## STATISTICAL RELEASE

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## **Labour Force Survey**

SERB243 RS10 310823

## **Labour Force Survey, I quarter 2023**

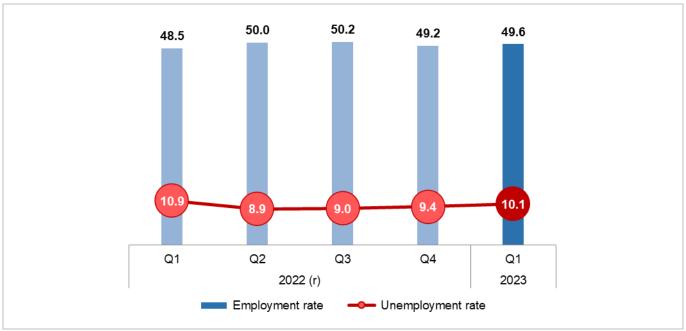
### **Final results**

The Statistical Office of the Republic of Serbia (SORS) publishes the final results of the Labour Force Survey (LFS) for the first quarter of 2023. This statistical release replaces previously published (so-called first results) the data in the Statistical Release RS10, number 154, of 09/06/.2023.

The final estimates for the first quarter of 2023 are calculated based on demographic estimates for 2022 and based on **final** data on households according to the number of members from the 2022 Census of Population, Households and Dwellings, while for the previously published Statistical Release for the first quarter of 2023 it was the **first results** of the 2022 Census of Population, Households and Dwellings on households according to the number of members that were used for the previously published statistical release for the first quarter 2023.

The differences between the first results and final data of the Labour Force Survey for the first quarter of 2023 are insignificant and do not affect the main indicators, such as employment and unemployment rate. The final results indicate that the number of employees increased by 1 700 (0,1%) and that of unemployed persons decreased by 600 (0.2%) relative to the preliminary results.

In the first quarter 2023, the number of the employed amounted to 2 837 600, and number of the unemployed to 317 200. Employment rate for the mentioned period amounted to 49.6%, while unemployment rate had the value of 10.1%.



Graph 1. Rates of employment/ unemployment, population aged 15 and over, 2022-2023 (%)

(r) - Revised data

## Comparison with the same quarter of the previous year

According to the Labour Force Survey, in the first quarter of 2023 compared to the first quarter of 2022, the number of employed persons aged 15 and over increased by 31 500, which led to an increase in the employment rate by 1.1 p. p. In the same period, the number of the unemployed decreased by 25 000 persons, while the unemployment rate

decreased by 0.8 p.p. The contingent of the population outside the labour force in the interannual period decreased by 75 100, i.e. rate by 0.8 p. p. The total observed population (residents aged 15 and over) decreased by 68 600 in the same period.

The employment rate for women in the first quarter was 43.2% and compared to the first quarter of 2022, it is higher by 1.9 p. p., while the same rate in the male population was 56.5% and is higher by 0.3 p. p. The unemployment rate was reduced for both sexes, i.e. by 1.0 p.p. for women and 0.7 p.p. for men, meaning that these rates in the first quarter of 2023 amounted to 10.4% for females and 9.8% for males. The rate of the population outside the labour force in the interannual period was predominantly reduced in the female population, by 1.6 p.p., and in the first quarter of 2023 it amounted to 51.8%, but it still records a significantly higher value than the same rate in the male population. In the male population, the rate of population outside the labour force remained almost unchanged compared to a year ago, and in the first quarter of 2023 it amounted to 37.3%.

In the interregional comparison, a significant increase in the employment rate was recorded in Beogradski region (2.7 p.p.), as well as in Vojvodina region (1.6 p.p.). Somewhat lower increase was recorded in Region Južne i Istočne Srbije (0.4 p.p.), while in Region Šumadije i Zapadne Srbije, there was a drop in the employment rate of 0.3 p.p.

The increase in the number of employed persons is the most noticeable in Manufacturing sector (26 900 persons), while in Agriculture, forestry and fishing sector, there was a decrease in the number of employed persons (30 800).

Within the total employment, which records an interannual growth of 31 500, there was an increase of formally employed, by 43 700, dominantly in the Manufacturing sector (30 900) and a decrease of informally employed, by 12 200, dominantly in the Agriculture, forestry and fishing sector (7 800).

The rate of total informal employment in the first quarter of 2023 was 12.3% and, compared to the first quarter of 2022, it is lower by 0.6 p.p. The rate of informal employment outside agriculture amounted to 6.4%, which compared to the first quarter of 2022, presents a decrease of 0.3 p.p., while the same rate in agriculture amounted to 51.7%, and compared to the same period of the previous year, it recorded a growth of 2.0 p.p.

Population in the age group 15-24, the so-called youth population, recorded a drop in the number of unemployed by 13 900 compared to the same quarter of the previous year and a drop in the unemployment rate of 3.7 p.p., so the youth unemployment rate in the first quarter of 2023 amounts to 24.9%. In the same period, there was a decrease in youth employment, by 7 200, as well as the employment rate in this population, by 0.7 p.p. The decrease in employment and above all unemployment in the youth population in the interannual period led to an increase in the contingent of the population outside the labour force in the youth population, by 12 200, and the corresponding rate by 2.7%.

The so-called NEET rate, i.e. the share of young people aged 15-24 who neither work nor are in the process of education or training in the total youth population was 11.4%, which compared to the first quarter of 2022 presents a decrease of 4.3 p. p. In the population aged 15-29, the NEET rate was at the level of 14.0%, recording an interannual decrease of 3.4 p. p.

### Comparison with the previous quarter

According to data from the Labour Force Survey for the first quarter of 2023, the number of employed persons increased by 19 600, while the employment rate increased by 0.5 p.p. compared to the fourth quarter of 2022. At the same time, the number of unemployed persons increased by 25 500, so the unemployment rate increased by 0.7 p.p. The growth of the contingent of the active population (which consists of the employed and the unemployed) also implies a change in the number of the population outside the labour force, which recorded a decrease of 62 100, and a rate lower by 0.9 p.p.

Inter-quarterly changes in the basic contingents of the population aged 15 and over are somewhat more expressed in the female population. The unemployment rate increased by 1.2 p.p. for women, i.e. by 0.2 p.p. for men, while the rate of the population outside the labour force decreased by 1.3 p.p. for women, i.e. by 0.6 p.p. for men. However, the increase in the employment rate is more noticeable among women compared to men (0.6 p.p. and 0.4 p.p. respectively).

The employment rate is higher by 0.9 p.p. in Beogradski region, by 0.8 p.p. in Region Vojvodine, it is slightly higher in Region Šumadije i Zapadne Srbije (0.2 p.p.), while in Region Južne i Istočne Srbije, it is lower by 0.1 p.p. compared to the last quarter of 2022.

In the first quarter of 2023, compared to the fourth quarter of 2022, total employment increased by 19 600. Observed by activity sections, the largest increase in the number of employees was recorded in the section Wholesale and retail trade, repair of motor vehicles (35 400), as well as Administrative and support services activities (25 200). On the other hand, the biggest decrease was recorded in the sector of Agriculture, forestry and fishing (15 100). Within the growth of total employment, formal employment increased by 10 400 and informal by 9 100.

Moreover, in the population of young people, aged 15-24, recorded are the same inter-quarterly trends in the basic population contingents as in total population. 0.7 p.p. decrease in the rate of population outside the labour force, was followed by an increase of the employment rate (0.3 p.p.) and the unemployment rate (0.7 p.p.).

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Final scores<sup>1</sup> for the first quarter of 2023 were calculated on the basis of demographic estimates for 2022, according to final results of 2022 Population Census.

Due to the application of weights based on the most recent demographic indicators, the data from this statistical release are not comparable to previous data published in the same statistical releases before 2023.

In order to ensure the comparability of the data from the first quarter of 2023 with the data from 2022, the LFS data was revised based on the revision of demographic estimates based on final 2022 Census results. Demographic estimates based on 2011 Census were, for the last time, used to calculate the grades for the fourth guarter of 2022.

# In this statistical release, the data for the first quarter of 2023 is compared with the revised data for the first and fourth quarters of 2022.

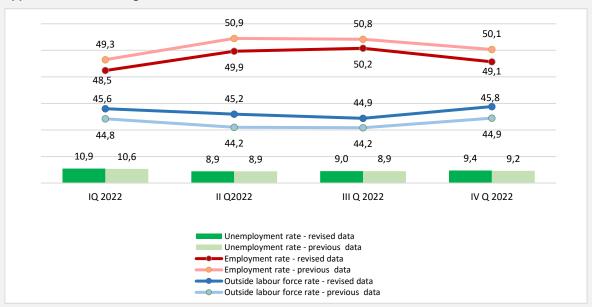
In the coming months, after the publication of the revised data on population estimates in the intercensus period, the LFS data will be revised for the relevant period before 2022.

#### The revised data will be subsequently updated in the database on SORS website.

The post-census revision is carried out in accordance with the General Audit Policy of the Statistical Office of the Republic of Serbia, which is fully aligned with the guidelines from the Manual on Revision Policy in the European Statistical System (ESS Guidelines on Revision Policy), which was adopted by the European Statistical System Committee.

The goal of post-census revision of ARS data is to ensure comparability of data without interrupting the time series.

Graph: Comparative overview of the most important LFS indicators (employment, unemployment and population outside the labour force) for the year 2022 before (previous data) and after (revised data) the application of new weights



### Explanation of terms:

Previous data - data based on a weighting system that implied the use of demographic estimates based on 2011 Census.

Revised data - data based on a weighting system that implies the use of demographic estimates based on 2022 Census.

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<sup>&</sup>lt;sup>1)</sup> Final scores were calculated using the weights obtained by the calibration procedure. For a more detailed explanation, see: https://publikacije.stat.gov.rs/G2017/PdfE/G20177069.pdf

## Major indicators, first quarter of 2023

In the first quarter of 2023, the number of employed persons is 2 837 600, and the employment rate is 49.6%.

The employment rate is the highest in Beogradski Region (54.9%), and the lowest in Region Južne i Istočne Srbije (44.0%). Region Šumadije i Zapadne Srbije and Region Vojvodine record rates of 49.4% and 49.5%, respectively.

There were 317 200 unemployed persons in the observed quarter, while the unemployment rate was 10.1%.

Interregionally, the rate is the highest in Region Južne i Istočne Srbije and amounts to 14.9%. In Region Šumadije i Zapadne Srbije it is 10.2%, while this rate in Region Vojvodine is 8.8%. The lowest unemployment rate is recorded in Beogradski Region, amounting to 7.6%.

The population outside the labour force recorded a number of 2 561 300 with a rate of 44.8%, with the highest rate recorded in Region Južne i Istočne Srbije (48.4%), and the lowest in Beogradski Region (40.6%). In the remaining two regions, the rate of the population outside the labour force is 45.7% in Vojvodina Region and 45.0% in Region Šumadije i Zapadne Srbije.

There were 3 154 800 active persons in the first quarter of 2023, and the activity rate was 55.2%, the highest being in Beogradski region (59.4%) and the lowest in Region Južne i Istočne Srbije (51.6%).

In the age category 15-24, the employment rate was 23.4% (158 900 employed young persons) and the unemployment rate was 24.9% (52 600 unemployed young persons). The NEETs rate for this age category was 11.4%.

Table 1. Main indicators of labour market trend, Q1 2023

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	Q1 2023	Changes relative to previous quarter		Changes relative to same quarter of the previous year	
	(in thousand)	(in thousand)	%	(in thousand)	%
Population 15+	5716.1	-17.1	-0.3	-68.6	-1.2
Active	3154.8	45.0	1.4	6.5	0.2
Employed	2837.6	19.6	0.7	31.5	1.1
Formally employed	2488.2	10.4	0.4	43.7	1.8
Informally employed	349.4	9.1	2.7	-12.2	-3.4
Unemployed	317.2	25.5	8.7	-25.0	-7.3
Outside the labour force	2561.3	-62.1	-2.4	-75.1	-2.8
	%	(p.p.)			
Activity rate	55.2		0.9		0.8
Employment rate	49.6		0.5		1.1
Informal employment rate	12.3		0.2		-0.6
Unemployment rate	10.1		0.7		-0.8
Outside the labour force rate	44.8		-0.9		-0.8

In the first quarter of 2023, the Survey was conducted on the sample of 14 653 households, out of which 11 198 households were interviewed, i.e. 24 833 persons aged 15 and over.

More detailed data can be obtained in the tables that are part of the Statistical Release on Labour Force Survey for the first quarter 2023 (RS10), on the address: http://publikacije.stat.gov.rs/G2023/XlsE/G20231243.xlsx.

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## 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 outside the labour force 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 unpaid 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).

**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.

**Outside 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.

**Outside the labour force rate** presents the percentage share of outside the labour force population in total referent population aged 15 and over.

More detailed description of the Survey methodology can be found at the link https://data.stat.gov.rs/Metadata/24\_Zarade/Html/240003\_ESMS\_G0\_2021\_3.html

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).

Contact: <a href="mailto:ars@stat.gov.rs">ars@stat.gov.rs</a>, Phone: 011 2412-922, ext 372

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Phone: +381 11 2412922 (telephone exchange) • Fax: +381 11 2411260 • stat.gov.rs

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