

GUARANTEEING A TRADE UNION VOICE IN THE YOUTH GUARANTEE PROCESS IN THE WESTERN BALKAN COUNTRIES

NORTH
MACEDONIA



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Research provided by independent
expert Inga Pavlovaite, ipavlovaite@hotmail.com

Guaranteeing a trade union voice in the Youth Guarantee process in the western Balkan countries

Country report North Macedonia



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The situation of youth at work in the country

1

The situation of youth at work in North Macedonia is characterised by high youth unemployment as well as a high level of precarious youth employment. Key youth employment situation indicators for the country, other region's countries and EU27 average are provided in Annex 1, based on the official comparative statistics available in Eurostat¹ and the Eurofound's Working Conditions Survey.²

The rate of youth unemployment is very high in North Macedonia and has remained very high for the past decade. In 2020 (latest data available), it was nearly 30%, almost three times above the EU27 rate of 12.4%. It is also very high compared to other countries in the region (for example, in Serbia the youth unemployment rate was 20% in 2020). Looking at the trend, the youth unemployment rate has declined significantly over the last 10 years, from 44.1% in 2013 to 28.4% in 2020. This is echoing the trend experienced in the EU, where the rate has declined from 18.8% in 2013 to 12.4% in 2020.

The situation of youth at work in North Macedonia is precarious. 57% of young people in 2021 reported having a standard indefinite employment contract,

comparable 59% young people with an indefinite employment contract in EU27. However, young people in the country tend to work very long hours. In 2021, 31% of young people reported working 48 hours and more per week, which is significantly higher compared to 14% of young people reporting such long working hours in EU27.

The level of wages remains low, and this has been repeatedly emphasised in the consultations with the youth sections of the trade unions in the country. Whilst recent data on wages for young people is not available in the official statistics of Eurostat, survey based data from 2021 show a high level of dissatisfaction with the wages received. 29% of young people in North Macedonia in 2021 stated that they do not feel they get paid appropriately, similar 30% of young people stating this in EU27.

The job instability is also high for young people in North Macedonia, with 17% of them reporting in 2021 that they might lose their job in the next 6 months, compared to a similar proportion of 17% of young people with fears of job loss in EU27. Young people

¹ [Database - Youth - Eurostat \(europa.eu\)](#)

² [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#) covers all six western Balkan countries included in this research.

also experience high levels of discrimination at work. 19% of young people reported having experienced discrimination at work in 2021 in the previous 12 months of working. This is higher than 13% of young people reporting discrimination in EU27.

Also the access to training for young people in North Macedonia to be improved. In 2021, 53% of young people in North Macedonia reported having on the job training in the past 12 months, against 54% in EU27.

Another key issue is the extent of overqualification of young people in the country. In 2020 (latest year available for the country), around 33% of young people were over qualified for the job they were working at in north Macedonia. This is significantly higher compared to the 24% overqualification rate for the EU27. This indicates a structural challenge insofar as one third of young persons in Montenegro are over qualified for their current job, indicating a waste of human capital and structural mismatches in the national labour market between the jobs offered in the economy and the level of qualification of young people. Overall, a mismatch between the demands of the labour market and the qualifications of young people leaving the school system has been noted as a key issue affecting youth employment situation.³

In addition, **a significant proportion of workers in the working age population is estimated to work in the shadow economy**, receiving either full or part of their wages in undeclared way, and thus not benefiting from the social security full coverage.⁴ Estimates range between 17% and 40% of the workforce engaged in one of the forms of the undeclared work in North Macedonia.

North Macedonia is also affected by the brain drain, especially amongst young people. Six countries in the western Balkans are among the top-ranked countries with the biggest brain-drain in the world. The Global Competitiveness Report developed the scale of 1 to 7 (1= all talented people leaving the country; 7= all talented people staying in the country). In this assessment,



³ National Report on Youth Unemployment in the Republic of Macedonia. Youth Cultural Center (Bitola 2015), p.8 http://www.youseefor.me/images/manuals/macedonia/baseline_macedonia_mcd.pdf

⁴ Williams C and Katnic M (2018) Recommendations for Tackling Undeclared Work in North Macedonia, a Report for Regional Cooperation Council, accessed 5 December 2023; [Policy-brief_Hidden-Economy-and-Undeclared-Labor-in-Macedonia-Albania-and-Kosovo-1.pdf](https://www.idmalbania.org/policy-brief-hidden-economy-and-undeclared-labor-in-macedonia-albania-and-kosovo-1.pdf) (idmalbania.org)

BiH scored 1.76, followed by North Macedonia (2.13) and Serbia (2.31).⁵ In the last three decades, due to the emigration, Serbia has lost 9 percent of its citizens, North Macedonia 10 percent, Bosnia and Herzegovina 24 percent, and Albania 37 percent.⁶ Mostly young, educated, and skilled people who decided to leave their country due to poor democratic and economic conditions and low quality of life. Some estimates show that the region will lose around 1 million youth in the forthcoming decade⁷.

This translates into negative labour market outcomes for young people in North Macedonia. The rate of young people neither in education, employment or training (NEET rate) was very high at 32.2% in 2020 (last year for which data is available). This is almost double the 17% NEET rate in EU27. Also the trend is negative, with the NEET rate has declined only slightly in the country since 2013, indicating a lack of progress addressing the NEET issue. In addition, the rate of young people at risk of poverty and social exclusion

is also very high, with 30% of young people in this situation in 2022. This is significantly higher compared to 24.7% of young people at risk of poverty and social exclusion in EU27 in 2022. Alarmingly, the rate in North Macedonia has been declined only marginally since 2013, indicating similarly a lack of progress in tackling youth poverty and social exclusion.

Moreover, **young people bore the brunt of the economic consequences of the COVID-19 pandemic.** In the Western Balkans, the loss of employment and the rise in inactivity has not – in general – been offset by a return to education. NEET rates in the Western Balkan economies remained above the pre-crisis level, although in some cases they declined from their peak.⁸ ILO research has shown that young people were especially prone to high level of job vulnerability in the pandemic context given the service sectors they are over represented in and the informal type of employment relationships they tend to have in the labour market.⁹

⁵ [Focus_Article_Brain_drain_Sept2020.pdf \(wbc-rti.info\)](#)

⁶ [Toward a New Youth Brain-drain Paradigm in the Western Balkans | German Marshall Fund of the United States \(gmfus.org\)](#)

⁷ Friedrich-Ebert-Stiftung, FES Youth Studies Southeast Europe 2018/2019.

⁸ [News, articles and events on youth employment \(Youth Employment\) \(ilo.org\)](#)

⁹ COVID-19 and the World of Work, Rapid Assessment of the Employment Impacts and Policy Responses NORTH MACEDONIA, ILO, 2020.

The national policies on youth employment in the country

2

In North Macedonia, there is an overarching national strategy on youth. In the beginning of 2020, the Macedonian parliament adopted the first Law on Youth Participation and Youth Policies (Закон за младинско учество и младински политики).¹⁰ The law regulates forms of youth organisation, the participation of young people in the process of creating youth policies and the decision-making processes related to them.

The National Youth Strategy (2016-2025) is one of the main policy documents which sets out the basic principles and action guidelines on youth policy. In 2023, it is expected the new National Youth Strategy 2023-2027 to be published. So far, the draft version of the National Youth Strategy 2023-2027 is available.¹¹ The strategy foresees a number of measures in the field of youth employment, which is one of the nine areas of action in the Strategy.

The national government and the national Employment Service Agency has been implementing specific employment measures targeting youth. They include

support to job search, advice, guidance, counselling, subsidised employment, support to training and re-training and support for youth entrepreneurship and others.

The key youth employment policy response in North Macedonia has been the introduction of the Youth Guarantee in 2018.¹² Started in 2018, the Youth Guarantee allows young people up to the age of 29, who are not employed or involved in education or training (NEET), to receive a suitable job offer, continue their education, or be involved in any of the active employment programmes and measures, in a period of 4 months after they register as unemployed persons in the Employment Service Agency.¹³

The YG was first introduced as a pilot in three municipalities in 2018. In 2019, YG was implemented throughout the country, with a special focus on three regions (Polog, the Northeast and the Southwest, including Resen), where the largest number of young people were recorded in the NEET category. In the second phase (2020-2022), the YG Guarantee is being

¹⁰ [Zakon-za-mladinsko-uchestvo-i-mladinski-politiki-16-01-2020.pdf \(pravdiko.mk\)](#)

¹¹ [Нацрт - Национална стратегија за млади 23-27_Нацрт_id=48_version=1.pdf \(ener.gov.mk\)](#)

¹² [Strategija_zaposljavanja_u_Republici_Srbiji_2021-2026_engleski.pdf \(socijalnoukljucivanje.gov.rs\)](#)

¹³ [Youth Guarantee \(av.gov.mk\)](#)

rolled out throughout the country, targeting all young NEETs (15-29) legally residing in North Macedonia.

Entry to the YG scheme is through registration at Employment local employment centres. After the registration, the young person undergoes an interview with the advisor and develops an individual employment plan. Support provided can include group and individual counselling; providing job search assistance services; motivational pieces of training; involvement in any of the measures for labour market integration (employment, education, and training measures).

In its first year 2018, the Youth Guarantee (YG) attracted 5,266 participants (2,694 of whom were women). Just under half (2,209 or 42%) successfully completed the Youth Guarantee with 1,972 finding jobs within 4 months (925 women) and 282 (187 women) being offered active labour market measures during the same period.¹⁴

According to the statistics available from the latest years, the Youth Guarantee had a 35% success rate in 2020. 25,502 young people (12,863 of them women, or 48%) registered with YG schemes in 2020. Of these, 7,684 entered employment within four months and 1,257 young people took up some of the active employment measures.¹⁵

In 2021, of the total number of people who entered the Youth Guarantee process (19,322), 8,064 young people up to 29 years of age or 41% got a job or acquired

skills that improved their employability and became competitive on the labour market.

As for 2022, the number of young people up to 29 years of age who entered the Youth Guarantee was 20,185, and of them 8,706 or 43% got a job or acquired skills through training. Thus, the trend over the years has been of increasing positive outcomes for young people entering the Youth Guarantee pathways.

The new Plan for the implementation of the Youth Guarantee 2023-2026 introduces novelties, where the focus is on the NEET group, i.e. people aged 15-29, who are not in the education process, are not employed, and are not involved in some of the trainings. The measures that are part of the third phase of Youth Guarantee are described in Operational Plan for employment 2023 (Оперативен план за активни програми и мерки за вработување и услуги на пазарот на трудот за 2023 година).¹⁶

Since 2020, implementation of the Youth Guarantee has also been supported by an EU for Youth initiative, part of the EU's Pre-Accession Assistance to North Macedonia. The initiative includes support for effective communication approach promoting the opportunities for young women and men, public campaigns on VET [vocational education and training] and the Youth Guarantee and support for systematic application of tracer system methodologies for all VET providers and Youth Guarantee and employment generation programmes.

¹⁴ [North Macedonia's Youth Guarantee: Knocking back the numbers of NEETs | ETF \(europa.eu\)](#)

¹⁵ [Project-Overview-V1-EN.pdf \(eu4youth.mk\)](#)

¹⁶ [План за гаранција за млади 2023-2026 година усвоен на Влада на РСМакедонија.doc \(live.com\)](#)

Trade unions and youth employment in the country

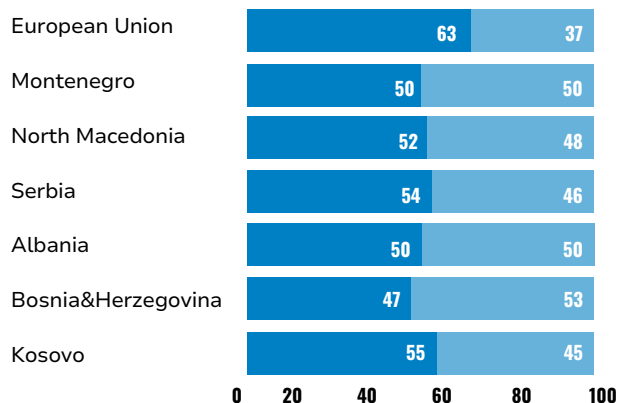
3

Whilst some young people know about the trade unions in their workplaces, the involvement of trade unions at the workplaces could be further enhanced. As shown below, 52% of young people in 2021 in North Macedonia reported that their organisation had a trade union, works council or a similar structure representing the employees. The proportion for EU27 was higher, with 63% young people reporting this. Comparatively low is

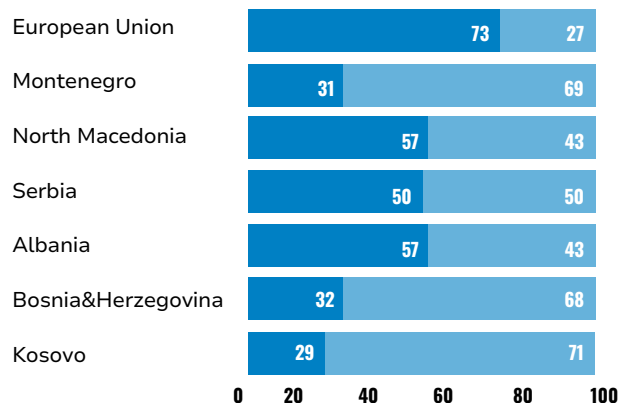
the presence of health and safety delegate or committee in the workplaces, a key factor in supporting effective occupational health and safety at work for young people entering their working careers. 57% of young people in 2021 in North Macedonia reported this, against 73% of young people reporting a health and safety delegate or committee in EU27.

FIGURE 1 THE PRESENCE OF TRADE UNIONS IN THE WORKPLACES OF YOUNG PEOPLE, 2021

● Does your organisation have a trade union, works council or similar committee representing employees?

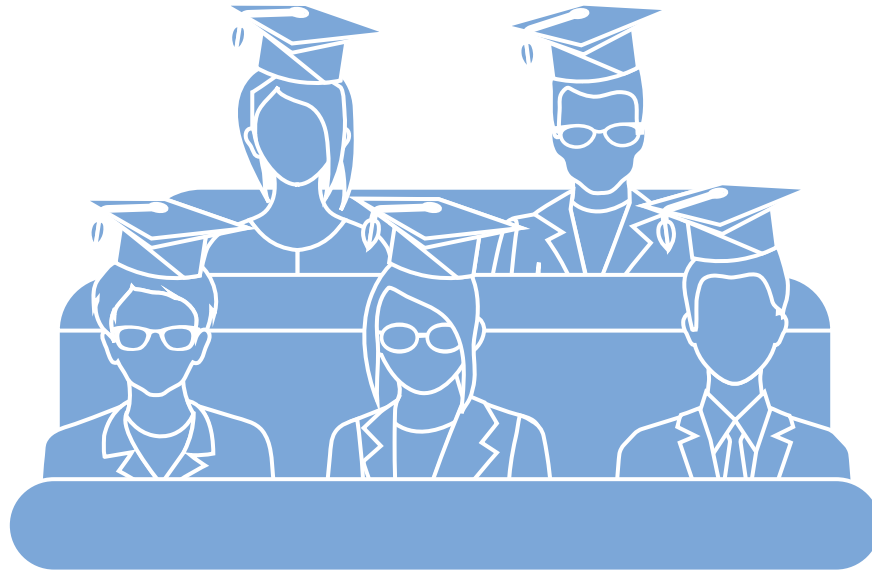


● Does your organisation have a health and safety delegate or committee?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023.

[European Working Conditions Survey](#) | [European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)



The second area of improvement relates to how the government consults with the trade unions in general and youth sections in particular on developing the youth employment measures and approaches. As highlighted in the consultations with the youth sections in the trade unions, such consultation is formal and “on paper”. Overall, the formal process is followed (e.g. tripartite bodies meet, trade unions are sent the government policy documents in advance). In practice, however, there is little or no genuine joint consultation, as documents containing policy proposals are sent with short notice to provide a considered response. Often the final shape of policy proposals is provided, with few possibilities for youth sections to provide inputs or suggest changes or concrete ideas for improvements. When tripartite meetings take place, they are used to approve the finalised documents, as opposed to being places for debates, exchanges or shaping the emerging policies on youth employment.

Thus, according to the feedback from trade unions interviewed in **North Macedonia**, many measures aimed

at youth employment outside the Youth Guarantee remain on paper and are not implemented due to the lack of funds. Moreover, many measures are not known to young people who tend to mistrust state institutions. Also, trade unions are rarely consulted on the measures.

Finally, the interviews with the youth sections in the trade unions in the country also highlighted the need to further engage with the young people. In the country, many young people do not have basic information about their labour rights and trade union, including a lack of basic understanding of what an employment contract is, or the benefits of becoming a member of the trade union. In this respect, trade unions are trying to organise the youth and spread information about the labour rights and trade unions amongst the young people in **North Macedonia**. This is done through social media channels, traditional publications, grassroot activities, organising seminars and trainings, as well as involving regular information work in schools and universities to reach out to young people.

The EU initiatives for youth employment in the country

4

At the policy level, there is a strategic commitment to support youth employment in the western Balkan region. In particular, in the second EU-Western Balkans Ministerial Meeting on Employment and Social Affairs on 8 July 2021, the national ministers for employment endorsed a “Declaration on ensuring sustainable labour market integration of young people”¹⁷ where they committed to



„Resolve to set up inter-sectoral task forces involving relevant bodies, agencies and stakeholders, including the social partners, youth organisations and other non-governmental organisations, and to develop or update, respectively, Youth Guarantee Implementation Plans by June 2022”

The key policy commitment from the EU side has been the support to the implementation of the Youth Guarantee in the western Balkan region, including North Macedonia.¹⁸

The EU’s Economic and Investment Plan for the Western Balkans is the main EU policy response in the region and was adopted in 2020. The Plan refers to investments on Youth Guarantee measures and the capacity building of social partners and further enhancement of the social dialogue.¹⁹ The Youth Guarantee for the western Balkans is one of the 10 flagship measures, to be introduced in four phases. Overall, the Plan envisages up to €30 billion in investments, including up to €9 billion of EU grant funding for all 10 flagship measures. No specific funding is allocated for individual flagship measures.

Since 2021, the European Commission provided support the national institutions responsible for youth employment policy in the Western Balkans in introducing a youth guarantee (YG). On 14 October 2021, the European Commission, together with the International

¹⁷ [ESAP2 | Western Balkans Declaration on ensuring sustainable labour market integration of young people](#)

¹⁸ [The reinforced Youth Guarantee - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

¹⁹ [European Commission launched an additional €2.1 billion investment package for the Western Balkans under the Economic and Investment Plan \(europa.eu\)](#)

Labour Organization (ILO) and the European Training Foundation (ETF), and representatives from the Western Balkans launched the preparation of Youth Guarantee (YG) Implementation Plans (YGIPs) and the Technical Assistance Facility (TAF) to support this process. The declaration also recognised the importance of involving

international partners and donors in the process to ensure effective coordination of cooperation efforts. Under the Technical Assistance Facility (TAF), the relevant authorities and stakeholders from the Western Balkans will receive support from the ILO and the ETF for designing Youth Guarantee schemes.²⁰



²⁰ [Bolstering the resilience of youth in the Western Balkans | ETF \(europa.eu\)](https://www.europa.eu)

Key policy pointers

5

RESEARCH FINDINGS POINT TO THE FOLLOWING ACTIONS TO FURTHER SUPPORT QUALITY JOBS FOR YOUTH

From the perspective of the national government, it should:



▶ Develop a comprehensive strategy for addressing youth quality jobs;



▶ Improve the information and implementation (the quality of offers, outreach and outcomes) under the existing national measures;



▶ Make good use of funds available under the EU funds for supporting youth quality jobs.

The pointers for trade unions themselves are as follows:



▶ Engage more with young people and make their voices heard;



▶ Trade union activists can network and exchange more across the region and with ETUC youth sections in EU27.

Annex 1

Key statistics – youth employment situation in the western Balkan region

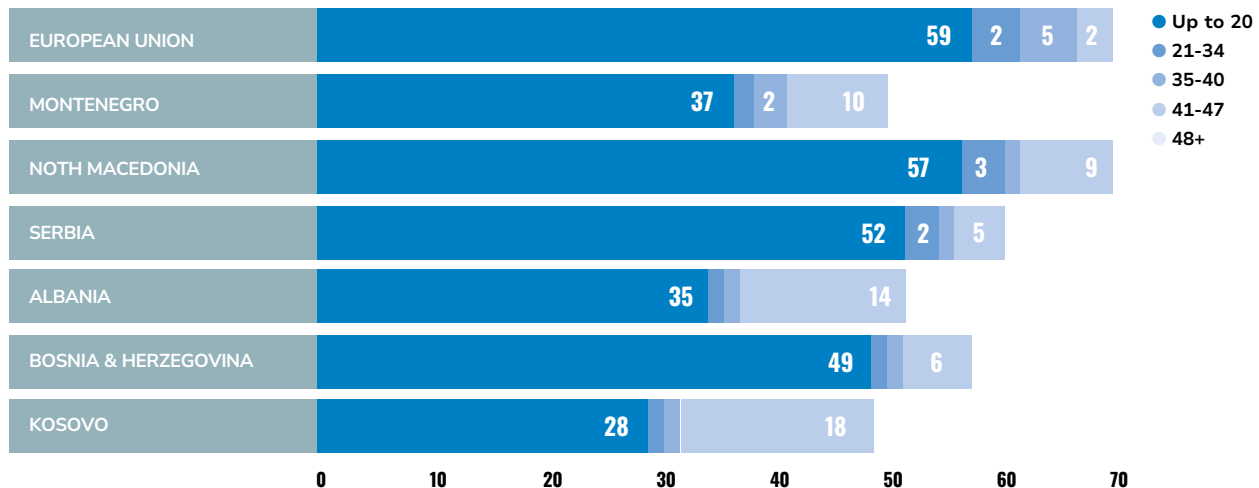
TABLE 1 YOUTH UNEMPLOYMENT RATE, AGE GROUP 20-29

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	18.8	17.9	16.4	14.9	13.3	12.0	11.1	12.4	12.0	10.2
Montenegro	28.8	29.1	27.5	27.0	25.8	25.8	22.3	29.6	:	:
North Macedonia	44.1	43.7	42.3	39.2	37.9	35.5	30.1	28.6	:	:
Serbia	39.7	35.6	33.2	28.9	25.3	23.3	20.2	19.1	18.7	15.4

Source: Eurostat, Youth unemployment by sex, age and educational attainment level [yth_empL_090\$defaultview], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

FIGURE 2 TYPES OF EMPLOYMENT HELD BY YOUNG PEOPLE, 2021

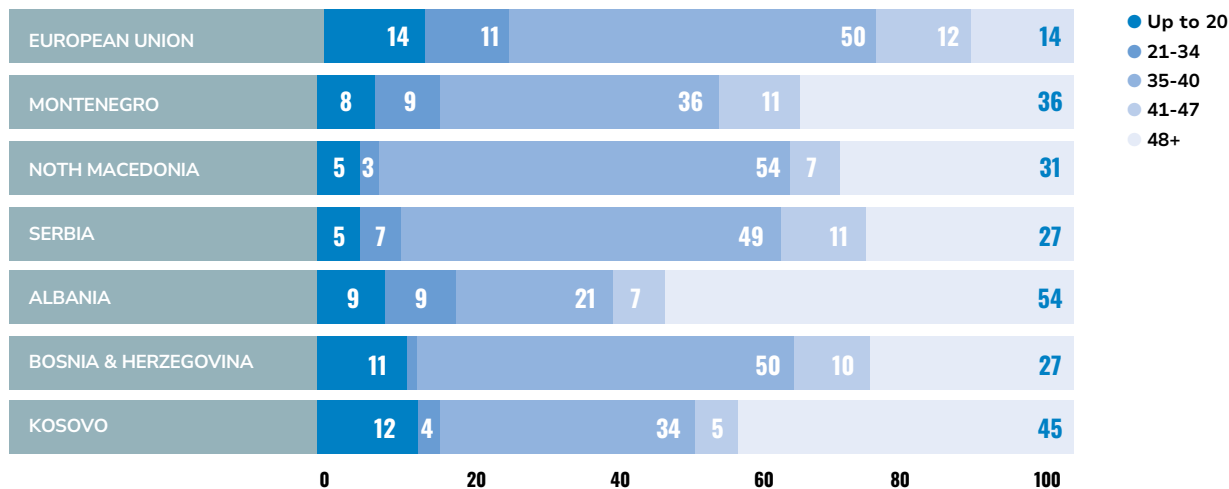
● What kind of employment contract do you have in your main paid job?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://ec.europa.eu/eurofound/en/press-room/2022/02/20220216_european-working-conditions-survey/)

FIGURE 3**THE NUMBER OF WEEKLY WORKING HOURS BY YOUNG PEOPLE, 2021**

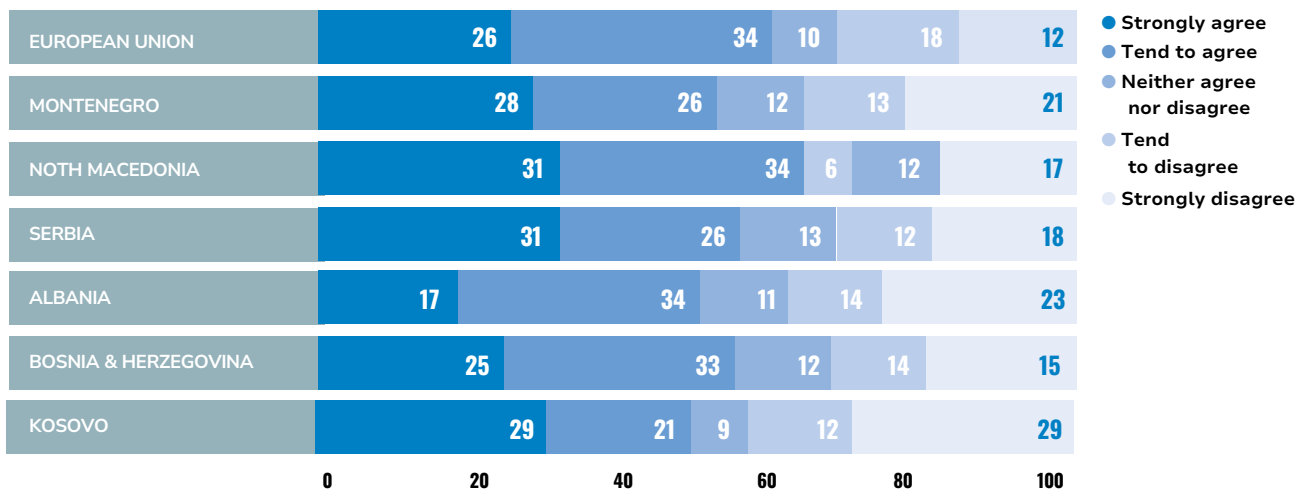
● How many hours per week do you usually work



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://www.eurofound.europa.eu/european-working-conditions-survey)

FIGURE 4**LEVEL OF SATISFACTION WITH THE CURRENT WAGES BY YOUNG PEOPLE, 2021**

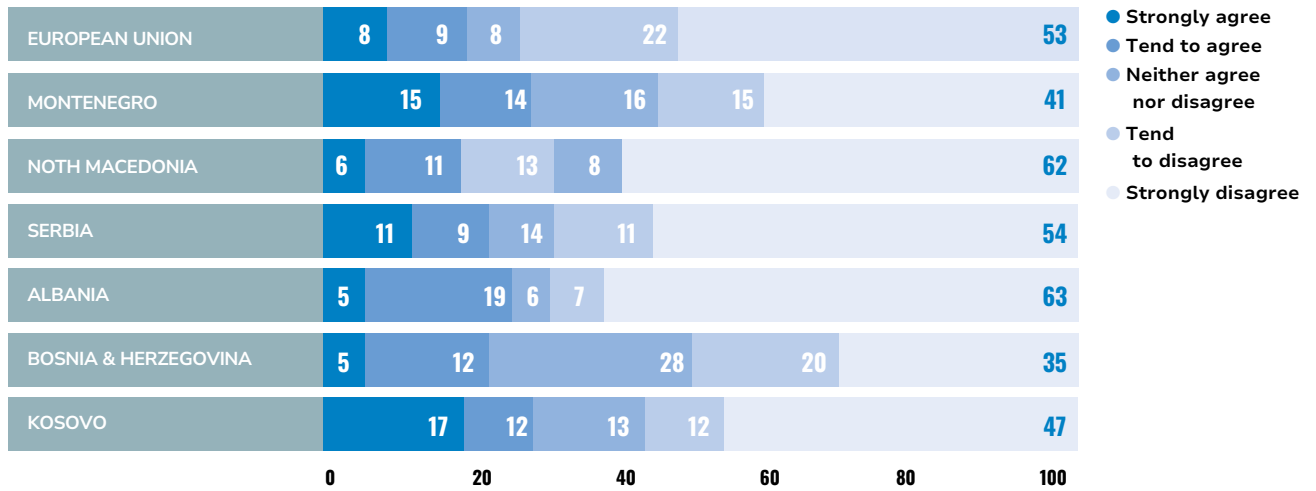
● Considering all my effort and achievements, I feel I get paid appropriately



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://www.eurofound.europa.eu/european-working-conditions-survey)

FIGURE 5 THE LEVEL OF JOB STABILITY BY YOUNG PEOPLE, 2021

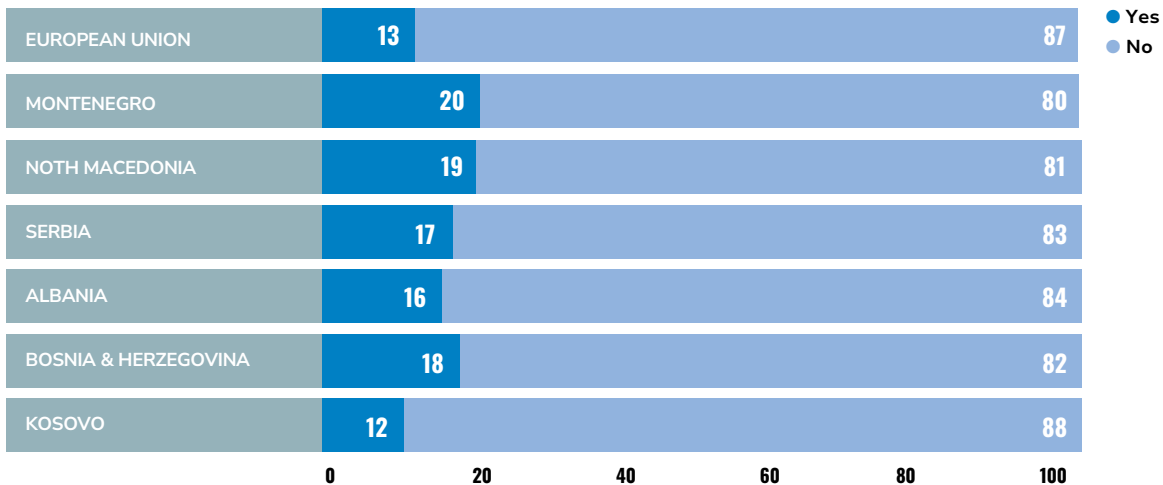
● I might lose job in the next 6 months



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://www.eurofound.europa.eu/working-conditions-survey)

FIGURE 6 THE LEVEL OF DISCRIMINATION AT WORK BY YOUNG PEOPLE, 2021

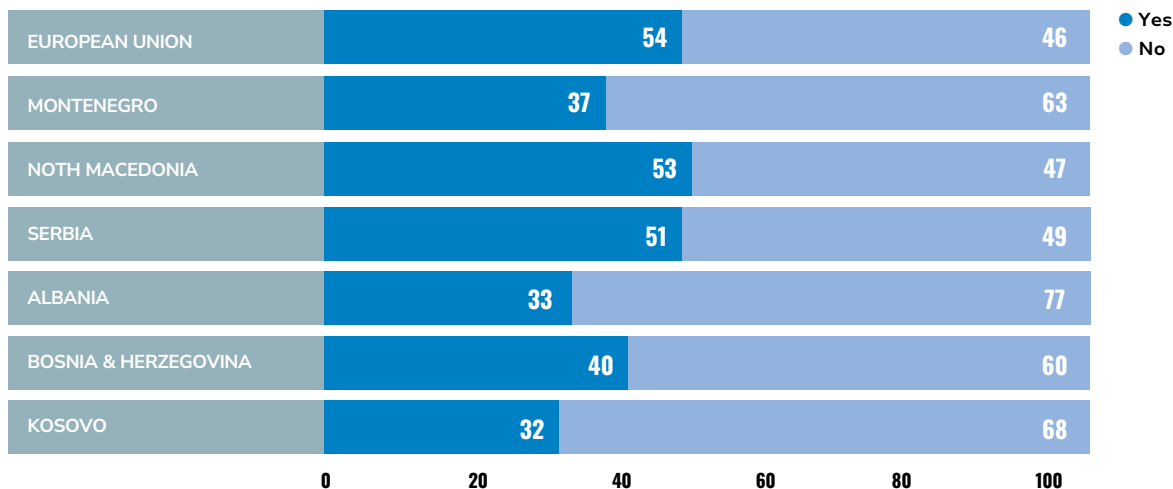
● Have you been subjected to discrimination at work in the last 12 months?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://www.eurofound.europa.eu/working-conditions-survey)

FIGURE 7 THE LEVEL OF TRAINING AT WORK BY YOUNG PEOPLE, 2021

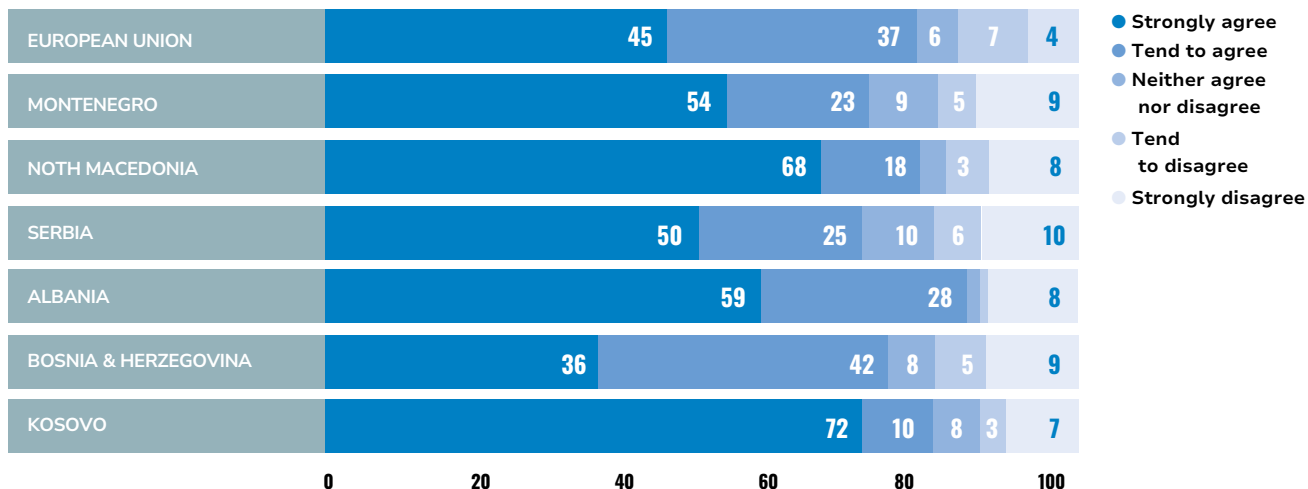
● Have you had on-the-job training in the last 12 months?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey](#) | [European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

FIGURE 8 THE LEVEL OF USING OWN SKILLS AT WORK BY YOUNG PEOPLE, 2021

● I have enough opportunities to use my knowledge and skills in my current job



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey](#) | [European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

TABLE 2

PERSONS AT RISK OF POVERTY OR SOCIAL EXCLUSION (% OF AGE GROUP 20-29)

	2015	2016	2017	2018	2019	2020	2021
EU27	27.6	27.7	25.8	24.9	23.7	24.5	24.9
Montenegro	41.1	41.9	41.3	39.6	34.4	35.5	37.4
North Macedonia	36.1	33.9	32.2	32.9	31.0	29.8	:
Albania	:	:	53.4	47.7	45.5	39.8	:
Serbia	38.9	32.7	35.7	32.0	29.1	27.0	28.8

Source: Eurostat, Persons at risk of poverty or social exclusion by age and sex [ilc_peps01n_custom_8027520], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](#)

TABLE 3

NEET RATE (% OF AGE GROUP 20-34)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	20.5	20.0	19.5	18.8	17.7	17.0	16.4	17.8	16.6	15.0
Montenegro	32.1	30.5	30.6	29.2	28.2	27.5	28.8	34.0	:	:
North Macedonia	39.0	39.7	39.9	37.7	37.4	36.3	31.2	32.2	:	:
Serbia	33.1	31.4	29.8	27.2	26.1	24.1	22.7	23.8	22.1	19.2

Source: Eurostat, Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat_lfse_20_custom_8026264], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](#)

TABLE 4**THE LEVEL OF OVER QUALIFICATION (% OF AGE GROUP 20-34)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	26.3	27.1	26.8	26.6	26.6	26.1	25.5	24.7	24.3	24.5
Montenegro	13.9	20.9	19.8	20.9	15.9	16.4	19.3	20.8	:	:
North Macedonia	24.0	27.0	31.5	28.4	27.7	28.9	33.0	33.2	:	:
Serbia	29.0	28.9	32.9	31.0	33.5	35.6	33.3	33.8	31.0	31.3

Source: Eurostat, Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat_lfse_20_custom_8026264], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)



ETUC - European Trade Union Confederation

Bld du Jardin Botanique 20 - 1000 Brussels

Tel. + 32 (0)475 601 501

Contact: Niklas Franke nfranke@etuc.org

Lucie Susova lsusova@etuc.org

www.etuc.org



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