

Youth Unemployment in Slovakia and in Slovenia

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Abstract

Purpose and originality: The purpose of this paper is to advert the state of youth unemployment, with comparison in two countries, Slovenia and Slovakia.

Method: We analysed unemployment of young population. In our paper we used quantitative analysis and comparative method which we deal with comparison of two countries and percentage of youth unemployment. Data were collected through document collection from available literature and mostly from available internet portals such as statistic office of Slovak republic and statistic office of Slovenia. We collected as much data as it was possible in general point of view.

Results: We analysed and compared those data to get wider point of view on the youth unemployment. In our paper we deal with hypothesis which says that youth unemployment within countries is higher than general unemployment and the second hypothesis says that Slovakia has higher percentage of unemployed young people. We confirmed our hypothesis in the paper.

Society: We strongly believe that this analysis will help to understand the state of youth unemployment, with which obstacles has to deal with and also if there are differences between countries.

Limitations/ further research: We suggest further research on possibilities for young population, if they use possible and available supports and grants. For further research we suggest to analyse “Guarantees for youth” which are supposed to support young people aged 25-30 to activate their career on labour market.

Keywords: youth, unemployment, Slovakia, Slovenia, Novo mesto, Dolny Kubin, European Union.

1 Introduction

The problem which we see is that youth unemployment is one of the most challenging issue nowadays within European Union. The main issue is how will be looks like the European future. The question had been asked because when young people will have lack of experience, or worse, no experiences and no jobs that can seriously influence the economics of European union countries. The negative impact will not only be on economic level, but also on the social and political level. When young people feel unnecessary that can cause social problems such as criminality, violence, suicides, or no improvement of themselves. When we are

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dealing with negative political impact it can cause demonstrations, coups in governments but also lack of democracy. On the economic level we are dealing with stagnation of economic growth because young generation is supposed to be enhancing economic growth.

With our paper we wanted to advert on necessity of employable young population. Young population is supposed to be the engine which drives the economy. That is why we consider this issue as very current and it is necessary to be solved.

The aim of the thesis is to point out the current youth unemployment on the example of two European Union countries, with closer look at the unemployment in Slovenia and Slovakia. The main goal of this paper is to bring the state and view of the current state of youth unemployment and thereby contribute to science for the professional, but also for the lay public. We analysed this issue because of the great need to solve this problem. In our paper, we built two hypotheses. The first states that unemployment as an overall indicator in Slovakia and Slovenia is lower than the unemployment of young people in these countries. Secondary hypothesis says that the unemployment is lower in Slovenia than in Slovakia.

We have decided to make the hypotheses based on the decision of the European Commission, which says about support and guarantees for young people. These “Guarantees for Youth” were created to increase dynamics of youth employment. For dynamics of youth employment is also important how young people are qualified. The qualification of young people is important, but some fields of study, which every year qualified thousands of graduates, cannot respectfully respect the demands of labour market. We meet situations where there are a large number of graduates who are not able to apply in their field because there are not enough vacancies for them. On the other hand, we meet the demand of companies for specific fields of study for which there are not enough qualified candidates for the vacancies. Another problem we encounter is short-term or long-term job placement, finding work abroad etc.

These reasons led to the examination of this issue. In the paper we will not deal with economic indicators, because this paper should not point on the economic aspect of the problem, but we devoted to data that confirm or not our hypotheses.

2 Method

In our paper, we used methods we considered as the most relevant for the research. Among them were quantitative method, comparative and descriptive methods. Last but not least, we used theoretical research in which we used document collection and its following analysis. We chose to use this method mainly because of the use of results and analysis as a contribution to the science. The aim of the paper is also to compare the situation in Slovenia and Slovakia, so we very actively using comparative method. Due to the analysis of unemployment, we used a quantitative approach, using the description and analysis of phenomena we found out. (Lincényi, 2017, pp.27).

The data we used was obtained by collecting data from internet portals of the statistical offices of the Republic of Slovenia and also by the statistical offices of the Slovak Republic. We have supplemented these data with available literature and available information on the European Union's website or the European Commission website and documents. During the collecting data, it was important to first clarify the theoretical indicators, respectively to clarify key and research terms. These terms are defined on the basis of internationally recognized definitions. Defining terms as unemployed, employed, working, young, or economically inactive has been very important for our research, especially when searching for and collecting data and then comparing them. It was important to realize and define what we are researching and in what time frame to get data which were comparable. We analysed the data to get a wider picture of the unemployment situation in the countries concerned and, in particular, to get a picture of youth unemployment in Slovakia and Slovakia. In the article, we decided to investigate unemployment over the past two years, so we could bring the most recent possible outcome. Of course, we have also had to deal with data older than two years for correct presentation and research, but we had used the comparative method and analysis over the past two years, and so 2017 and 2018.

In the first part of the paper, we have defined the terms, for closer and more thorough clarification of the examined one. For research purposes, we used also descriptive method. We explained why we decided to devote these two countries to comparing youth unemployment. In the next section, we brought the results of the research, which we processed through the available data, especially from the Internet portals and the annual reports. We had to search for and process these data after monthly reports to get the most relevant result. In the last part, we discussed the research, where we brought possible reasons for the research results.

3 Results

According to the definitions given in the Slovak Statistical Office with European validity, working persons are over 15 years old and are those who have worked for at least one hour during previous reference week, and any work for any remuneration and thus for wages, remuneration, salary whether they worked for profit. Thus, in this definition of the term “working”, this is both full time and half-time work, but also occasional or seasonal work. According to this definition, a worker is also a person who works abroad within one year, but also a person who works on the basis of activation works and agreements. A worker is considered to be a person who has a job but could not do it because of health reasons, vacation or maternity leave, participation in training, strikes, or lockout. Conversely, a worker is not a person on long-term unpaid leave and a person who is on parental leave (www.slovak.statistics.sk, 15.4.2019).

According to the definitions given in the documents of the Statistical Office of the Slovak Republic, which is in compliance with Commission Regulation (EC) No 1782/2003. 1897/2000 is an unemployed person or persons who are between 15 and 74 years of age and

meet three conditions simultaneously. The first condition is that during the reference week, did not perform, respectively. they do not have any paid work; simultaneously they have to fulfill conditions, that during last four weeks they were actively seeking for a job, or they have already found the job and will start within 3 months. At the same time, they must meet the third condition such as the unemployed person is able to start working within two weeks (www.slovak.statistics.sk, 13.4.2019).

When we look at the definition of an economically inactive population, in layman's terms, it is the opposite of an unemployed person. Indeed, economically inactive people are persons or person from 15 years of age and in the reference week within he or she was able to work, he or she did not seek actively for work or was unable to start working within two weeks. As a rule, these persons are old-age people or disability pensioners, persons preparing for work, taking care of the household, participating in a retraining course, being on parental leave as well as persons wanting to work, but not looking for a job because they do not believe they will find work that rewards them appropriately is so-called discouraged. If the paper talks about the level of economic activity in general or the level of economic activity by age, it is the percentage of the economically active population and the population aged 15 and over expressed as a percentage, or in a certain age group of the population in the same age group. The employment rate is also expressed as a percentage but expresses the share of persons aged 15 and over who work. The rate of unemployment that we are examining in our paper was also shared by the proportion of unemployed in the economically active population, which is expressed as a percentage.“ (www.slovak.statistics.sk, 15.4.2019).

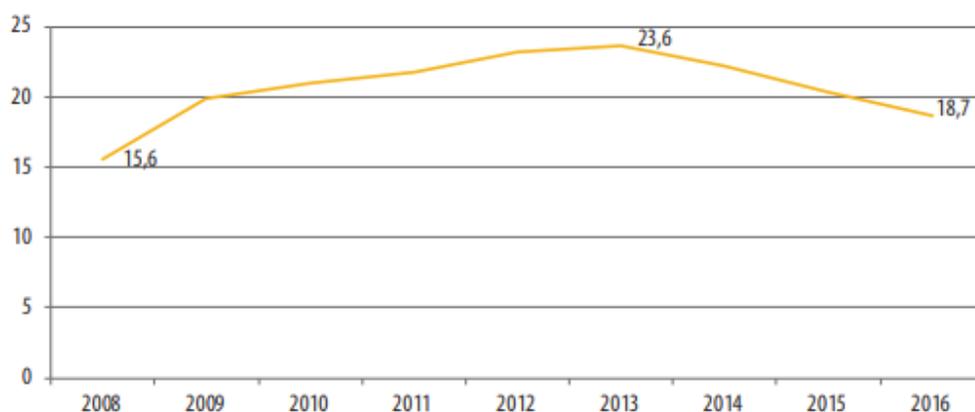


Figure 1: Youth unemployment in the European Union (15 – 24 years old) (source: Audit reports)

This graph represents the percentage of youth unemployment in the European Union from 2008 till 2016. When we talk about young people, in our research we worked with data where the young represented a group from 15 to 24 years. According to the above graph, the youth unemployment rate was 18,7% in 2016 and thus 4,9 percentage points (p.p.) below the maximum level reached in 2013 when it reached 23,6%.

The following graph shows the research results of a thesis that says that unemployment as an overall indicator in Slovakia and Slovenia is lower than the unemployment of young people in these countries.

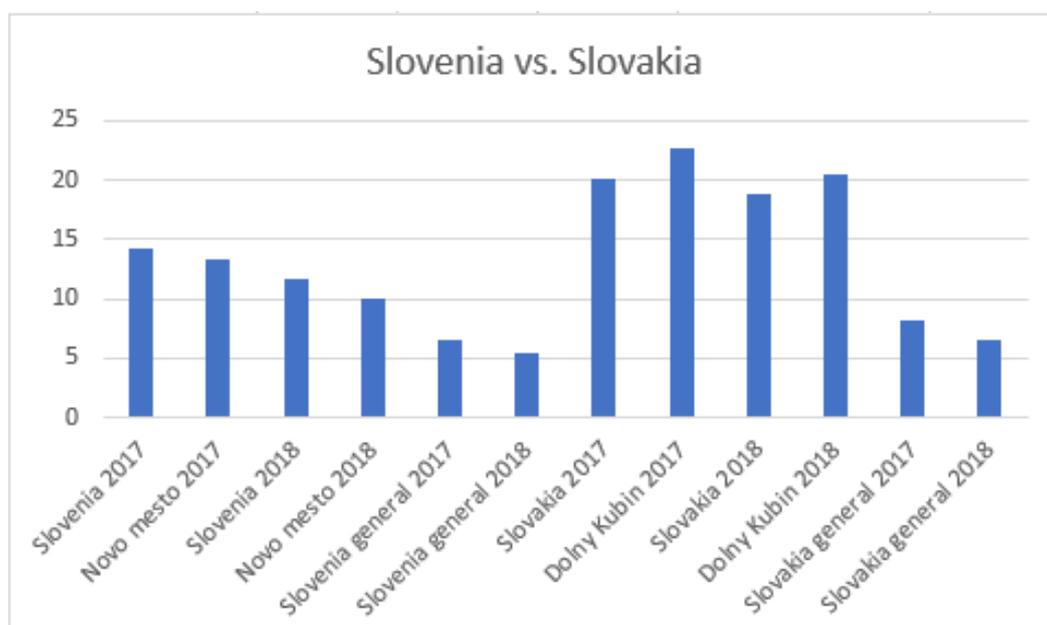


Figure 2: General unemployment, youth unemployment and comparison of two Slovakia and Slovenia, and the comparison of Novo Mesto (SL) and Dolny Kubin (SK) (source: research)

This graph shows the results of our research on unemployment, youth unemployment and comparison of two places for a more detailed illustration of youth unemployment as such. In our research, the figures say that Slovenia had in 2017 14,17% youth unemployment, while in the city of Novo mesto was 13,4 %. Slovenia in 2018 11,7% youth unemployment, and in Novo mesto in 2018 it was 9,94%. Slovenia in general in 2017 has 6,6% unemployment and in 2018 it was 5,4%. In Slovakia in 2017 the youth unemployment was 20,2% and city of Dolny Kubin in 2017 it was 22,62%. In Slovakia in 2018 the youth unemployment was 18,76% and in Dolny Kubin 20,44%. Slovakia in general in 2017 has 8,1% unemployment and in 2018 it was 6,6%.

The second hypothesis states that the unemployment is lower in Slovenia than in Slovakia. To bring correct result we used for this Ttest and express a greater difference between two states.

In numbers, the results are as follows:

Table 1: General unemployment, youth unemployment and comparison of two Slovakia and Slovenia, and the comparison of Novo mesto (SL) and Dolny Kubin (SK) in 2017 and in 2018 (source: research)

	Slovenia	Slovakia
Year 2017	Youth unemployment 14,17%	youth unemployment 20,2%
	General unemployment 6,6%	General unemployment 8,1%
Year 2018	youth unemployment 11,7 %	youth unemployment 18,7 %
	General unemployment 5,4%	General unemployment 6,6%
	Novo Mesto	Dolny Kubin
Year 2017:	youth unemployment 13,4 %	youth unemployment 22,62 %
Year 2018:	youth unemployment 9,94 %	youth unemployment 20,44 %

4 Discussion

The results of the research we have done shows us that youth unemployment is a major problem for society as a whole. That is why we have decided to examine this issue from the point of view of two states, namely Slovenia and Slovakia. We have decided to explore these two countries because they have been often mistaken as the equal for their similar names, and we want to point out that, despite the name, these two countries cannot be perceived equally. As well as the results of quantitative research, in Slovenia, youth unemployment is about 6 percentage points lower than in Slovakia.

The aim of our paper was to contribute to the debate on youth unemployment in Europe and whether this topic is important. Some authors, such as Artner (2013) they say that youth unemployment is not so much a problem than the elderly unemployment. The aim of our contribution to the science was not to confirm whether to deny this theory, but to support the debate and the issue of youth unemployment, and thus to point out the need to address this problem, which has been proven to be up to date on the basis of research. Based on the results of our research, we dare say that, although two similar countries may seem to have similar results, this is not the case. We wanted to point out that unemployment is not a topic that should be taken on a light topic, as it affects several other aspects and factors of people's lives. Obviously, this was one of the reasons why the leaders of the European Union decided to devote the whole EU summit to just youth unemployment. This summit in July 2013 should not only solve the fact that unemployed young people are expensive for society, but also that it has a major impact on their future and on the future of the EU as such. In 2016, nearly 4.2 million young people were unemployed in Europe. The worst of the EU are Spain (14.7%), Greece (11.7%) and Croatia (11.6%). (Audit reports, 2018, p. 21- 23) Since 2013, when there

were the highest number of unemployment, the situation is getting better, but this does not mean that the problem is solved as the youth unemployment rate is still more than 2 times higher than the total unemployment rate of 2016 in the EU28, it is 7,5% (Audit reports, 2018).

The hypotheses we have set and that unemployment as an overall indicator in Slovakia and Slovenia is lower than youth unemployment in these countries; and the secondary hypothesis which says that unemployment is lower in Slovenia than in Slovakia; we consider them as confirmed based on our researched results. We can see that youth unemployment in Slovenia and Slovakia in the last two years is higher than the total unemployment in these countries and also the overall unemployment rate in Slovenia is lower than in Slovakia.

We perceive the problem of not respecting the educational departments on the market demand and therefore the low applicability on the labor market of secondary or university graduates. Education is an important factor in getting a job. Employers are constantly looking for new employees, but they are lacking in quality candidates, for example from the automotive sector, automation and IT sectors. In Slovakia it is quite difficult to obtain and find doctors or health care professionals. The question of the salary assessment of the given positions remains. We leave this debate open, as several new issues arise in this matter, and further research is needed to answer them.

The problem that we perceive and which we have examined, and thus the unemployment of young people, we consider to be the current problem and it is necessary to solve. This is also confirmed by the decision of European institutions on the so-called "Guarantees for Youth". This support program should encourage young people to find a work and thus start their careers. The aim of our article and research was to contribute to the debate on youth unemployment and to contribute by looking at the comparison of the two EU countries, Slovenia and Slovakia. For further research, we recommend just exploring how and if the support system "Guarantees for Youth" is doing well" (www.consilium.europa.eu 17.4.2019), if this program encouraging young people to apply them to the labour market. For this initiative, the EU has agreed to allocate 6 million Euros, in particular youth unemployment. (www.consilium.europa.eu 16.4.2019)

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Povzetek:

Nezaposlenost med mladimi na Slovaškem in v Sloveniji

Namen in izvirnost: Namen članka je bilo razumeti stanje nezaposlenosti med mladimi v Sloveniji in na Slovaškem.

Metoda: analizirali smo nezaposlenost med mladimi na podlagi kvantitativne metode ter primerjalne metode, osnovane na primerjavi dveh držav. Podatki so bili zbrani na podlagi dostopnih statističnih informacij za Slovaško in Slovenijo.

Rezultati: Analizirali in primerjali smo podatke na podlagah katerih smo dobili vpogled v nezaposlenost mladih. V članku zagovarjamo hipotezo da je nezaposlenost med mladimi v državah višja od splošne stopnje nezaposlenosti. Ter v konkretnem primeru, da je nezaposlenost med mladimi na Slovaškem višja kot v Sloveniji. Obe hipotezi sta bili na podlagi študij primerov potrjeni.

Družba: Predpostavljamo, da ta analiza pomaga razumeti stanje nezaposlenosti med mladimi, ovire s katerimi se srečujejo in s tem povezane razlike med posameznimi državami.

Omejitve/nadaljnje raziskovanje: Nadaljnje raziskovanje bi bilo smotno v smeri razumevanja možnosti, katere imajo mladi na področju zaposlovanja, kot so nadomestila in spodbude. Med drugim tudi »garancije za mlade«, ki naj bi podpirale mlade med 25 in 30 letom starosti pri njihovi aktivaciji na trgu dela.

Ključne besede: mladi, nezaposlenost, Slovaška, Slovenija, Novo mesto, Dolny Kubin, Evropska unija.

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