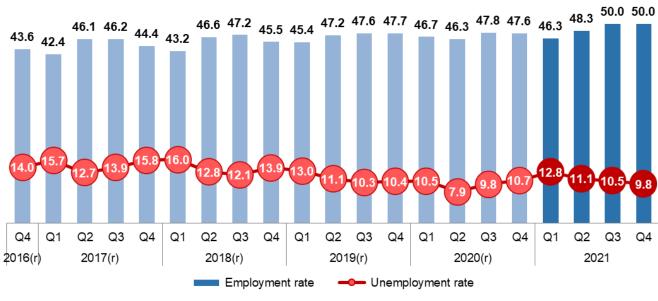
# **TATISTICAL RELEASE**

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# Labour Force Survey, IV quarter 2021

In the fourth quarter 2021, number of the employed amounted to 2 917 400, and number of the unemployed to 316 700. Employment rate for the mentioned period amounted to 50.0%, while unemployment rate, in the same period, had the value of 9.8%.



Graph 1. Trend of employment/unemployment rates (in %), population 15+, 2016-2021

(r) Revised data

### Comparison with the previous quarter

According to the LFS data for the fourth quarter 2021, relative to the third quarter of 2021, the employment rate remained unchanged and amounted to 50.0%. The unemployment rate went down by 0.7 pp, amounting to 9.8% in the fourth quarter 2021.

On quarter-to-quarter level, decreased was the number of the unemployed by (-24 800) and of the employed (-7 200), i.e. of active population (-32 000), while the contingent of out of the labour force population increased by (+19 500).

Within the total employment, which was slightly decreased (-7 200) in the fourth quarter compared to the third quarter of 2021, there was an increase in formal employment (+ 26 000) and a decrease in informal employment (-33 100).

The increase in formal employment (+ 26 000) was mostly due to the increase in the number of formally employed outside agriculture (+ 18 200).

The decrease in informal employment (-33 100) was influenced by the decrease in informal employment in agriculture and non-agriculture (-17 300 and -15 800 respectively). Total informal employment in the fourth quarter of 2021 amounted to 398 600, of which 226 600 (or 56.8%) were informally employed in agriculture, and 172 000 (i.e. 43.2%) were informally employed outside agriculture.

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In the fourth quarter 2021, total informal employment rate was 13.7%, which is a decrease of 1.1 percentage points compared to the third quarter 2021, while the rate of informal employment outside agriculture was reduced by 0.6 pp and dropped to 7.0%, and the rate of informal employment in agriculture decreased by 2.7 pp and amounted to 50.1%.

The largest decrease of employment, both formal and informal, was recorded in the sections of Construction and Agriculture, hunting and forestry, which is a consequence of the reduction in the volume of agricultural and construction works in winter months.

Employment increase is most obvious in the population with tertiary/ high and higher level of education (+ 34 100) and in the age group 35–54 (+ 22 700).

Employment increase was recorded only in Region Vojvodine (+ 8 100), while the largest decrease of employment was recorded in Beogradski region (-8 400). In the fourth quarter of 2021, the number of employed males decreased by 15 600, while the number of employed females increased by 8 400 compared to the third quarter of the same year.

Compared to the third quarter of 2021, in the fourth quarter 2021, unemployment decreased by 24 800, mostly in the age group 45-54 (-19 300), as well as in the population with secondary and higher than secondary education (-23 100). In the population of females, unemployment was reduced by 18 400 persons, causing a decrease in the unemployment rate of females by 1.2 pp., so it was 10.8% in the fourth quarter of 2021. In the male population, in the same period, unemployment decreased by 6 400, and the male unemployment rate remained almost unchanged (-0.2 pp) and in the fourth quarter of 2021 amounted to 9.0%.

Observed by regions, unemployment decreased almost evenly in all regions ( $\approx$  - 8 500). The exception is Region Vojvodine, where a slight increase in the number of unemployed was recorded, by 1 400.

The long-term unemployment rate also noted decrease, and in the fourth quarter 2021, it amounted to 4.6%, which, compared to the third quarter 2021, represents a decrease of 0.6 pp.

In the population of young persons aged 15 to 24, in the fourth quarter, compared to the third quarter of 2021, as well as in total population, recorded was an increase of out of the labour force population (+ 17 200) on the account of reduced active population (- 20 000). The number of employed young persons decreased by 28 100, while the number of unemployed increased by 8 000.

The youth employment rate (15-24 years) decreased by 4.0 pp and in the fourth quarter of 2021 it was 23.3%. The youth unemployment rate increased by 5.6 pp and amounted to 28.7%.

The so-called NEET rate, i.e. the share of young people aged 15 to 24 who neither work nor are in the process of education, in the total youth population, in the fourth quarter of 2021 was 15.6%, which compared to the third quarter of the same year presents a decrease of 2.5%.

### Comparison with the same quarter of the previous year <sup>1</sup>

According to the Labour Force Survey for the fourth quarter of 2021, compared to the fourth quarter of 2020, the employment rate increased by 2.4 pp, while unemployment rate and the rate of population out of the labour force decreased by 0.9 pp and 2.1 pp, respectively.

In the fourth quarter of 2021, compared to the fourth quarter of 2020, there was a year-on-year increase of employment (+115 600), with simultaneous decrease of the population out of labour force (-141 600), and unemployment (-18 500). The total observed population (population aged 15 and over) decreased by 44 500.

In female population, the employment rate increased by 2.4 pp, mainly due to the reduction of the rate of the population out of labour force (2.6 pp) and in the fourth quarter of 2021, it reached the level of 42.5%. The male employment rate is higher by 2.3 pp, with a simultaneous decrease of the unemployment rate (-1.3 pp) and the population out of labour force (-1.6 pp), and in the fourth quarter of 2021, the male employment rate was 58.0%

In the population of young people aged 15 to 24, in the fourth quarter 2021, compared to the fourth quarter 2020, as well as in total population, there was an increase in employment (+ 15 200), with simultaneous decrease of the population out of labour force (-18 200) and unemployed population (-8 000). The youth employment rate in the fourth quarter 2021 was 23.3%, which is an increase of 2.5 pp, compared to the fourth quarter 2020. In the same period, the youth unemployment rate recorded a year-on-year decline of 4.6 pp and in the fourth quarter of 2021 it was 28.7%, while the rate of young people out of the labour force decreased by 1.5 pp and amounted to 67.3%.

<sup>&</sup>lt;sup>1</sup> Due to the change in the methodology of the Labour Force Survey from 2021, the data are compared with the revised data for the fourth quarter of 2020. Given that the revision of data is done only for basic indicators and that the set of revised data is limited, there is no possibility of deeper and more accurate structural analysis.

### Major indicators, fourth quarter 2021

Activity rate of people aged 15 and over in the fourth quarter 2021 amounted to 55.4%, the activity rates among men and women being 63.7% and 47.7%, respectively. The largest activity rate was recorded in Beogradski region (57.7%), followed by Region Vojvodine and Region Sumadije i Zapadne Srbije, (56.4% and 56.2%, respectively). Region Juzne i Istocne Srbije registered the lowest activity rate of 50.3%.

**Employment rate** of people aged 15 and over in the fourth quarter amounted to 50.0%, among men 58.0% and women 42.5%. The largest employment rate was noted in Beogradski region (53.1%), followed by Region Vojvodine and Region Sumadije i Zapadne Srbije with employment rates of 51.4% and 50.2%, respectively, while Region Juzne i Istocne Srbije had the lowest value (44.2%).

**Informal employment rate** in the mentioned quarter in all activities amounted to 13.7%. The informal employment rate in agricultural activities amounted to 51.0%, while in activities outside agriculture this rate amounted to 7.0%.

**Unemployment rate** of people aged 15 and over amounted to 9.8%, 9.0% for men and 10.8% for women. Observed on regional level, this rate was the lowest in Beogradski region (8.0%) and Region Vojvodine (8.8%), while somewhat higher rate was noted for Region Sumadije i Zapadne Srbije (10.7%). In Region Juzne I Istocne Srbije, unemployment rate had the highest value, 12.2%.

|                          | )             |                                      |      |
|--------------------------|---------------|--------------------------------------|------|
|                          | Q4 2021       | Changes relative to previous quarter |      |
|                          | (in thousand) | (in thousand)                        | %    |
|                          |               |                                      |      |
| Total                    | 5838.3        | -12.5                                | -0.2 |
| Active                   | 3234.1        | -32.0                                | -1.0 |
| Employed                 | 2917.4        | -7.2                                 | -0.2 |
| Formally employed        | 2518.8        | 26.0                                 | 1.0  |
| Informally employed      | 398.6         | -33.1                                | -7.7 |
| Unemployed               | 316.7         | -24.8                                | -7.3 |
| Out of labour force      | 2604.2        | 19.5                                 | 0.8  |
|                          | %             | (p.p.)                               |      |
| Activity rate            | 55.4          |                                      | -0.4 |
| Employment rate          | 50.0          |                                      | 0.0  |
| Informal employment rate | 13.7          |                                      | -1.1 |
| Unemployment rate        | 9.8           |                                      | -0.7 |
| Out of labour force rate | 44.6          |                                      | 0.4  |
|                          |               | *                                    |      |

### Table 1 Main indicators of labour market trend, Q4 2021

In the fourth quarter 2021, the Survey was conducted on the sample of 15 246 households, out of which 11 140 households were interviewed, and data on working activity were collected for 24 189 persons aged 15-89.

More detailed data can be obtained in the tables that are part of the Statistical Release on Labour Force Survey for the fourth quarter 2021 (RS10), on the address: <u>http://publikacije.stat.gov.rs/G2022/Xls/G20221049.xlsx</u>.

Due to the change in the methodology of the Labour Force Survey from 2021, the data from this statistical release are not comparable with the data published in the release of the same name before 2021.

In order to ensure the comparability of basic indicators for the period before 2021, the most important indicators were revised, and the revised data are available in the database on the SORS website.

More information on methodological changes and their effects on the main statistical indicators can be found in a special publication <u>"Labour Force Survey, New Methodology 2021".</u>

## **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 sector.

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.

Persons (aged 15-89) who performed at least for one hour paid work (for cash or in kind) in the reference week, as well as persons who had an employment, but were temporarily absent from work in that week, are counted as **employed persons**.

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

**Informal employment** is considered to be work in unregistered companies, work in registered companies without an employment contract, as well as the work of contributing family members.

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).

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

**NEET rate** – refers to share of persons aged 15 to 24 (or 15 - 29) neither employed, nor in education, training, in total population of that age.

Active population (labour force) includes all employed and unemployed persons.

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

**Out of the labour force population** includes all persons in the observed population (aged 15 and over) who are not classified in employed and unemployed population. Out of the labour force 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.

**Out of the labour force rate** presents the percentage share of inactive population in total referent 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 <u>www.stat.gov.rs</u>.

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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