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EUROPEAN SOCIAL CHARTER OF 1961

5th National Report on the implementation of
the European Social Charter of 1961

submitted by

**THE GOVERNMENT OF
"THE FORMER YUGOSLAV
REPUBLIC OF MACEDONIA"**

(Articles 1 and 15
for the period 01/01/2007 – 31/12/2010)

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REPUBLIC OF MACEDONIA
MINISTRY OF LABOUR AND SOCIAL POLICY

FIFTH REPORT
ON THE IMPLEMENTATION OF THE
EUROPEAN SOCIAL CHARTER

Submitted by
the Republic of Macedonia

Articles 1 and 15

(for the reference period: 2007-2010)

TABLE OF CONTENTS

PREFACE	4
ARTICLE 1 - The right to work	
Article 1§1	5
Article 1§2	23
Article 1§3	40
Article 1§4	52
ARTICLE 15 - Right of physically or mentally disabled persons to vocational training, rehabilitation and social resettlement	
Article 15§1	58
Article 15§2	75
ANNEX (Statistical data)	85

PREFACE

The Republic of Macedonia submits its fifth Report on the implementation of the ratified provisions from the European Social Charter (1961), in accordance with *Article 21* of the Charter.

The Report has been prepared in compliance with the new reporting system, adopted by the Committee of Ministers of the Council of Europe, applied as of 31st of October 2007.

This report includes the provisions from the European Social Charter that belong to the ***first thematic group (employment, training and equal opportunities)***, and more precisely, the **Articles 1** and **15**, ratified by the Republic of Macedonia, for the reference period of 2007-2010.

This Report, besides presenting the current situation in the relevant areas and the new developments in relation to the legislation and its practical implementation during the reporting period, also provides the answers on the numerous additional questions and requests for clarifications and submission of specific information and data, requested by the European Committee of Social Rights (ECSR) in its Conclusions (XIX-1) 2008, concerning Republic of Macedonia.

In accordance with the Article 23 (Part IV) of the European Social Charter, copies of the prepared Report have been forwarded to the representative national organizations of employers and trade unions (members of the Economic and Social Council), i.e. :

- *Federation of trade unions of Macedonia;*
- *Confederation of free trade unions of Macedonia;*
- *Organization of employers of Macedonia*

Article 1 **The right to work**

Article 1§1

With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake:

- 1. to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment;*

Employment Policy

Being aware of the unfavourable conditions and the challenges associated with the labour market in the country, the Government of the Republic of Macedonia has established the promotion of the employment and the reduction of the high unemployment rates as its leading priorities.

Thus, in the past period, the employment policies that have been implemented in the Republic of Macedonia were continuously focused on the stimulation of the demand in the labour market, harmonization of the supply and demand of labour force in line with the needs of the labour market, improvement of the supply of labour force, as well as reduction of the grey economy, all for the purposes of enabling the creation of new jobs, increasing the number of employed persons and reducing the unemployment.

Taking into consideration the need for further strengthening and improvement in the segment of the design and implementation of the policies in the labour market and the increase of their efficiency, in the recent years, an evident progress was made, primarily through the introduction of an improved, more systematic, comprehensive and participatory approach in the formulation and the practical implementation of the employment policies in the country. At the same time, account was taken of their harmonization and approximation to the existing policies and positive practices in the European Union in this sphere.

Ever since 2004, the Republic of Macedonia started with the development and preparation of strategic and operational documents in the area of employment¹, within which the current situation is analysed and the challenges in the labour market are identified, the national objectives related to the employment, as well as the specific employment policies and programmes, the measures and the activities for dealing with the identified challenges and for achieving the planned objectives are determined.

¹ In 2004, the Government of the Republic of Macedonia, in cooperation with the social partners, for the first time, adopted a National Action Plan for Employment (NAPE) for 2004-2005. This document was prepared in accordance with the guidelines for employment and the Employment Strategy of the EU, adjusted to the conditions and the specific characteristics of the labour market in Macedonia.

It is especially important to note that one of the main features of the employment policies in the course of the reference period for which this Report is prepared is the ever increasing priority and focus which is placed on the active measures and programmes on the labour market.

In that manner, the creation and the implementation of the policies on the labour market allowed, in the Republic of Macedonia, even in conditions of global economic and financial crisis, to keep the initiated trend of continuous decreasing of the unemployment rate and increasing of the employment rate.

During the reporting period, the employment policies were implemented in accordance with the National Employment Strategy 2010. The National Employment Strategy 2010 was adopted in October 2006, where, upon the definition of the strategic priorities and objectives, the results were also taken into account of the analysis of the labour market in Macedonia, which was prepared with the assistance of international experts engaged within the CARDS Project "*Support of the Employment Policies (phase 2)*".

The specific measures for implementation, the defined priorities and the achieving of the strategic goals were identified and implemented in accordance with the National Action Plan for Employment 2006-2008 and the National Action Plan for Employment 2009-2010.

These documents were prepared in a broader partnership of several state bodies - the relevant ministries responsible for implementation of the economic policies and the policies for employment, the Employment Service Agency of the Republic of Macedonia, and with the active participation of the social partners and other bodies and institutions.

The employment policies, the defined programmes and measures, were in line with the Lisbon Employment Strategy and the Integrated Guidelines for Growth and Jobs, but they were also harmonized with the specific national needs and the actual conditions and with the possibilities for achieving the set goals.

The National Employment Action Plan 2009-2010, contains the main challenges of the labour market, as well as the programmes, projects and activities planned to be implemented in the specified time period, and as such, it represents a continuation of the implementation of the guidelines and the activities contained in the National Employment Action Plan 2006-2008. Thus, the National Employment Action Plan comprises the expected goals and the planned activities aimed to contribute to the increase and the promotion of the employment such as: creation of a more competitive business environment and encouraging the private initiative, promotion of better entrepreneurial climate and creation of favourable environment for small and medium enterprises, implementation of active employment policies, promotion of the access to work, active and preventive measures at the labour market, improvement of the connectivity of the demands on the labour market with the labour supply, promotion of employment flexibility combined with security, provision of movements of the labour cost and mechanisms for determining salaries that are favourable for the employment,

increase and improvement of the investment in human capital and adjustment of the education and the training system.

In addition to the preparation of strategic documents aimed at achieving a more dynamic economic development and creation of new jobs in the short and medium term, modifications and amendments were made to several legal regulations, various projects and activities were continuously implemented which, inter alia, were meant to contribute to the increase of the efficiency of the operation of the institutions on the labour market (the Employment Service Agency, the State Labour Inspectorate, etc.) and the necessary strengthening of their capacities.

In order to ensure successful implementation of the employment policies and measures provided for in the strategic documents, annual operational documents were also prepared.

Namely, 2007 was the year of the start of the preparation and adoption by the Government of the RM, and the practical implementation of the annual Operational plans for active employment programmes and measures, as well as other documents aimed to provide support and help with employment.

These plans provide more specific and detailed definition of the type of the programmes and their objectives for each ongoing year, detailed definition of the specific target groups for each of the envisaged measures and programmes, the funds and their sources, the institutions responsible for implementation, as well as the implementation deadlines.

The financial means for the implementation of the Operational plans are provided from the budget of the Republic of Macedonia.

For the purposes of creating conditions for inclusion of a larger number of unemployed persons in the active employment programmes, i.e. for providing more financial resources and, above all, a more reliable funding source, in March 2007, with the modifications of the Law on Employment and Insurance in Case of Unemployment ("Official Gazette of the RM " No. 27/07) a basis and a possibility were created for at least 5% of the contribution for employment to be used for the active employment programmes.

For the purposes of encouraging the employment, measures have also been taken for reduction of the labour costs by a decrease of the mandatory contributions for social insurance. With the adoption of the Law on Mandatory Social Insurance Contributions in 2008 ("Official Gazette of the RM" No.142/2008, 64/09, 156/09 and 166/10), rates of the mandatory contributions were determined that are lower than the ones applicable in the previous years. The contributions for mandatory social insurance were decreased from 32% in aggregate in 2008 to 26.5% in 2010. The decrease was realized by a reduction of the contributions for pension and disability insurance from 21.2% to 19% in 2009 and to 18% in 2010. The health insurance contributions were reduced from 9.2% in 2008 to 7.5% in 2009 and then to 7.3% in 2010. The contributions for insurance in case of unemployment were reduced from 1.6% in 2008 to 1.4% in 2009 and to 1.2% in 2010.

During the reporting period, modifications were also made in the tax systems legislation in the direction of a decrease of the tax rate. The modifications and amendments to the Law on Personal Income Tax reduced and harmonized the rates for calculation of the personal income tax of 15%, 18% and 24%, wherein a single tax rate of 10% was established.

In order to facilitate and improve the conditions for better and easier "from school to work" transition, internship was introduced in the formal education according to the needs of the employers, regarding which a Rulebook on the manner and the conditions for organizing practical training for students was adopted ("Official Gazette" No.120/2010).

Taking into consideration that the analyses of the labour market at local level can provide adequate and specific guidance for the local economic development and the reduction of the unemployment, at the beginning of 2009, as part of the implementation of the CARDS project "Support of the employment policies (phase 3)", 11 local action plans for employment were elaborated for the municipalities of Kumanovo, Berovo/Pehcevo, Bitola, Stip/Karbinci, Struga, Prilep, Krusevo, Radovis, Strumica, Kocani and Sveti Nikole, wherein in 2010 a special local action plan for employment was prepared for the municipality of Suto Orizari (a municipality in the capital Skopje, which is inhabited mostly by Roma population and in which the mayor is of Roma ethnicity).

In these local action plans for employment, based on the analysis of the situation and the specifics of the local labour market, different types of priority objectives, activities for implementation, budget for implementation of the identified priorities and holders of certain activities were defined, in accordance with local conditions, needs and opportunities.

In parallel with the creation and the implementation of the employment policies and the other policies aimed at improvement of the functioning and the situation on the labour market in Macedonia, we were also continuously working on the strengthening of the capacities and the promotion of the efficient public employment office with significantly improved quality and scope of the services for the unemployed persons and the employers by the Employment Service Agency of the RM. In that regard, we continued with the capacity building and modernization of the Employment Service Agency so it can provide high quality and timely services to its clients, i.e. the unemployed persons and the employers, improve and strengthen the implementation of active employment policies, researches on the needs for a labour force, etc...

A new service model was introduced and implemented in the Agency, many trainings were organized and implemented for the employees of the ESA, such as trainings for the implementation of active employment programs and measures, analysis of the skills needs in the labour market, preparation of individual plans for the employment of unemployed persons, preparation of local action plans for employment, project management etc...

In the course of 2010, new types of services for the unemployed persons and the employers were also introduced through the so-called "*Open Office*" and the Information Service "*Call Centre*" of the Employment Service Agency of the RM. A new software was implemented for electronic employment services through a web-portal. The implementation of this modern communication tool improved the quality of the existing services and introduced new services for electronic self information, employment mediation and career guidance. Also, the upgrade of the IT system of the Agency enabled an electronic registration/deregistration of employees (in/out of employment).

Active Employment Policies

In the course of the reporting period, in accordance with the annual operational documents, various types of active programmes and measures for employment were continuously implemented which were aimed at encouragement and support of the employment. These programmes and measures were implemented in accordance with the annual Operational plans for the active programmes and measures for employment.

In the period from 2007 to 2010, MKD 2,454 million (approximately EUR 40 million) were spent for active employment programmes, which covered 35,417 unemployed persons.

The implementation of the active employment programmes provides direct employment or preparation for employment. Namely, all the persons covered by the programmes for self-employment, self-employment with lending support, support for formalization of the existing firms, additional employments for the firms registered under the programmes for self-employment, employment subsidies and employment of disabled persons constitute direct employments. Also, through the implementation of the other active employment programmes (internship, preparation for employment, trainings for occupations that are deficient in the labour market, various other trainings, etc.), substantial assistance and support is provided to the unemployed persons for their easier and faster finding of work and employment upon the completion of the activities in which they were involved, because such activities significantly increase and improve their skills and knowledge, i.e. improve their employability.

The active employment programmes cover several categories of unemployed persons: long-term unemployed, young unemployed, women, Roma, disabled persons and other vulnerable groups in the labour market (single parents, orphans, victims of domestic violence, elderly persons and others).

The costs for the active employment programmes in terms of the Gross Domestic Product for 2007, 2008, 2009 and 2010 amounted to 0.07%, 0.16%, 0.25% and 0.12% of the GDP.

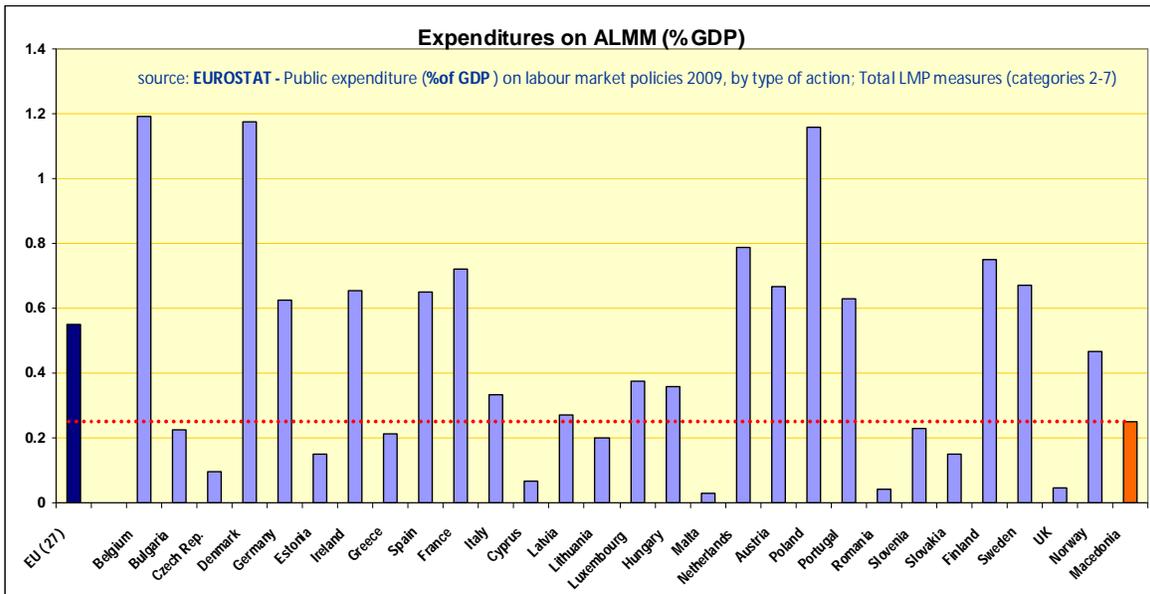
The following table shows a detailed overview of the various active programmes and measures for employment implemented in the period 2007-2010. It comprises a list of the various specific active programmes and measures implemented in the course of the reporting period, as well as the funds spent for their implementation and the number of covered unemployed persons.

Table 1: Overview of the Active Employment Measures for 2007-2010

PROGRAM Operational Plan	2007				2008			
	Participants		Budget		Participants		Budget	
	Planned	Implemented	Planned	Implemented	Planned	Implemented	Planned	Implemented
SELF-EMPLOYMENT PROGRAM (Start-up incentives)	500	558	73,300,000	84,504,490	500	529	97,235,600	102,487,500
EXISTING BUSINESS FORMALIZATION PROGRAM (Start-up incentives)					107	113	18,136,500	19,153,500
PREPARATION FOR EMPLOYMENT PROGRAM (Training)	5,000	5,000	50,000,000	50,000,000	5,928	5,701	61,363,600	50,776,000
Training, retraining or additional training for a known employer (workplace training)					3,000	2,543	54,000,000	45,774,000
Training in Job Clubs aimed at acquiring knowledge and skills (training on foreign languages and computers)					2,000	2,278	1,900,000	1,900,000
Training for occupations that are in short supply on the labor market (vocational - intuitional training)					108	60	5,313,600	2,952,000
Education on how to start and manage a business (institutional training - entrepreneurship)					820	820	150,000	150,000
SUBSIDIZING THE EMPLOYMENT (Employment incentives)	1,400	948	120,100,000	91,388,400	600	338	110,150,000	94,436,000
Subsidizing the employment of parentless children					50	4	6,750,000	54,000
Subsidizing the employment of disabled individuals	200	276	71,500,000	71,500,000	200	112	72,800,000	72,800,000
Subsidizing the employment of single parents ...	600	72	33,600,000	4,838,400	200	80	14,400,000	5,760,000
Subsidizing the employment of elderly people (aged 55-64)					150	142	16,200,000	15,336,000
Subsidizing the employment of youth up to 27	600	600	15,000,000	15,000,000				
INTERNSHIP PROGRAM (workplace training)					30	141	360	2,904,366
PUBLIC WORKS	1,400	1,383	46,000,000	39,978,889				
Administrative costs							6,946,221	6,946,221
TOTAL - Operational plan	8,400	7,889	297,600,000	265,823,779	7,165	6,822	294,191,921	275,560,821
ROMA EMPLOYMENT SUPPORT PROGRAM (vocational training)	50	38	1,200,000	1,200,000	100	60	2,400,000	1,440,000
PROGRAMME- SELF EMPLOYMENT WITH LOANS (Start up loans)					2,000	1,964	387,450,000	385,740,000
TOTAL ALMM	8,450	7,927	298,800,000	267,023,779	9,265	8,846	684,041,921	662,671,221

PROGRAM Operational Plan	2009				2010			
	Participants		Budget		Participants		Budget	
	Planned	Implemented	Planned	Implemented	Planned	Implemented	Planned	Implemented
SELF-EMPLOYMENT PROGRAM (Start-up incentives)	600	654	127,540,300	137,173,638	700	700	147,500,000	147,500,000
EXISTING BUSINESS FORMALIZATION PROGRAM (Start-up incentives)	250	250	47,000,000	47,000,000	250	250	47,000,000	47,000,000
SUPPORT FOR ADDITIONAL EMPLOYMENTS IN FIRMS REGISTERED THROUGH THE SELF-EMPLOYMENT PROGRAM FOR 2007 & 2008 (Employment incentives)					50	50	4,600,000	4,600,000
PROGRAM ON PROMOTION OF ENTREPRENEURSHIP THROUGH EXISTING BUSINESS INCUBATORS AND TRAINING FOR SPECIFIC OCCUPATIONS AND SKILLS THAT ARE IN SHORT SUPPLY ON THE LABOR MARKET (Training - institutional training)					40	31	307,500	307,500
PREPARATION FOR EMPLOYMENT PROGRAM (Training)	3,692	3,468	21,546,560	12,249,699	4,291	3,194	37,736,000	12,945,761
Training, retraining or additional training for a known employer (workplace training)	512	383	11,366,400	5,670,319	1,000	280	22,200,000	5,213,320
Training in Job Clubs aimed at acquiring knowledge and skills (training - foreign languages and computers)	2,000	1,959	2,000,000	989,512	1,500	1,546	1,500,000	361,502
Training in Job Clubs aimed at acquiring specific knowledge of catering business English (intuitional training)					100	39	100,000	9,119
Training for occupations that are in short supply on the labor market (vocational - intuitional training)	120	66	6,240,000	3,649,708	111	37	5,656,000	1,549,590
Training for acquiring skills in the IT area in terms of programming (intuitional training)					80	75	7,380,000	5,527,658
Education on how to start and manage a business (institutional training - entrepreneurship)	1,000	1,000	600,000	600,000	1,500	1,217	900,000	284,572
Education on how to start and manage a business -Gazi baba (institutional training - entrepreneurship)	60	60	1,340,160	1,340,160				
SUBSIDIZING THE EMPLOYMENT (Employment incentives)	1,709	2,089	339,006,000	361,724,969	1,241	1,450	264,621,000	264,215,993
Subsidizing the employment of parentless children	8	7	1,080,000	916,408	15	10	2,025,000	1,350,000
Subsidizing the employment of disabled individuals	200	432	165,825,000	198,450,329	200	392	166,400,000	166,377,005
Subsidizing the employment of single parents ...	129	126	18,258,000	16,952,427	100	56	9,600,000	5,328,000
Subsidizing the employment of elderly people (aged 55-64)	629	678	84,915,000	77,701,097	285	285	27,360,000	27,140,190
Subsidizing the employment of youth up to 27 years old	693	678	66,528,000	65,124,199	591	657	56,736,000	61,116,432
- Health insurance	50	270	2,400,000	2,580,509	50	50	2,500,000	2,904,366
PUBLIC WORK	5,000	4,983	228,980,000	219,391,236				
INTERNSHIP PROGRAM (workplace training)	650	620	13,500,000	12,961,543	150	142	2,250,000	2,185,000
VACANCY SURVEY (workplace training)	90	89	730,000	726,000	60	58	300,000	294,500
ECONOMIC EMPOWERMENT OF WOMEN - VICTIMS OF FAMILY VIOLENCE (Start-up incentives, vocational training, Employment incentives)					125	28	17,468,850	12,505,390
ROMA EMPLOYMENT SUPPORT PROGRAM (vocational training)	200	16	4,800,000	372,000	50	7	3,060,000	326,650
Administrative costs							4,903,000	4,903,000
Public announcements and publicity			7,000,000	7,000,000			2,000,000	2,000,000
TOTAL - Operational plan	12,191	11,419	825,102,860	799,624,085	6,957	5,910	526,843,350	493,880,794
PROGRAMME- SELF EMPLOYMENT WITH LOANS (Start up loans)	2,000	1,315	360,000,000	230,922,800				
TOTAL ALMM	14,191	12,734	1,185,102,860	1,030,546,885	6,957	5,910	526,843,350	493,880,794

Based on the data published by EUROSTAT (the latest available data are for 2009) on the expenditures for the active labour market measures in the European Union member states, it can be concluded that the total costs in the Republic of Macedonia, which in 2009 amounted to 0.25% of the GDP, are at a level that is comparable with the levels in the majority of the new EU member states.



In respect to the [request of the European Committee of Social Rights \(ECSR\) for additional explanation and submitting additional information on the implemented measures in favour of the long-term unemployed persons](#), first it should be noted that the existence of long-term unemployment is among the several main and worrying unfavourable characteristics of the labour market in the Republic of Macedonia.

As of 31.12.2010, the Employment Service Agency registered a total of 260,152 long-term unemployed persons, i.e. persons waiting for employment for 12 months or more (as defined by the International Labour Organisation - ILO). This figure represents about 81% of the total number of unemployed persons registered in the Employment Service Agency of the Republic of Macedonia.

Even though in the course of the reporting period 2007-2010, there was a downward trend of the unemployment in the country, in the structure of the registered unemployed persons, there is still a very high share of the long-term unemployed persons despite the reduction of their share in the total registered unemployed persons from 82.5% to 81.0%.

The structure of the long-term unemployed persons is almost identical to the structure of the total registered unemployed persons, which means that one of the main features is the bad qualification structure, i.e. insufficient and inadequate education. The lack of work experience and additional knowledge and skills are some of the main reasons due to which these unemployed persons are not sufficiently competitive in the labour market and remain unemployed for long periods, which to a great extent hampers their inclusion in the labour market.

Being aware of these unfavourable conditions, the Employment Service Agency has an important role and a great responsibility, with its activities, to effectively contribute to the reduction of the unemployment, i.e. to take measures and activities that will contribute to the increase of the skills of the people who actively seek work, to increase their competitiveness in the labour market, and thus, ultimately, to significantly increase their opportunities for faster employment.

The Employment Service Agency, as an institution responsible for the implementation of the active programmes and measures for employment, for several years now has been successfully implementing the annual Operational plans for active programmes and measures for employment.

The Operational plans contain a great number of programmes and measures aimed at different target groups of unemployed persons, with special attention to the vulnerable categories, such as primarily the long-term unemployed persons, the young unemployed persons, the women, the disabled persons, etc. The implementation of these measures contributes to the reduction of the unemployment, encouraging the active attitude of the unemployed persons in the process of job seeking and increase of the employment rates.

Taking into consideration the high share of the long-term unemployed persons in the total number of registered unemployed persons, this category of unemployed persons is massively included in all active programmes and measures for employment which are defined in the annual Operational plans for active programmes and measures for employment (see *Table 1*), although they might not always be separated as a special target group of some specific programme/measure.

In the Conclusions (XIX-1) 2008, [ECSR requested additional data and information on the unemployment of foreign nationals.](#)

Pursuant to the Law on Keeping Records in the area of Labour, the Employment Service Agency of the Republic of Macedonia also keeps records of the foreign citizens who seek employment in the Republic of Macedonia.

Foreigners who may be registered in the records of unemployed persons in the Employment Service Agency upon the obtaining of a personal work permit, pursuant to the Law on Employment and Work of Foreigners ("Official Gazette of the Republic of Macedonia" No. 70/2007; 05/2009 and 35/2010) are the following:

- a member of the closer family of citizens of the Republic of Macedonia who owns a valid temporary stay permit;
- a member of the closer family of a foreigner who owns a personal work permit for an indefinite period;
- a foreigner who originates from the Republic of Macedonia or his/her successor up to a third generation who does not have Macedonian citizenship;
- a foreigner who resides in the Republic of Macedonia based on a temporary stay permit for family reunion;
- a foreigner – applicant of the right to asylum whose application for recognition of the right to asylum has not been resolved within a period of 1 (one) year, after the expiry of the period of 1 (one) year (the work permit is issued for a period of three months with a possibility for extension);
- a foreigner with recognized status of a refugee;
- a foreigner under a subsidiary protection, and
- a foreigner under a temporary protection.

The personal work permit for these persons is issued for the time period specified by law, regardless of the situation and the conditions in the labour market.

As of 31.12.2010, the Employment Service Agency of the Republic of Macedonia registered a total of 42 unemployed persons - foreign nationals.

In terms of the country where they come from, in the records of unemployed persons, the most numerous are the foreign nationals from Albania and Serbia, but there are also registered unemployed persons who have citizenship of Bulgaria, Hungary and Bosnia and Herzegovina.

The unemployed persons - foreign nationals registered in the Employment Service Agency of the Republic of Macedonia are included in the total number of unemployed persons registered in the Agency.

Situation on the Labour Market

For the period between 2004 and 2008 the Macedonian economy was characterized with very favorable and positive tendencies, together with the relatively high achieved Gross Domestic Product (GDP) growth rates, in continuity. The GDP growth in the Republic of Macedonia, for this period reached 4.6% for the year of 2004, 4.4% for 2005, 5.0% in 2006, 6.1% and 5.0% for the years 2007 and 2008. The average growth rate achieved during this five-year period was 5.02%.

These positive trends in respect to the GDP growth, continued during the first three quarters of 2008 too, nevertheless the influences of the global economic crisis led to the decline in the economic activity in the country, and the effects of the crisis become evident especially during the year 2009, which ended with the registered decline in the GDP growth of -0.9%.

The consequences of the crisis were experienced particularly in the industry, as a economic sector that is mainly export oriented. Still, although the unfavorable trends and performances, the slowdown of the economic growth in Macedonia was with the substantially lower intensity, as compared with the majority of the countries in the region, as well as in the European Union, in which the GDP decline was more significant.

In this period, the Government of the Republic of Macedonia has adopted a significant number of additional economic and social measures, in the form of four separate packages of anti-crisis measures, having the objective to reduce negative effects and consequences on the Macedonian economy and to maintain macroeconomic stability in the country.

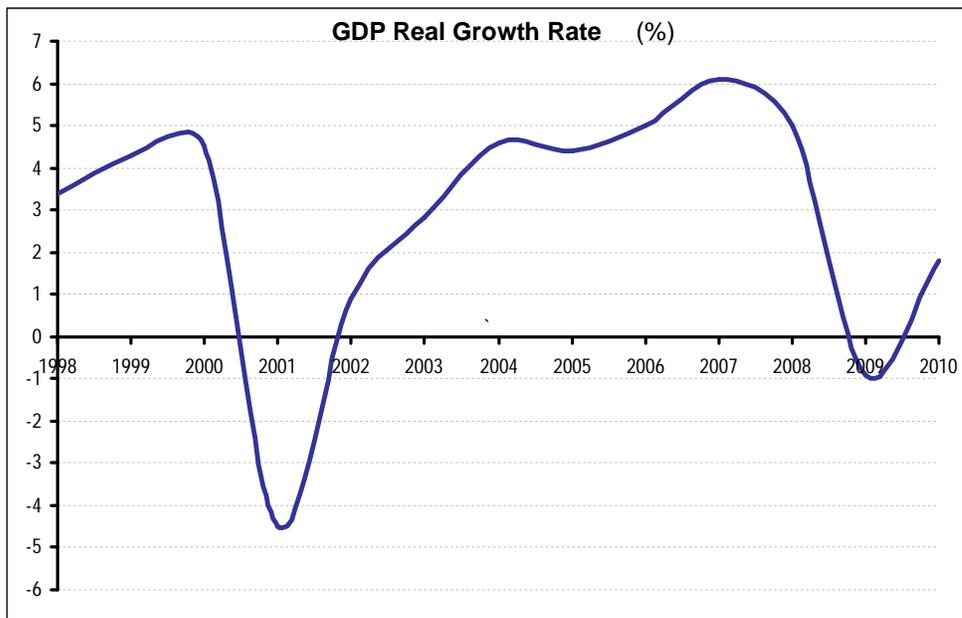
These packages comprised various specific interventions and measures, such as, for example, reducing customs duties, simplification of the customs procedures, enabling faster flow of goods at the borders, reducing social contributions, reducing taxes for the farmers, providing credit support for the enterprises, other measures to support the enterprises, such as measures aimed at facilitating the export of goods, measures supporting the transport sector, then initiating of important and substantial programme for realization of infrastructure projects etc. This approach and the implemented measures contributed to the great extent, in maintaining the macroeconomic stability in the Republic of Macedonia and in preventing the appearance of a greater and more significant GDP decline during 2009.

In the course of 2010, the Macedonian economy has started its recovery, thus achieving positive GDP growth of 1.8% for this year.

The following Table presents the trend of the Gross Domestic Product growth in the Republic of Macedonia, during the past period :

<i>Real GDP growth rate (in %)</i>												
1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
3.4	4.3	4.5	- 4.5	0.9	2.8	4.6	4.4	5.0	6.1	5.0	-0.9	1.8

The tendencies in relation to the GDP real growth in the Republic of Macedonia can be observed on the following graph :



One of the important characteristics of the labour market in the Republic of Macedonia is the relatively high unemployment rate in the country, with the situation related to the unemployment among the young persons, long-term unemployment, as well as the existence of insufficient matching between the labour supply and demand, being important challenges that the labour market in the country is facing.

Having in mind the situation in this field and the challenges, the improvement of the situation in the labour market in Macedonia represents one of the main priorities of the various governmental policies and the implemented labour market programmes and measures.

In this respect, the Government of the Republic of Macedonia, with active participation of the social partners, continuously implements policies and measures aimed at achieving more dynamic economic development, stimulating the labour market demand, better matching the labour force supply and demand in accordance with the needs of the labour market, improving the quality of the labour supply and continuous development of the human capital, as well as decreasing the grey economy, all with the purpose of increasing the number of employed persons and decreasing unemployment.

As a result of all these efforts, since 2005 onwards, the negative trend of permanent decrease in the employment rate in Macedonia has been stopped, and since then the situation in the labour market is characterized with continuous improvements and positive development.

During the several past years, even despite the effects of the global economic crisis that were significantly felt especially during the year of 2009, the main labour market indicators in Macedonia are continuously characterized with a positive trends, i.e. the employment rates, even during this period, has continued to increase and the unemployment rate to decline.

In the following section, this Report presents the basic indicators and trends in respect to the labour market in the Republic of Macedonia, mainly according to the data gathered on the basis of the *Labour Force Survey (LFS)*, carried out by the State Statistical Office of the Republic of Macedonia. This survey is conducted every year on a quarterly basis, over the representative sample of more than 11,000 persons.

The size of the Labour force (the economically active population aged 15 to 64 years) in 2009 is 921,055 persons, that represents 64% of the total working age population in the country and it is 61,029 persons more that in the year 2005, i.e. representing the increase of 7.1%. The most significant increase in the active population can be noticed with the age group of 50 to 64 years of age - increase of 37,042 persons, or 22.1%. This age group participates with 22.24% in the total active population (age 15 to 64). The activity rate for the fourth quarter of 2010 (according the latest available LFS data) is 65.1%.

The statistical data demonstrate continuous trend of increase of the activity rate for the last several years.

It is noticeable that there are significant differences with the activity rates in respect to the gender, age, level of education etc. It can be noticed that the activity rated of women are significantly lower than the ones of men, thus, for the fourth quarter of 2010, the activity rate for women is 52%, whereas the rate amongst the men is significantly higher 77.9%, and the same is on almost the same level with the average rate in the EU (EU 27), that is 77.8%.

<i>Activity rate (15-64 years)</i>						
	2005	2006	2007	2008	2009	2010 (Q4)
TOTAL	60.7	62.2	62.8	63.5	64.0	65.1
men	71.9	74.9	74.8	76.6	77.6	77.9
women	49.1	49.2	50.4	50.2	50.0	52.0

The number of employed persons in the 2009, in comparison with the 2005, is increased for 86,793 persons and is in total 623,127 persons (15-64 yrs. of age), and the employment rate also shows an increase of 5.4 p.p. and it stands at 43.3%.

The highest employment rate can be observed amongst the age group 25 to 49 years of age and it stands at 55.4%.

The relatively low employment rate still represents one of the important challenges on the labour market in the Republic of Macedonia, despite the fact that in the past years we continuously witness the trend of permanent increase of employment in the country.

In respect of the employment rates, similarly like with the activity rates, it can be noticed that there are differences as regards the gender. According to the latest data (IV quarter 2010), it can be noticed that the employment rate for women (35.5%) is significantly lower than the employment rate for men, that is on the level of 53.9%.

However, it must be noted that during the past several years there is a positive trend also in respect to the employment amongst female population (rising from 30.1% in 2005 to 35.5% for the fourth quarter of 2010).

Employment rate (15-64 years)						
	2005	2006	2007	2008	2009	2010 (Q4)
TOTAL	37.9	39.6	40.7	41.9	43.3	44.8
men	45.4	48.3	48.8	50.7	52.8	53.9
women	30.1	30.7	32.3	32.9	33.5	35.5

The available statistical Labour force survey data, also show the existence of differences in the employment amongst different age groups, different levels of education, different ethnic communities, as well as in relation to the different regions within the country.

As regards age groups, the highest employment rate at the level of 57.2%, is amongst the persons at the age between 25 and 49, whereas for the young, i.e. the persons aged 15-24, the employment rate is manifestly low (16.1%). Still, in this area, the positive trend during the past years can also be noted.

Youth employment rate (15-24 years)						
	2005	2006	2007	2008	2009	2010 (Q4)
TOTAL	12.3	14.4	15.2	15.7	15.7	16.1
men	14.1	17.2	18.7	19.2	20.6	19.8
women	10.3	11.4	11.5	12.0	10.6	12.2

The challenge of increasing the economic development and job creation, requires multi-sectoral approach, having in mind the multi dimensional nature of the problem as such.

Implementation of the measures for improving the business environment, for stimulation the increase in the gross investments, decreasing the expenses of the firms through lowering the taxes and contributions, improving the efficiency of the labour legislation and improving the quality of the educational system and the

human resources, also complemented by the implementation of the active labour market policies and measures to ensure greater job security and safety, creates conditions for improvements in the economic situation in the country and job creation.

A relatively high rate of unemployment can be observed in the Republic of Macedonia, but in this area as well, a positive trends and continuous improvement of the situation is also evident, i.e. there is a permanent decrease in the number of unemployed persons in the country. Unemployment represents one of the most significant problems and challenges in Macedonia, resulting in the fact that fighting unemployment and its decrease is one of the leading Government priorities in the past and in the forthcoming period, as well.

The number of unemployed persons in 2009, in relation to 2005 has been reduced 25,765 persons, i.e. 8% and it stands at 297,928 persons. The unemployment rate was also reduced by 5.3 p.p. and is equal to 32.3% for the year of 2009 година (37.6% in 2005). The unemployment rate amongst the young persons is still high and equal to 55.1%, even though it was reduced for 7.5 p.p. in comparison to 2005.

Amongst the persons at the age between 25 and 49, the unemployment rate is 30.3% and it was reduced by 5.6 p.p. compared with the 2005, whereas for the older unemployed persons the rate is 26.3% or 2.8 p.p. smaller than the one for 2005. Up until the year of 2005, the unemployment rate in the Republic of Macedonia was characterized by a trend of continuous increase, reaching the level of 37.3% in 2005. Since then, the unemployment rate began to decrease, reaching the level of 30.9% for the fourth quarter of 2010.

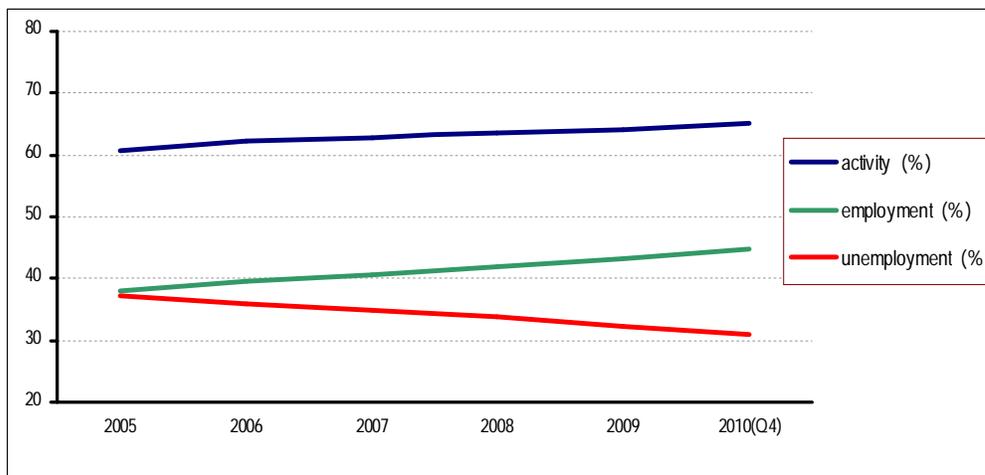
In respect to the unemployment rate, we should point out that some significant difference in relation to the gender does not exists, so that the unemployment rates for men and women are 30.6% and 31.5%, respectively.

<i>Unemployment rate (15 years and more)</i>						
	2005	2006	2007	2008	2009	2010 (Q4)
TOTAL	37.3	36.0	34.9	33.8	32.2	30.9
men	36.5	35.3	34.5	33.5	31.8	30.6
women	38.4	37.2	35.5	34.2	32.8	31.5

The high unemployment rate amongst the young population, aged 15 to 24, is evident. The unemployment rate for the young reaches its highest value in 2003, when it hits the level of 65%, but after this point, the trend of continuous decrease begins with this indicator, as well. According to the latest available data, the level of unemployment among the young (15-24 years of age) is 50.5%.

Youth unemployment rate						
	2005	2006	2007	2008	2009	2010 (Q4)
TOTAL	62.6	59.8	57.7	56.4	55.1	50.5
men	62.9	59.0	57.4	55.7	52.7	51.5
women	62.2	61.0	58.2	57.4	59.4	48.8

The positive trends with the basic labour market indicators in Macedonia, that are present in the past several years, can be noticed from the following graph :



In the **Annex** to this Report, we have presented more extensive and more detailed information and statistical data that reflects the situation in respect to the labour market in the Republic of Macedonia.

* * *

In addition to the Labour Force Survey, conducted by the State Statistical Office, data on the situation with the unemployment in the Republic of Macedonia are also obtained from administrative sources, i.e. the Employment Service Agency of the RM.

In accordance with the legal regulations, the Employment Service Agency monitors only the recorded unemployment, and collects and publishes the administrative data on unemployment.

According to these administrative data, during the reporting period 2007-2010, there was a trend of reduction of the number of registered unemployed persons. Namely, on 31.12.2010, 321,341 unemployed persons were registered, wherein compared to the same period in 2007 there was a drop of 35,825 unemployed persons or 10%.

The positive trend of reduction of the number of registered unemployed people was certainly influenced by the strategy and the policies for employment of the Government of the Republic of Macedonia, established in more documents, in accordance with the planned Working Programme of the Government. Also, the reduction of the number of registered unemployed persons was to a certain extent influenced by the adopted amendment of the legislation pertaining to the exercise of the right to health insurance of the unemployed persons.

As of 1 June 2009, the Employment Service Agency of Republic of Macedonia is no longer responsible for the administration of the health insurance of the unemployed persons. Pursuant to the amendments in the legislation, the unemployed persons, if they do not have any other bases of insurance, exercise their right to mandatory health insurance directly via the Health Insurance Fund of the Republic of Macedonia which is liable for the calculation and payment of the contributions for mandatory health insurance. This enabled a gradual reduction of the number of persons who are not actively seeking work and who register as unemployed persons in the Employment Service Agency primarily for the purposes of obtaining an access to health insurance and thus directly affect the formation of an unrealistic picture for the unemployment in the country.

In terms of the structural features of the registered unemployed persons which are particularly significant in terms of the assessment of the quality of the available human potential which is out of economic activity and which defines the supply on the labour market, in the observed period (2007-2010) no significant changes were noted.

The structure of the registered unemployed persons by gender is characterized by a relatively greater participation of men - 57.6% (as of 31.12.2010) in the total number of unemployed persons, as compared to women whose participation is 42.4%.

As compared to the same period in 2007, there is a percentage reduction of the unemployment among men by 11.5%, and percentage reduction of the unemployment among women by 7.9%. In that regard, the participation of men in the total number of unemployed persons decreased from 58.5% to 57.6%, while the participation of women increased from 41.5% to 42.4%.

In terms of the structure of unemployed persons by age (as of 31.12.2010), the young unemployed who are 15 to 24 years old accounted for 13.4% (43,113 persons) in the total registered unemployment, while the unemployed persons aged 25 to 29 years participated with 12.7% (40,929) persons. The unemployed persons aged 30-39 years and 40-54 years participated in the total number of unemployed persons with 22.9% (73,555), i.e. 33.2% (106,636), respectively. The unemployed persons aged 55 and more years accounted for 17.8% (57,108) in the total number of registered unemployed persons.

The analysis of the age structure of the persons out of economic activity, i.e. of the unemployed persons, shows that the age group (30-54 years), which should be most productive, participates in the total number of unemployed persons with a very high percentage.

Compared to the month of December 2007, in all the age groups there was a decrease in the number of registered unemployed persons, except for the unemployed persons aged 55 years and more where there was an increase of 19.1% or 9,127 unemployed persons.

The young unemployed persons aged 15 to 24 years accounted for 13.4% in the total number of unemployed persons and, compared to the same period in 2007, they marked a decline of 10,983 persons or 20.3%.

The educational structure of the registered unemployed persons is very unfavourable because 52.4% (168,248) of the registered unemployed persons are unskilled and semi-skilled persons (as of 31.12.2010). The lack of qualifications they have, the long absence from the labour market, as well as the age structure to a great extent hinder the inclusion of this category of unemployed persons as active jobseekers in the labour market.

The skilled unemployed persons accounted for 15.5% (49,718) in the total unemployment, the unemployed persons with completed secondary education participated with 24.2% (77,748), and the unemployed persons with completed college and university participated with 1.5% (4,889) i.e. 6.4% (20,738) in the total number of registered unemployed persons.

The structure of unemployed persons according to education, i.e. the participation in certain educational categories in the total number of unemployed persons in 2010, compared to the same period in 2007, remains almost unchanged.

Reduction of the number of registered unemployed persons was observed in all educational categories of unemployed persons, with the exception of the unemployed persons with university education where there was an increase of their participation in the total number of unemployed persons from 5.2% in 2007 to 6.5% in 2010, i.e. increase of the number of registered unemployed persons with university education for 11.1% or 2,065 unemployed persons in the course of the reporting period.

According to the waiting time for employment, 61,189 or 19.1% of the total number of registered unemployed persons wait for employment up to 11 months, 99,694 or 31.0% of the unemployed persons wait for employment from one to three years, and 160,458 or 49.9% of the total unemployed persons wait for employment four years and more (as of 31.12.2010).

In the structure of the registered unemployed persons, the participation of the long-term unemployed persons (people who have been waiting for employment for 12 months or more) in the total number of registered unemployed persons is high, but in this part as well, a positive trends could be observed during the reporting period, i.e. there was a decrease of their participation from 82.5% to 81%.

Article 1§2

With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake :

- 2. to protect effectively the right of the worker to earn his living in an occupation freely entered upon;*

Elimination of all forms of discrimination in employment

An especially intensive work was done in the past period for harmonization of the legal regulation in the field of labour with the legislation of the European Union, whereby a special emphasise was put on the provisions regulating the issues related to discrimination and the relevant EU directives in this area.

During the implementation of these activities, an expert assistance was also provided within the CARDS Project (twinning) "*Review of the national labour legislation*" which was implemented in the period from May 2008 until September 2009. The Twinning Project was implemented in cooperation with the Ministry of Labour, Social Affairs and Family of the Slovak Republic and its purpose was to provide support in the improvement of the national capacities, above all in the part of the labour legislation, as a contribution to the improvement of the functioning of the labour market and preparation of the Republic of Macedonia for membership in the European Union. In this period, a detailed analysis was conducted to the current legislation of the Republic of Macedonia, as well as the degree of its compliance with the provisions defined in the current EU directives and the legislations of the EU member states in this part. Representatives of several relevant state institutions and bodies, as well as representatives of the social partners were included in these activities of review and analysis of the labour legislation and strengthening of the national capacities. Based on the analysis and the prepared comparative review of the Macedonian labour legislation with the EU legislation, timeframe and dynamics were defined for starting and implementing the process of transposition of the envisaged EU directives in the national labour legislation. Several of the key laws were encompassed by the analyses and recommendations for further harmonisation, such as the Law on Labour Relations, Law on Employment and Insurance in Case of Unemployment, Law on Temporary Employment Agencies, Law on Safety and Health at Work, Law for Employment of Disabled People, Law on Equal Opportunities between Men and Women.

As a result of these activities, the programme was accepted for gradual implementation of the proposals contained in the analyses and the prepared correlation tables, with a priority to the modifications and amendments of the Law on Labour Relations, wherein a timeframe of the phases was defined in which the modifications will be implemented.

Based on this Programme and for the purpose of harmonization with the EU directives, modifications and amendments of the basic laws in the field of labour legislation were prepared in the next period and adopted in 2010: the Law on Labour Relations, Law on Employment and Insurance in Case of Unemployment, Law on Temporary Employment Agencies.

Regarding the regulation and application of the principles of equal opportunities, equal treatment and non-discrimination, the modifications of the Law on Labour Relations (published in "Official Gazette of the Republic of Macedonia" No. 124/2010), among other things, harmonized the legal provisions with the relevant EU directives in this area, as follows: Directive 2000/43/EC for equal treatment between persons irrespective of racial or ethnic origin, Directive 2000/78/EC establishing a general framework for equal treatment in employment, Directive 2006/54/EC on the implementation of the principle of equal opportunities of men and women for issues related to employment and occupation, Directive 2002/73/EC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions, Directive 97/80/EC on the burden of proof in cases of discrimination based on sex.

These modifications amended the current law with the purposes of its harmonization with the mentioned directives and ensuring the principle of equal opportunities and equal treatment for men and women as regards access to employment, including promotion and vocational training, the working conditions, equal payment for equal work, professional schemes for social insurance, work absence, work hours and cancelation of the employment contract. Therefore, it is explicitly stated in this amendment that men and women must be provided with equal opportunities and equal treatment as regards access to employment, including promotion and vocational training, the working conditions, equal payment for equal work, professional schemes for social insurance, work absence, work hours and cancelation of the employment contract.

In this period, the Law on Temporary Employment Agencies ("Official Gazette of the RM" Bo. 145/2010) was also amended in order to provide the basic conditions for work and employment applicable to the workers engaged by temporary employment agencies to be the same with the ones that would apply to these workers if they were employed by the employer – user for the performance of the same work. Hereby a transposition is made to the Directive 91/383/EEC supplementing the measures to encourage improvements in the safety and health at work of workers with a fixed-duration employment relationship or a temporary employment relationship and concurrently it establishes provisions on the security and health applicable to the workers engaged by temporary employment agencies. According to this amendment of the Law, every person shall be entitled to employment, without any limitations, in accordance with the principle of equal treatment defined by the Law on Labour Relations and another law, employment discrimination is forbidden based on marital status, family status, colour of the skin, sex, language, political or other persuasion, union activity, nationality, social status, disability, age, ownership, social or other status.

The same amendments also provided harmonization with the Directive 2008/104/EC which establishes protective legal framework for the workers engaged by temporary employment agencies which is non-discriminatory, transparent and proportional, thus respecting the variety of the labour markets and the industrial relations. The purpose of these amendments is to provide protection for the workers engaged by temporary employment agencies and to increase the quality of the work via temporary employment agency via providing the equal treatment principle. Concurrently, it also provides recognition of the temporary employment agencies as employers, and having regard the need for establishing an adequate legal framework for the use of the work via temporary employment agency in context of effective contribution to opening new work positions and developing flexible types of working.

The provisions of the regulations on labour relations, regulations on safety and health at work and the regulations on equal treatment of women and men as regards to the protection of women during pregnancy, birth, parenthood and child care, protection of children and youth, also pertain to the workers transferred by temporary employment agencies to employers-users.

In relation to the [requirements stated in the Conclusions \(XIX-1\) 2008 of the European Committee of Social Rights \(ECSR\), for additional explanations related to the protection against discrimination and provision of equal access](#), it should be pointed out that the ban for discrimination of the employment applicant and the worker is, above all, defined in the Law on Labour Relations (Article 6). According to this article, the employers must not put the employment applicant and the worker in an unequal position due to race or ethnic origin, colour of the skin, sex, age, health condition, i.e. disability, religious or other persuasion, union membership, national or social origin, family status, financial status, sexual orientation or other personal circumstances.

According to the same article of the Law, women and men must be provided with equal opportunities and equal treatment as regards access to employment, including promotion and professional and vocational training, working conditions, equal payment for equal work, professional schemes for social insurance, work absence, work hours and cancelation of the employment contract.

The Law defines what is considered to be direct and indirect discrimination and the Article 8 defines exceptions of the ban for discrimination. In accordance with this provision of the Law, making difference, excluding or giving preference regarding a certain work, when the nature of the work is such or is performed in such conditions that the characteristics, related to some of the cases stated previously in the Law, are a real and decisive condition for the performance of the work, provided that the goal to be reached is justified and the condition reasonable, shall not be considered discrimination. All measures provided for in this Law or another law and collective agreement and the employment contracts regarding the special protection and assistance of a certain category of workers, and especially those for protection of disabled persons, older workers, pregnant women and women who exercise some of the rights to protection of

motherhood, as well as the provisions pertaining to the special rights of the parents, adopters and protégés shall not be considered discrimination, nor a basis for discrimination.

For the purpose of providing equal treatment of the fixed-term workers with the permanent workers, the current Law on Labour Relations was amended and in this direction, for the purpose of its harmonization with the adequate Directive 1999/70/EC concerning the Framework Agreement on fixed-term work. Namely, it is prescribed that the fixed-term workers shall not be treated in a less favourable manner than the permanent workers, only because they have a contract for fixed-term employment, except in cases when the different treatment is justified due to objective reasons.

In that regard, the period of obtaining qualifications regarding certain conditions is the same for employing fixed-term workers, as well as for permanent workers, except if the period of obtaining qualifications is not longer than the duration of the fixed-term employment contract.

Provisions related to the equal treatment and prevention and protection against discrimination are defined in other laws, as well, such as the Law on Prevention and Protection against Discrimination, the Law on Equal Opportunities of Women and Men and other laws defining the form and the manner of providing protection against discrimination.

In accordance with the performed analysis and the defined needs, and having regard the fact that in the Republic of Macedonia there was no one complete legislative framework that would provide protection of the rights of the citizens against discrimination at different bases and which would regulate the most important aspects in this field, in the course of 2008, the activities started for the preparation of the draft-text of one separate framework Law on prevention and protection against discrimination. For that purpose, a special working group was created comprised of representatives of all relevant institutions, as well as the NGO sector.

The Law on Prevention and Protection against Discrimination was adopted by the Assembly of the Republic of Macedonia on 8 April 2010 (published in "Official Gazette of the RM" No. 50/2010 dated 13.04.2010).

The adoption of this Law provided harmonization with the EU legislation and other international regulations that regulate the issues related to prevention and protection against discrimination. The concept and contents of the Law are based on the international norms and standards contained in most of the international documents adopted by the OUN, the European Union, the Council of Europe, as well as the constitution of the Republic of Macedonia, being basis for defining a mechanism of measures and activities for legal protection in case of discrimination.

During the preparation of the Law, the experiences were also used of the comparative review of the regulation from other countries in which they are adopted and in which such laws are in force.

This Law provides prevention and protection against discrimination in exercising the rights guaranteed by the Constitution, by the law and by the ratified international agreements.

The Law on Prevention and Protection against Discrimination forbids any direct or indirect discrimination, calling to and encouraging discrimination and aiding in discriminatory actions based on sex, race, colour of the skin, belonging to a marginalized group, ethnicity, language, citizenship, social origin, religion or religious belief, education, political affiliation, personal or social status, mental or physical disability, age, family or marital status, financial status, health condition or any other basis envisaged by law or a ratified international agreement.

This law applies in the field of work and labour relations; education, science and sports; social security, including the area of social protection, pension and disability insurance, health insurance and health protection; in the field of judiciary and administration; housing; public information and media; access to goods and services; culture; membership and activities in unions, political parties, civic associations and foundations or other membership-based organizations and in other areas defined by law.

The Law defines the term discrimination and the term person, where the definition of the terms arises from the EU Directives 2000/43//EC and 2000/78//EC.

The Law defines the forms of discrimination thus specifying the provisions pertaining to direct and indirect discrimination, harassment, discrimination of persons with mental and physical disability and more severe forms of discrimination, as well as the exceptions from discrimination.

Having regard the experiences of the other countries where anti-discrimination laws were adopted, which point out to the need for establishing an individual and independent authority that will provide the legal protection for the victims of discrimination, the Law on Prevention and Protection against Discrimination sets out a special individual and independent authority – Commission for Protection against Discrimination, acting as a legal entity, comprised of 7 members appointed by the Assembly of the republic of Macedonia.

Pursuant to the Law, the Commission acts upon complaints submitted by natural persons and legal entities, gives recommendations and opinions on particular cases of discrimination, informs the submitters of the complaints on their rights and options for initiating court or other procedure for protection, initiates a procedure before the competent authorities for committed violations, monitors the implementation of the Law on Prevention and Protection against Discrimination, gives recommendations to the state authorities for undertaking measures for exercising the equality, gives opinions upon draft laws relevant for the Protection against Discrimination, informs the public and undertakes activities for promotion and education on the equality, human rights and non-discrimination.

In the conclusions (XIX-1) 2008 [ECSR requested additional information and data on the protection of the workers and the possibilities for lodging complaints and initiating court procedures against the employers.](#)

In accordance with the Constitution of the Republic of Macedonia, every citizen can, at any time, initiate a procedure for assessment of the constitutionality and legality of any act or particular provision of some law, collective agreement, employment contract or an internal act, for its annulment or cancelation by the Constitutional Court. In addition, a procedure can be initiated and implemented, at any time, for amendment of a law or its particular provisions, within the procedures in accordance with the law and the rules.

So far, such procedures have been initiated and certain decisions were adopted by the Constitutional Court and by the Government and the Assembly.

The Law on Labour Relations sets out a specific special provisions (Article 77, paragraph 2) which considers initiation of a lawsuit or participation in a procedure against the employer a groundless reason for cancellation of the employment contract, for the purpose of confirming violation of the contracts and other obligations of the labour relation before arbitrary, court and administrative bodies. In function of implementation of the Law and protection of the workers, court protection is also envisaged in these cases.

That means that in all possible such cases for which a court procedure will be initiated, the workers will be provided with court protection and all acts or actions of the employers violating the law or repressing the workers will be annulled.

After the lay-off, in order to protect their rights, the workers are entitled to address the labour inspection (State Labour Inspectorate) as a body that supervises the implementation of the laws and other regulations, collective agreements and employment contracts that regulate the rights and obligations of the workers and employers.

According to the data of the State Labour Inspectorate, in 2007 515 requests for protection of the rights were submitted by workers who were laid-off, in 2008 439 such requests were submitted, in 2009 422 requests and in 2010, 420 requests. The labour inspection has undertaken adequate measures upon all these requests, in accordance with the law.

Article 10 of the Law on Labour Relations sets out the right of the worker to damage compensation for discrimination. Namely, in cases of discrimination, previously set out in the Law (Article 6), the candidate for employment or the worker is entitled to request damage compensation. That amount is defined individually for each particular case in order the compensation to be efficient and proportional and to affect the deterioration of the employers from discrimination. In the previous version of the Law on Labour Relations, there was a set out upper limit of the amount of the damage compensation in cases of discrimination, however there is no such limitation in the current Law, in Article 10, i.e. with the amendments of the Law, that limitation is removed.

In addition, the Law on Labour Relations, in a special article (Article 11), regulates the issue pertaining to the burden of proof in case of dispute for discrimination. The issue pertaining to the burden of proof is also adequately regulated in the Law on Prevention and Protection against Discrimination (Article 38).

In accordance with Article 93 paragraph 5 of the Law on Labour Relations, upon a request of the employee, the trade union may represent the employee in a procedure upon a complaint.

In Conclusions (XIX-1) 2008 [ECSR has concluded that the situation in the Republic of Macedonia is not in accordance with Article 1§2 of the Charter](#) due to the existence of an upper limit for discrimination compensation of the employee in the amount of up to five average monthly salaries.

The existence of an upper limit for the sanctions that envisage payment of damage compensation in case of discrimination, in the valid legislation, i.e. in the Law on Labour Relations, was pointed out as a remark to the Government of the Republic of Macedonia by ECSR and by the European Commission, as well.

In order to overcome the identified deficiencies, the Government of the Republic of Macedonia undertook the necessary activities and in August 2008, the legal provisions were adequately modified. With the adopted amendments of the Law on Labour Relations, published in the "Official Gazette of the RM" No. 106/2008 dated 27 August 2008, among the other issues, the recommendations of ECSR and the European Commission on the removal of the upper limit for damage compensation in case of discrimination were also incorporated. Article 10 of the Law on Labour Relations is amended, whereby it is envisaged that the provision for damage compensation in case of discrimination in the amount of 5 monthly average salaries is to be excluded, and the employee is entitled to seek damage compensation in accordance with the Law on Labour Relations.

As regards the requests stated in Conclusions (XIX-1) 2008 of ECSR on additional explanations related to the collective actions and the inclusion of citizens, associations, organizations of employers and trade unions in case of discrimination, pursuant to Article 39 of the Law on Prevention and Protection against Discrimination, in the proceeding for the lawsuit submitted before a competent court by the person who states that some right has been violated due to discrimination, the person who considers to be discriminated can be accompanied, as an assisting party (third party), by a body, organization, institution, association or another person whose activity includes protection of the rights to equal treatment. The court decides upon the participation of the assisting party by implementing the provisions of the Law on Civil Procedure. The court will allow participation of an assisting party only upon an approval of the person whose side the assisting party wants to assist. The assisting party may take actions in the procedure and it has all the rights in the procedure that belong thereof.

In the Conclusions (XIX-1) 2008 ECSR requested information on the existence of a specialized and independent body for promoting equal treatment, especially for providing assistance to the victims of discrimination.

As previously stated in this Report, the **Commission for Protection against Discrimination** was established in accordance with the Law on Prevention and Protection against Discrimination ("Official Gazette of the RM" No. 50/2010). The Commission started its operation on 1 January 2011.

The Commission for Protection against Discrimination acts in the capacity of a legal entity with headquarters in Skopje.

The Commission comprises 7 members. The members of the Commission are appointed by the Assembly of the Republic of Macedonia with mandate of 5 years, with the right to one reappointment, whereby the president is selected from the members of the Commission with mandate of one year. The appointment of the members was made by the Assembly of the Republic of Macedonia at the meeting held on 27 December 2010.

The Commission acts upon complaints submitted by natural persona and legal entities and gives recommendations and opinions for certain cases of discrimination.

The Commission cooperates with the state authorities, the Ombudsman, natural persons, legal entities and state authorities. The procedure starts by submitting a written or verbal complaint submitted to the Commission.

The submitter of the procedure shall be released from the paying taxes and other fees.

Natural persons and legal entities are entitled to submit a complaint to the Commission, for adopted individual act or undertaken actions by persons in the public and private sector, which is contrary to the Law on Prevention and Protection against Discrimination.

The complaint for prevention and Protection against Discrimination can be submitted within three months, at the latest, as of the day of the violation or one year after the knowledge of the act of discrimination, at the latest. The Commission may also initiate a procedure after the expiry of the deadline, if it assesses that it is about a case of such importance for which it would be necessary and adequate to conduct a procedure.

While deciding upon the complaint, the Commission may call and hear both parties in the procedure. After the review of the proofs and the establishment of the actual status, the Commission gives a written opinion whether the provisions of the Law have been violated in the particular case. The Commission may request from the discriminator to undertake measures, within a certain period of time, for removal of the damages done with the act of discrimination and to inform the Commission thereof.

The Commission for Protection against Discrimination functioned in accordance with the provisions of the Law, during 2011, so within the period as of the start of its functioning on 1 January until the end of November 2011, a total of 56 complaints were submitted to the Commission on various bases, they are processed and it has been acted upon them. Until 30 November 2011 inclusive, the Commission has resolved a total of 23 complaints, the procedure is underway for the remaining.

In the Conclusions (XIX-1) 2008 the [European Committee of Social Rights](#) has concluded that the situation in the Republic of Macedonia is **not in accordance with Article 1§2 of the Charter** considering that the system for approval of work permits contains discrimination based in the nationality against foreign citizens.

In accordance with the Law on Employment and Work of Foreigners (“Official Gazette of the Republic of Macedonia” No. 70/2007, 05/2009 and 35/2010) only in case of submitting an application for employment permit, where the foreigner is to establish a labour relation with a legal entity (company) in the Republic of Macedonia, the company must initially search for the work force on the labour market within the country.

In that regard, when offering an adequate work force, recorded in the list of unemployed persons in the Employment Service Agency of the Republic of Macedonia, there is absolutely no discrimination based on the citizenship of the candidate for employment, i.e. the domestic persons and the foreigners² have

² A member of the closer family of a citizen of the Republic of Macedonia who owns a valid temporary stay permit; a member of the closer family of a foreigner who owns a personal work permit to an indefinite period; a foreigner who originates from the Republic of Macedonia or his/her successor up to a third generation who does not have Macedonian citizenship; a foreigner who resides in the Republic of Macedonia based on a temporary stay permit for family reunion; a foreigner - requestor of the right to asylum whose application for recognition of the right to asylum has not been resolved within a period of one year, after the expiry of the period of one year (the work permit is issued to three months with a possibility for extension; a foreigner with recognized

equal treatment which, regarding the rights to employment have equal status with the citizens of the Republic of Macedonia.

As an exception from these provisions, in cases when the foreigners submit an application for work³, whereas they are representatives of a foreign company in the Republic of Macedonia, seconded foreign employees in the company that is present at the market of the state or providers of specific services, then the foreigners will obtain the work permit without prior check whether domestic persons and/or foreigners are recorded as unemployed person in the Employment Service Agency of the Republic of Macedonia.

The quota system for work permits which in the process of harmonization of the domestic legislation with the European Union legislation is envisaged within the Law, does not cover the foreigners who, based on a contract on reciprocity with the European Union, are given equality with the citizens of the Republic of Macedonia, or foreigners for whom this law does not envisage that they must provide a work permit, foreigners who own personal work permit, representatives and seconded foreign employees who will attend additional courses and training which means that for this category of foreigners mediation is not performed for obtaining the adequate type of work permit⁴.

Regarding the ban for discrimination, the Law on Employment and Work of Foreigners envisages that during employment or work of a foreigner, the employer must not put the employment applicant, i.e. work in unequal position due to race, colour of the skin, sex, age, health condition, i.e. disability, religious, political or other persuasion, union membership, national or social origin, family status, financial status, sexual orientation or other personal circumstances. The ban for direct or indirect discrimination in these cases pertains to discrimination of the candidate for employment and the employee, in accordance with the Law on Labour Relations.

Regarding the presence of foreigners on the labour market in the Republic of Macedonia and the manner in which the foreigners can be employed and work in the Republic of Macedonia, unless otherwise regulated by an international agreement, they are regulated by the Law on Employment and Work of Foreigners which entered into force in September 2007.

It regulates the bases of the policy for employment and work of foreigners, the conditions for issuing work permits, the types of work permits, as well as the procedure for their issuance. In addition, the Law regulates the conditions for cross-border provisioning of services to foreign companies via transferring

status of a refugee; a foreigner under a subsidiary protection and a foreigner under temporary protection.

³ Foreigners who have established a labour relation in a company outside of the Republic of Macedonia and perform a certain type of work in the country, based on a contract.

⁴ A check is not performed whether there are recorded unemployed persons for the particular work position in the records of the Employment Service Agency of the Republic of Macedonia, which have been initially offered to the employer.

employees to affiliates and associations of foreign companies in the Republic of Macedonia, the seasonal work of employees, as well as the work of foreign representatives in companies and self-employment of foreigners in the Republic of Macedonia.

The Law also envisages limitation of the number of employments and work of foreigners on the domestic labour market. The bases for defining these limitations arise from the legislation of the European Union according to which the member states in order to protect the national labour market may define quotas of work permits at an annual level. Based on the acknowledged needs for labour force in 2010, issuance is allowed of a total of 3,000 work permits at all bases. Such defined quota is three and a half times bigger than the expressed needs for employment of foreigners in the Republic of Macedonia in the past years.

There are three basic conditions that a foreigner must fulfil in order to be employed or work in the Republic of Macedonia:

- owning a work permit,
- regulated stay in the country and
- the employment, i.e. the work of foreigners must be obligatorily registered as work of a foreigner.

In accordance with the information of the Ministry of Labour and Social Policy on the number of issued permits, in the period from 1.1. until 31.12.2010, the Employment Service Agency of the Republic of Macedonia has issued a total of 1,437 work permits to foreign citizens, out of which:

- 667 employment permits
- 487 personal work permits and
- 283 work permits

From this number, for *continuation of the work permit* on all bases, 764 work permits were issued and for *new work permits* on all bases, 673 work permits were issued :

- work permits - 179 persons;
- employment – 251 persons;
- marriage – 160 persons;
- self-employment - 57 persons;
- family reunion – 7 persons;
- permanent stay – 2 persons;
- on origin – 7 persons
- asylum seekers – 8 persons;
- refugees – 1 person and
- humanitarian protection – 1 person

Most of the employed foreigners have a high school or a university degree and fall in the category of administrative workers.

<i>No. of persons</i>	<i>Level of education of the foreigners</i>
21	Ph.D.
42	Master of Science
696	University degree
20	Associate degree
525	High school education
101	Unqualified and Highly qualified
32	Persons without education

According to the country of origin, Turkey participates the most, the number of foreign workers from Serbia, Greece and Bulgaria is also relatively high. In this time interval, the number continuously rises of work permits up to one year, whose participation reaches more than 80%.

Work permits issued per cities in the Republic of Macedonia:

City	2002	2003	2004	2005	2006	2007	2008	2009	2010
Skopje	610	310	589	577	553	727	720	883	1028
Bitola	255	63	46	64	68	37	21	25	30
Strumica	20		44	40	35		19	13	18
Gostivar	232	63	38	38	41	29	17	20	19
Struga	34	15	23	31	24	12	16		22
Tetovo	27		28	29	28	40	28	23	37
Ohrid	96	24	12	13	17	33	17	21	29
Gevgelija					54	54	58	50	75
other							114	163	179
Total	1,508	1,080	932	936	950	1,182	1,010	1,148	1,437

Work permits issued according to the countries of origin of the foreigners:

Country	2002	2003	2004	2005	2006	2007	2008	2009	2010
Serbia	399	199	322	285	250	149	153	146	187
Turkey	124	49	132	136	161	172	197	323	372
Greece	76	62	138	124	147	135	121	110	126
Bulgaria	59	35	79	68	65	63	60	59	92
Russia	89	14	11	31	24	27	28	26	35
Germany	/	/	35	29	32	39	39	52	52
Ukraine	404	67	/	22	25	25	27	16	19
Hungary	/	/	14	16	25	9	8	9	8
other								407	509

All annual data on the number of issued work permits on all bases, as well as data on the number of issued stay permits for foreigners on all bases can be found in the Annual Report in the Migration profile updated by the State on an annual level.

Prohibition of forced labour

In the Conclusions (XIX-1) 2008, [ECSR requested certain additional information with reference to prison work and remunerations for the prisoners' work.](#)

In the penitentiary system in the Republic of Macedonia, the work engagement of the convicts serving a prison sentence is purely on voluntary basis.

Namely, one of the tasks of the Department for Reintegration into Society, as one of the most important departments for the implementation of the process of reintegration of the convicts into the society, is to motivate the convicts to accept work, but only as a result of their own beliefs and convictions, and not as a result of imposed obligations. Furthermore, given that the work is one of the main forms of treatment of the convicts, the penitentiary-correctional facilities employ professional instructors who play a key role in the implementation of the employment process.

Within the internal organization of the penitentiary-correctional facilities (PCF) there is an Economy - Instructing Department, which became a part of the Department for Reintegration into Society as a result of the recent changes in the internal organization and systematization of the PCF.

Its operation is performed in two directions as follows:

- organization and execution of the work engagement of the convicted persons and
- organization and implementation of vocational trainings.

The vocational training of the convicts is implemented by professional instructors and is of great importance, primarily because the convicts need such training before engaging in the work process, but also to provide easier managing and survival of the convicts in the outside world after they leave the institution.

Regarding the right to compensation to the persons engaged at work, we would like to inform you that persons engaged at work exercise their right to compensation during the entire duration of the work engagement, i.e. there are no time limitations on the payment of the respective compensations.

Regarding the question concerning the payment of the convicts, we would like to inform you that the amount of the compensation, as it was stated in the previous Report, is determined depending on the gross profit, the type, the quality and the quantity of the performed work, the expertise and level of engagement at work by the convict, as well as on the contribution to the operational costs reduction.

The full working hours of the convicts is 40 hours per week, however, taking into account the nature and the character of the different types of work, and depending on the capacity of the facility, the convicts may be engaged between 2 hours and 8 hours during the day, and that is the reasons for the appearance of certain variation in the payment for the work engagement of the convicts.

In this section, [ECSR also requested some additional information about the minimum wage of the employees in the Republic of Macedonia.](#)

Until now, in the Republic of Macedonia there was no national Law on Minimum Wage. In the course of 2011, the Economic and Social Council raised an initiative for establishing the minimum wage.

After a period of joint consultations and analyses, the three social partners - the Government of the Republic of Macedonia, the representative trade unions and employers' organizations, at the special session of the Economic and Social Council held on 1 October 2011, established the amount of the minimum wage in the country in the amount of MKD 8,050 net, or MKD 12,235 gross, which is about 40% of the average wage in the country.

This agreed minimum wage amount at national level shall be applied as of 1 January 2012, and for that reason a special Law for Minimum Wage in the Republic of Macedonia has been prepared.

Under this law, the right to minimum wage and the amount of the minimum wage in the country shall be defined for the first time in Republic of Macedonia, as well as the bodies competent to establish and publish the minimum wage, etc.

Given the time period, more detailed and exhaustive information and data on this issue shall be presented in the next Report.

Other aspects of the right to earn a living in an occupation freely entered upon

With reference to [ECSR requirements for additional information related to part-time work](#), we would like to inform you that the existing Law on Labour Relations regulates the issue of part time work under Article 48. Under the said Article, the employment contract may also be concluded for work time shorter than the full time i.e. part time work. Part time work is considered to be shorter than the full working hours, which is valid at the employer.

The employee who has concluded a part time employment contract has the same contractual and other rights and obligations arising from the labour relation as the employee who works full time and exercises them proportionately to the time for which he/she has concluded an employment contract, excluding the ones otherwise defined by law. The employee working part time shall be entitled to an annual leave with a minimum duration of ten working days.

The employment contract regulates the duration of the working hours and unless otherwise defined under the employment contract, the employer may not impose an obligation to the employee who works part time to work longer than the agreed work time, except for the cases defined by Law, i.e. under Article 119. It refers to cases in which it is stipulated that the employee is obliged to work beyond the full working hours or the agreed shorter working hours when such work is related to removing or preventing the consequences in the event of a natural or other disasters. Such work may last until necessary in order to save human lives, to protect the health of people or to prevent the irretrievable material damage.

Under such legal solutions, the minimum duration of the working week shall be defined under the individual employment contracts rather than by law, which also ensures prevention of work beyond the time period specified in the employment contract.

In the section related to the requirement to accept a job offer or training, in the Conclusions (XIX-1) 2008 [ECSR requested additional information about the possibility for the job seekers to reject an offer which does not correspond to their qualifications and experience without risking the loss of their unemployment benefits.](#)

Namely, under Article 28 of the Law on Employment and Insurance in the Event of Unemployment it is regulated that during employment mediation, the Employment Service Agency of the Republic of Macedonia (ESA of the RoM), as well as the employment mediation agency, in the course of the performance of their work shall be obliged to observe especially the following:

- compliance with the stated needs for employees by the employers and the special conditions defined in the stated needs;
- the unemployed person may not be forced to accept the offered job;
- the employer may not be forced to employ the offered work force;
- the ESA of the RoM is obliged to timely and properly inform the unemployed persons about the vacancies, and to offer the requested workforce to the employers;
- to consider the education and previous working experience in the occupation, the knowledge, skills, preferences, psychological and physical capabilities of the unemployed persons, as well as the needs, nature and the features of the job position;
- the unemployed persons may be employed in job positions corresponding to their psychological and physical capabilities, which do not jeopardise their health and for which they shall obtain salary in accordance with the employment contract; and
- not to offend the dignity and the moral of the unemployed person.

Under Article 56 of the said Law it is regulated that the unemployed person, who exercises the right to an unemployment benefit is obliged to personally register with the ESA every 30 days and to prove that he/she was actively seeking a job in the previous month. The unemployed person that shall fail to meet the obligation within 30 days after the expiry of the deadline for registration due to unjustified reasons, shall lose the right to unemployment benefit and shall be deleted from the records of unemployed persons in the ESA and he/she shall be able to re-register after the expiry of one year.

Furthermore, under Article 57 of the Law on Employment and Insurance in the Event of Unemployment it is regulated that the unemployed person that has been referred by the ESA of the RoM to the employer for employment purposes and fails to report to or establish a labour relation that corresponds to his/her education or refuses a training, retraining and additional training for employment purposes within his/her level of education, shall be deleted from the records of unemployed persons and he/she can re-register after the expiry of one year.

As it can be noticed, the Law on Employment and Insurance in the Event of Unemployment does not provide for any acceptable time period in which the unemployed person - beneficiary of the right to unemployment benefit can freely decide whether to accept or reject the offered job or employment possibility, and thereby not lose the right to unemployment benefits, however the Law explicitly provides that the employment or training that is offered to the unemployed person by the ESA of the RoM or by the private employment mediation agency, must comply with his/her education and qualifications.

In terms of the requested [additional information regarding the protection of privacy at work](#), it should be noted that the existing legislation in the Republic of Macedonia provides protection of the right to privacy and dignity at work. The provisions related to these issues are primarily contained in the Law on Labour Relations.

Thus, under Article 24 of the Law it is stipulated that the employer may not announce the vacancy for men or women only, unless the particular gender is an essential requirement for the performance of the work. Furthermore, the announcement of the vacancy may not suggest that the employer prefers particular gender over the other.

In addition, the Law (Article 25) regulates that the employer may only require the applicant to submit evidence of fulfilment of the requirements for the performance of the work, and when concluding the employment contract, the employer may not request information which is not directly related to the labour relation.

In this regard, when concluding the employment contract the employer may not require information on family or marital status and family planning, or require submission of other documents and evidence which are not related to the labour relation.

Moreover, under Article 43 of the Law it is stipulated that the employer is obliged to protect and respect the personality and the dignity of the employee and to take into account and protect the employee's privacy. The employer is obliged to ensure that no employee is subject to aggravation or sexual harassment. The Law also provides for special provisions (in Article 44) related to the protection of the personal data of the employees and employment candidates.

Misdemeanour fines, with defined respective amounts of the fines for the employer and the responsible person of the employer, as well as court protection are stipulated for any violation of these provisions of the Law.

Article 1§3

With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake :

3. to establish or maintain free employment services for all workers;

During the reporting period (2007-2010), there were several interventions in the legislation by amending the Law on Employment and Insurance in Case of Unemployment. More significant amendments to the Law were made in 2007 and 2010.

With the amendments to the Law on Employment and Insurance in Case of Unemployment in 2007, under Article 95 it is stipulated that the amount of the funds for financing the active employment policies and measures shall be defined by means of an Act of the Employment Service Agency of the RoM (ESA of the RoM), which cannot be lower than 5% of the provided amount of the employment contribution funds calculated and paid by the employer from the gross salary of the employee.

These amendments define the amount of funds for financing active employment policies and measures for the first time, which will contribute to ESA of the RoM future ability to be oriented towards more intensive implementation of active employment programmes and measures, depending on the funds and needs of the labour market.

With the amendments to the Law on Employment and Insurance in Case of Unemployment in 2010 it is stipulated that everyone shall be entitled to access to employment, without any limitations, in accordance with the equal treatment principle defined under the Law on Labour Relations and other laws. In accordance with the equal treatment principle, discrimination during employment on the basis of marital status, family status, skin colour, sex, language, political or other persuasion, trade union activity, nationality, social status, disability, age, ownership, social or other status shall be forbidden. In case of discrimination it is stipulated that the citizen is entitled to seek indemnification, whereas in case of a dispute, when it has been acted contrary to the provisions of this Law, the burden of proof shall be borne by the employer.

Furthermore, these amendments complement the basic tasks of labour exchange with the preparation of an individual action plan for consideration of the ability and the professional skills of the unemployed person and determining the type and extent of the required assistance for employment.

Over the past period from 2007 to 2010, the Employment Service Agency of the Republic of Macedonia conducted continuous activities for strengthening its own capacities and promoting their work, primarily in terms of improving the services and ensuring efficient implementation of the employment policies, as well as their regular monitoring and assessment in terms of the successful performance.

In the course of 2008 and 2009, several activities were implemented aimed at establishing the so-called New Service Model within the Employment Service Agency and in all Employment Centres throughout the country, adjusted to the services required by the employers and the unemployed persons. Furthermore, a separate manual for the new service model has been prepared, aimed at assisting the Agency's staff for successful implementation of the model. The new service model is a reflection of a new approach to the work and the operational activities of the ESA of the RoM with a focus on the needs of the job seekers and the employers. The model uses the best practices of the EU member states and the experience gained by ESA of the RoM in the course of its operation and capacity building.

These activities were followed by the introduction of the new types of services for the unemployed persons and the employers, such as the introduction of "*Open Office*" as a new type of service for the job seekers and the employers, whereas in order to improve and modernize the work with its clients, in the course of 2010 the Employment Service Agency also established an information service - *Call Centre*. Furthermore, activities were undertaken for the reconstruction and improvement of the premises.

During this period, numerous activities were undertaken which were aimed at additional and further strengthening of the ESA of the RoM capacities, promoting the activity, improving the operational efficiency and developing human resources through continuous organizing of numerous trainings for the employees in the Agency, such as trainings for the new service model that included almost all employees in the Agency, then trainings were organized for designing, implementing, monitoring and evaluation of the active labour market measures, trainings for developing local action plans for employment, on the use of the ISCO classification of occupations, trainings related with IPA and ESF, part of the employees attended a special seminar on EURES, and in other trainings.

The new service model in the Employment Service Agency was also implemented through the continuous development of the IT system in the Agency. In 2009, a new software application was developed and put into use to support the overall operation of the Employment Service Agency, whereupon appropriate trainings for 490 employees of the Agency were conducted for the use of the application.

This software application further promoted and rose to a higher level the system for monitoring the implementation of the active programs and measures for employment as well as the other activities of the Agency.

The web-portal of the Employment Service Agency was also upgraded, with the introduction of tools to support the employers and job seekers through the Internet, which in turn improved the quality of the existing services, and also new services were introduced such as self-information, employment mediation and e-career management.

Moreover, with the support provided through the funds of the European Union for modernization of the IT system in ESA of the RoM, a modern IT server system was purchased, which is located in the central service of the Agency, and additional 31 servers (for the local employment centres), large number of personal computers, laser and dot matrix printers and other IT equipment were bought.

In the course of the reporting period, activities were implemented that are aimed at adapting the ISCO system for classification of occupations. The Employment Service Agency fully integrated the ISCO classification of occupations in its operating process (records of unemployed persons, records of vacancies, analysis of skills needs, electronic CV). This activity is also a part of the preparations of the Employment Service Agency for its future participation in the EURES network.

In order to increase the transparency and promote its services, the Employment Service Agency prepared information material, brochures and flyers so as to provide better information to the service users - job seekers and employers - as well as to the wider public about its activities.

In order to ensure even bigger transparency and promote its services, the Employment Service Agency prepared adequate information material, brochures and flyers so as to provide better information to the service users and to the wider public about its activities. Brochures were prepared for the promotion of the services available on the ESA of the RoM web portal, a brochure "*How to Find a Job*" - a guide for job seekers and for acquiring the basic skills needed in the process of job searching, then brochure "*Where to Find the Right Worker*" - designed for the employers, "*Services for Active Job Search*" which briefly describes the basic services for the job seekers, as well as brochures for various active employment programs / measures implemented by ESA of the RoM which are designated for the unemployed persons and employers.

In the next period the ESA of the RoM will continue with the continuous trainings of employees in order to strengthen their capacities for even more successful performance of their working tasks and will continue the activities for promotion of the employment policies, information about the activities and services that are available to the unemployed persons and the employers.

In the Conclusions (XIX-1) 2008 [ECSR requested certain additional information concerning the number of vacancies for which the Agency has been notified, as well the placement rates with the mediation of the Agency, about the period of time required to fill the vacancies, etc.](#)

In accordance with the data of the Employment Service Agency of the Republic of Macedonia, in the period between 1.1. and 31.12.2010 a total of 232.499 applications for established labour relations (employments) were registered, wherein compared to 2007 we mark an increase in the number of registered applications for established labour relations for 21.4%.

From the total registered applications for established labour relations in 2010, according to the status of the persons to whom they refer, 24% (55.352) are registered applications for established labour relations for persons from the records of unemployed persons, and 76% (177.147) are registered applications for established labour relations for persons outside the records of unemployed persons.

The analysis of the registered applications for established labour relations by type of employment in the period 2007-2010, marks a trend of increased participation of the registered applications for established labour relations for fixed term and seasonal employment (from 53.8% in 2007 to 62.2% in 2010), as opposed to the decrease of the participation of the registered applications for established labour relations under open-ended employment contracts (from 46.2% in 2007 to 37.8% in 2010), in the total number of registered applications.

According to the length of working time (full-time or part-time), from the total registered applications for established labour relations in 2010, almost 87% are registered applications for established labour relations with full-time employment (in 2007, from the total registered applications for established labour relations, 93% were full-time employments).

The Employment Service Agency of the Republic of Macedonia keeps records of registered applications for established labour relations (M-1 forms), but does not maintain a register of employed persons. In the course of the year, several applications for established labour relations can be registered for one person, but that does not mean that the person in question is newly employed.

The Employment Service Agency, pursuant to the Law on Keeping Labour Records, also keeps records about the expressed needs for employment by the employers. The Agency keeps records about the expressed need for employment based on the data given in the application for need for employment, which the employer submits to the Employment Service Agency in order to secure workers. The application for need for employment is a mandatory document for establishing a labour relation on any grounds.

Based on the submitted applications for need for employment by the employers to the Employment Service Agency of the Republic of Macedonia in the period from 1.1. to 31.12.2010, the employers announced needs for employment of 333.743 workers.

According to the type of employment for which the application for need for employment was submitted, from the total announced needs for employment (333.743 workers), 133.753 (40.1%) were announced needs for employment under an open-ended employment contract, whereas 199.990 (59.9%) were announced needs for employment under fixed term and seasonal employment contracts.

Furthermore, from the total announced needs for employment in 2010, the needs for 187.113 workers or 56.1% were met.

From the data presented in this manner one can get the impression that many of the vacancies have not been filled. This situation is due to the fact that employers often express a need for more workers than the real need for them. Moreover, in practice it often happens for one employer, despite the fact that they have not fully met the needs for the previously expressed needs for employment in terms of the number of workers, to re-submit a new application for need for employment for the previously expressed, but not met needs. Furthermore, considering the fact that the data refer to the calendar year 2010, it should be noted that a part of the applications for expressing a need for employment in 2010, were implemented in the next calendar year, i.e. in 2011.

According to the type of employment for which the application for need for employment was submitted, from the total announced needs for employment (333.743):

- 133,753 (40.1%) were announced needs for employment under an open-ended employment contract, of which the needs for 70,106 workers or 52.4% were met.
- 199,990 (59.9%) were announced needs for employment under fixed term and seasonal employment contracts, of which the needs for 117,007 workers or 58.5% were met.

In accordance with Article 22 of Law on Labour Relations, one way of meeting the need for employment by the employers is by announcing the need for employment in the office competent for employment mediation, free of charge, that is in the Employment Service Agency of the RoM, and through mediation by the ESA with referral of persons (applicants) for employment from the records of unemployed persons.

The announcement of the vacancies in the Employment Service Agency of the RoM is not mandatory. Announcing of vacancies in the ESA is actually only one way to meet the need for employment. In addition to the announcement in the ESA and ESA's mediation by means of referral of applicants for employment from the records of unemployed persons, the employers can also satisfy the need for employment by announcing a public advertisement in the daily newspapers (the costs are borne by the employer) or by hiring an employment mediation agency for a fee (private) by the employer (Article 22 of the Law on Labour Relations).

With reference to the above, in the course of 2010 the employers have expressed a need for employment of 292,177 workers by publishing an announcement in the Employment Service Agency, as one of the manners for satisfying the need for employment.

The needs for 162,127 (55.5%) workers were met.

With ESA of the RoM's mediation by means of referral of applicants for employment from the records of unemployed persons, in the course of 2010 the employers requested 23,688 workers, of which the needs for employment of 11,306 (47.7%) workers were met.

In terms of the [cooperation and coordination with the private employment mediation agencies and the temporary employment agencies](#), it should be noted that, as previously stated, in the course of 2010 were registered total 232.499 applications for established labour relations, of which 87.872 (37.8%) were registered applications for established labour relations under open-ended employment contracts, and 144.627 were registered applications for established labour relations under fixed term and seasonal employment contracts.

From the total number of 144,627 registered applications for established labour relations under fixed term and seasonal employment contracts, in the period from 1.1. until 31.12.2010, 16,487 (11.4%) were registered applications for established labour relations through the temporary employment agencies.

Over the same period (from 1.1. until 31.12.2010) in the Employment Service Agency of the Republic of Macedonia were registered 355 applications for established labour relations with the mediation of other employment agencies.

The coordination between the Employment Service Agency of the Republic of Macedonia and the private employment mediation agencies takes place under the terms and conditions and in the manner stipulated by the Law on Employment and Insurance in Case of Unemployment. For the purposes of satisfying the need for employment on the labour market, the Employment Service Agency of the Republic of Macedonia and the employment mediation agencies cooperate and exchange data on the vacant job position and on the referral of unemployed persons for employment purposes to the employers.

Total of 32 private employment mediation agencies and 25 temporary employment agencies were entered in the registers of the Ministry of Labour and Social Policy by December 2011 inclusive.

In relation to the [ECSR question about the period of time required to fill the vacancies](#), it is difficult to give a precise answer to this question because, under the Law on Labour Relations and the Law on Employment and Insurance in Case of Unemployment, there are several manners in which the employer can satisfy the need for employment, as follows:

- by announcing a public advertisement in the daily press, at the expense of the employer;
- announcement in the ESA of the RoM, free-of-charge, in accordance with the law;
- ESA of the RoM's mediation by means of referral of applicants for employment from the records of unemployed persons; and
- the employment mediation agency for a fee, in accordance with the Law.

When it comes to satisfying the need for employment by announcing the vacancies through a public advertisement (Article 23 of the Law on Labour Relations), in the public advertisement the employer is obliged to state the requirements necessary for performing the job and the application deadline, which may not be shorter than five working days, as well as the period within which the employer will make the selection after the expiry of the deadline. Publishing an announcement in the premises of the Employment Service Agency of the RoM is also considered an advertisement.

When the employment is performed with the mediation of the ESA of the RoM, then the ESA of the RoM commences the employment mediation based on an application filed by the employer. The application for need for employment shall contain the job requirements and the manner of filling in the vacant job position. Based on the employer's application for need for employment, the ESA of the RoM shall refer the unemployed persons from the records of unemployed persons. The employer may request the ESA of the RoM to refer one to five unemployed persons for each expressed need for employment, for the purposes of selection of an employee. The ESA of the RoM shall conduct a search in the unemployed persons' records in order to find unemployed persons from the register which best meet the requirements stated in the application for need for employment filed by the employer. During the search, the initial points which are being compared and matched are the following: occupation code, education, qualifications, that is the level and type of vocational training, working experience and other special knowledge of the unemployed person (knowledge of a foreign language, etc.), willingness to accept employment with training, re-qualification or further qualification, working conditions, job location, duration of the labour relation, required equipment with which the unemployed person has worked and will work.

Upon the conducted search and comparison of the records of the unemployed persons, the ESA of the RoM shall define the list of possible applicants who best meet the requirements stated in the application for need for employment. After the list is defined, the data stated in the list shall be verified one more time by the head of the regional unit of the ESA of the RoM, before its submission to the

employer. The person responsible for mediation in the ESA of the RoM shall select five applicants from the defined list who best meet the requirements stated in the application for need for employment. In terms of the referral of the unemployed persons, the ESA of the RoM shall concurrently and as soon as possible inform both the employer and the unemployed person that it has referred to the employer, and of the time and place of the appointment with the employer.

If the ESA of the RoM cannot determine whether the person meets the expressed need for employment, the ESA of the RoM can invite the unemployed person to an additional interview, aimed at further specification of the conditions. Should the referred unemployed person fail to appear before the employer or reject the offered employment, the person responsible for record keeping shall be informed thereof for the purposes of taking measures in accordance with the Law. Should the employer fail to make a selection from among the persons (applicants) referred by the Employment Service Agency, the ESA of the RoM will require the employer to inform them of the reasons why and how many additional persons to refer to the employer, for the purposes of selection for employment, up until the moment of finding and referring the most suitable unemployed persons.

Should the employer fail to select an employee from the unemployed persons who have been additionally referred by the ESA of the RoM, the Agency offers to provide employees by means of training, requalification or further qualification and asks for its consent to the measures which it will undertake to meet the need for employment.

In the Conclusions (XIX-1) 2008 relating to the previous Report on this thematic group, [ECSR requested additional information about the staffing of the Employment Service Agency of the Republic of Macedonia.](#)

The Employment Service Agency (ESA) operates on the entire territory of the Republic of Macedonia through its Central Office and 30 Employment Centres.

An overview of the basic features in term of the employees of the Agency and the movements in this regard over the past few years is presented below:

- On 31 December 2005, the Employment Service Agency of the Republic of Macedonia had total 481 employees under open-ended employment contracts, of which 194 (40.3%) were male and 287 (59.7%) female.

According to the level of education (professional qualifications), the situation is as follows:

2005	Low qualified workers	High qualified workers- Qualified workers	High school	College education	University education
Number	11	21	193	48	208
%	2%	4%	40%	10%	43%

According to the analysis of the percentage representation of the employees in the ESA of the RoM according to the occupation and the working duties they perform, from the total number of 481 ESA of the RoM employees, the situation is as follows:

- employees at managerial positions - 35 or 7.27% expressed in per cents;
- 253 (52.6%) are employed at active polices;
- 141 (29.33%) are employed at passive polices;
- 52 (10.81%) are auxiliary workers;

Based on the determined total number of unemployed persons, registered on 31.12.2005 (359.989) which were served by ESA, indicative is the fact that in the course of 2005, one employee of the ESA on the average provided services to approximately 748 unemployed persons.

- On 31 December 2006, the Employment Service Agency of the Republic of Macedonia had total 504 employees under open-ended employment contracts, of which 204 (40.5%) were male and 300 (59.5%) female. According to the level of education (professional qualifications), the situation is as follows:

2006	Low qualified workers	High qualified workers- Qualified workers	High school	College education	University education
Number	27	17	134	80	246
%	5%	3%	27%	16%	49%

According to the conducted analysis of the percentage representation of the employees in the ESA according to the occupation and the working duties they perform, from the total number of 504 employees, the situation is as follows:

- 38 (7.54%) are employees at managerial positions;
- 269 (53.37%) are employed at active polices;
- 151 (29.96%) are employed at passive polices;
- 46 (9.13%) are auxiliary workers;

Based on the determined total number of unemployed persons, registered on 31.12.2006 (366,551), in the course of 2006, one employee of the ESA on the average provided services to approximately 727 unemployed persons.

- On 31 December 2007, the Employment Service Agency of the Republic of Macedonia had total 525 employees under open-ended employment contracts, of which 223 (42.5%) were male and 302 (57.5%) female. According to the level of education (professional qualifications), the situation is as follows:

2007	Low qualified workers	High qualified workers- Qualified workers	High school	College education	University education
Number	25	14	142	75	269
%	5%	3%	27%	14%	51%

In terms of the working duties performed by the ESA employees, the situation is as follows

- 39 (7.4%) are employees at managerial positions;
- 276 (52.6%) are employed at active polices;
- 166 (31.6%) are employed at passive polices;
- 44 (8.4%) are auxiliary workers;

Based on the determined total number of unemployed persons, registered on 31.12.2007 (357,166) which were served by ESA, indicative is the fact that in the course of 2007, one employee of the ESA on the average provided services to approximately 677 unemployed persons.

- On 31 December 2010, the Employment Service Agency of the Republic of Macedonia had total 519 employees under open-ended employment contracts, of which 210 (40%) were male and 309 (60%) female. According to the level of education (professional qualifications), the situation is as follows:

2010	Low qualified workers	High qualified workers- Qualified workers	High school	College education	University education
Number	19	10	137	65	286
%	4%	2%	26%	13%	55%

In terms of the working duties performed by the ESA employees, the situation is as follows

- 42 (8%) are employees at managerial positions;
- 280 (54%) are employed at active polices;
- 163 (31%) are employed at passive polices;
- 34 (7%) are auxiliary workers;

Based on the determined total number of unemployed persons, registered on 31.12.2010 (321.341) which were served by ESA, in may be concluded that in the course of 2010, one employee of the ESA on the average provided services to approximately 619 unemployed persons.

In this section which refers to the operation of the public employment services in the Republic of Macedonia, [the ECSR had requested additional information as to whether the trade unions and the employers' organizations are involved in the management of the state employment agency.](#)

The social partners, i.e. the trade unions and the employers' organizations are actively involved in the management of the Employment Service Agency of the Republic of Macedonia, through their representatives - members of the Management Board of the Employment Service Agency of the Republic of Macedonia, which is the management body of the Employment Service Agency.

Furthermore, the Management Board of the Employment Service Agency is composed of nine members, experts with knowledge or experience in the field of employment, of which five members are representatives appointed by the Government of the Republic of Macedonia, whereas the representative trade unions and the employers' organizations appoint two representatives each.

The Management Board of the Employment Service Agency, within its rights and duties, performs the following tasks:

- Adopts a Statute and other acts;
- Adopts a Work Programme and Plan;
- Adopts regulations for the organization and operation of the Employment Service Agency and a general systematization act of the Employment Service Agency;
- Defines a budget and annual account of the Employment Service Agency;
- Manages the assets of the Employment Service Agency;
- Decides upon taking measures for the purposes of creating conditions for employment of unemployed persons;
- Decides upon the use of the assets of the Employment Service Agency;
- Decides upon taking adequate measures for the purposes of promoting the activity of the Employment Service Agency;
- Monitors the fulfilment of the obligations arising from international conventions and interstate agreements in the sphere of employment;
- Reviews questions, reports, information and other materials pertaining to the conditions and the problems in the sphere of employment and unemployment, as well as other issues that are in the competence of the Employment Service Agency;
- Undertakes measures for the purposes of ensuring a functional information system in the sphere of employment;
- Considers initiatives and proposals and decides on new forms that enrich the content of the operation of the Employment Service Agency and increases the efficiency of the identified functions;
- Within the planned funds in the Budget, adopts decisions about their disposal and use;
- Decides upon complaints filed against the decisions on establishing a labour relation with foreigners;
- Adopts decisions on the allocation of funds from the Special Fund.

In this manner, through the participation in the operation of the Management Board and the execution of the stated functions, the social partners, i.e. the representative trade unions and employers' organizations are actively involved in the management of the Employment Service Agency and in the monitoring of its operation and functioning.

Article 1§4

With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake:

4. to provide or promote appropriate vocational guidance, training and rehabilitation.

In this paragraph of Article 1 of the Charter, in the Conclusions (XIX-1) 2008, which refer to the previous Report of the Republic of Macedonia, [the European Committee of Social Rights requested certain additional information on the vocational guidance and the continuous professional training, types and scope of the trainings and the number of people covered with these trainings.](#)

With regards to the activities and services that the Employment Service Agency of the Republic of Macedonia offers and implements for its clients, primarily the unemployed persons, in order to meet the demand of the increasing number of unemployed persons for vocational guidance as one of the services for support of faster employment, the Agency also provides the job seekers with other types of services that are especially important for planning the career development. Such services are provided in the job clubs and they refer to providing information on the labour market in the opened offices, conducting trainings for successful presentation on the labour market, preparation of individual employment plans, trainings for acquiring skills for increasing the competitiveness of these persons on the labour market, etc.

These persons are provided with information on the labour market via the web portal of the Agency through which the job seekers can follow the job vacancies, upload their CV and achieve communication with the employers, as well as other types of information and services.

In the course of the implementation of active programmes and measures for employment, the Employment Service Agency of the Republic of Macedonia organises and conducts several types of trainings for the job seekers.

a) Preparation for employment through training for a specific employer

Pursuant to the Law on Employment and Insurance in Case of Unemployment, the Employment Service Agency conducts training for unemployed persons for a specific (known) employer if that employer cannot meet the need of employees through vacancy announcement on the labour market and through browsing and referring from the records of unemployed persons. In the event when the need of employees is met with training for a specific employee, then the demand in most cases is met with an offer of labour force by means of training.

The table below presents the number of people that were included and were employed through preparation for employment (training, re-training or additional training) for the period as of 2007 until 2010.

<i>year</i>	<i>Number of unemployed persons who attended a preparation for employment</i>	<i>Number of employees with preparation for employment</i>
2007	3,866	2,526
2008	2,543	1,829
2009	383	245
2010	280	165

b) Preparation for employment through training for unknown employer

The amendments to the Law on Employment and Insurance in Case of Unemployment enabled the Employment Service Agency to provide funds for financing the active policies and measures for employment by allocating 5% of the funds obtained from the employment contribution. Hence, additional professional trainings for vocations and skills started to be implemented more intensively within the Operational plans for active programmes and measures for employment.

Starting from the Operational plan for active programmes and measures for employment for 2008, the implementation of a special programme for trainings for certain deficit occupations and skills on the labour market was initiated, which were defined by conducting an analysis of the need of skills on the labour market in the Republic of Macedonia, by the Employment Service Agency of the Republic of Macedonia on the basis of the conducted employer survey.

In 2008, this programme was implemented as a pilot programme solely for the region of the City of Skopje. The trainings were conducted in the vocational high school and the Ministry of Education and Science, the Centre for vocational education and training and the Centre for adult education were partners in the organisation and implementation of the trainings.

In the following 2009 and 2010 the trainings were conducted as well, in the vocational high schools whereupon after the completion of the theoretical part with duration of 3 months, the unemployed persons were also included in the performing a practical work in real conditions at the Employer with duration of 1 month.

With the Operational plan for active programmes and measures for employment for 2010 the pilot-measure "Training for acquiring skills in IT" was introduced with a purpose of advancing the skills of the unemployed persons by means of organising and conducting specific advanced trainings in the sphere of more advanced IT programmes in order to increase their employability and easier inclusion in the labour market. Trainings for programming and using specific programme languages and programme tools were also conducted (Java, Net, CISCO Systems, Microsoft - MSCA/MSCE, SAP, Oracle). During the year this

measure was implemented via licenced IT training centres that were selected through a published announcement.

In the course of the implementation of this measure, the Employment Service Agency signed a Contract for conducting training with 75 applicants from among the recorded unemployed persons. The trainings are conducted in a period of 4 months in accordance with the submitted plans for implementation by the training centres.

The costs for the implementation of the trainings for deficit vocations on the labour market and for acquiring advanced skills in IT are fully covered from the funds obtained from the employment contribution, provided from the budget of the Employment Service Agency of the Republic of Macedonia for active programmes and measures for employment.

The table below presents the number of persons that were included in various programmes/measures for preparation for employment, i.e. trainings for improvement of the knowledge and skills of the unemployed persons:

<i>year</i>	<i>Training in the job clubs (foreign languages and computer skills)</i>	<i>Trainings for occupations that are deficit on the labour market</i>	<i>Specific trainings for learning English in the catering business</i>	<i>Advanced IT trainings – programming and programme tools</i>	<i>Specific trainings for starting and running business</i>
2008	2,278	60	/	/	820
2009	1,959	66	/	/	1,060
2010	1,546	37	39	75	1,217

With reference to the ECSR issue for covering the costs for organised trainings, when the training for the unemployed persons is organised and conducted via the Employment Service Agency of the RM for a specific employer who would like to meet the need of employees by means of training, then part of the funds for conducting the training are provided by the Employment Service Agency and the other part is provided by the employer.

Thus, the Employment Service Agency of the Republic of Macedonia provides funds in the amount of MKD 4,400 on monthly basis per one unemployed person included in the training (these funds are given to the unemployed person) and also covers the costs for insurance of the applicants against disability and physical damage caused by injury at work and occupational disease. Concurrently, the Employment Service Agency shall allocate to the employer MKD 3,000 on monthly basis per unemployed person, as a participation in the covering the costs for conducting the training. The employer shall be obliged to provide conditions for conducting the training as follows: working premises, equipment, training instructors, intermediate goods, hygienic technical and protective assets, as well as transport and meals - if they are organised by the employer.

The foregoing increased amounts of financial support are defined by the modifications of the Rulebook on training, re-training or additional training of the unemployed and other persons dated April 2009.

In January 2008 the Law on Adult Education (Official Gazette of the Republic of Macedonia No. 7/2008). was adopted. This Law regulates the organisation, structure, financing and management of the adult education system, as a part of the unified education system in the Republic of Macedonia.

In November 2008, the Government of the Republic of Macedonia established the Adult Education Centre that commenced its operation in June 2009. A special *Unit for training of trainers and teachers, personal development and professional orientation* was established within the Centre, which should deal with professional orientation of adults.

An **Adult Education Strategy 2010-2015** was also adopted, incorporating the following goals:

- strengthening the adult education system through a development of information-statistical system for monitoring the educational mobility of the adults;
- creating conditions for the lifelong learning and mobility to become reality;
- improving the quality and efficiency of the adult education and training;
- promoting equality, social cohesion and active citizenship;
- promoting the adult education and culture of learning through an active approach to the adult education and training.

In this sphere, in October 2011 the implementation of the Twinning Project *“Support for the capacity building of the Adult Education Centre, development of adult education programmes and programmes for literacy and completion of the primary education of the excluded people”* was initiated, co-financed through the IPA Component 4 - Human Resources Development. This project will cover several categories of excluded persons, through activities envisaged in the Component 3 *“Development and testing programs for literacy and completion of the primary education of the excluded persons.”*

We will be able to provide you with more information and data on the specific activities and results of this Project in the following Report that will address the issues in this sphere.

With reference to the professional orientation, it should be noted that in the past period coordinated activities are more intensively implemented in the vocational high schools in the country for the purpose of developing the services for career information, guiding and counselling of the students in order to provide conditions for the students to be able to make more successful education choice, vocation choice, as well as to be able to more successfully manage their careers.

In the primary schools and high schools in the Republic of Macedonia there are professional services (pedagogue, psychologist, sociologist, defectologist) which,

in addition to other school activities, should professionally inform, counsel and guide the students.

The activities in this sphere resulted in the establishing and equipping of 44 career centres in 2005, with the support by the USAID Programme “Secondary Education Activities”.

For the purpose of effective and efficient functioning of the career centres, career advisors were trained for educating the students for:

- writing CV;
- writing a motivation letter;
- preparation for job interview;
- preparation for participation in interview;
- public speaking, etc.

Furthermore, relevant guidelines and manuals were prepared for the teachers to work with the students.

In addition to the school activities, the goal of the career centres is to strengthen the relations between the schools, social partners and employers.

At the end of 2010, the implementation of the Project YES-Youth Employability Skills network activity was initiated with the support provided by USAID. The goal of the Project is to better prepare the students for their selected profession, to acquire skills for job seeking, to gain the necessary information on their job responsibilities, on the conduct at the job position, as well as to strengthen and deepen the cooperation between the schools and the business sector. *Inter alia*, this Project will contribute to the strengthening of the essential relations between the needs of the labour market and the skills that young people develop through the education system and significant improvement of the quality of the “offer” of future workers in Macedonia.

In the course of this Project, the Vocational Education and Training Centre elaborated a curriculum “*Preparation for employment and work*” that will be implemented during the school-free hours for the third year students, wherein certain goals can be also integrated in the general education subjects.

Through the Programme “Preparation for employment and work” the students acquire knowledge, skills and training for the following:

- creating an atmosphere of cooperation, support and safe learning;
- creating personal career portfolio;
- identifying persona values, skills, strengths and weaknesses;
- setting long-term and short-term personal targets;
- preparing a plan and defining the steps for target achievement;
- building a professional relation with the employers;
- estimating the requirements of the employee from a quality worker;
- building a positive approach and a proper attitude towards the job position;
- planning tasks and proper time management;
- harmonizing the demands of the private and professional life;
- estimating the personal progress in the work preparedness;
- building a positive attitude towards the clients' needs;
- defining the features of an efficient leader;
- creating own CV;

- writing a motivation (accompanying) letter;
- acting properly at a job interview;
- using various sources for seeking and finding a job;
- supplementing the career portfolio;
- planning an active job seeking;
- identifying hazards that can cause accidents or injuries at work;
- defining manners for control and decrease of the hazards at work;
- reacting properly in the events of danger or accident at work;
- respecting the rights and obligations of the employee and the employer;
- possessing a knowledge of the more relevant provisions of the Law on Labour Relations in the Republic of Macedonia.

This project, which is being implemented in the high schools in several municipalities in the country, covers around 720 students and more than 180 teachers have been trained for the implementation of the contents of the programme "Preparation for employment and work". In the following school year the project will be extended to other municipalities by equipping additional 12 career centres in the high schools in these municipalities.

Furthermore, it is worth mentioning the commitment of the Government for opening career centres not only in the high schools but also at the universities. The main purpose of these activities is establishing career centres in every faculty at the state universities, which will provide information on the job positions at the partners of the centres for all job seekers. Moreover, the career centres are the final step for the university students and the students in the vocational high schools who are completing their education and entering the labour market. In the achievement of their targets, the centres cooperate with two target groups. The first group comprises university students and high school students that are seeking job, and the second group comprises the so-called partners of the Centre that are actually companies that need employees with university degree and vocational staff. Potentially, the state institutions and the municipalities can also become partners of the career centres at the universities. The centres will employ professional career advisers that will conduct vocational guidance of the students in the high schools, whereas at the universities they will organize trainings for writing CV, motivation letter, manner of acting at job interviews, providing work experience for the students, organizing career fairs and the like. This wide range of activities ensures a continuous decrease of the gap between the demands of the companies and state institutions, on one side, and the university students and high school students, on the other hand.

A detailed action plan has been elaborated within the activities of the project, with fiscal implications on the project implementation, in cooperation with representatives of the relevant institutions, universities and high schools, whereupon a number of activities are planned that will be implemented in the course of 2012, such as publishing job vacancy and selection of career advisors, training and start of the work of the career advisors, designing a special web site and promotion of the project activities before the chambers, clusters and other representatives of the business sector as partners of the career centres etc.

Article 15
The right of physically or mentally disabled persons to vocational training, rehabilitation and social resettlement

Article 15§1

With a view to ensuring the effective exercise of the right of the physically or mentally disabled to vocational training, rehabilitation and social resettlement, the Contracting Parties undertake:

- 1. to take adequate measures for the provision of training facilities, including, where necessary, specialized institutions, public or private;*

In accordance with the records of the Employment Service Agency of the Republic of Macedonia, the number of unemployed disabled persons by 31 December 2010, inclusive is 2326 of which the highest number, i.e. 1162 are non-qualified disabled persons, 407 semi-qualified disabled persons or with inadequate education, 460 qualified disabled persons, 262 with completed high school, 10 with associate degree and only 25 of the recorded unemployed disabled persons are with completed university education. These data point to the fact that the persons with university education are able to find job more easily.

Namely, from the disabled person with university education, 54.2% are employed. Nearly half of them, i.e. 46.8% are employed in the public sector. The employment trend decreases for the lower level of education and goes down to only 2.7% of persons without education, which undoubtedly confirms the fact that the education is one of the basic conditions for employment, because with the increase of the education level, the autonomy of the job position, salary and job satisfaction increase as well. This is also a result of the work with the students with special educational needs which is individualized and targeted by the special education teachers who started to get employment in the schools and in the education offices in the local self-government units more intensively.

With regards to the competencies of the Ministry of Labour and Social Policy, which contributes and helps the integration of the disabled persons in the education process, it is worth mentioning the adoption of the Law on Use of the Sign Language (Official Gazette of RM No. 105/2009). This Law, adopted in 2009, recognizes the sign language as a natural mean of communication between deaf people and other natural persons and legal entities that have a need of communication as a result of which their social inclusion is also improved.

Concurrently, with the adoption of this law, the obligations arising from the Recommendation 1598 dated 2003 on the protection of the sign language in the member state of the Council of Europe and the UN Convention on the rights of people with disabilities are being fulfilled.

For the purpose of implementing this law, the Ministry of Labour and Social Policy finances the Programme for training sign language interpreters (for initial and advance training of interpreters), as well as seminars/trainings for learning the sign language for the parents of children with impaired hearing, for children of parents with impaired hearing and for interested citizens and institutions. These trainings are conducted in cooperation with the Association of the Deaf and Hard of Hearing of the Republic of Macedonia.

In the course of 2009, a web portal was created, adapted for use by the disabled persons, which is a significant step towards the inclusion of all citizens in the building of information society and contributes to the improvement of the information access, improvement of the general perception of the environment, the expressive communication opportunities and the opportunities for social interaction of the disabled persons.

The "*I want, I know, I can*" portal (<http://www.sakamznammozam.gov.mk>) is a project of the Ministry of Labour and Social Policy and the Ministry of Information Society and it is aimed at providing the disabled persons with one central point where they can find information on all novelties that are important for them, to file appeals, to ask questions related to their problems, to be informed on their rights and opportunities, as well as to be informed on the services offered by the state institutions.

Also, in 2009 the Ministry of Labour and Social Policy, in cooperation with the other institutions including the Ministry of Education and Science, elaborated an *Action plan for building of access ramps, elevators and moving platforms for the physically disabled persons in facilities of public interest*, such as kindergartens, schools, health facilities, institutions of culture, for the purpose of installing such ramps wherever they are needed and wherever there is a possibility for their installation.

The Government of the Republic of Macedonia, upon a proposal of the Ministry of Labour and Social Policy, adopted a *National Strategy on achieving equal rights for the persons with disabilities 2010-2018 (Revised)*, which defines the measures and activities that every Ministry should undertake for achievement of the Strategy targets in the period as of 2010 until 2018 and which contribute to a more quality and more complete protection and support of the disabled persons. All ministries, that are holders of the revised Strategy, prepared operational plans for implementation of the envisaged measures, which also provide for fiscal implications for their implementation.

The revised National Strategy on achieving equal rights for the persons with disabilities in the Republic of Macedonia adopted in 2010 by the Government of the RM, in the part referring to employment and work prescribes that "The country is obliged to create conditions for the persons with disabilities so that they are capable of achieving their human rights, especially with regards to employment on the labour market".

Furthermore, in accordance with the Strategy, the labour legislation must not contain any provision that discriminates the persons with disabilities in terms of their employment. At the same time, the country will implement special support programs on inclusion of persons with disabilities in the labour market. This support is mainly implemented through appropriate vocational training, giving of favourable credits and grants, as well as certain physical adjustments that should provide an appropriate access to the place of work for the persons with disabilities.

It is very important also, to emphasize the adoption of the *Law on Prevention and Protection against Discrimination* (Official Gazette of the RM No. 50/2010), which was adopted in 2010, that bans any direct or indirect discrimination, evoking and inciting discrimination and assisting in discriminatory action on the basis of mental and physical disability, in addition to other bases.

Discrimination of people with mental or physical disability (Article 8 of the Law) denotes intentionally disabled or hindered access to health care, i.e. denying the rights to health care, regular medical treatment and medicines, rehabilitation means and measures in accordance with their needs, denying the right to marriage and creating a family and other right in terms of marriage and family relations, denying the right to education, work and the rights arising from the labour relation. The discrimination of the persons with mental and physical disability exists also when no measures for removing the restrictions are undertaken i.e. adjustment of the infrastructure and the space, use of the publicly available resources or participation in the public and social life.

As of 1 July 2011 a provision of the Law on Social Protection has been enforced that introduces a special monetary supplement for the completely blind persons over the age of 26 and the right to a monetary supplement for mobility of persons over the age of 26 with 100% physical disability, as well as for the persons with moderate, severe and the most severe mental retardation who cannot meet their basic needs of life without a wheelchair. The monthly amount of this supplement is MKD 7,000 (around EUR 110) and the funds for reimbursement thereof are provided from the Budget of the Republic of Macedonia and this supplement is a personal right independent of the other rights that these persons exercise on the basis of disability from the area of social protection, but also any other protection if used by them.

Within this paragraph from the Charter, in the Conclusions (XIX-1) 2008 referring to the previous Report of the Republic of Macedonia, [the European Committee of Social Rights requested additional information on the definitions of disability.](#)

With reference to the mentioned version of the International Classification of Functioning, Disability and Health – ICF of the World Health Organisation dated 2001, which perceives the functioning of the individual and the disability thereof as a result of interaction between the health condition of the individual and the contextual factors of the environment, as well as personal factors, there is still no

single definition in the Republic of Macedonia for the persons with disability and therefore various entities use various terms, which sometimes results in smaller practical problems.

For example, the term mental or physical disability is used in the social protection system, children with impaired mental or physical development – in the children protection system, children with special educational needs – in the Law on Education, the term disability is used in the Law on Pension and Disability Insurance and in the Law on Employment of Disabled Persons.

The term, people with special needs, is also very often used in the Republic of Macedonia. This term is a result of the more prevalent inclusion (educational but also more general social inclusion) which is based on the basic human rights and it implies an equal participation in the social life, i.e. equal chances for everyone, however the disabled person often disagree with this term because according to them it does not refer to meeting special but ordinary human rights and needs.

In accordance with the UN Convention on the rights of people with disabilities, which was signed by the Republic of Macedonia in March 2007 and it is expected to be ratified by the end of 2011, the disability occurs as a result of an interaction between persons with impairments and attitudinal and environmental barriers that hinders full and effective participation in society on an equal basis with others, hence by respecting this definition as well as the foregoing, the Republic of Macedonia still uses the term disability as a constitutional category.

With regards to the concept of labour related disability with retained or decreased capacity for work, it is important to mention that, in accordance with the valid legal regulations, this disability is treated as a disability that has occurred in the course of the work process and it is related to the further ability or inability of the person to perform certain work tasks, i.e. such disability is divided into professional and general inability to work, which may exist even when there is no physical impairment.

Education

The education of the students in the Republic of Macedonia is regulated with the following:

- the Law on Primary Education
- the Law on Secondary Education
- the Law on Vocational Education and Training
- Law on University Education and
- the Law on Adult Education.

The primary and secondary education is mandatory and free of charge. Every child has a right to primary education, and any discrimination in terms of gender, race, colour of the skin, national, social, political, religious, financial and social status in the exercising the rights to primary and secondary education is forbidden by the law.

One of the goals of the primary education is mainstreaming and taking care of the development of the students with special needs. Pursuant to Article 6 of the Law on Primary Education, appropriate conditions are provided for the students with special needs for acquiring primary education in the regular and special primary schools and they also have the right to individual help in the acquiring of the primary education. The curriculum for primary education of the students with special educational needs in the special schools and in the special classes of the primary schools is defined by the Minister upon a proposal of the Bureau of Education Development. The mandatory and elective subjects for the students with special educational needs are implemented by means of adjusted curricula in accordance with their special educational needs.

Pursuant to the Law on Secondary Education, the secondary education for students with special educational needs provides education for the students in accordance with adjusted programmes for appropriate vocations, i.e. educational profiles or training for work. Depending on the adjusted programmes for appropriate vocations, i.e. educational profiles, the students with special educational needs can take a final exam or high school graduation exam. The secondary education for students with special educational needs includes students that are registered and assigned according to the type and level of developmental impairment.

All valid legal regulations for education are adjusted to the age and level of the special needs of the students. The same regulations equally apply to all students who are citizens of the Republic of Macedonia, as well as to students who are citizens of other countries and live or work in the Republic of Macedonia.

The principle of children with special educational needs has been accepted in the Republic of Macedonia as much as possible in order to provide them with education in a common school environment which is closer to their home and for children with more severe impairment – in special classes and in special schools. In addition to the bodies and offices for education of children with special needs, suitable measures are also provided by the Centres for Social Work. Special curricula have been prepared for the primary education of the students with special educational needs that provide them with a possibility for socialisation, acquiring knowledge, habits and values. The programmes are more focused on the training of the students for life and work. The primary school for students with special needs are organised in accordance with the same principles as the regular primary schools.

In these schools special attention is paid to the professional and pedagogical training of the teachers and educators and to the development of the counselling offices and professional work with both students and parents.

In accordance with the recent educational developments, the education of the children with special educational needs shows an increasing trend of inclusive education. The inclusive education of children with special needs provides the best educational environment but also helps to eliminate the prejudices, to overcome the stereotypes, as well as to undertake control mechanisms for diagnosing developmental impairment.

As of 1998 there is an ongoing project in the Republic of Macedonia for mainstreaming the children with special needs in the educational system. This project creates favourable conditions for mainstreaming the children with impaired mental and physical development, with emotional problems, orphans and children with learning difficulties. The project is being implemented in 72 primary schools.

The researches and analyses of the implementation of mainstreaming in the primary and high schools have shown that the initial education does not prepare the future teachers for the inclusive education.

For that purpose, specific trainings were offered for teachers for working with children with special needs within the Education Modernisation Project, as well as within other projects that are implemented in the education. Within the Education Modernisation Project that was implemented in 246 schools, 800 teachers obtained specific training for working with children with special needs, which *inter alia*, reflects the interest of the teachers in working with this category of students/children with special needs.

In 2011 the Bureau of Education Development prepared a special Analysis for education of children with special needs, based on which a Concept for education of children with special needs is planned to be adopted.

Within the project “*Social inclusion through education and training*” (2008-2011) of the European Training Foundation (ETF), which was implemented in the countries of Western Balkans, the education and training of the teachers for inclusive education was subject to mapping.

Seven national and one regional report were prepared (“Teachers for the Futures”) that include detailed analysis of the situation in these countries, as well as of the role of the education in the achieving bigger equality and social cohesion. A regional policy network was also established within this project.

In the course of 2011, based upon the research and the consulting process coordinated through the Project, an additional project fiche (project proposal) was elaborated for a regional project within the IPA Multi-beneficiary Programme 2012 – Promoting Inclusive Education Programme”, for further promotion of the concept, policies and practices for inclusive education.

Furthermore, within the Education Reform Initiative of South Eastern Europe – ERISSE, a consultative process was initiated, pertaining to the quality and equality in the education, in which a special attention was paid to the education of children with special needs and to the equality and quality of the education.

The improvement of the quality of education of students with special educational needs can be achieved by improving the spatial and technical conditions in the schools, installing PCs, introducing digital contents in the teaching process, use of specialised teaching materials.

For that purpose a Braille printer was purchased for printing teaching materials and teaching aids, and also training for the teachers was conducted for using the IT technology and new teaching methods in the teaching process.

At the beginning of 2010, the implementation of a two-year program was initiated in cooperation between the non-government sector and USAID titled "*Equal access for equal opportunities*" that is aimed at helping the disabled persons at the earliest age to be equally included in the society, primarily by improving the quality of the teaching process and the education of the students with disability in the regular schools and instigating the inclusion in the schools, by using an assistive (access) technology in the regular teaching process. In view of the fact that in today's world, which is dependent on IT, the equal access to information and knowledge should not be a privilege but a right of every individual to exercise equally his/her opportunities.

Within this programme, assistive devices and educational software were donated to 21 regular primary schools and adequate trainings were conducted for using the assistive technology in the regular teaching process. The schools received an average of ten sets of most used assistive PC devices – keyboard with large keys, joystick, trackball etc. The schools were also provided with the needed software, including the educational package G-Compris that is especially suitable for use in the class teaching.

Prior to the procurement of the necessary equipment, a national research was conducted on the application of the assistive technology in the regular primary schools in the Republic of Macedonia, as a result of which 21 schools in the country were identified with priority needs of applying assistive technology in their work with students with special educational needs.

In addition to the installed equipment and software, specific trainings were held in the schools that covered more than 400 students, over 300 teachers, but also representatives of the professional offices (pedagogists, psychologists), representatives of the local-self government and regional units of the Bureau of Education Development, as well as parents of children with special educational needs. Through interactive trainings and practical work, the students got to know the opportunities offered by the assistive technology as a tool for the everyday work with students with special educational needs.

Moreover, the regional and international cooperation among the schools was initiated and strengthened as well. These schools are part of the European networks for cooperation among the schools, for example the school "Partenija Zografski, became a member of the European Federation of Associations of Teachers of the Deaf, whereby more intensive exchange of experiences and advancement of the work in the schools will be ensured.

The projects that are implemented in the primary and secondary education envisage printing of materials with the Braille alphabet.

In order to enable vertical transfer (transition) of the students from three-year education to four-year education, the Rulebook on the manner of monitoring, checking and grading, taking exams and advancing in the high school has been amended (Official Gazette of the Republic of Macedonia No. 86/10). With the completion of the four-year education the students can take state high graduation exam and continue their education at the universities.

Curricula have been adopted for the students with special educational needs (impaired hearing, impaired vision) for continuation of the secondary education into four-year vocational education in duration of five years with the purpose of increasing their mobility and the level of education. The transfer from three-year vocational education into four-year vocational education was facilitated as a part of the strategy for increasing the level of education and decreasing the level of unemployment of the citizens of the Republic of Macedonia. For that purpose programmes were prepared for additional five exams, three in general subjects and two in vocational subjects. By passing the additional exams, the students/persons can continue to the fourth year and complete a four-year vocational education.

Curricula have been prepared for transfer of the students from three-year vocational education into four-year vocational education and thus the students with special educational needs (impaired hearing, impaired vision) are able to take the state high school graduation exam as a pre-condition for entry in the universities.

Programmes for vertical transfer(transition):

- Students with impaired hearing:
 - Textile vocation – profile: Textile technician
 - Machinery vocation – profile: Machinery technician
- Students with impaired vision:
 - Health vocation – profile: Physiotherapeutic technician.

In addition to the vocational education, a special form of education is implemented in the vocational high schools for the students with special educational needs, which includes students that cannot follow the curricula for three-year education, as well as persons who have not completed the primary school.

A great number of activities and projects have been implemented in the past period which, *inter alia* were aimed at improving the mainstreaming and the status of the education of the children/students with special needs, including the following:

- providing financial support within the general measures for support (free of charge transport for the students of the primary and secondary mandatory education who live at a greater distance from the school (2, i.e. 2.5km), free of charge schoolbooks for the students of primary and secondary education, free of charge accommodation and meals in dormitories, providing scholarship to the students). improving the financial status of the students of the special schools, providing free of charge transport with escort for the children with special educational needs, if necessary and regardless of the distance of their home, free of charge accommodation in dormitories in the schools for students with special needs, free of charge transport to their home.
- inclusion of the students with impaired vision and impaired hearing in the reformed four-year vocational education and training and providing them with the opportunity to take the high school graduation exam and to continue their education at the university. For the purpose of supporting the lifelong learning, modules for vertical transfer from three-year to four-year vocational education have been prepared. These modules enable the students with slight disability to complete the fourth year and to take the adjusted state high school graduation exam that is a condition for entry at the university.
- in accordance with the Law on Prevention and Protection against Discrimination, the Ministry of Education and Science prepared a special manual for prevention and protection from discrimination in the educational system in the Republic of Macedonia.
- activities for informing and raising the awareness of the rights of the students with special needs in the course of which a brochure on the rights of the students with special needs was prepared and distributed to all primary and high schools.
- inclusion of the students with special needs from the special primary schools into the new concepts for the primary nine-year education. Curricula have been prepared for first, second and third grade. Inclusion of the children with autism in the regular primary education. New classes have been verified in the special primary schools “Zlatan Sremac” – Skopje and in the primary school “Vanco Prke” – Stip.
- providing access to information through internet connection for all schools and dormitories.
- new employments for 12 defectologists in the municipalities with higher number of students with special needs.

- conducting specialised trainings for teachers who work with students with special needs in the regular or special schools. The training includes programmes for work with students with special needs that emphasize their raised awareness and need of strengthening their own capacities, as well as the capacities of the schools for enhancement of the services and development of an additional support to the education of the students with special needs.
- 109 access ramps have been placed that facilitate the access of the students with physical disability to the education. The improvements in terms of the accessibility continue to be implemented.
- Through the Education Modernisation Project, more funds are allocated in the formula for funds per student if the school has students with special needs. In this phase of the project that covered 246 schools and that was implemented in 2009/2010, 800 teachers completed the training for work with students with special needs.
- The Ministry of Education and Science actively participated in the regional comparative study conducted by the European Training Foundation (regional project) on the social inclusion (in the wider context) through education. A regional analysis has been conducted of the education and training of the teachers for work with children with special needs and the relevant conclusions and recommendations have been adopted.
- Braille printer was purchased for the purpose of successful implementation of the curriculum for the students from the state school for rehabilitation of children and youth with impaired vision "Dimitar Vlahov" from Skopje.
- In the budget for 2011 for the university education, the Ministry of Education and Science provided funds for vouchers for purchasing PCs, intended for undergraduate and postgraduate students with 100% physical disability who use wheelchair.
- The curriculum for the special schools and special classes in the regular schools are prepared and proposed by the Bureau of Education Development, i.e. the Centre for vocational education and training. The mandatory and elective subjects for the students with special educational needs are implemented by means of adjusted curricula in accordance with their special needs. The Bureau of Education Development prepares the curricula, conducts trainings for their implementation and provides counselling and professional help for individual approach.
- The procurement of printer for Braille alphabet, as well as the printing of special schoolbooks and books for this category of students, and also the use of IT equipment adjusted to the needs of the children with special needs will enable printing of materials and schoolbooks for their successful education.
- Key elements for ensuring quality in the schools are the self-evaluation, integral evaluation and external grading in the key areas such as the curriculum, students' achievements, learning and teaching, support to the students, school climate, resources, management and creating policies. A

special attention in this regard is paid to the students with special needs. Hence, one important element of the topic Curricula Implementation is the adjustment of the curriculum for the children with special educational needs.

- The Institute of Special Education and Rehabilitation works within the Faculty of Philosophy in the Ss. Cyril and Methodius University and educates teachers to work with children with special needs. *Inter alia*, in the course of the implementation of the three-year Tempus Project, funded by the European Commission, the curriculum of the Institute has been reformed, teaching staff has been trained and new laboratories have been equipped with the state-of-the-art equipment for work with blind, deaf, persons with impaired hearing and vision. A Multidiscipline Centre for Early Intervention in Children has been established that operates within the Medical Health Care Centre. Thus, a great progress has been made in the modernisation of the education of the students that will work with persons with disabilities.
- A process of ratification has been initiated of the Convention on the rights of people with disabilities, the Optional Protocol and the Action Plan.
- Immediate inclusion, support and cooperation with the non-government sector in the sphere of prevention of discrimination. Cooperation with the non-government organisation “Polio Plus – movement against disability” from Skopje and with the “Coalition Macedonia without discrimination” consisting of several citizen associations in 2007. Cooperation in the preparation of the relevant legislation, strategic and action plans, implementation of other various activities, such as participation in the implementation of the Project “*Macedonia without discrimination*” supported by the European Commission, through the Programme PROGRESS – Programme for employment and social solidarity, numerous activities for celebrating the year of 2007 – European Year of equal opportunities for all, activities that are specifically aimed against discrimination among the students in the primary and high schools, realisation of the Art and Essay Contest for primary and secondary school students under the motto “Next to Each Other – Different but Equal”, implementation of the campaign under the same title, preparation and publication of the competition titled “My different friend” with many essays for promotion of the equal opportunities among the children/students at a pre-school and school age, etc.
- Starting the activities for designing the speech synthesis system in Macedonian. At the end of 2011 the contract between the Ministry of Information Society and Administration and the Faculty of Information Technologies and Computer Engineering was signed for designing the speech synthesis system in Macedonian that will ensure increased use of the benefits from the information and communication technologies by the persons with impaired vision by providing a speech synthesizer that will produce understandable speech based on the Macedonian language. The speech synthesizer is a software solution that generates audio speech intended primarily for blind persons or persons with impaired vision to work on PC. This project, in whose implementation the Association of Blind of Macedonia is included as well, is planned to be finalized by the end of 2012.

- Implementation of the campaign for raising the public awareness under the motto *"Making life a safe adventure"* aimed at preventing the harassment of children/people with intellectual disability. The goal of the campaign that was implemented in 2009 was to raise the awareness of the importance of the issues arising from the domestic violence against children with disabilities and to strengthen and incite the organisations of people with mental disability to provide their contribution to the joint struggle against the child abuse.
- Organising other specific activities, such as the event *"Golden Fives"*, organised by the Ministry of Education and Science for affirmation of the children's achievements, with special accent on the children with special needs for the purpose of emphasizing their talent and abilities by presenting them awards, as well as the event *"Domijada"* that is held under the patronage of the Ministry of Education and Science, during which sports competitions and cultural events are held among all students accommodated in the high school and university dormitories and in which students from special schools are included as well.

With regards to the available statistical data, a total of 285 students were enrolled in the four special high schools in the school year of 2010/2011 of whom:

- 18 students with impaired vision,
- 40 students with impaired hearing and
- 227 students with impaired psychological development.

Within these schools are dormitories which accommodate the students.

The total number of available slots in the four specialised high schools is as follows:

- the school for students with impaired vision has 30 slots in the dormitory and the school because the classes are held in specialized classrooms;
- the school for students with impaired hearing has 132 slots in the dormitory and in the school;
- both schools for students with psychological disability have a total of 300 slots in the dormitories and 170 slots in the school (200 slots in the dormitory and 70 slots in the school in Skopje, and 100 slots in the dormitory and 100 slots in the school in Stip).

The teaching staff is highly educated, in accordance with the norm for teachers of adequate subject, with completed psychological, pedagogical and methodical preparation and education in the sphere of defectology.

In addition to the teaching staff, the schools employ expert associates, administrative staff, technical personnel and persons employed in the dormitories who are in charge of the accommodation and meals of the students.

583 students are educated in the special primary schools and a total of 548 students with disabilities and with special educational needs are educated in the regular primary schools.

In 2011 for the purpose of providing support to the schools in the work with children with special needs, 13 defectologist were additionally employed.

In order to improve the statistics on the students in the primary and high schools, the EMIS system – Education Management Information System was introduced which is a tool for collecting, processing, checking and presenting data that are important for the educational process in the primary and secondary education in the Republic of Macedonia.

The EMIS system was implemented in the period 2009-2010 through the Education Modernisation Project, with a credit support by the World Bank and grant by the Kingdom of Netherlands.

The Education Management System is an integrated system that optimizes the process of data collecting, communication with other institutions, as well as generating all necessary reports and statistics. EMIS collects, processes and presents the data on the students, as well as their achievements in the education process in the public primary and high schools in the country. In more details, the EMIS system contains data on the schools, teachers, classes, students, students per classes, subjects per teachers, subjects learnt by the students, grades and absences of the students, conducted trainings, etc.

Professional training

In Conclusions (XIX-1) 2008 pertaining to the previous Report, [ECSR requested additional information on the right to training of disabled persons.](#)

In accordance with Article 42 of the Law on Social Protection, persons with moderate and severe mental impairment shall be entitled to right to training for working and manufacturing activity. The right to training for working and manufacturing activity covers referring to an institution for social protection (Institution for rehabilitation of children and youth “Topansko Pole” – Skopje) in which the units for work training, education, day-care centre for children with developmental impairment, and day-care centre for adults with developmental impairment. The Centres for Social Work give the referral to training, if the parent/guardian of the disabled person is recorded as the user of the right to social protection in the Centre for Social Work or the Pension and Disability Insurance Fund, if the parent/guardian of the person referred to this institution is a pension user.

The measures implemented in this social protection institution, in which the number of service users is 106 persons, are prescribed by the work programme of this institution, and the costs for accommodation and meals, the costs for training for working and manufacturing activity and the travel costs are covered by the centres for social work, i.e. the Pension and Disability Insurance Fund of the Republic of Macedonia.

In 2011, the Ministry of Labour and Social Policy paid MKD 7,197 per user as a monthly compensation for accommodation and care of a person with moderate and severe mental impairment who has been referred to training for working and manufacturing activity in this centre for social work, while for care of a person with moderate and severe mental impairment who attended the day-care centre within this institution, in 2011 it paid MKD 6,366 per user.

In addition, in its Conclusions (XIX-1) 2008, [ECSR also requested additional information on the trainings and the trainings for work of the disabled persons in accordance with the Law on Employment of Disabled Persons.](#)

In accordance with the Law on Employment of Disabled Persons, the disabled person (employed or unemployed) is entitled to training for practical work for certain jobs, if that person is not educated for the respective job or the activity that he/she will perform, i.e. if he/she is not trained for performing activities at the respective job position in accordance with the needs of the employer and the abilities of the disabled person.

The Employment Service Agency of the Republic of Macedonia refers the unemployed disabled person to training for work, if he/she is not capable of performing the activities at the job position for which the employer stated its needs.

The employer refers the employed disabled person, who is not capable of performing the activities at the job position, to training for work. The Employment Centre refers the unemployed and employed disabled persons, before they are referred to training for work, to the Commission for Evaluating the Working Abilities within the Pension and Disability Insurance Fund of the Republic of Macedonia for the purpose of obtaining findings, assessment and opinion on the work capability for the job position for which the person will be trained.

The assets necessary for the training for work of the disabled person are being provided by the Special Fund.

The training for work of the disabled person may be conducted with the employer who stated the need for training for work or with another employer. The training for work of unemployed disabled person shall be performed based on a submitted request for training for work of a disabled person by the employer to the Employment Centre in whose area the headquarters of the employer is located, i.e. the place where it performs its activity, if there are no recorded unemployed disabled persons in the Employment Centre who are capable for

practical work at the particular job position for which there is a stated need by the employer.

The request, among the other things, is also accompanied by a Programme for conducting the training for work prepared by the employer in cooperation with the Employment Centre which contains a theoretical and a practical part. The theoretical part of the Programme which pertains to getting acquainted with the Law on Employment of Disabled Persons, the basic rights arising from the labour relation (Law on Labour Relations and Collective Agreement) and other legal regulations, shall be implemented by the Employment Centre within the Work Club in every Employment Centre. The theoretical part of the Programme, on the technical-technological features of the production process, services and other work related to the business activity of the employer shall be implemented with the employer.

The practical part encompasses getting acquainted with the equipment and the means of work that will be used by the disabled person in and in relation with the production, i.e. service provision. The ratio of the number of classes for the theoretical and practical part shall be defined based on the assessment of the type and complexity of the work tasks for the job position for which the training for work is conducted, the type and the level of the disability and the level of education of the disabled person.

The practical part is at least 80% of the total number of classes. The theoretical and the practical part of the Programme for training for work cannot be performed out of the work hours and in the period between 22:00 – 06:00 hours. The duration of the training for work shall be defined based on the assessment of the type and complexity of the work tasks for the job position for which the disabled person is trained, as well as the type and the level of the disability of the person to be trained, defined by a competent authority. The duration of the training for work must not be shorter than 1 month, or longer than 3 months.

The Employment Centre, upon the submitted request for training for work, shall perform an inspection at the employer who has stated its need for training of a disabled person for work, i.e. at another employer where the training for work will take place. Based on the performed inspection, the Employment Centre shall prepare and submit an Opinion to the Employment Service Agency of the Republic of Macedonia, based on which the Management Board of the Agency shall decide on the granting the funds from the Special Fund for the implementation of the Programme for training for work by adopting a Resolution on granting funds for this purpose. Upon the adopted Resolution by the Management Board of the Agency, the Employment Centre shall start the activities for conducting the training for work.

The working capability of the disabled person, upon the end of the training for work, shall be established by a Commission comprised of two representatives of the employer for whose needs the training for work is conducted, i.e. the employer where the training for work is conducted and one representative of the Employment Centre. The working capability of a disabled person who will independently perform activity as a sole proprietor, for an activity for which the person does not have education for respective occupation, shall be established

by the Commission formed by the Employment Centre. The disabled person who has successfully passed the training for work shall obtain a certificate from the Employment Centre which contains basic data on the disabled person, the duration of the training for work and the jobs and work tasks for which the person is trained. The working capability of the disabled person, who is employed and has already acquired the necessary knowledge and skills for the performance of the work tasks of his/her job position, shall be established also by this Commission, based on a submitted request by the employer to the Employment Centre and the findings, the assessment and the opinion of the Commission within the Pension and Disability Insurance Fund of the Republic of Macedonia.

The employer shall be obliged to immediately establish a permanent labour relation and within 8 days upon the end of the training for work, at the latest.

If the employer, due to unjustified reasons, interrupts the training for work before its completion, the employer shall be obliged to compensate the funds to the Employment Centre within 8 days as of the day of interruption of the training for work, with legally defined default interest. The employer shall be obliged to return the received funds for the disabled person with whom, after the successful completion of the training for work, the employer has not establish, i.e. has established a permanent labour relation, and whose labour relation has been terminated not due to a fault of the disabled person, before the expiry of one year as of the day of the establishment of the labour relation.

After the establishment of the labour relation, the employer may not decrease the number of permanently employed disabled persons within one year, except in the cases when the labour relation is terminated by law or in case of death. The employer shall be obliged to return the received funds for the employed disabled persons that passed the training for work, if their labour relation is ended before the expiry of 1 year as of the day of the establishment of the labour relation, except by law or in case of death.

The disabled person who due to his/her fault or will interrupts the training for work, he/she shall be obliged to compensate the funds to the Employment Centre within 8 days as of the day of interruption of the training for work, with legally defined default interest and he/she shall be erased from the records of unemployed persons and may be registered again after one year.

The disabled person who will complete the training for work with success and who will establish a permanent labour relation and if within one year as of the day of establishment of the labour relation, the labour relation is terminated due to his/her will or fault, the disabled person shall be obliged to compensate to the Employment Centre the funds together with the legally defined default interest.

It is important to note that these incentives and support provided for the training for work of disabled persons for the purpose of their employment pertain to the work of disabled persons with any employer, regardless whether it is a protective association or any other legal entity.

The Government of the Republic of Macedonia, upon a proposal of the Ministry of Labour and Social Policy, in 2010 adopted a *Strategy for De-institutionalisation in the Social Protection System (2010-2018)*, which is implemented in cooperation with the NGO sector that operates in the sphere of protection of the persons with impairment and which process envisages decrease of the number of users that live in the public institutions for social protection (e.g. Special Institution "Demir Kapija") and their accommodation in housing units for independent living with support.

Until this moment, a total of 10 housing units are opened and put into function for independent living with support of persons with intellectual disability in the Municipalities of Demir Kapija, Negotino and Skopje, where a total of 40 unisitutionalised persons are accommodated who were previously admitted in the Special Institution in Demir Kapija, with an intention this out-of-institution form of protection to spread in other municipalities and to increase the scope of users.

In addition, until this moment, in the Republic of Macedonia there are 23 day-care centres for children and youth with moderate and severe mental impairment up to the age of 26, where a total of approximately 350 users are encompassed and trained. The day-care centres are regularly attended by 78% of the users, 15% attend irregularly (several hours or days in a week), and concurrently the day-care centres and the school classes for children with disabilities within the regular schools are attended by 7%.

The number of 350 users also includes children from the Day-Care Centre for Children with Cerebral Paralysis – Skopje, where a special programme covers the so called "fluctuating group" of 10 children who use the services of a speech therapist, special educator and physiatrist in defined time intervals and in a defined duration and who are fully financed with funds from the Ministry of Labour and Social Policy.

The Ministry also participates in the financing of 4 day-care centres for adults with moderate and severe mental impairment (in Skopje, Kumanovo, Ohrid and Radovis), managed by the national organization for disabled persons "Republic Centre for Support of Persons with Intellectual Disability - Poraka" and here the disabled persons are also trained for various work skills.

Article 15§2

With a view to ensuring the effective exercise of the right of the physically or mentally disabled to vocational training, rehabilitation and social resettlement, the Contracting Parties undertake:

- 2. to take adequate measures for the placing of disabled persons in employment, such as specialised placing services, facilities for sheltered employment and measures to encourage employers to admit disabled persons to employment.*

Regarding the questions of the [European Committee of Social Rights, Conclusions \(XIX-1\) 2008, on the ban on discrimination in the existing legislation in terms of the disability](#) in the area of employment and work, it should be noted the following:

- The Law on Prevention and Protection against Discrimination ("Official Gazette of the RoM" No.50/2010) bans any direct or indirect discrimination, evoking and inciting discrimination and assisting in discriminatory actions on the basis of sex, race, colour of the skin, gender, belonging to a marginalized group, ethnicity, language, citizenship, social origin, religion or religious belief, other types of beliefs, education, political affiliation, personal or social status, **mental or physical disability**, age, family or marital status, financial status, health condition or any other basis envisaged by law or a ratified international agreement (Article 3 of the Law). This ban on discrimination upon the above stated grounds applies to all legal entities and natural persons in several stated areas, including labour and labour relations, then in education, science, sports, in the area of social security - social protection, pension and disability insurance, health insurance and health care and numerous other areas, explicitly stated in Article 4 of the Law. Furthermore, the Law on Prevention and Protection against Discrimination pays special attention to the discrimination of physically or mentally disabled persons (Article 8) which is defined as intentional disabling or hindered access to health care, i.e. denying the rights to health care, regular medical treatment and medicine, rehabilitation means and measures in accordance with their needs, denying the right to marriage and creating a family and other rights in terms of marriage and family relations, denying the right to education, **denying the right to work and the rights arising from the labour relation**. The Law also prescribes that any failure to undertake measures so as to remove the limitations, i.e. adjust the infrastructure and the space, for use of publicly available resources or participation in the public and social life shall also be deemed discrimination of physically or mentally disabled persons.

- The Law on Labour Relations (Article 6 and Article 7) regulates the issue on the ban on discrimination, according to which the employer may not put the employment applicant or the employee, in an unequal position manner due to their racial or ethnic origin, colour of the skin, gender, age, **health condition, i.e. disability**, religious, political or other convictions, trade union membership, national and social origin, family status, financial status, sexual orientation, or due to other personal circumstances. The Law defines the terms direct and indirect discrimination of the employee or the employment applicant. Furthermore, the Law explicitly defines the cases where any direct or indirect discrimination of the employee / the employment applicant is banned, among other things the employment requirements, including the criteria and requirements for the selection of applicants for the performance of a particular activity, then the promotion at work, working conditions and all the rights arising from and related to the labour relation, equality of salaries, cancellation of the employment contract (dismissal), access to all types levels of professional training and re-qualification.
- The Law on Employment and Insurance in Case of Unemployment (modifications and amendments of the Law published in the "Official Gazette of the RoM" No. 50/2010 dated 13.04.2010) also explicitly bans any discrimination during employment on the basis of marital status, family status, colour of the skin, sex, language, political or other convictions, trade union activity, nationality, social status, **disability**, age, ownership, social or other status.

Regarding the [request for additional information related to the obligation to adjust the working conditions](#) with regards to persons with disabilities it should be noted that the issue of "*reasonable accommodation*" is, inter alia, regulated under the Law on Prevention and Protection against Discrimination (Article 5, paragraph 12 of the Law), which establishes that the adjustment of the infrastructure and the services denotes taking appropriate measures required in a particular case so as to enable the person with mental and physical disabilities to have access, participate and prosper in the working process.

Such definition in the Law exclusively refers to the circumstances and conditions of employment and labour relations, although the term reasonable accommodation is much broader and covers more areas and measures, which if not taken, could lead to discrimination (direct or indirect) of persons with disability. "Reasonable adjustment" in itself, denotes a task to make adjustments, reasonable accommodation, adaptations, measures or effective and appropriate modifications, which will adjust the working environment, the education system, the capacity of health care or transportation services, aimed at removing barriers that hinder the persons with disabilities to participate in the activities or to receive services just like other people.

It involves a strategy of providing goods, materials and services for persons with disabilities, under which the public agencies are authorized to provide equipment that is fully accessible and is based on the principle of inclusive design.

In the case of employment, this denotes modification of the physical conditions, acquisition or modification of the equipment, providing readers or interpreters, or adequate training or supervision, adjustment of the test or assessment procedures, modification of the standard working hours or transferring some duties arising from the job position (job) to another person. Should the required adjustment cause unexpected difficulties on the account of the person or entity that is expected to provide such adjustment, the underperformance in this act shall not contain elements of discrimination.

In view of the afore stated, Article 5 of the *Law on Employment of Disabled Persons* stipulates that at the employment of disabled persons, the employer is obliged to create appropriate working conditions and to adapt the workplace, depending on the job position, the type and level of education and the type and degree of disability of the person with disability that is being employed.

In accordance with the Law on Employment of Disabled Persons and the Rules on the criteria and the manner of allocation of the funds from the Special Fund for provision of conditions for employment and work of the disabled persons, non-refundable funds are granted, inter alia, for the adaptation of the workplace - in the amount up to MKD 100,000 (approximately 1,600 €) which may be reused, if that is necessary due to changes in the technical - technological process or the character or degree of disability of the disabled person.

In this manner, the employer creates appropriate conditions for work with the adaptation of the workplace, depending on the job position, the type and level of education and the type and degree of disability of the disabled person, which in itself includes adjustment of the equipment, the working tools, the devices and other technical resources for work with installation of mechanical, electrical, electronic, sound, lighting and similar devices that enable safe, smooth and productive operation of one or more persons with disabilities, as well as adjustment of the working and auxiliary premises by setting or constructing access roads, slopes, protective fences, etc., thereby enabling unhindered and safe access to and from the workplace to one or more disabled persons.

Together with the filled in application for allocation of non-refundable funds from the Special Fund for adaptation of the workplace, the employer must submit an application to the State Labour Inspectorate for the commencement of the performance of the activity or decision on the performance of the activity, as a proof that the working and auxiliary premises and the equipment meet the minimum required technical conditions and prescribed measures, norms and standards for performing the relevant activity.

Before the start of the performance of the activity, the employer should obtain decisions from the competent authorities confirming that the working and auxiliary premises and the equipment meet the minimum required technical conditions and prescribed measures, norms and standards for performing the relevant activity. At the employment of disabled persons, the employer is obliged to create appropriate working conditions and to adapt the workplace, depending on the job position, the type and level of education and the type and degree of disability of the person with disability that is being employed.

The employer may not employ or reassign from one job position to another any disabled person who does not meet the general and special requirements, or who is incapable of performing the job on that job position.

The Minister of Labour and Social Policy, under an act, establishes a Commission within the Ministry of Labour and Social Policy for determining the activities that may be performed by the disabled person in a specific job position.

Regarding the misdemeanour provisions, Article 21 of the *Law on Employment of Disabled Persons* envisages a fine in the amount from 1,800 to 2,000 Euros in MKD equivalent for the legal entity that shall fail to meet the requirements stated in Article 5 of the Law or that shall fail to adjust the workplace to the needs of the disabled person; moreover, a fine in the amount of 400 to 600 Euros is envisaged for the committed offense for the responsible person with the employer (legal entity).

In the Conclusions (XIX-1) 2008, [ECSR requested further information about the operation of the Commission for determining the activities that may be performed by the disabled person.](#)

Namely, in accordance with the provisions of the *Law on Employment of Disabled Persons*, a Commission was established within the Ministry of Labour and Social Policy for determining the activities that may be performed by the disabled person in the specific job position.

In terms of its composition, the Commission is composed of three members as follows: a doctor – neuro-psychiatrist, an occupational medicine specialist doctor and a special education teacher. The Commission has a five-year mandate.

In accordance with the *Law on Employment of Disabled Persons*, the Commission adopts a Finding and Opinion based on a request filed by the disabled person, his/her spouse, his/her parent or guardian, the Employment Centre in the area where the disabled person lives, the Centre for Social Work in the area where the disabled person lives, the employer where the disabled person is employed, the employer who intends to recruit the disabled person or employer who wants to provide vocational training to the disabled person for employment purposes.

For the purposes of obtaining a Finding and Opinion one should file a Request, a Decision from the Centre for Social Work about the type and degree of physical or mental impairment or a Finding, evaluation and opinion of the Commission of the Pension and Disability Insurance Fund of the Republic of Macedonia, a certificate

or diploma about the type or level of education or vocational training of the disabled person, a Referral from the Employment Centre for adopting a Finding and Opinion and an Excerpt from the systematization including a description and a list of tasks that are performed or will be performed by the disabled person, in terms of which the Finding and Opinion of this Commission is required. The request contains personal data, i.e. surname, father's name and the name of a disabled person, date and place of birth, address of permanent residence, unique personal identification number of the citizen, the number of decision of the Centre for Social Work on the type and degree of the physical or mental impairment or number the Finding, evaluation and opinion of the Commission of the Pension and Disability Insurance Fund of the Republic of Macedonia regarding the disability established under the Law on Employment of Disabled Persons, document on completed education, vocational training and job competence, acquired through some form of vocational training, length of working experience, if any and where was it acquired, the name of the applicant and his address, which time is the evaluation made (first, second, etc.), data about the employer with an address and address of the workplace where the disabled person works, will work or will receive vocational training, information on the job position on which he is employed or will be employed or for which he will receive vocational training, working conditions in the workplace, a description of the technological process, a list of tasks that will be performed by the disabled person.

The completed application with the documentation is submitted to the Commission by mail or in person, and upon receiving the request, the Commission, within a period of no more than 3 days, meets and assesses whether the request is submitted with a complete documentation, it inspects the documentation submitted with the request, inspects the working premises of the employer and has a direct meeting with the disabled person.

The Commission may, as an exception, issue a Finding and Opinion without a direct insight into the working premises of the employer, if it involves an activity which is obvious by its nature. It is important to note that the procedure for adoption of a Finding and Opinion includes the disabled person himself/herself, but also, the procedure for adoption of the Finding and Opinion enables participation of the parent or guardian of the disabled person, his/her spouse or a representative of the employer with which the disabled person is or will be employed.

The Commission, once it has established that the documentation is complete and that the conditions stipulated in the Law and the Rules have been met, based on the submitted application, adopts a Finding and Opinion on the works that can be performed by the disabled person at the respective job position.

The Finding and Opinion of the Commission, in addition to the data that are listed in the application, in the part which comprises the list of the works that will be performed by the disabled person, in the place left for a remark, defines whether the disabled person can or cannot perform the work at the respective job position.

The Finding and Opinion is filled out by the members of the Commission and is personally signed by them, and after the signing, the Finding and Opinion is certified with a seal.

The Commission, once a week, i.e. four times a month, makes a regional assessment of the persons with disabilities in order to determine in which position they can be employed and, within 3 days as of the conducted inspection, the Commission is obliged, via the competent Employment Centre, to inform the employer on the adopted decision in writing.

If the persons with disabilities or the employers are not satisfied with the issued Finding and Opinion of the Commission, they can challenge the finding through an administrative procedure before the Ministry of Labour and Social Policy which shall submit this finding for expertise to the Institute of Occupational Medicine in Skopje, which, in the second degree, may issue its opinion with reference to this finding, and pursuant to the obtained information, the Ministry of Labour and Social Policy may issue a decision on the cancellation of this finding. If there is an indication of a discriminatory treatment based on a disability as a result of the decision of the Commission, a complaint may be submitted before the competent Commission for Protection against Discrimination (in accordance with the provisions of the Law on Prevention and Protection against Discrimination).

* * *

The special conditions and benefits for employment and work of the disabled persons are regulated by the *Law on Employment of Disabled Persons*, and the conditions and the manner of allocation of the funds from the Special Fund are prescribed by the *Rulebook on the criteria and the manner of allocation of the funds from the Special Fund for provision of conditions for employment and work of the disabled persons* and the *Rules for vocational training of the disabled persons*.

The law regulates the special conditions for the employment and work of the disabled persons when they individually perform an activity of a sole proprietor, as well as when they work with an employer or are in the capacity of an employer, in the state administration, the local self-government units, the public enterprises, institutes, agencies and funds and other state institutions. The Law also regulates the conditions for establishing and the benefits for the operations of the trade company for employment of disabled persons (protective company).

For the purposes of financing the activities for improvement of the conditions for employment and work of the disabled persons, adaptation of the workplace and purchase of equipment, 10% of the total generated assets from the existing contribution for employment are allocated to the sub-account of the Employment Service Agency of the Republic of Macedonia (Special Fund).

The Agency is obliged to use the assets allocated in the Special Fund exclusively for the purposes defined in the law.

The employed disabled person with whom disability has been established are exempted from paying personal income tax. The funds for contribution for pension and disability insurance, contribution for health insurance and contribution for employment are provided from the Budget of the Republic of Macedonia. The employees in the protective enterprises who are not disabled persons and labour disabled are exempted from paying personal income tax and the funds for their contributions for pension and disability insurance are provided from the Budget of the Republic of Macedonia. The protective enterprises are exempted from payment of income tax and all income-related taxes.

The application submitted by the employer for award of grants from the Special Fund, together with the necessary documents, are submitted to the Management Board of the Employment Service Agency through the employment centres in whose area the headquarters of the employer is, which centres provide their opinion about the situation on the field.

The adoption of the Decisions on the allocation of funds from the Special Fund is in the competence of the Management Board of the Employment Service Agency, pursuant to Article 16 paragraph 5 of the Law on Employment of Disabled Persons.

The decision of the Management Board of the Agency on the award of funds from the Special Fund may be appealed against before the Minister of Labour and Social Policy, within eight days as of the receipt of the decision.

The legal provisions for support of the employment of disabled persons in the course of the reporting period (2007-2010) were implemented through the active measures for employment, i.e. the programme for subsidizing of the employment of disabled persons, which provides for awarding grants from the Special Fund on the basis of employment of 200 disabled persons a year.

The subsidizing of the employment of disabled persons is one of the measures envisaged in the Programme for subsidizing of the employment, in accordance with the annual Operational plans for active programmes and measures for employment, and it is implemented pursuant to the Law on Employment of Disabled Persons and the Rules on the criteria and the manner of allocation of grants from the Special Fund for improvement of the conditions for employment and work of the disabled persons.

Within the available funds, from the Special Fund, grants are awarded for:

1. Employment of a disabled person under open-ended contract;
2. Adaptation of the workplace;
3. Procurement of equipment, and
4. Vocational training of disabled persons for the purposes of employment.

Moreover, the unemployed disabled persons, if registered with the Employment Service Agency, have the opportunity to be included in the other active programmes and measures for employment, defined in the annual Operational plans for active programmes and measures for employment.

In the course of the entire reporting period, i.e. from 01.01.2007 until 31.12.2010, in accordance with financial possibilities, a positive response was given to a total of 874 applications for awarding grants from the Special Fund on account of all the bases, for which MKD 525,378,254 were paid (approximately EUR 8.5 million).

Of them:

- 742 applications were based on employment of a disabled person and pertained to the employment of 1,242 disabled persons, for which MKD 330,321,520 were paid;
- 5 applications were based on adaptation of the workplace, for the adaptation of the workplace of 5 disabled persons, for which MKD 499,120 were paid;
- 125 applications pertained to the procurement of equipment, for which MKD 149,380,614 were paid;
- 1 application was submitted for vocational training of employed disabled persons, which pertained to the vocational training of 6 disabled persons. For that purpose, funds were allocated in the amount of MKD 102,000;
- 1 application was submitted for vocational training of unemployed disabled persons, which pertained to the vocational training of 3 disabled persons and for which MKD 75,000 were allocated.

As per years, the situation is as follows:

In the course of **2007**, a positive response was given to a total of 168 applications for awarding grants from the Special Fund on account of all the bases, for which a total of MKD 84,527,112 was paid. Of them:

- 158 applications - based on employment, pertained to the employment of 297 disabled persons, for which MKD 71,717,700 were paid;
- 2 applications were based on adaptation of the workplace, for the adaptation of the workplace of 2 disabled persons, for which MKD 200,000 were paid;
- 7 applications were based on procurement of equipment, for which purpose a total of MKD 12,507,412 was paid;
- 1 application was submitted for vocational training of employed disabled persons, which pertained to the vocational training of 6 disabled persons and for which funds were allocated in the amount of MKD 102,000.

In the course of **2008**, a positive response was given to a total of 131 applications for awarding grants from the Special Fund, for which funds were paid in a total amount of MKD 96,114,461. Of them:

- 105 applications were based on employment and pertained to the employment of 156 disabled persons, for which MKD 39,792,160 were paid;
- 26 applications pertained to the procurement of equipment, for which MKD 56,322,301 were paid;

For **2009**, a positive decision was granted to a total of 311 applications for awarding grants from the Special Fund on account of all the bases, for which MKD 198,450,329 were paid. From them:

- 256 applications were based on employment, for the employment of 432 disabled persons, for which purpose a total of MKD 115,579,500 was paid;
- 54 applications pertained to the procurement of equipment, for which MKD 82,795,829 were paid;
- 1 application was submitted for vocational training of unemployed disabled persons, which pertained to the vocational training of 3 disabled persons and for which MKD 75,000 were allocated.

In the course of **2010**, a positive decision was given to a total of 264 applications for awarding grants from the Special Fund on account of all the bases, for which funds were paid in a total amount of MKD 146,286,352. From them:

- 223 applications were based on employment and pertained to the employment of 375 disabled persons, for which MKD 103,232,160 were paid;
- 3 applications were based on adaptation of the workplace, for the adaptation of the workplace of 3 disabled persons, for which MKD 299,120 were paid;
- 38 applications were submitted for procurement of equipment, for which a total of MKD 42,755,072 was paid.

<i>Overview of allocated funds from the Special Fund for subsidizing employment of disabled persons for the period 2007-2010</i>			
	<i>Number of employers</i>	<i>Number of disabled persons</i>	<i>Total allocated assets (MKD)</i>
2007	158	297	84,527,112
2008	105	156	96,114,461
2009	256	432	198,450,329
2010	223	357	146,286,352
Total	742	1,242	525,378,254

Although with the Law on Employment of Disabled Persons, certain increased benefits are stipulated for the so called Protective enterprises, as companies that employ a larger number of disabled persons, as well as for the disabled persons who independently perform an activity (self-employed disabled persons), and in these cases the financial incentive is most adequate, in accordance with the law, the financial incentives, i.e. the awarding of grants based on employment of a disabled person and based on adaptation of the workplace where the disabled person works are also provided for every other employer in the regular labour market that employs a disabled person. In addition, exemption is also stipulated from payment of personal income tax, contribution for pension and disability insurance, contribution for health insurance and contribution for employment for each employed disabled person.

Also, besides the special Programme for subsidizing the employment of disabled persons, which is contained in the annual Operational plans for active programmes and measures for employment and which is specifically designed solely for the disabled persons as a separate target group, the unemployed persons, if registered in the Employment Service Agency, have the opportunity to be equally included in the other active programmes and measures for employment, as defined in the annual Operational plans.

As a result of such measures, as of 30.06.2011, the number of disabled persons who do business as a sole proprietor (self-employed) is about 290, whereas about 600 persons with disabilities are employed in the public administration, in the local self-government units, and in other trade enterprises that do not have a status of a protective enterprise.

In 2010, 13 new protective enterprises were established, with a total of 121 employed disabled persons.

Annex
Statistical data

Basic Macroeconomic Indicators

	2005	2006	2007	2008	2009	2010
Real GDP growth	4.4	5.0	6.1	5.0	-0.9	1.8
GDP (in million EUR)	4,814	5,231	5,965	6,720	6,677	6,905
GDP per capita (in EUR)	2,363	2,564	2,919	3,283	3,253	3,360
Gross capital formation (% of GDP)	21.3	21.5	24.6	26.8	25.9	23.3
Inflation (CPI), average	0.5	3.2	2.3	8.3	-0.8	1.6
Foreign direct investment - FDI (in million EUR)	77	345	506	400	145	159
Foreign direct investment (% of GDP)	1.6	6.6	8.5	6.0	2.2	2.3
Population	2,036,855	2,040,228	2,043,559	2,046,898	2,052,722	2,057,284
Net wage						
nominal growth	2.5	7.3	7.9	10.4	24.0	3.0
real growth	2.0	4.1	5.6	1.9	25.0	1.4
Gross wage						
nominal growth	2.7	8.0	4.8	8.7	14.1	1.0
real growth	2.2	4.8	2.5	0.4	15.0	-0.6
Budget revenue (% of GDP)	34.2	32.5	32.8	33.1	31.3	31.1
Budget expenditure (% of GDP)	34.0	33.0	32.2	34.1	33.9	33.6
Budget balance (% of GDP)	0.2	-0.5	0.6	-0.9	-2.7	-2.5
Credits to private sector nominal growth	21.0	30.5	39.2	34.4	3.5	7.1

Source: Ministry of Finance

Labour Market Indicators

ACTIVITY RATES FOR THE POPULATION OVER 15 YEARS OF AGE									
	Activity rate			Employment rate			Unemployment rate		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
2005	54.1	64.9	43.2	33.9	41.2	26.6	37.3	36.5	38.4
2006	55.1	67.3	42.9	35.2	43.5	27.0	36.0	35.3	37.2
2007	55.7	67.3	44.1	36.2	44.1	28.4	34.9	34.5	35.5
2008	56.3	68.8	43.8	37.3	45.7	28.8	33.8	33.5	34.2
2009	56.7	69.6	43.7	38.4	47.5	29.4	32.2	31.8	32.8
2010 / III quarter	57.6	70.2	44.9	39.3	47.7	31.0	31.7	32.1	31.0

Source: Labour Force Survey, State Statistical Office

ACTIVITY RATE						
	2005	2006	2007	2008	2009	2010
15+	54.1	55.1	55.7	56.3	56.7	56.9
15-24	32.9	35.8	35.9	35.9	35	33.3
25-49	77.6	78.8	79	79.4	79.5	80.4
50-64	49.9	50.8	52.9	54.9	57.2	57.5
65+	4.8	3.9	4	3.9	3.9	4.6
15-64	60.7	62.2	62.8	63.5	64	64.2

Source: Ministry of Labour and Social Policy

EMPLOYMENT RATES ¹⁾ OF THE POPULATION BY AGE GROUPS AND GENDER					
	2005	2006	2007	2008	2009
Total					
Total (15-79)	33.9	35.2	36.2	37.3	38.4
15-24	12.3	14.4	15.2	15.7	15.7
15-64	37.9	39.6	40.7	41.9	43.3
20-64	42.1	43.9	45.0	46.3	47.9
55-64	26.2	27.9	28.8	31.7	34.6
Men					
Total (15-79)	41.2	43.5	44.1	45.7	47.5
15-24	14.1	17.2	18.7	19.2	20.6
15-64	45.4	48.3	48.8	50.7	52.8
20-64	50.6	53.6	54.0	56.2	58.4
55-64	36.0	39.0	38.6	43.0	47.6
Women					
Total (15-79)	26.6	27.0	28.4	28.8	29.4
15-24	10.3	11.4	11.5	12.0	10.6
15-64	30.1	30.7	32.3	32.9	33.5
20-64	33.3	34.0	35.8	36.2	37.1
55-64	17.0	17.5	19.6	21.1	22.4

¹⁾ Employment rate as participation of the number of employed in the working age population, aged 15 years and over
Source: Labour Force Survey, State Statistical Office

EMPLOYMENT RATE						
	2010	2009	2008	2007	2006	2005
15+	38.7	38.4	37.3	36.2	35.2	33.9
15 - 24	15.4	15.7	15.7	15.2	14.4	12.3
25 - 49	55.7	55.4	54.3	53	52	49.8
50 - 64	42.6	42.4	39.5	37.8	36.4	36
65+	4.3	3.4	3.6	3.9	3.8	4.7
15 - 64	43.5	43.3	41.9	40.7	39.6	37.9

Source: Ministry of Labour and Social Policy

FULL TIME AND PART TIME EMPLOYED BY GENDER												
	Total			Employed						Share of part time employees		
				Full time			Part time					
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Wom.
2005	545,253	332,179	213,074	517,978	317,849	200,129	27,275	14,330	12,945	5.0	4.3	6.1
2006	570,404	351,974	218,431	533,025	331,159	201,866	37,379	20,815	16,564	6.6	5.9	7.6
2007	590,234	358,835	231,399	550,426	335,629	214,797	39,808	23,206	16,602	6.7	6.5	7.2
2008	609,015	373,483	235,532	573,748	356,079	217,669	35,268	17,405	17,863	5.8	4.7	7.6
2009	629,901	389,332	240,569	594,677	370,853	223,824	35,224	18,479	16,745	5.6	4.7	7.0

Source: Labour Force Survey, State Statistical Office

EMPLOYMENT BY TYPE OF CONTRACT		
	Employed	
	Permanent	Temporary
2006	91.5	8.5
2007	90.8	9.2
2008	89.4	10.6
2009	88.8	11.2

Source: MoLSP

		EMPLOYED BY SECTORS AND BY TYPE OF OWNERSHIP OF THE BUSINESS ENTITIES					
		2005	2006	2007	2008	2009	2010
Agriculture	Private	92.5	94.2	94.2	94.2	95.6	96.3
	Other	7.5	5.8	5.8	5.8	4.4	3.7
Industry	Private	64.2	70.0	77.9	79.7	82.9	84.7
	Other	35.8	30.0	22.1	20.3	17.1	15.3
Construction	Private	61.8	76.3	77.4	84.4	91.0	89.8
	Other	38.2	23.7	22.6	15.6	9.0	10.2
Service	Private	49.3	50.4	54.4	56.4	59.4	58.6
	Other	50.7	49.6	45.6	43.6	40.6	41.4
Total	Private	62.4	66.1	69.0	71.4	73.6	73.7
	Other	37.6	33.9	31.0	28.6	26.4	26.3

Source: MoLSP

		EMPLOYED BY ECONOMIC STATUS AND SECTORS OF ACTIVITIES				
		Agriculture	Industry	Construction	Service	Total
2005	Employee	14,130	132,041	27,349	218,132	391,652
	Employer	5,728	4,183	2,004	19,360	31,275
	Selfemployed	34,745	3,069	5,438	22,235	65,487
	Unpaid family worker	51,931	1,249	535	3,125	56,840
	Total	106,534	140,542	35,326	262,852	545,254
2006	Employee	12,324	133,983	33,605	223,653	403,565
	Employer	7,910	4,528	2,249	19,167	33,854
	Selfemployed	37,679	3,562	6,649	22,900	70,790
	Unpaid family worker	56,864	807	700	3,827	62,198
	Total	114,777	142,880	43,203	269,547	570,407
2007	Employee	12,597	137,483	28,826	247,755	426,661
	Employer	4,413	3,607	3,128	21,507	32,655
	Selfemployed	37,616	4,500	5,014	24,117	71,247
	Unpaid family worker	53,093	1,333	1,039	4,208	59,673
	Total	107,719	146,923	38,007	297,587	590,236
2008	Employee	16,019	141,680	31,578	248,197	437,474
	Employer	2,516	4,716	2,479	20,374	30,085
	Selfemployed	44,409	3,367	4,557	26,492	78,825
	Unpaid family worker	56,805	1,386	767	3,673	62,631
	Total	119,749	151,149	39,381	298,736	609,015
2009	Employee	15,865	136,749	31,417	268,998	453,029
	Employer	3,040	4,892	2,073	22,463	32,468
	Selfemployed	42,032	3,746	6,084	28,190	80,052
	Unpaid family worker	55,731	941	1,175	6,503	64,350
	Total	116,668	146,328	40,749	326,154	629,899
2010	Employee	14,559	134,012	29,927	277,540	456,037
	Employer	2,669	5,116	2,922	23,689	34,396
	Selfemployed	46,469	4,403	6,614	25,827	83,312
	Unpaid family worker	58,075	760	1,491	3,787	64,112
	Total	121,771	144,290	40,953	330,843	637,856

Source: MoLSP

Employed change in %					
	2006	2007	2008	2009	2010
Agriculture	7.7	-6.2	11.2	-2.6	4.4
Industry	1.7	2.8	2.9	-3.2	-1.4
Construction	22.3	-12.0	3.6	3.5	0.5
Service	3.7	9.8	1.0	9.2	1.3

Employment elasticity					
	2006	2007	2008	2009	2010
Agriculture	1.6	2.2	2.0	-1.0	1.5
Industry	0.6	0.2	1.3	0.3	0.7
Construction	3.7	1.7	-0.7	0.8	0.0
Service	0.6	1.7	0.1	5.4	0.6

Source: MoLSP

INFORMALLY EMPLOYED									
	2007			2008			2009		
	total	women	men	total	women	men	total	women	men
Formally employed	427,290	175,741	251,549	434,990	173,754	261,236	459,986	182,486	277,500
Informally employed	162,943	55,659	107,284	174,025	61,778	112,247	169,916	58,084	111,832
Total employed	590,233	231,400	358,833	609,015	235,532	373,483	629,901	240,569	389,332
	%								
Informally employed	27.6	24.1	29.9	28.6	26.2	30.1	27.0	24.1	28.7

Source: Labour Force Survey, State Statistical Office

UNEMPLOYMENT RATES OF THE POPULATION OVER 15 YEARS OF AGE BY GENDER																		
	2005			2006			2007			2008			2009			2010 / III quarter		
	Total	Men	W.	Total	Men	W.												
Total	37.3	36.5	38.4	36.0	35.3	37.2	34.9	34.5	35.5	33.8	33.5	34.2	32.2	31.8	32.8	31.7	32.1	31.0
15 - 24	62.6	62.9	62.2	59.8	59.0	61.0	57.7	57.4	58.2	56.4	55.7	57.4	55.1	52.7	59.4	51.9	52.0	51.7
25 - 54	34.6	33.3	36.5	33.3	32.2	34.9	32.3	31.2	33.8	31.0	30.3	32.1	29.6	29.1	30.3	29.7	29.9	29.4
55 - 64	29.1	32.8	20.7	28.4	31.5	21.2	28.0	31.6	20.4	28.5	31.7	21.5	26.3	27.9	22.8	26.3	27.7	23.5
15 - 64	37.6	36.9	38.8	36.3	35.6	37.5	35.2	34.8	35.8	34.0	33.7	34.3	32.3	32.0	32.9	31.9	32.3	31.2
20 - 64	36.9	36.1	38.2	35.4	34.7	36.5	34.3	33.8	35.1	33.3	32.9	34.0	31.7	31.3	32.4	31.3	31.5	31.0

Source: Labour Force Survey, State Statistical Office

UNEMPLOYMENT RATE						
	2005	2006	2007	2008	2009	2010
15+	37.3	36	34.9	33.8	32.2	32.0
15-24	62.6	59.8	57.7	56.4	55.1	53.7
25-49	35.9	34	32.9	31.6	30.3	30.7
50-64	27.9	28.4	28.5	28	25.9	26.0
65+	2.6	3.2	3.2	8.8	12.3	6.3
15-64	37.6	36.3	35.2	34	32.3	32.2

Source: MoLSP

LONG TERM UNEEMPLOYMENT RATE¹⁾					
	2005	2006	2007	2008	2009
Total	32.3	31.1	29.7	28.7	26.3
Men	31.7	30.5	29.3	28.8	26.2
Women	33.3	32.1	30.3	28.5	26.5

¹⁾ Participation of the long-term unemployed persons (unemployed for more than 1 year) in the total labour force

Source: Labour Force Survey, State Statistical Office

	2007	2008	2009	2010
ALMM share of GDP (%)	0.07	0.16	0.25	0.12

Source: MoLSP