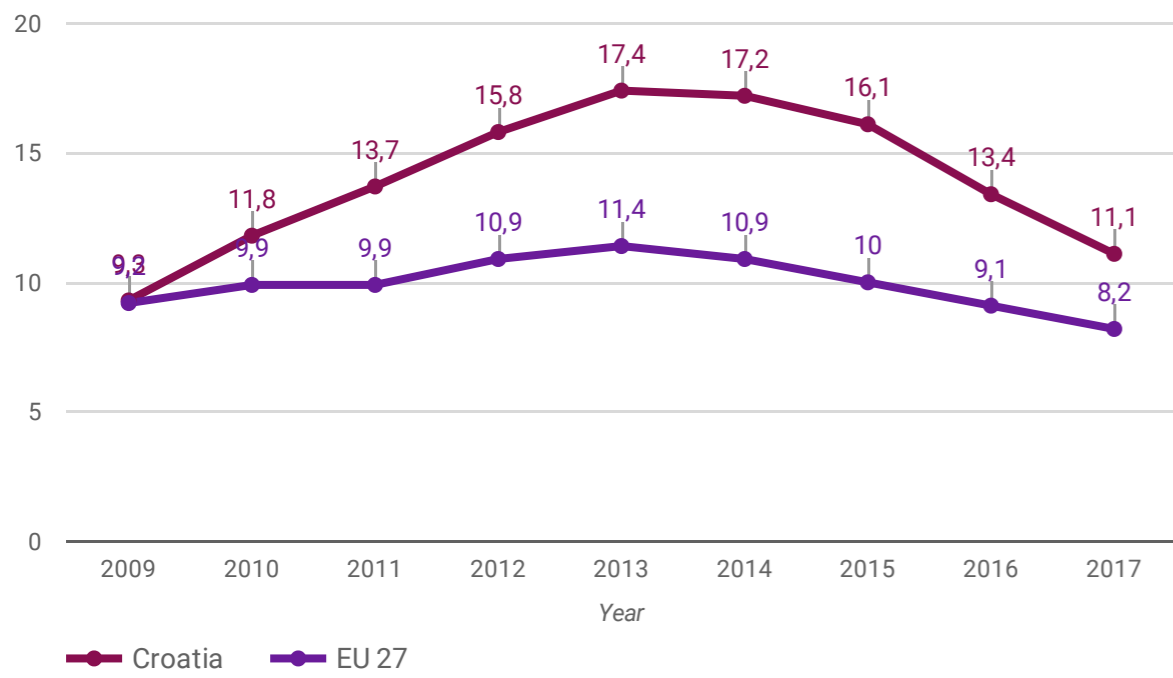


Labour Market Characteristics and Policies

EMPLOYMENT



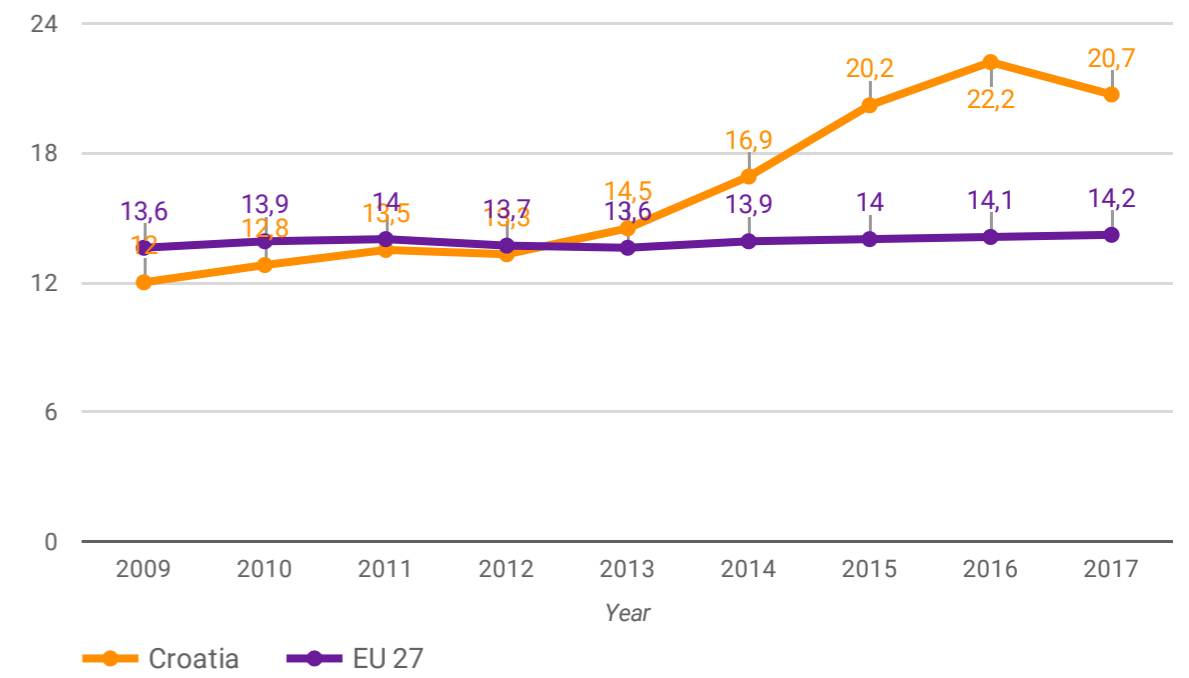
Unemployment rate



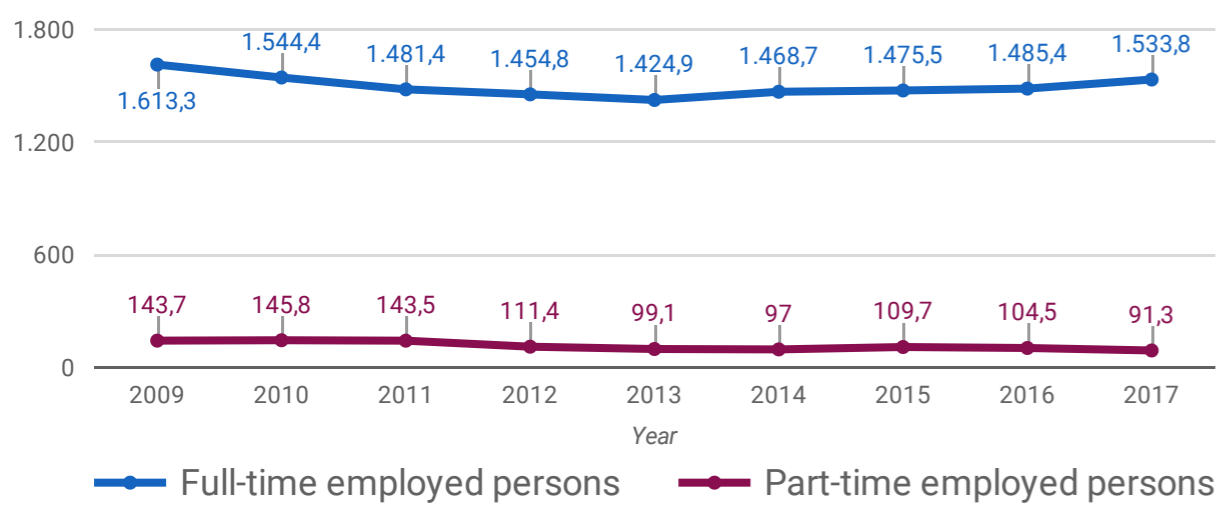
Temporary employment agency workers (% of total): **2,2**

Employees with involuntary temporary contracts (% of temporary contracts): **75**

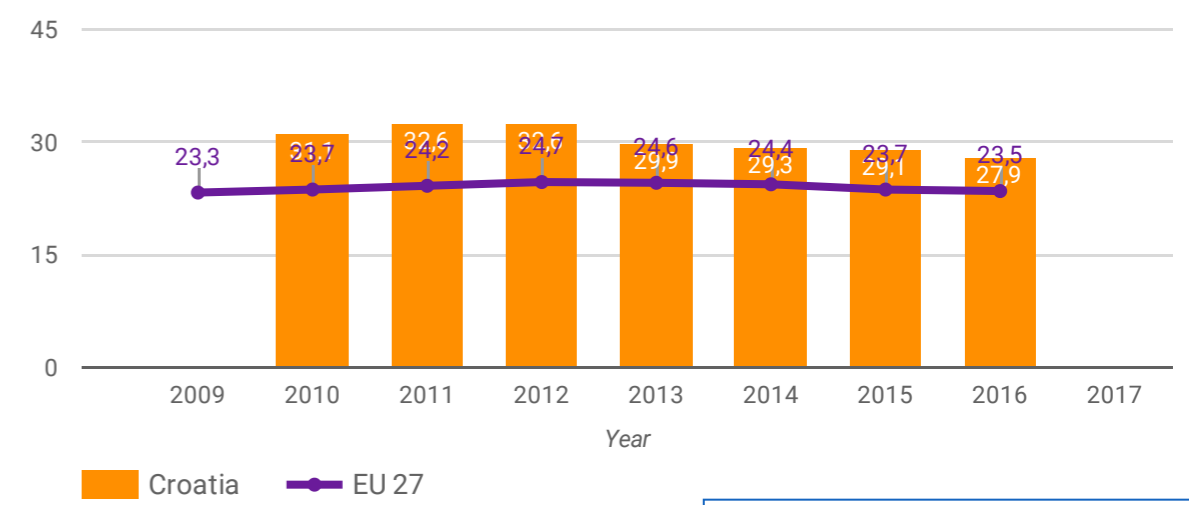
Temporary employees (% of total)



Employed persons (in thousands)

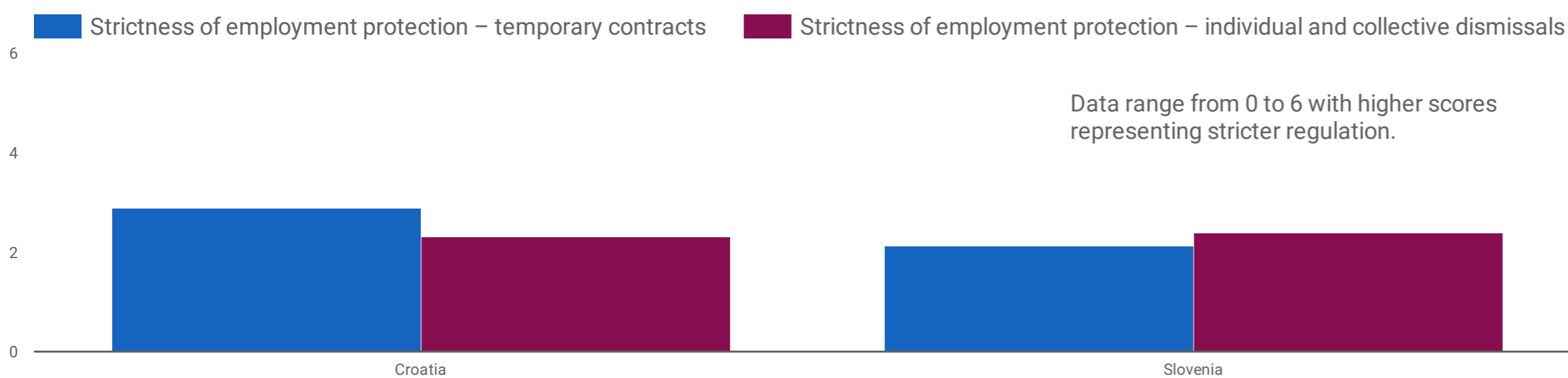


People at risk of poverty or social exclusion, %



Source: Eurostat, 2009-2017

OECD indicators of employment protection in South Eastern Europe



Data range from 0 to 6 with higher scores representing stricter regulation.

Source: OECD, 2013-2015 - No data for Bulgaria and Romania

WAGES



Year	Minimum wages (EUR/month)	Gross average wages (EUR/month)
2009	373,46 €	1.248,45 €
2010	385,48 €	1.189,91 €
2011	381,15 €	1.242,82 €
2012	373,36 €	1.146,12 €
2013	372,35 €	1.185,31 €
2014	395,67 €	1.179,18 €
2015	395,61 €	1.000 €
2016	408,48 €	970,52 €
2017	433,35 €	null
2018	462,34 €	null

Lowest and highest paying industries:

Administrative and support service activities: € 573 / month
Financial and insurance activities: € 1112 /month



Minimum wage (Eurostat): monthly national minimum wages
Gross average wages are provided by the **UNECE Statistical Database**, compiled from national and international (OECD, EUROSTAT, CIS) official sources.

Collectively agreed wages

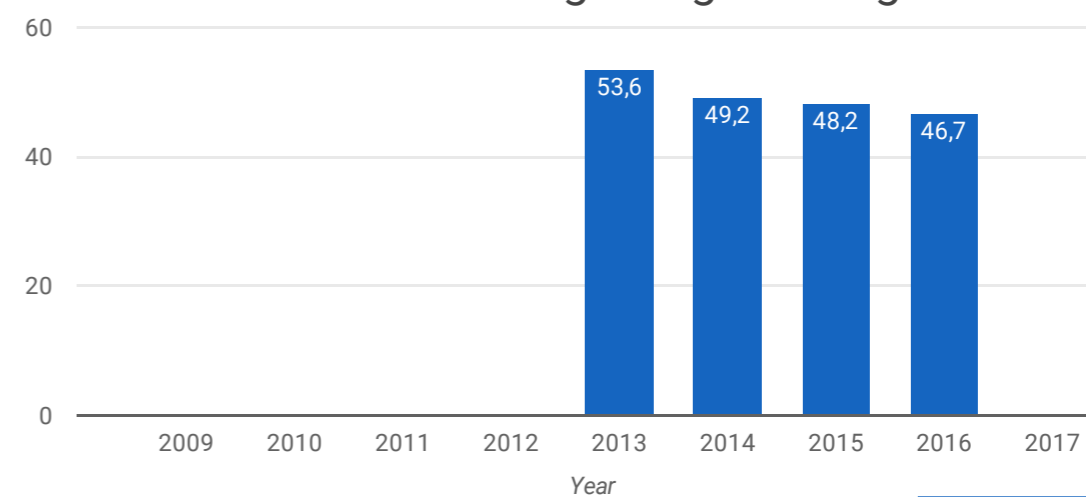
Collective bargaining at the industry and company level. Government and representatives of 11 trade unions signed a 4-year collective agreement for public sector in 2017, setting a basic pay at 727 eur. The agreement applies to doctors, nurses, teachers, and workers in welfare and culture. A new 3-year company level collective agreement signed for workers of Croatian post in 2017.

Source: Eurofound, 2017



Bargaining coordination (Eurofound, 2017) - Generally weak tradition of social dialogue, little horizontal and vertical bargaining coordination, low bargaining coverage of private sector employees, unwillingness of private sector employers to accept trade unions as partners, insufficient capacities of trade unions and employers' associations. In the context of grave economic situation, trade union coordination improved, but still relatively weak across sectors and levels.

Collective bargaining coverage

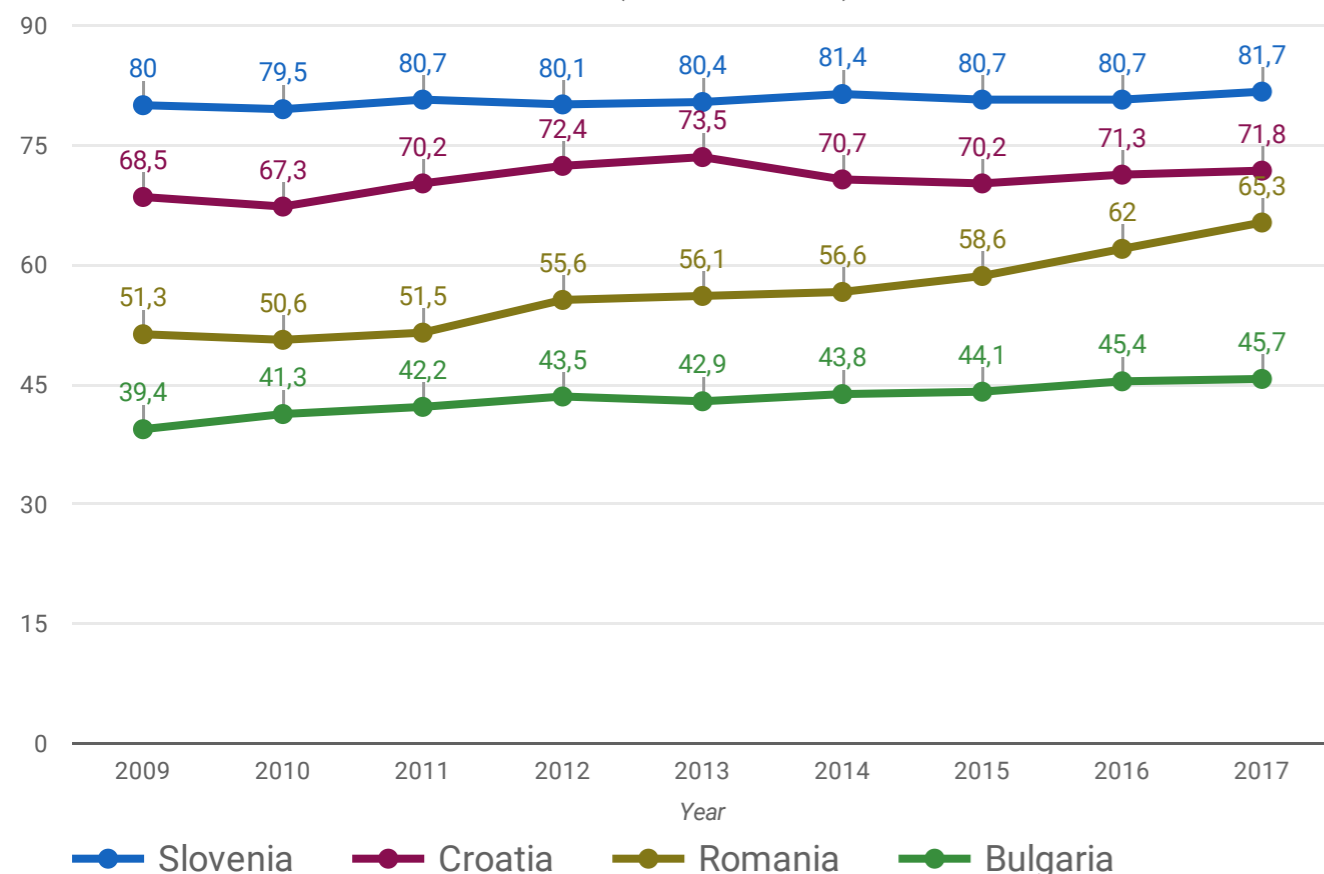


Source: ILO, 2009-2017

ECONOMY



Labour productivity per person employed and hour worked (EU28=100) %



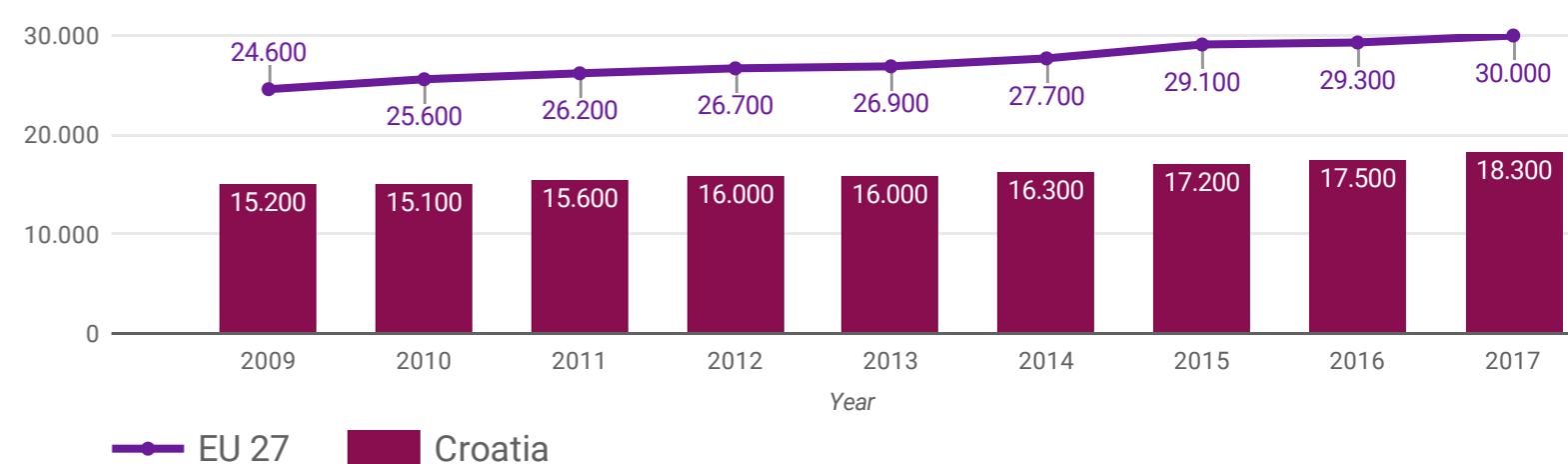
Employment in Foreign Controlled Enterprises (% total persons employed, 2015)

15,31

Value Added in Foreign Controlled Enterprises (% total value added, 2015)

25,31

Purchasing power adjusted GDP per capita (in PPS_EU28)



Source: Eurostat, 2009-2017

EMPLOYMENT PROTECTION POLICY



- Length of notice period at different tenure durations
- Severance pay at different tenure durations

- Definition of unfair dismissal

- Length of trial period
- Compensation following unfair dismissal

- Maximum number of successive standard Fixed Term Contracts (initial contract plus renewals and/or prolongations)
- Maximum cumulated duration of successive standard Fixed Term Contracts

- Types of work for which temporary work agency (TWA) employment is legal

- Are there restrictions on the number of renewals and/or prolongations of TWA assignments?
- Maximum cumulated duration of TWA assignments

- Do regulations ensure equal treatment of regular workers and agency workers at the user firm?

- Definition of collective dismissal

- Additional notification requirements in cases of collective dismissal
- Additional delays involved in cases of collective dismissal

- Other special costs to employers in case of collective dismissals

- Notice period depends on duration of employment relationship.
- The worker is entitled to severance pay when the employer dismisses him following a two-year tenure, unless dismissal is given due to the worker's misconduct.
- During pregnancy, maternity, paternity or adoption leave, periods of part-time work, periods of short-time work due to intensified childcare.
- May not exceed six months.
- Not less than three and not more than eight average monthly salaries that were paid to the worker over the preceding three months, depending on the tenure, age and family responsibilities of the worker.

- No limit within the 3 years.

- May not exceed three consecutive years, unless where it is necessary for the purpose of replacing a temporarily absent worker or where it is on objective grounds allowed by law or a collective agreement.
- 1) replacing workers in strike 2) collective redundancy procedure 3) terminate by economic reasons 4) special working conditions 5) assigning workers to another agency.
- No restrictions within the 3 years

- Three years unless it is necessary for the purpose of replacing a temporarily absent worker or where it is allowed by collective agreement on the grounds of some other objective reasons.

- Working conditions applicable to the assigned workers may not be lower or less favourable when compared to the salary or working conditions applicable to the worker employed with the user.
- The employer who in the period of 90 days might have at least 20 redundancies, out of which at least 5 employment contracts were terminated on economic grounds, shall be obliged to begin consultations with the works council in good time.
- After consultation with the works council employer must notify Croatian employment service.
- The competent public authority responsible for employment may, until the last day of the time limit, request the employer to postpone either collective or individual redundancies for maximum 30 days, if he is able to ensure the continuation of employment for the workers during this extended period.
- There are no additional requirements.

Source: Employment protection legislation OECD database - Regulations in force on 1st January 2015