

LABOUR MARKET AND SOCIAL STATUT OF POPULATION CITY OF OBRENOVAC¹⁴

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Consideration of the basic trends and conditions in the labour market is of great importance from the point of considering the overall socio-economic development of Obrenovac. Consequently, social welfare means providing minimum social security (analyzed through the employment / unemployment) intended for poor individuals or families in order to reach the subsistence income, care for members of disadvantaged groups, and support of young families and encouraging procreation. Aim is to see the changes in employment / unemployment, which reflects the percentage of juveniles and an adult's welfare by year (2008/2009) that determine the standard of living Obrenovac. Results were obtained from the website city of Obrenovac (www.obrenovac.rs), the statistical publications of the Statistical Office, Belgrade - Serbia and data obtained from the city center for social work Obrenovac. The collected data are shown in tabular and graphic examination and analyzed using mathematical and statistical methods. Conclusion the study indicates the unbreakable dependence on parameters in the labour market with the social statut of the population.

Key words: labour market, social statut, the rate of change.

Introduction

City of Obrenovac (CM) is one of 17 municipalities that administratively and territorially belong to the City of Belgrade - the capital of Serbia. It originated as a rural settlement, forming the character of the modern city. Labour market and social structure of the population are embodied with great turbulence. During 2009, compared to 2008, the number of employees recorded the percentage decrease of 3,6%, with the number of employees in the public sector growth and the percentage drop in unemployment by 1%. At the same time reducing employment and unemployment represents a contradiction, which can be explained by non-conforming change of the number of newly opened working positions with the contingent of new job seekers, or those just entering the workforce. The percentage of social assistance has increased by 12,91%, representing 17,9% of minors and 10,8% of adults.

Material and method

References for the identification and analysis of the labour market and social statut of the CM Obrenovac population includes various data sources. One group of data is taken from the official site of CM Obrenovac www.obrenovac.rs and from the web portal www.kamatica.com, as well as a correct source of information in the field of financial services in Serbia. The information from the website www.politika.rs are also used to compare data between Serbia and Slovenia, as the only former Yugoslav republic that has a higher percentage

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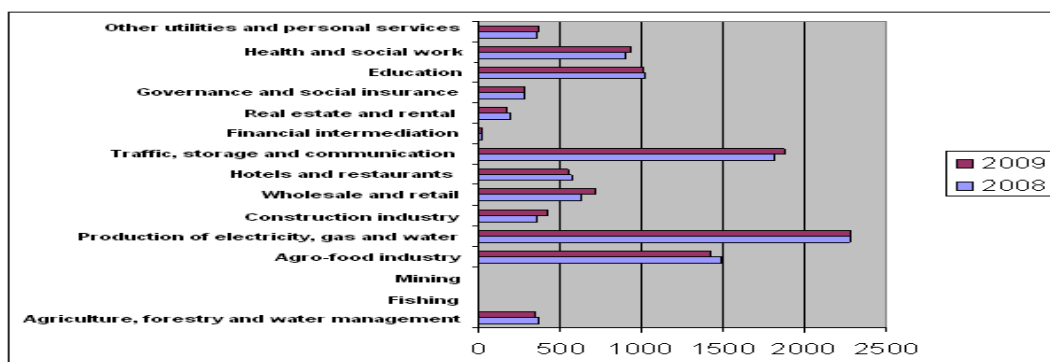
of persons employed in manufacturing than in the administration. Second type of data was obtained from the City Center for Social Work in Belgrade - Department Obrenovac, and third was taken from the statistical publication "Municipalities of Serbia". Using mathematical and statistical methods along with acceptable illustrated reviews followed by appropriate representations and conclusions derived, it is pointed to the labor market situation and social status of the population in Obrenovac, and using a growth rate, their trend was showed.

Results and discussions

Labour market - *Data on employment and unemployment* represents an indicator of socio-economic development of each area. Consideration of the basic trends and conditions in the labor market is of great importance from the point of the overall socio-economic development investigation, as the efficiency and appropriateness of human resources and their potential use.

Through a comparative *analysis of the number of employees* in the period 2008/2009, it can be noticed that in 2009 in Obrenovac the number of employees was reduced by 3,6% (from 14.818 to 14.289) compared to 2008, and the participation of women in employment was reduced by 0,5% (from 41% to 40,5%), and the number of employees also decreased (206 to 198 per 1.000 inhabitants). Reducing the number of employees is expected according to the current economic reforms characteristic for the transition period and the current turbulence in the economic system of the country caused by the global economic crisis. The reduction in labour productivity and economic activity entails decreasing the number of employees. However, a very interesting fact is that the burden of the crisis is not of the same intensity reflected to the number of employees in all sectors of the economy. The number of employees in enterprises, institutions, cooperatives and organizations increased by 0,8% (from 10.339 to 10.426), while the number of entrepreneurs, individuals who are self-employed and their employees decreased by as much as 13,75% (from 4.480 to 3.864). In other words, in the state (public) sector the number of employees has increased and in the private sector has decreased. In general, this trend is presented in the whole Serbia. Number of employed persons increases in health, education and government sector, while significantly decrease in the private one. *For example, Slovenia is the only former Yugoslav republic where the manufacturing industry has more employees than the total in government, medicine and education. The crisis in the Republic of Serbia has hit businesses, mostly to reduce the number of persons employed in manufacturing* [4]. In Obrenovac number of persons employed in the manufacturing industry in the period 2006-2009, has decreased by 20% (in 2006 it had 1.778 employees while in 2009–1.424 employees). *So, in Obrenovac, as at the national level there is unsustainable imbalance number of employees in public and private sectors, which could be remedied by increasing the number of employees in the manufacturing industry. Thus, greater tax revenues for easy financing of local government or public sector and the maintenance of public debt might be achieved.* In general, according to the RSB in 2009 [2], in Obrenovac largest number of employees is placed in the sphere of electricity, gas and water (2.279) production. Second in number of employees is the sector of transport, storage and communications (1.876), followed by the sectors of manufacturing (1.424), education (1.011), health and social work (926), etc. The minimum number of persons is employed in agriculture, forestry and water resources (348), public administration and social security (283), transactions with real estate and rentals (184) and financial intermediation (24). Comparing with 2008 (*Graph 1*), the largest reduction in the number of employed persons were registered in real estate and renting (9,4%), and in agriculture, forestry and water resources (4,9%), manufacturing (4,7%), hotels and restaurants (3,8%) and education (0,6). The greatest increase in the number of employed

persons were registered in construction (17,7%) and wholesale and retail trade and repairs (12,8%), while the least in transport, storage and communications (3,6%) and health and social work (3,5%).



Graph 1. Overview of trends in the number of employed persons by sectors in the CM Obrenovac (2008-2009, annual average)^{16,17}

Source: Statistical Office of the Republic of Serbia (2009- 2010): Municipality in Serbia, Belgrade

In the period 2006-2009 the number of unemployed persons in the municipality of Obrenovac was reduced by 25,3%, which is certainly a positive factor, and in the period 2008-2009 for only 1%. If changes in the number of employed and unemployed persons in the period 2008-2009 are compared, it is evident that during the same period there was a reduction of both. It is obvious that these two values are not correlated, although they should be, otherwise reducing the number of employees implying increase in the number of unemployed persons, and vice versa. Apparently this trend in both sides movements represents a paradox, but nevertheless possible one, and can be explained through an inconsistent change in the number of newly created jobs with a contingent of new job seekers, or those who enter the workforce. Also, it is possible that a number of unemployed persons probably migrated in search of jobs to other cities / regions, for example to Belgrade, given that the number of unemployed persons, or whether it is a gray market, ie. *work on the "black"*, since there was no increase in the number of employees in the municipality of Obrenovac.

According to the *National Employment Service*, the total number of unemployed in 2009 was 6.049 persons, and it can be concluded that it is the continued downward trend since 2008 (6.111). Of this total, women make up 59,5%, or 3.599 persons. So, there are more unemployed women than men, not deviating from the conventional view, in terms of female employment. Also, compared to 2008 a decrease of first-time job seekers by 9,1% and those with no qualifications by 2,9% has been registered.

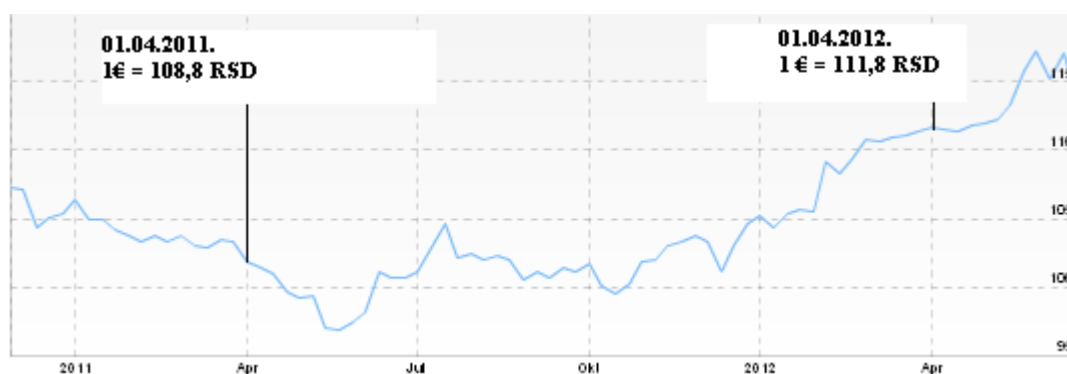
At Obrenovac district level there is a problem of incompatibility of educational profile produced by a national system of education with opportunities in the local labor market. The most vulnerable groups of unemployed persons are those with a degree III and IV of qualification level and those aged between 45 and 54, and a situation is not better when it comes to unemployed persons 30 years of age. One of the incentives would be the reduction and exemption of employers from paying taxes, thus encouraging recruitment of younger than 30 and older than 45 years of age in the private sector, which suffered the most in times of crisis.

¹⁶ Annual average was calculated on the basis of two conditions: 31.03. i 30.09.

¹⁷ In the sector of other utilities and personal services involved are employees of the companies, enterprises, institutions, cooperatives, organizations and small companies (up to 50 employees) who are not covered by regular semiannual survey, which were obtained from the assessment survey to complement the semi-annual survey employment.

The social statut of the population - Social protection represents: providing minimum of social security for poor individuals or families in order to reach the subsistence income; care for members of disadvantaged groups, and support of young families and encouraging procreation. The main direction of development in terms of providing effective social protection lies in the continued provision of services for all social care stakeholders through a common and synchronized action.

The real role of the department for social assistance is placed in family socio-legal protection defined by the Law on Social Protection, Family Law and the Decision on the Rights of the social protection of the City of Belgrade. It is entitled to different types of material support for the users to meet their subsistence level and support social inclusion [1]. According to the paper that we have received from the Obrenovac City Center for Social Work [1], the following rights to financial support, according to the Law on Social Protection, are highlighted: financial social assistance, allowance for care and assistance of another person, extra allowance for aid and care of other person, help for vocational rehabilitation, social assistance and other types of material support. Payment of these forms of social assistance is made from the budget of the Republic of Serbia. According to the Decision on the rights, some forms of assistance are paid from the budget of the City, namely: one-time assistance, fixed fee, help at home, living room, equipment users, free scholarship, and housing protection. *Cash welfare* represents a right that is paid monthly (eg IV/2011.¹⁸): for individuals € 60,22 (6.552,00 RSD) for each additional adult is increased by € 30,11 (3.276,00 RSD), and for children under 18 years of age € 18,07 (1.966,00 RSD). *One time* financial assistance is recognized at the request of a party or ex officio, mostly two times in a calendar year, provided that the amount of individual rights can not be higher than the average salary in the city of Belgrade, and not exceed twice the average wage. *Other people's care* is recognized in the opinion of the relevant disability commission, paid monthly from 01.04.2011. in amount to € 75,79 (8.246,00 RSD), and increased costs amounts € 204,44 (22.243,00 RSD). *Free meals* are delivered daily via the Red Cross Obrenovac, distributed by the company "Lido", with means provided by the Belgrade City Assembly. The amount of social assistance in 2012, remained the same as in April of 2011, and the domestic currency (RSD) has weakened the value of compensation calculated in EUR. In addition, basic needs, growth rates, point to the deterioration of the statut and standard of living are already endangered. *Graph 2* shows the fluctuation of exchange rates in the period 01.04.2011 - 01.04.2012, using the internet portal [3].

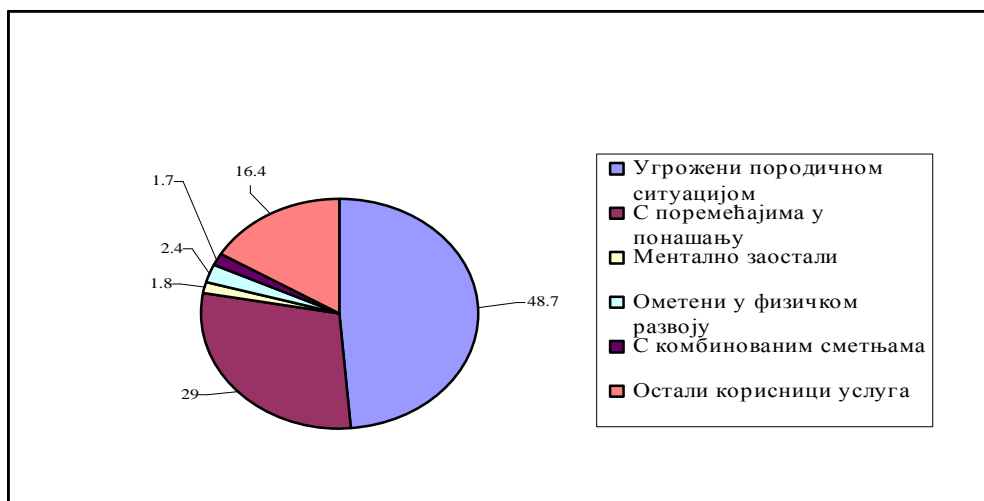


Graph 2. Exchange rate fluctuations (01.04.2011 – 01.04.2012)

Source: <http://www.kamatica.com/kursna-lista-analiza>

¹⁸ As a concrete example a compensation to be paid by 01.04.2011., is given. Therefore, take into consideration the average exchange rate of Euro to the dinar on 01.04.2011. 1 € = 108,8 RSD, and 01.04.2012.: 1 € = 111,8 RSD.

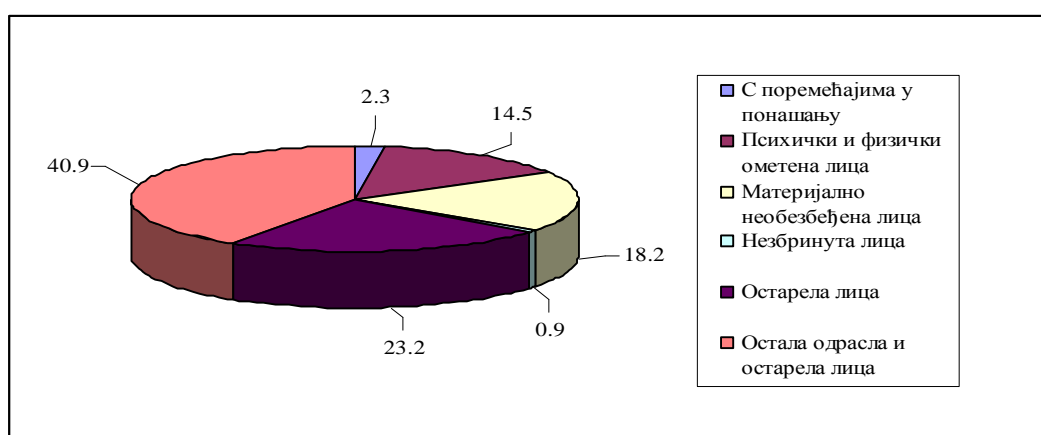
In addition to these data, we took into account data on minors and adult recipients of social assistance and their structures in the CM Obrenovac. In 2009 the number of social assistance users increased by 77,7% compared to 2006, and compared to 2008 by 12,91% (from 4.259 to 4.809). For the same period (2009/2006), the percentage of minors / beneficiaries of social assistance increased by 114,7% and 60,8% for adults, while in comparison to 2008 the percentage of minors increased by 17,9% and 10,08% for adults. Accordingly, the CM Obrenovac expressed greater growth among minors than among adult's social care (2009), with the largest number of individuals affected by the family situation in 2009 accounting for 48,7%. Graph 3 shows the structure of minors in 2009.



Graph 3. The structure of the minors users of social beneficiaries in municipality Obrenovac (2009, in %)

Source: Statistical Office of the Republic of Serbia (2009- 2010): Municipality in Serbia, Belgrade

Among adults the largest percentage have aged persons (23,2%) and other adult and aged persons (40,9%), as shown in Graph 4.



Graph 4. The structure of adult users of social beneficiaries in municipality Obrenovac (2009, in %)

Source: Statistical Office of the Republic of Serbia (2009- 2010): Municipality in Serbia, Belgrade

We can conclude that the social status of the CM Obrenovac population is very bad. Primarily, a minor population, as beneficiaries of social protection, growth rate is disturbing. According to the fact that the most frequent categories of users have vulnerable financial situation, the data can justify the low employment rate. The

structure of an adult social care shows that the biggest users are the oldest one. This fact indicates that the participation of older people is growing, versus young that continuously leaves the territory of CM Obrenovac or remain unemployed. Thus, the total share of social protection in 2008 accounted for 69,69% of the unemployed and in 2009 for 79,5%. In other words almost any other person was a beneficiary of social assistance. This indicator is explained by the decrease in the unemployment rate by about 1% of the total increase in welfare recipients to 12,91%.

Conclusions

Regarding the implementation of the *active employment policy*, the main goal is to increase the number of employees, or establish a stable and sustainable growth trend in the labour market, focusing on the private sector. Simultaneously, it is necessary to give help and support to the unemployed in active job search, promote youth employment, encourage employers to hire unemployed through the promotion of social dialogue. It is necessary to create measures for less employable category incitement, for anti-discrimination of particularly vulnerable groups in employment, for job creation through entrepreneurship and self employment. The appropriate measures of active employment policy can be proposed as follows: *support self-employment and employment by giving subsidies to employers for job creation, organize public works of interest for employment tending to employ categories of unemployed persons, encourage youth employment through funding for employment and vocational training for individual trainees work in the profession. Social development* represents the most important element of development, and its achieving include engagement of all city / municipal resources to meet the social needs of all citizens. CM Obrenovac, as part of wider social development must be aimed at raising the population social security and improving opportunities for their active participation in all spheres of life. However, it is impossible to achieve it if the funds are not designated in the city budget. The percentage of unemployed people is constantly increasing, as the percentage of social assistance (minors and adult individuals), for now every other unemployed person is using social help. Social policy creators have to implement original ways to increase employment and improve social statut. According to this we might underline the unbreakable dependence of movement parameters in the labor market with the social statut of the population and that any change in the labor market, consequently, affects the social structure.

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