



PRESS RELEASE

NATIONAL EMPLOYMENT SERVICE AND USAID STUDY EMPLOYERS' NEEDS TO FORECAST LABOR MARKET TRENDS AND REDUCE UNEMPLOYMENT

BELGRADE (October 23, 2012) – The National Employment Service and the U.S. Agency for International Development (USAID) recently completed a national survey of employers about Serbia's labor market to promote the government's economic and educational policies to reduce unemployment.

The analysis involved 4,029 Serbian companies and collected data about employers' requirements for workers or prospective employees, particularly their education or training and experience or job skills. The analysis will be used to better fit workers' skills with job openings, ultimately reducing unemployment.

The Labor Skills Gap Assessment found or projected that:

- In 2011, the **net job creation rate at the national level was 2.03 percent**;
- In 2012, employment should increase by 1.7 percent compared with 2011;
- The **public sector** is expected to record the highest rate of **job creation in 2012**, with a net job creation rate of 3.38 percent;
- **Trade, agriculture and transport** will be the drivers of job creation in 2012, with the net job creation rates of 3.63 percent, 2.35 percent and 1.76 percent, respectively;
- **Small businesses employing between 10 and 49 people** are expected to experience the most dynamic growth in job creation in 2012 with an anticipated net job creation rate of 2.67 percent;
- South and Eastern Serbia and Sumadija and Western Serbia are expected to experience the greatest net job creation rates; 2.77% in South and Eastern Serbia and 2.36% in Sumadija and Western Serbia. This is a positive trend since these regions had the highest unemployment rates in 2011;
- Companies say shortcomings they face in respect to their workforces are a lack of knowledge and skills, a shortage of workers in some professions, and a lack of work experience for employees with higher education. In addition, companies say schools do not prepare students for some professions;
- Employers say their staff should have technical and social science skills, foreign-language abilities, and more information and communication technology skills.
- Employers want staff with better communication, negotiation and persuasion skills, the willingness to learn and undergo professional development, more motivation, and the ability to work as a team.

In addition to this national survey, the USAID Local Sustainable Development Project (SLDP) also supported research on young people and labor in 32 municipalities. In recent years, unemployed youth and graduates looking for their first jobs have been particularly hard hit by the decline in local labor markets. As a result, SLDP will continue its support of local employers who sponsor internships for unemployed youth, as well as on-the-job training for their employees.

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Since 2001 USAID has invested more than \$689.4 million to stimulate economic growth, strengthen the justice system, and promote good governance in Serbia.

For more information about USAID, visit <http://serbia.usaid.gov>