



ДРЖАВЕН ЗАВОД ЗА РЕВИЗИЈА
ENTI SHTETËROR I REVIZIONIT
STATE AUDIT OFFICE

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- Press release-

Skopje, 31 January 2022

"Workforce 2030 – Challenges and Opportunities"

CONSOLIDATED REPORT - EUROSAI SG1 PROJECT

a leading document and tool for all governments around the world on future labor market challenges

The consolidated report on the international parallel audit has been published and the State Audit Office takes part with the performance audit on "Government planning - Effectiveness of Government measures for addressing labor market risks and planning funds for overcoming these risks"

The emerging global labor market trends and challenges until 2030 resulting in fast occurrence of new combinations of technologies from different fields emphasize the need to adapt the skills provided to students – future workforce - within the education system, as well as the skills of current workforce. Due to the significance of the above said, a parallel audit was initiated under the auspices of EUROSAI, headed by the Office of the State Comptroller and Ombudsman of Israel. The project started in March 2019 with the following SAI participants: Israel, Finland, Italy, Bulgaria, Poland, North Macedonia, European Court of Auditors (ECA) and South Korea.

Participating SAI performed separate parallel audits with different audit approach and audit topics. The observations, findings, recommendations and conclusions of each participant relating to their own country (or EU for ECA) were incorporated in the consolidated report.

The State Audit Office was included in the parallel audit activities in line with SAO 2020 Annual Work Program with a performance audit titled "**Government planning - Effectiveness of Government measures for addressing labor market risks and planning funds for overcoming these risks**". The Final Audit Report of the Authorized State Auditor was issued in February 2021 (link to the Report https://dzt.mk/sites/default/files/2021-02/1_52_RU_Vladino_planiranje_megunarodna_paralelna_revizija_2020_KOMPLET_REDUCE.pdf)

The Consolidated Report contains, inter alia, a summary of the performed SAO audit as follows.

❖ Main data on:

- key strategic documents, plans and programs in RNM;
- labor market developments crucial for the economic development and employment in RNM, strategic priorities, development policies and measures of the Government, as well as the manner of financing for overcoming differences between labor demand and supply;
- activities taken by competent institutions for creating and implementing active employment measures and policies as well as their impact on employment in the country;
- data analysis on the working age population, active population, employment and unemployment in RNM for the period 2017-2019; the unemployment rate in RNM has

decreased by 5.1%, but compared to the region, EU and Eurozone remains high and is insufficient for gaining the status of low unemployment country;

- impact of COVID-19 pandemic in 2020, which due to the unforeseen decrease in economic activity caused a decline in employment or inflow of unemployed people from several sectors in the country;
- adopting sets of economic measures to deal with the negative effects of the pandemic.



❖ Main findings and key recommendations:

- *Weaknesses in the legislation on division of duties and responsibilities in adoption, implementation and supervision over the implementation of active employment programs and measures*
- *Partial implementation of main strategic documents and action plans in accordance with goals set*
- *Lack of criteria and comprehensive analyses as a basis for planning, creating programs and employment measures*
- *Implementation of employment programs and measures*
- *Non-compliance of young people's skills with labor market demands Permanent outflow of highly educated individuals*
- *Lack of professional and administrative capacities*
- *Lack of criteria for determining the volume of financial resources and their distribution per programs, measures and employment services*
- *Lack of process for monitoring and evaluation of implementation of employment programs and measures*

❖ **Conclusion:**

The established measures and policies together with the laws, strategic documents, program and planning documents and the activities taken by the competent institutions for implementation of the employment policy are aimed at improving the employment, i.e. reducing the unemployment rate.

Taking into account the ascertained state of affairs, the authorized state auditor found that policies, measures and activities taken by competent institutions are not effective enough to provide employment and skills in line with labor market demand and overcome the trend of continuous outflow of workforce from the country. There is a need for coordinated action and strengthening of activities of competent institutions for creating policies and measures aimed at increasing employment, improving skills in line with labor market demand and retaining workforce by offering quality employment opportunities.

The Consolidated Report presents a number of audits already performed or intended for the upcoming period by the participating SAIs on a broad range of sub-topics concerning Workforce 2030, thus showing SAIs commitment to this important subject area.

Link to the Consolidated Report:

<https://www.mevaker.gov.il/En/publication/Documents/2021-WORKFORCE-2030.pdf>