

Dear readers,

Internal crisis of the UATUC seems to be coming to its end, as all but one of the affiliated unions withdrew their decisions on leaving the confederation. The series of initiatives by the new acting president Mladen Novosel resulted in a new „climate“, re-established confidence and relationships aimed at consolidation of the UATUC. The regular UATUC Congress is scheduled for 26-27 November in Zagreb, and most of the remaining financial and organisational issues should be solved by that date.

The holding of the referendum to prevent amendments to the Labour Code which would allow for easier cancellation of collective agreements is still not certain - the Government has withdrawn its amendments from the parliamentary procedure, opening the issue could the referendum be held against a proposal that is not active anymore. The Government decided to leave the decision to the Parliament, which consequently decided to do the same and forwarded the final decision to the Constitutional Court.

The revised Law on Pension Insurance, sent to Parliament without prior consultations with social partners, envisaged higher penalisation of early retirement and equalisation of retirement age for men and women in 10 years. The UATUC opposes the practice of frequent, fragmentary and hasty changes and demands for broad and transparent public discussion, followed by a social consensus on the overall shape of the retirement system.

The long lasting story of restructuring and privatisation of Croatian shipbuilding industry has entered into a new phase, as the European Commission has explicitly forbidden contracting of new ships until the restructuring plans for all shipyards are approved by the EU while six still state-owned shipyards are starting to finish their existing orders.

The UATUC, NHS and HUS organized a number of activities to mark the World Day for Decent Work, warning of the fact that there is no trace left of decent work in Croatia. The confederations presented the ten demands for decent work. The actions all over Croatia by the UATUC and affiliated unions were also organized around the European day of action.

A progress has been achieved in getting closer to the conclusion of the Decent Work Country Agenda for Croatia. It will cover the period of 2010-2011, and is structured around the agreed priorities of the design of recovery packages, labour market reform, with a focus on sustainable pension system reform, employment generation, green jobs, ratification of ILO conventions, technical advice on labour legislation and representativity and capacity building in the area of OSH.

While the Government claims Croatia is coming out of the crisis, both the World Bank and Croatian National Bank have much more pessimistic view of Croatian economical situation, and especially the state of public finances – Croatia remains one of four countries in the region which are still in recession and could expect negative GDP growth of 2 percent in 2010. The extremely pessimistic economic outlook is a result of postponing the necessary reforms, with Government trying to buy social peace in the context of the next years' elections.

These are just some of the issues you can read about in this UATUC INFO ■

Dijana Šobota

Head of International Department

In this ISSUE

- Branch unions return to confederation, UATUC Congress scheduled for November
- Croatian shipyards full of orders, but the EC forbids any further contracting
- Referendum on the Labour Code still uncertain
- Ten demands for Decent Work
- Progress in negotiations around Decent Work Country Agenda for Croatia
- Economic and Social Council still without trade union representatives
- Another hasty pension reform at the expense of workers
- Croatian action day(s)
- Seminar on information and consultation
- Croatia still in recession
- Fourth seminar on communication with Norwegian LO Media
- UATUC publications

FIGURE OF THE MONTH

26-27/11/2010

**6TH UATUC
CONGRESS**

BRANCH UNIONS RETURN TO CONFEDERATION, UATUC CONGRESS SCHEDULED FOR NOVEMBER

Internal crisis of UATUC, which came to its height in June when eight largest branch unions adopted decisions on leaving the confederation, seems to be coming to its end, as all but one of them withdrew their decisions and the UATUC Congress is scheduled for 26-27 November



Zagreb, 11 October 2010 – Financial and organisational crisis which UATUC has been experiencing from the beginning of the year came to its climax just before the summer holiday season, with eight largest branch unions adopting formal decisions on leaving the confederation, with a notice period of three months. However, the series of meetings and negotiations initiated by new Acting President **Mladen Novosel** resulted with a formation of working group set up to find a solution for confederation's financial and organisational problems.



Restructuring of UATUC has started during August, including reorganisation of its regional offices and decreasing the number of staff as well as the wages. Although this kind of process is not an easy one for any trade union confederation, the fact that UATUC's membership has almost halved during last five years while the staff remained the same, makes it a necessity if UATUC wants to continue providing the same level of services to its members and remain the strongest confederation in the country.

As a result of these developments during September seven branch unions withdrew their decisions on leaving the confederation, leaving PPDIV (Trade Union of the Employed in Agriculture, Food, Tobacco and Water Industries) the only one not to do so. As PPDIV was the largest of affiliated branch unions, if they remain at their decision, it will cause need for further cuts in the organisational structure of UATUC.

The regular Congress of the UATUC is scheduled for 26-27 November in Zagreb, and most of the remaining financial and organisational issues should be solved by that date, with the objective and mission to strengthen the UATUC as the most organized trade union confederation in Croatia ■

[\[back to top\]](#)

20 YEARS OF DEMOCRATIC TRADE UNIONISM IN CROATIA

The crisis that UATUC is facing at the moment has overshadowed the fact that 2010 marked its 20th anniversary, as well as 20 years of democratic trade unionism in Croatia. UATUC's founding congress was held on 12-13 May 1990, only a week after the second round of the first free multiparty elections in Croatia. Although being legal successor to the former communist trade union association, new organisation was founded on the principles of independent

and democratic trade unionism, and each member was asked to sign up for the new organisation, stating the voluntary decision to become its member. Although the membership has been constantly declining since 1990 and 2010 was marked with the most serious crisis that even put in question the future existence of the organisation, UATUC is waiting its 6th Congress as still the strongest Croatian trade union confederation.



CONGRESS YEAR FOR UATUC AND AFFILIATED UNIONS

With its last Congress being held in 2006, 2010 is a regular congress year for UATUC. As usual, most of the affiliated branch unions are holding their congresses throughout the year, with confederation's congress coming at the end of this process.

Metalworkers' Trade Union of Croatia – Industrial Union and Trade Union of Tourism and Services held their congresses in June, while September saw the congresses of

the Trade Union of Construction Industry, Trade Union of Workers in Public Utilities and Related Services and Transportation and Communication Trade Union. Trade Union of Workers in Energy, Chemistry and Non-metal Industry held its congress in October, and the Trade Union of Commerce will hold its congress on 15 October. The congress activities will end with the UATUC Congress, scheduled for 26-27 September in Zagreb.

[\[back to top\]](#)

CROATIAN SHIPYARDS FULL OF ORDERS, BUT THE EC FORBIDS ANY FURTHER CONTRACTING

As the EC has forbidden any further contracting for Croatian shipyards until their restructuring plans are approved by the EU, the workers could find themselves on the street although there is lot of interest in their product – even in the times of crisis



Zagreb, 11 October 2010 – The long lasting story of restructuring and privatisation of Croatian shipbuilding industry has entered into a new phase, as the European Commission has explicitly forbidden contracting of new ships until the restructuring plans for all shipyards are approved by the EU while six still state-owned shipyards are starting to finish their existing orders. As workers found themselves in ironical position that even in the time of crisis shipyards' order books of Croatian shipyards are filled with requests that would guarantee them work for next couple of years, while at the same time they could find themselves on the street before the end of the year.

The second phase of privatisation of six state-owned shipyards resulted in four offers for three out of six shipyards. On 2 September, the Government decided to continue the privatisation process based on received offers for "Brodograđevna industrija Split" (Split), "Brodotrogir" (Trogir) and "3. maj" (Rijeka). The potential buyers have submitted their restructuring plans to the Croatian Competition Agency, which will forward them for approval to Bruxelles.

No offers were received for "Uljanik" (Pula), "Brodogradilište Kraljevica" (Kraljevica) and Brodosplit – BSO" (Split). However, the EC has accepted Croatian Government's proposal that "Uljanik" should be exempt from the rules on restructuring, since it is operating without loss. The only condition set for "Uljanik" is to return few hundreds million Kuna received as a state aid since 2006.

Unsatisfied with prohibition of further contracting, as well as with the social provisions envisaged by submitted privatisation offers, workers started to protest on 17 September in Split, when workers of "Brodosplit" gathered for a 15-minute peaceful demonstration, organised jointly by all three trade unions active in the company. Five days later, more than three thousand shipyard workers demonstrated in the centre of Split. While the main message was clear – "We don't want to enter Europe on our knees, but only with our heads raised high" – slogans that could have been heard also included "Down with Government!" and "Down with Europe". The workers also repeatedly insisted on the fact that current business situation of the shipyards is not their fault, but the one of the Government and management.

Demonstrations have also been announced by the trade union in "3. maj" in Rijeka. The shipyard has contracted four asphalt-tankers for Swedish shipping company in June, just a day before the EC prohibited any further contracting, but Croatian Government refused to give its warranties and approve the contract which would provide work for the company until 2012. The contract for four tankers (out of 30 contracted altogether in European shipyards in during first half of the year) should be approved by 15 October, or will be cancelled. As well as in "Brodosplit", trade union in "3. maj" is also not satisfied with social agreement included in the privatisation offer, asking for five instead of only two years duration of such agreement.



In 2009, Croatian shipyard industry recorded a total loss of 117 million Euro, which is 50 percent decrease from 2008 when the loss amounted for 172 million Euro. Croatian shipyards employ 18 000 workers, while further 20 000 in 2300 small companies depend on the industry, which counts for 15 percent of the total Croatian export. According to the tonnage in the order books, Croatian shipbuilding industry is the 3rd in Europe and 11th in the world. Although price of Croatian shipyards is around 20 percent higher than that of its South Korean or Chinese competitors, the ships are of high quality and capable to satisfy much more diverse demands, which can be seen by the existing number of orders, the future of which is still uncertain ■

[back to top]



IRONWORKS SPLIT AGONY CONTINUES

Although restructuring of the shipyard industry is often considered to be the most important remaining open issue of the EU accession negotiations for Croatia, closing of the chapter on competition policy will also require solving the problem of state aid for the iron mills. While the restructuring of the Ironworks Sisak, operating now as "CMC Sisak" has been completed, Ironworks Split remains open and painful issue. The owner, Polish Zlomrex, has never finished restructuring, stopped production 20 months ago and is now looking for a way to withdraw from the company. The

Ministry of Economy and Croatian Privatisation Fund are in negotiations with Russian Mechel Group and German Techom who are interested to take over the company, but the outcome of this process is far from certain.

Meanwhile, on 27 September six workers climbed on the 50 meters high factory chimney but decided to end the protest after talk with Minister of Economy and President of Croatian Privatisation Fund, who promised them a meeting with Prime Minister Jadranka Kosor and solution for the situation with Zlomrex and new potential buyers within two weeks.

[back to top]

REFERENDUM ON THE LABOUR CODE STILL UNCERTAIN

After trying a clumsy effort to proclaim majority of more than 800 thousand signatures invalid, the Government decided to wash its hands of the issue and leave the decision to the Parliament, which consequently decided to do the same and forward the final decision to the Constitutional Court



Zagreb, 12 October 2010 – 813 016 signatures for a referendum against the changes in the Labour Code which would allow for easier cancellation of collective agreements were submitted to the Parliament by five trade union confederations on 14 July. After taking month and a half to check the authenticity of signatures, which cost almost 300 thousand Euro, the Croatian Government stated at the beginning of September that only less than 300 thousand signatures are valid.

Along with certain irregularities in technical procedure of collecting signatures, the Minister of Administration stated that more than 350 thousand citizens signed the petition outside of place of their residence which "cast a suspicion that they did not actually sign it". The Minister of Interior stated that graphological analysis revealed that in more than 90 thousand cases the handwriting was repeated. However, some of leading constitutional experts dismissed

Government's objections as irrelevant to the essence of the issue, claiming it is more than evident that critical number of citizens supported the referendum initiative. As a result, Government withdrew from further commenting on the issue and left the decision to the Parliament.

The procedural excuse for not holding the referendum arises from the fact that in the meantime the Government has withdrawn its amendments proposal from the parliamentary procedure, opening the issue could the referendum be held against a proposal that is not active anymore.

The Parliamentary Committee for Constitution, Standing Orders and Political System on its meeting held on 6 September decided to dismiss only 92 thousand signatures, for a reason that the names were not found in the voters' lists, which meant that more than 717 thousand signatures are valid.

However, further procedural problem (or excuse) was found in the fact that in the meantime the Government has withdrawn its proposal of amendments to the Labour Code from the parliamentary procedure, which opened the question could the referendum be held against a proposal that formally does not exist any more. Trade unions continued to insist on holding the referendum after all, since there was no guarantee that Government will not

re-send the amendments to the Parliament any time. Some, including the Croatian President Ivo Josipović, a legal expert himself, suggested that Government or Parliament should give some sort of warranties (a parliamentary declaration or a similar document) to trade unions that the referendum will be held if the Government decides to reactivate the amendment proposal in the future.

On its next meeting held on 14 September the Parliamentary Committee accepted the ruling party proposal to forward the issue to the Constitutional Court, which should decide on the validity of the referendum question and the need to hold a referendum after the amendments proposal was withdrawn. The opposition members of the Committee rejected such solution.

On the first day of autumn session of Parliament on 22 September, trade unionists gathered in front of the of the Parliament building handing to the MPs leaflets reminding them on Article 86 of the Constitution, stating that the Parliament "SHALL call a referendum if 10 percent of the voters demands so".

Two days later, the Parliament repeated the voting pattern from its Committee, deciding to forward the issue to the Constitutional Court. At the same time, public opinion surveys say that 65 percent of citizens support holding the referendum even after the withdrawal of the amendments proposal ■

[back to top]

TEN DEMANDS FOR DECENT WORK

No trace left of the decent work in Croatia - around 100 000 jobs have been lost since the beginning of the crisis. Two thirds of those who still work get the wage lower than the average wage. As much as 70 000 workers work without being paid for their work. There is almost no end to this negative list!



Zagreb, 7 October 2010 - On the eve of the World Day for Decent Work, the UATUC, NHS and HUS held a joint press conference to warn the public that there is no trace left of the decent work in Croatia, with workers merely and barely surviving. The three confederations' leaders – UATUC Acting President **Mladen Novosel**, NHS President **Krešimir Sever** and HUS Vice-President **Zdenko Mučnjak** – presented ten trade union demands, reminding the Croatian authorities and the employers that the Croatian workers have the right to decent work and decent life, which must be guaranteed and protected.

The employers are not paying wages and contributions, they employ on undeclared basis, dismiss workers... Around 100 000 jobs have been lost since the beginning of the crisis in Croatia. Two thirds of those who still work get the wage lower than the average wage. As much as 70 000 workers work without being paid for their work. There is almost no end to this negative list!



"To ensure more than a mere survival, the trade union demand to the Croatian Government is the progressive increase of the share of the minimum wage in the average wage from today's 36% to 50%, and hence the demand for the amendments to the Minimum Wage Act", said the UATUC acting president Mladen Novosel.

"The employers owe 12.5 billion kuna to the state, they have not paid the workers and they have not paid the state. This amount of 12.5 billion would be sufficient to settle the budget deficit", said Krešimir Sever, president of the Independent Trade Unions of Croatia (NHS).

This is why one of the trade union demands is to treat the non-payment of wages as criminal offence – there is no difference between the robbery on the street and denial of means of living by non-payment of what was earned.

HUS Vice-President Zdenko Mučnjak warned of the unsafe working conditions and 19 566 reported occupational injuries in 2009.

On 7 October, the leaders and representatives of the three confed-



THE TEN TRADE UNION DEMANDS FOR DECENT WORK:

- No unpaid work
- No wages without unpaid contributions
- Increase of the share of minimum wage in average wage
- Legislative framework which will ensure decent work
- Strengthening of the institutions of legislation implementation supervision
- Accelerate labour dispute resolutions
- Legislative framework, etc. which will make work in informal economy unprofitable
- Ratification of the Revised European Social Charter
- Ratification of the ILO Conventions
- Signing of the National Decent Work Agenda between the ILO and Croatia

erations distributed peanuts, as a symbolic message that Croatian workers work for peanuts, i.e. that their wages are below the decent wage level, and leaflets to the members of the Croatian Parliament with ten trade union demands directed at practical implementation of the Article 55 of the Croatian Constitution: "Every employee shall have the right to a fair remuneration, such as to ensure a free and decent standard of living to him and his family."

On 6 October press conference was also held in Rijeka, where the UATUC county representative Jadranka Tomašić, regional representative of the Tourism Trade Union Loredana Gluhak and Vice-President of the UATUC Youth Section Ivan Blažević presented some concrete cases where decent work has been threatened in the region, with an emphasis on the position of youth and the situation in the sectors of shipbuilding and tourism.

The three confederations will continue their Decent Work campaign with the Round table which will be held in Zagreb on 27 October. The Round Table aims at opening public discussion on the important elements of the decent work and at reiterating the ten demands which aim at healing the "pathology" of the system which prevents decent working and living conditions ■

[\[back to top\]](#)

PROGRESS IN NEGOTIATIONS AROUND DECENT WORK COUNTRY AGENDA FOR CROATIA



Zagreb, 12 October 2010 – Following the first round of tripartite discussions around the adoption of the Decent Work Country Agenda for Croatia, a progress has been achieved in getting closer to the conclusion of the programme of cooperation between the ILO and Croatia ILO's tripartite constituents, built upon achievements and lessons learnt from the previous successful cooperation. The document being drafted for Croatia will cover the period of 2010-2011, with the aim of ensuring greater synergies and stronger coherence of ILO's support to Croatia and thus contributing to achieving sustainable outcomes. Following tripartite consultations held in July in Zagreb, the document is structured around the agreed priorities of the design of recovery packages, labour market reform, with a focus of sustainable pension system reform, employment generation, green jobs, promotion of the ratification of ILO conventions, technical advice of issues of labour legislation and representativity and social partners' capacity building in the area, among others, of occupational safety and health. They are complementary and combine various aspects of Decent Work ■

[\[back to top\]](#)

ECONOMIC AND SOCIAL COUNCIL WITHOUT TRADE UNION REPRESENTATIVES

Zagreb, 13 October 2010 – Although tripartite negotiations about resuming the work of the Economic and Social Council took place on 13 September, the trade union confederations decided to reject the Government's proposal of the agreement on the functioning of the Council, which would enable resuming the social dialogue at the national level. Trade unions left the Economic and Social Council in May, dissatisfied with the way this body was operating, and especially by the permanent practice of outvoting trade unions by the Government and employers' representatives. Therefore, one of the cornerstones of new agreement should be avoiding the outvoting. If no consensus is reached, then the Council's conclusion should state separate positions of social partners. The functioning of the Government's Office for Social Dialogue has also been subject of negotiations, since trade unions demand that the Office should behave as a technical service for all social partners, instead of advocating Government's positions in public, as it has often been the case. ■



[\[back to top\]](#)

ANOTHER HASTY PENSION REFORM AT THE EXPENSE OF WORKERS

Revised Law on Pension Insurance, which was sent to Parliament without prior consultations with the social partners, envisaged higher penalisation of early retirement and equalisation of retirement age for men and women in 10 years. UATUC opposes practice of frequent, fragmentary and hasty changes in pension system and demands for broad and transparent public discussion, followed by a social consensus on the overall shape of the pension system



Zagreb, 12 October 2010 – The Government has sent to parliamentary procedure revised Law on Pension Insurance, which brings couple of very important changes to the national pension system.

Following the legal obligation resulting from the decision of the Constitutional Court from 2007 on equalising retirement age for men and women, the new law sets retirement age for both sexes on 65 (previously 60 for women), while age for early retirement would be 60 (previously 55 for women). The equalisation should be gradual – until 2010 retirement age for women should be raised for six months every year.

Second important change would bring higher penalties for workers who retire early – each month of earlier retirement should mean 0.34 percent lower retirement, making it in total 20.4 lower for those who retire at the age of 60. In order to stimulate workers to remain active after the age of 65, the retirements for those who retire later should be increased by the same percent.

FURTHER LOWERING OF UNEMPLOYMENT BENEFITS

Government has also proposed changes in the Law on Job-finding Services and Rights during Unemployment, which should lower unemployment benefit for those unemployed for more than 90 days. For the first three months of unemployment, the benefit would remain at 70 percent of the average salary for last three months of employment (in maximum amount of legal minimum salary without social contributions), while the benefits for longer unemployment period would be lowered from 50 and 40 percent to single rate of 35 percent.

The proposition was opposed by both the trade unions and opposition parties.

Current penalisation for early retirement is set at 0.15 percent per month, making it maximum of 9 percent for five years. The measure has been justified with high ratio of early retired in total retired population, and the concerning ratio of only 1.27 workers for each retired person. Total expenditure for pensions counts for 10.5 percent of Croatian GDP, while only 57 percent of that amount is covered by the pension contributions from salaries and the rest comes directly from the budget. These negative trends are partly the result of early retirement policies from the 90's, when the Government preferred sending workers from bankrupt state owned companies to early retirement than to unemployment service, and partly from the relatively high number of disability and war veteran retirements, resulting from the 1991-1995 Independence war.

In its positions on pension reform adopted at the Presidency meeting of 10 September, UATUC opposed the practice of frequent, forced and hasty partial changes in the Law on Pension Insurance, which do not take into account overall effects for the pension system and as a rule worsen the position and social security of retired workers. UATUC

demands for a broad and transparent public discussion on the pension system as a whole, with a special emphasis on the "retirement destiny" of today's young workers which should be a basis of a broad social consensus on the direction of further changes. Such reform should also be preceded by a comprehensive expert analysis of current situation and problems, including the position of 176 000 who retired on the basis of special, more favourable provisions (i.e. MPs, Croatian Army, war veterans from Independence War and WWII etc.).

UATUC also demands for keeping penalisation for early retirement at current level, especially taking into account that most often early retirement is not a voluntary but forced decision, since until now state employment service refused to seek job for those with conditions for early retirement. Further negative repercussion of proposed change can be seen in the fact that estimation says that around 30 000 workers decided for early retirement during 2010, for the sole reason to avoid penalty increase, which had only worsened sustainability of the pension system.

Regarding the equalisation of retirement age for men and women, UATUC demanded for longer transition period, with rise of retirement age for women by three months every year, instead of six as the Government proposed. Eventually, Government has decided to accept trade union position on this issue and include 20 years transition period in the second version of the draft Law, while the other issues still remain disputed ■

[\[back to top\]](#)

CROATIAN ACTION DAY(S)



Zagreb, 12 October 2010 – Out of a number of industrial actions taking place in Croatia in recent months, organized also around the European day of action 29 September, the most media coverage was received by the strike of female workers of “Kamensko” textile company, once a reputable clothing company whose suits wore many high level politicians. After not receiving salaries for five months, and their social security contributions not being paid for two years, 20 female workers started a hunger strike on 20 September. As negotiations with management failed, hunger strike was cancelled on 27 September, only to be replaced by a strike and lock-out carried out by all 574 workers. While court is still pending a decision on bankruptcy initiated by the trade union, the workers are found in desperate situation which is forcing them to voluntarily resign, with a result of losing all unemployment rights.

Demonstrations and a strike have been announced in Oil factory “Čepin”, near Osijek in Eastern Croatia. As all company accounts have been blocked due to 25 million Euro of debts, it will not be possible to pay next salary to 214 workers. The company has still not been privatised, and three years of negotiations between trade unions and the state did not bring any peaceful solution for the company’s future.



Workers of communal floriculture company “Vrtlar” from Dubrovnik went on strike on 4 October, since they still have not received salaries for July and August. Earlier negotiations and conciliation procedure with the management failed to bring any results. In order to emphasize their problems, workers have organised symbolic funeral of their company in the centre of old Dubrovnik city. The same day, city council promised to immediately pay its 48 thousand Euro debt to the company, which should suffice for payment of one monthly salary after which the strike was cancelled ■

[\[back to top\]](#)

SEMINAR ON INFORMATION AND CONSULTATION



Zagreb, 1 October 2010 – Two day seminar on information and consultation rights in Croatia and Europe for trade union legal experts of UATUC and branch unions was held on 30 September and 1 October in Zagreb. Discussed topics included implementation of information and consultation rights in Croatian workplaces and forthcoming introduction of European Works Councils in Croatian labour relations system, as Croatia is expected to become EU member throughout next two years. On the second day of seminar Goran Selanec, lecturer on EU public law at the Faculty of Economy Zagreb, talked about the basic principles of EU law and their application on protection of information and consultation rights. Seminar was organised as part of the project “Improvement of the Process of Workplace Information and Consultation for a better Employees’ and Workers’ Representation in Europe (INFORMIA)”, implemented with a financial support of the European Commission – DG for Employment, Social Affairs and Equal Opportunities under budget heading 04.03.03.03. Beside UATUC, partners in the project include the Confederation of Independent Trade Unions of Bulgaria (CITUB), Bulgarian Industrial Association, Institute for Economic and Social Policy (IRES) from Italy, Irish Congress of Trade Unions and NGO “Le Mondes du Travail” from France. ■



[\[back to top\]](#)

CROATIA STILL IN RECESSION

While the Government claims Croatia is coming out of the crisis, both the World Bank and Croatian National Bank have much more pessimistic view of the Croatian economical situation, especially the state of public finances



Zagreb, 14 October 2010 – While economic growth has returned to Eastern Europe and Central Asia, Croatia remains one of the four countries in the region which are still in recession and could expect negative GDP growth of 2 percent in 2010, stated the World Bank on 8 October. “Large service sector, which counts for around 70 percent of Croatian GDP and heavily depends on tourism, is among main reasons that Croatia has faced recession later than other countries, but is also recovering more slowly”, said **Peter Harold**, World Bank Country Director for Central Europe and Baltic Countries. In the view of **Indermit Gill**, Chief Economics for East Europe and Central Asia, two main weaknesses of Croatia are high social expenditure in relation to the GDP and high amount of foreign debt that has to be repaid this year.



Croatian Minister of Finance Ivan Šuker

However, things look quite differently from the perspective of the Croatian Minister of Finance **Ivan Šuker**. “Croatia is definitely coming out of the crisis. All the prerequisites have been created, all measures undertaken”, states Šuker after talks with the IMF and WB officials in Washington on 11 October. On that occasion, Šuker again dismissed the possibility of the stand-by arrangement with the IMF. Croatian Government rather decided

for a new loan of around 100 million Euro taken on the national financial market, mostly for the purpose of re-financing the debt maturing this year. During 2010, Croatian public debt has increased for almost 3 billion Euro or 14 percent, reaching 53.5 percent of GDP. Total foreign debt, including the private sector, has reached 95 percent of GDP.

During a recent presentation of the financial plan for 2010, Šuker was also implicitly criticised by the Head of the EU Delegation to Croatia **Paul Vandoren**, who stated that the reform of public finances requires “vision, resources and political will”.

Government's policy has also been criticised by the Governor of the Croatian National Bank **Željko Rohatinski** who dismissed Government's calculation of budget deficit for 2010 at 4.2 percent of GDP, stating it would amount to more than 6 percent. The budget deficit is the result of “hypertrophy of public administration, irrationalities in public companies, unsustainability of pension and health system and problems in the system of state aid. This is the result of postponing the necessary reforms, which of course have their economical, social and political price”, said Rohatinski in an interview which followed the publication of Government's fiscal projections for the next three years which, in his view, reveal that no serious reform will be undertaken in that period. Therefore, Croatia will eventually be forced to enter into stand-by arrangement with IMF, since it is not likely that the Government will be able to stabilise public finances, especially in the context of incoming elections next year, concludes Rohatinski ■

[\[back to top\]](#)

FOURTH SEMINAR ON COMMUNICATION WITH NORWEGIAN LO MEDIA



Trogir, 24 September 2010 – Fourth joint seminar on communication within the trade unions in last two years, organised as a part of cooperation project between UATUC and LOFF/LO Norway, was held in Trogir from 22 till 24 September. This time the Norwegian delegation consisted of ten trade union journalists and communication experts who, besides participating in seminar presentation and workshops, also used the opportunity to visit the shipyard in Trogir, greenhouses in Kaštela and conduct interviews with trade union members and shop stewards from the region. The seminar marked an end of the second year of the joint project, but both sides expressed their interest in continuing the cooperation and maintaining professional and friendly ties established during the project. The plans and priorities of the next cycle of cooperation are being discussed and set ■

[\[back to top\]](#)



LABOUR CODE

New Croatian Labour Code, harmonised with the EU legislation, has entered into force on 1 January 2010. Publication brings full text of the new law, together with a guide on implementation of new provisions written by Marina Kasunić Peris, Head of UATUC Industrial Democracy Department ■



EU OCCUPATIONAL HEALTH & SAFETY POLICY

Trade union guide to occupational health and safety policies of the European Union is aimed at workers' representatives involved in health and safety issues on national and European level. Guide brings an overview of the EU institutions and procedures in the field of OHS, as well as the trade union role in this field ■



LAW ON OCCUPATIONAL HEALTH & SAFETY

New Croatian Law on Occupational Health and Safety, harmonised with the EU legislation ■

If you are interested in any of these publications, please contact international-uatuc@sssh.hr, or order through www.sssh.hr

[\[back to top\]](#)

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Union of
Autonomous
Trade Unions
of Croatia

Together we are stronger

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