

2671.

In accordance with article 75, paragraphs 1 and 2 of the Constitution of the Republic of Macedonia, the President of the Republic of Macedonia and the President of the Assembly of the Republic of Macedonia, issue the following

#### DECREE

#### PROMULGATING THE LAW AMENDING AND SUPPLEMENTING THE LAW ON MINIMUM WAGE IN THE REPUBLIC OF MACEDONIA

The Law amending and supplementing the Law on Minimum Wage in the Republic of Macedonia, enacted by the Assembly of the Republic of Macedonia at its session held on 18 September 2017, is hereby promulgated.

No. 08-3224/1  
18 September 2017  
Skopje

President  
of the Republic of Macedonia  
Gjorgje Ivanov, Ph.D., signed

President  
of the Assembly of the Republic of Macedonia  
Talat Xhaferi, MA, signed

#### LAW

#### AMENDING AND SUPPLEMENTING THE LAW ON MINIMUM WAGE IN THE REPUBLIC OF MACEDONIA

##### Article 1

In article 2 of the Law on Minimum Wage in the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" no. 11/12, 30/14, 180/14, 81/15 and 129/15), three new paragraphs (2), (3) and (4) shall be added after paragraph (4) with the following wording:

"(2) The standard performance shall be determined by the employer annually, in the month of February, based on the criteria for efficiency of the production process set by the employer in consultation with the employees, and which have to be identical for every technical and technological unit of the employer.

(3) The standard performance referred to in paragraph (2) of the present article shall be attainable for at least 80% of the employees in every technical and technological unit, separately.

(4) The employer shall be obligated, at the end of each month, to provide the employee with a certificate for the achieved standard performance, along with the pay slip."

Paragraphs (2) and (3) shall become paragraphs (5) and (6).

##### Article 2

Paragraph (2) of article 3 shall be amended and read:

"The rate of the minimum wage of the wage earner working part time or less work hours than the full work hours shall be calculated in proportion to the number of hours worked"

##### Article 3

Article 4 shall be amended and read:

"(1) The gross amount of the minimum wage for the preceding year shall be adjusted in March of every year with:

- one third of the increase of the average wages paid in the Republic of Macedonia,
- one third of the increase of the consumer price index, and
- one third of the increase of the real growth of the Gross Domestic Product in the preceding year, according to the data published by the State Statistical Office.

(2) The Minister of Labour and Social Policy, upon the opinion issued by the Economic and Social Council, shall publish the gross amount of the minimum wage adjustment in accordance with paragraph (1) of the present article in the Official Gazette of the Republic of Macedonia in March each year and such adjustment shall be processed with the wage for the month of April in the current year."

##### Article 4

Following article 4, a new section II-a shall be added with seven new articles, 4-a, 4-b, 4-c, 4-d, 4-e, 4-f, and 4-g, which shall read:

#### "II-a. FINANCIAL SUPPORT FOR THE DISBURSEMENT OF THE MINIMUM WAGE AND SUPERVISION OVER THE EXERCISE AND USE OF THE FINANCIAL SUPPORT

##### Article 4-a

(1) The employer who fulfills the conditions as set out in Article 4-c of the present law shall be provided with financial support for the payment of the minimum wage (hereinafter: financial support) from the Budget of the Republic of Macedonia for the period September 2017 – February 2018, in particular:

- MKD 2,000 per employee, for those wage earners who were employed by the employer in January, February and March 2017 and were paid an average a monthly net wage up to MKD 10,000;
- MKD 1,500 per employee, for those wage earners who were employed by the employer in January, February

and March 2017 and were paid an average a monthly net wage from MKD 10,001 to MKD 10,500;

- MKD 1,000 per employee, for those wage earners who were employed by the employer in January, February and March 2017 and were paid an average a monthly net wage from MKD 10,501 to MKD 11,000; and

- MKD 500 per employee, for those wage earners who were employed by the employer in January, February and March 2017 and were paid an average a monthly net wage from MKD 11,001 to MKD 11,500.

(2) For the employer referred to in paragraph (1) of the present article, the support shall amount to 50% of the amounts as set forth in paragraph (1) of the present Article, for the period March – August 2018.

(3) The average amount of the monthly net wage referred to in paragraph (1), indents 1, 2, 3 and 4 of the present article, shall be calculated for wages paid by the employer as of 31 August 2017.

#### Article 4-b

(1) The average amount of the minimum wage paid for an employee who works part time shall be calculated in proportion with the monthly hours of work.

(2) The average amount of the minimum wage paid for an employee shall not include the overtime allowance.

#### Article 4-c

(1) The financial support referred to in Article 4-a of the present Law shall be provided for the employer who shall fulfill the following conditions:

- the employer has not been exempt from the payment of mandatory social insurance contributions or personal income tax for the employee under article 4-a, paragraph (1) of the present Law;

- the employer has the status of an active incumbent, i.e. is not in the process of bankruptcy or liquidation or a striking off procedure in accordance with Articles 477, 477-a, 552-a and 552-b of the Company Law;

- the employer has realized loss or net profit after tax not exceeding 10% of the total expenditures in 2016;

- the employer has settled its obligations for the payment of wages, contributions of the mandatory social insurance and taxes as of the last day of the month subject of the financial support.

(2) The financial support referred to in Article 4-a of the present Law shall be provided after the wages for the month subject of the financial support have been paid.

#### Article 4-d

(1) In the monthly calculations for integrated collection submitted to the Public Revenues Office, and in compliance with the Law on mandatory social security contributions, the employer shall clearly mark the employees, subject of Article 4-a, paragraph (1), indents 1, 2, 3 and 4 and paragraph (2) of the present Law, for whom the provision of financial support is requested.

(2) For the purposes of disbursement of the financial support, the Public Revenues Office shall submit the processed data referred to in paragraph (1) of the present Article to the Ministry of Labour and Social Policy within 30 days upon the end of the month subject of the request for financial support.

(3) The financial support referred to in Article 4-a of the present Law shall be paid through the Ministry of Labour and Social Policy.

#### Article 4-e

(1) The Minister of labour and social policy, in cooperation with the Minister of finance, shall prescribe the manner and the procedure for granting the financial support referred to in Article 4-a of the present Law.

#### Article 4-f

(1) The employer who shall receive financial support in accordance with the provisions of the present Law shall be obliged to retain the supported employee at least one year after the expiry of the support.

(2) The employer who shall fail to meet the requirement referred to in paragraph (1) of the present article shall be obliged to repay the financial support received in accordance with the present Law, within 30 days upon the day of deregistration of the supported employee, except in the event of retirement, termination of employment at the employee's fault or initiative, and death of the employee.

#### Article 4-g

The Public Revenues Office shall supervise the exercise and use of the financial support under article 4-a of the present law."

### Article 5

Article 7-b shall be amended and read:

“(1) A fine in the amount of EUR 3,000 in MKD equivalent shall be imposed to the employer – legal entity who:

- shall fail to determine a standard performance (Article 2, paragraph 2), and

- shall fail to issue a certificate of achieved standard performance (Article 2, paragraph 4).

(2) A fine in the amount of EUR 6,000 in MKD equivalent shall be imposed to the employer - legal entity who:

- shall fail to pay the employees minimum wage and contributions in accordance with the law (article 4).

(3) A fine in the amount of 30% of the assessed fine for the legal entity in violation of paragraphs (1) and (2) of the present Article, shall be imposed on the responsible person within the entity.”

### Article 6

In article 3, indent 4 of the Law amending the Law on Minimum Wage in the Republic of Macedonia (“Official Gazette of the Republic of Macedonia” no. 30/14) the conjunction "and" shall be replaced with a full stop.

Indent 5 shall be deleted.

#### Article 7

In article 6 of the Law on Minimum Wage in the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" no. 30/14), the comma following the wording "2016" and the wording "and paragraph 3 shall become applicable as of 1 January 2018" shall be deleted.

#### Article 8

The provision under article 4, paragraph (1) of the Law on Minimum Wage in the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" no. 11/12, 30/14, 180/14, 81/15 and 129/15) and the provision under article 3, paragraph 1, indent 4 of the Law amending the Law on Minimum Wage in the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" no. 30/14) shall become applicable as of the payment of the wages for the month of August 2017.

#### Article 9

The bylaw referred to in paragraph 4-d of the present Article shall be enacted within a period of 5 days upon the entry into force of the present Law.

#### Article 10

The gross minimum wage to be paid in September 2017, as of the day of the payment of the wage for June 2018, shall amount to MKD 17,130.

#### Article 11

The gross amount of the minimum wage for July 2018, as of the day of payment of the wage for March 2019, shall be determined in June 2018 based on the amount of the minimum wage determined for the period September 2017 – June 2018, in accordance with the provisions of article 3 of the present Law, which amends the provision under article 4, paragraph (1) of the Law on Minimum Wage in the Republic of Macedonia.

#### Article 12

Within a period of 30 days upon the day of the entry into force of the present Law, the employer shall determine the standard performance for 2017 in accordance with the provisions of the present Law.

#### Article 13

The Legislative Committee of the Assembly of the Republic of Macedonia is hereby authorized to establish the consolidated text of the Law on Minimum Wage in the Republic of Macedonia.

#### Article 14

The present Law shall enter into force as of the day of its publication in the "Official Gazette of the Republic of Macedonia".