

Domestic workers and access to labour and social protection: the case of North Macedonia*

Abstract

According to the 2023 Labour Force Survey there are around 4800 domestic workers in North Macedonia (i.e. about 0.8% of all workers). Two thirds are employees and, among those, the vast majority (more than 80%) have a permanent contract. Domestic work is recognised under labour legislation although there is a lack of precise legal provisions specifying normative rights. However, domestic workers without employment contracts do not benefit from rights under the Law on Labour Relations, while their social protection is even less explicit as none of the associated legislation in this sector specifically targets domestic work. The way forward for improving social protection and labour rights for domestic workers in North Macedonia should include: (a) expanding the legal definition of workers to include workers who do not have an employment contract but are in a real employment relationship; (b) including domestic workers in the Law on Employment and Unemployment Insurance; and (c) including domestic workers as the eligible and targeted beneficiaries of active labour market programmes and measures.

Keywords: domestic workers, North Macedonia, labour and social protection, atypical work, regularisation, labour law, ILO conventions

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Introduction

As elsewhere in Europe, the trend of new and non-standard forms of employment, including domestic work, has also been evidenced in North Macedonia. However, the low proportion of domestic workers in the national Labour Force Survey (LFS) sample, as well as the scarcity of research on this topic, prevents a more comprehensive analysis of the challenges related to the access by such workers to social protection. While non-standard forms of work may enable greater flexibility and facilitate work-life balance, they are not necessarily beneficial to workers.

At European level, studies have already examined and indicated how domestic employment is insecure in relation to the power dynamics and negotiations that occur at the intersection of age, class, gender and ethnicity (Nare 2009; Vullnetari 2012). Data from the LFS and Eurostat show that, within North Macedonia, non-standard forms of work are not the result of workers' own choice, but stem from an inability to find a full-time job (36.4%), other family or personal responsibilities (16.4%), care for children or elderly people in the family (4.9%), illness or disability (2.6%) and education and training (3.3%) as well as diverse other reasons (36.4%).¹ In addition, non-standard forms of work bring along the risk of lower union membership, which certainly limits the mechanisms of protection of their labour rights.

In view of the European Union's commitments under the European Pillar of Social Rights, North Macedonia's 'non-standard employees' require better access to social security and protection through legislation as well as more efficient access to benefits. For this purpose, this article maps domestic work in North Macedonia – i.e. the number and main sociodemographic characteristics of domestic workers; describes the legal and employment arrangements frameworks that apply to domestic workers in the country; and then sets out the specific conditions for (and possible gaps in) access to social and labour protection for domestic workers. It goes on to discuss the issues of undeclared work, regularisation and labour shortages in the country, before presenting recent and ongoing reforms and debates in the country. Finally, a concluding section makes suggestions on the way forward for improving social protection and labour rights for domestic workers in the country.

Scope and profile of domestic work in North Macedonia

To map and analyse the scope and profile of domestic workers, this article uses the following statistical definition of domestic work:

- all workers in NACE 97 (activities of households as employers of domestic personnel) are included among domestic workers
- the following ISCO 4 categories are then added, so long as they are not already included in NACE 97 (to avoid double-counting): 5152 (butlers), 5162 (companions and valets), 5322 (home-based personal care workers) and 9111 (domestic cleaners and helpers)
- unpaid family workers are excluded.

1 See the Eurostat dataset at: https://ec.europa.eu/eurostat/databrowser/product/page/LFSA_E_PGAR.

Based on this definition, In North Macedonia, the 2023 LFS data suggests that there are around 4,800 domestic workers (i.e. about 0.8% of all workers). In terms of profile, this indicates that:

- more than 55% of domestic workers in the country are men
- around 50% are aged at least 50 and less than 15% are 15-34
- around 30% have a low educational level (ISCED² levels 0-2) while around 60% have intermediate education (ISCED 3-4)
- more than 90% are employees and, among those, the vast majority (more than 80%) have a permanent contract
- around 90% work 30-40 hours per week
- more than eight in ten of domestic workers are in the non-care sector.

As with the rest of Eurostat data in this area, these figures should be interpreted cautiously.

It is worth mentioning that the gender profile of domestic work in North Macedonia is completely different when looking only at workers in NACE 97, where 100% of workers are women.

Legal framework

This section describes briefly the legal framework that applies to domestic workers, considering in turn the legal definition(s) of domestic workers, the key aspects of the legislation regarding domestic work, ILO Convention 189 and the coverage by collective agreements.

Legal definition

Domestic work in North Macedonia is recognised under the country's labour legislation along with other atypical forms of work. However, the Law on Labour Relations does not stipulate a legal definition of domestic work, nor does it determine the groups of domestic workers. Article 53 simply states that:

... employment contracts can be made for domestic workers, where accommodation and food may be included as part of the employee's salary. This contract must be certified by an employment agency, and the minimum amount of earnings paid in money cannot be less than 50% of the employee's total earnings. (*Official Gazette* No. 167/2015 and its amendments)

Legislation

The Law on Labour Relations thus stipulates rather few provisions regarding domestic workers such as their right to an employment contract, the possibility of including accommodation and food as part of the contract, and the obligation for the contract to be certified by an employment agency. Other provisions in regard to domestic workers – such as those related to working time and wages during leave from work – are, however, not specified.

2 International Standard Classification of Education.

Furthermore, the Law on Private Employment Agencies, which replaced the Law on Agencies for Temporary Employment (adopted in 2006, now no longer in force), regulates temporary agency work as a recognised atypical form of work. Although domestic work is not mentioned in this law, anecdotal evidence suggests that domestic workers providing LTC services register with private agencies while looking for work.

ILO Convention 189

North Macedonia has not ratified the ILO Convention 189 on Domestic Work. Despite academic advocacy for its ratification (Kalamatiev and Ristovski 2015) and occasional information campaigns by the Ministry of Labour and Social Policy,³ there have been no visible, systematic efforts to ratify and implement this Convention. Some of the reasons for this may lie in most domestic workers being found in the informal sector which, along with a lack of professional representation, makes them less influential in advocating the improvement of their labour and social standards.

Collective agreements

As there are no registered trade unions or other professional associations representing domestic workers in North Macedonia, there are no collective agreements that refer specifically to them. If, however, a domestic worker has an employment contract (i.e. fixed-term, part-time, etc.) with a municipality for providing social protection services (i.e. homecare) they are covered by the existing collective agreement for social protection.

Overview of employment arrangements

It is worthwhile re-emphasising that, as indicated above, more than 90% of domestic workers in 2023 were employees and that, of those, more than 80% had a permanent contract. Furthermore, more than 90% of domestic workers have a working week of a standard 30-40 hours in length.

Research assessing the effect of the Covid-19 pandemic on precarious workers (Tumanoska 2021) has focused on, among other things, domestic (paid) workers. To identify domestic workers, it used the LFS and the following ISCO categories: 5152 (domestic housekeepers); 5311 (childcare workers); 5322 (home-based personal care workers); and 9111 (domestic cleaners and helpers). In addition, it included all workers who reported that their work took place at their employer's home, irrespective of whether they belonged to these or other occupations.

Based on this research, domestic workers are commonly found in precarious employment. The research showed that 42.9% of domestic workers worked in the

3 See, for instance, the report by the Ministry of Labour and Social Policy on the ILO's 100th Annual Conference ('ILO's 100th Annual Conference decides to bring 53 to 100 million domestic workers into labour protection'), accessed 19 April 2024 at: https://www.mtsp.gov.mk/sorabotka-so-megjunarodnata-organizacija-na-trudot-ns_article-100-ta-godishna-konferencija-na-mot-reshi-da-vnese-od-53-do-100-milioni-domashni-rabotnici-vo-ramkit.nspx.

employer's home, while 14.9% did not have a fixed workplace; and around 70.5% of paid domestic workers who performed their job solely at the employer's home did not have a formal employment contract. As this study concluded:

This makes them less visible for the labour inspectorates and short of access to collective bargaining; therefore, their workers' rights are usually subject to violation. (Tumanoska 2021: 34).

Moreover, nearly one-third of domestic workers were own-account workers and had no skills to apply for the publicly available measures to support workers during the crisis even if they were formalised (Tumanoska 2021: 34).

Access to social and labour protection

For each of the seven areas of social protection covered by the 2019 Council Recommendation, this section describes the extent to which access to social protection for domestic workers differs from that of other workers in the same category of employment, seeking to explore where there are particular gaps in coverage. There are no publicly available studies or case law regarding domestic workers in North Macedonia, so the identification of gaps in terms of formal access and adequacy of coverage is mainly oriented to addressing their regulatory status.

Unemployment benefits

Domestic workers do not have formal access to unemployment benefits in North Macedonia. According to the Law on Obligatory Social Insurance Contributions, domestic workers are not obliged to pay for unemployment insurance unless they are employees of self-employed people (Article 12).

Domestic workers who are directly employed by individuals are frequently in undeclared work. This leads to their exclusion from contributory social protection including unemployment benefits. Even if domestic workers move from undeclared to declared work, they will still be excluded as the Law on Obligatory Social Insurance Contributions does not oblige them to pay for unemployment insurance.

Sickness benefits

Domestic workers do have formal access to sickness benefits. Beneficiaries of sickness benefits, based on the Law on Healthcare, the Law on Health Insurance, the Law on Obligatory Social Insurance Contributions and the Law on Labour Relations, are employed people and self-employed individuals. Regardless of whether they are employed or self-employed, if domestic workers have been compulsorily insured for at least six months before the occurrence of the sickness and have paid contributions regularly (no more than 60 days late), they can obtain the right to sickness benefits.

Based on the most recent available evidence from Fond za zdravstveno osiguruvanje na RSM/Fondi i Sigurimit Shëndetësor i RMV-së (OZORCM/FSSHRMV; the Health Insurance Fund),⁴ however, in December 2022 the number of domestic

4 <https://fzo.org.mk/pregled-osigureni-lica>.

workers who were insured was negligible and represented only 0.003% of all insured people. The negligible number of insured domestic workers reflects their labour market status (i.e. a majority of them work in undeclared jobs).

Healthcare benefits

Domestic workers also have formal access to healthcare benefits. They are not explicitly mentioned, but the beneficiaries of healthcare benefits are widely defined and extend to employees, pensioners, temporarily unemployed people receiving unemployment benefits, beneficiaries of social protection, self-employed people and any other citizen who has not gained income higher than the annual net amount of the minimum salary for the previous year.

Under a special programme, the state provides health coverage to people who cannot be insured on any other grounds (children and young people up to age 18 or 27 if enrolled in education, older people and unemployed women during pregnancy and confinement).

Parental leave

If domestic workers are formally registered and making social insurance contributions, they have formal access to maternity and the equivalent paternity benefits. These benefits are part of the social insurance scheme providing earnings-related benefits during maternity leave for all economically active people. The stipulated beneficiaries of maternity leave and benefits include employed people and self-employed individuals.

Invalidity benefits

Where domestic workers are formally registered and, again, making social insurance contributions, they have formal access to invalidity benefits. These benefits are part of the compulsory insurance system which is financed by contributions and which pays out earnings-related benefits. They cover employees, the self-employed, people/students engaged in practical or voluntary work and the unemployed during occupational and vocational retraining.

Old-age and survivor benefits

Formally registered domestic workers who are making social insurance contributions also have formal access to old-age pensions and survivor benefits. Domestic workers who do not have employment contracts are not eligible for contributory old-age benefits but they are entitled to the social pension financed via the taxation system (Law on Social Security for Old People). The social pension is a means-tested benefit.

Workplace accidents and occupational diseases

Domestic workers who are formally registered and making social insurance contributions do have formal access to benefits related to accidents at work and occupational diseases. These benefits are part of the compulsory contributions-based

insurance system and pay out earnings-related benefits in the event of an accident (whether or not related to employment) or occupational disease. They cover employees, the self-employed, people/students engaged in practical or voluntary work and the unemployed during occupational and vocational retraining.

The self-employed pay a contribution of 0.5% of their insurance base against the risk of work-related injuries.

Access to labour protection

On top of access to the seven areas of social protection set out above, this section describes access to the level of labour protection available to domestic workers.

Where a domestic worker has an employment contract (for example, a temporary agency worker) verified by an employment agency, they enjoy equal treatment under the labour legislation. As indicated by Kalamatiev and Ristovski:

... de jure, the temporary agency worker enjoys equal treatment in terms of the 'basic conditions of work and employment' relating to working hours, overtime work, breaks, rest periods, night work, holidays and allowances. (Kalamatiev and Ristovski 2019: 308)

In a separate report the same researchers had already also noted that:

... the regulation of the legal status and the rights and obligations of domestic workers in North Macedonia are at a rudimentary level. (Kalamatiev and Ristovski 2016: 45)

In addition, based on the third national report submitted by the government on the implementation of the Council of Europe's European Social Charter, domestic workers that have concluded an employment agreement are entitled to submit a request (i.e. a complaint) to Državen Inspektorat za Trud/Inspektorati Shtetëror i Punës (DIT/ISP; the State Labour Inspectorate) to carry out supervision in connection with the exercise of the rights stipulated in the Law on Labour Relations and under their employment agreement. In such a case, DIT/ISP may use all its powers, in the same manner as for workers who are not domestic workers (Ministry of Labour and Social Policy 2015: 57).

Undeclared work, regularisation and labour shortages

In many EU member states, a key challenge concerning the situation of domestic workers is the very high proportion of undeclared work that exists in the sector and what this implies in terms of social protection and labour protection for these undeclared workers. Different policy instruments may be used to address and combat undeclared work which can be broadly classified as direct measures (e.g. vouchers and tax credits) and indirect measures (e.g. formalisation and professionalisation of domestic work).

This section explores the prevalence of undeclared work, alongside the impact of labour shortages, and assesses what the government is doing to regularise employment in the sector.

Prevalence of undeclared work

One of the rare studies of the prevalence of undeclared work among domestic workers in North Macedonia estimated that more than one-third (36%) of paid domestic workers are working in the informal economy (Tumanoska 2021). The same research noted that informality is even more widespread among paid domestic workers who only worked at the employer's house, with 70.5% not having a formal employment contract (Tumanoska 2021: 35).

Another study (Srbinoski et al. 2023), capturing approximately 81% of the workforce in North Macedonia as reported in the country's Structural Business Statistics,⁵ showed that 21.1% of total labour input in North Macedonia is undeclared. In the NACE S95 sector (repair of computers and personal and household goods) the rate of informality is as high as 119.3% (i.e. undeclared labour exceeded the declared labour input), while in NACE S96 (other services) there is also a high rate of informality (43.5%). However, the share of these two sectors in total employment is tiny, with NACE S95 contributing 0.3% and NACE S96 1.5% (see Figure 1).

For comparison purposes, some 12.2% of all workers in North Macedonia were informal workers in 2022, despite a 27% decline in this category over the period 2018-22, to a figure of a little above 84 000.⁶

Labour shortages

Recent research in North Macedonia (Slavkoska et al. 2023) – prompted by a lack of workers in the care sector – has found evidence that people caring for older people are reducing their work hours or resigning from their regular occupations. Moreover, an analysis of labour markets in North Macedonia (Petreski 2021) has also shown that almost every municipality is facing a shortage of workers. For example, the city of Skopje is:

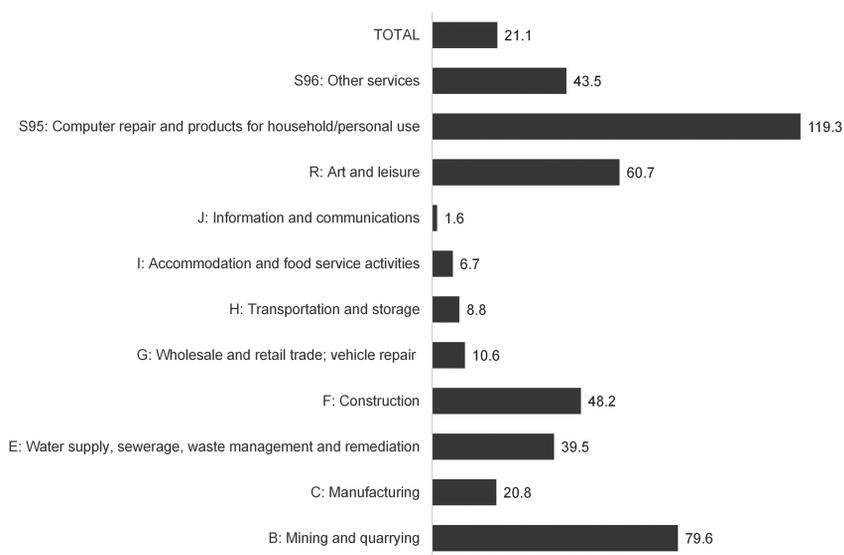
- 5 Data based on LFS (2022) and SBS (Structural Business Statistics) for 2022, both from Državen zavod za statistika/Enti shtetëror për statistikë (DZS/ESS; State Statistical Office). SBS includes only private sector, so the public sector, or sectors with public sector components, are excluded from the combined datasets. The NACE sectors excluded are D (Electricity, gas, steam and air conditioning supply); M (Professional, scientific and technical activities); N (Administrative and support service activities); O (Public administration and defence; compulsory social security); P (Education); and Q (Human health and social work activities). Additionally, SBS does not provide data for the following NACE sectors: A (Agriculture, forestry and fishing); K (Financial and insurance activities); S94 (Activities of membership organisations); T (Activities of households as employers; undifferentiated goods and services-producing activities of households for own use); and U (Activities of extraterritorial organisations and bodies). Finally, NACE L (Real estate activities) is also excluded due to abnormal negative discrepancies which might be attributed to a measurement error.
- 6 DZS/ESS MakStat database: https://makstat.stat.gov.mk/PXWeb/pxweb/en/MakStat/MakStat_PazarNaTrud_PazarTrudRevizija_AktivnoNaselenie_Vraboteni/066_Formalna_NeformalnaVrab_POI_Vozrast_ml.px/table/tableViewLayout2/.

... facing a workforce shortage mainly for occupations with low skills, high skills for the occupations of information and communication technology professionals, and occupations in the service sector with medium skills level. (Petreski 2021: 18).

Municipalities also report a lack of certified assistants and carers able to be engaged through the public community work programme.⁷

Furthermore, emigration rates also have an impact on labour shortages. The 2021 census revealed that 12.4% of North Macedonian citizens live abroad.⁸ The combination of demographic ageing and migration, accompanied by skills mismatches,⁹ is significantly worsening the labour shortages that exist in the country.

Figure 1 – Undeclared work by sector, 2022 (share of undeclared labour input in total declared labour input)



Source: Srbinoski et al. (2023).

Regularisation of undeclared work

As mentioned already, undeclared work is falling quite quickly, so the initiatives being undertaken towards regularisation are having some impact. Indeed, the government is continually undertaking initiatives to promote regularisation. In this direction, the newest set of instruments at national level include: the Strategy

7 URL withheld but available on request (website only available in Cyrillic).

8 <https://popis2021.stat.gov.mk>.

9 Accessed 19 April 2024 via: <https://www.etf.europa.eu/en/publications-and-resources/publications/skills-mismatch-measurement-north-macedonia>.

for formalising the informal economy for 2023-27 (Ministry of Finance 2023); the National Employment Strategy for 2021-27, alongside an Employment Action Plan for 2021-23 (Ministry of Labour and Social Policy 2021); together with an Operational Plan for active programmes and measures for employment and labour market services for 2024 (Ministry of Labour and Social Policy and Agency for Employment 2024). These instruments are of course general and not specifically targeted at domestic workers.

At the beginning of 2024, the government (through the Ministry of Labour and Social Policy) proposed a law allowing people to perform work of an occasional and temporary nature for certain activities, under a simplified procedure.¹⁰ The aim of the proposed initiative is to formalise undeclared work, and reduce undeclared work, in specific activities and sectors of the economy where a high incidence of undeclared work has been found – especially in agriculture, forestry, fishing, tourism and catering, and household activities (domestic work), as well as in construction. The proposal sets out: the conditions and method of employment; the rights and obligations of the people hired and of the employer; the manner and procedure of reporting the people hired; and the payment and calculation of contributions and tax.

The Strategy for formalising the informal economy for 2023-27 only briefly mentions domestic workers, indicating here that:

Informal employment outside informal enterprises (for formal firms, households, etc.) includes domestic workers, seasonal workers, temporary workers, unregistered or undeclared workers. (Ministry of Finance 2023: 15)

Some of the measures within the Strategy include:

- a. improvement of the regulatory framework, particularly as regards labour relations (i.e. regulations for the simplified employment of seasonal, periodical and temporary workers in agriculture, tourism, hospitality and service activities)
- b. introduction of ID cards in construction and implementation of the ‘e-invoice’ project
- c. establishment of offices/centres for legal and economic counselling for registering micro and small-sized companies and for starting business activities in the formal sector
- d. increasing the effectiveness and efficiency of inspection services in detecting and preventing informal business activities via an e-inspector platform for recording inspections, by including all inspection services and by the further strengthening of capacities through training and regular monitoring.

Effective implementation of the measures and activities set out under the 2023-27 Strategy on formalising the informal economy and the related action plan is expected to reduce the informal economy to 26% of GDP by the end of 2027. In addition, a National Council has been established to co-ordinate activities under the action

10 Programme of work for the Government of the Republic of North Macedonia for 2024: https://vlada.mk/sites/default/files/dokumenti/strategii/programa_za_rabota_na_vrsm_za_2024_godina.pdf.

plan and to monitor their implementation. The Council is an inter-sectoral, inter-institutional body comprising 20 highest-level representatives (it includes: the deputy prime minister in charge of economic affairs and the co-ordination of economic sectors and investment; the deputy prime minister in charge of good governance policies; the ministers of economy, information society and administration, labour and social policy, agriculture, forestry and the water economy, environment and physical planning, and transport and communications; and senior officials of Uprava za javni prihodi na RSM (UJP; Public Revenue Office).

In the National Employment Strategy for 2021-27 and the Employment Action Plan for 2021-23, there is only one mention of domestic work in the context of undeclared work, specifying the:

... double-pronged objective to address informal employment in the domestic work and care sectors and promote women's participation to the labour market. (Ministry of Labour and Social Policy 2021: 45)

Some of the policy goals and targets indicated in this Strategy, intended to be achieved by 2027, are: a reduction in the share of workers engaged informally to 10%; a reduction in the tax wedge for workers at the low end of the salary scale by at least 10 percentage points; and a narrowing of the gender employment gap by 15 percentage points (Ministry of Labour and Social Policy 2021: 77).

The Operational Plan for active programmes and measures for employment and labour market services for 2024 provides for a 'care economy' programme targeted at unemployed people. This is designed to allow them to acquire knowledge, skills and competencies in the provision of community care services and to gain opportunities for work engagement and employment as formal service providers in the care economy field (i.e. in social and health services at local level). The programme pays 13 750 denars (223 euros) per employed person per month (including personal income tax and insurance for disability and bodily harm caused by injury at work and occupational disease) for a period of six to nine months, including training and work experience engagements, for an engagement of 20 working hours per week. Unemployed people who do not possess an appropriate recognised certificate of acquired skills/competencies as a provider of social services will necessarily be included in training programmes conducted by verified training providers. The training providers themselves will receive compensation of up to 30 000 denars (487 euros) per person.

For 450 unemployed people financed through the budget of the Agency for Employment, local self-government units provide co-financing of at least 20% of the monthly compensation during the programme. For the remaining number of unemployed people, the monthly compensation during the programme will be fully covered by the budgets of the municipalities and the City of Skopje (for up to 50 people). The maximum number of people hired per municipality financed by the Agency for Employment budget is 200.

The potential impact of this instrument may thus be negligible, given the limited number of beneficiaries targeted.

A recent impact evaluation carried out on selected active labour market measures implemented by the Agency for Employment showed that some of the direct measures whose aim is to increase the employability of unemployed workers have been poorly targeted regarding unemployed people from rural areas and the long-term unemployed. Furthermore, some have shown a diminishing impact on unemployment, associated with a positive impact on salaries and a negative impact on intentions to emigrate (Nikoloski 2021: 91-92).

Recent research focusing on informal employment and undeclared work in the hotel, restaurant and catering sectors, and based on surveys of employers (n= 28) and workers (n= 90), has shown that employers believe that indirect government initiatives could enhance the formalisation of temporary employment (Petreski et al. 2023). A majority of those surveyed (56%) believe that reducing social contributions could facilitate formalisation, as could also measures in connection with income tax (44%) (Petreski et al. 2023: 26). However, in relation to casual workers, the researchers noted that:

The subsidy for income tax and social contributions was not a sufficient motivation for casual workers to formalise. According to employers, the primary factors motivating the preference for undeclared engagement of daily workers are associated with the rigidity of regulations, administrative bureaucracy, and unfair competition. (Petreski et al. 2023: 22)

Recent and ongoing reforms and debates

This section reviews the recent or ongoing reforms in the country in the period since 2020 whose aim is to enhance social protection or the labour protection of domestic workers, while also reviewing the public debate in the country about the efficacy of the measures taken in this area.

Reforms

A reform of social protection launched in May 2019 under a new Law on Social Protection instigated a number of initiatives and encompassed the improved labour market integration of the beneficiaries of social protection measures.

Short-term measures that extended the coverage of social protection during the Covid-19 pandemic included enhanced access to guaranteed minimum assistance, which was introduced to ensure swifter access to the social protection system during extreme shocks. The measure was aimed at people who had lost their sources of income during the pandemic, including seasonal workers and informal workers. The estimated number of newly eligible beneficiaries, as indicated in the initial government projections, was 20 000 households, which represented 3.54% of the estimated number of households in the country. According to administrative sources, however, between April and December 2020 approximately only 5500 new households acquired the right to guaranteed minimum assistance, representing just 27.5% of the initial estimated number of beneficiaries of this measure (Gerovska Mitev and Bornarova 2024). This was a temporary measure regulated under amendments to the Law on Social Protection and may be activated again in a declared state of emergency.

Domestic workers, in the same way as others in non-standard forms of work, are eligible to apply for guaranteed minimum assistance if they do not own property and where the income level in the previous three months was below the guaranteed minimum (the base is 4000 denars (65 euros) per person per month, increasing according to an equivalence scale for each additional adult family member and child).

A significant anti-crisis measure adopted by the government in 2020 was the Decree for implementing the Law on Employment and Unemployment Insurance during a state of emergency. This entitled all workers who lost their job due to the Covid-19 pandemic during March-April 2020 to unemployment compensation (from the unemployment insurance system), regardless of their employment duration and of the reasons for the termination of the employment contract. According to administrative data from the Agency for Employment,¹¹ this policy change contributed to an 87% increase in the number of seasonal workers who benefited from unemployment assistance between the March and the May of 2020.

Furthermore, a new draft law on labour relations has been going through the internal consultation process with the social partners for more than four years.¹² The new law would define domestic work and domestic workers. According to Article 6, paragraph 14, 'domestic work is work performed in or for a household or households' while, according to Article 6, paragraph 15:

A domestic worker is a natural person who has established an employment relationship with a certain household or households, for the purpose of performing certain tasks in the household or households.

The draft law specifies the rights of domestic workers quite specifically, setting out that:

The domestic worker has all the rights of employment according to this law and collective agreement. The employer is obliged to notify the labour inspectorate about the conclusion of an employment contract for performing work in the household within three days from the day of conclusion of the contract. Inspection supervision can be carried out with prior notice and with the consent of the employee.

Among other things, the new law stipulates new provisions also regarding the duration of fixed-term contracts and new forms of contracts. According to Jovana Trencheska, the former Minister of Labour and Social Policy:

The new Law on Labour Relations will aim to improve the legal framework for protection of workers' rights and to provide harmonization with EU directives and ILO conventions with key innovations being new forms of employment contracts, arranging of transparent and predictable working conditions and creation of dignified jobs, equal opportunities for

11 Agency for Employment: <https://av.gov.mk/korisnici-na-prava2.nsp.x>.

12 Draft Law on Labour Relations (as of January 2023): https://www.mba.org.mk/index.php/mk/arhiva-na-informacii/item/download/445_387861c21ea9da1a17860c941e71d041.

workers with family responsibilities, introduction of paternity and parental leave, and other aspects.¹³

According to one analyst, other expectations are that the new law will include:

... appropriate legal mechanisms ... to address undeclared (informal) work and disguised employment in order to protect ‘de facto’ employees and ‘bogus self-employed persons’ who are excluded from the protective framework of labour legislation and social security. (Ristovski 2022)

Public debate

The majority of the recent public debate has been related to the new draft law on labour relations. In relation to domestic workers, the main objections refer to the definition of workers. As indicated in the joint legal opinion submitted by Mreža za zaštitu od diskriminacija/Rrjeti për Mbrojtje nga Diskriminimi (MZD/RMD; Network for Protection Against Discrimination) and Platforma za rodova ednakvost (PRE; Platform for Gender Equality):

The Law leaves out of its protection a significant number of workers who actually work without employment contracts. The new, as well as the old, Law on Labour Relations defines as an employee any natural person who is in an employment relationship based on an employment contract. This definition is incorrect and does not provide protection for a large number of workers who actually work without an employment contract or with a different contract, and is not in accordance with European legislation and international standards.

The organisations suggest that the law should be harmonised with EU legislation and ILO Recommendation 198 on the employment relationship, and that the definition should be expanded to include workers who do not have an employment contract but are in a real employment relationship and whose existence can be determined on the basis of the related facts.¹⁴

Recently, the Federation of Trade Unions of Macedonia (SSM) and Glasen Tekstilec (Association for the Protection of Workers’ Rights), and others, have also been vocal regarding the aspects of the proposed law which allow people to perform work of an occasional and temporary nature in certain activities under a simplified procedure. According to SSM:

The part of the law that stipulates that the hired worker can be paid in cash should be changed and that each amount paid to the employee should be through a bank account.

- 13 See the Minutes of the XIII Plenary Meeting of the Sector Working Group in the areas of education, employment and social inclusion, 14 November 2023, accessed 19 April 2024 at: https://www.mtsp.gov.mk/content/pdf/2024/EU_24/Minutes%20of%20XIII%20SWG%20EESP%20Meeting%2014.11.2023%20MLSPandMES.pdf.
- 14 https://mzd.mk/en/vesti/pravno_mislenje_zro/.

[Furthermore] [t]here are also ambiguities in other articles of the law related to the monetary compensation for work engagements.¹⁵

Meanwhile, Glasen Tekstilec, which has reacted strongly to the proposed law, comments thus:

Instead of creating a healthy climate for businesses, and thus for workers, unfair competition is being created here with the ‘amen’ of the government. This draft law discriminates against other sectors and workers, and thus destroys the domestic economy. What European law or directive is this solution based on?... This is total anarchy!¹⁶

Conclusions: improving social protection and labour rights for domestic workers

Based on the analysis set out in this article, the way forward for improving social protection and labour rights for domestic workers in North Macedonia should encompass the following aspects:

- ratification of ILO Convention 189 on Domestic Work and the accompanying Recommendation No 201
- expanding the legal definition of ‘workers’ in the Law on Labour Relations to include workers who do not have an employment contract but are in a real employment relationship
- enhancing the capacity and training of DIT/ISP in relation to the practising of the soft skills that labour inspectors need in their interactions with domestic workers and their employers
- including domestic workers in the Law on Employment and Unemployment Insurance so that they can benefit from unemployment insurance (provided that social contributions have been paid)
- including domestic workers as the eligible and targeted beneficiaries of active labour market programmes and measures.

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Statistical annex

Table 1 – Domestic workers in North Macedonia, by gender, 2023

	Total	As % of total
Total	4823	100
Women	2049	42.5
Men	2774	57.5

Source: State Statistical Office, Labour Force Survey 2023.

Table 2 – Domestic workers in North Macedonia, by age group, 2023

	Total			As % of total		
	15-34	35-49	50+	15-34	35-49	50+
Domestic workers	607	1889	2326	12.6	39.2	48.2

Source: State Statistical Office, Labour Force Survey 2023.

Table 3 – Domestic workers in North Macedonia, by educational level, 2023

	Total			As % of total		
	Low	Intermediate	High	Low	Intermediate	High
Domestic workers	1510	2905	408	31.3	60.2	8.5

Source: State Statistical Office, Labour Force Survey 2023.

Note: ‘Low’ educational level corresponds to ISCED 0-2 (less than primary, primary and lower secondary education); ‘intermediate’ corresponds to ISCED 3-4 (upper secondary and post-secondary non-tertiary education); and ‘high’ corresponds to ISCED 5+.

Table 4 – Full-time and part-time employment among domestic workers in North Macedonia, 2023

	Total			As % of total		
	Fewer than 30 hours	30 to 40 hours	More than 40 hours	Fewer than 30 hours	30 to 40 hours	More than 40 hours
Domestic workers	338	4312	173	7	89.4	3.6

Source: State Statistical Office, Labour Force Survey 2023.

Table 5 – Domestic workers in North Macedonia, by employment status, 2023

	Total		As % of total	
	Employees	Self-employed	Employees	Self-employed
Total	4466	357	92.6	7.4
Women	1776	273	87	13
Men	2691	83	97	3.0

Source: State Statistical Office, Labour Force Survey 2023.

Table 6 – Domestic workers in North Macedonia who are employed, by type of employment contract, 2023

	Total		As % of total	
	Temporary	Permanent	Temporary	Permanent
Domestic workers	758	3709	17	83

Source: State Statistical Office, Labour Force Survey 2023.

Table 7 – Care and non-care domestic workers in North Macedonia

	Total		As % of total	
	Care	Non-care	Care	Non-care
Domestic workers	765	4058	15.9	84.1

Source: State Statistical Office, Labour Force Survey 2023.

Note: ‘Care workers’ are those whose occupational status (ISCO) is either 5311 (childcare workers) or 5322 (home-based personal care workers). All other occupational statuses are considered ‘non-care’. It should be noted that there are people providing care in the ‘non-care’ category and vice versa. These categories should therefore be understood as categories that consist primarily of ‘(non-)care’ workers.



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