

The Access to Labor Market of the Youth: The Experience in North Macedonia

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Abstract

The years between 15 and 29 are considered to be the milestone in each individual's life, because of the completion of the educational process and getting a secure and satisfying employment. If the young person quickly passes this phase and is employed in accordance with their education and qualifications, the result is a positive impact, both individually and socially. Some young people cannot find employment at all for quite a long period of time.

On the other hand, part of the youth population the jobs they get are far from satisfactory – they are badly paid, with long working hours, or are forced to become part of the so-called 'grey economy'. This long-term employment negatively influences both them and the country, as a whole. The subject of this paper is to give a certain observation on the current situation on the labor market and the positioning of the youth and social problems. The idea is to contribute to easier access to the labor market, achieving a higher employment rate, lowering the unemployment rate and providing decent working conditions.

Key words: young people (15-29), labor market, employment, unemployment, long-term employment

Hypothesis

1. Young people (15-29) are in an unfavorable position on the labor market.
2. The transition to the independence of the adult man has continued from the mid-twenties to the mid-thirty years of life.
3. Long-term unemployment requires them to postpone important functions for both the individual and the general public.

Methodology

The basic methodology applied in this research consists of the knowledge gained through the analysis of the conducted survey, and from previous statistical data and other researches.

The field survey: "Youth trends in the Republic of Macedonia" was conducted in November 2014. The survey data collection was carried out according to the procedure: "door to door". The research sample included 1 200 respondents/adults (15-29). Our data were complemented with various secondary sources from the State Statistical office of North Macedonia: employment and unemployment rate by gender and education from the 2017.

Unequal access to necessary resources, such as employment and education, stimulates youth dissatisfaction in the existing social conditions, but strengthens their awareness of the importance of equal opportunities for success in education and employment. The total average risk linked with unemployment in North Macedonia is still considerable and unequally distributed. Naturally, most of the reasons for high unemployment are related to the economic situation in the society, the characteristics of the unemployed persons and the change in the demand for qualified and unskilled labour force.

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The investment in education, especially in higher education, contributes to the reduction of unemployment, which is still high in Macedonia. The increase of employment in conditions of globalization can only be achieved through lifelong education and training. However, North Macedonia, in this domain as well, is lagging behind in terms of the EU average, only 2.2 %% (state of 2017) of the working population participates in the programme outside the regular education system.

In recent years, the transition of young people from education to work has become increasingly long, complex and turbulent. (Schoon & Silberstein, 2009). The Labour Force Survey (2017) shows that 37% of unemployed youth wait for 1 year and more. Long-term unemployment in the early age of young people can have long-term negative consequences in the lifelong perspective, inexorability of knowledge and skills, low-income potentials, throughout life, lower health status and danger of social exclusion.

The main reason for this situation is the unsuitable system of education that is the training of staff who do not respond to the labor market, but also the lack of sufficient programs for employment. "The expansion of unemployment remains a huge challenge for development efforts, it is not only an economic issue, but a serious social issue" (Jakimovski, 2013:22)

The approach of the labour market and wages is crucial in determining the assets of individuals and households, and are also important in providing security and control over those assets (Alcock, 2006). Thus, the position of young people in the labour market is the main determinant of their wealth or poverty, so research shows that the position of young people in this case is significantly different from the position of adults.

It is common that the impact of employment on poverty is positive. Earnings from paid work is the largest source of income, while lack of earnings is the main cause of poverty (Sutherland et al, 2003). The changes in the working status or earnings are the main cause of the movement in or out of poverty (Jenkins and Rigg, 2001).

The number of employees in a household is the most important indicator of the poverty rate of all household members, including children, but employment throughout life affects the rate of poverty after retirement. Changes faced by young people in the period from 1990 are more complex and diverse in comparison with those of the generations before them. Coles talks about a prolonged and cracked transition in which the economic independence of young people from their parents lasts longer (Coles, 1995).

The few changes that have taken place in recent years have made the exclusion of young people a significant factor. The separation from the parents is difficult, they do not have the right to receive benefits. Given the true collapse of the labour market for young people that started from the 1990s to the 20th century, those reforms have resulted in preventing a large number of young people from gaining financial independence.

"The state failed to establish effective control of privatization processes and intervene in the abuse. Significant failures of the privatization: The methodology for assessing the value of enterprises with social capital did not reflect the true value of the capital of the enterprises; The employees were not regularly informed about the current operation of the enterprise; Management decided when the privatization was to begin and the moment when the company had the lowest economic performances was often chosen; The managers decided to dismiss the workers on the basis of technological and economic surplus without applying the criterion for evaluating the work results" (Jakimovski, 2002: 34-35).

Many research results point to the negative consequences that the most vulnerable are suffering from long-term unemployment and the risk of becoming and remaining homeless (Craine, 1997; Jones, 1997; Williamson, 1997; Johnston et al, 2000; Webster et al, 2004). Earlier, the transition from youth to adulthood occurred at the beginning of a professional career. „Now the labour market of young people is very uncertain, so the transition from the parental home to an independent life is very uncertain“ (Giddens, 2007: 331).

For most of the people living in the Macedonian society, salaries are the main source of income. Thus, access to the labour market and the salaries they receive are crucial in determining the assets of individuals and households, and are also very important in providing and controlling those assets. The position of young people in the labour market is the main determinant of their wealth or poverty, and so the survey shows that the position of young people who are unemployed in this case is significantly different from the position of those who are employed.

North Macedonia, with an unemployment rate of 22.4% (Labour Force Survey 2017) certainly does not provide good perspectives for the social integration of young people, especially if we take into consideration that their unemployment rate is 39.2%.

Table 1: Rate and structure of unemployed young people (15-29 years of age)
State of the year of 2017

| | |
|---|-------|
| Rate of unemployed young people (15-29 years of age) | 39.2% |
| Participation of unemployed young people in the total number of unemployed | 38.8% |
| Participation of inactive young people in the total number of young people able to work (15-29 years of age) | 50.7% |
| Participation of unemployed young people (15-29 years of age) with a waiting of 1 year and more in the total number of unemployed (15-29 years of age) | 36.7% |
| Participation of unemployed young people (15-29) with college and university education in the total number of unemployed young people with higher education | 50.6% |
| Participation of unemployed young people (15-29) with secondary education in the total number of unemployed young people with secondary education | 41.2% |

Source: My calculations

The high percentage of unemployed people having higher education (51%), shows how much the state loses out of the unused investment in the young workforce for the professional qualification. Most of the members of the young educated generation are put in a situation to lose their best years of life waiting for employment in years when they can give society the greatest amount of their energy and creative ability.

"A large part of the adult young generation lives with the support of the family, that is, the solidarity of the parents and the closest relatives. Long-term unemployment makes the young people frustrated and unsatisfied, because they are forced to indefinitely postpone important functions, both for the individuals and for society - marriage, parenting, etc. "

On the one hand, the longer waiting for employment, shifts the age limit for marriage, and on the other hand, in the established marital communities, there is a disruption in the functions of the family "(Jakimovski, 2000: 44).

Inclusion in the labour market through marginal, low-paid, uncertain jobs in poor working conditions does not represent a dignified social inclusion (Atkinson, 1998; Gallie and Paugam, 2002).

Positions Related To Employment

1. Expectations For Employment After Completion Of Education

Employment, after the completion of education, is the goal of every adult and its achievement is not related only to the economic reward and the building of the independent life, but also to the success in achieving a series of own potentials or self-actualization. The uncertainty of the individual for the future course of his/her career can take various forms. A form of insecurity is the fear of failure to keep the present job, while the other that is of interest to us in this paper, is the possibility of obtaining work after the completion of education.

Our question for examining the opinion about success in finding work after completing education was: *What is your opinion on employment after the completion of education?* The expected responses are grouped into four categories (*finding employment is difficult, finding employment is neither easy nor difficult, finding employment is easy and I can not make an assessment*). The participation of respondents who have decided on individual categories is presented in the graph below.

It can be concluded that the surveyed young people are pessimistic in finding the desired job, because two-thirds stated *that finding employment is difficult after the completion of education*. The share of those who believe that *finding employment is easy after the completion of education*, as seen in the graph, is symbolic (2%).

Naturally, the age and level of education of young people affects the responses to this question.

The above-average statement that *finding employment is difficult*, is typical of young people aged 25 to 29 years of age and completed secondary education (72.1%; 72.2%).

Regarding the general distribution, above-average displacement is observed among young people in terms of the working status. Namely, every fourth young person in North Macedonia (26.9%) believes that *finding employment is neither difficult, nor easy*.

With further analysis, we want to determine the reasons for the positive or negative attitude towards successful employment of young people, and the results are shown in the following table.

Table 2: Distribution of responses of young people for easy or difficult employment

| | Answers | % |
|---|---|-------|
| 1 | Good position of my profession | 15.5 |
| 2 | Personal effort | 18.8 |
| 3 | Bad position of my profession and high unemployment | 37.1 |
| 4 | Personal deficiencies | 4.4 |
| 5 | Positive changes in Macedonia | 24.2 |
| 6 | Total | 100.0 |

The largest number of surveyed young people who find it difficult to obtain employment, believe that it is due to the *bad position of their profession and the high unemployment* – such an attitude is present approximately among one third of the population surveyed (37.1%). Their personal deficiency is considered as a reason for their own failure among 4.4% of the respondents.

On the other hand, those who think that they can easily receive employment, expect their future in the *positive changes occurring in North Macedonia* (24.2%), then consider that their *own effort* (18.8%) will help them find a job and 15.5 % of the respondents attributed the success in future employment to the *good position of their profession*.

In North Macedonia, there is a disadvantageous social context that includes: bad evaluation of knowledge in society, the degree does not guarantee a good life at least in the country, mass enrollment at faculties and insufficient encouragement from the society. To the question: "What is important today to succeed in life?" the following answers were obtained.

Table 3: Most important to succeed in life according to the age of the respondents

| | 19-29 | 30-39 | 40-49 | 50-65 | > 65 | Average |
|---|-------|-------|-------|-------|-------|---------|
| To have personal ability and education | 25.4 | 22.5 | 20.0 | 20.4 | 13.2 | 21.7 |
| To be honest and moral | 11.3 | 15.9 | 12.5 | 23.0 | 33.0 | 16.6 |
| To have money | 23.3 | 22.5 | 31.8 | 25.7 | 18.7 | 25.0 |
| Participation or connection with the government | 40.0 | 39.1 | 35.7 | 30.9 | 35.2 | 36.8 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Project: Public Opinion, 2014 Institute for Sociological, Political and Juridical Research, Skopje.

We can establish that young people (19-29 years) in North Macedonia see the success in their life through their participation or connection with the government, since 40% believe that success in life depends on the connection or closeness with the government. After that, 25% are those who believe that their personal ability and education can help them in life, while 11% believe that they should be honest and moral.

2. Where Young People Want To Work

To the question: "Where would you like to work?" the general distribution of responses suggests that young people want to work the most in the state administration/public enterprises and abroad. Namely, 28.5% of

young people want to work in state administration/ public enterprises; 21.9% abroad; 17.3% in their own business; 12.5% in foreign companies in the country; 8.2% in international organizations; 4.1% in domestic private companies with another owner and 7.5% do not have a position.

Certain differences in the responses of the general distribution about attitudes where young people want to work are seen from the aspect of gender. Men prefer to work in *foreign companies in the country* (15.2%), in *their own business* (19.1%) and to *work abroad* (23.1%). Women prefer to work in *state administration/ public enterprises* (30.8%) and in *international organizations* (10.2%).

When analysing these responses according to the age of the young people, one can conclude that among those who answered that they want to work in the *state administration/ public enterprises*, the most numerous are in the age groups between 25 and 29 years (32.0%), or between 20 and 24 (30.9%). Surveyed young people aged between 15 and 19 (25.7%) want to work most *abroad*, and least interested in working *abroad* are young people between the ages of 25 and 29 (18.4%). The age group from 15 to 19 years of age (19.8%) was most interested in having *their own business*.

The ethnicity of young people shows relative dependence resulting in major disruption in terms of the general distribution of employment opportunities being evident among the ethnic group of Albanians. Namely, every fourth young Albanian (24.7%) wants to work in *state administration/ public enterprises*, 16.0% in *foreign companies* and 18.8% *abroad*.

The distribution of these responses, according to the educational status, again offers interesting conclusions. The most interested for employment in state administration/public enterprises are young people with completed university education and college education (40.4%), and the least young people with primary education, which is comprehensible.

Young people with completed secondary education (35.1%) and primary education (33.3%) most often opted for work *abroad*, while the respondents with primary education (14.3%) opted the most for work in *domestic private companies*.

3. Acceptance Of A Job Which Is Different From The Vocational Qualification

Given the problems faced by unemployed young people, the measures undertaken are different in terms of the goals, the duration, the carriers and the subjects of those concerned. Citizens can accept a great deal of measures to improve unemployment in different ways. Each of the examined populations, on the basis of their own experience and persuasion, can assess what is most appropriate when implementing measures to reduce unemployment.

To the question: "Would you accept a job that differs from your vocational education?" we received the following responses:

Table 4

| | Answers | % |
|---|--|-------|
| 1 | Yes | 32.4 |
| 2 | Yes, if I cannot receive employment according to my vocational qualification | 48.4 |
| 3 | I would not accept | 11.1 |
| 4 | I do not have a position | 8.1 |
| 5 | Total | 100.0 |

From the obtained results it follows that the number (11.1%) of those who *would not accept a job* which differs from their vocational education is quite small. On the other hand, a third of the respondents (32.4%) think that a job that differs from their vocational education should be accepted. We can conclude that this awareness is a certain solution, and such a structure of the answers of the unemployed has been an additional solution for reducing unemployment for a long time. Therefore, we can argue that this awareness requires certain behaviour, that is, to accept a job that does not correspond to vocational education, in order to reduce unemployment.

Crossing the answers of the respondents with their socio-demographic characteristics shows some deviations in terms of age, education, ethnicity and the region.

From the aspect of age, the respondents aged 25 to 29 show an above-average possibility (37.8%) to accept a job that differs from their vocational education. On the other hand, among the respondents aged 15 to 19 years there was a below-average statement (26.1%) for accepting a job that differs from their vocational education.

Otherwise, the crossing of the answers with the education of the respondents shows selective influence. The direction of impact moves towards reduced acceptance - high acceptance from the higher to the lower level of education.

This orderliness is expressed in the preference of the "Yes" modality, which is preferred by 53.7% with completed primary education, 56.7% with completed secondary education, 24.1% with university and college education.

According to ethnicity, Albanians manifest certain deviations from normal distribution by individual modalities. The most significant deviations from the general distribution are manifested by below-average non-acceptance of a job that differs from their vocational education (17.3%).

4. The Influence Of Unemployment In The Movement Of The Age Limit For Marriage And Childbirth

The survey data presented the following picture of the general distribution of answers given by the respondents.

Table 5: The influence of unemployment on marriage and childbirth

| | Answers | % |
|---|---|-------|
| 1 | I completely disagree | 6.6 |
| 2 | I partially disagree | 8.8 |
| 3 | I neither agree nor disagree/ I do not know | 21.1 |
| 4 | I partially agree | 30.4 |
| 5 | I fully agree | 33.1 |
| 6 | Total | 100.0 |

From the obtained data it can be seen that 63.5% of the respondents answered that they agree (partially agree - 30.4% and fully agree - 33.1%), that youth unemployment moves the age limit for marriage and childbirth, and only 15.4% answered that they did not see any influence (they completely disagree - 6.6% and partially disagree - 8.8%).

The level of education of the respondents also shows a statistically significant correlation regarding this issue. Namely, there is a straight-line correlation between the increased level of education and the consent that unemployment influences the decision to marry and have children.

5. The Influence Of Unemployment In The Life

Table 6: Loss of best years in life, waiting for employment

| | Answers | % |
|---|---|-------|
| 1 | I completely disagree | 2.3 |
| 2 | I partially disagree | 6.3 |
| 3 | I neither agree nor disagree/ I do not know | 15.6 |
| 4 | I partially agree | 33.8 |
| 5 | I completely agree | 42.0 |
| 6 | Total | 100.0 |

75.8% of the respondents answered this question positively (completely agree - 42.0% and partly agree - 33.8%), and only 8.6% answered that the young generation, waiting for employment, does not suffer any impact on the loss of the best years in life.

The analysis of the responses according to the sociodemographic characteristics of the respondents indicates that they have some influence on their attitudes. Namely, young people with completed secondary education largely (81.8%) share the view that the educated generation loses the best years of life, waiting for employment.

6. Reasons For Which Young People Want To Go Abroad

The question that was asked read: "Rate the reasons *why young people want to go abroad* (1- being the most significant and 4 - the least significant reason)". According to the ranking of all answers, the table shows how the

meaning of the reasons in the entire sample is determined. *Good professional working conditions* and *good earnings* according to the view of young people is the most important motivation factor for moving abroad. Then, the Greater living standard follows. The least motivating factor is the *familiarity with a new culture*.

Table 7: The reasons why young people want to go abroad (1 - most significant to 4 - least significant)

| Reasons | 1 = most significant reason 4 = least significant reason | | | | Total % |
|--|---|------|------|------|---------|
| | 1 | 2 | 3 | 4 | |
| Good professional working conditions and good earnings | 44.0 | 34.4 | 16.7 | 4.9 | 100.0 |
| Good conditions for professional development and advancement | 1.5 | 30.8 | 43.9 | 8.8 | 100.0 |
| Greater living standard | 36.7 | 28.7 | 26.5 | 8.1 | 100.0 |
| Familiarity with a new culture | 3.8 | 5.9 | 12.7 | 77.6 | 100.0 |

From the next question, we wanted to find out how young people can ease the transition, that is, what resources facilitate the transition from education to work. Regarding how to ease the transition from education to work, we asked the following question: *What do you think can make the transition from education to work easier (rank them 1 - most significant to 3 - less significant)*.

Table 8: *What do you think can make the transition from education to work easier*

| | 1 = most significant reason 3 = least important reason | | | Total % |
|--|---|------|------|---------|
| | 1 | 2 | 3 | |
| Ability to move from education to work | | | | |
| It is necessary to connect educational institutions with the needs of the economy | 27.8 | 36.4 | 35.8 | 100.0 |
| It is necessary to clearly define the professions, knowledge and skills necessary for rapid development of the Republic of Macedonia | 28.3 | 36.6 | 35.1 | 100.0 |
| Combined education and work through working practice | 43.9 | 25.5 | 30.5 | 100.0 |

As can be seen from the above answers, the opportunities for the transition from education to work are not equally important. The general distribution of responses shows that the most frequent response for transition from education to work is *combined education and work through working practice*, and less important is the *connection of educational institutions with the needs of the economy* and *clearly defining the professions, knowledge and skills necessary for rapid development of North Macedonia*.

Because of the incompatibility of the information for the condition of the workplaces and the qualifications of the unemployed, time and effort is needed to bring nearer the supply of the unemployed and the demand of the potential employers (Mortensen, 1970; Devine and Kiefer, 1990; Ioannides and Loury, 2004).

Conclusions

Unemployment is not present evenly in all layers. It mostly affects the unskilled labour force and the young population.

The global conclusion stemming from the survey is that young people consider that employment after finishing education is very difficult (66.6%). The most common reasons for difficult employment are the poor standing of the profession and the high unemployment rate. Insecurity due to lack of work has far-reaching negative consequences for the lives of individuals. Employment uncertainty is also related to the postponement of important functions, both to individuals and to society - marriage and parenting. 63.5% of the respondents stated that unemployment shifts the age limit for getting married and giving birth. The difficult employment of young people implies problems at the individual level and the costs of society. As more significant individual problems can be stated: frustrations and anxieties, postponing marriage and parenthood, consequences in the lifelong perspective, unused knowledge and skills, low earnings in working life and social exclusion. Due to the longer waiting for employment and the inability of young people to marry and have children the problems and expenses

of society include: negative success in demographic policy, small contribution and great lack of use of energy and creative ability of the young workforce and potential moving abroad by young and professional staff.

This research, as well as previous research in this area, confirms that young people would accept a job that differs from their vocational qualification (3.4%) and 48.4% opted for "Yes" if they can not be employed according to the vocational qualification.

Most of the young people want to work in the state administration/ public enterprises (28.5%) and abroad (21.9%).

Good professional working conditions and good earnings are the most important factors for moving abroad.

According to the survey, the easiest way to shift from education to work is combined education and work through working practice.

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