Dear readers,

New hopes or old disillusion? After six months of the new Government, there seems to be no dilemma. Great expectations and hopes for the road to recovery were soon confronted with the harsh reality of rising unemployment, GDP decrease and overall negative economic and social indicators.

Even though the government is led by social democrats, they have so far showed very low interest in social dialogue. The majority of laws were thus adopted without prior consultations with social partners, or when the consultations did occur, without any true will to take the partners’ arguments in consideration.

A case in point is the draft act on representativity of trade unions and employers which is a huge cause of concern since it is highly likely it will, if adopted, cause serious obstacles to collective bargaining in practice.

Another such case is the act on minimum wage which, despite the rounds of negotiations and arguments in favour of the increase, remained the same, and is unfortunately still among the lowest in Europe.

Such overall bleak situation led to a series of industrial actions and demonstrations, which are nevertheless still not characterized by large numbers of protesters. The general dissatisfaction was also reflected on the poor turnout for the EU referendum, though the result was positive, i.e. in favour of the accession of Croatia to the EU.

Aware of the need for a strong, single voice of trade unions to better represent workers’ interests, the UATUC started a merger process with Croatian Trade Union Association (HUS).

These are just some of the issues you can read about in this UATUC Info.

Dičana Šobota
Executive Secretary for International Cooperation
After adopting 2012 budget in February, the new Government, which assumed office following the victory of the SDP-led coalition on November 2011 elections, proceeded with a number of interventions in the tax system and labour market policy, many of which did not receive the support of the trade unions.

Zagreb, 29 May 2012 – Adopting the state budget for 2012 was the first major task facing the new Croatian Government, which assumed office on 23 December 2011 amid high expectations and its own electoral promises that it will be able to finally set the country’s economy on the road of economic recovery. The most striking characteristic of 2012 budget is that it is the first in country’s 20 years of independence to be, both in nominal and real terms, lower than the preceding one. The total expenditure is lower by 3.4 billion kuna (450 million Euro), or 2.9 percent, while the total revenue is expected to be 1.4 percent higher than in 2011, which would result in budget deficit shrinking from 4.7 to 2.8 percent. The Government is expecting to achieve more than half of the expected savings in the salaries in the public sector, with the remaining ones coming for lowering the state aid for agriculture sector and Croatian Railways.

The budget was accompanied by a set of interventions in the tax system. The value added tax was increased from 23 to 25 percent, while at the same time health insurance contribution was lowered from 15 to 13 percent, with the aim of lowering the labour costs. The income tax was also modified, with slight increase in personal allowance (un-taxable part of the income), while the tax brackets for 12, 25 and 40 percent income tax rates were all lowered, resulting in lower income tax for low income groups, and higher income tax for average and high income groups.

While the trade unions supported the general macroeconomic aims of the new budget, including the rationalisation of expenses in public sector, they remained critical to a number of concrete measures contained in the state budget and accompanying tax reform. The UATUC remained at its previous position that personal allowance should be increased to the level of the minimum wage, and that the tax brackets for the middle income group should not be changed. The UATUC also warned of the possible effects of lowering the health insurance contribution on the public health system, which even before the introduced changes required substantial financial support from the general taxation. The lower rate will therefore require either a further compensation from the general taxation, or will result in decreasing the level of public health services.

While pursuing budget austerity, Government plans to achieve GDP growth of 0.8 percent mainly based on investments of the public companies, especially in the fields of energy and infrastructure. However, as the recently published data for first quarter of 2011 showed GDP decrease of 1.3 percent on a year to year basis, most economic analysts, including international institutions, are highly sceptical of Government’s macroeconomic aims.

Interventions in the labour market so far included new regulation which should abolish possibility of paying net wages without simultaneously paying taxes and social contributions from the salary, as well as the new Law on Stimulating Employment. While the new regulation on payment of wages is a welcome step in solving the problem of non-payment of wages and social security contributions for which the UATUC campaigned throughout 2011 (see UATUC Info No 15 and 16), adopted solution is not completely satisfactory, as it does not prevent the employer to pay only taxes and social contribution, but not the actual wage to the worker (i.e. the state will control only payment of taxes and contributions, but not the payment of net wage).

The new Law on Stimulating Employment adopted in May, among other, expanded already existing measure entitled “vocational training without employment relationship”, which is applied to young unemployed without previous work experience. In an effort to help young people to obtain first work experience, lack of which is one of the main problems young people face when they enter the labour market, the measure allows for the employer to engage young workers registered at Croatian Employment Service for one year (or two years for certain professions), without signing the labour contract. Employer would have to pay only pension insurance, while the state would provide health insurance and a compensation of around 220 Euro for the young worker.
ATTACK ON COLLECTIVE BARGAINING FREEDOMS

Croatian Government intends to adopt the Act on Representativity of Trade Unions and Employers for Collective Bargaining, with controversial provisions which will lead to serious obstacles to collective bargaining.

Zagreb, 29 May 2012 - After several unsuccessful attempts of adopting an act on representativity in recent years, the new Croatian Government started once again discussing the draft Act on representativity of trade unions and employers in March 2012. Six drafts of the law have been presented so far — each with completely different criteria — drafted by the Ministry of Labour and Pension System (none of them relying on the draft Act drafted by the independent expert group established by the former government, comprising experts of the Zagreb Faculty of Law and the ILO).

This highly complex and too complicated draft act was drafted without sufficient official statistics in the area of industrial relations and without analytical basis of the situation and problems. It shows a lack of understanding of basic concepts and terms (such as “area for which one bargains” and the “level on which one bargains”), and there is no consensus on the objectives and criteria of the act. There are several major objections to the current draft Act (for instance, it allows that trade unions, and not only associations of a higher level, may be members of the local and national Economic and Social Councils; gives a right to employers to demand the determination of representativity of trade unions, i.e. the calculation of the number of their members, etc.).

However, most importantly, the Government of the Republic of Croatia proposes that the Act on Representativity regulates the issue of the extended application of legal rules contained in collective agreements in a way that the provisions of the Representativity Act would render null the provisions of the Labour Code on the subject. This move is an attempt to amend the Labour Code (already harmonized with the EU acquis!), without actually “opening” the Code itself and without negotiations with social partners, but through another piece of legislation. The article in question (Article 262) of the Labour Code determines that, if collective agreement does not stipulate differently, after the expiry of the collective agreement, the legal provisions contained therein are still applied until the conclusion of a new collective agreement, as a part of previously concluded employment contracts.

The UATUC considers the proposal, as well as such practice of amending the Labour Code through another law, to be a severe attack on the protection of workers and considers it completely unacceptable. This kind of procedure is completely non-transparent, as well as nomotechnically inopportune, showing clearly also the Government’s avoidance, neglect and disrespect of social dialogue.

The Article 262 of the Labour Code, regulating the extended application of legal rules contained in the collective agreements after the expiration of agreement itself, was introduced with the aim of encouraging social partners, and employers in particular, whose collective agreements are expiring to start collective bargaining rounds for new collective agreement and that in the meantime, until the conclusion of a new agreement, workers are guaranteed their rights. All employment contracts with employers who signed the collective agreements are based on this agreement, so the expiry of the application of the agreement before the conclusion of a new one would lead to the expiry of the rights contained in the employment contracts. The consequence of the abolition of this provision would lead to blockage of collective bargaining in Croatia, and regulation of labour relations is going to be exception and not a rule.

The Government insists on the abolishment of this article trying to compensate thus for its poor bargaining capacity with trade unions of the public sector since this article has never been a problem in the
Five Croatian trade union confederations launched an initiative for the amendments to the Minimum Wage Act, demanding the abolishment of the formula for the calculation of the minimum wage and increase of the gross minimum wage to 40% of the average gross wage, with the objective of 50% within five years.

Zagreb, 31 May 2012 - Croatian trade union confederations (UATUC, NHS, MHS, HUS and URSH) sent the initiative for the amendments to the Minimum Wage Act to the Prime Minister Zoran Milanović and Minister of Labour and Pension System Mirando Mrsić.

The 2008 Minimum Wage Act was the result of the agreement among the Croatian Government, trade union confederations and the employers, with agreed basic objective of increasing the share of the minimum wage in the average wage, from the then 39 to 50 percent. However, the statutory formula for the calculation of the minimum wage, linking it to the GDP growth, rendered the objective impossible to meet. As at the moment of drafting the law nobody foresaw the economic crisis nor expected the negative GDP growth, the final result was the opposite of the intended one – the law led to the continuous decrease of the share, which is currently at 36 percent (and has been so for three years in a row), which is among the lowest in Europe. Minimum wage for the period from June 2011 to June 2012 is 372 Euro gross, or around 290 Euro net (untaxable part of income depends on personal family situation).

The trade unions demand the abolition of the formula, i.e. that as of 1 June 2012 the minimum wage amounts to 40 percent of the average monthly gross wage earned with legal entities in the last year. Furthermore, the share of the minimum wage in the average wage should increase by 2 percent a year in order to reach the first objective of the 50 percent share in five years time.

Trade union confederations have additionally demanded the urgent determination of the so-called sectors of low-income, i.e., definition of the indicators for their determination, monitoring indicators, etc. to enable the design of separate policies and instruments of state intervention. Trade unions also demanded immediate identification of statistical data (both those publicly available and not), because the lack of official statistics proved an obstacle for thorough calculations.

On 29 May, the Ministry of Labour and Pension System announced that the minimum wage will remain on the same level for the next 12 months. While the decision should formally apply until June 2013, the ministry also announced its intention to prepare new Minimum Wage Act until the end of the year, which would in effect overrule the law and level of minimum wage.

Dijana ŠOBOTA

Zagreb, 1 May 2012 – Four Croatian trade union confederations – UATUC, NHS, HUS and URSH – marked the International Labour Day by a protest entitled „Yellow card for the Croatian Government“, organized on 1 May on the main square in Zagreb. The demonstrations gathered several thousands of trade union activists and citizens, who expressed dissatisfaction with rising unemployment, costs of living, low wage, non-payment of wages, low pensions… All the demonstrators gathered on the Zagreb main square, as well as in other places in Croatia where Labour Day was celebrated, had a symbolic yellow card with key objections on the work of the Government and with the key demands, concentrating around three requests: jobs, wages and decent living. After the main rally at the central square, the protestors went in the direction of the seat of the Government and the Parliament where the rally was blocked by the police troops (due to the legal restrictions on public gatherings in front of the Government and Parliament buildings) and only four trade union leaders were allowed to proceed and to leave large-size yellow cards with trade union demands.

Dijana ŠOBOTA

YELLOW CARD FOR THE GOVERNMENT

You will not succeed in breaking the trade union movement” Mladen Novosel, UATUC
You should be ashamed of yourself!, Krešimir Sever, NHS
Once upon a time criminals used to rob banks; now the criminals from the banks rob the citizens!, Ozren Matijašević, HUS

UATUC LABOUR DAY ACTIVITIES

Zagreb, 27 April 2012 – On the occasion of the International Labour Day, the UATUC organized traditional reception in its headquarters for the trade union activists and representatives of the public authorities, including the Croatian President Ivo Josipović, speaker of the Parliament Boris Šprem and others. On this occasion, the UATUC awarded its Heart of Trade Union Solidarity award. The main award went to Milan Nožinić, chief shop steward of the Construction Trade Union of Croatia in Tehnika d.d., and the several charters were awarded to other extinguished trade unionists, including the first to be received by a young trade union activist – Ivan Blažević, president of the UATUC Youth Section. Charter was also awarded to Gordana Lukač Koritnik, Gender Equality Ombudsperson from 2003 to 2011.

The reception was also an opportunity to award the winners of the competition by the UATUC and its Youth Section for the best Labour Day poster. The main prize was awarded to Natalija Jakšić, while the second place was shared by Viktor Funčić and Ivana Hrgović. Organized for the first time, the competition was a success, with more than a hundred works and ideas received. The winning poster was used in nation-wide celebrations of the Labour Day, and was also exhibited together with the chosen best twenty posters in the lobby of the UATUC.

“Unfortunately, we have not moved far away from 1886. There are 115,000 workers working for a minimum wage, two thirds earn less than average wage, 15 to 20 thousand workers receive their wage irregularly or not at all, and there are 350,000 people without a job. How long will workers and citizens be able to endure?”, said Mladen Novosel in his speech at the reception.

“Water will not come from the rock, and higher wages and better standard will not happen by themselves. We should work on that decisively. Trade union fight is one of the ways, but social partnership is much more important, social partnership on the principles of solidarity, understanding and decisiveness. Apart from the drop in the number of the employed and the increase of the number of unemployed, the key Croatian problem is the vanishing of the economic activity. This is why we need to create new jobs, to improve the ratio of pensioners and the employed, and develop our industry to keep pace with the global technological trends”, said the President of the Republic Ivo Josipović.

Speaker of the Parliament Boris Šprem said it was hard to congratulate the International Labour Day in a situation of less and less jobs and more and more unemployed, and the wages and pensions which do not allow decent living.
UATUC-HUS MERGER PROCESS

This is a significant step for the trade union scene in Croatia which has been characterized by fragmentation in the past 20 years, said UATUC President Mladen Novosel

Zagreb, 19 April 2012 - After the adoption of formal decisions at the decision making bodies of both the UATUC and Croatian Trade Union Association (HUS), the presidents of both confederations (Mladen Novosel and Ozren Matijašević) signed the Agreement on Cooperation and the Opening of the Process of Merger. The agreement obliges the two confederations to act in coordination vis-à-vis the authorities, employers, within the Economic and Social Council etc. It is foreseen that the process should be finalized in a year, with the establishment of a single trade union confederation. The new confederation would have the total of more than 150,000 members. Apart from the Agreement, the two presidents also signed the Code of Conduct for all the organizational units, which regulates rules of conduct of trade union leaders and activists.

On 8 May a joint meeting of the Presidencies of the two confederations was held, which discussed among others the possible name of the trade union coalition of UATUC and HUS, established commissions for the follow-up to the signed Agreement and for the drafting of the joint acts and documents. The two confederations agreed the presentation of activities and objectives on the field level, among the members, starting of 1 June.

The two confederations remain open for merger processes with other trade union confederations in Croatia, but at the moment they take the view that the best approach is to first finalize the process of merger between the UATUC and HUS and only after that start the discussions with other confederations.

Dijana ŠOBOTA

Referendum on EU Membership: 66 Percent in Favour

Zagreb, 29 May 2012 – Following the signing of the EU Accession Treaty on 9 December 2011, the referendum on the membership of the European Union was held on 22 January, resulting with 66.3 percent of votes cast in support of the membership. While the positive result was generally expected, the low turnout of 43.5 percent can at least partly be attributed to the shortcomings in Government’s communications with the citizens throughout the accession period. The lack of information on the accession process and its implications for Croatia, combined with the current euro zone crisis, contributed to the large number of voters who either did not form the opinion on the membership, or did not want or care to participate in the referendum.

Unfortunately, even the pre-referendum period was marked by a lack of appropriate public debate. The Government’s campaign mostly focused on a large number of short TV commercials pointing to the fairly general positive aspects of EU membership, leaving the impression that the Government (both the old and the new one resulting from the November 2011 elections) sees the membership as the only logical objective of country’s foreign policy, and that it expects from the citizens to support such policy even without clear and comprehensive arguments. At the same time, the euro-sceptic groups became more active and visible as the referendum was approaching, but they still failed to produce rational arguments and remained on the level of emotional appeals about the “loss of national sovereignty” and joining the organisation which is itself facing serious problems (financial crisis of the euro zone). As a result, the euro-sceptic campaign did not significantly improve the level of public discussion on the issue, but mostly confronted positive propaganda with a negative one.

Although majority of citizens, as both the referendum and all conducted opinion polls showed, still consider the accession to be a positive thing for Croatia, neither the signing of the Accession Treaty, nor the positive referendum result were marked by enthusiasm comparable to the one surrounding the 2004 enlargement. For many of the EU-supportive Croatians, the final end of the accession process came as a normal, and long overdue, event.

Darko ŠEPERIĆ
Zagreb, 29 May 2012 - On 24 April, the European Commission published its first monitoring report on Croatia’s accession preparations after the signing of the Accession Treaty. The report recognised further progress since its 2011 progress report and gave generally positive assessment of Croatia’s preparations for EU membership, but pointed to the limited number of issues requiring further efforts, such as the unfinished restructuring of the shipbuilding sector and the continuing need to ensure effective implementation of the judicial reform strategy.

The biggest controversy was caused by the Commission’s concern about the new Government’s decisions regarding the rules for appointing the supervisory and management boards of public companies. Overturning the previous legislation on preventing the conflict of interest, which was adopted as one of the benchmarks for closing the accession negotiations, the new Government decided to once again allow ministers and other politicians to be appointed into supervisory and management boards of public companies. The decision was justified by the need to ensure accountability of the public companies to the Government which bears political responsibility for the results of their operations, but the real rationale behind the decision was the intention to appoint the Ministers of Finance and Economy into the supervisory board of the national oil company INA. The privatisation of INA, co-owned by the Hungarian MOL and Croatian Government, is currently being investigated as part of the corruption process against the former Prime Minister Ivo Sanader, who is accused of giving the Hungarian side over-proportional representation in the company’s management and practically all the voting rights (in spite of MOL owning slightly less than 50 percent of the shares), in return for 10 million Euro bribe. The current Government claims it is trying to protect national interests by strengthening the “weight” of Croatian members of the supervisory board. Although Prime Minister Zoran Milanović rejected the criticism from Brussels, insisting that the case of INA presents a special situation, the appointing of ministers was postponed, waiting for further legislative amendments needed to put it into practice, as well as further consultations with the EC.

The next monitoring report will be published by the EC in the autumn of 2012.

D. ŠEPERIĆ

Zagreb, 29 May 2012 - Another tender for privatisation of Croatian shipbuilding industry has brought only partial results – in March the Government decided to accept the offer for privatisation of “Brodosplit”, which will be sold to Croatian company Div from Samobor, while the offers for “Brodotrogir” and “Brodogradilište Kraljevica” were refused. Restructuring of “3. May” will proceed based on previous agreement reached with the European Commission. The Government also decided that “Uljank” will be privatised on the concept of organised workers’ shareholding and recapitalisation. As a result of these decisions, “Kraljevica” will declare bankruptcy, while for “Brodotrogir” and “3. May” new restructuring plans will need to be developed. However, in the meantime the EC has asked for a new restructuring plan for “Brodosplit” as well, as since adoption of last year’s restructuring plan the shipyard has accumulated new losses and received new subsidies from the state. While the Government continues to claim it will do everything in its power to ensure the future of Croatian shipyards and the jobs of their workers, the future of Croatian shipbuilding industry remains unsolved.

D. ŠEPERIĆ

Zagreb, 1 February 2012 – Tenth meeting of the Joint Consultative Committee, representing the European Economic and Social Committee on the one side, and Croatian civil society organisations on the other, was held in Zagreb. The JCC members expressed call for further efforts on behalf of Croatia in fulfilling the obligations of EU membership, while insisting that the civil society must continue to be actively included in the process. The JCC specifically pointed out to the need to include NGOs and social partners in the process of formulation of Croatian positions on EU legislation and other documents, before their final formulation by the Government. Specific topic of discussion was the European Social Fund. The JCC called for the easier access to ESF funding for the NGOs and social partners and for significant percentage of the funds to be used for supporting job creation and professional mobility, as well as for combating the poverty and social exclusion. Conclusions and documents from the meeting are available here.

D. ŠOBOTA

Zagreb, 16 May 2012 – The UATUC Coordination on Multinational Companies, established in 2000, met in Zagreb to discuss the 2011 Update of the OECD Guidelines for Multinational Enterprises and to elect its new president. The presentation and the training on the OECD Guidelines were conducted by the TUAC expert Kirstine Drew, a coordinator of TUAC work on the Guidelines. The presentation focused on the key changes and elements of the 2011 Update, trade union use of the Guidelines, complaints mechanism and landmark cases. The UATUC MNC Coordination agreed it needed more activities – trainings and projects – on the issue which is extremely relevant in the globalised economy. In the second part of the meeting Milan Borić, chief shop steward of the Metalworkers’ Trade Union of Croatia-Industrial Trade Union in Belišće d.d., the leading producer of packaging paper in Croatia and member of the Harburg Frankenberge, and the current president of the Coordination, has been elected for another four-year mandate.

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D. ŠOBOTA
TRADE UNIONS WITHOUT BORDERS
For employment and social justice!

Bregana, 26 April 2012 – Meeting at the traditional border meeting “Trade Unions Without Borders”, on the eve of the International Labour Day, the UATUC and the Association of Free Trade Unions of Slovenia (ZSSS) representatives were for the first time joined by the representatives of the Italian trade union confederations of the Friuli-Venezia-Giulia region of CGIL, CISL and UIL. The presidents of the UATUC and ZSSS, Mladen Novosel and Dušan Semolič, as well as general secretaries of the regional Italian Trade Union Confederations, Franco Belci (CGIL), Giovanni Fania (CISL) and Giacinto Menis (UIL) signed the Joint Statement on Employment and Social Justice, protesting against austerity measures affecting the three countries as well as whole Europe. The Statement reiterated the trade union demand for the EU based on equality, solidarity, social justice and social cohesion. The recovery plan needs to give priority to investments into sustainable development, quality jobs and social justice, fighting at the same time against inequalities. The Slovenian and Italian trade unions supported the upcoming accession of Croatia to the EU, highlighting their advocacy and support of the free movement of Croatian workers and respect of their rights from the very first day of Croatian membership of the EU.

D. ŠOBOTA

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OCCUPATIONAL SAFETY AND HEALTH DAY
Everyone suffers due to overtime work!

Zagreb, 25 April 2012 – The UATUC organized a Conference on “Overtime and shift work and workers’ health” on the occasion of 28th April, Occupational Safety and Health Day, which following UATUC initiative was declared a National Day of Occupational Safety and Health in 2007.

The Conference was opened by the UATUC President Mladen Novosel and Ljubomir Pintarić, president of the UATUC OSH Coordination. In his opening words, Novosel emphasized that in the recent years the number of recognized injuries decreased by 10,000 however not due to increased safety but because of stricter conditions for their recognition. Only in 2011 there were 29 workers who died at their workplace. Novosel warned of workers’ rights being violated in all areas, from illegal overtime work to unpaid overtime work and work on holidays. Many employers hide occupational injuries of their workers, and are not paying for the overtime work but they camouflage it with redistribution of working hours, bogus bonuses, etc. The Conference was also addressed by Marija Zavalić, Director of the Croatian Institute of the Protection of Health and Safety at Work, who gave the overview of the situation, problems and researches carried out abroad on the shift and overtime work and its influence of workers’ health. She warned of the findings that the overtime work seriously damages workers’ health, leads to obesity, smoking and alcohol consumption, and reduces intellectual and motor ability. Workers working overtime are more likely to have diabetes and are exposed to higher risks of high blood pressure and heart attacks, and have more occupational injuries, especially workers in metal processing industry. They also tend to retire early. Biserka Radonjević Vidaček from the Institute for Medical Research and Occupational Medicine also addressed the issue of the extended working hours, shift work and safety at work, with an emphasis on the organization of working time and its correlation to occupational injuries and diseases.

Everyone suffers due to overtime work – employers, who have higher costs due to occupational injuries, and efficiency of workers working 11 hours is the same as efficiency of those working 8 hours, and the very workers because not only their health is damaged but also family relationships, said M. Zavalić.

Dijana ŠOBOTA

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INTERNATIONAL WOMEN’S DAY

Manual on gender discrimination and women’s demands

Zagreb, 6 March 2012 – On the occasion of the International Women’s day, women’s trade union group of the UATUC, NHS and HUS, and in cooperation with Gender Equality Ombudsman Višnja Ljubičić, presented the manual for shop stewards and trade union legal advisers entitled How to recognize gender discrimination and practice and how to protect oneself from it by the author Goran Selanec, a senior legal adviser of the Gender Equality Ombudsman. The objective of the Manual is to raise awareness among the trade unionists on the antidiscrimination at the workplace, but also to improve the capacities of shop stewards and trade union lawyers in recognizing gender discrimination and in reacting appropriately and efficiently.

On 8 March, the UATUC Women’s Section and the Women’s Network of Croatia planned to submit their demands to Government representatives and to hold a performance on the Zagreb main square. However, they were prevented by the police to reach the Government, so it took more than an hour of perseverance and pressures to be allowed to proceed with their plan. The women’s demands – combating violence against women, safe and decent jobs for women, equal participation and decision-making by women, fight against discrimination, gender-based poverty... - were eventually handed in to the Vice-Prime Minister Branko Grčić.

CROATIAN TRADE UNIONS AGAINST AUSTERITY

Zagreb, 29 February 2012 – With the symbolic gathering of a several hundred trade union activists at the Zagreb main square and attempting to “invade” the square in front of the Croatian Government and Parliament, the two Croatian ETUC affiliates – UATUC and NHS – joined the European Day of Action, protesting against the austerity measures. The police intervention blocked their way, but the messages to the authorities were clearly delivered.

“We are here to remind the current Government of the promises they gave prior to the elections: investments in the economy, social policy taking due account of workers and of the 342,000 unemployed. Instead of that, we got dismissals, increase of prices, increase of VAT... All that you promised now you intend to place as a burden on workers’ shoulders, shoulders of the unemployed and of the citizens. We will not allow that!”, warned Mladen Novosel, UATUC President.

Krešimir Sever, president of NHS, said the trade unions will severely oppose the austerity measures imposed by the governments and called upon the examples of good governance in the EU without destroying the workers. “There will be thousands of us in the streets to replace you if you do not change your policies”, warned Sever.

FINAL SEMINAR OF THE UATUC-LOFF PROJECT ON COMMUNICATION AND INFORMATION

Daruvarske toplice, 11 May 2012 – Within the four-year joint project of the UATUC and LOFF of the LO Norway, a two-day final seminar on communication and information for trade union leaders was held in Daruvar. The seminar gathered around 15 leading representatives of the trade unions affiliated to the UATUC, as well as UATUC and LO Norway experts in communication. The Ambassador of the Kingdom of Norway to the Republic of Croatia, HE Henrik Ofstad, who supported the project and the seminar, also took part in the work of the seminar. LOFF experts Jens Schei Hansen, Kristian Brustad and Hanne Nielsen focused on the communication as a tool of harmonizing interests, conflict resolution, and social media while the professor Smiljana Leinert-Novosel from the Faculty of Political Science in Zagreb held a workshop on communication skills and image of the trade unions in public and in the media.
ECONOMIC AND SOCIAL INDICATORS IN THE REPUBLIC OF CROATIA

WAGES
Average gross wage in February 2012: 1019 EUR
Average net wage in February 2012: 710 EUR
Average gross wage per hour in February 2012: 5.79 EUR
Average net wage per hour in Sep 2011: 4.03 EUR
Minimum gross wage for the period 1 June 2012 – 31 May 2013: 372 EUR
Source: Central Bureau of Statistics (DZS)

UNEMPLOYMENT (end of March 2012)
Total: 323,722 (women 171,823)
Registered unemployment rate in March 2012: 18.2 %
LF Survey Unemployment Rate for the 1st trimester 2012 (estimate): 13.5 %
Source: Croatian Employment Service and DZS

PRICES AND POVERTY
Average net wage covers 79.00% of the consumer basket for family of 3
At-risk-of-poverty rate in Croatia for 2011: 20.6 %
(18% in 2009)
Source: Central Bureau of Statistics

PENSIONS
Average pension paid in April 2012: 312 EUR
Share of average pension in the average net wage for March 2012: 44%
Number of users of pension – number of insured persons ratio, November 2011: 1:1.17
Source: Croatian Health Insurance Institute

GDP
GDP in 2011: 63.85 billion USD
GDP per capita in 2011: 15,094 USD
Real GDP growth in 2011: 0.0 %
Source: Croatian National Bank (HNB)

EXPORT AND IMPORT of goods (2011)
Export: 9.4 billion EUR
Import: 15.5 billion EUR
Export-import ratio: 60.6%
Source: Central Bureau of Statistics (DZS)

GROWTH OF PRODUCTIVITY, GROSS WAGES AND INFLATION
Productivity in 2011: +0.2%
Average gross wage growth in 2011: +1.8%
Average net wage growth in 2011: +1.8% (real -0.5%)
Average annual inflation rate in 2011: 2.3%
Source: Central Bureau of Statistics (DZS)

State budget deficit in 2011: 1.85 billion EUR (4% GDP)
Foreign trade deficit 2011: 6.1 billion EUR
Foreign debt, end December 2011: 46.0 billion EUR
Source: Croatian National Bank (HNB) and the Ministry of Finance

PUBLIC AND FOREIGN DEBT
Public debt, as % of GDP, March 2012 (including guaranteed debt): 61%
Foreign debt as % of GDP, March 2012: 100%
Foreign exchange reserves and gold, January 2012: 14.80 billion USD
Source: Croatian National Bank (HNB)

FORECASTS OF THE CROATIAN NATIONAL BANK FOR 2012:
• GDP growth in 2012: -1%
• Inflation in 2012: 3.5%

Please pass this newsletter on to your colleagues and contacts who might be interested.

Union of Autonomous Trade Unions of Croatia

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