

# **Overall social welfare system in Macedonia**

Author: Zoran Stojanov

The system of social protection in the Republic of Macedonia encompasses contributory and non contributory services and benefits. Contributory part of the system is referred to as social insurance and includes: pension and disability insurance, health insurance and unemployment insurance. The non-contributory or tax-financed part of the system referred to as social welfare encompasses: social assistance, child protection, residential and nonresidential care and social prevention.

The carriers of social protection are the Republic, local self government, the City of Skopje and the municipalities from the city of Skopje.

The social protection is determined as an activity of public interest. It is defined as a system of measures, activities and policies for prevention and overcoming the basic social risks to which the citizen is exposed throughout life, for reducing poverty and social exclusion and for strengthening citizen's capacity for self protection. The system is accomplished through professional work in social protection institutions, implementation of developmental programs, professional development of employee that is in accordance with beneficiary's needs and international standards, monitoring the phenomena and planning the work, record-keeping as well as monitoring and activities for research in the field.

Central institution for policy-making, strategic planning, management, and monitoring of legality, is the Ministry of Labour and Social Policy (MLSP). The institution with jurisdiction for monitoring the professional work in social protection institutions is the Public Institution for Social Affairs.

Welfare system in Macedonia is regulated, among other, by the following laws: Law on Social Protection; Law on Family; Law on Child Protection.

Institutions established to provide social protection services are Centers for Social Work (CSW), institutions for non-residential and institutional care. CSW are public institutions with public authorities for conducting activities in the field of social protection. They are responsible for administration of cash benefits and provision of social services. A network of 30 CSWs provide social services in 84 municipalities in the country. Social protection services, under conditions determined by the Law for Social Protection, can be offered by the civil society organizations registered by the MLSP and individuals that have work permits issued by the Minister of Labour and Social Policy, as well as by religious groups and their associations that are registered in the Republic of Macedonia. can assist people who are in need of certain types of social protection. In addition to public, the realization of the system

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of social protection is accomplished through establishment of public and private institutions for social protection.

In 2010 the Government of the Republic of Macedonia adopted a National Programme for development of social protection 2011-2020. It underlines the objectives, priorities and directions for the development of social protection of citizens, with medium and long term measures of active social policy. In accordance with this program, the municipalities, the City of Skopje and its municipalities should adopt programs for the citizens need in the area of social protection. They may, by its own decision, according to their financial capabilities determine other rights in the area of social protection, rights with greater extent than the scope of the rights determined with the Law on social protection and with better conditions for their implementation as well as other forms of social protection.

## **Relevant indicators**

Table 1: Unemployment rate (average % of labour force)<sup>1</sup>

	2012	2013	2014	2015
Total	30.8	28.8	28.1	26.3
Male	30.3	28.2	27.8	27.0
Female	31.7	29.7	28.7	25.3

Table 2: Youth unemployment rate (unemployed 15-24 year olds in % of labour force of the same age)

	2012	2013	2014	2015
Total	53.0	50.3	53.1	47.3
Male	50.9	48.9	52.0	49.7
Female	56.3	52.8	55.0	43.3

Table 3: People at risk of poverty or social exclusion<sup>2</sup>

	2012	2013	2014
Total	26.2	24.2	22.1
Male	26.9	24.6	22.3
Female	25.5	23.9	21.9

<sup>2</sup> State Statistics Office (2015) Laeken poverty indicators in 2014, <u>http://www.stat.gov.mk/pdf/2015/4.1.15.100.pdf</u>,

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<sup>&</sup>lt;sup>1</sup> State Statistics Office (2016) Active Population in the Republic of Macedonia, <u>http://www.stat.gov.mk/pdf/2016/2.1.16.05.pdf</u>



Table 4: Children (0-17) at risk of poverty or social exclusion3

	2012	2013	2014
Total	31.5	30.9	29.0
Male	33.2	31.0	29.2
Female	29.7	30.9	28.9

#### Table 5: Recipients of social welfare services<sup>4</sup>

	2012	2013	2014
Juveniles recipients			
of social welfare			
services	18181	15014	13859
Adults recipients of			
social welfare			
services	34588	35969	37083

# Mandates in the area of social welfare services

The constitutional amendments from 2001 determined that the majority of the administrative functions of the state apparatus, concentrated at the central level will be directly given under the competence of municipalities. Therefore, the citizens through their representatives will participate in decision-making processes in the area of: health care, culture, sports, education, social and child protection, urban planning, public services, rural planning, and local economic development. After the constitutional changes, the new Law on Local Self-government, adopted in 2002, represents a qualitative change compared to the former, with number of functions that are now the responsibility of local self-government.

According to this Law, the municipalities are autonomous in their work and in performance of their functions, which are in compliance with the Law. The principle of subsidiarity is largely present in the Law for Local Self-government through the right of the municipalities within their jurisdiction to carryout activities of public interest and local importance that are not excluded from their jurisdiction and not fall under the jurisdiction of the central government.

Since 2004 municipalities were given the opportunity and responsibility to develop social functions on a local level, i.e. to create programs addressing the needs of the groups at social risk. In the law there was an opportunity for municipalities to develop non-institutional forms of protection through the establishment and organization of day care centers and centers for temporary sheltering of citizens, depending on their needs, and to organize and

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<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> State Statistics Office (2015) Institutions and rights of social welfare for juvenile and adult recipients, http://www.stat.gov.mk/pdf/2015/2.1.15.20.pdf



provide social protection for the citizens from their own area by adopting their own development programs in line with the specific needs. The Law on Social Protection from 2009 introduced an obligation for the municipality to render its development programs compliant with the strategic programs of the Ministry of Labour and Social Policy. "The decentralization process in the field of social protection was basically aimed at giving municipalities a sense of ownership and making them assume the role of entities in charge of solving the social problems of the vulnerable groups on their territory. In other words, the amendments to the regulations were basically directed towards the active involvement of the municipalities in the decentralization proces

# Issues of service development, gaps and obstacles for further decentralization

Despite the legislative and political declaration, the local governments still remain illprepared for their new roles, social functions of municipalities are not developed and local social services networks as a result are very scarce.

The activities of local self-government in the area of social protection are mainly connected to administration of cash benefits and are based on the discretion right in decision making by the major of the municipality. Basically, the budget for social protection has been used for one term material assistance to persons and families in need of hospitalization or in cases of harm reduction from elementary damages or alike. The municipality is not a direct distributor of social services for the vulnerable groups of citizens, but in some cases supports pre-established social services through covering the expenses for food, transportation, utilities, etc. Most of the municipalities within their budgets provide means for social protection that are in the range between 0.3% and 1% of their basic budget (not counting the supplements from the central budget). The designation on the amount of the administered social protection from the budget of the municipality is on voluntary bases and is not based on the identified needs.

The municipalities do not possess satisfactory administrative capacities for distribution of social services for their citizens. They do not have the capacity for identification of the specific needs for social protection on their territory, knowledge for strategic planning in the field of social protection.

In accordance to the Law on Social Protection and the National Program for Development of Social Protection 2011-2021, the municipalities should prepare annual programs for social protection, based on needs of their citizens and they should submit them for an opinion to the Ministry of Labour and Social Policy. The programs are not prepared in accordance to standard methodological criteria that should be regarded in the process of development of such programs. Mainly, they have not been based on participatory and profound analysis and research of the conditions of the vulnerable groups in the municipality nor through a wider consultative process between the local actors. Consequently, the programs are conceptually

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and contextually poor, formal, not comprehensive and do not reflect the real needs of its citizens.

In all of the municipalities the lack of financial means is pointed out as a basic obstacle for implementation of these programs. In the current constellation of relationship, the Centers for Social Work remain the basic carriers of social protection and social services of the municipalities. Yet, due to the fact that they are centrally organized and are subjected to social inspection and monitoring over their work and implementation of acts, their acting is based on implementation of centrally created policies and their implementation on local level that are not always in compliances with the specifics of the vulnerable groups from the local communities. Also, the Centers for Social Work are financed by the State budget and their planning in the area of budgeting is in the framework of the available means provided on central level and within the central policies of the MLSP.

### Lessons learnt or good practices

Activities implemented by local self government units

Many municipalities implement activities and dedicate funds in addition to the centrally provided budget. In spite of limited municipal budgets, some municipalities each year provide a small amount of direct funding for social assistance. These funds were directly transferred to the citizens in need. The transfer has been made upon application for assistance or on various other grounds. Often it is an application for assistance on grounds of poverty, usually to cover the costs of a medical treatment. Some municipalities have established a regular activity that is undertaken before each new year, within which an assessment of the needs of citizens from the whole municipality is made and certain funding or assets are awarded in the so-called social packages.

#### Activities implemented by the civil sector

The Ministry of Labour and Social Policy has delegated the competence to implement the process of deinstitutionalization to the NGO Poraka from the town of Negotino. The deinstitutionalization of persons with disabilities has been implemented in the past three years, encompassing a total number of 63 people, who now live in individual homes as any other citizen. The Centre for Support of People with Mental Disabilities "Poraka" from Negotino has been more widely recognized outside the municipality than in the municipality itself. All information is available in the municipalities both to the mayors and the counselors, but something is missing: training that will improve the cooperation between the NGOs and the local government, but also with the business sector.

Activities implemented in cooperation between the local self-government units and the NGO sector

Positive examples to be quoted here come from the organization Poraka from the city of Kumanovo and Struga, where a contract on realization of works of public interest and of The project is being co-funded by the the Austrian Development Agency, the European Union, Oak Foundation,

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ocal importance has been signedbetween the municipality and the NGO. This contract has been concluded in line with Article 24 of the Law on Local Self Government, which enables direct partnership between NGOs and the local self-government. On the basis of the abovementioned article and this mechanism, full funding for a day care center for people with disabilities has been provided in these two local government units. This is also the case in Skopje, where the City of Skopje covers 70% of the costs for day care center, as well as in the city of Ohrid, where the municipality has allowed its own facility to be used which has previously completely refurbished.

A positive example of multisectoral cooperation is the cooperation which has been developing in the past several years among the municipality of Pehcevo, the Ministry of Labor and Social Policy and the Roma Education Fund regarding the pre-school education for Roma children.

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