

LAW ON LABOR RELATIONS

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PART I

GENERAL PROVISIONS

Article 1

This Law governs the rights, obligations and liabilities of employees and employers that pertain to employment.

Under this Law, employment signifies a contractual relationship between an employee and an employer, providing for performance of particular tasks and acquisition of the rights and obligations pertaining to such a relationship.

Employer under paragraph 2 of this article shall be: enterprises and legal entities performing business activities, establishments and legal entities rendering public services, government agencies, organs of the local government, domestic and foreign natural persons and legal entities that employ workers.

Article 2

Employment is governed by this and other laws and collective bargaining agreements.

Article 3

Employees enter into employment voluntarily, in the manner and under the conditions provided by law and collective bargaining agreements.

Employment may only terminate in the manner and under the conditions provided by law.

Article 4

Employees shall fulfill all obligations deriving from employment.

Employees shall be personally liable for violations of their duties and for causing damages, in compliance with the statutory provisions and the collective bargaining.

Article 5

Rights pertaining to employment as provided by the Constitution, the law and collective bargaining may not be denied nor limited by regulations or actions of employers.

Article 6

According to this Law and the collective bargaining, the managing body and the legal representative of the employer shall realize their employment rights and obligations with the employer during their appointment and performance of representative duties.

PART II

COMMENCING EMPLOYMENT

1. Conditions for Commencing Employment

Article 7

Persons who satisfy the general requirements provided for in this Law and other laws, as well as the specific requirements provided by law, collective bargaining and regulation of the employer, may commence employment.

Persons over 15 years of age, may commence employment. Persons over 18 years of age, who are in a good state of health for performing difficult, laborious and harmful work, as well as other work as provided by law and regulations of the employer, may perform underground work in mines.

Disabled persons, qualified to perform particular work, shall be considered in a good state of health and capable of performing such work.

Foreign citizens and persons without citizenship may commence employment under the conditions provided for in this Law and other laws.

Article 8

The general requirement for commencing employment is good health, which is determined through a medical examination and verified by a medical certificate.

The state authorities in charge of health shall prescribe in detail the content of, and the procedure for, the medical examination for determining the state of health, as well as the content, the issuing procedure and the validity of the medical certificate.

2. Procedure for Commencing Employment

Article 9

When in need of employees, employers may: advertise the vacancy in the daily newspapers on their own expense; advertize the vacancy in a recruitment agency free of charge; employ, through mediation, an unemployed person listed on the roster of a recruitment agency; without advertisement and in their on discretion, employ a person through a recruitment agency by entering into an employment agreement and having the agreement certified and covering the costs pertaining thereto, in compliance with this and other laws.

Article 9-a

Public institutions, utility enterprises and other legal entities performing public activities, state authorities and municipal authorities, including the city of Skopje shall advertise their vacancies in the daily newspapers.

As an exception, for urgent and pressing duties employment may be entered without public advertisement; however, it may not exceed 30 days and must be instituted through a recruitment agency.

Article 9-b

Decisions regarding employment needs shall be made by the employer, the body or the employee appointed by the employer.

In the employee seeking form filed with the employment mediation agency employers shall include description of the position, the requirements for the position, aptitude test for the performance of the duties, if that is one of the

requirements, the duration of the public advertisement and the selection time period, according to law.

Article 9-c

The selection of the applicants shall be made by the employer, the body or the employee appointed by the employer.

Article 10

Disabled persons may commence employment in compliance with the procedures and conditions provided for in this Law, unless otherwise provided by other law.

Article 11

Article 11 has been erased.

Article 12

Article 12 has been erased.

Article 13

Should this be specified as an employment requirement, an aptitude test for the performance of the duties of the position may be conducted in the manner indicated in the collective bargaining before the final selection, except for trainees.

Article 14

Employment shall commence with the conclusion of an employment agreement between an employer and an employee.

The employment agreement shall be in writing. It shall be concluded following the final selection and shall be verified by a recruitment agency.

The agreement of employment shall be kept at the working premises of the employer.

The employer shall give to the employee a certified copy of the employment agreement.

Article 15

An employee cannot commence employment prior to the conclusion and certification of the employment agreement.

If an employee unjustly fails to commence employment on the date determined in the employment agreement, s/he shall be considered unemployed.

Article 16

An employment agreement shall contain provisions in particularly pertaining to: grounds for commencing employment; term of employment (part time or full time); duties of the employee and place of work; commencing date; testing procedure for working skills, should this be a requirement for commencing employment; working hours; vacations and leave; professional training and development; the base pay amount, pay period and compensations; reassignment; protection from work hazards; termination of employment and other employment rights and obligations in compliance with the Law and the collective bargaining.

Article 17

The recruitment agency shall keep on file concluded and certified employment agreements and upon request of the organ for labor inspection, the Office of the Pension and Disability Insurance Fund and the Health Insurance Fund in the region of the employers head office shall provide information from the certified employment agreements.

3. Employment Booklet

Article 18

Employees commencing employment shall be provided with an employment booklet.

The employment booklet is a public document that is maintained according to the unique personal identification number¹ of the citizens and contains general information about the employee, his/her professional background, details of employment and other information, and serves as a document on the basis of which the right of employment is attained with the employer.

Article 19

Employment booklets shall be issued by the recruitment agency according to the place of residence of the employee.

¹ Translator's note: equivalent to social security number

Employment booklets shall be issued upon written request, to persons of and over 15 years of age, excluding full time pupils and students.

Applicants shall bear the issuing expenses of the employment booklet.

Article 20

Upon commencing employment, the employment booklet shall be handed over to the employer and kept on the business premises during the course of employment.

After the termination of the employment, the employer shall enter the date of termination in the employment booklet and return the booklet to the employee within three days following the termination.

Article 21

The official appointed by the state authorities in charge of labor, shall provide Instructions for Issuing, Content, Filling out, Replacement, Issuing of Duplicates and the Form of the Employment Booklet as well as the Procedure of Maintaining the Employment Booklet Register.

4. Full Time and Part Time Employment

Article 22

Employment may commence for a period of time that has not been previously determined (full time employment).

Article 23

Employment may commence for a period of time that has previously been determined (part time employment), particularly in the following instances:

- 1) seasonal work, for a maximum of nine months in the course of one
calendar year;
- 2) increased scope of work, for a maximum of six months in the course
of one calendar year;
- 3) replacement of an absent employee, during the period of absence

and

4) work on a particular project, until the completion of the project.

In instances under paragraph 1 of this article, employees are shall have the same rights and obligations as full time employees.

Article 24

For employees who are engaged in part time seasonal work and who have rendered over 40 hours in the working week during the period of employment, the overtime hours shall be calculated in full working days and shall be computed in the years of service.

5. Trainees

Article 25

Employers may hire unemployed persons, who have completed at least four years of secondary education, as full time or part time trainees, for the purpose of vocational training and independent work in the profession.

Article 26

The maximum duration of the training period shall be one year, unless otherwise provided by law.

The collective bargaining shall provide for the duration of the training period, the vocational training process, the supervision and appraisal of the trainees, the salary amount and the trainees rights to other allowances.

6. Reassignment of Employees

Article 27

Employees shall be engaged in work at the position for which they have been hired.

Employees may be reassigned to any position that corresponds to their qualifications in the instances provided by the collective bargaining.

The decision of reassignment shall be made by the employer or by an employee appointed by the employer.

Article 28

Employees shall, as a rule, perform their working duties on the working premises of the employer or at home, if so permitted by the nature of the duties.

Article 29

Employees may be reassigned from one position to another if the distance of the place of work does not exceed 50 kilometers and if transportation is provided either with public transport or with the employers' vehicles.

If the activities are such that they require work outside the working premises of the employer (construction, installation, traffic and communications, geological research, etc.) and the distance from the place of work exceeds 50 kilometers, employees may be reassigned to different places of work if they are provided with appropriate accommodation and meals or with transportation to and from work, in compliance with the employment agreement.

PART III

EMPLOYEES RIGHTS AND THEIR STATUS

1. Working Hours

Article 30

Working hours amount to 40 hours per working week (full working hours).

Employers may introduce working hours shorter than 40 hours per week in the cases and under conditions provided by this Law (reduced working hours).

Article 31

Employers may introduce working hours shorter than 40 hours per week in cases when work is organized in shifts, but not less than 32 hours for employees working in shifts.

The rights of the employees under paragraph 1 of this article shall be equal to the rights of employees working 40 hours per week.

Article 32

The working hours of employees exposed to exceptionally difficult, strenuous and detrimental jobs, with harmful effects on the employees health, i.e. their working capabilities, which cannot be fully eliminated through protective measures, shall be reduced in proportion to the harmful effects to their health or working capability, but not less than 30 hours per working week, in compliance with the collective bargaining.

The working hours under paragraph 1 of this article shall be considered full working hours.

The following jobs are considered exceptionally difficult, strenuous and detrimental to human health: exceptionally difficult physical labor; work under increased atmospheric pressure or intense noise; work in water or under high humidity; work exposed to ionizing radiation; work with patients contaminated with contagious diseases or with infected materials; surgical work in operating rooms; psychiatry work; work with patients undergoing strenuous obstacles in mental development; work in forensic medicine and pathological anatomy; work with harmful chemicals; work of aviation personnel; ballet dancers; wind instrument musicians; folk dancers and opera singers.

Official approval of reduced working hours for the jobs under paragraph 3 of this article shall be issued by the state authorities in charge of labor related issues, based on an opinion previously given by an institute specialized in labor medicine and labor inspection.

Employees assigned to the jobs listed in paragraph 3 of this article cannot work longer than the reduced working hours that have been determined.

Article 33

Employers may assign shorter working hours than those considered as full time for the completion of everyday duties in smaller scope or if the nature of the work requires so.

Employees who have commenced employment as provided in paragraph 1 of this article, shall be conferred employment rights and obligations, in volume depending on the length of the duties and the working results, in compliance with the collective bargaining.

Article 34

Employees assigned to positions with reduced working hours may commence employment with more than one employer and consequently achieve full working hours.

In the cases under paragraph 1 of this article, employees acquire employment rights with the employer if they have rendered a larger number of hours than those designated.

Article 35

As exception, working hours may exceed 40 hours per working week, but may not surpass 10 hours per week, in the following instances:

- 1) during earthquakes, floods, fires, epidemics, epizootics and
other force majeure or disasters which have already occurred
or
present a direct threat;
- 2) for helping other employers who have suffered a misfortune
or
are directly threatened by one;
- 3) when essential to complete an initiated working process,
whose intermission, considering the disposition of the
technology and organization of work, would cause
considerable
material damage or would present a threat to people's life
or
health;
- 4) to prevent squandering of raw materials or substances, or
to
eliminate the defects of the instruments of labor;
- 5) to replace the unexpected absence of an employee in a
continual
working process;
- 6) to begin or complete urgent medical (human or veterinary)
intervention or other pressing health measures and
- 7) to complete urgent and pressing activities in the working
process.

In cases under paragraph 1 of this article, employees are obliged to work and the filing of a complaint shall not detain the effectuation of the decision.

Working hours exceeding 40 hours in the working week may last only as long as it is necessary to eliminate risks or to prevent damaging effects.

The decision for longer working hours shall be brought by the employer or an employee that the employer has appointed.

Article 36

Working hours between 10:00 p.m. and 6:00 a.m. the following day, and in the agriculture between 10:00 p.m. and 4:00 a.m. the following day, shall be considered as night work.

Nightly working hours represent a specific working condition, when determining the rights of the employees.

Article 37

Working hours may be rearranged if required by the disposition of the job, i.e., tasks and duties, organization of the work, better utilization of labor, more rational use of working hours and completion of certain jobs and tasks within set terms.

In the cases pertaining to paragraph 1 of this article, working hours shall be rearranged in such a way that the total working hours of employees on the average are not to exceed 40 hours in the working week in the course of the year.

Article 38

The schedule of working hours within the framework of the annual working hours, shall be provided by an employers' decision, in compliance with the collective bargaining.

Article 39

The schedule and the duration of the working hours related to professions in the field of transport and communications, retail trade, health, social and child welfare, pre-school guidance, education and other non-commercial public services, public utilities, catering, tourism, handicraft activities and in other fields, shall be provided by law or a regulation issued by the state authorities in the appropriate field.

2. Vacations and Leaves

Article 40

Employees are entitled to a 30 minute recess during the daily working hours.

Recesses during working hours shall be organized in a way to ensure continuity of work, should the nature of the work be such that it does not permit intermissions or should it involve work with clients.

The recess under paragraph 1 of this article shall be computed into the daily working hours.

The recess under paragraph 1 of this article may not be set at the beginning or at the end of the working hours.

Article 41

Employees shall be entitled to a leave between two consequent working days of at least 12 hours continual work.

During seasonal work, employees shall be entitled to a leave pursuant to paragraph 1 of this article, in duration of at least 10 hours, whilst employees under 18 years of age in duration of at least 12 hours.

Article 42

Employees shall be entitled to a weekly leave of at least 24 hours continually, however, should they be required to work during the weekly leave, the leave hours are to be compensated during the next working week.

Article 43

Employees shall be entitled to an annual leave during the course of one calendar year of a minimum of 18 and a maximum of 26 working days.

Employees who have not accumulated one year of work in the calendar year in which they have commenced employment, shall be entitled to an annual leave of two working days per month of employment, but not exceeding 18 working days.

The duration of annual leave for employees working under specific working conditions shall be provided by branch collective bargaining agreements, however, it may not exceed 36 working days.

The duration of the annual leave shall be determined by the

employer particularly on the basis of: the length of working experience, the complexity of the working duties, the working conditions and the employees state of health.

Article 44

As a rule, annual leave shall be taken during the course of the calendar year.

Annual leave may be taken in two portions.

Should employees take annual leave in portions, the first portion must be taken continually, lasting at least 12 working days in the course of the calendar year, and the second portion also in continuity, latest by June 30 of the following year.

Annual leave, i.e., the first portion of annual leave that has been interrupted or has not been taken in the calendar year due to sickness or maternity leave, may be taken by employees latest until June 30 the following year, provided that employees have worked at least six months in the year prior to the year in which they have returned to work.

Article 45

Employers or organs appointed by employers shall determine the schedule for taking annual leave, in compliance with the collective bargaining.

Employees must be notified at least 30 days prior to taking annual leave, of the schedule and duration of annual leave as required in the collective bargaining.

Employees may take one-day annual leave as desired, with the obligation that they notify employers within the period provided for in the collective bargaining.

When determining the duration of the annual leave, Saturdays shall not be considered as working days.

Periods during military service or completion of military service shall not be considered as suspension of work for the purpose of attaining the right to annual leave.

The commencement of new employment, within eight days from the termination date of the previous employment, shall not be considered as suspension of work for the purpose of attaining the right to annual leave.

Article 46

Employees may not waive the right to be paid daily, weekly and annual leave, nor may they be denied the said right.

Article 47

Approved sick leave, while on annual leave, shall not be computed in the annual leave.

Employees shall notify employers within 24 hours when taking sick leave.

Article 48

Employees shall be entitled to a paid leave from work and other employment rights, in cases and under conditions provided in the collective bargaining, in compliance with this Law.

Approval of leave under paragraph 1 of this article shall be given by the employer or authorized employees.

Article 49

Blood donors shall be entitled to two subsequent days of leave for each blood donation that shall be considered as working days.

Article 50

Employees shall be entitled to seven days paid leave from work during the calendar year, in the instances and under the conditions provided by the collective bargaining, particularly in cases of marriage, death of a close family member and for professional or other kinds of examinations that serve the needs of the employer.

Should employees be assigned to professional training, the leave under paragraph 1 of this article may exceed seven working days.

Article 51

Employees shall be entitled to a leave without compensation of pay in the instances and under the conditions provided by the collective bargaining, but shall not exceed three months during the calendar year.

During leave without pay, employment rights and obligations shall be set at rest.

Article 52

Employees who have suspended work with employers due to military service or completion of military service, shall be entitled to return to the working position which corresponds to the qualifications of the particular profession within 30 days after completion of service.

Article 53

Employees assigned to work abroad in the field of international, technical or educational, cultural and scientific cooperation, in diplomatic or consular missions, on vocational training or scholarships, by approval of the employer, shall be entitled to return to work for the employer at positions that correspond to the qualifications of the particular profession within 30 days from termination of employment abroad.

Employment rights and obligations shall be set at rest upon the request of employees, whose spouses are assigned to work abroad in the field of international, technical, educational, cultural or scientific cooperation, in diplomatic or consular missions, and shall be entitled to return to work for the employer at the position that corresponds to the qualifications of the particular profession within 30 days from the termination date of the spouse's employment abroad.

During the absences from work under paragraphs 1 and 2 of this article, employment rights and obligations shall be set at rest, excluding the rights and obligations that are otherwise provided by law.

Article 54

Employees who are elected or appointed to state or public functions determined by law which require temporary cessation of work with employers, shall be entitled to return to the position corresponding to the employees qualifications within 30 days upon termination of the performed function.

3. Protection of Employees at Work

Article 55

Employers shall provide the necessary conditions for

protection against hazards at work in compliance with this Law, other laws and the collective bargaining.

Employees shall employ all prescribed measures and standards of protection against hazards at work in accordance with this Law and the collective bargaining to protect themselves against hazards at work.

Employees shall observe the measures for protection against hazards at work and perform the duties carefully in order to protect their lives and health and those of other employees and civilians.

Article 56

Employers shall notify employees of all the dangers at work and of the rights and obligations regarding the protection against hazards at work and the working conditions.

If the prescribed measures for protection against hazards at work have not been implemented, employees shall be entitled to refuse work, should their lives or health be under direct threat.

In the cases under paragraph 3 of this article, employers shall be required to undertake immediate measures to eliminate direct threats to the lives and health of the employees.

Article 57

Considering the current scientific methods and achievements, employers shall organize the working process in a manner that will ensure safety at work and protection of the civilians' health, that is, shall create working conditions and undertake the prescribed measures and regulations and other generally approved measures for protection against hazards at work that ensure the mental and physical health and personal safety of the employees and civilians.

4. Special Protection of Women, Juveniles and Disabled Employees

Article 58

Female employees shall be entitled to nine months continual leave from work during pregnancy, birth and maternity, and one year leave for birth of more than one child (twins, triplets, etc.).

Based on the findings of authorized medical institutions, female employees may begin maternity leave 45 days before delivery and compulsorily 28 days before delivery.

Female employees who have adopted a child shall be entitled to a leave until the child is nine months old and one year leave for the adoption of more children (two or more).

Female employees who have adopted children between the age of nine months and five years shall be entitled to three months leave from work.

During maternity leave under paragraphs 1 and 3 of this article, female employees shall be entitled to compensation of pay in compliance with the health care regulations.

Article 59

The child's father shall be entitled to the rights under article 58 of this Law in cases of the mother's death, abandonment or if she has been prevented to employ the above rights for justified reasons.

Child adopters shall have equal rights to those of the parents under articles 58 and 59 of this Law.

Article 60

In cases of death at birth or death of a child before the expiration of the maternity leave, female employees shall be entitled to extend maternity leave for the period of time that, on the basis of the physician's findings, will be necessary for recovery from the delivery and the psychological distress caused by the loss of the child, for a minimum of 45 days, during which they shall be provided with all maternity leave rights.

During the leave pertaining to paragraph 1 of this article and article 58 paragraph 2 of this Law, female employees shall be entitled to salary compensation in compliance with the health care regulations.

Article 61

Female employees shall not work longer than the full working hours nor in night shifts during pregnancy or with children under two years of age.

With the exception of the provision under paragraph 1 of this article, female employees with children over one year of age may work in night shifts only at their request.

Self supporting parents, whose children are under the age of seven or disabled, may work longer than the full working hours or in night shifts solely on the basis of their written consent.

Article 62

One of the parents of handicapped children shall be permitted to work half of the full working hours in cases when either both parents are employed or if the parent is self supporting, based on the findings of an competent medical board and if the child is not placed in a social or medical institution.

Reduced working hours under paragraph 1 of this article shall be considered full working hours, and the right to salary compensation shall be acquired in compliance with the social security regulations.

Article 63

Male and female employees under 18 years of age may not perform work provided for in the collective bargaining which involves strenuous physical labor, underground or underwater work or other jobs that may be harmful or threatening to their health and lives.

Article 64

Employees under 18 years of age shall receive annual leave according to the general rules and standards by which the length of annual leave is determined for other employees and increased by additional seven working days.

Article 65

Female employees working in industries and building construction may not be assigned to night shifts unless a minimum seven hour break has been provided between 10:00 p.m. and 5:00 a.m. the following day.

The prohibition under paragraph 1 of this article does not pertain to female employees granted special authorities and responsibilities or those engaged in health, social or other protection of the employees.

With the exception of the provision under paragraph 1 of this article, female employees may be assigned to night shifts when they are required to continue work that has been interrupted due to force majour or when needed to prevent damages to raw materials or other substances.

Female employees may be assigned to night shifts when compelled by particularly critical economic, social and similar circumstances and under condition that employers are granted approval for initiating such endeavors.

The approval under paragraph 4 of this article, shall be issued by the state authorities in charge of labor related issues.

Article 66

Employees under 18 years of age may not be assigned to work longer than the full working hours.

For employees under paragraph 1 of this article the collective bargaining may provide for shorter working hours.

Article 67

Employees under 18 years of age employed in the fields of industry, building construction or transport, may not be assigned to night shifts between 10:00 p.m. and 6:00 a.m. the following day.

With exceptions, when compelled by public interest, owing to exceptionally difficult circumstances, employees under 18 years of age, may be assigned to night shifts under the same conditions provided to other employees engaged in night shifts and with the approval of the state authorities in charge of labor related issues.

Article 68

Disabled employees shall be entitled to reduced working hours, reassignment or employment to other appropriate positions, retraining and improvement of skills, as well as the right to proper financial compensation pertaining to the utilization of those rights, in compliance with the pension and disability insurance regulations.

Employees whose working skills have been altered and those engaged in occupations where there is the threat of injury, shall be entitled to reassignment to other appropriate positions.

In the cases under paragraphs 1 and 2 of this article, employers shall engage employees in positions corresponding to their qualifications, under the conditions and in the manner provided by the collective bargaining.

5. Salaries and Benefits

Article 69

Employees shall be entitled to payment of salaries.

The salaries of the employees shall be provided from the employers resources, in proportion to the work rendered and their participation in the earnings, according to the conditions and criteria provided for in the collective bargaining.

Article 70

The salaries of employees rendering full working hours may not be less than the lowest salary that is provided for particular levels of work complexity, according to law or the collective bargaining.

Article 71

Salaries shall be computed and paid at least once a month.

Salaries for the current month shall be paid in money.

Contributions and taxes on employees' salaries shall be paid by employers together with the salaries.

Article 72

Employees shall receive salary compensation during leave from work, under conditions and in the amount provided by law and the collective bargaining, particularly: during annual leave; holiday leave; during pregnancy, delivery and maternal care; child care; retraining and improvement of skills; vocational training arranged by the employer; military drills; defense and protection training; responses to invitations issued by organs without the employees knowledge and other cases provided by law and the collective bargaining.

Salary compensations shall be the responsibility of employers or of the body in charge.

Article 73

Employees shall receive salary during work interruptions caused by factors beyond the employees' responsibilities such as deficiency of energy, raw materials or reproduction materials, or malfunction repairs, not exceeding 30 days, in

cases when lost working hours cannot be offset during free days or weekends.

The compensation amount under paragraph 1 of this article shall be provided for in the collective bargaining.

Article 74

Employees shall be entitled to increased salary for work during holidays, night shifts and work exceeding 40 hours in the working week, at amount provided for in the collective bargaining.

Article 75

Employers shall keep records of salaries, compensations and salary allowances and issue a document to the employees for payment of salaries, compensations and allowances.

Evidence of salaries, compensations and allowances shall be kept on the working premises of the employer.

PART IV

TRADE UNIONS AND EMPLOYERS

Article 76

Employees shall have the right to establish trade unions for the purpose of exercising their economic and social rights resulting from employment and provided by law and the collective bargaining.

Employees shall be free to join a trade union.

Employees and employers shall, without prior approval, form organizations and have freedom of choice in joining these organizations, under the conditions provided in the statute. The organizations listed under paragraph 3 of this article, encompass all organizations of employees and employers whose main objective is to improve and protect the employees and the employers' interests.

Article 77

The organizations of employees and employers shall enact their statute, regulations and program, elect their delegates and set the method of administration and management of their

activities.

Article 78

The organizations of employees and employers may not be released nor can their activities be suspended by way of administrative procedures if they are established and function according to the law and other regulations.

The activities of the trade unions and their delegates may not be restrained through acts of the employers if so provided by law and the collective bargaining.

Article 79

According to law, employees shall be entitled to go on strike for the purpose of attaining their economic and social rights resulting from employment.

Article 80

Pursuant to this Law, trade union delegates are individuals that have been freely elected by the trade union, members of the trade union -or employees, in compliance with the statute and have been recorded in the registry of the trade union organizations.

Article 81

Trade union organizations shall be entered in separate registries administered by the organ of the government administration in charge of labor related issues.

Article 82

Employers shall facilitate the activities of the trade union regarding the protection of employment rights of the employees.

In cases of formation of more than one trade union with the employers, the obligations under paragraph 1 of this article shall imply solely to the predominant trade union.

Article 83

Delegates of trade union organizations shall be granted special protection and are not liable to be called on nor can they be placed in unfavorable positions involving employment termination, due to trade union membership or participation in trade union activities which protect the employees rights and

interests, should they be in compliance with the law and the collective bargaining.

Trade union delegates shall be granted special protection during their mandate.

PART V

COLLECTIVE BARGAINING

Article 84

Collective bargaining agreements shall regulate employment rights, obligations and responsibilities of the employees and employers, in compliance with the law and other regulations, as well as the extent and means of fulfilling the rights, obligations and other provisions pertaining to the interests of the employees and employers and the procedures for the settlement of mutual disputes.

Collective bargaining agreements shall be implemented directly and are mandatory in organizations that have concluded the said agreements on behalf of all employees and employers.

Article 85

The collective bargaining agreements shall be concluded in writing, for a limited or unlimited term.

Article 86

Collective bargaining agreements may not contain provisions that provide for inferior rights or less favorable working requirements than the rights and requirements defined by law. Should collective bargaining agreements contain such provisions, the corresponding statutory provisions shall prevail.

Decisions and acts which determine the employees' rights may not oppose the collective bargaining unless they are more beneficial to the employees.

In cases when employers perform several activities, the provisions of the collective bargaining pertaining to the activity occupying most of the employees shall apply.

Article 87

Collective bargaining agreements shall be concluded on the

level of the Republic, as branch agreements or with employers.

Article 88

On the level of the Republic of Macedonia, the leading trade union organization of the employees shall conclude a general collective bargaining pertaining to employees and employers of the economy of the Republic.

On the level of the Republic of Macedonia, the Government of the Republic of Macedonia and the leading trade union organization shall conclude a general collective bargaining pertaining to public services, public enterprises, government agencies, organs of the local government and other legal entities rendering non-commercial activities.

Article 89

The empowered trade union organization and the empowered organization of the employers, that have been appointed by the bylaws of the trade union organization and that of the employers organization, shall conclude a branch collective bargaining.

Article 90

Collective bargaining agreements on the level of employers shall be concluded by managing boards or other respective management bodies, that have been appointed by law, i.e., with the bylaws of the employers, i.e., between employers and trade unions.

Article 91

A collective bargaining agreement shall be deemed concluded when the authorized delegates of the participants in the collective negotiations have signed it.

Article 92

General and branch collective bargaining agreements and their amendments and annexes are registered in the organ of the government administration in charge of labor related issues and shall be published in the Official Gazette of the Republic of Macedonia.

Collective bargaining agreements on the level of employers shall be made in the form provided for therein.

Article 93

Should the organ of the government administration in charge of labor related issue decide during the registration of general and branch agreements, that particular provisions of the collective bargaining are not in compliance with the law or the general collective bargaining, the signatories of the agreement shall be notified and the term for reconciliation shall be set.

Should the signatories of the collective bargaining fail to eliminate the unresolved provisions within the set term, the official of the government administration organ will undertake legal action with the authorized court to examine the legitimacy.

Article 94

Should disputes arise during the conclusion, amendment or annexation of a collective bargaining, they shall be resolved as provided in the collective bargaining.

In cases of disputes related to collective bargaining agreements, special council of arbitrators shall resolve the questions at issue.

Collective bargaining agreements shall define the structure, the functioning process and the legal impact of the decision of the council of arbitrators.

Article 95

Collective bargaining agreements shall cease to be valid after the set date of expiration.

The validity of collective bargaining agreements may be extended by way of settlement of the participants, which is to be concluded 30 days latest before the expiry of the collective bargaining agreement and registered with the empowered organ determined in article 92 of this Law.

The validity of collective bargaining agreements, concluded for an unlimited period, may cease through settlement of the participants as provided in the agreement.

Article 96

Participants in collective negotiations may control the application of collective bargaining agreements in ways determined by the collective bargaining.

Article 97

When determining salaries, participants in the collective negotiations shall consider the defined salary policy and the basic accumulative amounts in the macro-economic policy of the appropriate year.

The Government of the Republic of Macedonia shall notify the participants in the collective negotiations, should the evaluations of the accumulative amounts alter, as designated in paragraph 1 of this article.

The Government of the Republic of Macedonia shall propose the passing of a law, should the participants in the collective negotiations fail to observe the defined salary policy.

The Government of the Republic of Macedonia may form a committee in charge of salaries and comprised of delegates of the trade union organizations, employers and Government members, that shall indicate to the participants in the collective negotiations the salary determining factors in accordance with the accumulative amounts in the macro-economic policy of the appropriate year.

PART VI

LIABILITIES

Article 98

Employees, who are liable for causing damages to employers at work or pertaining to work, shall pay compensation for the damages.

Should the damage be caused by several employees, each employee shall be liable for their portion of the damage.

In cases when the portion of the damage cannot be determined for each employee, all employees shall be equally liable for the damage and shall compensate the damage in equal portions.

In cases when several employees cause damages committed as a premeditated criminal act, they shall be charged collectively.

Article 99

The managing board or the organ appointed by the board, shall initiate a procedure for the purpose of delineation and compensation of the damages.

In cases when damages cannot be estimated by observing the price list of the employer, an expert committee, appointed by the employer or by an organ appointed by the employer, shall determine the existence of damages, their occurrence, the extent of the damages and their cause.

Article 100

Decisions for compensation of damages shall be brought by employers or their appointed organs.

Employees may file a complaint against the decision for compensation of damages to the organ, as provided in the collective bargaining, within eight days following the issuing date of the decision.

Article 101

Employers shall file a complaint against employees with the court that has jurisdiction over the matter, should they fail to compensate damages within three months from the final decision of the employers.

Article 102

Employers may release employees from compensation payments of damages either partially or in full, due to justified reasons and under the conditions, instances and standards provided for in the employers collective bargaining.

Article 103

Employers shall be liable for damages induced by employees on individuals or legal entities either at work or pertaining to work.

Employers shall be entitled to demand compensation payments from employees that have induced damages intentionally or through extreme carelessness.

Article 104

Should employees suffer damages at work or pertaining to work, employers shall compensate the damages in accordance with the general principles for damage liability.

Should employers and employees fail to reach an agreement for the compensation of damages within 15 days from the final decision, employees shall be entitled to demand compensation for the damages from the court that has jurisdiction over the matter.

PART VII

TERMINATION OF EMPLOYMENT

Article 105

Employment shall terminate in the following instances:

- 1) by agreement;
- 2) following the expiration term of the employment contract;
- 3) as a matter of law;
- 4) by cancellation notice and
- 5) due to economic, technological, structural or similar transformations.

1. Termination of Employment by Agreement

Article 106

Employment may terminate following a written agreement of termination between employers and employees.

The agreement pertaining to paragraph 1 of this article shall be concluded between employees and the managing bodies, i.e., employers.

2. Termination of Temporary Employment

Article 107

Employment established on a temporary basis shall terminate after the expiration term of the employment.

3. Termination of Employment as a Matter of Law

Article 108

Employment shall terminate as a matter of law in the following instances:

- 1) when it is provided, according to the procedure prescribed by law, that employees are no longer capable of work - on the date of issuing the effective decision that will determine the loss of working abilities;

2) when according to the provisions of law, i.e., on the basis of the effective decisions issued by the court or another organ, employees are prohibited to perform certain tasks and duties and may not be appointed to other positions - on the date of issuing the effective decision;

3) when the employees are absent from work over six months due to a confined prison sentence - on the enforcement date of the sentence;

4) when employees are absent from work due to pronounced measures of safety, guidance or protection, lasting over six months,- on the date the measure is implemented.

5) when employees accrue 40 years of service or 65 years of age and a minimum of 15 years of service with insurance and when employers decide to terminate employment, in compliance with the statutory provisions and the collective bargaining, and

6) when proceedings have begun regarding the discontinuation of legal entities, under conditions and in the manner provided by law.

The decision of employment termination shall be brought by the managing bodies or the employers.

4. Termination of Employment Through Notice

Article 109

Employment shall terminate through notice received from employers or given by employees, under the conditions provided by law and the collective bargaining.

Article 110

Employment shall terminate through notice given by employees in the form of a written statement requesting termination of employment.

The notice term, pertaining to paragraph 1 of this article, shall be set for a minimum of 30 days from the date of submitting the notice request, unless otherwise resolved with the employer.

Article 111

Employment shall terminate through notice received from

employers, when employees are incapable of fulfilling the working duties determined by law, the collective bargaining and the employment contract, or for violating the working discipline and order.

Article 112

Employment may not terminate through notice received from employers without justifiable grounds concerning the employees behavior or should the reasons not be related to the functioning needs of the employers.

Article 113

The following instances shall not be considered justifiable grounds for termination of employment by notice received from the employer:

- 1) membership in trade unions or participation in trade union activities in compliance with the law and the collective bargaining agreement;
- 2) filing complaints or participating in proceedings against employers concerning violations of law or other regulations, or applying to government organs.
- 3) during maternity leave;
- 4) during approved sick leave;
- 5) during approved leave from work and annual leave;
- 6) during military service or military training;
- 7) during advanced training for the requirements of employers and
- 8) during other instances of discontinuance of employment provided by law.

Article 114

Employment may terminate through notice received from employers should employees be provided with working prerequisites and appropriate instructions, guidelines or written notification from employers stating their disapproval of the working performance, and should employees fail to improve their work after 30 days from the expiration date of the provided instructions, guidelines and notifications.

Article 115

Employment shall terminate through notice received from employers due to transgression of the working discipline or nonfeasance of the responsibilities provided by law, the collective bargaining and the employment contract particularly for:

- 1) disobeying the rules of order and discipline prescribed by employers;
- 2) nonfeasance or dishonest and delayed performance of the working duties;
- 3) disregarding regulations pertaining to the fulfillment of the working duties;
- 4) disregarding the scheduled working hours;
- 5) failing to request leave or to notify employers promptly when taking leave;
- 6) unapproved leave during three consecutive working days or five discontinued working days in the course of one year;
- 7) failing to notify employers within 24 hours of absence from work due to illness or justified reasons;
- 8) misuse of sick leave;
- 9) deficient handling of the instruments of labor or disobeying technical working instructions;
- 10) failing to notify employers immediately of damages, defects or losses caused in the process of work;
- 11) disobeying regulations for protection against illnesses, protection at work, from fire, explosions, harmful effects of poisons and other dangerous substances and violating the regulations for protection of the environment;
- 12) deficient handling or not maintaining the means and equipment for protection at work;
- 13) consuming alcohol and narcotics;
- 14) illegal and unauthorized use of means belonging to the employer;

15) committing theft or causing damages to the employer due to extreme carelessness;

16) misusing and transgressing granted authorization and

17) revealing business and other secrets.

Other transgressions of the order, discipline and responsibilities at work may be provided by law and the collective bargaining.

Article 116

Employers may alternate notices with fines, that are not to exceed 15% of the employees monthly salary, from one to six months, depending on the employees position, the circumstances under which the working responsibilities are violated, the employees previous position and behavior, and the extent of the damage and consequences.

Article 117

Notices of release shall be given to employees in writing together with a written explanation of the reasons for release.

Article 118

By proposal of the managing organs, decisions for termination of employment through notice concerning executives, shall be brought by the employers.

Article 119

The managing organ, who has not been re-elected or has been released from that duty, and whose employment terminates accordingly, shall be given a period of notice in compliance with the provisions of this Law.

Article 120

Managing organs shall decide of the termination of employment through notice concerning those employees who have incurred over 25 years of service or at least 20 years continual work with the same employer.

Article 121

A period of notice may not be shorter than 30 days nor longer

than six months, depending on the length of the years of service and the reasons for notice, in compliance with the collective bargaining.

Employees shall be entitled to rights and obligations resulting from employment during the period of notice.

Article 121-a

Employment shall terminate without a period of notice in the cases when the order and discipline at work are violated or the working responsibilities provided by this or other law, the collective bargaining and the employment contract are not fulfilled, and in particular:

- 1) if the employee is absent from work three consecutive working days or five days in total in the course of one year, without a justified reason;
- 2) if the employee misuses the sick leave;
- 3) if the employee does not abide to the regulation pertaining to protection from diseases, protection from hazards at work, fire, explosion, poisons and other hazardous substances and violates the regulation pertaining to protection of the living environment;
- 4) if the employee brings, uses or is under the influence of alcohol or drugs;
- 5) if the employee steals or causes damage on purpose or due to extreme carelessness;
- 6) if the employee abuses or exceeds the granted authority;
- 7) if the employee reveals a business, official or state secret.

Other instances of violation of the order and discipline at work and non-performance of the working responsibilities may be provided by law and the collective bargaining.

Article 121-b

As an exception to article 121-a of this Law, an employee may be dismissed from the working position or from the premises of the employer with a written order delivered to him/her by an authorized person working for the employer before the decision for release from work has been brought, if:

- 1) the life or the health of the employees or other persons is

endangered or assets of higher value are damaged;

2) if the presence of the employee and his/her further employment with the employer is harmful to the operations of the employer;

3) the employee makes the determination of the liability for violation of the working responsibilities difficult or impossible; and

4) the employee has been charged with criminal act committed at or in relation to work and a criminal procedure has been initiated.

Article 121-v

A complaint against the termination of the employment, that is against the dismissal from the working position or from the premises of the employer as provided in articles 121-a and 121-b shall not prevent the enforcement of the decision for release from work or the written order.

Article 122

During the period of notice, employers shall permit employees to take leave for the purpose of seeking new employment in compliance with the collective bargaining.

During the leave pertaining to paragraph 1 of this article, employees shall be entitled to compensation of salary in compliance with the collective bargaining.

Article 123

Employees may file complaints to the managing organs, i.e., employers, against notices terminating employment.

Complaints shall be filed within eight days from the date of receiving the notice.

Complaints shall be resolved within 15 days from the date of filing.

Employees may initiate court proceedings should the resolution following their complaint be unsatisfactory.

Article 124

Should the court decide, following the employees complaint, that employment has been terminated illegally, the decision terminating employment shall be revoked and employers shall be compelled to return employees to positions corresponding to

their skills and insure the remaining rights and obligations resulting from employment.

**5. Termination of Employment Through Notice,
Due To Economic, Technological, Structural
or Similar Transformations**

Article 125

Employment may terminate through notice due to economic, technological, structural or similar transformations, in cases when employers plan to introduce major changes in production, programming, reorganization, structure and technology, requiring reductions in the number of employees.

Article 126

Prior to introducing the changes listed under paragraph 125 of this Law, employers shall inform employees and trade unions of the types of changes and the consequences following the release of employees, the number and structure of released employees, the measures that will be taken to prevent and alleviate the repercussions succeeding such changes and the guaranteed rights of the employees.

Article 127

Employers shall notify employees of employment termination due to economic, technological, structural or similar transformations, at least six months prior to the termination.

Employers shall notify the recruitment agency of employees whose employment has terminated for the purpose of providing new employment.

Article 128

Employers shall undertake measures to alleviate negative effects following termination of employment, particularly by: limiting the number of new employees; defining the number of employees in order to facilitate the outflow of the labor force; internal reassignment of employees; limiting overtime work; reducing the working hours; vocational retraining and improvement of skills.

Article 129

The number and structure of employees, whose employment will terminate through notice due to economic, technological,

structural or similar transformations, shall be determined based on the standards defined in the collective bargaining observing the requirements for efficient working performance, vocational training and skills, working experience, accomplishments at work, position category and type, years of service, age and other standards defined in the collective bargaining.

The collective bargaining defines the requirements and standards for protection of disabled persons in cases of termination of employment through notice as provided in paragraph 1 of this article.

Article 130

Employment shall not terminate unless one of the below listed rights have been ensured by employers:

- 1) employment with other employers, without previous advertisement of the position, through acceptance and conclusion of employment contracts corresponding to the employees vocational training and skills;
- 2) vocational training, retraining or improvement of skills for employment with the same or with other employers and
- 3) single severance payments at the level of the employees monthly salary for each two years of service with the employer with whom the employee's service terminates and not exceeding 12 monthly salaries earned in the month prior to the date of termination of employment, payable on the date of termination.

Article 131

Utilized severance pay rights shall be recorded in the employment booklets by employers.

Employees, who have utilized severance pay rights, shall enlist in the recruitment agency.

Article 132

Employees who have acquired the right to severance pay shall be entitled to pecuniary compensations and all other rights resulting from unemployment.

Article 133

Employees, whose employment has terminated, shall be given priority of employment with employers, should they seek employees with corresponding skills within a period of two

years.

PART VIII

PROTECTION OF THE RIGHTS OF EMPLOYEES

Article 134

During the fulfillment of particular employment rights, employees shall be entitled to request protection from employers, before the authorized court, the trade union, the inspectorate and other organs in compliance with the law.

Article 135

Employees shall be entitled to lodge claims for the fulfillment of their employment rights and to file complaints against decisions concerning their rights, liabilities and obligations.

Employees shall submit claims and complaints to the organ determined in the collective bargaining, within 15 days from the issuing date of the decision violating their rights or from the perceived date of the violation of rights.

The lodging of claims and complaints provided under paragraph 1 of this article, shall restrain the enforcement of decisions until the employers final decision, except in cases determined by law.

Article 136

The court that has jurisdiction shall render a decision within 15 days from the submission date of the claims or complaints.

Article 137

The administrative organ shall, prior to bringing the decision pertaining to the claim or complaint submitted by employees, seek the opinion of the employees trade union, and further examine and explicate the opinion of the trade union should it be provided.

Trade unions may participate in the proceedings before the administrative organ that are to resolve the claim or complaint submitted by employees, and at employees' request or approval, shall act on their behalf for the purpose of fulfilling their rights.

Article 138

Employees, who are discontent with the final decision brought by the administrative organ, or should the mentioned organ fail to bring a decision within 15 days from the submission date of the claim or appeal, may request protection of their rights before the authorized court within the subsequent 15 days period.

Employees may not seek protection of their rights before the authorized court prior to requesting protection of their rights before the administrative organ of the employer, excluding the right to pecuniary claims.

Employers shall, without delay, enforce the court decision for protection of the employees rights effected during the proceedings or latest within eight days from the date of submission, unless another term is set by the court.

PART IX

**SUPERVISION AND INSPECTION
IN THE FIELD OF EMPLOYMENT**

Article 139

The organ of the government administration in charge of labor inspection, shall supervise the implementation of laws and other regulations pertaining to labor relations and employment as well as collective bargaining agreements and employment contracts and other regulation that regulate the employment rights, liabilities and obligations of the employees and the employers.

Matters concerning the supervision of labor shall be conducted by labor inspectors.

Article 140

Employees shall be entitled to complain to labor inspectors for the purpose of fulfilling their employment rights.

Labor inspectors shall act on behalf of the employees complaints, to notify them of the determined conditions and give advise of how to protect their rights.

Article 141

Should labor inspectors discover violations of the law, other regulations, collective bargaining agreements or employment

contracts, whose implementation they are to supervise, they shall warn the employer to correct the discovered irregularities and deficiencies within a set period of time.

Employers shall notify the inspectors in writing of their performance pursuant to the warning.

Article 142

Should a labor inspector determine that the rights of an employee have been violated with the final decision of the administrative organ, and that such employee has initiated a labor dispute before the court that has jurisdiction, the labor inspector shall bring a decision deferring the enforcement of the final decision until the court judgment becomes effective.

Article 143

Labor inspectors shall prohibit work on the employers working premises by way of decision in the following instances:

- 1) should they come across individuals who have not commenced employment in compliance with the law and the collective agreement and
- 2) for non-payment of contributions - if employees do not receive health, pension and disability insurance on the basis of employment.

The prohibition of work, pursuant to paragraph 1 of this article, shall last until the discovered irregularities and deficiencies have been eliminated.

Should employers repeat the irregularities and deficiencies pertaining to paragraph 1 of this article, the prohibition of work shall last 60 days from the date of delivering the decision.

Article 144

Complaints may be lodged to the official of the government administration organ in charge of labor related issues against the decision of the labor inspector under articles 142 and 143 of this Law, within a period of eight days from the receipt of the decision.

The enforcement of the decision shall not be deferred by complaints.

PART X

PENALTY CLAUSES

Article 145

Employers shall be fined for violations with penalties in the amount between 50.000 to 250.000 mk denars in the following instances:

- 1) for hiring employees that do not fulfill the general and specific working requirements (article 7);
- 2) if agreements of employment have not been concluded between employers and employees; if agreements are not composed in writing after the final selection and if they have not been verified by the recruitment agency and delivered to the employees; if agreements of employment are not kept on the working premises of employers (article 14);
- 3) if employees commence employment prior to concluding and verifying agreements of employment (article 15 paragraph 1);
- 4) if employees are ordered to work longer than the working hours determined by law (articles 30, 32 paragraph 1 and 5);
- 5) for failing to observe the regulations pertaining to the schedule and duration of the working hours in the fields and professions under this Law (article 39);
- 6) for failing to provide: recess during the daily working hours, leave between two consequent working days, weekend leave and annual leave in compliance with this Law (articles 40, 41, 42 and 43);
- 7) for depriving employees the right to return to work after discontinuation, due to military service or completion of military service, when employees and their spouses have been assigned to work abroad or when employees are elected or appointed to state or public functions (articles 52 53 and 54);
- 8) for failing to protect employees at work and protecting the health of civilians in compliance with the provisions of this Law and other regulations (articles 55, 6 and 57);
- 9) for failing to provide special protection of male and female employees under 18 years of age (articles 58 and 67);
- 10) for failing to reassign disabled employees are reduced

working to other appropriate positions (article 68);

11) for failing to pay salaries and salary compensations to employees in compliance with the provisions of this Law and the collective bargaining (articles 69-74);

12) for not facilitating the activities of the trade union (article 82) and

13) for bringing a decision that will terminate employment through notice contrary to the provisions of this Law (articles 109-133).

Responsible employees, appointed by employers, shall be fined for violations with penalties in the amount between 10.000 and 50.000 mk denars.

Article 146

Employers shall be fined with penalties in the amount between 30.000 and 200.000 mk denars for the following violations:

1) if they employ workers contrary to this Law (article 9);

2) if they do not announce the vacancies in the daily newspapers (article 9);

3) if in the vacancy form they do not include the following information: the advertised position, the requirements for the position, the results of the aptitude test for the performance of the duties, the duration of the advertisement and the time limit for selection (article 9-b);

4) if employment booklets are not kept on the employers working premises during the course of employment, if the date of employment termination is not entered in the employment booklet, and if employment booklets are not returned to employees within three days following termination (article 20);

5) if employees, who have commenced employment for a limited period, are deprived of their entitled rights in compliance with this Law (article 23 paragraph 2);

6) if employees are assigned to positions contrary to the provisions of this Law (articles 27-29);

7) if approved sick leave is computed as part of annual leave (article 47 paragraph 1);

8) if the employees salaries, compensations and salary allowances are not kept on record and if evidence of salaries, compensations and allowances are not kept on the employers working premises (article 75);

9) for not enforcing the court decision within the set period for the protection of the employment rights of the employees effected during the proceedings (article 138 paragraph 3) and

10) for failing to enforce decisions or not eliminating the determined deficiencies (article 141 paragraph 1, article 142 and 143).

Responsible employees, appointed by employers, shall be fined for violations with penalties in the amount between 10.000 and 50.000 mk denars.

PART XI

TRANSITIONAL AND CONCLUDING PROVISIONS

Article 147

Collective bargaining agreements shall be concluded or coordinated within a period of three months from the date this Law comes into force.

Article 148

The Labor Relations Law (Official Gazette of the SRM No. 20/90, 27/90, 10/91 and Official Gazette of the Republic of Macedonia No. 18/92 and 12/93) and the Law on Basic Rights of Employment (Official Gazette of the SFRJ No. 60/89 and 42/90) shall no longer be valid on the date this Law enters into force.

Article 149

This Law shall enter into force on the eighth day from the date of publication in the Official Gazette of the Republic of Macedonia.