A PROFILE OF YOUTH NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET) IN SERBIA

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Abstract: *Youth face difficulties when entering the labour market. Of particular concern are those who are not employed and are not in education and training (NEET), as they are characterized by low motivation/self-confidence as well as insufficient interest in social events and inadequate skills to find gainful employment. In the Republic of Serbia, NEET rate has decreased in the last five years, but is still roughly 20%, high compared to their EU counterparts (Eurostat, 2019). Due to research into Serbian NEET youth being relatively rare, this paper seeks to establish characteristics of Serbian NEET youth and how they successfully return to education or gain employment. The aim of this paper is to compare NEET unemployed, inactive in the labour market and not in education with youth who are employed to identify what social differences may increase the likelihood of being NEET and the risks associated with transitioning into the labour market.*

Keywords*: NEET, youth, Serbia, labour market*

JEL Classification*: J01, J13, J21, J64*

1. INTRODUCTION

Most Balkan countries face high unemployment rates among young people. Despite decades of policies to assist them, young people in the Balkans continue to have difficulty entering the labour market, as evidenced by youth unemployment rates which are still above the EU average. In the last few years, Serbia's labour market has gone through noticeable shifts in its indicators which is reflected in the youth unemployment rate (15 to 24 years of age) falling from 34.9% in 2016 to 26.6% in 2020. But still Serbian youth are at an extreme disadvantage when entering the labour market, especially youth who are unemployed as well as not in the process of education or training (NEET).

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According to statistical data, the NEET rate of the Republic of Serbia (RS) is 20.7%, almost 5 p.p. higher compared to the EU's average (the Statistical office of the Republic of Serbia, 2020; Eurostat, 2020). NEET are usually young people without labour skills, with lower education, and mostly they live in rural areas (Djukic, Pavlovic, 2021). In the Republic of Serbia (RS), NEET rate has been shown to be higher in rural than urban areas (Ognjenović, Kuzmanov, Pavlović, 2021) by 2.2 p.p.

Regardless of their position, research into NEET youth in the RS is relatively rare, generally focusing on their position within the context of overall youth employment. Moreover, it has mainly dealt with the economic position of youth (Stanojević and Tomanović, 2012; Stanojević, Petrović, 2018), their transition into the labour market (Tomanović and Stanojević, 2015) or problems facing those at risk of social exclusion (Aleksic, et al., 2021). Some studies have concerned existing youth-employment policies, such as innovative approaches to increase employment and strengthen youth employability (Cerovic et al,, 2013) or the implementation of youth policy strategy (Pavlović et al. 2017). Low employment rates among youth in the RS are commonly associated with misalignment between labour market demand and the supply of graduates in specific fields (Bijelović et al. 2017), skill mismatch (Aranderenko and Bartlett, 2012), a lack of relevant work experience (Pavlović et al., 2019) and an absence of interest in gaining competencies beyond one's formal education (Jojkić and Mitrović 2017).

The research conducted indicates that the current competencies of NEET youth do not correspond with those sought in the labour market as well as that it is necessary to improve existing active employment policies in order to act in a more effective way to assist NEET in gaining employment. While all previous NEET research in Serbia has been based on secondary statistics or online survey data, the majority has drawn on the same data from the same Labour Force Survey (Pavlović et al., 2019, Zubović et al., 2015) as well as the same reports originating from RS institutions. However, there have been instances of online surveys being applied (Djukic and Pavlovic, 2020). In this regard to the uniformity of all previous research found in the literature, our study is novel as it is the first to exclusively focus on NEET youth in Serbia based on micro-data from the Labour Force Survey 2019 (Note: this study omits the year 2020 due to the inordinate shift in the labour market caused by the coronavirus which would distort all prior data up to 2019).

This paper seeks to better characterize NEET youth as well as how NEET transitions into the labour market or disengage from it by comparing those who

are unemployed and inactive as well as those not in education with youth who are employed to identify social differences that are factors in determining if one is at risk of being NEET. The research also seeks to establish risks associated with transitions into the labour market through asking the following questions:

1. What characteristics shared by youth are more likely to determine them as being NEET (such as gender, education attained, age, place of residence)?
2. What youth are more capable of transitioning into the labour market and find ready employment compared to those that are NEET?
3. What kind of work do young people find during this transition into the labour market? Are there any differences in terms of job security and employment rights in the jobs found when transitioning into the labour market?
4. What youth most likely disengage from the labour force and become NEET?

This study is the first of its kind to examine Serbian NEET youth in order to identify specific subgroups of job seekers, the long-term unemployed, inactive persons-the completely discouraged and those who may face significant barriers (such as disability or low level of education). The results and conclusions of the research will assist redressing public policy by allowing for a more accurate targeting of heterogeneous subgroups of youth.

2. LITERATURE REVIEW

The NEET rate is a relatively recent indicator. Emerging in the 1990s in the UK, it was designed to include a particularly vulnerable group of young people who had not been sufficiently treated by active employment policy measures and posed a particular challenge to economic policy makers (Eurofound, 2012). Since then, NEET has grown to become a subject of growing interest among researchers, in order to pinpoint its causes and create preventive measures in terms of economic policy. Djukic and Pavlovic (2020), ETF (2020) and Eurofound (2014), among others, have claimed that NEET youth are the consequence of a number of interdependent institutional, structural and individual factors. According to these authors, two highly predictable contributing factors to becoming a NEET are background (such as poor education and family life) or dissatisfaction. The latter ultimately concerns the attitudes youth develop towards their education as well as developing their skills. These two risk groups are certainly interrelated and which numerous

factors influence (e.g., parents, employment, residence and ethnicity) (Sergi, et al. 2018). The probability and risks of becoming NEET have been mainly methodologically investigated using logit models taking into account multiple individual socio-economic characteristics (such as gender, age, education level and health.). In addition, family factors (such as income level, education level attained by the parent and place of residence) have also been analyzed in literature research by O'Reilly et al. (2015) who point out that becoming NEET in the European countries is more likely for immigrants and those whose parents have only attained a lower level of education or among those young people where at least one parent does not work.

NEET are the most difficult to address, consisting of those who could be deeply alienated, lead alternative lifestyles, and at risk of being involved in the gray or even black economy, and potentially use alcohol or psychoactive substances excessively (Barth et al., 2019). Mascherini and Ledermaier cite five groups of NEET youth: 1) conventionally unemployed, 2) unavailable, 3) non-engaged, 4) opportunity seekers and 5) voluntary (Eurofound, 2016). Conventionally unemployed may be unemployed in the short-term or long-term unemployed but generally represent the most substantial NEET group. Each of these groups requires separate, specifically targeted active employment measures. A significant body of research analyses the effectiveness of economic policy measures in order to select the most effective at solving the problems of the conventionally unemployed. Alegre et al. (2015) using "propensity score matching" evaluates the effectiveness of diverse active employment measures in effect from 2009 to 2013 in terms of their ability to return NEET youth in Catalonia to full-time employment or education of NEET. The best effects were found to be recorded in younger groups (up to 18 years of age) and in measures aimed at returning them to the education system. Kluve et al. (2018) present the findings of a systematic review of past policies based on 113 impact studies. They report that programs are more successful in low- and middle-income countries as well as that the measures themselves are not as important as their design and implementation. Programs based on a multidisciplinary approach were also found to be more effective in the long-term. A survey conducted in Serbia indicated that NEET youth are mostly unemployed (short term - 29.8% and long term - 22%) and those taking care of their family members (15.4%). Strikingly, only 7.8% of NEET are made up of those who are entering the labour market, starting/continuing their education or training. 6.8% are disabled and the lowest, 5.8%, are discouraged from participating in the labour market (Foundation of Ana and Vlade Divac, 2020).

2. NEET YOUTH IN SERBIA- FACTS AND FIGURES

Since 2014, data on the NEET rate have been published annually in Serbia based on the implementation of the Labour Force Survey[1]. In the EU, the NEET rate has been published since 2010 (Foundation of Ana and Vlade Divac, 2020). On the publicly available portal of the Republic Statistical Office of the RS, data on the NEET rate can be found for two groups of youth: 1) 15 to 24 years of age and 2) 15 to 29 years of age. As our research focuses on youth 15 to 35, a general overview of them in terms of their economic situation will be presented utilizing the Eurostat database.

The overall NEET rate found in Serbia is higher than the general NEET rate across Europe as a whole. However, Europe is diverse, representing economies of varying strengths. Norway, for instance, had one of the lowest NEET rates at 7.3% but Turkey was the highest at 30.9%, in 2019. Countries throughout the EU itself might range wildly in their NEET rates as long standing member Italy reported 23.8% rate while the more recent member state of Croatia only reported 15% rate. In contrast, the Netherlands only was a 7% rate (Eurostat, 2019). These contrasting numbers show that NEET is a problem that spans across cultures where no rate is 0 as well as that, despite Serbia's efforts to combat NEET, it still will face issues as other countries do.

With the exception of Croatia, the share of NEET in the total youth population of Serbia was generally somewhat lower than the other countries of the region. Montenegro and Macedonia, for instance, both faced a NEET rate which was about 25%. In contrast, according to Eurostat data, it was estimated that there were approximately 19.9% of NEET youth 15 to 34 years of age in 2019 in Serbia (Figure 1).

[1] For more information https://publikacije.stat.gov.rs/G2017/PdfE/G20177069.pdf

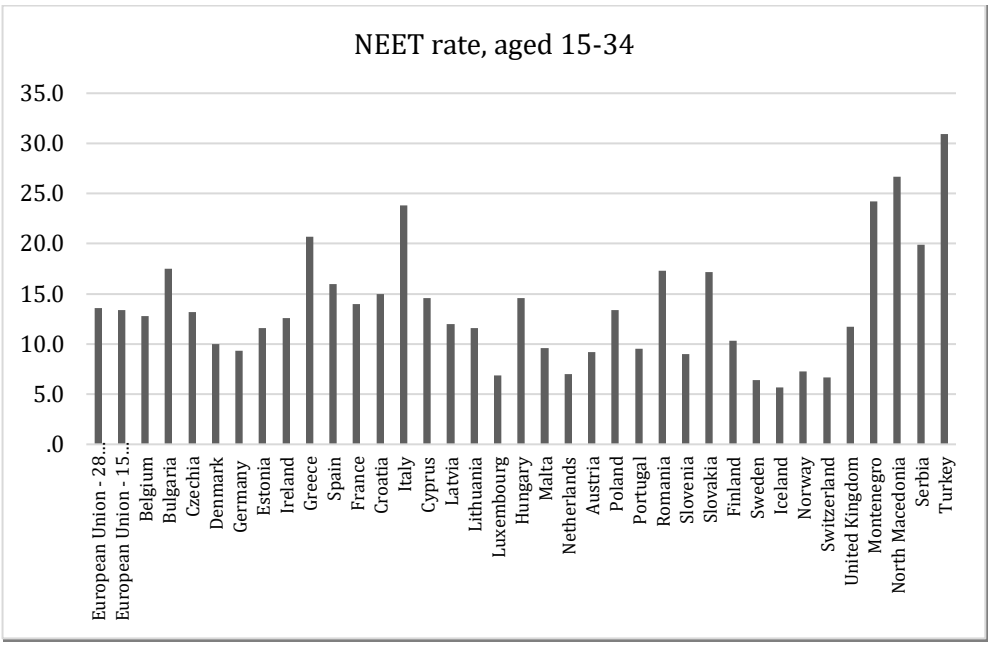

Figure 1. NEET rate in Europe, 2019.

Source: Eurostat, 2019.

However, the male NEET rate (15 to 34) was higher than females. In 2019, females NEET rate was 23.2% while for male population was 6.4 p.p. lower (Figure 2). Among NEET youth 15 to 34 years of age, in 2019 NEET rate was a lower in comparison from 2018. There is a decrease in the NEET rate for both gender groups according to the 2020 data. Whereas for males 15 to 34, the NEET rate decreased from 17.8% to 16.8%.

Males were more likely to be unemployed in the labour market (10% in 2019 for those 15 to 34 years of age) than were females (8.3% in 2019 for those 15 to 34 years of age).

Conversely, there are more NEET females who are inactive (14.8% in 2019) than males (6.8% in 2019). NEET males and females inactive in the labour market did not changed a lot in comparison with 2018. For inactive females 15 to 34 years of age, there was a sudden increase from 14.4% (2018) to 14.8% (2019), while those who are females NEET but unemployed fell from 10.3% (2018) to 8.3% (2019).

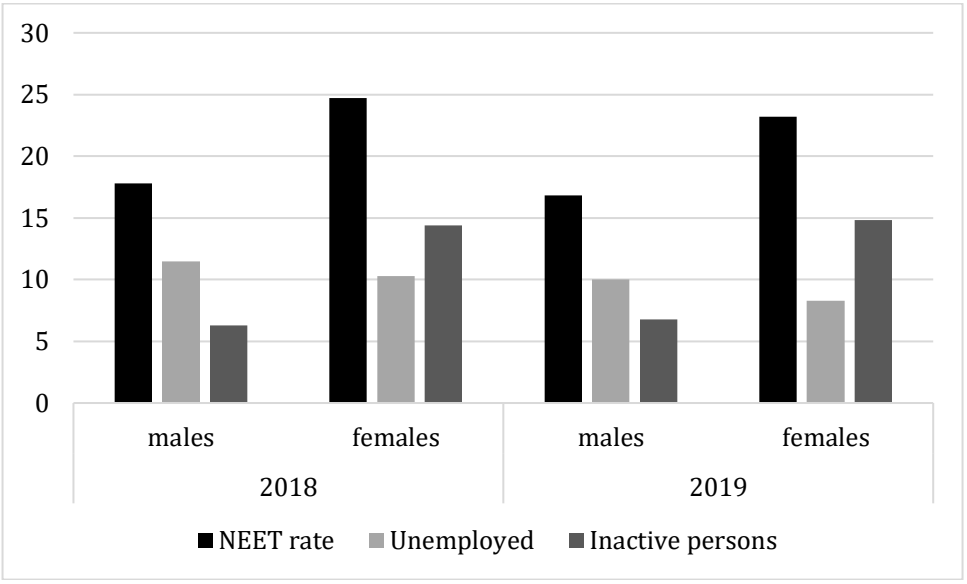

Figure 2. NEET rate in Serbia by gender, 2018 and 2019.

Source: Eurostat, 2019.

By age group, the lowest NEET rate is among those 15 to 24 years of age (15.3% in 2019). However, at over 19%, it is considerably higher among youth in general (15-34 years of age). There are significant differences when comparing education and age between those 15 to 24 and 15 to 34 years of age. To illustrate, those who are 15 to 24 and who have achieved only a less-than-primary, primary and lower secondary education (Levels 0-2) had an approximate NEET rate of 10%, while it was 19.9% for those 15 to 34. The NEET rate is slightly higher for youth 15 to 24 years of age who have achieved a higher education (25.2%) than for youth 15 to 34 in general (19.5%) (table 1).

Furthermore, at a rate of 22.2% in 2019, a deeper analysis shows that NEET youth who had achieved a Tertiary Education were mostly women, compared to the males at 15.4%. For both sexes, it was interesting to note that the males NEET rate for those 15 to 34 years of age who had completed their Tertiary Education had decreased compared to 2018. While females NEET rate did not changed in comparison with 2018.

Table 1. NEET rate in Serbia by age and educational attainment level, 2019.

	15-24	15-29	15-34
NEET RATE (All levels)	15.3%	19%	19.9%
Less than primary, primary and lower secondary education (Levels 0-2)	10.5%	15.1%	19.9%
Upper Secondary and Post-Secondary Non-Tertiary and Tertiary Education (Levels 3-8)	18.6%	20.5%	19.9%
Upper Secondary and Post-Secondary Non-Tertiary Education (Levels 3-4)	18.2%	19.7%	20.1%
Tertiary Education (Levels 5-8)	25.2%	23.7%	19.5%

Source: Eurostat, 2019.

Eurostat data show that women are more likely to be NEET if they come from rural areas. The NEET rate for women aged 15 to 34 living in rural areas is around 30% while for men it is 17.8%. In contrast, the NEET rate for men and women living in urban areas is almost equal, at around 16% and 18%, respectively.

Analysing Eurostat statistical data (2019) of current position of youth in RS, it could be concluded that youth from rural areas are at a higher risk to be in NEET status compared to youth from cities. Furthermore, it is a larger share of rural female NEET (28.2% in 2019) in comparison than males (16.9% in 2019) (table 2). Also, education have a significant influence on the position of females in rural areas (Ana and Vlade Divac foundation, 2020). For instance, women who only possess a primary education are the most likely to be NEET.

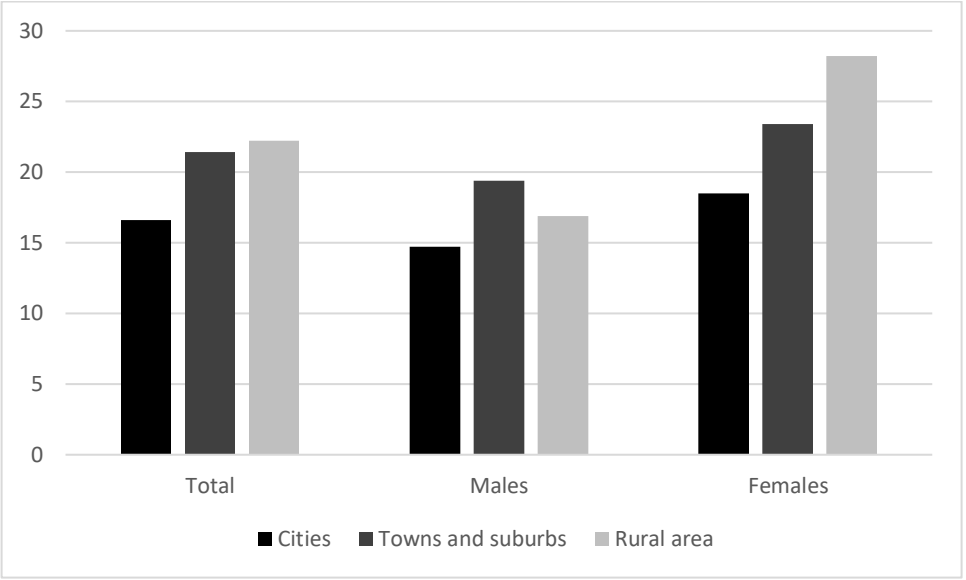

Figure 3. NEET rate in Serbia by gender and degree of urbanization

Source: Eurostat, 2019.

3. DATA AND METHOD

For the aforementioned purpose we used data from the 2019 Labour Force Survey. These data are organised in a panel survey design, in the sense that one set of respondents is interviewed in two successive waves, the subsequent two waves are then skipped and the respondents are interviewed again in two successive waves. Bearing in mind that we are using annual results, we are in possession of data covering two successive waves for 90 percent of the respondents, which enables us to conduct analysis on the individual level over time. Even though the interval was relatively brief (three months), we believe that this survey design makes it possible to identify differences in individual trajectories through the labour market. As part of the analysis we singled out young people aged 15-35, excluded all young people who are currently in formal education and used data only for those young people who participated in both waves. This enabled us to track any changes to their position in the labour market.

The data were reformulated from a wide to a long format, thus excluding the possibility of the same individuals appearing twice in the analysis from different quarters. Bearing in mind both that the purpose of the analysis was to

identify links between young people's socio-demographic characteristics and employment status, and also the fact that the participation of various categories of young people is relatively uneven, we employed this design in an effort to avoid increasing collinearity.

The surveyed population of young people consists of NEETs and the employed. In the category of young people who are NEET – not in education, employment or training – we included all young people who are no longer in formal education, who are not working (regardless of the type of employment or type of contract) and who are not engaged in any kind of training. In the category of employed persons, we included all young people who are in employment according to the definition used in the Labour Force Survey, irrespective of the kind of work (i.e. whether they are employed under a formal contract) or the level of compensation received.

The analysis was conducted in three stages: First, we descriptively present young people's status and change of status in the labour market by gender, education and place of residence. In the second stage, through three models of logistic regression, we endeavour to examine the following: 1) links between the socio-demographic characteristics of the respondents – gender, age, education, place of residence and region – and their NEET status; 2) links between the socio-demographic characteristics of young people and their transition from employment to NEET status – i.e. the likelihood of losing employment given a respondent's socio-demographic status; and 3) links between the socio-demographic characteristics of young people and their transition from NEET status to employment. The third stage analyses links between the respondents' socio-demographic characteristics, the type and stability of their employment during their transition from unemployment – in other words, which young people find more stable and which less stable employment.

In 2019, around 15 percent of young people were NEETs, six percent transitioned from this status into employment and a significantly smaller group of three percent transitioned from employment into NEET status. Three quarters of young people remained in stable employment – i.e. they did not change their employment status, though they may have changed jobs. Examining these changes from the perspective of education, we can identify the following patterns: Those who retained their status as NEETs are represented across all educational categories at practically the same rates. Transitions from employment to NEET status increase as the level of education increases, while transitions from NEET status into employment are lower for those with only

primary education. The stability of employment is somewhat higher for young people with only primary education.

When it comes to gender, young women are more frequently in stable NEET status and fluctuate less in terms of their status than do men, but there are also slightly fewer of them in continuous employment. Differences between rural and urban communities are not significant, being expressed as a slightly higher incidence of rural young people being NEET and slightly lower number in continuous employment. Fluctuations in status are identical across the urban-rural divide.

Table 3. Transitions of NEET

		Transitions			
		NEET – NEET	**EMPL. – NEET**	**NEET – EMPL.**	**EMPL. – EMPL.**
Total		15	3	6	76
Education	Primary	15	1	3	81
	Secondary	15	3	7	75
	Higher	16	7	7	74
Sex	Men	12	3	7	78
	Women	19	2	5	74
Place of Residence	Urban	13	3	6	78
	Rural	17	3	6	74

Source: Author's calculations.

A somewhat more detailed insight is provided by the following table, where data on gender, education and place of residence intersect. Among men there are no significant differences in terms of education and stable NEET status, while among women there is a small increase for those with secondary education. When it comes to gender and place of residence, there are no differences among men but some differences are evident among women. There are more women with a stable NEET status, fluctuations in either direction are effectively the same, while women in urban environments are more likely to be in continuous employment.

Table 4. Transitions of NEET

Gender			Transitions			
			NEET – NEET	**EMPL. – NEET**	**NEET – EMPL.**	**EMPL. – EMPL.**
Education	Men	Primary	13	2	5	81
		Secondary	11	4	8	78
		Higher	13	3	7	77
	Women	Primary	17	1	2	80
		Secondary	20	3	6	72
		Higher	18	4	7	71
Place of Residence	Men	Urban	12	3	7	78
		Rural	12	3	7	78
	Women	Urban	15	2	5	77
		Rural	23	3	5	70

Source: Author's calculations.

In the first model, for the dependent variable we used the dichotomous variable of NEET status (1) and employment (0). All other statuses were excluded from the analysis, enabling us to compare only those who either remained NEET or were in continuous employment. This enabled us to see the likelihood of a young person with given socio-demographic characteristics being NEET, as compared with young people in employment. Young people with only primary education are more likely to be NEET, compared with their peers who have completed university degrees. Meanwhile there is no significant difference between young people with secondary education and those who have finished university. Gender is also linked with NEET status, in the sense that women are almost twice as likely to be NEET as men. Place of residence is also associated with the risk of NEET status, where young people in urban areas are more likely to be NEET. Age is also linked with NEET status, with a higher NEET rate among young people over the age of 25.

Our second model analysed links between education and the transition from NEET status. As the dependent variable we used a dichotomous variable that expresses the status of those who last year transitioned from NEET to employed (1) and NEET (0). In using this model, we sought to identify those young people with NEET status who have better chances of finding work. Interestingly, our analysis shows that young people who have completed only primary education have a better chance of finding work, women have a better chance than men, urban youth have a better chance than rural youth and those living in the

Belgrade region have a better chance than those in the south or east of the country.

The third model was used to analyse the likelihood of someone who is in employment transitioning back to NEET status. As the dependent variable, we chose a dichotomous variable that expresses the status of those who last year transitioned from employment to NEET status (1) and employment (0). All other statuses were excluded from the analysis, as we sought to examine the differences between those who remained in (stable) employment and those who lost this status. The analysis shows that the risk of this transition is significantly lower for those with only primary education, that it is higher in urban areas, among younger age groups and in the south and east of the country, as compared with the Belgrade region.

Table 5. Likelihood of changing of status in the labour market

	NEET compared to those in Employment		**Transition from NEET to Employment**		**Transition from Employment to NEET**	
	B	**Exp(B)**	**B**	**Exp(B)**	**B**	**Exp(B)**
Primary	1.027***	2.793	-1.554***	0.211	0.747***	2.110
Secondary (ref. Higher)	0.108	1.114	-0.279	0.756	0.005	1.005
Female (ref. male)	0.562***	1.754	-0.128	0.880	0.783***	2.188
Urban (ref. rural)	0.195**	1.215	0.291*	1.338	0.245*	1.278
Age 14-19	-1.890***	0.151	0.473*	1.605	0.119	1.127
Age 20-24 (ref. Age 25-35)	-0.278**	0.757	-0.132	0.876	0.090	1.094
Vojvodina	0.316**	1.371	0.250	1.284	-0.042	0.958
Sumadija and Western	0.397***	1.487	0.031	1.032	-0.103	0.902
South and Eastern Serbia (ref. Belgrade)	0.578***	1.782	0.423*	1.526	-0.104	0.902
Constant	-2.994***	0.050	-3.371***	0.034	-0.727*	0.483
Nagelkerke R Square	.094		.070		.028	

Source: Author's calculations.

Young people who have progressed from their NEET status and found employment do not nonetheless enjoy the same position in the labour market. Although there are no differences in terms of working hours between men and women, there are some differences when it comes to the type of contract, with men somewhat more likely to be working without a contract. Much clearer differences are evident when it comes to place of residence and educational attainment. Full time work with a formal contract is significantly more common in urban areas than in rural. Moreover, young people with only primary education are less likely to work full time when compared to their peers who have completed secondary or higher education. As educational attainment increases, the likelihood of working without a formal contract decreases. These data show, therefore, that young people in rural areas are at greater risk of this kind of transition and that the risk rises as educational attainment decreases.

Table 6. Likelihood of changing of status in the labour market

Transition from NEET to employment		Type of Employment		Type of Contract	
		Full time	Less than full time	Informal	Formal
Sex	Men	81	19	44	56
	Women	80	20	34	66
		X^2=0.082. p=0.774		X^2=3.051. p=0.08	
Place of Residence	Urban	89	11	32	68
	Rural	71	29	50	50
		X^2=18.836. p=0.000		X^2=12.08. p=0.000	
Education	Primary	67	33	71	29
	Secondary	83	17	39	61
	Higher	84	16	20	80
		X^2=7.354. p=0.03		X^2=32.128. p=0.000	

Source: Author's calculations.

Additional risks associated with this transition can be identified through analysis of the workplace rights young people are able or unable to secure. Above all, we identified a fairly high rate of jobs that do not provide labour rights to all categories of young people, which points to the fact that their transition to employment is relatively precarious. Men were more at risk of failing to secure any of the analysed rights – to pension contributions, health insurance, paid sick leave and paid annual leave. Differences were also

identified according to place of residence, where securing such rights was less likely in rural areas. As educational attainment increases, so does the rate of young people securing some of the mentioned rights.

Table 7. Transition from NEET to employment (%)

Transition from NEET to employment		Without rights			
		Pension Contributions	Health Insurance	Paid Sick Leave	Paid Annual Leave
Sex	Men	50	50	59	60
	Women	37	35	42	43
		X^2=5.17, p=0.02	X^2=7.711, p=0.005	X^2=9.568, p=0.002	X^2=10.214, p=0.001
Settlement	Urban	36	35	47	48
	Rural	57	56	60	61
		X^2=16.784, p=0.000	X^2=16.687, p=0.000	X^2=6.302, p=0.012	X^2=5.453, p=0.02
Education	Primary	73	71	77	77
	Secondary	44	44	51	52
	Higher	30	28	42	42
		X^2=22.636, p=0.000	X^2=22.989, p=0.000	X^2=15.811, p=0.000	X^2=15.258, p=0.000

Source: Author's calculations.

4. DISCUSSION

The analysed data indicate that, compared to their counterparts in other European countries, the NEET rate among Serbian young people is significant. This makes them, as a group, vulnerable in the labour market since a high unemployment rate and lack of training makes them ready to look for and accept work in less than favourable conditions.

Particularly at risk are young people without formal qualifications – i.e. those who have only finished primary school. Their risk of having NEET status is significantly higher than those who have completed higher education (when other covariates are controlled). They are more likely to find work – i.e. to transition from being NEET to employment – but are also more likely to lose their jobs – i.e. to transition back from employment to being NEET. This indicates the relatively high level of risk and fluctuations in terms of employment status to which they are exposed. When in employment, they are

less likely to work full time than their counterparts who have higher educational attainment and are significantly more likely to be employed without a formal contract. This results in as many as three in four people with only primary education failing to secure basic workplace rights such as pension contributions, health insurance and paid sick leave or annual leave. Young people who have completed secondary education are in something of a better position, who differ from their higher educated peers by being less likely to be employed with a formal contract and by securing fewer workplace rights. Almost one in two people who transitioned from NEET status into employment in 2019 fails to secure the aforementioned rights.

Women experience a higher NEET rate than men, which indicates that a patriarchal culture responds to the high degree of precarity in employment by excluding a certain portion of the female population (or otherwise allowing them to exclude themselves). This applies particularly to those women who can afford it – i.e. with educational attainment beyond primary school. The analysis also indicates that, during the period under study, women lost their jobs more frequently, indicating that short-term fluctuations are potentially more likely to affect them. Men, on the other hand, find themselves in employment at more or less the same rate – irrespective of their educational attainment – but are more exposed to the risks of an unregulated labour market. They are more likely to work without a formal contract, which leads to them failing to secure workplace rights at a greater rate – which, in a patriarchal society, is linked to a transition to adulthood and financial autonomy as a significant rite of passage.

As is to be expected, the labour market is more dynamic in urban rather than rural areas. On the one hand, towns and cities experience a much higher NEET rate, reflecting a lack of jobs in urban areas and the peculiarities of agricultural production, which employs significant numbers of workers. Young people in urban areas are more likely both to find work and to lose their jobs than their rural counterparts. When they do find employment – i.e. when they transition from NEET to employment – young people in rural areas are significantly less likely to work full time or to have a formal contract, which results in them being less able to secure workplace rights. When it comes to regional differences, the Belgrade region proves to be the region of Serbia where young people are least at risk of having a NEET status.

5. CONCLUSION

Unfortunately, Serbian NEET face a multitude of challenges in the labour market that leave them less likely to be employed than their peers in many other European countries. Despite fluctuations in their overall employment over the last decade they still are least likely to be employed and suffer from significantly high NEET rates.

In Serbia, NEET rate is extremely high and small number of strategies are paying attention to this problem. Labour market measures need to be more effective. The problem of this group of young people is a problem that does not involve only one sector. Trends of globalization, demographic problems such as population aging and depopulation, and the need to adopt development policies taking into account the sustainability component are factors that require policy makers in Serbia to constantly adapt to change. Policies should change in line with changing challenges and their effectiveness should be monitored, evaluated and continuously improved in order for the implemented measures and activities to lead to the desired results. Systemic support to young people is just one of the many challenges of the reform process, but at the same time it is their common denominator. Without investing in young people, and according to their needs, social and generational inequalities only deepen in the long run. Finally, a society that does not support young people does not make optimal use of its talents and abilities can hardly be called sustainable. At the same time, it is necessary to keep in mind all subgroups of young people, especially vulnerable groups and young people who face difficulties in entering the labour market, because solving their problems often requires additional efforts and unconventional solutions.

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