

LABOR RELATIONS LAW

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PART I

GENERAL PROVISIONS

Article 1

This Law regulates the implementation of rights, obligations and responsibilities of the employee and employer pertaining to employment.

Under this Law, employment signifies a conformed relation between the employee and employer, for the purpose of performing particular tasks and acquiring the rights and obligations of that relationship.

An employer, under paragraph 2 of this article, designates: enterprises and other legal entities performing business activities, establishments and other legal entities rendering public services, government agencies, organs of the local self-government and other domestic and foreign physical persons and legal entities which employ workers.

Article 2

Employment is regulated by this Law, other laws and collective agreements.

Article 3

The worker commences employment voluntarily, in the manner and under conditions determined by law and a collective agreement.

Employment may terminate solely in procedures and under conditions determined by law.

Article 4

The worker is obliged to fulfill obligations derived from employment.

The worker assumes personal responsibility for violations of working obligations and caused damages in compliance with the provisions of law and the collective agreement.

Article 5

Employment rights, ratified by Constitution, law and collective agreements, cannot be deprived nor restrained by enactments and actions undertaken by the employer.

Article 6

According to the provisions of this Law and the collective agreement, the managing body or legal representative of the employer, acquires employment rights and obligations with the employer, during the appointment and performance of representative duties.

PART II

COMMENCING EMPLOYMENT

1. Conditions for Commencing Employment

Article 7

Persons who meet the general conditions determined by this Law and other laws, as well as the specific conditions determined by law, collective agreement and the act 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, may perform underground work in mines.

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

Foreign citizens and persons without citizenship may commence employment under stipulations determined by this Law or 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 authority organ in charge of health shall designate the content and procedure of the medical examination for determining the state of health and the content, the issuing procedure and validity of the medical certificate.

2. The Procedure for Commencing Employment

Article 9

Decisions regarding employment needs are brought by the employer or an organ appointed by the employer.

Employers are obliged to issue public notifications which seek employees, the requirements that are to be fulfilled by the employee and the period of selection.

Prior to issuing public notifications, employers must submit an application for the need of employees to the office in charge of employment intercession.

The duration period of public notification is eight days.

Employment may commence without public notification, for a maximum of 30 days, through the office in charge of employment intercession, in cases of urgent and pressing duties, whose realization can not be detained until the completion of the selection procedure.

Article 10

Disabled persons may commence employment in compliance with the procedures and conditions determined by this Law, unless otherwise resolved by another law.

Article 11

The employer or the organ appointed by the employer select the candidate, latest within 15 days from the expiration date of public notification.

All candidates are to be informed of the selection within eight days from the date of the final decision.

Article 12

Rejected candidates are entitled to lodge a complaint to the organ appointed in the collective agreement, within 15 days from the receipt of the final decision, should they consider that the selected candidate does not meet the requirements or that the selection procedure has been violated.

The complaint under paragraph 1 of this article shall be resolved in compliance with the provisions for protection of the rights of the employees under this Law.

Article 13

Except for trainees, a testing of the working capabilities, as indicated in the collective agreement, may be conducted for a position before the final selection, should this be specified as an employment requirement.

Article 14

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

The agreement of employment is composed in written form, following the final selection and is verified by the office in charge of employment intercession.

The agreement of employment is kept on the working premises of the employer.

A verified copy of the agreement of employment is given to the employee by the employer.

Article 15

The employee can not commence employment prior to the conclusion and verification of the agreement of employment.

Should the employee, unjustly fail to commence employment on the date stipulated in the employment agreement, he shall be considered unemployed.

Article 16

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

Article 17

The office in charge of employment intercession is obliged to keep on file concluded and verified employment agreements and by request of the organ for labor inspection, the office of the pension and disabled insurance fund and the health insurance fund in the region of the employers head office, to provide information from the verified employment agreements.

3. Employment Booklet

Article 18

Employees commencing employment are provided with an employment booklet.

The employment booklet is a public document, which is maintained according to the registry number of the civilians and contains general information about the employee, professional

skills, details of employment and other information and serves as a document through which the right of employment is attained with the employer.

Article 19

The employment booklet is issued by the office in charge of employment intercession according to the place of residence of the employee.

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

The applicant bears the issuing expenses of the employment booklet.

Article 20

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

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

Article 21

The official appointed by the state authorities in charge of labor, provides instructions for issuing, content, completion, 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 worker, 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 entitled to the same rights and obligations as full time employees.

Article 24

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, shall receive overtime and those hours 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 is one year, unless otherwise determined by law.

The collective agreement determines the duration of the training period, the vocational training process, supervision and appraisal of trainees, the salary amount and the trainees rights to other allowances.

6. Reassignment of Employees

Article 27

Employees are 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 instances that have been determined by the collective agreement.

The decision of reassignment is brought by the employer or by his appointed employee.

Article 28

As a rule, employees perform their working duties on the working premises of the employer, or at home, if permissive by the disposition 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, geo-research, etc.) and the distance from the place of work exceeds 50 kilometers, employees can 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 stipulated 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, are equivalent 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 can not 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 agreement.

The working hours under paragraph 1 of this article are considered as 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 under paragraph 3 of this article is issued by the state authorities in charge of labor related issues, based on an opinion previously provided by an organization specialized in labor medicine and labor inspection.

Employees assigned to duties under paragraph 3 of this article, can not 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 disposition of the work requires it.

Employees who have commenced employment as stipulated under paragraph 1 of this article, are entitled to employment rights and obligations, which are fulfilled in volume depending on the length of the duties and the working results, in compliance with the collective agreement.

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 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

By 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 major forces 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 can last only as long as it is necessary to eliminate risks or to prevent damaging effects.

The decision for longer working hours is brought by the employer or an employee that he himself has appointed.

Article 36

Working hours between 10:00 p.m. and 6:00 a.m. the following day, and in agriculture between 10:00 p.m. and 4:00 a.m. the following day, are 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 cases under paragraph 1 of this article, working hours are 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 the working hours, within the framework of the annual working hours, is determined by the employers decision, in compliance with the collective agreement.

Article 39

The schedule and 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-economic public services, public utilities, catering, tourism, small scale industries and in other fields, are determined by law or a regulation issued by the organ of 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 are organized in a way to ensure continuity of work, should the disposition 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 is computed into the daily working hours.

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

Article 41

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

During seasonal work, employees are entitled to leave under 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 are entitled to weekly leave of at least 24 hours continually, however, should they be required to work during weekly leave, the leave hours are to be compensated during the next working week.

Article 43

Employees are entitled to 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, are entitled to annual leave of two working days for each month of employment, but not exceeding 18 working days.

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

The duration of annual leave is 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 is 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, under condition 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 determine the schedule for taking annual leave, in compliance with the collective agreement.

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

Employees may take one day annual leave as desired, with the obligation that they notify employers within the period stipulated in the collective agreement.

When determining the duration of annual leave, Saturdays are not 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 can not renounce the right to paid daily, weekly and annual leave, nor can they be denied this right.

Article 47

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

Employees are required to notify employers within 24 hours when taking sick leave.

Article 48

Employees are permitted leave from work with compensated pay and other employment rights, in cases and under conditions determined in the collective agreement, in compliance with this Law.

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

Article 49

Blood donors are permitted two subsequent days of leave for each blood donation, which are to be considered as working days.

Article 50

Employees are permitted seven days leave from work during the calendar year with compensated pay, in instances and under conditions determined by the collective agreement, particularly in cases of marriage, death of a close family member, for professional or other kinds of examinations for the requirements 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 are permitted leave without compensation of pay in instances and under conditions determined by the collective agreement, but not exceeding three months during the calendar year.

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

Article 52

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

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, are permitted within 30 days from termination of employment abroad, to return to work for the employer at positions that correspond to the qualifications of the particular profession.

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

During absences from work, indicated under paragraphs 1 and 2 of this article, employment rights and obligations are set at rest, excluding the rights and obligations that are otherwise determined 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, are permitted within 30 days upon termination of the performed function to return to the position corresponding to the employees qualifications.

3. Protection of Employees at Work

Article 55

Employers are required to provide the necessary conditions for protection at work in compliance with this Law, other laws and the collective agreement.

Employees acquire protection at work in compliance with the prescribed measures and standards of work protection in accordance with this Law and the collective agreement.

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

Article 56

Employers are required to notify employees of all the dangers at work and of the rights and obligations regarding protection at work and working conditions.

If the stipulated measures for protection at work have not been implemented, employees are permitted to refuse work, should their lives or health be under direct threat.

In cases under paragraph 3 of this article, employers are 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 are required to organize the working process in a manner that will ensure safety at work and protection of the civilians health, that is, to create working conditions and undertake the prescribed measures and regulations and other generally approved measures for protection at work, which ensure 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 are 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 are entitled 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, are entitled to three months leave from work.

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

Article 59

The child's father is 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 are provided 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 maternity leave, female employees are permitted to extend maternity leave for the period of time, which on the basis of the physicians findings, would be required for recovery from birth and the psychological state caused by child loss, for a minimum of 45 days, during which they are provided with all maternity leave rights.

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

Article 61

Female employees, are not to 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, are permitted to work in night shifts, only at their request.

Self supporting parents, whose children are under the age of seven or disabled, are permitted to 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 are 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 are considered as full working hours, and the right to salary compensation is acquired in compliance with the social security regulations.

Article 63

Male and female employees under 18 years of age are not permitted to work which involves strenuous physical labor, underground or underwater work or other jobs, which may be harmful or threatening to their health and lives, determined in the collective agreement.

Article 64

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

Article 65

Female employees working in industries and building construction can 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 continue interrupted work due to major force 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, is issued by the state authorities in charge of labor related issues.

Article 66

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

Shorter working hours may be determined in the collective agreement for employees under paragraph 1 of this article.

Article 67

Employees under 18 years of age employed in the fields of industry, building construction or transport, can 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 organ of the state authorities in charge of labor related issues.

Article 68

Disabled employees are entitled to reduced working hours, reassignment of 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, are entitled to reassignment to other appropriate positions.

In cases under paragraphs 1 and 2 of this article, employers are obliged to engage employees in positions corresponding to their qualifications, under the conditions and in the manner stipulated in the collective agreement.

5. Salaries and Benefits

Article 69

Employees are entitled to payment of salaries.

The salaries of the employees are provided from the employers resources, in proportion to the work rendered and their participation in the earnings, according to the conditions and criteria stipulated in the collective agreement.

Article 70

The salaries of employees rendering full working hours can not be less than the lowest salary which is determined for particular levels of work complexity, according to law or the respective collective agreement.

Article 71

Salaries are computed and paid at least once monthly.

Salaries for the current month are monetized and paid no later than the 15th day of the following month.

Contributions and taxes on employees salaries are paid by employers together with the payment of salaries.

Article 72

Employees are entitled to salary compensation during leave from work, under conditions and in the amount determined by law and the collective agreement, 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 stipulated by law and the respective collective agreement.

Salary compensations are the responsibility of employers or of the respective administration.

Article 73

Employees are entitled to compensation of 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 can not be offset during free days or weekends.

The compensation amount under paragraph 1 of this article is determined in the respective collective agreement.

Article 74

Employees are entitled increased salary for work during holidays, night shifts and work exceeding 40 hours in the working week, at the amount determined in the collective agreement.

Article 75

Employers are obliged to keeping records of salaries, compensations and salary allowances and to issue a document to the employees for the payment of the salaries, compensations and allowances.

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

PART IV

SYNDICATES AND EMPLOYERS

Article 76

Employees are permitted to form syndicates for the purpose of fulfilling their economic and social rights resulting from employment and determined by law and the collective agreement.

Employees are free to join a syndicate.

Employees and employers are permitted, without prior approval, to form organizations and to join these organizations free of choice, under the conditions stipulated in the statute.

The organizations listed under paragraph 3 of this article, indicate all organizations of employees and employers whose main objective is improvement and protection of the employees and employers interests.

Article 77

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

The activities of the syndicates and their delegates can not be restrained through acts of the employers if they are in compliance with the law and the collective agreement.

Article 79

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

Article 80

According to this Law, syndicate delegates are individuals that have been freely elected by the syndicate, members of the syndicate or employees, in compliance with the statute and have been entered in the register of the syndical organizations.

Article 81

Syndical organizations are entered in separate registers maintained by the organ of the government administration in charge of labor related issues.

Article 82

Employers are obliged to facilitate the activities of the syndicate regarding the protection of employment rights of the employees.

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

Article 83

Delegates of syndical organizations are granted special protection and are not liable to be called on nor can they be placed in unfavorable positions involving employment termination, due to syndicate membership or participation in syndicate activities which

protect the employees rights and interests, should they be in compliance with the law and the collective agreement.

Syndicate delegates are granted special protection during their mandate.

PART V

COLLECTIVE AGREEMENTS

Article 84

Collective agreements 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 stipulations pertaining to the interests of the employees and employers and the procedures for the settlement of mutual disputes.

Collective agreements are implemented directly and are mandatory in organizations which have concluded the mentioned agreements on behalf of all employees and employers.

Article 85

Collective agreements are concluded in writing for a limited or unlimited term.

Article 86

Collective agreements can not contain provisions which determine inferior rights or less favorable working requirements than the rights and requirements defined by law. Should collective agreements contain such provisions, the appropriate provisions determined by law shall be implemented.

Decisions and acts which determine the employees rights can not oppose the collective agreement unless they are more beneficial to the employees.

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

Article 87

Collective agreements are 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 syndic organization of the employees concludes a general collective agreement 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 syndic organization conclude a general collective agreement pertaining to public services, public enterprises, government agencies, organs of the local self-government and other legal entities rendering non-commercial activities.

Article 89

The empowered syndic organization and the empowered organization of the employers, which are determined by the statute of the syndic organization and that of the employers organization, conclude a branch collective agreement.

Article 90

Collective agreements on the level of employers are concluded by managing boards or other respective management bodies, which are determined by law, i.e., with the statute of the employers, i.e., between employers and syndicates.

Article 91

Collective agreements are considered as concluded after the underwriting of authorized delegates of the participants in the collective negotiations.

Article 92

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

Collective agreements on the level of employers are comprised in the form designated in the agreement.

Article 93

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

Should the signatories of the collective agreement 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 agreement, they shall be resolved as designated in the collective agreement.

In cases of disputes related to collective agreements, special arbitration committees shall resolve the questions at issue.

Collective agreements define the structure, the functioning process and the legal impact of the decision of the arbitration committee.

Article 95

Collective agreements cease to be valid after the designated date of expiration.

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

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

Article 96

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

Article 97

When determining salaries, participants in the collective negotiations are obliged to 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 is obliged to notify 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 syndic organizations, employers and Government

members, which is to 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 responsible for causing damages to employers at work or pertaining to work, are obliged to compensate the damages.

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

In cases when the portion of the damage can not be determined for each employee, all employees shall be equally responsible 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 bring charges that are to delineate and compensate the damages.

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

Article 100

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

Employees may file a complaint against the decision for compensation of damages to the organ, which is designated in the collective agreement, within eight days from the issuing date of the decision.

Article 101

Employers shall bring charges to the authorized court against employees, should they fail to compensate damages within three months from the final decision determined by 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 determined in the employers collective agreement.

Article 103

Employers are responsible for damages induced by employees on individuals or legal entities either at work or pertaining to work.

Employers are permitted 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 are obliged to 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 are entitled to demand compensation for the damages from the authorized court.

PART VII

TERMINATION OF EMPLOYMENT

Article 105

Employment shall terminate in the following instances:

- 1) through agreement;
- 2) following the expiration term of employment;
- 3) when enforced by law;
- 4) through notice and
- 5) due to economic, technological, structural or similar transformations.

1. Termination of Employment Through Agreement

Article 106

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

The agreement stipulated under paragraph 1 of this article is 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 Enforced by Law

Article 108

Employment shall terminate through law enforcement in the following instances:

- 1) when it is determined, 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 can 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 stipulations determined by law and the collective agreement, and
- 6) when proceedings have begun regarding the discontinuation of legal entities, under conditions and in the manner determined by law.

The decision of employment termination is 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 determined by law and the collective agreement.

Article 110

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

The notice term, stipulated under paragraph 1 of this article, is 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 agreement and the employment contract, or for violating the working discipline and order.

Article 112

Employment can 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 through notice received from the employer:

- 1) membership in a syndicates or participation in syndic activities in compliance with the law and the collective 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 determined 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 determined by law, the collective agreement 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 determined by law and the collective agreement.

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 discharge are given to employees by employers in writing.

At the employees request, employers are obliged to present a written explanation of the reasons for discharge.

Article 118

By proposal of the managing organs, decisions for termination of employment through notice concerning executives, are 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

The period of notice can 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 agreement.

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

Article 122

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

During the leave stipulated under paragraph 1 of this article, employees are entitled to compensation of salary in compliance with the collective agreement.

Article 123

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

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

Complaints are resolved within 15 days from the date of submission.

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

Article 124

Should the court decide, following the employees appeal, 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 are obliged to inform employees and syndicates of the types of changes and the consequences following the discharge of employees, the number and structure of discharged 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 are obliged to notify employees of employment termination due to economic, technological, structural or similar transformations, at least six months prior to the termination.

Employers are obliged to notify the office in charge of employment intercession 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 shall terminate through notice due to economic, technological, structural or similar transformations, is determined based on the standards defined in the collective agreement 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 agreement.

The collective agreement defines the requirements and standards for protection of disabled persons in cases of termination of employment through notice as stipulated 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 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 are to be recorded in the employment booklets by employers.

Employees, who have utilized severance pay rights, are obliged to enlist in the office in charge of employment intercession.

Article 132

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

Article 133

Employees, whose employment has terminated, are 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 are entitled to request protection from employers, before the authorized court, the syndicate, the inspectorate and other organs in compliance with the law.

Article 135

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

Employees shall submit claims and appeals to the organ determined in the collective agreement, 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, stipulated under paragraph 1 of this article, restrains the enforcement of decisions until the employers final decision, except in cases determined by law.

Article 136

The authorized court is obliged to bring a decision within 15 days from the submission date of the claims or appeals.

Article 137

The administrative organ is obliged, prior to bringing the decision pertaining to the claim or appeal submitted by employees, to seek the opinion of the employees syndicate, and to further examine and explicate the opinion of the syndicate should it be provided.

Syndicates may participate in the proceedings before the administrative organ, that are to resolve the claim or appeal submitted by employees, and at the employees request or approval, 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 can 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 are obliged, without delay, to 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 appointed 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, supervises the implementation of laws and other regulations pertaining to labor relations and employment as well as collective agreements and employment contracts, that regulate the employment rights, liabilities and obligations of the employees.

Matters concerning the supervision of labor are conducted by labor inspectors.

Article 140

Employees are entitled to appeal to labor inspectors for the purpose of fulfilling their employment rights.

Labor inspectors are obliged to act on behalf of the employees appeals, 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 agreements or employment contracts, whose implementation they are to supervise, they shall bring a decision ordering the elimination of the determined irregularities and deficiencies within a set period.

Should employers fail to proceed according to the decision, labor inspectors shall bring action before the authorized court.

Article 142

Should labor inspectors determine that the rights of the employees have been violated with the final decision of the administrative organ, and that employees have not initiated a labor dispute before the authorized court, the labor inspectors shall bring a decision deferring the enforcement of the final decision until the verdict 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, stipulated under paragraph 1 of this article shall last 90 days until the submission date of 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 141 paragraph 1 and 143 of this Law, within a period of eight days from the receipt of the decision.

The enforcement of the decision shall be deferred by the complaint, except for instances under article 141 paragraph 1 and 143 of this Law.

PART X

PENALTY CLAUSES

Article 145

Employers shall be fined for violations with penalties in the amount between 50 to 100 average salaries paid the previous month in the Republic and published by the Republic Bureau of Statistics (further referred to as: salaries) 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 office in charge of employment intercession; 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 agreement (articles 69-74);
- 12) for not facilitating the activities of the syndicate (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 stipulated under paragraph 1 of this article with penalties in the amount between five and ten salaries.

Article 146

Employers shall be fined with penalties in the amount between 40 and 90 salaries for the following violations:

- 1) for failing to publicly announce the quest for new employees, the requirements to be fulfilled by the employees and the period of selection (article 9 paragraph 2);
- 2) for not submitting an application for the need of employees and the prerequisites to the office in charge of employment intercession (article 9 paragraph 1 and 2);
- 3) if the candidates are selected prior to the expiration date of the public notification, if the selection is not conducted in compliance with the law and the employers statute, and if the candidates are not informed within eight days from the date of the final decision (article 9 paragraph 4 and article 11 paragraphs 1 and 2);
- 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 stipulated under paragraph 1 of this article with penalties in the amount between five and ten salaries.

PART XI

TRANSITIONAL AND CONCLUDING PROVISIONS

Article 147

Collective agreements are 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.