

# NATIONAL STRATEGY ON ALLEVIATION OF POVERTY AND SOCIAL EXCLUSION IN THE REPUBLIC OF MACEDONIA 2010-2020

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## Summary of the Strategy

The Strategy on poverty reduction and social exclusion was made as a document which reflects the intention of the Republic of Macedonia for balancing the degree of inclusion and welfare in all social levels.

Behind the Strategy is the willingness of the Republic of Macedonia to improve the quality of life of all its citizens and the aspirations for its Euro-Atlantic integration and inclusion in the European initiatives for social inclusion.

It will also help finalize the aspirations which we are facing for the development of a cohesive society in which the combat against poverty and social exclusion will mean the existence of an unconditional 'equal opportunities for all'.

*The main strategic objective* for poverty reduction and social exclusion in the Republic of Macedonia is:

*Reduce poverty and social exclusion in the Republic of Macedonia through a better use of disposable human and material resources, improve conditions for living, working and social conditions for all citizens, system and institutional co-activity in the function of accelerated development, higher standard and better quality life.*

The following **14 areas are included in the Strategy**:

1. Employment
2. Informal economy and strengthening entrepreneurship
3. Labor market
4. Poverty and social disadvantage
5. Health protection
6. Long-term care
7. Education
8. Social protection
9. Transport
10. Communications
11. Housing
12. Child protection
13. Equal opportunities for men and women
14. Develop public sensibility for social inclusion

The structure of the strategy is established based on the areas and fields in which poverty and social exclusion are observed. In the **first and second part** the vision and objectives of the strategy are presented along with the principles upon which it will be implemented. In the **third part** the conditions, problems and system grounds existing in identified areas are presented. The **fourth part** includes proposing measures, activities and solutions to lead towards social inclusion and poverty reduction by area. The **fifth part** presents the strategy implementation, whereas the **sixth part** includes the assumptions and possible threats. The **seventh and eighth parts** include the proposed further steps and main conclusions.

Social inclusion as a process of integration of individuals in the society has become an indispensable segment of the **compound of related concepts** which are part of public policies in the state and which are constantly developed and upgraded. Social inclusion and active measures which it produces strengthens the link between the individual and the society and enhances the social development and cohesion.

In addition to the presented measures and proposals for each of the defined areas, it focuses on the need for the **building the contemporary concept of behavior towards socially excluded people and**

**establishing a new social model**, which emphasizes the individual and personality, rather than the reason for exclusion, affiliation, diagnosis, disability or any other grounds for social exclusion of the citizens.

**Social inclusion policy determination should be grounded on the nationally defined objectives and needs**, but also follow and adjust to the international and EU indicators for measuring social exclusion. The way of implementing the social inclusion policy and its adjustment to the citizen's needs and requirements is determined by the precise identification of the scope of measures based on defined criteria and operation activities. To this end, the **Government should adopt an Operational Plan of Measures and activities defining deadlines and role players to precisely determine the implementation of the strategy.**

In conclusion, it has been assessed that it is more adequate that the social inclusion policy is implemented through measures and opportunities for a more **universal approach to social services and achievements**, rather than focus only on some target vulnerable groups. Thus, the social inclusion policy will be formulated based on needs and opportunities of each citizen who would be in the situation of risk and social exclusion. Regarding some vulnerable groups for which individual documents and measures have been adopted (e.g. the Roma Decade), they are active and correspond to the proposed measures and activities included in this Strategy.

The entire team which was devoted to this document had the highest complex expert composition with academic knowledge and practical experience in all areas of social environment, which resulted into the establishment of this strategic document. The participation and transparency principle was a compound part in providing the contents for designing this strategic document. A broad consultation process was undertaken including over 100 civic organizations and social partners treating various issues related to the area of social inclusion, which provided the possibility for them to demonstrate their presence and crucial role in the overall social processes. As a result of the established partnership relations among the respective ministries, the local government, NGOs and social partners, we all equally participated in designing the policy, so we all bare the responsibility for active mobilization in the implementation of these policies.

The incorporation of all valuable proposals produced by the included stakeholders was an important tool which made it possible for the experience and contribution to become part of the future which we are building together having great hopes that the defined actions will reach those citizens living on the margins of the society.

At the same time, a broad consensus was reached among the parliamentary groups in the assembly of the Republic of Macedonia with focused attention providing for a special dimension to this Strategy, and by the Government of the Republic of Macedonia adopting this Strategy, a solid platform is ensured for the beginning of the JIM process in the Republic of Macedonia, which is one of the essential challenges which this country faces in view of its faster integration in the Euro-Atlantic structures and participation in the Open Coordination Method.

## Part 1. Introduction

In line with the procedures for preparing the Macedonian state and society for the process of European integration, it is necessary to adopt a number of strategic documents on various areas of social life. Within this is the obligation for designing and adopting the National Strategy for Poverty Reduction and Social Inclusion. The term **social exclusion** refers to the multi-dimensional and complex process which affects the weakening of the relations of the individual and the community<sup>1</sup>. The search for solutions to include socially excluded individuals, groups or communities is related to the process of building a constructive approach within the social framework and the adoption of a strategic orientation for various solutions and needs which are permanently being expressed.

In building this Strategy a number of existing documents, laws, strategies, plans, analyses, information and other resources have been taken into account which depicts the processes and solutions in this field so far. Possible solutions are observed and proposed for the improvement of the situation and social inclusion of individuals which, on various grounds, do not enjoy the opportunities provided by the system.

The design of a modern concept of behavior towards the socially excluded individuals requires the establishment of a **new social model** which puts the individual and personality first, rather than the reasons for exclusion, the affiliation (ethnic or other), the diagnosis, disability or any other ground for the citizen's social exclusion. This preconditions the existence of an environment and surrounding which accepts all people and gives them equal opportunities and possibilities to express their potentials, knowledge, abilities and skills. Regarding the socially most vulnerable groups, like the Roma, documents and strategies adopted for solving the specific problems they encounter have been taken into consideration and they have been amended and strengthened with measures and provisions in this Strategy.

The proposed text has been summarized and shortened in the part of the state of affairs in individual areas which are further analyzed and presented in the extended version of the Strategy, whereas the measures are given completely and continually. Their detailed elaboration is based on the previous adoption of the proposed strategic objectives and then the design of the action plans with deadlines and responsibilities for measures.

## Definitions

**The uninstitutional protection**, refers to the protection forms for helping individuals, families and communities which do not have an institutional character like home care and assistance, care family accommodation, small group homes etc.

**Discrimination**, refers to certain requirements, conditions and practices imposed by the state, institutions, employers and other stakeholders which have a disproportional and negative effect upon individual and group/groups or category/categories of citizens.

**Decentralization**, refers to the transfer of functions at national level of state organization, however of other, non-state actors.

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<sup>1</sup> To make the difference between the terminology concept and the scope of social exclusion, please see *Social Exclusion*, John Hills, Jullian Legrand and David Pasho, 2009, Akademski pecat, Skopje.

**Deinstitutionalization**, refers to policies of providing care and treatment for health and social support of individuals in their community rather than in institutions.

**Long term care**, refers to an 'extended' policy which includes a number of combined services for individuals who are dependent on the assistance in their daily activities in a long period. The long term care usually refers to physically and mentally disabled people, helpless old people and special groups which need support in managing their daily activities.

**Digital division** points to the fact that the world is divided into people who have and those who do not have access – or ability – to use the modern information and communication technologies. Similar to the information gap, digital division exists between the educated and uneducated people, among economic classes, and at global level among industrially developed and less developed countries.

**Disability**, according to the World Health Organization the terms *impairment*, *disability* and *handicap*. Due to the complexity of the risk, terms like individuals with special needs, individuals with moderate, heavy and deep constraints in mental development, individuals with corporal damage etc.

**Inclusion**, inclusion, including, scope

**Information gap**, referring to the disproportion regarding the possession and use of the sources of information and communication means in a certain society, like the telephone, TV or the Internet.

**Gender equality**, complete recognition and promotion of equal opportunities for women and men being indispensable precondition for sustainable development, the enjoyment of human rights and the practices of democratic values.

**Risk**, unfavorable social conditions which impede and threaten meeting the needs of the members of the society and may result into unfavorable effects for individuals, families and the society and as such, are a threat to the society. The risks are most frequently related to the life cycle (hunger, disease, injury, old age), economy (crisis, transition, unemployment, low incomes), environment (drought, flood, earthquake) and social phenomena (crime, corruption, exclusion).

**Risk or vulnerable groups**, groups including individuals under risk

**Resocialization**, refers to the socialization, a complex, layered and dynamic process of changing the individual and the environment for individuals having disturbances in social behavior, in order to achieve complete socialization.

**Rehabilitation**, enabling individuals who have been disadvantages based on various illnesses, vulnerability, injuries or inherent malfunctions for self-sufficient life and work.

**Social housing**, incentives and tax exemption provided by the state to certain social groups in order to meet their social needs.

**Social exclusion** refers to a multi-dimensional and complex process which affects the weakening of the individual's relations with the community. The search for solutions for the inclusion of socially excluded individuals, groups or communities is related to the process of building a constructive approach within social frameworks and adopting a strategic orientation for various solutions and needs which are constantly expressed. **Social exclusion** includes elements of lack of money or material means and in addition to economic, also includes other dimensions like social, cultural, political, moral or other

dimensions, which means that coping with social exclusion requires a broad approach to institutions and mechanisms for social integration.

**Social services**, provided by the agencies and institutions (government and non-government) to meet certain personal or social needs of the beneficiaries.

**Poverty**, poor people are considered to be those individuals, families or groups of people whose resources (material, cultural and social) are at such level that excludes them from the minimum acceptable way of life in the country where they live. The concept of social exclusion is broader than the concept of poverty, which is mainly referred to as lack of material goods or money.

**Social security** is a system of designed and organized economic, social, ideological, political and legal institutional measures and activities which serve to provide stable and suitable conditions for living and work of individuals, families and other social groups.

**Social protection**, ‘cash benefits and personal social services provided for individuals who do not enter any scheme of social security, have insufficient resources for living for themselves and their families’.

**Transport and communication for all** is considered to be critical in the combat against social exclusion. The two key aspects which are to be emphasized are related to inequality in providing transport – regarding access to the transport system, but also the level of services provided by the system, which may cause impediments to certain individuals or groups for complete participation in the basic living processes and activities.

## Part 2. Commitment to the Strategy

### Vision

The Republic of Macedonia needs to be a society with reduces poverty and social exclusion of its citizens through:

- Providing everyone with access to resources, rights and services which are necessary for equal participation in the society and also take care of the protection and exclusion and combat all sorts of discrimination leading to exclusion.
- Provide active social inclusion of all through promoting equal participation on the labor market and combat against poverty and exclusion.
- Implement policy of social inclusion through well coordinated programs and measures at all levels of government (central and local) and other relevant factors with efficient and effective public policies including economic, fiscal. Educational and training strategies and projects.

### Mission

#### For whom:

In line with the Constitution of the Republic of Macedonia, this strategy is intended for the wellbeing of all citizens of the Republic of Macedonia regardless of their social origin.

#### What does it do:

The Mission of the Strategy is to implement the following essential and basic processes:

- Promote and increase opportunities which provide that the citizens of the Republic of Macedonia participate in the educational, labor and general social activities;
- Cope with and reduce impediments for solving specific problems of social exclusion of special groups which face these impediments;
- Promote social inclusion with children and young people which will provide conditions for long-term opportunities for the future generation;
- Strengthen vulnerable communities for quality life and ability to overcome impediments in their wellbeing.

At the same time, this Strategy helps achieve the state's aspirations for Euro-Atlantic integration, i.e. move towards meeting the preconditions for beginning the process of signing the Joint Memoranda on Social Inclusion<sup>2</sup>, and implementing the Millennium Development Goals<sup>3</sup>.

#### How will this be achieved:

- Increase possibilities on the labor market for opening new jobs;
- Deal with poverty at national and local level;
- Providing the opportunity for every child who started education to get ready and take advantage of all benefits from the education they acquired;
- Reduce or eliminate the number of children who leave the education process early or are poorly trained to be able to deal with the life and work when time comes for it;
- Increase the society participation and ensure willingness for life-long learning;

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<sup>2</sup> JIM: Joint Memoranda on Social Inclusion ([http://ec.europa.eu/employment\\_social/soc-prot/soc-incl/jim\\_en.html](http://ec.europa.eu/employment_social/soc-prot/soc-incl/jim_en.html))

<sup>3</sup> <http://www.un.org/millenniumgoals/bkgd.shtml>

- Eliminate obstacles for participation in the society which are faced by individuals, including disturbed health, lack of self-confidence, poor housing conditions and unwanted addictions;
- Eliminate discrimination and inequality due to gender, race, religion and disability;
- Reduce unfair health protection distribution;
- Provide quality housing conditions for all;
- Reduce and eliminate the differences among communities in the society and capacitate vulnerable and disadvantaged communities for better operation and acquiring knowledge and providing conditions for this;
- Support and encourage private sector for their contribution to the wellbeing of vulnerable communities;
- Promote and support the culture of active citizenship (good governance) in which the following will be provided: self-supported and self-sustainable development, participation in civil life and activities in the society and vulnerable community care.

### **Why do we need a successful Strategy for Poverty Reduction and Social Exclusion:**

In the core of social inclusion is the idea that each citizen of the Republic of Macedonia has the opportunity and access to resources and services which make their lives healthier, happier and more productive, being of primary significance for each strong family and all groups in all possible traditional and new forms of good governance. When families and groups operate properly, it means that there are institutions and processes in the society which generate healthy living, safety, creativity, trust and belonging. Societies and families which take care and are trustful are the best protection against possible social exclusion.

Social exclusion:

- Increases for some groups and places which face multiple and highly complex problems;
- Appears and concentrates in special moments of life when people face changes in their life role and status, changes of their life expectations and responsibilities (critical transition moments).

Social inclusion:

- Supports social innovative changes and is integrally related to economic development and productivity.
- IS A RESPONSIBILITY FOR EVERYONE. Individuals and groups may add value with their local knowledge and ability, dedication, energy and vision for social changes for the better. The Government, private sector and service organizations may add value with their professional knowledge and the ever-so-necessary resources (material and financial).

Good governance may make the change for the better. People feel that they are socially excluded when they think that in their society there are no mechanisms which make it possible for their voice to be heard on issues which they are personally affected by.

## **Objectives**

*The main strategic objective for poverty reduction and social inclusion in the Republic of Macedonia is:*

*Reduce poverty and social exclusion in the Republic of Macedonia by a better utilization of the available human resources, improve conditions for life, work and social conditions for all citizens, system and institutional coordinated activity in the function of faster development, higher standard and better quality life.*

## **Strategic goals**

- 1) Improve conditions and possibilities for employment and reduce unemployment, enhance the standard of living and strengthen social cohesion and sustainable demographic development.*
- 2) Reduce informal economy and strengthen entrepreneurship and business conditions at national and local level.*
- 3) Improve the situation on the labor market, design and implement a comprehensive packet of policies at micro level, and macroeconomic policies, as well as strengthen market potentials for engaging the population which is able to work at all levels.*
- 4) Reduce poverty and social disadvantage by establishing a new social model and concept focused on individuals and their needs.*
- 5) Promote the access to and quality of health protection for socially excluded groups.*
- 6) Provide for a general access to quality services for long-term care of socially vulnerable and excluded groups by developing a sustainable system of funding according to the standards and practices of the European Union.*
- 7) Provide for a complete scope of elementary and secondary school children, rise literacy and education level of the entire population and have the educational system adjusted to the labor market needs.*
- 8) Establish the social protection system for the poorest citizens, provide access to non-institutional and institutional forms of protection and strengthen capacities of the social protection system.*
- 9) Reduce inequality in providing transport regarding the access to transport and increase the quality of services provided by it.*
- 10) Achieve information society for all, i.e. broad and effective participation in the community by means of information and communication technology for categories which are considered socially excluded in this area.*
- 11) Achieve standardized and harmonized conditions for housing for citizen categories considered to be socially excluded in housing.*
- 12) Protect socially excluded family children, children in risk, who use or abuse drugs and other psychotropic substances and precursors, equal access to health protection and education and informing children about their rights.*
- 13) Improve the conditions for women and reduce the degree of poverty and social exclusion risk.*
- 14) Transparency towards the public regarding strategic objectives and needs which necessarily engage organizational, material, financial and institutional resources for their realization.*

**The Strategy objectives are being designed and achieved by:** mechanisms, measures and activities which are further detailed. Based on the fact findings, previously supposed, and the needs of various categories of socially vulnerable, poor and excluded individuals and groups, the possible directions of social change are incepted. By the institutional insight of the opportunities for social inclusion; shaping a new approach or model for social inclusion and establishing various forms of support, as a concept which provides conditions for effective and efficient citizens' participation the opportunities and measures for reducing poverty and raising inclusion of socially exclude individuals.

All these procedures, activities and measures create the grounds and possibilities for shaping the Joint Memoranda on Social Inclusion between the Republic of Macedonia and the European Union in line with the procedures.

## **Principles**

The basic principles of the Strategy on Reducing Poverty and Social Exclusion in the Republic of Macedonia are based on the following:

- **Integrity:** “a multi-dimensional problem requires a multi-dimensional solution “
- **Prevention** – “better cure than treat later“
- **Understanding** of what “is possible to do“
- **Inclusion** – “dedication“refers to joint efforts of the decentralized and local government, public institutions, business community and relevant NGOs in the identification of the content and development of specific policies, programs and projects.
- **Encouragement** –for a successful joint treatment of social problems it is necessary that the government encourages all social factors and create the culture of “self-help” in individuals and groups.

## Part 3. Analysis of Current Situation

### 1. Demographic characteristics and conditions

In order to find facts about the situation and the demographic growth and development, a large number of documents related to the demographic characteristics of the state have been prepared. Namely, in the National Strategy on Demographic Development of the Republic of Macedonia 2008-2015, priority areas and objectives are identified related to the establishment of the demographic policy in the future.

According to the evidence of the Census of the population, dwellings and households (2002), the Republic of Macedonia has a population of 2,022,547, which is by 3.9 percent higher compared to the previous census (1994), and by 43.0 percent higher than in 1948.<sup>4</sup> In the Republic of Macedonia projections of the population at national level by gender and age have been prepared and referring to the period 1996–2020. The objective of preparing these projections came from the need to monitor the future demographic development and its influence on the socio-economic development and social development in the following period (See Table 1 and Table 2). According to the evidence from the Census and the projections on expected lifespan at birth for men and women, a continuous growth is expected in the following decades until 2050 when it is expected to reach age 80 for women and 75 for men, and then stay at constant level (See Table 3).

Table 1. Expected number of population (medium variant with changeable migration)<sup>5</sup>

	2010	2015	2020
2.012.948	2.023.613	2.026.551	2.022.092

Table 2. Ration depending on age, 65+/15–64 (medium variant with changeable migration)<sup>6</sup>

2005	2010	2015	2020
17,18	18,33	20,26	23,33

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<sup>4</sup> Source: State Statistical Office

<sup>5</sup> Source: State Statistical Office

<sup>6</sup> Source: State Statistical Office

Table 3. Expected lifespan<sup>7</sup>

Year	Total fertility rate	Expected lifespan			
		At birth		At retirement	
		Women	Men	Women	Men
2004	1,5	74,1	69,8	20,3	14,8
2010	1,6	75,3	70,8	18,6	14,7
2020	1,7	76,5	71,9	18,6	14,6
2030	1,8	77,1	72,4	19,0	15,0
2040	1,9	78,8	74,0	20,3	15,9
2050	2,0	80,0	75,0	21,2	16,6
2060	2,0	80,0	75,0	21,2	16,6
2070	2,0	80,0	75,0	21,2	16,6
2080	2,0	80,0	75,0	21,2	16,6
2090	2,0	80,0	75,0	21,2	16,6
2100	2,0	80,0	75,0	21,2	16,6

The strategic development objective is to encourage human resources development, especially by improving quantity and quality of human capital, which leads to more numerous and better jobs, higher standard, growth and development. To this end, it is necessary to overcome certain identified states of affairs which affect the appearance of poverty and social exclusion<sup>8</sup>. By establishing conditions for sustainable demographic development based on better quality of life and wellbeing of each individual and each family, regardless of the place of living, gender, age and ethnic affiliation of the citizens, the human right to individual choice and behavior is provided, having in mind the needs of the present and future generations.

It is estimated that the use of the demographic potential is to be achieved through increasing the amount of funds for priority areas: employment, education and training and social inclusion of marginalized groups on the labor market. It is necessary to make an effort within the component for human resources development as part of the state policy to strengthen these resources.

<sup>7</sup> Source: State Statistical Office

<sup>8</sup> All documents, strategies related to social exclusion in Macedonia were taken into account.

## 2. Economic activities and effects on employment

The data<sup>9</sup> on the existing structure of the population is presented in Table 4 of the Annex to this document, where it is possible to see that in the Republic of Macedonia the economically active population is increasing. The number, i.e. rate of unemployed population, which is rather high in certain years, although having the tendency of falling (from 37.2 in 2004 to 32.2 at the end of 2009), is positive as tendency and deserves attention.

The **unemployment** rate as a phenomenon is higher than the employment rate until 2006, which as a trend points to underutilized citizen work potential and a high level of unemployment, which reduced the possibilities for growth and development, i.e. for opening new jobs. Since 2007 a process of growth of the active population has begun when the employment rate is higher than the unemployment rate (36.2% compared to 34.9%). This trend continues in 2009 when the employment rate is 38.4% compared to unemployment rate 32.2%, with activity rate growing to 56.7%.

The Republic of Macedonia achieved rather low rate of growth of the **Gross Domestic Product (GDP)**. Following its independence in 1991, due to the processes of social transition and ownership transformation, but also due to the loss of the markets of the former Yugoslav Federation, growth rates were negative until 1995. In the period 1996 to 2000 the GDP growth had a positive trend at the level of 1.2% to 4.5%, or an average annual rate for the same period of 2.3%. The conflict in 2001 influenced the growth rate negatively and it was -4.5%. In 2002 a positive GDP growth of 0.9% begins, which reaches 2.3% in 2003. From 2004 to 2008 the GDP growth rates are at the level of 4% or above (4.1%, 4.1%, 4.0%, 5.9%, and 4.9%).

The indicators show that the GDP growth of the state reached the 1990 GDP level as late as 2006, which can be compared with rates in other countries in transition. The positive dynamics of GDP growth of a few years was interrupted in 2009 as a result of external factors, i.e. the world economic crisis, with a total fall of 0.7%. In line with the macro economic projections of the Government of the Republic of Macedonia for 2010, positive GDP growth of around 2% is planned. It is assessed that the external influence will continue to be present in 2010 regarding the restricted possibilities for growth dynamics and economy development, an also social development and expenditure in the social sphere.

The development model which was realized in the Republic of Macedonia did not contribute to the formation of a dynamic development economy which will be able to meet the growing needs and social requirements which were caused by the changes. This was reflected in reducing the standard of the population during the transition period and the high unemployment levels persisting the period of two decades resulted in poverty and social polarization. The unemployment rate from 1997 to 2009 is presented in Table 6 of the Annex.

## 3. Labor Market Characteristics

In a similar way like in other Western Balkan countries, the labor market in the Republic of Macedonia is assessed as being insufficiently inclusive, in spite of the existing legislation in the field of working relations and equal possibilities for employment.<sup>10</sup> The inclusion of certain population groups like the young and very old workers, ethnic minorities, is remaining to be a great challenge for the state, having in mind the rather high unemployment rates of these population groups<sup>11</sup>. The following characteristics are

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<sup>9</sup> Source: State Statistical Office

<sup>10</sup> According to Nikica Mojsoska-Blazeska et al.: *Labor market in FYR Macedonia*, published by the European Commission, General Directorate for Employment, Social Affairs and Equal Opportunities, October 2009.

<sup>11</sup> The labor market of the young is characterized by a relatively low participation level, The participation level of the young people between 15-24 for 2007 is 35.9, and the employment level for the same age group is 15.2, whereas the unemployment rate is 57.7.

typical for unemployment: it is too long, it is structural and a result of obsolete economic structure and there is lack of investment to change and modernize it.

The basic **reasons for high unemployment** in the Republic of Macedonia are: the factors influencing the loss of traditional markets and slow rate of penetrating new markets; transition and transformation which did not create possibilities for opening new jobs; the method of privatization which did not create interest for investment renewal; low rates of new job creation on various grounds; labor force expenses; demographic pressures by a large number of potential new participants in the labor market; grey economy. In addition, the consequences of the blockades to the north and south, the economic embargo and internal conflicts, low investment level and programs for encouraging employment in the state, municipalities and particularly in economically deprives and insufficiently developed regions and inhabited areas.

Based on the data from the State Statistical Office, in 2009 the active population in the Republic of Macedonia is 928.775 out of which 629.901 (67.8%) are employed and 298.873 (32.2%) are unemployed. The number of employed individuals in 2009, compared to that in the previous year, has risen by 3.4%. Compared to 2008, the number of unemployed individuals has decreased by 3.7%.

The basic factor which affected unemployment **reduction**, even in a situation of crisis, is the implementation of a few significant reforms, the most important being the reduction of social contribution rates adopted in 2009. A positive effect on employment registration was made by the gross salary concept, the regular control of economic entities in order to reduce grey economy in employment, numerous active measures to increase employment and the concept of low flat tax rate. The activity rate of the labor force, although low, keeps the consumption due to the support the high net inflows of money from abroad, mostly from personal bank transfers.

The Employment Agency of the Republic of Macedonia, until 31 March 2010, registered a total of 341 720 unemployed individuals. The most frequent type are low educated people and individuals without qualification. The data are presented in Tables 7 and 8, with national affiliation on Table 9 of the Annex. Low employment is characteristic for all groups on the labor market, and particularly those having low level of education. On the labor market there is a relatively high **gender gap** of activity rate. In order to perceive the reasons for the gender gap in activity rates which are expressed in various forms, the gender aspect has to be researched and analyzed in the phenomena and movements of the labor market and based on it build grounds to overcome it.

#### **4. Poverty, unemployment and social injustice**

The term **poverty** is defined according to Eurostat definition: poor people are considered those individuals, families and groups of people whose resources (material, cultural and social) are at such level that excludes them from the minimum acceptable way of living in the country where they live.

Based on the data from the State Statistical Office, in 2008 the **percent of poor population in the Republic of Macedonia is 28.7%**. The index of poverty depth for the same year is 9.2%. Analyzed by profile, the most vulnerable groups are households with a lot of members, having in mind the fact that 57.7% of the poor population live in households with 5 or more members.

The **poverty rate of the unemployed population** is 38%, i.e. 43% of all unemployed population are unemployed. This confirms the relation and influence of unemployment and poverty which means that the solutions of one problem largely affects the solutions of the other.

Education of the household head also affects the number of poor people. The poverty analysis for the period 1997 to 2008 (Table 10) shows that for the twelve-year period the average poverty rate is 26.3%, i.e. this is the percent of poor citizens living in the Republic of Macedonia. If we compare the rate of 26.3% with the total number of two million inhabitants, it turns out that 526,000 inhabitants in the Republic of Macedonia are poor. The poverty dynamics was not perceived from the viewpoint of events in families or households which had been living in poverty for a long time or had been unemployed for a longer period, thus other state of affairs are possible with socially excluded and poor citizens.

It is believed that **poverty and unemployment affect social exclusion** although the term ‘social exclusion’ is broader than the term ‘poverty’, which comes down generally to lack of material goods or money. By linking unemployment to various dimensions of social exclusion one may perceive the multi-dimensional nature of the phenomenon of unemployment and its material, but also social, psychological and social consequences. Poverty types are presented in Tables 11 to 14 in the Annex. Unemployed individuals are estimated not only to have lower incomes, but also to have a restricted network of social relations, their real opportunities that exist for all are limited, and with that the chances to get integrated in the social tissue.

Table 10. Poverty analysis for the period 1997 to 2008

Poor people out of the total population <sup>12</sup>	
Year	Poor people in %
1997	19,0
1998	20,7
1999	21,0
2000	22,3
2001	24,6
2002	30,2
2003	30,2
2004	29,6
2005	30,0
2006	29,8
2007	29,4
2008	28,7

The long-term unemployment, unresolved social and legal status of certain categories of citizens (particularly those not registered in the Birth Register, having no document of any kind, no identity cards, passports, certificates, etc.), also illiterate people, bankruptcy and redundant workers etc. are factors which directly affect a large number of citizens. Their exclusion may be compared to a kind of discrimination having in mind that they do not have any access and possibility to achieve a lot of basic rights. This is the reason why a sort of **magic circle of poverty-unemployment- exclusion- injustice** is established, which puts in question the civil status, human rights, solidarity, humanism etc.

The socially excluded, unemployed but educated people are facing another problem. They lose the knowledge they have once acquired, lose professional skills and working abilities and cannot survive unless they receive the social benefit and support from the state being the only ones which can provide some kind of social safety. Living below the threshold of poverty which is the case with a certain number of population reflects into their inability to satisfy their essential human needs and cover the costs of normal living (electricity, water etc.). There is **energy poverty** which refers to the inability of the

<sup>12</sup> According to the data from the State Statistical Office

household to have the necessary supply of energy in order to provide decent life and equal chances in the society and environment.

The first assessments of poverty rates date from 1996 and the first political documents (like the National Strategy for Poverty Reduction<sup>13</sup>), were published in 2002. A particular aspect is the gender gap and the poverty risk for women as basis for social exclusion. The growth of the number of poor people or the increase of social transfers, especially in crisis conditions, are additional elements which need to be elaborated having in mind the effects of the crisis affecting these categories of citizens.<sup>14</sup>

## 5. Health Protection

The legislation of the Republic of Macedonia in the sphere of health protection provides equal treatment for all citizens and they are all guaranteed access to health protection within the possibilities of the system. From health aspect, the **vulnerable groups** are defined by special strategic documents and health policies which have been adopted and implemented. The vulnerable groups regarding health aspect are: children and adolescent, women, Roma, rural population, individuals with mental disturbances, disabled people, people having HIV/AIDS and people who do not have health insurance on any grounds.

Within legislation, all citizens of the Republic of Macedonia are included in the compulsory health insurance<sup>15</sup>. This gives the possibility to meet the need of access to health services including prevention, curative and rehabilitation health protection at primary, secondary and tertiary level, emergency help, drugs and medical accessories etc. With the amendments of the Law on Health Insurance, all citizens of the Republic of Macedonia are provided with **health insurance** with a complete health service packet.<sup>16</sup>

The expected lifespan in the Republic of Macedonia is 73.6 years which is five years shorter than in the EU 15 countries (79.1). This indicator is 71.4 for men and 75.9 for women. The expected healthy lifespan is 53.4. The birth rate in 2007 was 11.1 in 1000 inhabitants, whereas the death rate was 9.6 in 1000 inhabitants, which resulted into national growth of 1.5 in 1000. The highest death rate was registered among the population aged above 75 (43.6%), death rate of 28% is registered among the group aged 65-74, and 13.4% in the group aged 55-64. Out of these 68.1% were urban population and 31.9% rural population (Statistical Yearbook of the Republic of Macedonia, 2008).

Table 15. Natural demographic changes, 1977-2007

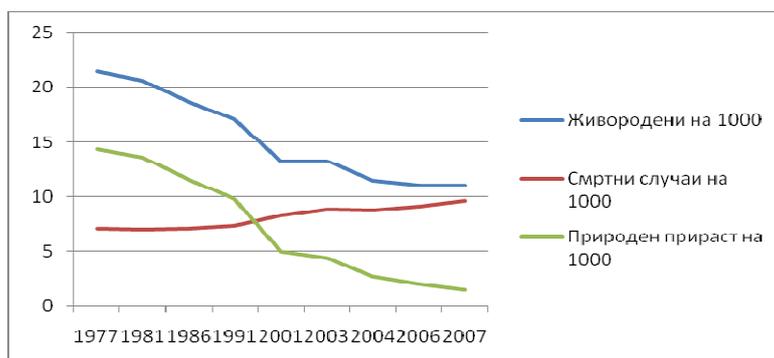
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<sup>13</sup> Ministry of Finance (2002) National Strategy for Poverty Reduction in the Republic of Macedonia, Skopje.

<sup>14</sup> It is believed that groups and individuals most prone to poverty risks are: one member families; unemployed individuals; single parent families, individuals without or very low education; older individuals (age over 65) without pension; retired people, couples with 3 or more children; couples with one chilled and children and young people age 0 to 24.

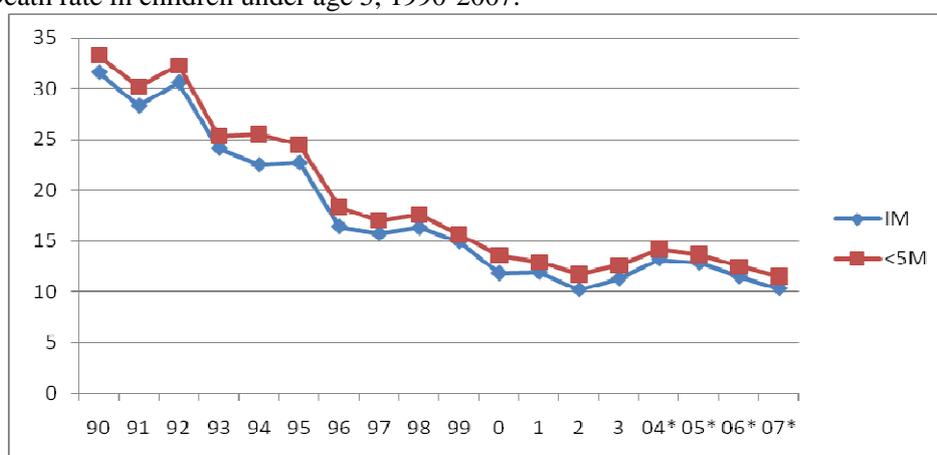
<sup>15</sup> In compliance with the Law on Health Insurance with last amendments of 29 May 2009 (Official Gazette of the Republic of Macedonia No. 67), people entitled to health insurance are individuals who are not insured with the compulsory insurance under items 1-14 of Article 5 in the Law on Health Insurance (Official Gazette of the Republic of Macedonia No. 96, 2000).

<sup>16</sup> To the interest of providing fair access to all basic health services and complete prevention measures for the complete population, and primarily for vulnerable groups, the basic health service packed is redesigned within the compulsory health insurance.



Source: Statistical Yearbook of the Republic of Macedonia, 2008.

Table 16. Death rate in children under age 5, 1990-2007.



Source: Statistical Yearbook of the Republic of Macedonia, 2008.

The Republic of Macedonia has adopted a large number of system acts and strategic documents in the area of health. One of the most important is the Health Strategy of the Republic of Macedonia until 2020 which defines the vision towards improving health and enhancing the health system to meet the needs of the population, including marginalized and vulnerable groups<sup>17</sup>. It defines measures and activities for strengthening the health system, decrease of mortality and morbidity in diseases which are the largest burden for the population and the system.<sup>18</sup>

In addition, the National Development Plan of the Republic of Macedonia for 2008-2013 in the health sector plans **objectives in the direction of social inclusion** like: reduce by at least one third the existing differences in the health state of the population between the Republic of Macedonia and the EU states; reduce by one quarter the differences in health among the socio-economic groups; improve the health conditions of the newly born children, infants and pre-school children and individuals over the age of 65; enhance the psycho-social well being of the people and provide better and comprehensive services in the community which will be accessible to individuals having problems with mental health; reduce unwanted

<sup>17</sup> “The analysis of the health conditions of the population in the Republic of Macedonia and in the world shows that priority health problems are and will continue to be the chronic non-infectious diseases, the new infectious diseases and emergency situations. Health prevention and development will be the main instrument in improving the health state of the population, and particularly of the vulnerable groups” (Health Strategy of the Republic of Macedonia for 2010).

<sup>18</sup> Other strategic documents include short and mid term activities which need to be applied in order to feel the effects of these measures on the health of the population.

consequences on the health as a result of infectious diseases of public health importance through systematic applied programs for control, elimination and uprooting infectious diseases; promote healthy life style, improve quality and style of living and raise awareness of the population for health care.

## 6. Long-term Care

Within the European social model, the OECD's term **long-term care** is generally accepted. It says that long term care is "*cross-cutting policy which includes a variety of combined services for individuals who are dependent on assistance in their daily life activities (ADL)*"<sup>19</sup> in a long period. Long-term care also includes services like rehabilitation, basic medical services, doctor home visit, and social care, housing, as well as services like transport, meals occupational and strengthening activities etc.<sup>20</sup>.

The exiting long-term care system in the Republic of Macedonia includes social and health protection services both in and out of the institutions. They are defined within the existing health and social protection legislation. The **service beneficiaries** of long-term services are people with physical and mental disability, feeble old people and special groups requiring support in the realization of their daily activities.

**The conditions** regarding accessibility and quality of long-term care services in the country point to a number of problems and challenges which require attention. The main impediments identified in the access to access to social and health services are: lack of information on existing services, lack of information for the citizens regarding their rights, insufficient materials printed in the languages of the community languages, distance from the existing social and health centers and institutions which particularly affects the rural population, etc.

It is necessary to point to the fact that the institutional protection for **old people** in the Republic of Macedonia is insufficiently developed compared to some European states. This can be illustrated by the existence of only four public homes for old people.<sup>21</sup> On the other hand, the institutional protection for people with disability has long tradition in the country and is still considered to be a dominant medical model for protecting these people. The social model which provides for complete integration of these people in the society is slow dues to the insufficient administration capacities and professional staff.

The non-institutional protection is present in the health and social protection system through a number of services which are insufficiently developed and coordinated by responsible bodies due to lack of basic means for work (funds, vehicles, medical supplies etc.). De-institutionalization of services for individuals with disabilities ha made a very small step forward in its implementation within the social protection system<sup>22</sup>, yet it is not sufficient.

**The quality of long term care services** is at relatively low level. Most commonly the reasons behind are: inadequate professional staff, bad infrastructure of health services, insufficient equipment, inadequate behavior of the employed in health and social institutions and long waiting lists in the institutions.

The long-term care **funding** system does not meet beneficiaries' needs and is complex. The main funding resource are the private funds of the beneficiaries and their families based on contracts, the pension and disability funds and funds based on special categories of people being at highest risk. However, the

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<sup>19</sup>ADLs: Daily life activities are self-care activities which an individual is supposed to undertake daily, like taking a bath, getting dressed, getting up and sitting on a chair, moving, using the toilet, and physiological activities.

<sup>20</sup> IADLs: Instrumental Activities of Daily Living with activities related to independent living including meal preparation, money management, shopping for weekly supplies, use of telephone, electrical energy etc.

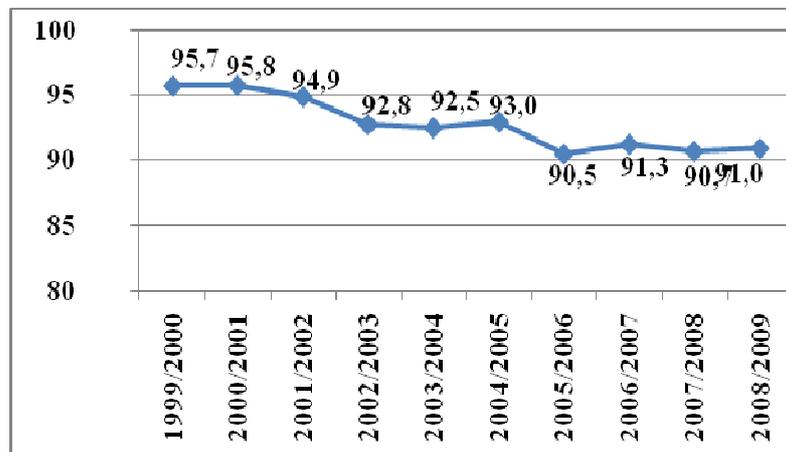
<sup>21</sup> In line with European standards, institutional capacities of one state must encompass 3-5% of the old population

<sup>22</sup> De-institutionalization has been carried over for only 40 individuals who have been accommodated in the support housing system.

number of people at risk is constantly increasing due to the decrease financial power and unemployment within an increasing number of families in the last 15 years, but also the possibilities for close relatives to take care of children and other members of the family and provide assistance for them. If we add the fact that the existing demographic trends in the state show that due to population aging the scope of long-term care services elementary school expected to increase further in the coming years, the reform and rationalization of the long-term care system is an urgent issue.

## 7. Education

The data on **children attending elementary education** show that all children are not included in schools (91% in 2008/09 see Picture 4), which is a result of the insufficient inclusion by children from socially endangered families, the Roma children, children living in distant rural settlements etc.) This situation might be a direct consequence of the insufficient attendance and early leave after finishing elementary school<sup>23</sup> - see Picture 5. The high **reduction rate** of school children after elementary school is often explained with the low rate of pre-school children (children age 3-6 included in kindergarten is only about 12.5%<sup>24</sup>).

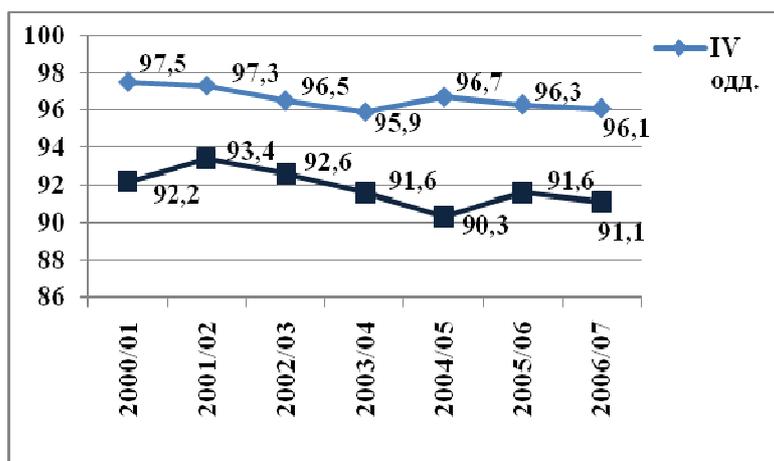


Picture 4. Net rate of elementary school enrolment<sup>25</sup>

<sup>23</sup> Data on ethnic community representation after elementary school are given in Table 17 of the Annex.

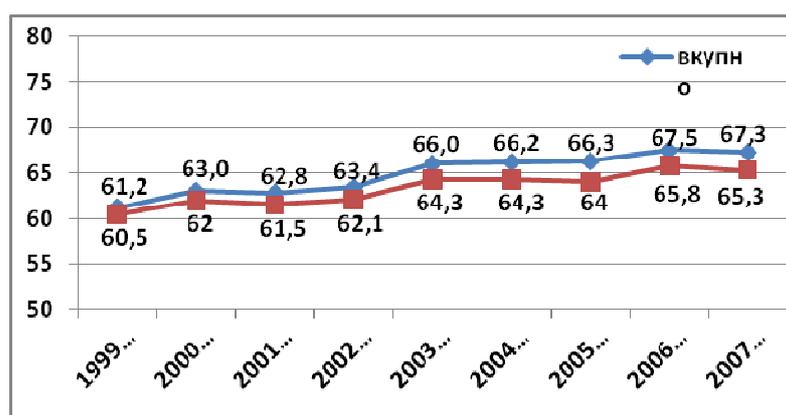
<sup>24</sup> Source: State Statistical Office. Statistics Review 2.4.9.02/614, Public institutions for child care and upbringing – kindergartens, 2008

<sup>25</sup> Source: State Statistical Office, research on enrolled students which include only students in regular elementary schools. Net rate of enrolling is the total number of enrolled students at age defined by law by school year, compared to population of the same age. It is calculated in the way that the number of enrolled students (from first to eighth grade, whereas since 2005/2006 from nulta grade plus first to eighth grade) is divided by the number of population age 7-14, whereas in 2005/2006 age 6-14, state on 1 January, multiplied by 100.



Picture 5. Net rate of pupils finishing elementary school<sup>26</sup>

**The coverage of the young in secondary school** in compulsory education in the period prior to the secondary school transformation points to a continuous inclusion increase, and on the other hand shows that inclusion is still at rather low level (reached 74.7% in 2006/07 – see Picture 6).

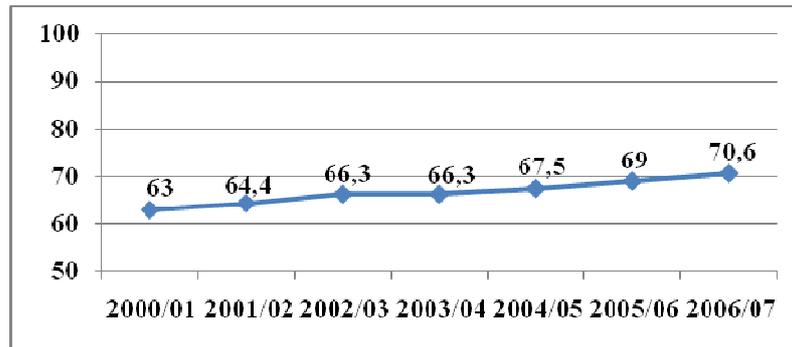


Picture 6. Net rate of students enrolled at secondary schools<sup>27</sup>

**Poverty**, which may be considered as the reason for low elementary school pupil inclusion, is a reason more referring to secondary education, which, although compliant to the Law on Public Secondary Schools is free of charge, is still requiring higher costs mainly due to the limited secondary school network. There has been an increasing trend of graduating from secondary education even in the time before introducing compulsory secondary education (in the period 2000/01 to 2006/07 the graduation rate increased from 63% to 70.6% - see Picture 7).

<sup>26</sup> Source: State Statistical Office. Rate of successfully graduated students out of the total population age 10, i.e. 14 (30 June).

<sup>27</sup> Source: State Statistical Office. The gross rates a percent of enrolled students in regular, specialized and religious secondary schools out of the total number of population age 15-18.



Picture 7. Net rate of students finishing secondary school<sup>28</sup>

In the period 1997–2007, the number of **graduated students** has notably increased (from 3.049 to 5.070), as a result of the increased number in all ethnic communities, which may largely be attributed to the increased opportunities offered by the new universities, and particularly university with Albanian language of instructions.<sup>29</sup>

With official data on what is the number of **children with special needs** in the Republic of Macedonia missing, we cannot speak about the rate of their inclusion in the educational system, although it is justified to suppose that this rate is rather low<sup>30</sup>.

Based on the 2002 Census, 3.6%<sup>31</sup> of the population in Macedonia age 15 is **illiterate**. The lowest illiteracy rate is among the Macedonian population (2.3%), whereas the highest among the Roma population (20.6%) – as many as 1/2 of the Roma population has unfinished elementary education, whereas the remaining 2/3 was with only elementary education.

The results of the applied international comparison tests for determining the true illiteracy (PISA-200) locate the Republic of Macedonia on the 38 place among 41 countries in Europe and point to the fact that 34.5% of pupils at the end of elementary education do not reach even the first level of being trained to read with comprehension, whereas additional 28.1% remain at the first out of 5 levels.

According to the labor force survey by the State Statistical Office in 2008, 3.1% of the population in the Republic of Macedonia age 15-74 has no **elementary education**, whereas 9.7% have not completed their elementary education<sup>32</sup> - see Picture 8.

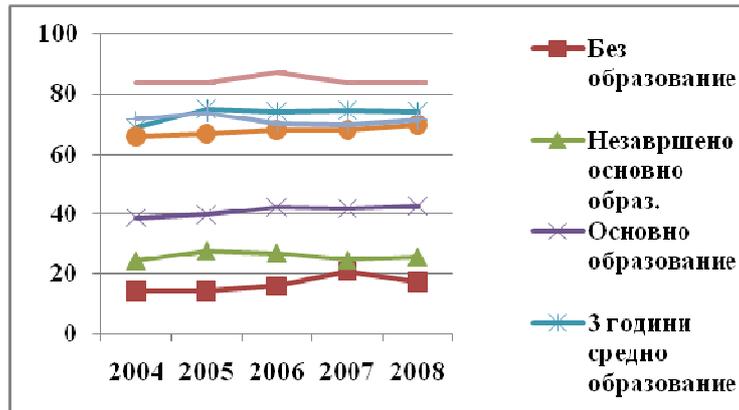
<sup>28</sup> Source: State Statistical Office. As a percent of regularly graduated students in three and four year secondary schools out of the total population age 18 (on 30 June).

<sup>29</sup> Data on students who finish high education are given on Table 19 in the Annex.

<sup>30</sup> Table 20 in the Annex gives data of only the total number of graduated students in specialized schools.

<sup>31</sup> A more detailed analysis of the census results related to population literacy is given in the previous Report on the Republic of Macedonia for the Millennium Development Goals (of June 2005). Having in mind that there are no later literacy data, this Report includes a Summary of results presented in the previous report along with additional explanations.

<sup>32</sup> The educational structure of the population age 15-74 is given in Table 21 of the Annex.



Picture 8. Activity rate of population with various educational level Слика 8.<sup>33</sup>

The estimates of the **Laeken Indicator of Social Inclusion**, referring to education<sup>34</sup> rank the Republic of Macedonia on the 29th place among 33 European countries, pointing to the presence of much higher rates of population age 18-24 with most elementary school population without further education or training.

## 8. Social protection

The objectives and policies regarding social protection are treated comprehensively and are considered to be one of the most important priorities of the Government of Republic of Macedonia. Some of these measures are referring to the social protection system, which, according to the traditional definition, is related to “cash benefits and personal social services provided for people who are not included in any other social inclusion scheme, without sufficient funds for themselves and their families “.<sup>35</sup> The social protection system includes prevention, non-international and institutional protection and types of social assistance for social protection.

Out of all risk groups, the **poverty risk** encompasses the largest number of cases. By adopting the Law on Social Protection in June 2009, new parameters are introduced both in determining the beneficiary and in determining the height of the social cash benefit, depending on the family size and the period of their application. Regarding the **permanent cash benefit**, the Law on Social Protection clearly distinguishes six categories of individuals, unable to work and socially not covered. The **food for the poor** is a project implemented since March 2007 with 36 sites and 3,457 beneficiaries.

Research of the **old population** in the Republic of Macedonia is scarce, i.e. retired people and challenges caused by age. The Pension and Disability Fund provides pensions for over 60% of the population age 60 and above (53,44% out of the total percent of pension beneficiaries are entitled to the right to age pension: Only a small number of old people(8,22 %) who do or receive pension enjoy the right to permanent cash benefit within the social protection system. In line with the report to the European Union<sup>36</sup>, over 70,000 (or 31.1%) of the people above age 65 are not pension.

In line with the Law on Social Protection, the **single parent may** use the benefit during the first three of the child’s life and until the birth of the first three consequent children. Practice says that most frequently

<sup>33</sup> Source: State Statistical Office. Labor Force Survey 2008. Statistical Review of the Population and National Statistics 2.4.9.12 (632). The activity rate represents the participation of labor force in the total population at the age above 15.

<sup>34</sup> International Compared Data EUROSTAT, as a result of the labor force survey,

<http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&pcode=tsisc060&language=en>

<sup>35</sup> Amicis G., 2004:11-12 .

<sup>36</sup> Donevska et al.,( 2008 ),

after the end of these three years, single parents go from permanent to social cash benefit, where the amount of social cash benefit is much lower.

The **disability risks**<sup>37</sup> are individually reviewed from procedural aspects which are supposed to facilitate the enjoyment of existing right for people with disability. There is need for participation when achieving health protection for people with disability over age 26 in order to provide the necessary medicaments and reducing problems related to tertiary health protection. The process of opening **daily centers** for people with mental and corporal disability is continuing, with 22 daily centers currently operating in the Republic of Macedonia.

The **drug abuse problem** in the Republic of Macedonia is tremendously increasing. It is estimated that 6,000 to 8,000 individuals may be considered problematic heroin drug addicts in the Republic of Macedonia and they may be facing serious health and social consequences. Three daily centers for drug addicts or people abusing drugs and psychotropic substances have been opened. There are programs for reducing damage from drug abuse in 13 towns in the Republic of Macedonia.

**Children in the streets/street children** are a risk group which acquires new characteristics with time. According to the research of the Institute for Social Activities (2007:104), some of these children live in rural areas and their nationality (urban population) is primarily Roma (50.2%), Macedonian (38,4%), Albanian (5,7 %), Turkish (4,0% ) and other nationality (1,7%). Two daily centers for street children have been opened in Kisela Voda and Avtokomanda<sup>38</sup> and one in partnership with NGOs in Suto Orizare Municipality.

Like in other countries, there is no precise evidence on the **homeless** in the Republic of Macedonia. A special strategy has been adopted for the social inclusion of this target group. New forms of non-institutional protection are the **small group homes, acceptance centers, advisory centers for parents and children and self supported living.**

## 9. Transport

Social exclusion in the area of transport of the affected segments of population is reflected in a multi-dimensional way: in space, time, and finance and personally as a personal/physical or psychological inability or fear of using a certain means of transport. **The essential barriers** may be described as: corporal, comprehension and linguistic – thus causing social exclusion for persons with physical and mental disability, illiterate people and people who do not know the language of the community; geographic – access to communications infrastructure and organized public transport on the complete territory of the community; economic and financial - as a physical access problem caused by material poverty and inability to use public transport on the complete territory of the community; economic and financial – as a physical access problem caused by material poverty and inability to use public transport due to its high fares; and spatial – as a physical access problem due to the lack of ramps and lifts.

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<sup>37</sup> WHO uses three terms: impairment, disability and handicap. They all refer to different things, yet they come from one another. Namely:

- Impairment takes into consideration “*any loss or irregularity in the psychological, physical or anatomic structures and functions*”
- Disability refers to: “a restriction or lack of ability to perform an activity in the manner or within the range considered normal for a human being.
- Handicap refers to: „an individual’s difficulties arising from any impairment or disability which restricts the individual or limits them from achieving their function considered normal depending on the person, gender, social and cultural reasons.”

<sup>38</sup> In line with the Report on implemented Activities 2008-2009 about 500 children rotate in the Daily Centers opened by the state on the territory of the city of Skopje.

Additionally, at second level, **barriers** also may be considered: by location – as an unequal and inadequate location of the public service providers; by time – as unharmonized schedule of public transport; and psychological – as anxiety while using some types of transport.

The Republic of Macedonia has a heterogeneous by quality and insufficiently developed railroad infrastructure, water traffic is seasonal and primarily recreational and there is no national air transport. In this respect, the general mobility of the population is caused by the lack of the weak transport development in many areas of the state, particularly the rural. The lack of organized public transport is compensated for by re-allocation of resources and use of private transport means with increased costs which are impossible to cover by these social categories.

To confirm social exclusion in transport, a decent number of **indicators** may be mentioned. The data on railroad transport for 2007 say that the trains in the Republic of Macedonia stopped at only 126 stations, compared to 1767 inhabited places in the state. Only 13 out of 33 inhabited places in Macedonia classified as towns are related by railroad. In the road transport, organized passenger public transport in the city or outskirts transport is done in only 8 larger towns in Macedonia.<sup>39</sup> Statistically, at least every second household is without a vehicle. Some indicators point to social exclusion of the women many times higher than the men. In 1007 571,181 B-category driving licenses are registered, with only 128,267 for women. In addition to gender, social exclusion based on age is also registered: a total of 3,426 driving licenses are registered for people age over 65, out of which only 511 women.

**Transport costs**, on the other hand, in Macedonian households are proportionally the lowest among the lowest income families, which points to cumulative exclusion. In 2008 the poorest households spent only 0.6% or 429MKD on transport per year of the total useable funds, compared to the richest households which spent 14.8% or 203489 MKD<sup>40</sup>. The income structure of the poorest families dominates pension insurance incomes, which points to the fact that the least expenditure groups are the age/old age group above retirement age.

In this respect, three large social categories are distinguished which may be considered as **socially excluded from transport**: the poor, the people with special needs and people living in remote regions. With the National Transport Strategy of the Republic of Macedonia for the period 2007-2017, a special target is defined as “accessibility and mobility” within which the need of efficient and accessible public transport system is highlighted, access to public buildings and services, old people and people with special needs are distinguished and reasonable individual transport is appealed for. The strategy does not develop indicators of social exclusion in the area of transport, and as a result, does not distinguish targets whose existence may achieve higher social inclusion of certain social categories.

## 10. Communication

**Access to information** and means of communication<sup>41</sup> is becoming an additional component of social inclusion. The lack of access to information and communications technology prevents technology deprived people to participate in social activities and produces other kinds of inequality in the society. The population which is information poor is becoming ever so much poorer because the government bodies, the organizations in the community and the business entities continually displace a large part of their resources from the traditional communication channels to the Internet. In this way, any social group

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<sup>39</sup> In the other inhabited places, transport is limited to taxi or private vehicle use. In contrast to the shared view that there too many vehicles on the streets, in 2008 in the Republic of Macedonia only 263,112 passenger vehicles were registered, out of which 235.638 private vehicles compared to 564.296 households registered by the Census.

<sup>40</sup> Source: Household Expenditure in the Republic of Macedonia, 2008 (2009), State Statistical Office of the Republic of Macedonia

<sup>41</sup> This strategic document is limited to the social exclusion in computer provided communications, which excludes mobile and fixed telephones, and other forms of communication mediated by technology.

which is excluded or insufficiently represented on the Internet is also excluded by a large number of other social benefits.

**Information inequality** and the relevant elements of social exclusion are most commonly placed in relation with the gap between the various segments of the society which have access to any ICT or medium – and those which do not have it. At the same time we must have in mind that access is only one aspect and that there are other factors described as the new restraint of the digital division: the way and quality of use, and the disposal of understandable and useful contents. Namely, the content which is available is supposed to serve both the needs and interests of those completely socially integrated and also the marginalized groups.

Of the two most important **indicators** – the number of Internet users and host in 2009, the first one points to Internet penetration in 42% of the households in Macedonia, out of which 34% have access to the broadband Internet. The number of hosts in the Republic of Macedonia is estimated to 36,309.

The implication derived from these two indicators points to the fact that the small number of Internet hosts logically results into impoverished contents of local (national) nature, incomparable to what exists on the global net. The circle is close when the poor or irrelevant content attracts a small number of Internet users, which again explains the fact as to why the number of Internet hosts is so small. In other words, Macedonia is able to provide a significant amount of Internet contents of interest to the larger part of its population, the number of Internet users may significantly be increased.

**The social categories** which are most commonly marginalized regarding access to communications are mainly the low income people followed by three social groups which are most often identified as risk groups in the sense of their exclusion from the information society, regardless of the poverty level: older people, rural population – due to the inappropriate communications infrastructure which is at their disposal, and the low education groups.

The age distribution of the Internet users reflects the technological development dynamics (see Table 25)<sup>42</sup>. On their part, the available data do not point to the existence of a large gap in the use of the Internet by different genders.

Table 25. Computer and Internet users in the Republic of Macedonia by age and gender<sup>43</sup>

User representation:	Age groups (%)			Gender (%)	
	15-24 г.	25-54 г.	55-74 г.	Men	women
Computer	90	59	16	58	53
Internet	88	51	13	52	48

Social exclusion in communication may be expected also as a result of the insufficient **level of literacy and adequate skills** necessary for the use of the new technology. Thus, in addition to basic literacy which is 95% among adults in Macedonia and cannot be considered a restriction in the direction of improving the Internet penetration, one should take into consideration the aspects like computer literacy, followed by contextual literacy, media creativity, social competency and responsibility. The inclusion of these aspects is a great challenge in many areas, from education to civic engagement, whereas their being ignored in

<sup>42</sup> The age group over 55 includes people who have left the education system prior to or at the time of the appearance of Internet, thus this category must have had or found a reasonable motivation to master the new and unknown technology.

<sup>43</sup> In the research the users are defined as people who have used the computer or Internet at any time of their lives.

national strategic documents<sup>44</sup> with elements of social inclusion in the communications area, may rise into a large barrier for participation in the information society.

## 11. Housing

Housing social inclusion is a complex social phenomenon in strong correlation with the other forms of social marginalization... The three **essential barriers** towards decent housing – economic, cultural and private – are simultaneously in relation with the people and on this ground face social exclusion, as well as with the places of living which are marginalized due to a certain combination of social conditions.

Out of the **indicators** which point to housing social exclusion one may distinguish those which refer to general lack of access to housing facilities, having in mind that the number of available housing units in the country is among the lowest in Europe: during 1990s it was fixed to about 275 dwellings per one thousand inhabitants, whereas according to the latest 2002 Census the number has increased to 345. At the same time construction activities in housing is achieving a continually low level during the whole transition period, falling from 5 newly built flats per 1000 inhabitants in 1990 to only 1.6 in 1999. In 2008 this number is 2.5.

The other indicators refer to the traditional **socially excluded housing categories**: the homeless, the refugees and internally displaced people, children deprived of parent care, family violence victims, the nomads, and in the Macedonian case also the Roma ethnic community.<sup>45</sup> Social exclusion of these categories appears as substandard or poor housing or as legal insecurity, mainly related to the large number of illegal construction in the country. In this sense, besides the **substandard quality dwellings** in Macedonia being assessed to about 12% of the total housing fund, it is generally known that the number of families living in substandard is much larger. The average age of housing facilities in the Republic of Macedonia is about 30 years, and having in mind that the poverty rate rose dramatically in the last 15 years, the bad maintenance of housing facilities is one of the main reasons for the current situation in the poor housing in Macedonia.

**Social housing** as a compensation mechanism for social housing exclusion is a concept which in the Republic of Macedonia is being understood in various ways and carries the risk of wrong interpretation. It is often placed in the context, or refers to the provider of this special housing type, but also of the whole group for which housing is provided. Following the abandon of this concept of social housing ownership, no consistent model of social housing in the country was developed. Traditionally, the Republic of Macedonia has high rate of private ownership over the housing fund: 85% in 1988, and following the privatization in the 1990, above 95% (the number is much higher than the European Union average). The high percent is partly relativizing the need, nonetheless does not exclude the responsibility of the society for certain social categories.<sup>46</sup>

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<sup>44</sup> National Strategy for Information Society Development and Action Plan of the Information Technology Committee at the Government of the Republic of Macedonia in 2005, National Strategy for Electronic Communications Development with Information Technologies prepared by the Ministry of Transport and Communications in 2007, National Strategy for the Development of the Next Generation of Broad Band Internet with Action Plan prepared by the Ministry of Transport and Communications of the Republic of Macedonia in 2009 and the Draft National Strategy for e-Government of the Ministry of Information Society which is still in elaboration..

<sup>45</sup> The normative framework in the Republic of Macedonia distinguishes 6 categories of housing deprived citizens who are potential users of social housing: Parentless children or children deprived of parent care; social and permanent cash benefit beneficiaries; citizens affected by disasters; disabled people and people in need of assistance and care by others; socially endangered representatives of the Roma community and self-supporting single parents with juvenile children.

<sup>46</sup> The short review of the number of newly built facilities in 2008 (5144) shows that only 224 (4,3%) are some kind of state or public investment. In this respect, the housing share cannot be qualified as social housing. The total number of housing facilities in state ownership at the end of 2008 is 5627 (one of the most modest in Europe, onlu 0,9% of the total housing fund in the state) having a further falling trend.

In the sense of dealing with there housing challenges, the national strategic directions of the housing policy have been defined in the **Housing Strategy** designed by the Ministry of Transport and Communications, including the recently adopted Law on Housing. The strategy focuses on social housing and vulnerable group housing, plans the adoption of an individual law on social housing, but conceptually does not plan a new orientation and structural reform in the direction of providing system mechanisms which will strengthen the social housing fund in the Republic of Macedonia. Neither does the Strategy specify or model the announced real and sustainable financial support for social housing.

## **12. Children as Risk Group**

Reducing children poverty and social exclusion is of particular importance due to the fact that this is the only way to help avoid **trans-generation poverty reproduction** and interrupt the repetition cycle in some population groups. Children living in poverty are at higher risk of social exclusion due to the fact that the lack of resources is often limiting their opportunities for education and development, thus preventing them from participating in the economic, social and cultural life in their society.

Children growing up in **poor households** are frequently limited in their access to education, thus having limited opportunities for future employment and adequate incomes. **Children's social exclusion** is an inability to participate in the community social and cultural life with restricted access to basic services, which in combination endanger the future ability of the child to participate completely in the society.

Children have needs of **basic resources and services** in order to develop mentally, physically and emotionally. The data from the State Statistical Office show that the groups which are mostly exposed to poverty risk and social exclusion are: households with over 6 members; households with children, particularly households in which the couple is not marries; households in which none of the members is employed and households in which the head of the family has low level of education (no education, unfinished elementary education or only elementary education).

**Incomes poverty** in the Republic of Macedonia has risen to alarming levels. Based on 2005 data, over 50 percent of the households with children in the Republic of Macedonia live below the relative poverty line. Households with children in 2008 are 56.9% of the poor. Poverty affects the children's access to quality education which also limits the opportunities for adequate development and consequent possibility for improving living conditions. Also, poverty deeply affects the children's health with evidence clearly showing that children health indicators are worse with poor children.

Regarding social protection, most of the social assistance benefits do not take into consideration the **number of children being supported in the families** or their age. The social benefit payment depend on the number of family members without taking into consideration their age or specific needs. In spite of the fact that elementary and secondary education is free of charge, families with school age children are facing additional financial burdens. Text books and other teaching accessories are not explicitly included in the lists of possible items for assistance, which usually include clothes, food and other items directed towards 'providing minimal conditions for survival.'

The **criteria to apply** for child benefit do not adequately take into consideration the needs of the children exposed to high poverty risk, for instance children in families where no member is employed or in which a member is employed but has very low salary within informal economy or the illegal market. Nevertheless, there is a number of children in the Republic of Macedonia who are at various age and have **not been registered** in the Birth Register and as such cannot enjoy their rights.

## **13. Equal opportunities for men and women**

Gender equality is one of the essential values of the constitutional order of the Republic of Macedonia which is grounded on complete recognition and promotion of equal opportunities for men and women being an indispensable precondition for sustainable development, human rights enjoyment and democratic

value practices. In spite of the fact that women compose half of the population in the Republic of Macedonia, they are still being marginalized. This is particularly true in **various socially risky or excluded groups**. These women groups face problems of typical gender nature beginning from gender distinction of the roles within the family, still present stereotypes within the educational process, gender professional division, gender based violence in the family or private life, and ending with insufficient representation of women in the decision making process.

The issue of equality and **inclusion of gender perspectives in the mainstream** is not only a question of tradition and social rights, but rather an exceptionally significant issue in dealing with poverty and unemployment, providing equal opportunities and quality of life for each and everyone. This is particularly important due to the fact that social exclusion and poverty contain a clear gender component making women much more exposed to the poverty risk, facing a lower rate on the labor market, higher rate of (long term) unemployment and fierce discrimination based on gender on the labor market. The horizontal and vertical **segregation and gender gap** in getting employment, manifested through a larger presence of women in less paid jobs and professions, and the lower participation rate in the decision making process is additionally leading to **poverty feminization**, economic dependence of women which all generates a risk of social exclusion.

The implementation of the Strategy on Social Inclusion needs to take into consideration **gender intersection** with other factors like: age, education level, ethnic affiliation, place of living, socio-economic status, due to the complex system of characteristics which are created as a result. This will lead to better comprehension of the reasons for seclusion and providing **equal opportunities and quality of living** for women and men regardless of their other affiliations.

The further activity needs to go in the direction of **systematic prevention** through the incorporation of the gender dimension in all areas which have the target to reduce poverty and risk of social exclusion; through activities for facilitating the access to the social protection system and activities directed at raising the level of implementation of non-discrimination legislation based on gender and sex.

## **Part 4. Proposals and Measures, Activities and Policies**

Based on the observed state of affairs in defined areas in which social exclusion and poverty is outstanding (previously elaborated), the needs of change, which may affect the overcoming of negative elements and beginning positive development processes, are determined. For a further analysis of the conditions and presented assessments of the determined findings, the extended version of this Strategy is recommended.

This part includes proposed measures, activities, policies and solutions which can be dimensioned by time and which may lead to shaping a strategic approach towards social inclusion and poverty reduction. Some of them are already functional with proposals for their further upgrading and/or change directed at improvement of results being achieved, whereas some of the proposals are yet to be shaped formed and implemented in the system.

## Area 1: Employment

The high unemployment rate imposes urgency on creating and implementing a permanent, responsible and efficient employment policy, which is highest priority<sup>47</sup>. Improving the unfavorable labor force employment indicators depends on the implementation of a comprehensive macroeconomic policy and a more dynamic economic growth and investment. Due to the healing stage in the post-recession period, the employment conditions may further be improved by undertaking certain measures in the institutional, administrative and legislation management of employment policies.

### Specific strategic goals

**Improve conditions and opportunities for employment and reduce unemployment, enhance standard of living and strengthen social cohesion and sustainable demographic development.**

### Results

In order to achieve this employment goal the following results need to be achieved:

- (1) Reduce long-term unemployment
- (2) Increase access to employment
- (3) Increase gender equality in employment
- (4) Create equal employment opportunities for individuals with special needs
- (5) Create equal employment opportunities for the elderly (age 55-64)
- (6) Implement the basic principle of fair and adequate representation in employment.

### Measures

In order to achieve this target various **priorities, measures and activities** are pointed out and their implementation will enhance the social exclusion conditions from the labor market as follows:

#### **Result 1: Reduce long-term unemployment**

- 1) Identify the **reasons** for the long-term unemployment and on these grounds propose system and other measures to reduce unemployment,
- 2) Monitor **indicators** which detect the effects from the undertaken active measures and policies (or direct to the negative zone of undertaking certain policies) as a precondition to eliminate impediments which create long-term unemployment.
- 3) Adopt **measures with individual programs** and activities with the target to eliminate impediments for employment of the long-term unemployed people which are stigmatized and socially excluded.
- 4) Determine employment **quotas** for these people, as well as for the people with limited abilities by giving incentives to employers who hire socially endangered people with some of the significant activities which lead to higher social inclusion of these people.
- 5) Initiatives for **public works** in regions where a significant number of the population is exposed to social risk and social exclusion, which provides for temporary employment, but

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<sup>47</sup> When employment priorities are reviewed, other unfavorable indicators on the labor market must also be taken into account like for instance: a high level of unregistered work, which is about 33 to 37 percent of GDP; low qualification of the labor force with about two fifth with low qualification; higher unemployment rate of vulnerable ethnic groups, (like the Roma – 78.5%); lower participation rate of women on the labor market particularly referring to those belonging to less represented ethnic communities like the Albanian and Turkish, etc.

also incomes which provide for a better life and conditions for further engagement of these people.

- 6) Increased use of **domestic resources** in investment building for multiplication of effects from investment because the use of domestic resources supports economic activities and affects employment growth.

The measures designed within the Ministry of Labor and Social Policy, the Government national programs, action plans and supporting **measures are still valid** and they must constantly be refreshed and adjusted to the conditions in the society.

## **Result 2: Increased access to employment**

- 1) **The increased access to employment** means an opportunity to make income and achieve better personal life, about which the relevant institutions and bodies must provide conditions for social inclusion of the citizens in the working and social processes. To this end, it is necessary to define a **national framework to impose that each measure, regardless of whose responsibility it is, which enters a parliamentary or government procedure has to incorporate the priority interest for higher employment.** This means, like in the case with declaring fiscal implications for every individual regulation, **plan a part on implications on the labor force market or the influence of individual measures on the employment growth, reduce poverty and higher social inclusion.** In this way the ministries are directly encouraged to plan and support employment as a necessary part of the overall policies for which they are responsible and with the focus on using human resources which are available. This refers both at state and municipal level which makes a priority obligation for planning and evaluating meaning that the measure may be quantified from the aspect of the effect which it instigates and is related to employment.
- 2) It is necessary to open “**employment zones**”, as mechanisms for directing and concentrating employment policy and resources in certain urban and rural zones, and particularly in zones with high unemployment rates. In these zones there will be guarantees for investment and partnership of investors with the state or municipality, and providing benefits (locations, infrastructure, cover part of the costs etc.) In order to achieve higher investment and open new jobs.<sup>48</sup>
- 3) Provide **equal conditions** for employment of the young, disabled, older employees and all vulnerable groups. This refers to providing equal opportunities for **all ethnic communities** on the labor market, i.e. their better representation in places where they are a small number. To this end it is planned implementation of: fair representation of ethnic communities in public administration, local government units and public enterprises. The implementation of the Strategy for the Roma – Decade of the Roma, which is regarded as an important active document, along with operation and action plans may contribute to the achievement of higher social inclusion of this population.
- 4) The integration of **young people** on the labor market needs to be expressed by regular opening new jobs and filling vacancies, adjusting the educational system with the labor market needs and particularly strengthening of interests and conditions for opening private businesses. In addition, by giving support for first employment of young people by providing experience through apprentice training, a larger number of young people are given skills to find employment, i.e. to be socially included. Pending activities are to be highlighted like: incentives for employing parentless children, the activities in the work clubs, professional

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<sup>48</sup> The zones will also mean an opportunity for investors to use incentives and/or benefits for education for employment, retraining, tax incentives and long-term benefits, particularly when there is growth and new jobs are opened with certain dynamics. These zones may become a model for resolving the high concentration of unemployment, especially in underdeveloped regions, in underdeveloped areas and mountainous parts where the interest threshold for investment is limited.

orientation and other things are supposed to lead to employment and reducing the time of waiting for a job by young people. Individual employment plans, training programs for the young who will begin their own businesses.

### **Result 3: Increase gender equality in employment**

- 1) In the domain of **gender equality**, strong measures for the participation of women on the labor market and reducing the difference between the genders regarding employment, unemployment and salary are necessary. Based on the gender characteristics system analysis on the labor market<sup>49</sup>, the needs of retraining may be determined in order to overcome the gender gap and have higher inclusion in the working processes.
- 2) Active employment measures, support for self-employment and crediting active programs and measures directed at **women employment**, the expected results may be achieved. The objectives is to increase women share in the total number of employed and reach the rate of 38% women employment in 2010<sup>50</sup>. This includes: training and activities for encouraging entrepreneurship spirit of women and increased awareness of women's entrepreneurship, improve the woman's status in the national economy (on the labor market, capital market, special investment policies, women's share in GDP), activities for additional training, professional training, retraining of unemployed women, employment and self-employment, regulating the work-legal status and status of farmers of the women in rural areas (women farmers) and include gender mechanisms at central and local level in designing, planning and implementation of these measures. All this has been supported in the National Action Plan for Gender Equality which is focused on improving the conditions for women on the labor market.<sup>51</sup>

From **gender point of view**, it is necessary that the policies for higher employment include measures which provide: the further process of EU legislation harmonization and adjustment for equal gender opportunities; design of programs for education and training with higher share of women in order to provide opportunities for their employment in sectors where they are less represented; encourage women entrepreneurship; enhance and develop the child care institutional network.

### **Result 4: Provide equal employment opportunities for individuals with special needs**

- 1) Providing **equal opportunities for people with special needs** is related to the design of individual **annual and mid-term programs** for rehabilitation and integration of the people with special needs on the labor market which enables their social inclusion. These measures are expected to be accompanied by financial support at state and local level which will be the corrector of the imperfection of the market interest for these categories of citizens.
- 2) **Employment of disabled individuals** is related to the support provided in line with the regulations, which enables financial support for the employer's interest to include them in the working process. It is necessary to make effort to improve the skills and knowledge of these people in order to increase the possibilities for their employment and for better social inclusion.

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<sup>49</sup> Beginning from gender stereotypes in the educational process, career selection, discrimination, analysis of the existing employment policies regarding gender, determining the women's needs for entering the labor market, degree and types of discrimination, professional segregation.

<sup>50</sup> National Strategy on Employment 2010, Government of the Republic of Macedonia.

<sup>51</sup> Regarding this, it has been estimated that it is necessary to introduce the gender concept in designing programs and active employment measures by including special target groups like: women users of social benefit, victims of family violence, victims of human trafficking, long-term unemployed women, single mothers and on the grounds of redundancy and bankruptcy or other grounds for social exclusion.

**Result 5: Provide equal opportunities for employment for the elderly (age 55-64)**

- 1) Within vulnerable groups, it is important to have in mind to provide equal opportunities for increased employment of **the elderly** (age 55-64) where employment rate is 26.2%, whereas the unemployment was 21.9 % in 2005 according to APC. The transition process and their inadequate qualification compared to the contemporary labor market needs (skills and knowledge, particularly in IT) are the main reasons for this situation. The target is to increase the employment rate of the elderly to 33% in 2010<sup>52</sup>.
- 2) In this context, it is necessary to elaborate the policies related to the **pension levels** as measures which will encourage timely, or even early retirement to provide conditions for new employment. By providing a good level of pension standard as a minimum guarantee for the retired people to cover the costs of living and as a long-term sustainable policy for the elderly and their pensions, the negative attitude is avoided when the pensions are considered as guarantee against social exclusion. This is the reason behind the pressure imposed by the elderly for repeated working engagement and activity, particularly in the informal sector.

**Result 6: Meeting the constitutional principle for impartial and adequate share in employment**

- 1) Encourage policies which will contribute to increased number of employment for small community representatives in line with their population share in the area.
- 2) Provide opportunities and make economic zones in areas with mixed ethnic composition.

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<sup>52</sup> The reduction of the differences between the legislation and existing average age of leaving the labor market in line with the increase of average life span until 2010 (the existing average age for retirement in 2005 was 57 for women and 61.7 for men, based on the data of the Pension and Disability Insurance Fund). It will also provide for reintegration of the unemployed elderly people and renewal of their ability on the market, by establishing a system for their training for employment or beginning their own business.

## Area 2: Informal economy and strengthening entrepreneurship

**Informal economy** in the Republic of Macedonia has not been officially assessed, yet it is believed to be sizeable. Facing the problem of informal economy or the grey economy, means direct influence on the living conditions of mainly the most vulnerable categories of population like those with insufficient education, the old, those with low salaries and the vulnerable ethnic groups.

Nevertheless, if informal economy formalization is to be accepted as a consensual agreement among the political structures, including the participation of all stakeholders on the labor market, and also pointing to the fact that this is high and long-term priority of the state, this strategy may contribute to higher profit than costs both for the state and the individuals.

**Entrepreneurship**, being a driving force of market relations and engaging production factors, is certainly demanding conditions and support which will establish the system of entrepreneurial citizen engagement in all activity spheres.

### Strategic goals

**Reduce informal economy and strengthen entrepreneurship in the business environment at national and local level.**

### Results

In order to achieve this goal in illegal economy and strengthen entrepreneurship, the following results need to be achieved:

- (1) Formalize informal economy
- (2) Strengthen entrepreneurship

### Measures

#### **Result 1. Formalize informal economy**

- 1) **Transform** informal economy into formal in a controllable size and acceptable for the market economy.
- 2) Provide increased capacity of the state (or municipalities) for collecting **taxes or public income**, which will provide better possibilities for new jobs or assistance for those who are outside the market through social protection programs.
- 3) Apply **experiences** of other countries on various models and methods of transformation of the informal into formal economy.
- 4) Provide **opportunities for individuals** who are involved in informal or grey economy to work in the official economy and possibilities for registering activities for paying some minimum taxes or flat taxes. Individuals will also have an increased security not only in the present state of affairs, but also regarding their future incomes like pensions, unemployment benefits, social rights etc.
- 5) Conduct a comprehensive study for precise systematization of job categories existing on the informal market: characteristics of the “formally unemployed” based on: their position in the labor market, qualifications, ethnic affiliation, place of birth etc.
- 6) Implement a **gradual approach** in registering “grey” businesses and activities in the formal market including stages which are necessary for the “new” participant in the labor market to be able to deal with the financial burden, i.e. the real costs on the formal market. This may include: gradual payment, payment delay for certain obligations,

granting loans at “state-fixed” rates, incentive grants for certain purposes which mean formalization of the business etc.

- 7) The regular existing “formal” businesses should not be left without privileges and must not be “stigmatized” without any compensation due to the fact that they are the “regular tax payers”. In order to mark their regularity in tax payment, some “**financial bearable**” measures should be taken in order to “reward” them and also attract them as supporters of the whole strategy of market formalization

## **Result 2. Strengthen entrepreneurship**

- 1) Increase the number of **small and medium size companies** which will increase the possibilities for employment in them
- 2) Strengthen the **promotion** of non-financial and financial forms of **support for entrepreneurship**, raise awareness on the importance of entrepreneurship, and improve skills of entrepreneurs in order to strengthen competition of the existing enterprises.
- 3) **Facilitate access** to cheaper financial resources by extending the scope of mortgage instruments and provide conditions for creating immovable property for this purpose enabling an economic activity which encourages new employment and social inclusion.
- 4) Provide **assistance for entrepreneurs** to participate in projects, timely information on published tenders within the IPA and FP7 programs and other EU programs and funds to which the Macedonian companies and institutions have access.
- 5) **Support for business centers, business incubators and technical-technological parks** and strengthen the capacities of the existing regional centers, develop various programs which will provide new business relations with the world. It is of particular importance for the development of the market and capacities to establish new and support the existing business incubators which provide numerous services for the small and medium size companies.
- 6) Support of the work in the **centers for technology transfer** is also a target with raising awareness on the importance to apply new technology, facilitated transfer of new technology and develop centers for research and development.
- 7) By **exchange of experience** on the development and upgrading entrepreneurship, management, negotiation techniques, new marketing strategies, sales models, modern techniques for penetrating new markets and other activities, opportunities for new jobs are provided along with opportunities for social inclusion. .
- 8) Open business support centers in the municipalities where a large number of ethnic community representatives live in order to provide for their better inclusion in the economic trends of the state.

## **Preconditions**

**The transfer of the informal economy into formal** is composed of several **stages** in solving this problem like the following:

- 1) Define **indicators** for monitoring the transfer of the informal to formal work in line with the principles of the European Union.
- 2) Changes in the **tax and social insurance system** and the system of other types of support will affect the increase of the interest of unregistered companies to be registered.
- 3) **The benefits for starting a business** and the support for the business need to be related to the registered activity. This increases the percent of transfer from informal and grey economy into legal and formal.
- 4) Provide conditions for implementing certain **penal measures** for the designers of illegal business. Strengthen supervision and penal measures for those who work in the grey and black economy,

i.e. strengthen inspection supervision, strengthen personnel capacities of the inspection and provide integrated inspection work (cooperation and coordination of the inspection of labor, market, tax and other inspection services) will significantly contribute to reducing informal economy.

### Area 3: Labor market

Having in mind the unfavorable results in the Macedonian labor market, it is necessary to undertake a **comprehensive policy packet** which includes reforms at micro-level, adequate combined and coordinated macro-economic policies and policies for employment at all levels.

Micro-economic reforms should further improve the **business climate** in order to facilitate the administrative procedures for starting and growing companies. These efforts, along with the measures to reduce labor force costs, will encourage new job creation and labor force demand.

**The coordinated macro-economic policies** should preserve the current stable environment, but also provide for a better dynamics in economy. The beginning of an investment activity based on **using domestic resources**<sup>53</sup> and domestic labor force will mean double encouragement both for the domestic economic entities and for the citizens who will be employed. In conditions of post-recession, undertaking measures which encourage domestic factors for production is becoming an imperative until the establishment of a dynamic economic growth.

#### Strategic goals

**Improve the situation in the labor market, design and implement a comprehensive policy packet at micro-level and macro-economic policies, and strengthen market potentials for engaging the workable population at all levels.**

#### Results

In order to achieve this goal in the labor market, the following results should be achieved:

- (1) Increase the number of new jobs and provide conditions for impartial access to the labor market for the representatives of the ethnic communities
- (2) Reduce unregistered labor force
- (3) Enhance the women's position on the labor market

#### Measures

##### **Result 1: Increase the number of new jobs**

- 1) Constant and increased **creation of new jobs** by structural changes and dynamics of activities for new job creation, respecting the principle for impartial and adequate representation of all communities.
- 2) Recognize differences and characteristics stepping from **market demand**, which must respect education levels, age and gender characteristics and be focused on building a social inclusion policy.

##### **Result 2: Reduce unregistered labor force**

- 1) Provide incentives for contracting **permanent jobs** (or temporary jobs),
- 2) Regulate the engagement of non-resident workers,
- 3) Regulate the relation towards the payment of average salary and the length of work engagements.

##### **Result 3: Improve the status of women in the labor market**

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<sup>53</sup> In December 2009 the US Congress adopted a legislation packet providing incentives of 70 billion dollars for infrastructure investment being necessary for economic growth, under the condition that everything to be built must involve the use of steel and cement produced by US companies.

- 1) Activities in the area of prevention by educating and informing the women workers on their own rights;
- 2) Training on gender sensibility of labor inspection,
- 3) Continuous visits and creating mechanisms for monitoring the implementation of legislative provisions in case of worker's rights violation.

### Preconditions

The measures and activities in employment which have been adopted and to a certain extent effect the mitigation of unemployment, continue to be observed and are part of the need to activities for the improvement of the access to the labor market. In addition, the main **challenges for the labor market macro-economic policy** will arise from:

1. The nominal (and real) **convergence to the European Union**, due to which the policies for accession to the labor market must be adjusted to and harmonized in the early stage of coordination to European countries' policies.

2. **National priorities for action** need to be harmonized or be identical with those identified in the revised **Lisbon Strategy of Growth and Jobs**, which are:

- 1) attract and preserve more people in employment, increase offers of labor force and modernize the social protection systems;

- 2) improve worker and company; and

- 3) increase investment in human capital by providing better knowledge and more skills adjusted to the domestic labor market needs the implementation of these European objectives needs to be in compliance with the **established policies** designed and promoted at macro-economic and system level in the Republic of Macedonia, in the direction of development dynamism and higher economic and social performance.

**The policies and measures for increasing employment and the labor market flexibility** are some of the priorities defined in the Work Program of the Government of the Republic of Macedonia and a number of strategic documents like the 2010 National Strategy on Employment<sup>54</sup>. It is expected that the **program** implementation will continue in 2010 for increasing employment and keeping existing jobs. Decentralization of employment opportunities is possible through the preparation of local action plans for employment and continual implementation of active programs and measures for employment directed at target groups (young people, long-term unemployed, women, old people and vulnerable groups etc.).

**Encouraging employment** by innovating **strategies and programs** for supporting businesses, labor legislation reforms and particularly supporting unemployed and socially excluded people on various grounds at state, municipal and individual requests. It means: create an **encouraging environment** and eliminate obstacles for going in and out of the business, strengthen institutional and financial support of small and medium size enterprises, establish a system for their constant observation and support, encourage competitiveness for export, support innovation and technological competition, apply and develop information and communications technology.

In order to achieve these objectives, the government, state administration and municipalities need to be organized, with coordinated policies and efficient in defining and implementing the new concept for efficient and rational **micro state** which will encourage the individual in the direction of development. By reducing bureaucracy and by introducing competition in public institutions and strengthen social

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<sup>54</sup> National Action Plan for Employment 2006-2008, National Action Plan for Employment 2009-2010, annual operational plans and programs for employment and Action Plan for Reducing Grey Economy. Related to this Strategy is also the National Action Plan for Gender Equality, 2007 – 2012, which refers to women's issues and employment.

entrepreneurship the forces and potentials are released for engaging each individual for a more efficient and cost-effective state and social cohesion.

## Area 4: Poverty and social discrimination

All activities directed to meeting the material needs of the citizens, providing for their participation in the society and the social processes and strengthening social unity are the desired objectives of the social model in each state in which social inclusion is part of the processes of social state realization. The quality and quantity of inclusion does not depend only on the material level or the development level in one society, but rather on the degree of acceptance of the population social requirements and their complete implementation.

### Strategic goal

**Reduce poverty and social discrimination by establishing a new social model and concept focused on individuals and their needs.**

### Results

In order to achieve this goal related to poverty and social discrimination, it is necessary to achieve the following results:

- (1) Provide measures for support of socially discriminated citizens
- (2) Establish an acceptable social model.

### Measures

#### **Result 1: Provide measures for the support of the socially discriminated**

- 1) Improve conditions in the encompassing capacities in education and the opportunities for acceptance, **cover its costs**.
- 2) **Exempt from some taxes and contributions** (state participation for certain services) in order to reduce poverty of individuals in social risk and socially excluded.
- 3) **Provide the young and the ethnic community representatives** the opportunities to achieve higher level of modern education in order to displace them from the unqualified labor force which is unattractive on the labor market...
- 4) Financial support for maintaining **health and hygienic sanitary status** of poor individuals and families, introduce regular free-of-charge health controls (prevent the infectious disease spill over).
- 5) Provide **social assistance** for individuals who are in need of it (unregistered individuals, illiterate, hungry etc.) which will take into account the number of children in the family.
- 6) Provide **quality access** to opportunities for various institutional services (health, education, cultural, sports, entertainment etc.)
- 7) **Mapping** social organizations and entrepreneurship and identify their capacities, structures and services in order to identify the potential (material and human) of institutions and non-institutional forms of social inclusion.
- 8) Determine **indicators for monitoring energy poverty** of variables which condition it and the index of energy poverty, including measures for reducing and/or eliminating its causes.
- 9) Participation of relevant representatives of ethnic communities and the poor in the **design and coordination of social inclusion policies**. The non-government sector needs to be supported to deconcentrate and reallocate services offered in locations where there is no capacity for providing daily care services.

## **Result 2: Establish sustainable social model**

- 1) **Establish and acceptable social model**, i.e. how to restrict market imperfections and have institutions, and particularly the state and the local government shape social processes, assist the socially endangered population, and at the same time prevent that the motivation for working engagement is not at risk and how to provide for social security which will reduce or eliminate social exclusion. The referral to European or other experience or the European social model does not provide for distancing from the national specifics.<sup>55</sup>
- 2) Shape a **functional and sustainable social model** which will not produce poverty and social exclusion, but rather affect social inclusion and raise of the citizens' material base.

### **Preconditions**

For combating poverty the following **preconditions are necessary**:

- 1) Build a **system of constant measuring** by adjusted parameters and data sources which will be comparative with the indicators applied in the European Union and are implemented when assessing poverty line.
- 2) Determine nationally accepted and adopted **definition of social inclusion**, based on which the situation will be analyzed, will facilitate methodological procedures and also define policies to be implemented in this area.
- 3) **Identify mechanisms, conditions and means** for timely assistance for individuals facing poverty (urban and rural),
- 4) **Define minimum salary** (or minimum income) as an indicator which will ask the questions related to poverty on quantitative grounds which are necessary and exists in most of the countries in Europe.
- 5) Define **target groups** in the domain of observation and implementation of measures and policies for social inclusion by a permanent system of problem solving for socially excluded individuals. By including other groups in the domain of monitoring, poverty will be reduced and social inclusion strengthened.
- 6) Include in the **socially excluded groups**: employed individuals with extremely low incomes, rural poor population, women belonging to ethnic communities who live in rural areas, treat urban poverty, children in large families (3 or more children) particularly those with unemployed parents and children living in shelter institutions.
- 7) Provide new mobile and deinstitutionalized **services for a number of categories of social excluded groups** (from the existing) specially for the old and increase the number of daily centers for sheltering the homeless and street children – children in the streets.

The categorization of **measures for various poverty groups** is becoming necessary in order to be able to see the results of the measures. The National Strategy on Poverty Reduction distinguished three categories of poverty in the Republic of Macedonia, however, due to the fact that the needs of these groups are different, the measures directed at them must be different, a) special attention must be given to training and counseling services for the identified new poverty group; b) there is a need for larger access to financial transfers for those categorized as traditionally or chronically poor; and c) better information

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<sup>55</sup> An example of the possible enhancement in the policy of participating in the payment for some services which may be supported: children aged 1 to 5 and families whose income is lower than 60% of the average salary be excluded from participating in payment; and children aged 6 to 18 are exempt from payment for certain services. Care should be taken while estimating the social status of the family compared to their income – it seems that there are no sufficient and correct data in the system for the incomes in the family especially the self-employed and contract base employment.

8) **Better access to resources** is also necessary along with access to rights and services necessary for participating in the society of the poor population living in remote regions. This may include mobile services, health controls, food supplies, and providing conditions for participating in other activities.

9) It is necessary to have active **social inclusion of unemployed young people**, who are not included in education and training and the labor market interest in them is reduces.

## Area 5: Health protection

The provisions determined in the Health Strategy of the Republic of Macedonia until 2020 define the measures and activities for strengthening the health system, whereas the other strategic documents include short-term and long-term activities to be implemented in order to feel the effects of these measures on the health of the population. Based on these provisions and the objectives determined in the 2008-2013 National Development Plan of the Republic of Macedonia, priorities are proposed which are to be implemented to improve social inclusion related to health protection.

### Strategic Goals

**Enhance access to health protection and its quality for socially excluded groups.**

### Results

In order to achieve this health protection goal, the following results must be achieved:

- (1) Cope with and prevent all forms of discrimination;
- (2) Eliminate inequality in health protection and provide equal access to health protection.
- (3) Improve standards and quality of health protection (invest in facilities, equipment and staff);
- (4) Provide adequate health protection of vulnerable groups of population; and
- (5) Enhance access to health insurance for people without health insurance r relevant personal identification documents.

### Measures

#### **Result 1: Cope with and prevent all forms of discrimination**

- 1) Determine the state of affairs in health protection discrimination and propose measures for its elimination, like training for health and assisting staff in health protection, training for councilors for protecting patient's rights.
- 2) Define the status of councilors for protecting patient's rights in medical care health institutions and prepare a contact list of councilors for citizen information.
- 3) Provide access to councilors for protecting patients' rights in all medical health care institutions and inform citizens about the existence of this institution in compliance with the Law on Protecting Patients' Rights.
- 4) Include civic organizations in collecting information on health protection discrimination.
- 5) Establish Committees for Protection and promotion of Patents' Rights in the local self government units (in line with the law) and their training on the health protection rights and non-discrimination principles in the existing legislation.
- 6) Target information for vulnerable groups related to the rights in health sphere, and particularly of the non-discrimination right, in cooperation of the relevant institutions and the civic sector. In this respect we can include the development of sexual and reproduction health, and as separate activities the following may be included:
  - 1). Design and implement programs for health education in the area of reproduction health (strengthen registration mechanisms for using contraception means and the number of performed abortions in the private and public health) and responsible sexual behavior adjusted to the age, traditions, general education, place of living and social layer;
  - 2). Strengthen and increase existing prevention programs (CA: uterus neck, breast and ovary cancer) by strengthened information on available services and eliminating

infrastructural obstacles, particularly in rural areas and mountainous places and for health uninsured women;

3). Continuous campaigns and education (particularly for young population of various ethnic communities and rural areas and other vulnerable groups) on the use of contraceptive means, sexually transferable diseases, HIV/AIDS and family planning.

- 7) Design information materials directed at individual vulnerable and socially excluded groups.
- 8) Monitor the work of councilors for the protection of patients' rights with focus on achieving the patient's rights, with focus on achieving rights related to health protection of vulnerable groups.
- 9) Include the civic sector (associations of citizens and foundations) in detecting, eliminating and preventing discrimination of vulnerable and socially excluded groups in health protection sphere.

**Results 2: Eliminate inequality in health protection and provide equal access to health protection (geographic, financial and physical):**

- 1) Identify the "pockets" in access to health protection, strengthened implementation of decisions by the Ministry of Health on subsidizing primary health care institutions in the rural areas and amendments to the decision with the possibility for subsidizing health institutions in urban areas where there is no interest to open primary health protection institutions under concession.
- 2) Analyze existing health evidence regarding the problems and needs of vulnerable groups and propose ways of monitoring these problems and needs.
- 3) Identify individuals and families, primarily in vulnerable groups which do not have access to health protection by field visits (public health nursing) and inform them about the access to free-of-charge health services in preventive health protection (immunization, screening programs etc.)
- 4) Introduce a system of medical record keeping in compliance with the new Law on Health Record Keeping, according to which the patient's data are held based on ethnic community affiliation, religion and economic status. In this way some of the health statistics will provide information on comprehensive scope of certain vulnerable groups and their health needs.

**Result 3: Improve the quality of health protection (invest in facilities, equipment, and staff):**

- 1) Invest in primary health care institutions in rural areas (basic infrastructure, ECG devices etc.).
- 2) Provide training for gender and other type of sensibility of the health staff and assisting staff in health institutions regarding the needs of the population and the individual vulnerable groups.
- 3) Establish a system for monitoring quality of health services and a system of accrediting health institutions in compliance with standardized conditions for quality health protection.

**Result 4: Provide suitable health protection for vulnerable groups of the population:**

- 1) Introduce physical and service access to health services for disabled people on various grounds (people with corporal disability, the deaf, the blind, the illiterate etc.)
- 2) Define the measures for the promotion and access to health services in rural areas.
- 3) Design policies for establishing Roma health mediators (RHM) and define professional staff, assignments and scope of field activities for RHM. This activity is in line with the National Action Plan for Health within the Decade for social inclusion of the Roma, 2005-2015.
- 4) Introduce Roma health mediators in communities where there is need for this (in line with health statistics) according to the defined professional staff, assignments and field activities

- for RHM. Employ RHM within the health system as follows: 13 in the first year, 10 new at local level until adequate coverage of the population with health services and RHM is provided.
- 5) Design a register of civic organizations which are involved in the sphere of health policies and health protection.
  - 6) Implement measures for improving accessibility to health services by exempting from participation for all health services in the child primary health care services, with particular emphasis on homeless children, single parents, children users of social or other kind of benefit from the state, children with HIV/AIDS and children of parents who live with HIV/AIDS, and children of individuals who abuse drugs (LID), increase the number of centers for mental health of the children and juveniles. By signing the Convention of the Rights of the Child, the Republic of Macedonia is obliged to provide equal access for all children to quality health protection.
  - 7) Implement measures for improving access to health services by exempting from participation for health services in primary health protection for individuals of the vulnerable groups, particularly single parents, and users of social benefit from the state, people with HIV/AIDS and individuals who abuse drugs (LID). Defining the status of the individuals who will get this exemption should be by their reporting the status at relevant institutions.
  - 8) Implement measures for improving access to medicaments on the positive list of drugs and exemption from participation for all medicaments on the positive list for homeless children, single parent children users of social or other type of benefit from the state, children with HIV/AIDS and children of parents who live with HIV/AIDS, and children of individuals who abuse drugs (LID). Defining the status of the children who will get this exemption should be by their reporting to relevant institutions or by marking the special code of health documentation.
  - 9) Implement measures for improving access to medicaments on the positive list of drugs and exemption from participation for all medicaments on the positive list for single parents, users of social or other type of benefit from the state, people with HIV/AIDS, individuals who abuse drugs (LID) and people with mental disability. Defining the status of the children who will get this exemption should be by their reporting to relevant institutions or by marking the special code of health documentation.
  - 10) Introduce shelter housing for individuals with chronic mental diseases and centers for preventing and treating LID.
  - 11) Strengthen the institutional capacity by establishing new services for adequate health protection of the vulnerable groups (children and adolescent, women, Roma, individuals with mental diseases, disabled people, individuals who live with HIV/AIDS and individuals who have no health insurance on any ground).
  - 12) Include the civic sector in providing some health services (by doing public authorization that the relevant ministry may delegate in the area in which they are active and in line with the law. Due to the specific characteristics of public authorization, the law provides a series of general provisions for their performance by civic associations. In the health sector there is health and non-health services which may be transferred to the responsibility of civic associations (care services, improving quality of life, assistance for disabled people etc.)

**Result 5: Enhance access to health insurance for individuals without health insurance or adequate personal identification**

In line with the priorities in the National Development Plan 2008-2013, it is necessary to make joint efforts to implement the government measure for extending access to health insurance for individuals who do not have health insurance on any ground i.e.:

- 1) Revise legislation regarding necessary documentation for achieving the right to health insurance based on the changes in the Law on Health Insurance (Article 5, item 15) in order to simplify the procedure for achieving this right.
- 2) Coordinated inter-sectoral cooperation of the civic organizations and the relevant institutions regarding the identification and exchange of information for the individuals who have no documentation and cannot enjoy the right to social inclusion.
- 3) The use of the system for free-of-charge legal assistance for individuals who can get health insurance under item 15 of Article 5 of the Law on Health Insurance.
- 4) Inform the public and target vulnerable groups (with the civic sector) on the existence of opportunities for enjoying the right to health insurance for people who do not have health insurance.
- 5) Monitor the situation of access to health insurance for individuals with unregulated status and without personal documentation.

## Preconditions

### 1. Institutional support and assistance

In order to carry out the above activities and achieve long-term priorities of the Strategy for Social Inclusion in the field of health protection, it is necessary to organize **institutional support**, which may be achieved through the existing or informal institutions. In addition to the health system institutions at central and local level, which have the responsibility for implementing activities and addressing problems and needs of vulnerable groups, it is necessary to introduce new forms of support, particularly at local level, i.e. in the communities, for adopting, integration and resocialization of certain vulnerable groups . Besides the existing forms of resocialization and reintegration of these groups, it is assessed that the existing facilities are not sufficient, whereas for some categories of vulnerable groups with special problems (like drug addicts), there are no facilities at all. Thus, in the sphere of health protection and improving the health of the vulnerable groups, opening the following forms of institutional support and community support:

- 1) Sheltered accommodation for individuals with mental health problems and mental disability;
- 2) Social clubs for vulnerable group re-socialization with support in their social engagement, education and other activities;
- 3) Institutions/centers for shelter and assistance to individuals who inject drugs or addicts of other type of substances which cause addiction. These institutions/centers need to be located in the community in order to have faster and more successful reintegration and resocialization of the vulnerable groups;
- 4) Increase the number of mental health daily centers with support in their social engagement and education;

Also, inter-sectoral issues related to gender, ethnic and social affiliation should have a particular emphasis in this Strategy as a set of issues which are in correlation with the health and institutional support and assistance.

### 2. Social inclusion in health protection

priorities in the health protection part will be achieved by a continuous and quality implementation of the elaborated measures and activities and normative acts for regulating rights, obligations and responsibility of all stakeholders in the process of their implementation. Basic preconditions for the implementation of each normative activities are:

- 1) Inform the general and professional public of its entering into force and the meaning of the provisions it contains, which means only publishing in the Official Gazette of the Republic of Macedonia it is not sufficient and is only formally accessible.

- 2) Train entities which are in charge of its implementation, including information for the public;
- 3) Train supervision bodies on the legislation change;
- 4) Make rights protection system established by the legal system in the Republic of Macedonia functional (including institutions external to the health system: judiciary, ombudsman etc.)

## Area 6: Long-term care

The conditions regarding access and quality of long-term care services in the country point to a number of problems and challenges which require attention. The worst barriers regarding access to social and health services are: lack of information on the existing services and health centers and institutions, which specially affects the inhabitants of the rural areas etc.

The Strategy includes measures for both institutional and non-institutional protection.

### Strategic goal

**Provide general access to long-term care quality services for vulnerable and excluded groups by developing a sustainable system of funding in accordance with EU practices**

Targets:

1. Enable equal and adequate access to long-term care services for all citizens, and particularly for socially excluded and vulnerable groups
2. Improve the quality of institutional and non-institutional long-term care services, especially services provided for socially excluded and vulnerable groups.
3. Provide sustainable system for long-term care services based on diversification by type and manner of providing long-term care services and the systems of their funding.

### Results

In order to achieve this goal in long-term care the following results need to be achieved:

- (1.1) Provide conditions for equal access to long-term care services by designing legislation and making estimates of the beneficiary's needs;
- (1.2) Improve the physical and infrastructural conditions for long-term care and raise the educational level of the professional staff in long-term care institutions in line with national standards;
- (1.3) Increase access to long-term care services by efficient decentralization and promotion of public-private partnership;
- (1.4) Provide a standardization system and trained staff for long-term care;
- (1.5) Promote and strengthen non-institutional forms of long-term care and promote the right to choice by public campaigns;
- (1.6) Provide a sustainable financial system with measures for safe funds for long-term care model sustainability.

### Measures

**Result 1.1: Provide conditions for equal access to long-term care services by designing legislation and making estimates of the beneficiary's needs**

*Improved and adjusted legislation*

1. design changes and interventions in the laws on: Social protection, Health protection, Education, Misdemeanor<sup>56</sup> which would provide access to long-term care;
2. Adopt new sub-law acts for establishing long-term care services

*Mapping and assessing the needs of long-term care groups*

1. research and preparations at local level of the long-term care service needs and defining socially excluded groups

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<sup>56</sup> Citizens who have committed petty crimes compensate for it by providing long-term care services (volunteering in some of the long-term care services)

2. Prepare local action plans for developing long-term care;
3. Introduce a unified system of developing long-term care services

**Result 1.2: Improve the physical and infrastructural conditions for long-term care and raise the educational level of the professional staff in long-term care institutions in line with national standards;**

*Raise institutional capacity and train all actors responsible for long-term care*

1. Increase the number of homes for old and weak individuals in accordance with the needs at local level;
2. Technical equipment and accessibility to institutions and homes for long-term care;
3. Education and sensibility of actors (local self government, service providers) which will be directly involved in providing long-term care services;
4. Training and making sensible all human resources and teams for long-term care for gender equality;
5. Develop national program for rehabilitation which will be accessible to all impaired individuals in accordance with their needs

**Result 1.3: Increase access to long-term care services by efficient decentralization and promotion of public-private partnership;**

*Mechanisms for coordination and referral*

1. Cooperation protocol at national and local level;
2. Strengthen capacity of the local self government units by establishing units for social inclusion;
3. Train stakeholders on using the mechanisms at local level;
4. Establish a unified electronic system of monitoring and using feedback on support of the model for long-term care at local level;
5. Involve private sector through public-private partnership for creating new and innovative models of long-term care in cooperation with the local communities.

*Establish mechanism of implementation of the model for long-term care*

1. Establish a coordination body with multidisciplinary composition, access to implementation and monitoring the long-term care model;
2. Recommendations for future plans.

**Result 2.1: Provide a standardized system and trained staff for long-term care;**

*Quality standardization of long-term care services*

1. Establish normative standards and sub-laws for long-term care in institutions and home conditions;
2. Establish regulatory mechanisms for accreditation, licensing, monitoring and evaluation of services;
3. Establish standards and good practices for professional ethics for the service providers and a supervision system;
4. Monitoring of the beneficiary's satisfaction with long-term care services in institutions and home conditions;
5. Transparent reports on using long-term care services

*Capacity building for human resources involved in long-term care*

1. Retraining and training for human resources on providing long-term care services (family members, volunteers etc.) in institutions and out of them;

2. Training of people who need long-term care services and people who are exposed to risks of long-term care on healthy lifestyles by active inclusion in solving problems, their involvement in various types of preventive programs and timely release from hospital, thus the need for long-term care services will be reduced;
3. Training of the professional staff who will be giving services in institutions on long-term care;
4. Introduce the long-term care model in curricula for secondary and university education;
5. Promote and implement the gender concept

**Result 2.2. Promote and strengthen non-institutional forms of long-term care and promote the right to choice by public campaigns;**

*Strengthen non-institutional forms of long-term care*

1. Strengthen undertaken activities and public-health nursing services and home doctor visit by interdisciplinary approach;
2. develop a network of accredited programs of alternative services in home conditions which will be accessible in rural areas;
3. Increase mobile teams for palliative care with an interdisciplinary approach;
4. Special training for shelter families on palliative care;
5. Strengthen existing forms of non-institutional protection (open 3-4 centers for old people, open 7 small group homes for disabled people).

*Raise public awareness on accessibility to services and non-discrimination on all grounds*

1. Better public information on social security as a preconditions for integrating socially excluded individuals in the society;
2. Awareness raising campaigns for the population on long-term care needs;
3. Education for the young on the behavior with socially excluded groups;
4. Provide and promote the right to choice on the types of long-term care services ;
5. Promote gender concept in long-term care and reduce double discrimination of people who use long-term care services .

**Result 3.1: Provide sustainable financial system with measures:**

*Provide safe funds for sustainable model of long-term care services*

1. Adopt a rule book with standards and services;
2. Promote and develop the model of public-private partnership;
3. Define the cost of service by type;
4. Adopt legislation for correct funding for long-term care;
5. Proposal for allocating 1% of the GDP to use for funding long-term care;
6. Measures for allocating funds from the pension and disability fund pillars;
7. Participation/co-funding for services by beneficiaries depending on their incomes, risk rate;
8. Service providing by another person in the long-term care model
9. Service providers prepare an annual financial plan

**Preconditions**

**The first target (1) will be achieved** by undertaking legal measures and acts which will provide equal access to long-term care services for the socially excluded and vulnerable groups by promoting de-institutionalization of services and providing assessment in home conditions and institutions for institutional care. Efforts will be made to develop a program for de-centralization of long-term care services at local level and improve physical and infrastructural conditions for long-term care in cooperation with the local self government units and centers for social work.

**The second target (2) will be achieved** by undertaking measures for standardized programs and services, education of professional staff and family members who will be providing long-term care services. They will aim at improving services given at home through partnership and coordination with public institutions directly involved in long-term care. This target requires measures for raising awareness on promoting the long-term care model and the right to choose services for long-term care.

**The third target (3) is focused** on developing and promoting a sustainable financial model of long-term care, development of public-private partnership, concession primarily for the old people's homes (over 65) and the chronically ill people in cooperation with the local self government units. Also, alternative programs and services will be promoted in cooperation with the non-government organizations, religious organizations, individuals, centers for social work, local communities etc.

## Area 7: Education

The legislation in the Republic of Macedonia sets good ground for improving the social inclusion through education. Numerous processes have been started which are supposed to build strategies and establish mechanism for using the educational system in this direction. Some of these processes can be recognized in the following recommendations, which does not make recommendations unnecessary, but rather emphasize the importance of the already begun efforts in the society aimed at improving its inclusiveness.

### Strategic goals

**Provide overall scope of pupils in elementary education, provide overall scope of students in secondary education, raise literacy level of the population, raise educational level of the population and adapt the educational system to the labor market needs.**

### Results

In order to achieve this goal in education the following results need to be achieved:

- (1.1) All students of relevant age are enrolled in elementary school and finish elementary school;
- (1.2) Curricula and textbooks are adjusted to the needs of the children with specific needs;
- (1.3) The work of the teachers with children with specific needs
- (2) All students enter secondary school immediately after finishing elementary school and finish secondary school:
- (3) Reduced percent of illiterate population and increase real literacy by training students to read and write with comprehension;
- (4) Increased percent of finished secondary school children who enter university and acquire a university degree;
- (5) Provided conditions for relating secondary education and adult education to the labor market.
- (6) Provided rights for all ethnic communities in an integrated educational system in order to support the development of a coherent society.

### Measures

**Results 1.1: All students of relevant age are enrolled in elementary school and finish elementary school:**

#### *a. General measures*

- 1) Correct implementation of the legal requirements for defining the area which belongs to every school and providing lists of students of relevant age who need to be enrolled in the relevant elementary school based on the region where he/she belongs;
- 2) Monitor the number of children who have enrolled and attend each class, regardless whether they attend school in their region or in another;
- 3) Focus on measures for stimulating enrollment and regular attendance of school and avoid measures which sanction the lack of enrollment and attendance.

#### *b. Special measures for children with impaired development*

- 1) Register the number of children with impaired development in the population census;
- 2) Register children with impaired development by providing cooperation among municipalities, health and social institutions;
- 3) Provide functional classification of children with impaired development (what they can do), rather than focus only on their abilities (what "impairment" they have), in order to be able to determine adequately the possibility for their inclusion in the regular instructions;

- 4) Include children with impaired development in specialized classes and schools only when this is of the best interest of the child (and necessary for his/her overall development);
- 5) Adapt infrastructure in regular elementary schools to the needs of the children with corporal disability, which include both internal and external interventions, and not only building accession ramps;
- 6) Provide additional financial and staffing benefits for regular elementary school which enroll children with impaired development
- 7) Prepare special programs for elementary education of children age 11-12 who have not been included in elementary schools so that they do not wait until age 15 to be able to join adult education

*e. Special measures for Roma children*

- 1) Provide financial resources for compulsory inclusion of Roma children and children of other socially endangered families in public pre-school institutions ;
- 2) Award cash assistance to socially endangered families under the condition that they meet certain criteria related to the education of their children (conditional cash transfers);
- 3) Provide additional financial and staff benefits for elementary schools with a large number of Roma children;
- 4) Increase enrollment quotas and provides university scholarships for Roma children for the teacher training college, particularly those who train into becoming elementary school teachers and instructors;
- 5) Introduce compulsory additional instructions during the whole school year for all students encountering problems in learning the teaching material;
- 6) Include non-government sector in activities for encouraging Roma parents to educate their children, with particular focus on Roma girls.

**Result 1.2: Curricula and textbooks are adjusted to the needs of the children with specific needs;**

Adjust methodology of teaching in the language for the needs of the Roma children whose mother tongue is Roma

- 1) Provide multi-cultural approach in the textbooks and instruction materials by including contents of history, culture and tradition of the Roma which depict them in positive light;
- 2) Provide the presence of pictures and people with development impediments in the textbooks and instruction materials.

**Result 1.3: The work of the teachers with children with specific needs is awarded**

- 1) Train existing and future teachers to be able to adjust instruction to the needs of the children with impaired development (particularly special educational needs), of various social origin and diverse cultural affiliation and to be able to recognize prejudice manifested towards children with impaired development and Roma children in the school environment and fight against them;
- 2) Provide continuous training for the teaching staff in order to raise awareness on gender and ethnic equality and eliminate gender and ethnic stereotypes and prejudices from the teaching process;
- 3) Establish a resource center composed of professionals (at community level) to work with the children with impaired development who will cooperate with the teachers who work with children with specific educational needs in the regular classes;
- 4) Introduce the system of mentor – teachers and pall- tutors in the work with the children with specific educational needs;
- 5) Develop a monitoring system for the performance of the teachers in order to achieve improvement in the achievements of the children with specific educational needs but also prevent the possibility for expressing any prejudice by children who may be prone to it.

- 6) Provide advantage in employment for Roma teachers in schools in which a high percent of the students are from the Roma community.

**Result 2: All students enter secondary school immediately after finishing elementary school and finish secondary school::**

*a. General measures*

- 1) Extend and restructure the network of secondary schools in a way to make it adjusted to the needs at local level, which will offer the students a better possibilities for selecting secondary school which will be closer to their place of living;
- 2) Provide mechanism to monitor the number of children who entered secondary school after finishing elementary school;
- 3) Provide compatible curricula and programs from among the various types of secondary school in order to provide for the horizontal mobility of the students.

*b. Special measures for children from vulnerable categories*

- 1) Adjust infrastructure in regular secondary schools to the needs of the children with corporal impairment which includes internal interventions, rather than only building a ramp;
- 2) Extend the number of occupations offered in the special secondary schools for children with impaired development;
- 3) Provide advantages in employment for children with impaired development after they finish secondary school;
- 4) Award cash benefits to socially endangered families under the condition that they meet certain criteria related to their children's education (conditional cash transfer);
- 5) Provide additional financial and staff benefits for secondary school with a large number of Roma children;
- 6) Introduce compulsory additional instructions during the whole school year for all students who have problems learning the instruction material;
- 7) Involve the non-government organizations in the coordination of their activities for raising the need of the Roma, Albanian and Turkish parents to educate their children.

**Result 3: Reduced percent of illiterate population and increase real literacy by training students to read and write with comprehension**

- 1) Strengthen activities of the institutions and non-government sector involved in adult education in implementing programs for basic literacy of those parts of the population who remained without formal education or did not manage to finish elementary education;
- 2) Larger scope and reduced rate of early school leave by girls, particularly in rural areas and certain ethnic communities;
- 3) Raise the quality of education in mother language of instruction by using an approach which will be oriented to acquiring skills for reading and writing with comprehension;
- 4) Introduce standard testing at national level at the end of each cycle of elementary education which will enable each school to monitor how much they have managed to achieve the goals related to the real literacy of the students;
- 5) Provide international comparison measures of the illiteracy rate of the population.

**Result 4: Increased percent of finished secondary school children who enter university and acquire a university degree**

- 1) Undertake all previously elaborated measures to increase the number of enrolled children in secondary education;

- 2) Eliminate gender and ethnic stereotypes in textbooks and instruction materials for elementary and secondary education and introduce contents for gender and ethnic equality;
- 3) Provide financial support (scholarships, free-of-charge accommodation in students' dormitories etc.) for graduated secondary school students from socially endangered families who have achieved high results and want to continue to university;
- 4) Adjust infrastructure at universities to meet the needs of the young people with corporal impairment
- 5) Adjust legislation in the areas of education with the provisions in the Law on Equal Opportunities for Women and Ministry of Environment.

**Result 5: Provided conditions for relating secondary education and adult education to the labor market**

- 1) Reform secondary vocational education in the direction of providing sufficient opportunities for rapid and efficient training of students for practical occupations in line with the European trends;
- 2) Introduce mechanisms for monitoring the educational needs of the labor market;
- 3) Adjust curricula to the labor market needs;
- 4) Introduce new educational profiles;
- 5) Introduce successful mechanisms for cooperation with companies and employers;
- 6) Develop programs for retraining and finalizing education adapted to the various target groups, in line with the labor market needs;
- 7) Extend the network of licensed organizations or individuals who can do retraining and finalizing education of adults in line with the labor market needs and monitor their work;
- 8) Provide that the certificates following retraining or finalizing education are competitive on the labor market.

**Result 6: Provided rights for all ethnic communities in an integrated educational system in order to support the development of a coherent society**

- 1) Undertake activities for reducing divisions on ethnic grounds at all levels of education including administration structures;
- 2) Organize supplementary activities for the students for better understanding and learning about the language, culture, customs and raise awareness that the integrated education system is a key element in a coherent multi-ethnic society.

## Area 8: Social protection

The objectives and policies related to social protection are considered one of the most important priorities of the Government of the Republic of Macedonia. Some of these measures are included in the social protection system with present elements of prevention, non-international and institutional protection and types of social assistance stemming from social protection.

### Strategic goals

**Establish a social protection system for the poorest population, provides access to non-institutions and institutional forms of protection and strengthen the social protection system.**

### Results

In order to achieve this goal in social protection , the following results need to be achieved:

- (1) Protection of the poorest citizens;
- (2) Provide access to non-institutions and institutional forms of protection;
- (3) Strengthen the so system

### Measures

#### **Result 1. Protection of the poorest citizens:**

- 1) Determine the poverty line in the Republic of Macedonia in line with the achieved level of economic development and the real possibilities of the state;
- 2) Provide the survival minimum for multiple children families;
- 3) It is expected that the number of people who have not achieved their right to pension based on working history will be increased in the next period primarily as a result of the long bankruptcy procedures and the irregular or inappropriately regulated obligations, prior to introducing whole salary, by the employers to pay the contribution to the Pension Insurance Fund. It is proposed that these old people be included in the social protection system and be provided with social assistance at the level of minimum social survival in the Republic of Macedonia.
- 4) For the old population it is proposed to reduce or completely eliminate participation for medicaments and health services , particularly those individuals over 70 with substandard pension,; extend the positive list in pharmacies and other type of direct assistance;
- 5) Within the existing forms of homeless facilities for temporary shelter of acutely ill homeless people need to be provided;
- 6) Establish a support fund for single parent families;
- 7) Efforts which are made by the state for active inclusion of single mothers and ethnic community representatives in the labor market must continue, by building a policy of positive discrimination, beginning from the condition and criteria of quality when they are included through active employment measures;
- 8) Revise and amend restrictive legislation for granting social cash assistance for single parents;
- 9) Provide social cash assistance to meet the general expense (electricity, water etc.) for single-parent families which acquire minimum incomes.

#### **Result 2. Provide access to non-institutions and institutional forms of protection**

- 1) Improve inter-sectoral cooperation for child protection;
- 2) Have a continuous campaign to meet the needs of registering their children after birth because this is the basis for them to acquire rights provided by the Convention

- 3) Special measures and treatment of children and women victims of family violence;
- 4) Continual protection and treatment for children and women victims of sexual assault;
- 5) Design social protection programs specifically focused on the support and assistance to children who abuse drugs;
- 6) Amend the Law on Local Self Government with a provision to provide care for old people (e.g. open small daily care shelters for old people);
- 7) Provide public-health nursing services for assistance and care for old people in their homes;
- 8) Introduce a social card for risk groups at community level;
- 9) In addition to the existing services for protecting families at community level, it is proposed that small group homes and counseling services for parents are provided;
- 10) Open counseling services for family violence perpetrators and shelters for family violence and human trafficking victims;
- 11) Strengthen access and coordination of re-socialization and re-integration services and economic strengthening of family violence and human trafficking victims;
- 12) Preventive activities and services related to drug abuse and abuse of other psychotropic substances;
- 13) Special support for people with disability assisted by personal assistants refers to the program for their employment and skill building.

### **Result 3. Strengthen the social protection system**

- 1) Distinguish the profile of a field social worker whose assignment will be to improve the situation of individuals and their families within urban and rural quarters of poverty;
- 2) Building capacities based on the principles of professionalism and competence needs to be the basic way of providing specialized staff in state institutions at state and local level;
- 3) Employ social workers in psychology and pedagogy services in elementary school and secondary school (this activity was provided by the changes in the Law on Elementary Education, August 2008 but due to lack of funds it has not been implemented yet);
- 4) Revision of legislation in order to identify and eliminate restrictive provisions which limit the right to social protection and assistance for single parents, particularly mothers;
- 5) Regular sensitivity and strengthening capacities in employment agencies and social protection services;
- 6) There is lack of mechanisms for designing a supervision service to assist social institutions (Bureau on Social Activities needs to prepare the suitable methodology);
- 7) There is also lack of close cooperation with other government bodies included in the process of service delivery (Ministry of Health and Ministry of Education). In the pluralistic protection models there is no general strategy and policy for development of partnership between the non-government sector and the state.

## Area 9: Transport

Secondary education in the area of transport for the affected population is reflected in a multidimensional way: spatial, timely, financial and personal as a personal/physiological and psychological inability or fear from using certain transport means. Three large social categories which cannot be considered as socially excluded from transport can be distinguished: the poor, the people with specific needs and the people living in remote areas. Accessibility and mobility are also elaborated in the National Transport Strategy of the Republic of Macedonia.

### Strategic goals

**Reduce inequality in providing transport opportunities – access to the transport system and increasing quality of services provided by it.**

### Results

In order to achieve this goal in transport, the following results need to be achieved:

- (1) Improve the organizations of transport systems, including improving the quality and quantity of public transport services for socially excluded groups from transport;
- (2) Improve access to transport systems.

### Measures

**Result 1. Improve the organizations of transport systems, including improving the quality and quantity of public transport services for socially excluded groups from transport**

- 1) Provide public transport or subsidized private transport in remote regions;
- 2) Develop a system for privileged use of public transport, including improved benefits for people with disability in passenger transport which stem from valid sub-law provisions on the manner of providing uninterrupted access, movement, stay and work of people with disability to and in the facilities;
- 3) Develop specialized public services for transport of people with specific needs;
- 4) Transport fares at lowest level to be affordable by all social categories.

**Result2. Improve access to transport systems.**

- 1) Invest in overcoming physical barriers in transport and use of transport means for individuals with specific needs and old people;
- 2) Relocate the public goods and service providers to places where people with specific needs will be able to arrive without public transport.

## Area 10: Communications

Lack of access to information and communications technology disables the technologically poor individuals to participate successfully in social activities, and also has a cascade effect on the socially excluded because the population which is information-wise poor, becomes even poorer. All government bodies, organizations in the community and business entities relocate some of their resources from the traditional channels of communications to the Internet. Information inequality and related elements of secondary education are most frequently related to the gap between the various segments of the society which have access to any ICT or medium and those who do not.

### Strategic goal

**Achieve *Information Society for All*, i.e. broad and efficient participation in the community by means of information and communications technologies for the categories which are considered socially excluded in this area - primarily individuals with low incomes and the three social groups which are most frequently identified as risk groups regarding exclusion from the information society, regardless of the poverty level: old people, rural population – due to inadequate communications infrastructure and people with low education.**

### Results

- (1) Improved access to computer mediated communications, expressed as regular access to the Internet from home, work or public location;
- (2) Improved quality of using the potentials of the computer mediated communications by specific categories expressed by using its information, communications, distribution and transactional function.

### Measures

The overcoming of secondary education in communications is increasingly treated as an important human right and it is re-examining the method of measuring the simple access to communications technology. In this sense the new focus, along with the new strategic **measures** for social inclusion in thi area, need to be elaborated as:

**Result 1: Improved access to computer mediated communications, expressed as regular access to the Internet from home, work or public location**

- 1) Reorientation from quantity to quality of approach, including:
  - a. a. Precise implementation of the Strategy and Action Plan for the development of the next generation of broadband Internet, particularly in rural and remote areas by installing the relevant infrastructure,
- 2) Develop, technical standardization and stimulate the use of additional commercial (electronic trade etc.) and public (e-Government etc) computer mediated services

**Result 2: Improved quality of using the potentials of the computer mediated communications by specific categories expressed by using its information, communications, distribution and transactional function.**

- 1) Improve the quality of using by offering continuous, cheap or free-of-charge training for using the potentials of the computer mediated services for vulnerable groups by

- a. Horizontal and vertical integration of training for using ICT in the programs of the public education system
  - b. Develop education programs on the public media (MRTV, local radio and TV stations),
  - c. Specialized programs for adults and old people.
  - d.
- 2) Develop quality localized contents by stimulating the production of contents in the languages of all ethnic communities spoken in the country by the public, private/business and civic sector with focus on:
- a. Portals for people classified as socially excluded with contents which include news, documents, services, employment, questions/answers, discussion for a etc.
  - b. Develop and promote domestic terminology – upgrade the Glossary of information technology in Macedonian language

## Area 11: Housing

Secondary education in housing is a complex social phenomenon in strong correlation with the other forms of social marginalization. The three basic barriers to decent housing – economic, cultural and legal – are also in relation with the people who face secondary education on this ground, but also with the places of living which are marginalized due to a certain set of social conditions. This housing is mainly in the form of substandard or poor housing, with no access to funds for improving the housing conditions or as legal insecurity, mainly related to a large number of illegal construction in the state.

### Strategic goals

**Achieve standard and harmonized housing conditions for the categories of citizens which are considered socially excluded in housing: parentless children or children with no parental care, users of social and permanent cash benefit, people with disability and people in need of assistance and care by others, socially endangered representatives of the Roma community<sup>57</sup> and self-supporting/single parents of juvenile children.**

### Results

- (1) Decreased level of substandard housing conditions, illustrated with lack of communal connections and other infrastructure or bad quality and unsafe construction;
- (2) Reduced level of overcrowded homes illustrated by below-average useful dwelling area per family member;
- (3) Suspended spatial segregation of ethnic and other type of community as a consequence of the existing cultural and social matrices;
- (4) Reduced risk of loss of tenant status due to legal uncertainty as a result of change or implementation of some legislation in the area of construction and spatial and urban planning;
- (5) Integral implementation of the components of the Action Plan for the implementation of the Housing Strategy in the Republic of Macedonia (2007-2012) for vulnerable groups.

### Measures

To improve social inclusion in housing, **measures** in this area should include:

**Result 1: Reduced level of of substandard housing conditions**

**Result 2: Reduced level of overcrowded homes**

**Result 3: Suppressed spatial segregation on ethnic or other type of community**

- 1) Precisely define and distribute actors, roles and responsibilities in the sector of social housing by including local public administration, the non-government sector and the business sector;
- 2) Define presumptions, mechanisms and institutions for capital funding for social housing to the degree of developed social housing fund which will include budgetary/fiscal mechanisms and responsibilities and socially motivated investors, including public-private partnership;
- 3) Establish and define the rights and responsibility of the regulatory body for social housing;
- 4) Recognize and license social housing service providers including management and maintenance of the of the social housing fund with precisely defined types of services for a minimum quality of social housing.

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<sup>57</sup> Along with poverty, a social group where the worst examples of substandard housing is registered in Macedonia, is the Roma population.

**Result 4: Reduced risk of loss of tenant status**

- 1) Define a credible and transparent procedure for acquiring and losing the right to social housing.

**Result 5: Integral implementation of the components of the Action Plan for the implementation of the Housing Strategy in the Republic of Macedonia (2007-2012) for vulnerable groups**

- 1) Define a legal framework for legalization of illegally built facilities;
- 2) Define a legal framework for social housing;
- 3) Initiate the establishment of a Housing Construction Fund including programs for the construction of flats with funds from the Housing Construction Fund;
- 4) Legal encouragement of saving for housing which will lead to the involving no-profit and low-profit construction companies in the sphere of housing;
- 5) Introduce systems and mechanisms for funding housing , by simulative fiscal instruments in the tax legislation;
- 6) Develop capacities and models for social housing and housing for vulnerable groups, including subsidizing lease housing of social structure and adopting programs for constructing flats intended for social housing and vulnerable group housing;
- 7) Provide communal and traffic infrastructure in substandard settlements and regulate ownership of previously built facilities.

## Area 12: Child protection

Children who live in poverty are exposed to higher risk of secondary education because the lack of resources frequently restricts their education and development opportunities, thus preventing them from participating in the economic, social and cultural life in the society.

### Strategic goals

**Child protection of socially excluded families, children at risk, children who abuse drugs and other psychotropic substances and precursor must be provided with equal access to health protection and education and must be informed of their rights.**

### Results

- (1) Protect children from socially endangered families and children at risk;
- (2) Protect children who abuse drugs and other psychotropic substances and precursor;
- (3) Improve health protection and provide equal access for all children;
- (4) Improve access to education for all children;
- (5) Inform children about the Convention on the Rights of the Child.

### Measures

#### **Result 1: Protect children from socially endangered families and children at risk**

- 1) Have continuous campaign about providing the necessary documentation to register a child;
- 2) Implement a special program for information and education of the Roma population on the necessity to register a child;
- 3) Register all unregistered children and provide all necessary assistance in the procedure of registration in the Birth Register;
- 4) Inter-sectoral cooperation for improving child protection and adopt inter-sectoral protocols for cooperation which will define obligations and types of cooperation by the stakeholders;
- 5) Design inclusive programs intended for children in the street and children sheltered in institutions
- 6) Special protection and treatment measures for children victims of family violence and sexual violence;
- 7) Support the opening of daily care centers for school children and introduce a new profile of social worker, the so called field sc worker;
- 8) Regulate a non-institutional form of child protection in shelter families by improving their skills (with continuous training, suspension, supervision, evaluation and monitoring) for these families with focus on families which shelter children with specific needs;
- 9) Provide survival minimum for multi-child families;
- 10) Reduce the number of necessary documents for acquiring material cash funds provided by the Law on Social Protection and the Law on Child Protection;
- 11) The beneficiary of the child benefit should be the child as an entity of the rights;
- 12) Ensure that the legal possibilities of the right to child benefit cannot be achieved by the family in which the parents are unemployed and are registered in the State Employment Office, as a guaranteed income for the children in such families;
- 13) Child benefit is provided to families with children who are beneficiaries of social assistance

**Result 2: Protect children who abuse drugs and other psychotropic substances and precursors**

- 1) Implement measures for timely detection, prevention and monitoring of a child abusing drugs and other psychotropic substances;
- 2) Open a special center for treatment of children abusing drugs and other psychotropic substances and precursors;
- 3) Develop programs for prevention from drug abuse with focus on the children who are not included in the regular education process;
- 4) Train teams in social centers which will be present in the field and identify these children and undertake all necessary steps for their treatment.

**Result3: Improve health protection and provide equal access for all children**

- 1) Propose measures for reducing the death rate in new born children, especially in vulnerable groups;
- 2) Implement measures for improving accessibility to health services in primary health protection for children , and in particular the homeless children, single parent children, users of social and other type of benefit from the state, children living with HIV/AIDS or children whose parents live with HIV/AIDS, children abusing drugs and other psychotropic substances and precursors and people who inject drugs (LTD);
- 3) The implementation of measures for improving the accessibility to medicaments on the positive list of medicaments and exempt from participation for all medicaments on the positive list of medicaments, and in particular homeless children, single parent children, users of social and other type of benefit from the state, children living with HIV/AIDS or children whose parents live with HIV/AIDS, children abusing drugs and other psychotropic substances and precursors and people who inject drugs (LTD)

**Result 4: Improve access to education for all children**

- 1) Introduce free-of-charge pre-school year in kindergartens;
- 2) Increase the number of kindergartens in rural areas and undertake activities for opening groups for children in other facilities;
- 3) Improve children's access from rural areas to school by eliminating all existing problems regarding availability of transport;
- 4) Introduce adequate transport for children with specific needs, including children in wheelchairs, reconstruct the existing transport network and infrastructure and install light and sound signaling systems
- 5) Reconstruct school facilities for better access for all children both in the facility and outside.

**Result 5: Inform children about the Convention on the Rights of the Child**

- 1) Introduce special program for informing the children and their parents about the UN Convention on the Rights of the Child (CRC) and the two optional CRC protocols as early as elementary school in order to inform them thoroughly about the rights children have, so as to be able to recognize their possible violence;
- 2) Continuous dissemination of CRC and the two CRC protocols;
- 3) Striking campaigns on raising awareness on the importance and meaning of CRC and the two CRC protocols.

### Area 13: Equal opportunities for men and women

In line with the National Plan on Gender Equality 2007 – 2012 and the Law on Equal opportunities for Women and Men<sup>58</sup> it is necessary to have a systematic approach to this issue, through gender institutional mechanisms in close cooperation with the informal system of prevention and protection (non-government sector) at central and local level in order to:

1. Prevent gender based discrimination, violence and secondary education of the female population, rather typical for the rural areas and other smaller communities and among ethnic groups;
2. Formal protection of the woman's rights by strengthening capacities and coordination of institutional mechanisms and services, primarily at local level;
3. Better focus on activities directed at incorporating the gender concept in policies at central and local level for social inclusion through gender institutional mechanisms in cooperation with the non-government sector;
4. Insight into the conditions: preserve the legislation on collecting gender individual data, but also analyze the conditions for secondary education of the woman;
5. Adopt a **Strategy on Gender Equality** with which the Government will show a strong political will and readiness to work on improving the status of women in all social activities in a coordinated and comprehensive way, especially having in mind the special challenges women from various background face;
6. One of the recommendations for better visibility of the activities directed at the promotion of gender equality is the renaming of the Ministry of Labor and Social Policy into **Ministry of Labor, Social Policy and Equal Opportunities**, like in many other European countries;
7. One of the issues which should be paid attention to in the following period is the issue of **gender sensitive budgeting**, i.e. willingness to include gender equality in the process of designing budgetary policies and budgets.

#### Strategic goals

**Improve the women's status and reduce their poverty level and social exclusion risk.**

#### Results

- (1) Reduced degree of risk from social exclusion of women and more effective social inclusion of vulnerable and excluded groups;

#### Measures

##### **Result 1: Reduced degree of risk from social exclusion of women and more effective social inclusion of vulnerable and excluded groups**

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- 1) Design affirmative, encouraging and positive measures which will reduce the risk from social exclusion of women and lower the poverty rate of women, with focus on women in rural areas and ethnic communities;
- 2) Reduce gender based discrimination on the labor market (access to work and jobs) and increase implementation level of legislation on gender based discrimination;
- 3) Incorporate the gender concept in the education system and the child care system;
- 4) Enhance the reproductive health of men and women;

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<sup>58</sup> Law on Equal Opportunities between women and men, (Official Gazette of RM No. 66 and Official Gazette of RM No. 117/08)

- 5) Improve and strengthen mechanisms for gender equality at national and local level with a large number of initiatives for reducing the social exclusion risk for women with focus on the women in ethnic communities and in rural areas in cooperation with the non-government sector;
- 6) Promote mechanisms for protection in cases of unequal treatment of men and women;
- 7) Open free-of-charge counseling services at local level (in the local self government units) for support and legal assistance in cases of unequal treatment of men and women in cooperation with the gender mechanisms at local level, the centers for social work and NGOs.
- 8) Promote legislation and strategic documents in the area of gender equality with focus on measures and policies for reducing social exclusion risks;
- 9) Better efficiency in the implementation of provisions in the Law on Equal Opportunities for Women and Ministry of Environment;
- 10) Undertake research on the information of citizens of the protection rights and mechanisms in the Republic of Macedonia at local and national level;
- 11) Gender sensibility of judges, ombudsman, representatives of the ombudsman, lawyers and young law graduates of the legislation in the area of gender equality and non-discrimination;
- 12) Monitor the implementation of the National Action Plan for Gender Equality (NAPGE) 2007-2012 and the Operation Plans for implementing the NAPGE;
- 13) Design a Strategy on Improving Gender Equality ;
- 14) Introduce the concept of gender sensitive budgeting and budgetary policy at national by the Government of the Republic of Macedonia and the local self government units
- 15) Allocate funds and human resources of mechanisms for gender equality at national and local level to ensure their effective operation and implementation of legislative roles and obligations;
- 16) Improve the status and increase the power of the Sector for Equal Opportunities which will demonstrate better political will and readiness of the Government of the Republic of Macedonia to treat the issue of equal opportunities for men and women and enhance gender equality.

## Area 14: Public sensibility to social inclusion

### Strategic goals

**Transparency in public for the strategic goals and needs to necessary engagement of organizational, material, financial and institutional resources for their implementation.**

### Results

- (1) Increase public awareness for social inclusion

### Measures

#### **(2) Result 1: Increase public awareness for social inclusion**

- 1) Activate a large number of organizations, civic associations, domestic and foreign experts and organizations in the social sphere in order to help with adopting provisions and policies in the field of social inclusion;
- 2) Organize media events and promotions in the languages of all ethnic communities in order to make the public sensible towards this important strategy which necessarily involves organizational, material, financial and institutional resources for their implementation.

### Preconditions

For a successful realization of these goals and policies in the field of social inclusion, it is necessary to make preparations which will make all the procedure of building strategic goals and objectives transparent and accessible for the public. This primarily related to those who are directly affected by the consequences of social exclusion, like all others in the society. Informing the public about these needs and some of the procedures for adopting and implementing them, becomes a necessary part of the National Strategy.

## Part 5. Strategy Implementation

### 1. Concept implementation

It is on the implementation of the concepts proposed in the Strategy that the level of engagement and inclusiveness of institutions depends, but also the expected effects. Due to the complex and multi-dimensional element of the problems previously elaborated, the highest management body, **the Government of the Republic of Macedonia needs to be the main implementer and coordinator in implementing this strategy**. Certainly, the ministries will need to be the implementers of the individual strategic goals and measures in line with their obligations.

In this respect, designing and implementing the measures may be facilitated by the establishment of a **social inclusion unit** within the Cabinet of the President of Government. This unit will daily and periodically inform the highest government body on the employment growth and poverty reduction and will propose adequate solutions in the decision-reaching domain of the Government<sup>59</sup>. Each measure to be implemented as being planned altered and adopted by the Government the ministry or another relevant body, will have to be checked against various aspects and particularly by analyzing and controlling in order too be able to see the **effects of the measures on social exclusion, employment, unemployment and poverty**. This kind of **evaluation is compulsory** for and refers to every proposed measure. This will affect the overall implementation of the Strategy on Poverty Reduction and Social Inclusion as well as the development effects in general.

### 2. Responsibilities

In line with the determined measures and recommendations for the elaborated area, the **responsible ministries and bodies**, i.e. institutions for implementing the measures and activities proposed in this Strategy on Poverty Reduction and Social Inclusion are the following:

- Ministry of Labour and Social Policy
- Ministry of Health
- Ministry of Education and Science
- Ministry of Economy
- Ministry of Transport and Communications
- Ministry of Finance
- Ministry of Local Self Government
- Ministry of Information Society
- Agency for Sport and Youth
- State Statistical Office
- Employment Agency

An **Operation Plan of Measures and Activities for Implementing the Strategy** needs to be adopted in the listed ministries, bodies and agencies in order to define the implementers of tasks, obligations and activities within certain time frameworks (short, medium and long-term)

### 3. Coordination and synchronization of measures

The Strategy implementation is connected to coordinated and complete cooperation between the Government, ministries and institutions in the system as well as the cooperation of state institutions and local self-government.

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<sup>59</sup> This experience is based on the model applied by the Cabinet of former UK Prime Minister Tony Blair who, during his first temperatures in office from 1997-2001, established a special Social Inclusion Unit in order to monitor the conditions and adopt a report on poverty and social every year.

In addition, the share of the **non-government sector** is crucial in the part of expressing interests of individuals and groups in the risk zone or facing social exclusion. Their engagement was accepted in the stage of designing this Strategy and will be welcome in the implementation stage.

Increasing public sensibility for the areas elaborated in the Strategy arises the responsibility of the work in the institutions which are in charge of undertaking activities and measures. At the same time their adjustment to the requirements and needs of the population is expected and initiating system changes in the direction of implementing the objectives of this Strategy.

#### 4. Fiscal implications

The implementation of this Strategy is related to establishing an efficient model directed at encouraging processed, programs and measures on which poverty reduction and social exclusion depend. This also means upgrading the funding system in which, in addition to the state budget and the local self government budgets programs and program funds are necessary which can be provided on various grounds for the defined objectives and the Strategy. The mentioned ministries will be required to **assess the fiscal implications** for the implementation of activities in the annual action plans for the relevant years within the total fiscal costs necessary for the implementation of this Strategy.

#### 5. Monitoring and implementation of the Strategy

Monitoring the implementation of this Strategy is a key process which needs to be based on annual action plans for their implementation. By having elaborated measures and activities for achieving the proposed objectives, progress and implementation will be monitored. The **indicators** are annexed to the Strategy.

In addition to the proposed basic indicators, additional indicators will be developed based on the priorities in monitoring and evaluation. Due to the fact that in the implementation of this Strategy a number of entities will be involved, each one needs to develop indicators in their own area. Based on the findings and changes and the submitted reports by each of the responsible entity, changes and additions may be initiated in the direction of more efficient implementation of the concepts and measures of the Strategy.

#### Indicators for monitoring the implementation of the Strategy

POVERTY AND LOW INCOMES	SOURCE
Poverty risk rate	EU-SILC
Poverty risk threshold	EU-SILC
Permanent poverty risk	EU-SILC
Relative (average poverty risk gap	EU-SILC
Poverty risk rate by households type	EU-SILC
Poverty risk rate by households work intensity	EU-SILC
Poverty risk rate by largest activity status	EU-SILC
Poverty risk rate by accommodation right status	EU-SILC
Distribution around the Poverty threshold rate	EU-SILC
Unequal incomes - ratio S80/S20	EU-SILC
Unequal incomes -Gini coefficient	EU-SILC
Material poverty rate	EU-SILC
Material poverty depth	EU-SILC
Percent of population below poverty line	
Ratio of average earnings between man and woman	
HDI – human development index	
Unequal human development index	
Poverty risk rate before social transfers, excluding pensions	EU-SILC

INSUFFICIENT ACCESS TO LABOR MARKET	
Long-term unemployment rate	APC
Population living in households without work	EU-SILC
Regional cohesion: dispersion of employment rate by region	APC
Activity rate (15+)	APC
Unemployment rate age 24-29	
Long-term unemployment compared to total unemployment	
Old people activity rate (age 55-64)	APC
Households without work by households type	APC

EXCLUSION FROM SERVICES	
People leaving school early and are not being educated or trained	APC
People with low education	APC
Access to Internet and information technology	

EDUCATION	
Percent of population with access to kindergartens	
Percent of population with access to elementary school	
Percent of population with access to secondary school	
Specific illiteracy rate (%)	
Percent of population со високо образование	
Net rate of enrollment in all degrees of education	
Change of the number of students entering secondary school	
Change of the number of students entering university	
Change of the percent of population age 25-29with university degree	

HEALTH	
Healthy life expectancy (in years)	Demography
Life expectancy at birth and at age 65	Demography
Unsatisfied need of medical care by income, subjective statement	EU-SILC
Percent of population with access to primary health protection	
Nutrition status of children compared to national standards	
Immunization against infectious diseases	
Life expectancy	
Life expectancy index	
People with HIV/AIDS	
Specific death rates by age	
Morbidity rate	
Use of medical care services	National data

OTHER INDICATORS	
Low pupil's literacy in reading and writing	OECD/PISA
Nutrition status of children compared to national standards	

Child wellbeing	EU-SILC
Restricted daily activities by incomes quintiles, subjective statements	EU-SILC
<b>Lack of households items by items</b>	EU-SILC
Roof leaking, wet walls, damaged windows	
No bath or shower in the dwelling	
No toilet for individual use	
Too dark flat	
Dwelling	EU-SILC
Costs for housing	EU-SILC

## **Part 6. Assumptions and possible risks with threats for successful implementation of the Strategy and planned measures**

### **Assumptions**

- Commitment by all levels in the society for the implementation of this Strategy;
- Individual, institutional and personal responsibility and accountability for the implementation of the elements of this Strategy with all stakeholders (state and public institutions, donors and international organizations, non-government organizations and the private sector);
- The Strategy will be implemented by adopting annual action plans;
- The Strategy implementation and the overall efforts of the Ministry of Labor and Social Policy will lead to signing the Joint Memoranda on Social Inclusion.
- Effective coordination of undertaken measures by all stakeholders in order to multiply the effect to a larger scope of socially excluded groups.

### **Threats**

- Lack of integral approach in the plans for implementation of defined measures;
- Inadequate coordination in providing financial, material and political resources for the support of the implementation of the strategic objectives;
- No system for program and project management;
- No system for monitoring and evaluation of implemented measures;
- Lack of information, consultation and inclusion of stakeholders, communities and groups; in identifying needs, plans and implementation for achieving the planned measures;
- No allocated budgetary funds for the implementation of the planned measures;
- Lack of measurable indicators for monitoring the conditions and determining the degree of its improvement;
- Непостоење на мерливи индикатори за следење на состојбата и одредување на степенот на нејзино подобрување.

## Part 7. Proposed follow-up measures

- 1) In addition to the presented measures and proposals, the necessity to **build a modern concept of behavior towards socially excluded groups and establishing a new social model**, which focuses on the individual and its personality, rather than the reasons for social exclusion, affiliation, diagnosis, disability or any other ground for social exclusion of the citizens is emphasized.
- 2) **The design of the social inclusion policy needs to begin from the national defined objectives and needs**, and monitor and adapt international indicators and EU indicators for measuring social exclusion. By defining the measure scope based on defined criteria and conducted activities the manner of leading social inclusion policy and adjusting to the needs and requirements of the citizens is determined. To this end, the **Government will need to adopt an Operation Plan of measures and activities with time framework and responsible entities which will provide the dynamics of implementing the Strategy**.
- 3) In order to achieve a realistic achievable level of poverty rate reduction it is believed that it is useful to begin the **redefinitions, i.e. defining the realistic level of expected poverty threshold and the minimal salary adjusted to the current possibilities and capacities**. At the same time, while revising the objectives the analysis needs to take into account priorities and policies which will be defined within the current process included in the Joint Memoranda of Inclusion.
- 4) It is necessary to establish a **model for measuring innovation in Macedonia through various indicators defined by the European Unions**, in order for relevant institutions to design policies for raising awareness for innovation and encouraging innovative processes as the ground for higher employment and social inclusion. By defining the strategic grounds for craftsmanship development in Macedonia, the directions for its development needs to be defined, its preservation and revival in order to achieve higher employment of the population.
- 5) It is necessary to analyze **the effects from the decision on gradual reduction of the social benefits**, to exclude the possibility for the reduced contributions to result into restriction in services and incomes (and quality) in public health, public pension system and in the part of public services for the unemployed. Poor people cannot afford services in the private sector, which may affect the restriction of access and quality of the public social, health and other services for the socially vulnerable categories.
- 6) The acceptance of the European ideals in the domain of social development and social inclusion requires from the state and institutions to **prepare for the implementation of the Open Method of Coordination** , in order to plan adequate, accession financially sustainable, adapted and efficient systems of social protection and social inclusion policies, as well as adequate incomes for all who will provide the citizens the possibilities to maintain their standard of living at reasonable level.
- 7) The finding in the social protection network say that it will be difficult to encompass all socially endangered groups, due to lack of funds, human institutional resources. By altering and amending the **social protection system it will be possible to provide and improve conditions for including the private sector** and civic associations in performing certain services for social protection, which may result in improved quality and approaching services to the customers.
- 8) By **focusing on social inclusion measures** to: multi-member households, households with no one working, households where the head of the family has no education (or has unfinished elementary education, households with children and households in the rural and small urban areas (excluding Skopje); and with **better focus of social transfers** to target groups and implementation the policy of

adequate social benefits, possibilities are created for the beneficiary to be provided with better standard of living and encourage higher social inclusion.

- 9) By **enhancing the methodology approach in data collection for measuring poverty and its profound analysis**, by introducing the new models of the Labor Force Survey and EU SILC research, and estimating the costs for social protection according to the European methodology and encompassing the socially excluded, gender component, ethnic groups and regionally accessible data, better definition of the status of self-employed, unpaid family workers, women at sick leave and retired people (employed, unemployed or inactive) with the types of households – multi-member, with no one working in the family, households with children etc., a more detailed data processing and dissemination for the social inclusion policy is provided.
- 10) It is necessary to have **information networking** of the system software in the part of social protection and social inclusion to be able to monitor the beneficiaries and services in this area, as well as other positive effects which we have already pointed to, which will provide a unique data base.

## Part 8. Conclusion

It is believed that it is more beneficial if the social inclusion policy is implemented through measures and opportunities for a more **universal approach to social services and benefits**, than focus only on individual vulnerable target groups. With this the policy of social inclusion would be shaped based on the need and possibility of each citizen who would find themselves in a state of crisis and social exclusion. Regarding individual vulnerable groups for which special documents and measures have been adopted (e.g. Roma Decade), they are active and correspond to the proposed measures and activities included in this Strategy.

Social inclusion as a process of integration of individuals in the society is becoming and indispensable segment of the **set of related concepts** which are part of the public policies in the state and which are constantly upgraded and improved. Social inclusion and active measures produced by it, strengthens the link between the individual and the society and improves social development and cohesion.

Record keeping, monitoring the conditions forms and areas where social inclusion takes place need to be based on **standards applied by the European Union**. In the application of these standards and criteria it is necessary to respect the specifics of the Republic of Macedonia in correlation with the international and EU standards

The adoption of new solutions in the domain of social policy must be based on the prior thorough analysis, based on economic **outcomes at short and mid-term level, but also of the social costs and effects in the long run. In this context, through the policies for active inclusion on the labor market**, and through the possibility for maintaining social costs (pensions, health protection, child protection, long-term care and other social transfers) the scope of consumption and activities of the total population is maintained at certain level.

It is necessary that the Government of the Republic of Macedonia and relevant line ministries strengthen and encourage **entrepreneurship and innovation** by providing conditions and opportunities for setting up new businesses and enhancing the **competition of the existing small and medium size companies**, by defining concrete measures and activities. The new three-year Program for small and medium size enterprises (2011-2013), is supposed to contribute to capacity building for providing economy based knowledge, export oriented and which will be adequate for new jobs.

Providing **financial support for the business centers, business incubators and technological parks**, will contribute to the implementation of projects on: organizing basic training for starting a business; training for existing entrepreneurs; promotion of entrepreneurship; consulting services business networking, promotional activities (fairs, events etc) and as a result higher employment, poverty reduction and social inclusion.

By using experiences and **best practices and effective policies in the states of the European Union**, grounds are provided for planned measures and expected effects which makes the accessible and acceptable for the public and the policy designers and implementers in the sphere of social inclusion. At the same time, these date and experiences will be part of the preparation of the state for applying the Open Method of Coordination in the social sphere.

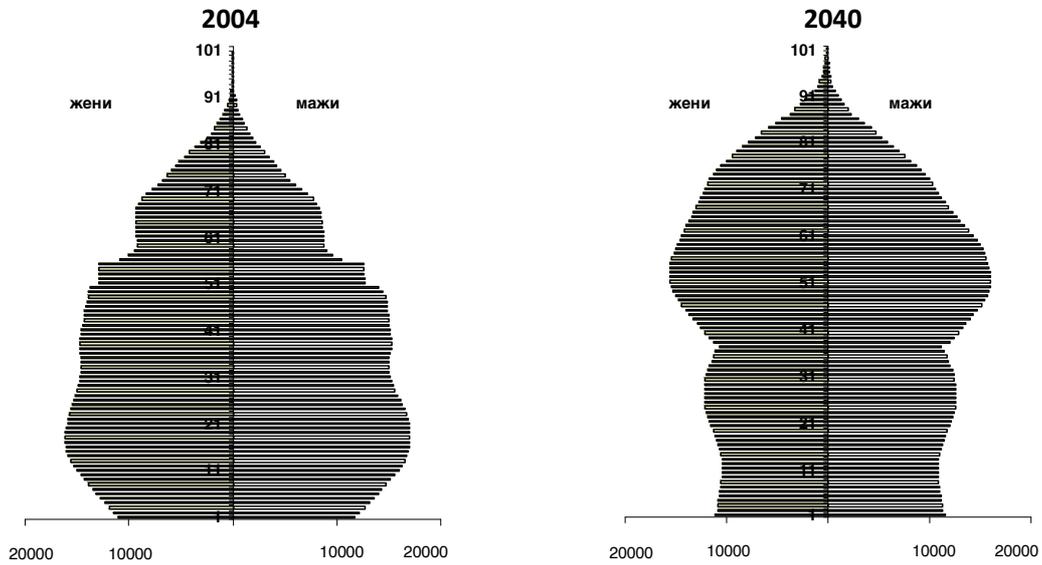
In line with the principles of the European Union and the national needs in the area of social inclusion, this Strategy takes into consideration the **gender dimension at all levels and in all areas** as one of the backgrounds for social exclusion, thus the gender sensitive approach is incorporated in the recommendations to face the social challenges.

The knowledge in this Strategy is in function and will serve as the **grounds for preparing the Joint Memoranda for Social Inclusion** between the Government of the Republic of Macedonia and the European Union. To this end the Government, the Ministry of Labor and Social Policy in cooperation with other responsible bodies to begin the preparations for setting up a team which will coordinate activities for formulating and agreeing on the mentioned memoranda. By strengthening capacities and in the function of defending the interest of the country, all bodies, organizations and institutions need to be engaged in designing a strategic vision and policy and have their knowledge ad disposal in the domain of social sphere for achieving the planned target.

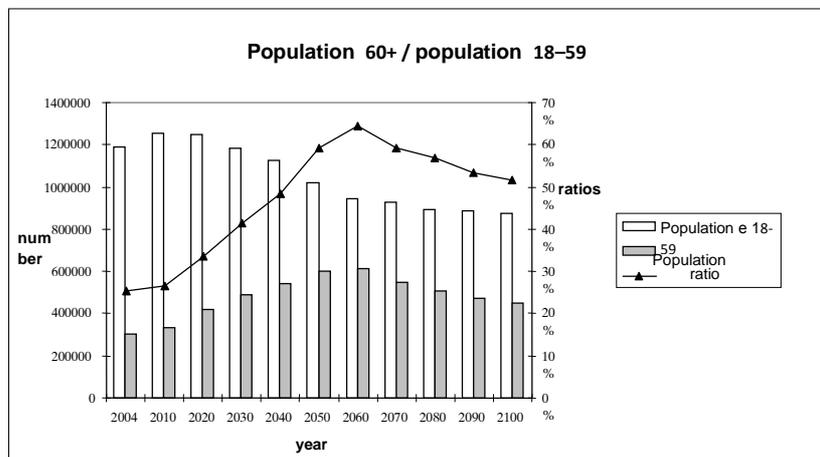
By extending the scope and rights of the citizens in line with the principles of the European Union, the policy of the Republic of Macedonia is accessing the social sphere by adopting targets which exist in the European Union countries By eliminating stereotypes from the past and by accepting numerous innovation and solutions in this domain, **the social inclusion process is facilitates** and negative positions and attitudes of various categories of citizens , vulnerable groups and stigmatized socially excluded individuals are overcome.

## Annexes and Tables

**Graph 1. Age structure of population in the period 2004 to 2040**



**Graph 2. Working population**



**Table 4. Population and employment in thousands**

	2003	2004	2005	2006	2007	2008	2009
Population in mid year 1)	2027	2032	2037	2041	2042	2048	
Economically active population 2)	861	832	869	892	907	919	928
Number of employed 2)	545	523	545	570	590	609	629
Number of unemployed 2)	316	309	324	321	317	310	298
Individuals outside labor force 2)	718	762	739	727	721	714	710
Unemployment rate 2)	36.7	37.2	37.3	36.0	34.9	33.8	32.2
Activity rate 2)	54.5	52.2	54.1	51.1	55.7	56.3	56.7
Employment rate 2)	34.5	32.8	33.9	35.2	36.2	37.3	38.4

1) Source: State Statistical Office

2) Source: Labor force Survey, State Statistical Office

**Table 5: Active population and activity rate<sup>60</sup>**

	1998	2002	2008
<b>Active population</b>	<b>823 826</b>	<b>824 824</b>	<b>919 424</b>
Men	506 835	501 923	561 705
Women	316 990	322 901	357 719
<b>Active population</b>	<b>54.8</b>	<b>52.6</b>	<b>56.3</b>
Men	67.4	63.7	68.8
Women	42.2	41.5	43.8
<b>Active population</b>	<b>539 762</b>	<b>561 341</b>	<b>609 015</b>
Men	341 876	342 779	373 483
Women	197 886	218 562	235 532
<b>Active population</b>	<b>35.9</b>	<b>35.8</b>	<b>37.3</b>
Men	45.4	43.5	45.7
Women	26.3	28.1	28.8
<b>Active population</b>	<b>284 064</b>	<b>263 483</b>	<b>310 409</b>
Men	164 959	159 144	188 222
Women	119 104	104 339	122 187
<b>Active population</b>	<b>34.5</b>	<b>31.9</b>	<b>33.8</b>
Men	32.5	31.7	33.5
Women	37.6	32.3	34.2

<sup>60</sup> Source: State Statistical Office

**Table 6. Unemployment in the Republic of Macedonia by year in percent<sup>61</sup>**

Година	Стапка на невработеност
1997	36.0
1998	34.5
1999	32.4
2000	32.2
2001	30.9
2002	31.9
2003	36.7
2004	37.2
2005	37.6
2006	36.0
2007	34.9
2008	33.8
2009	
First Quarter	32.7
Second Quarter	31.9
Third Quarter	31.7
Fourth Quarter	32.4

**Table 7. Overview of registered unemployed people, date: Employment Agency of the Republic of Macedonia**

**Overview**

**Of unemployed individuals registered at the Employment Agency of the Republic of Macedonia**

MONTH	2009		
	Registered unemployed people		
	Total data for unemployed individuals	Who stated that they come to apply only for the health protection right	Actively looking for a job
1	2	3	4
January	348369	71595	276774
February	351115	71536	279579
March	351278	71421	279857
April	349879	71235	278644
May	349063	70924	278139 <sup>62</sup>
June	347622		
July	340776		
August	342518		
September	341893		
October	342313		
November	341325		
December	341295		

<sup>61</sup> Source: State Statistical Office, 2009.

<sup>62</sup> As of June 2009 record keeping and responsibility for health protection rights of these people as at the Health insurance Fund of the Republic of Macedonia

**Table 8. Overview of unemployed people by education degree<sup>63</sup>  
(March 2010)**

Degree of education	Total number of unemployment
total	341 720
uneducated	167 633
Semi skilled and	11 787
Skilled and highly skilled	53 747
Secondary school background	82 627
College education	5 273
University education	20 653
MA	254
PHD	16

**Table 9. Overview of unemployed people by national affiliation (March 2010)**

Nationality	Number
Macedonian	214 659
Albanian	84 071
Turkish	13 641
Roma	17 902
Serbian	2 742
Vlach	374
Bosniac	459
Other	7 872

**Table: Poverty by households type Total sum index, index and poverty depth poverty), 2004-2008**

	2004			2005			2006			2007			2008		
	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure
<b>Total</b>	<b>29,6</b>	<b>9,4</b>	<b>100,0</b>	<b>30,0</b>	<b>9,7</b>	<b>100,0</b>	<b>29,8</b>	<b>9,9</b>	<b>100,0</b>	<b>29,4</b>	<b>9,7</b>	<b>100,0</b>	<b>28,7</b>	<b>9,2</b>	<b>100,0</b>
Old people's households	18,2	5,3	3,5	22,2	5,9	3,2	24,5	6,1	2,4	26,7	7,9	4,6	22,8	7,3	4,9
Married couple	28,2	8,7	13,6	24,8	7,8	8,8	23,8	9,1	8,6	27,1	9,6	10,4	25,5	9,9	10,2

<sup>63</sup> Source Ministry of Labor and Social Policy

with children															
Other households	35,1	11,9	52,3	33,6	11,1	57,8	33,6	12,2	56,3	33,4	11,1	48,5	33,7	10,6	46,7
Households without children	25,2	7,3	30,7	27,1	8,8	30,1	26,9	7,4	32,7	26,3	8,4	36,4	25,8	8,0	38,3

**Table 12: Poverty by households household members (Total sum index, index and poverty depth poverty) , 2004-2008**

	2004			2005			2006			2007			2008		
	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure
<b>Вкупно</b>	<b>29,6</b>	<b>9,4</b>	<b>100,0</b>	<b>30,0</b>	<b>9,7</b>	<b>100,0</b>	<b>29,8</b>	<b>9,9</b>	<b>100,0</b>	<b>29,4</b>	<b>9,7</b>	<b>100,0</b>	<b>28,7</b>	<b>9,2</b>	<b>100,0</b>
1 member	20,2	6,8	1,1	19,6	4,5	0,5	24,3	5,8	0,5	26,9	7,9	1,6	25,3	8,1	1,7
2 members	16,5	4,8	4,5	20,8	6,2	4,6	23,9	6	3,5	24,2	7,3	6,1	21,2	6,7	6,7
3 members	22,5	6,3	10,1	21,6	6	6,7	17,4	4,9	4,5	18,8	5,7	7,1	19	5,9	8,3
4 members	23,5	6,5	21,7	22,1	6,2	16,4	21,4	6	18,5	25,6	8,2	24,8	24,4	7,7	25,7
5 members	29,5	9,1	20,4	31	10,2	21,9	29,9	9,6	23,6	30,6	9,8	21,3	33,2	11,2	23,2
6+ members	42,5	15,2	42,2	37,5	13	50	38,8	14,3	49,4	37,5	13,2	39,1	37,6	12	34,4

**Table 13: Poverty by economic status of the households members (Total sum index, index and poverty depth poverty) , 2004-2008**

	2004			2005			2006			2007			2008		
	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure
<b>Total</b>	<b>29,6</b>	<b>9,4</b>	<b>100,0</b>	<b>30,0</b>	<b>9,7</b>	<b>100,0</b>	<b>29,8</b>	<b>9,9</b>	<b>100,0</b>	<b>29,4</b>	<b>9,7</b>	<b>100,0</b>	<b>28,7</b>	<b>9,2</b>	<b>100,0</b>
Unemployed	39	13,8	51,1	41,5	14,9	52,5	40,9	14,6	49,5	39,1	14,1	45,9	38,4	13,8	43
1 employed	27,8	8	32,6	28,2	8,3	31,6	28,1	8,9	31,8	30,7	9,7	36	30,6	9,1	35,4
2 or more employed	18,1	4,9	16,3	16,8	4,6	15,9	18,5	5,4	18,7	17,2	4,8	18,1	17,9	5,1	21,6

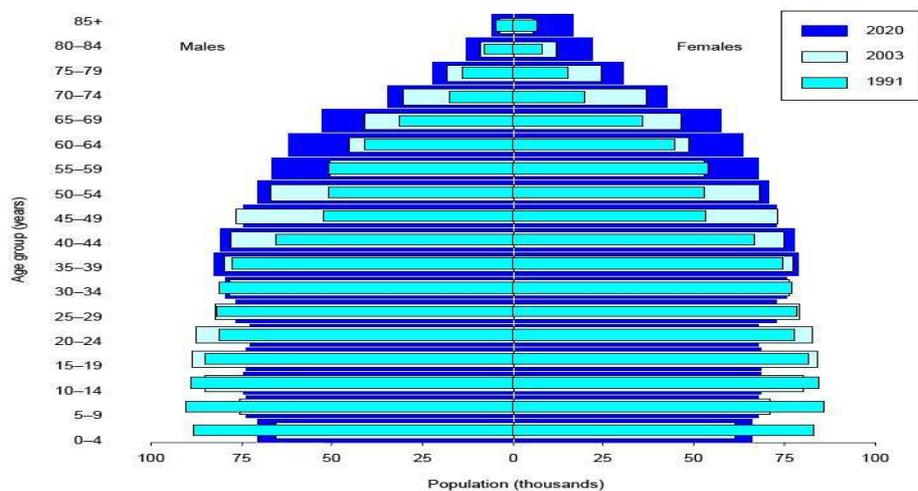
**Table 14: Poverty by the education of the households head (Total sum index, index and poverty depth poverty) , 2004-2008**

	2004			2005			2006			2007			2008		
	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure	Total sum index	Poverty depth index	Poverty structure
<b>Total</b>	<b>29,6</b>	<b>9,4</b>	<b>100,0</b>	<b>30,0</b>	<b>9,7</b>	<b>100,0</b>	<b>29,8</b>	<b>9,9</b>	<b>100,0</b>	<b>29,4</b>	<b>9,7</b>	<b>100,0</b>	<b>28,7</b>	<b>9,2</b>	<b>100,0</b>
Without education	57,9	17,1	5,4	46,8	17,7	5,6	53,9	21	4,8	53,7	23,5	6,7	53,2	19,4	4,3
Unfinished elementary education	32,8	11,7	14,8	39,9	13	18,4	37,6	13,6	15,1	37,7	13,3	16,1	39,1	14,6	15,8
Elementary education	38,4	12,7	45,8	38,2	13	41,5	39,8	14,1	43,9	37,4	12,7	41,5	35,4	11,6	36,5
Secondary education	22,9	6,7	29,3	23,4	7,1	30,1	22,8	6,7	31,7	23,6	7	31,5	23,4	6,8	36,8
College education	17,4	4,6	2,7	17,6	4,9	2,7	17,4	4,6	2,6	17,4	5,1	2,1	21,5	5,8	3,2
University education	9,1	2,1	1,9	7,3	1,7	1,7	8,9	2,3	2	11	3,1	2,1	13,8	4,8	3,4

**Picture 1. Age Pyramid, mid 2005. Source State Statistical Office and UN**

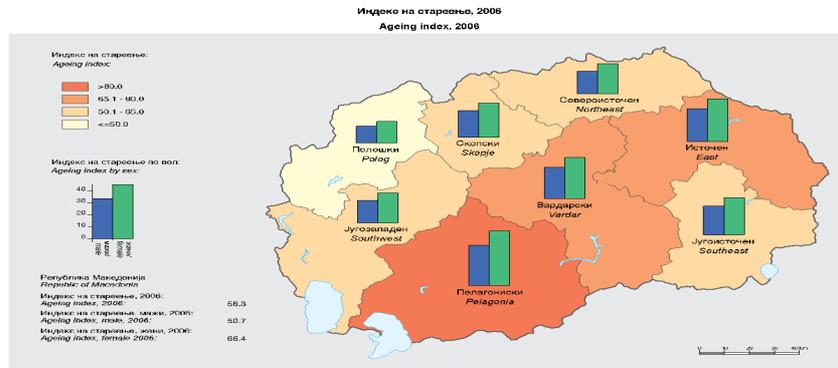
*Annex. Age pyramid*

**Age pyramid for The former Yugoslav Republic of Macedonia**

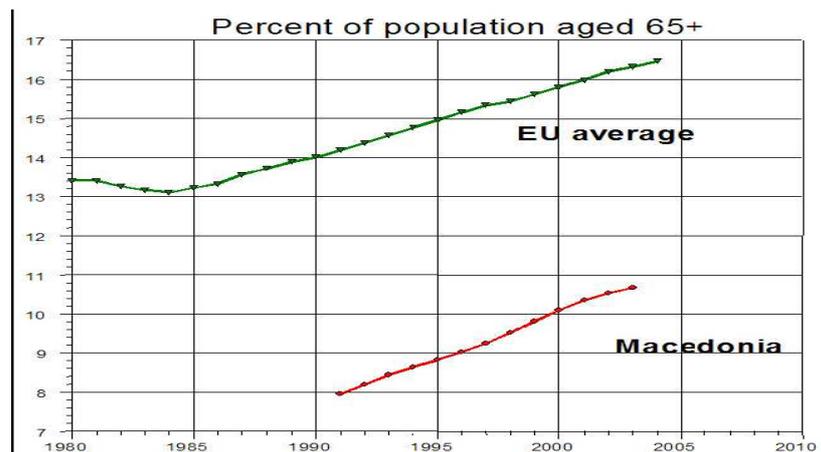


Sources: WHO Regional Office for Europe (2005) and United Nations (2005).

Picture 2: Age index in the Republic of Macedonia by region, Source State Statistical Office, 2006



Picture 3: Aging of the population in Europe and Macedonia, Source: HFA: DB



**Table 17. Representation of ethnic community and gender after finishing elementary school**<sup>64</sup>

	1997/1998			2002/2003			2007/2008		
	Students total	Women total	% women	Students total	Women total	% women	Students total	Women total	% women
Total	30741	100,0	48,3	30095	100,0	48,3	27046	100,0	49,0
Macedonian	20308	66,1	49,1	18380	61,1	48,9	15142	56,0	49,6
Albanian	7908	25,7	49,0	8869	29,5	47,7	9120	33,7	48,1
Turkish	1011	3,3	38,2	1147	3,8	44,6	1098	4,1	49,7
Roma	385	1,3	37,4	627	2,1	49,9	673	2,5	47,5
Other	1129	3,7	43,1	1072	3,6	44,6	1013	3,7	47,3

\* In category 'other' students from other ethnicities are included + those who did not say, + unknown

**Table 18. Representation of ethnic community and gender after finishing secondary school**<sup>65</sup>

	1997/1998			2002/2003			2007/2008		
	total	% total	F (%total)	total	% total	F (%total)	Total	% total	F (%total)
Total	18644	100,00	49,2	21765	100,00	50,6	22113	100,00	48,3
Macedonian	15474	83,0	51,7	16649	76,5	53,2	15371	69,5	50,2
Albanian	2178	11,7	37,2	3868	17,8	42,7	5084	23,0	44,6
Turkish	296	1,6	29,7	354	1,6	44,1	613	2,8	41,8
Roma	69	0,4	46,4	132	0,6	36,4	276	1,2	35,9
Other	627	3,4	38,8	762	3,5	39,2	769	3,5	44,7

\*In category 'other' students from other ethnicities are included + those who did not say, + unknown

**Table 19. Students who finished university by ethnic affiliation and gender**<sup>66</sup>

	1997			2002			2007		
	Student total	Women total	% women	Student total	Women total	% women	Student total	Women total	% women
Total	3 049	1 635	53,6	3 601	2 227	61,8	8 188	5 070	61,9
Macedonian	2 784	1 527	54,8	3 242	2 047	63,1	6 632	4 204	63,4
Albanian	100	40	40,0	172	82	47,7	1 119	603	53,9
Turkish	18	7	38,9	30	15	50,0	103	55	53,4
Roma	3	1	33,3	8	2	25,0	13	7	53,8
Other	144	55	38,2	149	81	54,4	303	190	62,7

**Table 20. Total number of students who finished special schools**<sup>67</sup>

	2002/03		2003/04		2004/05		2005/06		2006/07		2007/08	
	Total	% f (out of.)										
Special elementary school	204	38,7	149	31,5	150	40,7	145	30,3	227	34,4	126	38,9
Special secondary school	89	27,0	77	23,3	97	35,0	87	35,6	102	23,5	102	36,3

**Table 21. Education structure of the total population in the Republic of Macedonia age 15-74**<sup>68</sup>

<sup>64</sup> Source: State Statistical Office. Extract from the Statistical Overview for elementary and secondary schools at the end of the year.

<sup>65</sup> Source: State Statistical Office. Extract from the Statistical Overview for elementary and secondary schools at the end of the year.

<sup>66</sup> Source: State Statistical Office

<sup>67</sup> Source: State Statistical Office. Extract from the Statistical Overview for elementary and secondary schools at the end of the year.

<sup>68</sup> Source: State Statistical Office, Labor force Survey 2008. Statistical overview and social statistics 2.4.9.12 (632)

	Total	M	F
No education	3.1	1.5	4.7
Unfinished elementary education	9.7	6.4	12.9
Elementary education	33.6	31.8	35.4
3 years of secondary school	9.6	12.3	7.0
4 years of secondary school	33.2	36.7	29.8
College education	2.7	3.0	2.3
University degree	8.1	8.2	8.0

**Table 22. Amount of social cash benefit for 2009** Source: Ministry of Labour and Social Policy

	<b>100%</b>	<b>70%</b>	<b>50%</b>
Individual	2.173,00 MKD	1.521,00 MKD	1.086,50 MKD
Family and households with two members	2.810,50 MKD.	1.967,00 MKD	1.405,00 MKD
Family and households with three members	3.578,00 MKD	2.505,50 MKD	1.789,00 MKD
Family and households with four members	4.600,00 MKD	3.220,00 MKD	2.300,50 MKD
Family and households with five members	5.366,50 MKD	3.756,50 MKD	2.683,00 MKD.

**Table 23: number and percent of households beneficiaries of social cash benefit (1998-2008)**

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total household number	520471	518071	525394	409368	499568	502607	506656	507490	510369	515420	
Households using social cash benefit <sup>69</sup>	50425 <sup>70</sup>	64275	73074	47981	79457	61813	64804	67113	64970	63882	57687
Average number of households using social cash benefit %	9,7	12,4	13,9	18,3	15,9	12,3	12,8	13,2	12,7	12,4	

Source: Report of the Republic of Macedonia on the progress of achieving the Millennium Development , page 23. (with 2008 added)

**Table 24. Permanent cash benefit: Number of beneficiaries**

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Average</b>	5879	4890	4913	4966	5129	5176	5016	4871	5016	5033	5140

Source: Ministry of Labour and Social Policy

<sup>69</sup> Ministry of Labor and Social Policy Data

<sup>70</sup> Data of MCSR -Tetovo are missing