

## Young People and Active Employment Policy Measures

### *The Road to (In)Decent Work*

#### Summary

The young in Serbia share common employment-related issues with other young people all over the world: unemployment, limited job opportunities, being hired to perform jobs that fail to include decent work standards. Availability of appropriate work, job security and adequate earnings, the ability to exercise labour rights, and social security and trade union organisation are all deficits to decent work that young people face.

In Serbia's employment policies, in the section relating to youth employment, a lack of experience and relevant skills needed on the labour market are recognised as the only obstacles to inclusion on said market, while insufficient job supply, which is equally important if not more so, remains completely unrecognised. In spite of the fact that data pertaining to the unemployment and underemployment of young people indicates the impossibility of finding work as a key indicator of decent work, the public employment administration implements measures primarily focused on labour supply, and not on labour demand. Furthermore, there are no relevant analyses which would corroborate what skills and professions are needed on the labour market.

The position of young people in Serbia's labour market is significantly more unfavourable in comparison to that of EU youths in terms of labour market status. Just half of those aged between 20-29 are employed in comparison to almost two thirds of their peers in the EU 27, the unemployment rate of this age group is double in Serbia, where for every five active youth, one is unemployed. Among employed workers, there is a significant share of those who lack job security (44.1% in Serbia and 35.8% in the EU 27). However, the reasons why young people are employed in this form differ significantly: 81% of young people in Serbia work in temporary jobs because they are unable to find permanent employment, while this is the case for only 29% of their peers in the EU. The chances are very high that youths will continue to work in uncertain jobs in the coming period considering that a third of those between the ages of 25-29 are employed in this manner. Every fourth young person in Serbia is unemployed or is working in some sort of NEET (Not in Education, Employment, or Training) form, while this is the case for one out of ten in the EU.

In the section of the AP for Chapter 19 referring to compliance with the Recommendations of the European Council on establishing a Youth Guarantee and Council Recommendation on a Quality Framework for Traineeships, the description of the current situation and in defining activities expresses a complete lack of understanding. No amendments are proposed to existing legislation, primarily the Law on Employment and Unemployment Insurance and the Labour Law which would enable the Youth Guarantee to be applied. The need to amend the Labour Law in order to provide adequate legal protection for young people engaged in professional training (internships) and to establish standards for ensuring their quality, goes unrecognised.

Active employment policy measures which apply to young people in Serbia do not include the largest number of young people who are registered as unemployed, as well as all unemployed young people who are not registered with the employment service, and all that fall under the NEET category. Unemployed young people are also outside the system of social protection for the unemployed, since the right to cash benefits is acquired exclusively on the basis of

unemployment insurance, and most young people do not exercise the right to this benefit as they are most often hired under temporary contracts.

Only every 18th young person is included in active employment measures. Programme selection is not conducted on the basis of the evaluation of previously implemented programmes, primarily the effects on employment, nor is there any data available on the quality of work for participants who have been hired. There is a lack of systematic monitoring and reliable identification of current mismatches between the competencies of the unemployed and the competencies required, as well as forecasting future competency needs.

The largest number of unemployed young people included in programmes are highly educated, which indicates poor targeting of active measures, as those with higher educations have better chances of employment in the labour market. No focus exists on the most vulnerable groups: those with low-skills, the Roma population and those who are unemployed in the long-term.

Only young unemployed people whose condition for independent work within their profession is that they have been through an internship or have passed a professional exam in line with the law or regulations (a professional training programme and internship) are included in programmes aimed toward the attainment of work experience. Unemployed young people in these two programme types, which are identical in content, differ in terms of how they are engaged, compensation amounts, whether or not they can exercise their right to social security and in terms of exercising other individual and collective rights. Young people included in the professional training programme receive compensation that is significantly below minimum wage, they do have the right to social insurance, and are not able to exercise their individual and collective labour rights. Professional training/internships, as short-term work experience programmes that include learning and training, implemented in order to improve employability and transition to employment, as defined by the European Youth Guarantee, are not available to unemployed youth in Serbia through active labour market policy measures.

Programmes that should contribute to new job creation through subsidised employment do not provide young people with the opportunity to achieve decent work standards, since the criteria for awarding employment subsidies do not include the obligation of employers to provide adequate wages or stable employment. Subsidised self-employment contributes to an increase in vulnerable employment, while public works programmes fail to provide the most vulnerable groups with incomes that would satisfy their existential needs or the ability to exercise individual and collective rights.

Active employment policy measures, aimed at a small number of unemployed young people included in them, are certainly not the way to achieve decent work standards. The manner in which they have been designed and implemented only prepares young people for the precariousness of the labour market they will face very quickly upon completing the programme they participated in.

