

**AGREEMENT
ON THE ESTABLISHMENT OF AN ECONOMIC AND SOCIAL COUNCIL**

Skopje, August 2010

In accordance with article 246, paragraph 4 of the Labour Relations Act ("Official Gazette of the Republic of Macedonia" No. 62/05, 106/08, 161/08, 114/09, 130/09, 50/10 and 52/10), the Government of the Republic of Macedonia, the representative trade unions and the representative organizations of the employers on the territory of the Republic of Macedonia, on 25 August 2010, have entered into the following

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ON THE ESTABLISHMENT OF AN ECONOMIC AND SOCIAL COUNCIL**

I. General Provisions

Article 1

The present Agreement shall establish the Economic and Social Council (hereinafter: ESC) between the Government or the Republic of Macedonia and its social partners (the representative trade unions and the representative organizations of the employers on the territory of the Republic of Macedonia).

Signatories to the present Agreement shall be the Government of the Republic of Macedonia, the representative trade unions, and the representative organizations of the employers on the territory of the Republic of Macedonia, in accordance with the Labour Relations Act.

Article 2

The ESC is a national tripartite body established by the Government of the Republic of Macedonia and its social partner for the purposes of maintaining a social dialogue, in order to provide for the creation of favourable conditions for economic and social stability and exercise of the fundamental values of the Republic of Macedonia as a democratic and social state.

ESC has a counseling-consultative role in the development and implementation of economic and social strategies and policies by the Government of the Republic of Macedonia.

Through the ESC the social partners shall coordinate their interests and develop and promote the social dialogue.

The ESC issues its opinions and recommendations to the Government of the Republic of Macedonia, on the following:

- economic development;
- labour market policies;
- policy of wages and prices;
- labour and social insurance;
- social protection;
- healthcare;
- environment;
- fiscal policy;
- working conditions and occupational safety and health;
- education, culture and vocational training, and
- Other areas that have an impact on the economic and social interests of the workers and employers.

The ESC, within its scope of competences:

- provides opinions, proposals, recommendations and conclusions, upon its own initiative, or on request by any of the social partners and the Government of the Republic of Macedonia, within its scope of competencies, laid down by the Labour Relations Act and the present Agreement;
- reviews and issues proposals for ratification of international labour standards, in accordance with the Convention no. 144 of the International Labour Organization concerning tripartite consultations;
- implements and monitors the implementation of obligations arising from the ratification of the Convention no. 144 of the International Labour Organization concerning tripartite consultations and other International Labour Standards;
- determines the composition of the tripartite delegation for the annual international labour conference and of other tripartite bodies, and
- establishes working bodies (boards and committees).

Article 3

The ESC gives its opinions, proposals and recommendations on draft laws and other regulations, national strategies and programmes concerning the economic and social interests of workers and employers, before such acts are discussed by the Government of the Republic of Macedonia, where the opinions on the laws in the field of labour relations, employment, pension and disability insurance and occupational safety and health are binding.

The Government of the Republic of Macedonia, the ministries and other public administration bodies review the opinions, proposals and recommendations issued by the ESC and provide it with follow-up information in an adequate manner.

The ESC may issue upon its own initiative opinions and proposals concerning the social and economic matters to the Government of the Republic of Macedonia and other competent authorities.

For specific matters, the Government of the Republic of Macedonia, the ministries and other public administration bodies may solicit the opinion of the ESC.

II. Composition of the ESC

Article 4

The ESC shall be composed of 12 members, in particular:

- four members shall be appointed by the Government of the Republic of Macedonia;
- four members shall be appointed by the representative organizations of the employers on the territory of the Republic of Macedonia; and
- four members shall be appointed by the representative trade unions on the territory of the Republic of Macedonia.

The ESC members shall have a term of office of four years, with a possibility for re-appointment.

The term of office of a member of ESC shall terminate:

- upon expiry of the term of office;

- by the member's resignation;
- dismissal, and
- when the trade union or the organization of employers loses its representativeness on the territory of the Republic of Macedonia.

In case of any of the events under paragraph 3 of the present article, the Government of the Republic of Macedonia, the representative trade union, that is, the representative organization of employers, shall appoint a new members, with a term of office until the expiry of the term of office of previous member.

Each ESC member shall have his/her deputy.

Article 5

The ESC members who are appointed by the Government of the Republic of Macedonia shall be: the Minister of Labour and Social Policy, Minister of Finance, Minister of Economy, and the Deputy Prime Minister of the Government of the Republic of Macedonia in charge of economic affairs.

The deputies of the ESC members - ministers referred to in paragraph 1 of the present article shall be the deputy ministers, while the deputy of the Deputy Prime Minister of the Government of the Republic of Macedonia in charge of economic affairs shall be a person appointed by him.

Article 6

The representatives of the trade unions and organizations of employers shall be appointed members of ESC by the representative trade unions and representative organizations of employers, in particular:

- four representatives each, if there is only one representative trade union, i.e., organization of employers;
- two representatives each, if there are two representative trade unions, i.e., organizations of employers;
- two representatives of the trade union, i.e., employer that has the greatest number of trade union members, i.e., members of the organization, and one representative for each of the remaining trade unions, i.e., organizations of employers, in the case of three representative trade unions, i.e., organizations of employers; and
- one representative from each trade union and organization of employers, in the case of four representative trade unions, i.e., organizations of employers.

If there are more than four representative trade unions or organizations of employers, the signatories of the Agreement shall jointly determine the number of members of the ESC, within the total number of members laid down by article 4 of the present Agreement.

Article 7

The number of members of the ESC, in accordance with article 6 of the present Agreement, shall be determined by the present ESC prior to the expiry of the term of office of the members from the ranks of the representative trade unions and organizations of employers on the territory of the Republic of Macedonia.

Article 8

The ESC shall have one chairperson and two deputy chairpersons.

The chairperson of the ESC shall be the Minister of Labour and Social Policy.

The deputies to the chairperson shall be elected from the ranks of the members of the representative trade unions and the representative organizations of employers.

Article 9

The chairperson of the ESC shall:

- represent the ESC before the competent authorities and the public;
- convene the sessions of the ESC, propose the agenda and manage the operation of the ESC;
- coordinate and harmonize the operation of the ESC working bodies, and
- perform all other duties entrusted to him/her by the ESC.

In case of an absence, the chairperson of the ESC shall be replaced by one of his/her deputies.

II. Administrative-technical conditions and operational programme of the ESC

Article 10

The ESC shall have a secretary.

The ESC secretary shall be an employ of the Ministry of Labour and Social Policy, appointed by the Minister of Labour and Social Policy.

All organization, administrative and technical activities of the ESC and its working bodies shall be carried out by the Social Partnership Unit within the Ministry of Labour and Social Policy.

The costs and expenses for the operation of the ESC and its working bodies shall be covered by the Ministry of Labour and Social Policy.

Article 11

The ESC shall draft an annual operational programme.

The operational programme referred to in paragraph 1 of the present article may be amended and supplemented during the year.

III. Transitional and final provisions

Article 12

The ESC shall adopt Rules of Procedure governing the operation of the Council.

Article 13

As of the date of entry into force of the present Agreement, the Agreement on the establishment of the Economic and Social Council ("Official Gazette of the Republic of Macedonia" no. 7/97) shall cease to take effect.

Article 14

The present Agreement shall enter into force on the day of its signing.

The Agreement shall be published in the "Official Gazette of the Republic of Macedonia".

Signatories:

Mr. Vladimir Peshevski , vice president of the Government of Macedonia,
Mr. Djelal Bajrami, minister for labour and social policy,
Mr. Zivko Mitrevski, president of Federation of trade unions of Macedonia,
Mr. Rasko Mishkoski, president of Confederation of free trade unions of Macedonia
Mr. Dimitar Stojanovski, president of Organization of employers of Macedonia