**10 KEY MESSAGES**

**of the National Human Development Report for Serbia 2022 “Human Development in Response to Demographic Change”**

**1 Population shrinking is inevitable.**

With climate change and the digital transformation, demographic change is the main trend that will determine the future of the planet. In order to mitigate the population decline, Serbia should develop migration management policies, including immigration policies, in addition to raising the birth rate.

**2 There are fewer people and they are becoming an ever more valuable resource.**

Society should maximize the various potentials of each individual. This, primarily, refers to the possibility for anyone to give birth and raise children, get educated and actively work, live healthier and longer.In Serbia, some groups of people currently do not realise their full potential. These are primarily the youth, women, Roma, lower socio-economic strata, and some parts of the rural population. Their greater social and economic inclusion could lead to having a more educated, productive, and healthier population.

**3 Parts of Serbia are in a vicious circle of depopulation and lagging development.**

According to current data and forecasts for the decades to come, depopulation particularly affects Eastern, South-Eastern and Western Serbia, as well as border areas, while the population is increasing in large cities due to internal migration. Extensive external and internal migration is the foremost consequence of regional inequalities that concern not only income and labour market, but overall living conditions as well. At the same time, the people (often young and educated) abandoning less developed regions hampers the development of these parts of the country even further.

**4 Medium-sized towns are key to balanced demographic development.**

Cities with populations between 30 and 100 thousand are a link between villages and towns in their vicinity and large city centres, so it is necessary to continue developing infrastructure connecting various parts of the country. Access to more administrative, health care and education services, comparable to those available to citizens in larger urban areas should be ensured in these cities. In addition, different strategies for strengthening regional development - such as establishing higher education institutions and associated infrastructure to attract student populations - could be considered.

**5 Today gender equality is part of the solution, not the cause of the problem.**

Historically, the decline in fertility (birth rates among women in their reproductive years) has affected a number of structural and cultural changes, including higher levels of gender equality. Today, however, gender equality may bring about higher fertility rates and greater participation of women in the labour market, and consequently better use of the human resources in a society. Developed regions around Belgrade and Novi Sad now have higher fertility rates than Eastern and Southeast Serbia, although the average age of women at first birth is above the state average in these cities. Existing pro-fertility measures should be expanded through support mechanisms towards families of different value preferences – both traditional and modern.

**6 Despite significant government investments, Serbia’s society is not as family-friendly as it believes.**

Although the Serbian society holds families, children and parenthood in high esteem, there are still opportunities to cater to them even more. National and local level policies need to be more closely tuned to the needs of families and children. Youth unemployment rates are still high, and those who work often find it difficult to balance work and parenting obligations. Preschool institutions are developing too slowly and are mainly located in the cities, so unemployed parents find it hard to enrol their children in them and are consequently not given the chance to work.

**7 Depopulation requires additional investment in education quality and equity.**

A higher level of education is also linked to better health, longer life expectancy and greater productivity. The reduced number of students also opens up the possibility and need for greater support to students from lower social classes to stay in school longer. The quality and fairness of the education system should also be further improved. Some of the possible measures are: scholarships for the underprivileged, greater involvement of vulnerable groups and adaptability of the education system to actors such as migrants, adults, or women in traditionally male occupations. This is particularly important given that accelerated technological changes require continued enhancement and flexibility of the entire population’s knowledge and skills.

**8 Although Serbia is still not facing a general workforce crisis, migration trends demand improving the working conditions for young people and low-skilled workers.**

These societal groups often have low-quality jobs with low incomes and lower levels of security, which encourages migration and disincentivizes fertility. Moreover, there is plenty of room to raise the labour market participation rate, especially among young people, Roma, women, and older workers.

**9 Benefiting from older people’s human capital will be a great test of adaptability for society**

The number of elderly people is increasing, but life expectancy of the elderly is not following. More older people means more pressure on the social protection system and beckons answers to the following questions: on the future formula used to calculate pensions, introduction of old age long-term care insurance, development of social and health care services for the elderly. On the other hand, the elderly would have to become a social resource, which requires them to not only be healthier, but also actively engaged in social and economic life.

**10 When the the number of people is declining, it is even more imperative that they are healthy and live longer and active lives.**

Adopting healthy lifestyles partly depends on the financial position and education level. Aside from working on general economic development, preventative health programs should also be developed, especially for young people. Schools, local self-governments, and the labour market should play a new role in this. This will extend lives in good health, which will reduce the economic costs of aging and raise social integration levels for the elderly.