticed (by 28 200 and 6 700, respectively), with simultaneous decrease of unemployment, while the situation was completely different in the other two regions – Region Južne i Istočne Srbije and Region Šumadije i Zapadne Srbije, where, in the same period, employment decreased and unemployment increased.

Although the number of employed on the level of total population remained almost unchanged, employment of population with lower level of education was decreased (by 33 500), in favour to increased employment of population with tertiary education completed (by 41 200).

Number of formally employed increased by 46 600, whereof formal employment in agriculture decreased by 37 400, and in activities excluding agriculture, it increased by 84 000, mostly in manufacturing. For comparisons purposes, registered employment excluding agriculture has, according to the records of Central Registry for Compulsory Social Insurance, in the same period, increased by 71 200, also mostly in manufacturing.

Number of informally employed decreased by 30 800, thus causing decrease of informal employment rate by 1.2 p.p.

Similarly with total population, when observing the young population (aged 15-24), there were no significant status changes on labour market relative to the second quarter 2017.

**Table 1** Main indicators of labour market trend, Q2 2018

|  |  |  |  |
| --- | --- | --- | --- |
|   | Q2 2018 | Changes relative to previous quarter | Changes relative to same quarter of 2017 |
| (in thousand) | (in thousand) | % | (in thousand) | % |
|  |   |  |   |  |   |
| **Population 15+** | 5 959.2 | -7.9 | -0.1 | -29.0 | -0.5 |
|  Active population  | 3 288.3 | 131.3 | 4.2 | 23.3 | 0.7 |
|  Employed | 2 896.8 | 208.5 | 7.8 | 15.8 | 0.5 |
|  Formally employed | 2 289.6 | 101.4 | 4.6 | 46.6 | 2.1 |
|  Informally employed | 607.2 | 107.1 | 21.4 | -30.8 | -4.8 |
|  Unemployed | 391.6 | -77.2 | -16.5 | 7.5 | 2.0 |
|  Inactive population | 2 670.9 | -139.3 | -5.0 | -52.3 | -1.9 |
|   | **%** | (p.p.) |
| Activity rate | 55.2 |  | 2.3 |  | 0.7 |
| Employment rate | 48.6 |  | 3.6 |  | 0.5 |
|  Informal employment rate | 21.0 |  | 2.4 |  | -1.2 |
| Unemployment rate | 11.9 |  | -2.9 |  | 0.1 |
| Inactivity rate | 44.8 |  | -2.3 |  | -0.7 |

In the second quarter 2018, the Survey was conducted on the sample of 15 456 households, out of which 12 248 households, i.e. 28 920 persons aged 15 and over were interviewed.

More detailed data can be obtained in the tables that are part of the Statistical Release on Labour Force Survey for the second quarter 2018 (RS10), on the address:

<http://publikacije.stat.gov.rs/G2018/XlsE/G20181232.xlsx>.

**Methodological notes**

Labour Force Survey (LFS) is the most complex and the only internationally comparable instrument for labour trends monitoring, registering demographic and socio–economic characteristics of population aged 15 and over.

The main aim of the survey is estimating the labour force volume, i.e. employed and unemployed population, where employment relates to work in both formal and informal section.

Additionally, LFS deals with characteristics of employment (professional status of the employed persons, their activity, occupation, rights realized at work…) and unemployment (acquired education, duration of job seeking, previous working experience…), as well as characteristics of inactive population – their education, age, income source and readiness for involvement in labour market.

**Active population** (**labour force**) includes all employed and unemployed persons aged 15 and over.

#### Activity rate (share of labour force) presents the percentage share of active population in total population aged 15 and over.

**Employed persons** are persons who performed a paid job (in money or in kind) for at least one hour in the reference week, as well as persons who had an employment, but were absent from work in that week but which have a guaranty to return to it.

**Employment rate** is the percentage share of employed in the total population aged 15 and over.

**Informally employed** are employees without written contract, self-employed in unregistered business, as well as contributing family workers.

**Informal employment rate** is the percentage share of informally employed in total employment.

**Unemployed persons** are the persons who, in the respective week, did no work for remuneration, who undertook active steps to find a job during four-week period preceding the respective week and who were able to start working in two-week time after the referent week.

#### Unemployment rate presents the percentage share of unemployed population in labour force (employed and unemployed), aged 15 and over.

**Long-term unemployment rate** presents the percentage share of the unemployed for one year and more, in the total labour force (employed and unemployed), aged 15 and over.

**NEET rate –** refers to share of persons aged 15 to 24, neither employed, nor in education, training, in total population of that age.

**Inactive population** includes all persons aged 15 and over who are not classified in employed and unemployed population. Inactive population comprises students, pensioners, persons performing household tasks, as well as all other persons who performed no paid job in the observed week, did not actively seek a job and who were not able to start working in two-week time after the observed week.

# Inactivity rate presents the percentage share of inactive population in total population aged 15 and over.

For more detailed description of the Survey and definitions of labour force, see the methodology of Labour Force Survey on [www.stat.gov.rs](http://www.stat.gov.rs).

Starting from 1999 the Statistical Office of the Republic of Serbia has not at disposal and may not provide available certain data relative to AP Kosovo and Metohija and therefore these data are not included in the coverage for the Republic of Serbia (total).

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1. The whole section of Agriculture, Forestry and Fishery, as well as a part of the section Activities of households as employers referring to agriculture. [↑](#footnote-ref-1)