

CROATIA



Key policies to promote longer
working lives

Country note 2007 to 2017

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KEY POLICIES TO PROMOTE LONGER WORKING LIVES IN CROATIA¹

(Situation 2007 to mid-2017)

Despite recent progress, Croatia could do more to increase the employment rate of older workers: in 2016, it reached 33.1% of the population aged 50-74, compared with the EU average of 45.4%. More could be done also to raise the country's effective retirement ages, especially that for men: 62.2 in 2016 compared with the EU average of 63.4. (See more indicators in Table 1.) In particular, as synthesised in Table 2, Croatia should take appropriate action to facilitate phased retirement; restrict access to early retirement; prevent welfare benefits from being used as alternative pathways to early retirement; encourage good practice in collective labour agreements and/or by individual employers/industries in managing an age-diverse workforce; reduce the incidence of arduous/hazardous work; balance professional and family responsibilities; and facilitate job mobility. Croatia has however taken substantial action to provide guidance services for participating in lifelong learning, which it has begun to promote.

1. Rewarding work and later retirement

1.1. Enhancing incentives to continue working at an older age

Introduction

The Croatian pension system consists of three pillars. The first is a pay-as-you-go defined benefit scheme financed by contributions, covering all economically active persons. The second pillar is mandatory, and is a defined contribution scheme that is based on individual accounts financed by contributions and investment returns. (Note that no specific occupational fund exists in Croatia.) The third pillar is a capital-based voluntary supplementary scheme, including both open funds for citizens and closed funds sponsored by employers, trade unions or other professional associations. This last system was launched in 2002, with some changes introduced afterwards. All covered persons who were under the age of 40 from 2002 have to participate in the first and second pillars. Those aged between 40 and 50 in 2002 could choose to additionally join the second pillar scheme, while those over 50 had to remain within the first pillar (EC, 2015).

Raising the statutory age of retirement

The pensionable age for men is 65. For women, the retirement age has been gradually increasing by three months a year from 2011, to become equalised with men by 2030. From 2031 to 2038, a new transitional period is envisaged, increasing the retirement to age 67. These reforms are in the right direction.

Facilitating phased retirement

Partial retirement is allowed only in the case of partial disability (Vukorepa, 2016). It is recommended to consider making phased retirement an option for other groups, who would otherwise retire early.

1. This note has been produced by the Ageing and Employment Policy Team with a contribution from Nicola Duell.

Better combining of pensions and work income

Since 2014, old-age pension beneficiaries have been allowed to work part time (up to 20 hours per week); they continue to pay pension contributions (Ban Pavlovic, 2016) In the case of full-time employment, pension payment is suspended until the day employment is terminated and then resumes.

Rewarding longer careers

In 2011, a deferred pension was introduced as a bonus of 0.15% per month of later retirement (with a maximum of 9% for five years). Deferral of a pension is possible from the age required for entitlement to an old-age pension (65 for men and 61 for women in 2014) up to the age of 70, provided that the beneficiary has completed 35 years of contributions at the time deferral begins.

1.2. Towards restricted use of early retirement schemes

Restricting access to publicly funded early retirement schemes

Over the past decade, pension reforms involving early retirement have been pointing to different directions. Initially reforms encouraged that option; only recently have measures been decided to restrict its availability. In 2007, the pension percentage forfeited for each month of early retirement was reduced from 0.34% to 0.15% – in fact, those who retired five years earlier than their retirement age lost only 9% of their pension instead of 20.4%. In 2011, it was decided that the level of pension reduction depended on the number of years of contributions. In 2014, the formula was changed again, so that the pension reduction for retiring five years earlier now varies between 6% and 20.4%.

In 2017, men are entitled to early retirement pensions from the age of 60, and women from the age of 56 years and 9 months. The Pension Insurance Act of 2014 foresees increasing the minimum age for access to early retirement. From 2031 to 2038 the age will increase gradually to 62, requiring a mandatory 35 years of contributions for both men and women (EC, 2015). This measure is aligning the early retirement age to the increased pensionable age by 2038, but it does not reduce the pre-retirement period.

The 2014 reform also introduced the possibility for long-term insured workers (with a minimum of 41 years of contributions) to retire at the age of 60 on a full pension. This appears to be a popular option. Early retirement on a full pension is now also possible for those who have been unemployed for more than two years and lost their job because of the bankruptcy of their previous employer. However, only a limited number of persons have been eligible. Long-term insured workers should also have access to the bonus if they decide to retire later than at 60.

Introducing specific provisions for arduous/hazardous work

The law on Insurance Periods Counted with Increased Duration from 1999 lists 92 relevant jobs or groups of jobs in a total of 28 sectors that are regarded as involving particularly arduous/hazardous work (AHW) that could affect health and working ability. The insurance period is calculated with extended duration in a special pension regime. The same law also lists eleven groups of occupations in which physiological function declines with age.² Apart from this general regulation, there are many other laws specifying jobs

2. 1) Dancer performing classical ballet or modern dance, ballet master; 2) opera singer-soloist; 3) dancer-singer in professional ensembles of folk dance; 4) airplane pilot and helicopter pilot; 5) flight instructor for motorised aircraft and gliders; 6) skydiving teacher; 7) radio operator (pilot), flight navigator and aircraft mechanic (flier); 8) diver for sponges and corals and diving instructor; 9) various types of air traffic controllers; 10) chimney cleaner and 11) air traffic tower controller with valid authorisation.

considered to involve AHW, for which the calculated pension insurance period is extended. In sum, those engaged in AHW make up around 2.2% of the total number of workers contributing to the pension system. The yearly share of workers retiring on specific provisions in AHW among new pensioners in the first pillar has ranged between 6% and 8% in recent years. Most of these new pensioners enter retirement at the statutory age or through early retirement, rather than on a disability pension (Vukorepa, 2016).

Since 2013, the government has been planning changes in the preferential pension treatment of persons engaged in AHW, as many jobs have become more automated and less arduous/hazardous. Experts at the Croatian Institute for Health Protection and Safety at Work have reviewed more than 100 jobs and occupations. Preliminary results suggest that almost half of them should be removed from the special regime. The revision will have an impact on decreasing the number of beneficiaries who exercise their rights according to special regulations – that is to say, an impact on their access to early retirement. The revision was still ongoing in early 2017.

The maximum pension insurance period within a year is normally 12 months, whereas for those performing AHW each 12-month contribution period is counted as 14, 15, 16 or 18 months, depending on the occupation performed and the working conditions involved. This leads to a higher pension accrual rate for each period of contribution, since the amount of pension benefit is also calculated on the basis of the pension insurance period. Further, workers in the corresponding professions have a lower qualifying age for an old-age pension, depending on the years engaged in AHW and the degree of exposition. Hence, the pension age is reduced by one year for every three to six years of work in jobs or professions in which the insurance period of 12 months is counted as 14 months to 18 months. Further, there are specific retirement rules for ship crews, workers in mining, and workers exposed to asbestos (Ban Pavlovic, 2016).

To sum up, the specific provisions for AHW focus only on more generous access to early retirement benefits. It would be advisable to take action to prevent poor working conditions in firms, and to develop training programmes that allow the workers concerned to move on to less exposed jobs.

1.3. Preventing welfare benefits from being used as alternative pathways to early retirement

Unemployment (insurance and assistance) benefits

A major change in the law on mediation and unemployment benefits (Official Gazette 80/08, 94/09, 121/10) removed the possibility for the older unemployed to draw early retirement pensions. However, the unemployment benefit system still allows them to claim permanent unemployment benefits if they have had a long career (at least 32 years of service) and have no more than five years to wait before they reach statutory retirement age (Crnkovic-Pozaic, 2012). Thus, unemployment benefits are replacing the early retirement option for those older unemployed, unless they would have to meet strict activation requirements. Active labour market programmes (ALMPs) have been targeted at the older unemployed (see Section 3.2); however, the budget and participation rates are comparatively low for this group.

Social aid

No specific action relevant to older workers has been taken.

Disability benefits

Croatia has a disability pension scheme within the first pillar for non-occupational and occupational risks. Benefits can be total or partial. A temporary disability benefit was introduced in 2014 for persons who completed the occupational rehabilitation but remained unemployed for at least five years, during which

time they reached the age of 58 (EC, 2015). In this respect the disability scheme is used as an early exit pathway.

A Central Disability Certification Institute within the Institute for Disability Certification, Professional Rehabilitation and Employment of Persons with Disability was established with the aim of limiting the inflow of disability pensioners and reducing fraud by unifying disability assessments. The disability assessment is carried out by the Institute for Expertise, Professional Rehabilitation and Employment of Disabled Persons, established in 2013. This, together with stricter disability pension eligibility rules introduced in 2014, reduced the total number of disability pensions. From 2014, eligibility depends on the assessment of the residual work capacity, with reassessment every three years, while previously the level of “occupational incapacity to work” was assessed. Further, people with disabilities need to have completed the qualifying period of one-third of working life, although there are special rules for young adults. There is no qualifying period if a disability is the consequence of a work injury or an occupational disease. Moreover, in such cases pension benefits are calculated as if workers had completed a qualifying period of 40 years regardless of the actual years of service (Ban Pavlovic, 2016).

Another change introduced in 2014 is that old-age pensions can be paid in full to beneficiaries who are employed up to half the number of full working hours (EC, 2015). This measure does not apply to self-employment activities or to early retirement or disability pensioners. From 2015, the total disability pension is converted to an old-age pension when the recipient reaches retirement age. While it is welcome to set incentives to combine a disability pension with work, the focus should now shift to increasing the employability of workers with disabilities.

2. Encouraging employers to retain and hire older workers

2.1. Preventing discrimination in employment on the basis of age

Implementing current or new legislation

No specific action relevant to older workers has been taken. The prohibition of discrimination is enshrined in the Croatian Constitution. The Anti-Discrimination Act also contains provisions prohibiting discrimination on the basis of age. With the introduction of the act, the definition of discrimination has been omitted from the Labour Act provisions, and the Anti-Discrimination Act has prescribed provisions regarding discrimination in the field of work in detail.

Launching public awareness campaigns

The project “Supporting Equality in the Croatian labour market” was launched in 2011 to organise training on discrimination, equality and inclusion of diversity in the workplace for labour market stakeholders. The goal of the training was to provide an understanding of concepts and attitudes related to discrimination in the workplace; to furnish practical advice and related tools; and to illustrate the legislative framework through real-life cases. The project “Equal in Diversity” focused on strengthening the capacity of key labour market stakeholders to combat discrimination, develop and promote good anti-discriminatory practices among employers, and raise public awareness of the issues of discrimination and diversity.

2.2. Taking a balanced approach to employment protection by age

Implementing age-neutral measures

The Labour Act requires the consent of the works council before dismissing a worker over the age of 60. Further, the notice period given to someone who has been working for the employer for a continuous 20-year period increases by two weeks if the worker has reached 50 of age and by one month if they have

reached 55 years of age. Older workers are also entitled to a higher amount of legal severance pay, taking into account that the amount is determined according to the length of the previous uninterrupted duration of work with that employer. There were no recent changes of these rules.

2.3. Discouraging mandatory retirement by employers

By law in general and by sector/occupation, private/public sector, region

The Labour Act stipulates that the employment contract is terminated when a worker reaches 65 years of age and 15 years of insurance period, unless the employer and the worker agree otherwise.

2.4. Encouraging the social partners to implement better retention and hiring mechanisms targeted at older workers

For all older workers

No specific action relevant to older workers has been taken.

Review of the use of seniority wages

July 2015 saw the adoption of an Action Plan 2015-2016 for regulating the wage system in the public sector. It established continuous monitoring of the collective bargaining process in public and civil services; harmonised rights in the area of collective agreements in all public services sectors and civil services; and led to the adoption of the Act on Wages in the Public Sector. In 2016, this Action Plan was further developed in the framework of the Commission for Development of Human Resources in Public Administration. Measures within the jurisdiction of this commission include establishing a system of objective and impartial evaluation for the stimulation and/or sanctioning of civil and public servants for their work and rewarding employees based on ratings, as well as enabling the change of pay grades without formal career promotions (Republic of Croatia, 2016).

2.5. Encouraging good practice in collective labour agreements and/or by individual employers/industries in managing an age-diverse workforce

For all older workers

No action has been taken, although it would be judicious to do so. It is advisable to encourage social partners and single companies to implement instruments for managing an age-diverse workforce. Relevant measures and tools would include sharing knowledge and experience of different age groups, adjusting work responsibilities of older workers, adjusting working time arrangements of older workers, adjusting work places, promoting internal job mobility and further training, avoiding age discrimination and removing mandatory retirement. It is also advisable to detect and share company good practices.

3. Promoting the employability of workers throughout their working lives

3.1. Enhancing participation in training by workers in their mid- to late careers

Providing guidance services

In 2013, Lifelong Career Guidance Centres (CISOKs) were established through the project “Improving Lifelong Career Guidance and ICT support”. The new partnership-based CISOK model has the objective of delivering quality tailor-made lifelong career guidance to all citizens (pupils, students, the unemployed,

the employed, parents, school counsellors, employers, etc.). In order to deliver highly accessible services, the CISOK model is based on a partnership approach – under the main responsibility of the Public Employment Service (PES) the Croatian Employment Service (CES) – that is focused on identified needs of potential clients in specific region/location. This involves collaboration between local chambers, universities, adult education institutions, schools, and NGOs of different types, including those involved with finances, premises and service delivery. The partnership approach is incorporated into all activities of the centres: outreach to the clients, identifying their needs, delivering services including individual coaching, exchanging know-how, and improving the system of lifelong guidance at the national, regional and local levels. CISOKs provide triage support at different levels of assistance: coaching of clients, various e-tools for guidance, brief assisted and individual case-managed services, self-help services, and knowledge bases dealing with career guidance and staff training.³ Eleven CISOKs have been established in ten regions in Croatia, and it is planned to open another twelve within the next few years.

The special target groups of the centres are young people who are NEET (Neither in Education, Employment or Training) and the long-term unemployed. From July 2013 when the first eight CISOK centres were set up to September 2015 there were 92 300 users of CISOK services, among whom 41% were unemployed and 6% were employed. The remaining groups were mainly pupils, students, employers, parents, school associates and career counsellors. According to the client satisfaction survey, 98% of the clients were satisfied or very satisfied with the services provided.⁴

Providing access to training adjusted to their experience and learning needs

Training measures of the CES include a series of activities provided by experts aimed at training unemployed persons to enter and/or re-enter the labour market. These activities include counselling and guidance, the selection of unemployed persons for training or education programmes, and financing and co-financing of education and training measures. The CES is therefore bolstering co-operation with the Ministry of Science and Education and the Agency for Vocational Education and Training and Adult Education.

Few programmes or measures have older workers or subgroups of older workers among their target groups. One of them is the measure “Training at the Workplace”, which has the objective of reintegrating into the work environment young persons as well as women, who, due to various life circumstances, do not have work experience, or who have been absent from labour market for a long time. Target groups include women older than 45 who have been on the unemployment register longer than 12 months, as well as persons with disabilities (who are more likely to be older workers). The amount of the monthly subsidy for the educational institution cannot exceed EUR 91. In addition, participants get some financial support during participation (Babić, 2014a).

Promoting lifelong learning and development of the adult vocational education and training system

Once they are employed, adults are highly unlikely to keep updating their skills, and participation in training among older workers is particularly low.

In September 2016, Croatia adopted a new programme of development of vocational education and training for the period 2016-20, with the objective of improving the quality of education and training, increasing efficiency in matching supply and labour market needs, and promoting continuing education and lifelong learning, establish a system of continuous professional development of teachers; raise the

3. For more information, see www.cisok.hr (accessed 1 February 2018).

4. Mutual Learning Programme Database of National Labour Market Practices – Croatia, Lifelong Career Guidance Centre (LLCG centre), <http://ec.europa.eu/social/main.jsp?catId=1080&langId=en> (accessed 1 February 2018).

attractiveness of vocational education; and increase the mobility and employability of students in vocational education.

The Agency for Vocational Education and Training and Adult Education also actively promotes vocational education. As stated in the National Reform Plan 2016, also planned are reforms to increase the availability of educational programmes for adults, to encourage participation in lifelong learning and to improve the system of retraining and continuous education and training. In this context, a number of training programmes for skills needed on the labour market are operating with the financial resources of the ESF Operational Programme Effective Human Resources 2014-2020.⁵ In addition, measures are planned to improve literacy as the foundation of lifelong learning. There are also plans to prepare a draft curriculum for primary adult education. Implementation of these measures will be in the responsibility of the CES.

Each year since 2008, the Agency for Vocational Education and Training and Adult Education has been organising a Lifelong Learning Week. The agency carries out activities aimed at raising awareness of the importance of learning, and at increasing available information on the opportunities for education and learning. Activities include lectures, workshops, panel discussions, exhibitions and even a bicycle race. In fact, many related institutions organise open days or similar activities aimed at familiarising the public with their work. Regional CES offices also organise various activities to inform the unemployed about their educational and career opportunities and to promote lifelong learning.

Setting up mechanisms for recognising and validating skills

Croatia is in the process of establishing a system of recognition and validation of prior learning. This recognition of informal and non-formal learning, based on qualification standards of learning outcomes in the Croatian qualification register, aims to shorten the duration of formal education of individuals who have already achieved certain learning outcomes. In order to implement this measure, the definition of occupational standards will be further developed. Qualification standards and programmes for evaluation of non-formal and informal learning will be developed in priority sectors based on the list of scarce occupations, as well as on data derived from labour market projections. In mid-2017, the Strategic Plan for the development of the validation of non-formal and informal learning system is still being developed by the Ministry of Science and Education.

3.2. Providing effective employment assistance to older jobseekers

Promoting an all-age mainstreaming activation approach

The CES has been implementing various ALMPs aimed at promoting employment. Target groups have varied over time, and recently included young people, women with a low educational level, disadvantaged groups such as Roma, and older unemployed persons over the age of 50 (Babić, 2014b). A number of measures relevant to the older unemployed were designed for coping with technological change and business cycle and seasonal employment barriers. They encompass wage subsidies (see details below), training subsidies related to restructuring and technological change,⁶ job preservation subsidies to support

5. These include for example a training programme for performing caregiving activities relating to elderly and disabled persons; a family farm manager training programme; a training programme for performing simple activities relating to the occupations of waiter, butcher, bricklayer and drywall installer; a welder training programme; a professional training programme for performing activities of mobile applications, Android programmer, a professional training programme for performing activities of an independent accountant; a programme for acquiring secondary professional qualification and retraining for occupations such as confectioner, and a programme for the completion of primary education for adults.

6. These are for co-financing the expense of training for those employers who introduce new technologies or production procedures, and need to train their workers in order to avoid lay-offs.

short-term work to respond to problems stemming from business cycles, and short-term work support for seasonal workers.⁷ In addition, there are direct job creation measures in public works providing minimum wages for the long-term unemployed or other disadvantaged groups, as well as start-up incentives. About 13% of participants in start-up measures were aged 50 and above.

As of 2009, the CES offers the services of mobile teams to all companies forced to dismiss a large number of employees, in order to improve early on the employability of workers who are threatened with dismissal.

However, expenditures on ALMPs as a percentage of GDP amounted to only 0.17% of GDP in 2014 and thus belong to the group of (mainly Eastern) European Member States with comparatively low expenditures. Croatia also had a comparatively low level of expenditure on ALMPs per person wanting to work (measured in purchasing power parity, according to the Eurostat LMP database).

Targeting workers most at risk of long-term joblessness

The CES has a long tradition of providing employment services to different target groups of clients. Special emphasis is placed on groups that have a high risk of social exclusion. One of the subgroups in this category is unemployed people aged 50 and older (50+). Each client is referred to an individual or collective activity according to their identified needs, with the aim of enhancing their employability and career management skills in general.

Those clients who have multiple barriers in seeking a job are referred to career guidance counsellors who provide support through individual sessions. This service includes an assessment of the professional and personal potential of each unemployed person; that helps in the process of creating a professional action plan and placement activities. Individual counselling also helps to clarify the existing characteristics, skills and knowledge of an unemployed individual. Among collective activities, a special workshop has been set up for people aged 50 and older.

Providing employment/hiring subsidies to firms

Employment subsidies are targeted towards unemployed persons aged 50 or over. The aim is to provide financial incentives for employers to hire persons threatened by social exclusion and long-term unemployment. The CES is co-financing up to 50% of annual gross salaries.

An external evaluation of all ALMPs implemented over 2010-2013 was conducted in 2015. The overall result shows that ALMPs are efficient, but need to be better targeted in order to achieve even better results. When it comes to measures targeting older persons, direct job creation in public works and employment subsidies are the measures most frequently used, and were particularly successful. Over 70% of participants in employment subsidy schemes remained employed for 36 months after the end of the measure, and both employers and participants expressed high satisfaction with this measure. The CES helps older unemployed persons (50+) registered with them to find employment, by providing their unemployment benefits to those who employ them. This measure has proved very successful due to the positive financial impact for employers, especially in micro companies and crafts. An evaluation of the measure was conducted in 2016, involving 108 in-depth interviews and 24 focus group interviews as well as an online survey among employers and programme participants (Croatian Employment Service, 2016). The results of that evaluation show that 54% of older unemployed persons have remained in employment 18 months after signing up for this measure.

7. This measure provides minimum wage and pension insurance coverage to persons who are regularly employed as seasonal workers during the period of the year when they are not employed.

Previous evaluations have shown some positive results of employment subsidies. Using matching techniques, Matković, Babić and Vuga (2012) compared the outcomes of participants with a control group of unemployed persons with similar observable characteristics who did not participate in the different measure. The evaluation tackled five measures: 1) employment subsidies for youth with no employment experience; 2) employment subsidies for the long-term unemployed; 3) employment subsidies for older unemployed persons; 4) training programmes for the unemployed of all ages; and 5) public works. Participants in all three employment subsidy programmes (1) - (3) were less likely to be unemployed than the control group during the first two years after the subsidies ceased; however, the advantage of participants declined over time, and the matching effect was likely to be overestimated as it did not account for the creaming effect – that is, the selection of more employable candidates by employers seeking subsidies.

Some long-term unemployed older people are participating in direct job creation (public works) programmes, which are beneficial to the local community. They receive the minimum wage during participation in the programme, with CES subsidies ranging from 50% to 100% of the minimum wage. According to the above-mentioned evaluation study of 2015, the proportion of persons staying in employment after completion of the measure is not high. Nevertheless, the participants were satisfied with their involvement in this type of intervention and the income they received. In contrast, Matković, Babić and Vuga (2012) showed negative results: participation in public work programmes increased the mid-term unemployment risk for participants, and produced a negative effect on the employability of participants in the long run.

3.3. Enhancing job quality for older workers

Strengthening workplace safety and physical and mental health

In December 2008 the National Programme on Health Protection and Safety at Work was adopted for the period 2009-2013 with the objective of reducing the quantity of occupational injuries, occupational illness and work-related illnesses, as well as improving prevention related to the health of workers. The State Directorate adopted in May 2012 a Strategic Plan for the period 2013-2015; no specific measures are focused on the health and safety of older workers (Ban Pavlovic, 2016). The Ministry of Labour and Pension System continues to elaborate the National Work Programme for the period 2017-2020. The programme is an extension of the National Programme for Safety and Health at Work for the period 2009-2013, which in turn was extended to 2014, 2015 and 2016. The proposal for National Programme 2017-2020 seeks to establish a clear methodology and competencies of the medical services (including occupational health) in procedures for determining occupational diseases and also determining work-related illnesses, and adopting appropriate legislation.

Further, the Ministry of Health is preparing a new Ordinance on Special Labour Conditions, where health reviews of workers will be more frequent.

The Ministry of Labour and Pension System and other stakeholders are also implementing the “Working for All Ages” campaign of the European Union that ends in 2017, with an emphasis on protecting older workers.

Reducing the incidence of arduous/hazardous work

No specific measures relevant to older workers have been taken.

Balancing professional and family responsibilities

No specific measures relevant to older workers have been taken.

Table 1. Late Career Scoreboard, Croatia, 2006 and 2016

	Croatia		EU28 ^a		OECD ^a	
	2006	2016	2006	2016	2006	2016
Demographic situation						
-- Old-age dependency ratio ^b	0.29	0.32	0.28	0.32	0.23	0.28
-- Effective labour force exit age ^c (years) Men	61.3	62.2	62.0	63.4	63.6	65.1
Women	56.5	61.6	60.5	62.0	62.3	63.6
Employment						
-- Employment rate, 50-74 (% of the age group)	31.3	33.1	38.3	45.4	47.0	50.8
of which 50-54	62.6	65.1	73.1	77.9	73.8	75.7
55-64	34.3	38.1	43.3	55.3	52.7	59.2
65-69	10.2	6.1	9.1	12.1	20.3	25.5
70-74	7.9	3.1	4.4	5.5	12.0	14.6
-- Gender gap in employment, 55-64 ((men-women)/men)	0.42	0.30	0.34	0.21	0.32	0.25
Job characteristics						
-- Incidence of part-time work, 55-64 (% of total employment in the age group)	16.6	8.1	22.1	22.2	20.3	21.1
of which voluntary 55-64 (% of part-time work in the age group)	90.0	79.2	85.4	78.9	87.3	85.2
Average number of weekly hours worked	18.6	18.5	17.1	17.5	16.6	16.9
-- Incidence of temporary work, 55-64 (% of employees in the age group)	4.4	9.5	6.9	6.7	8.9	7.9
-- Incidence of self-employment, 55-64 (% of total employment in the age group)	37.7	25.0	24.1	19.7	38.0	32.8
-- Full-time earnings, 55-64 relative to 25-54 (ratio)	-	-	-	-	1.09	1.10
Dynamics						
-- Retention rate ^d after 60 (% of employees 1-5)	47.8	42.7	37.1	48.8	40.3	50.3
-- Hiring rate, ^e 55-64 (% of employees in the age group)	3.2	5.1	6.1	5.8	9.2	9.1
Joblessness						
-- Unemployment rate, 55-64 (% of the labour force aged 55-64)	6.0	9.6	6.1	6.4	4.3	4.6
-- Incidence of long-term ^f unemployment, 55-64 (% of total unemployment in the age group)	78.1	88.9	49.8	63.7	26.3	44.3
-- Marginally attached workers, ^g 55-64 (% of population in the age group)	3.3	5.0	2.4	1.9	1.2	1.2
Employability						
-- Share of 55-64 with tertiary education (% of population in the age group)	16.9	16.3	17.2	22.9	20.0	26.2
-- Participation in training, ^h 55-74 (% of employed in the age group)	-	0.7	-	8.5	-	-
Relative to employed persons aged 25-54 (ratio)	-	0.22	-	0.66	-	-

- Weighted averages with the exception of the share with tertiary education.
- The ratio of the population aged 65 and over to the population aged 20-64.
- Effective exit age over the five-year periods 2001-2006 and 2011-2016. The effective exit age (also called the effective age of retirement) is calculated as a weighted average of the exit ages of each five-year age cohort, starting with the cohort aged 40-44 at the first year, using absolute changes in the labour force participation rate of each cohort as weights.
- All employees currently aged 60-64 with job tenure of five years or more as a percentage of all employees aged 55-59 five years previously.
- Employees aged 55-64 with job tenure of less than one year as a percentage of total employees.
- Unemployed for more than one year.
- Persons neither employed, nor actively looking for work, but willing to work and available for taking a job during the survey reference week.
- Participation in formal and non-formal training in the last four weeks.

Source: OECD estimations from the *OECD Employment Database*, the *OECD Earnings Distribution Database*, *OECD Education at a Glance* and the *Eurostat Database on Education and Training*.

Table 2. Implementing ageing and employment policies in Croatia, 2007 to mid-2017

1. Rewarding work and later retirement	
1.1. Enhancing incentives to continue working at an older age	
<i>Raising the statutory age of retirement</i>	+
<i>Facilitating phased retirement</i>	/
<i>Better combining of pensions and work income</i>	+
<i>Rewarding longer careers</i>	+
1.2. Towards restricted use of early retirement schemes	
<i>Restricting access to publicly funded early retirement schemes</i>	+?
<i>Introducing specific provisions for arduous/hazardous work</i>	+
1.3. Preventing welfare benefits from being used as alternative pathways to early retirement	
<i>Unemployment (insurance and assistance) benefits</i>	/
<i>Social aid</i>	/
<i>Disability benefits</i>	+
2. Encouraging employers to retain and hire older workers	
2.1. Preventing discrimination in employment on the basis of age	
<i>Implementing current or new legislation</i>	/
<i>Launching public awareness campaigns</i>	+
2.2. Taking a balanced approach to employment protection by age	
<i>Implementing age-neutral measures</i>	/
2.3. Discouraging mandatory retirement by employers	
<i>By law in general and by sector/occupation, private/public sector, region</i>	/
2.4. Encouraging the social partners to implement better retention and hiring mechanisms targeted at older workers	
<i>For all older workers</i>	/
<i>Review of the use of seniority wages</i>	+

2.5. Encouraging good practice in collective labour agreements and/or by individual employers/industries in managing an age-diverse workforce	
<i>For all older workers</i>	/
3. Promoting the employability of workers throughout their working lives	
3.1. Enhancing participation in training by workers in their mid- to late careers	
<i>Providing guidance services</i>	++
<i>Providing access to training adjusted to their experience and learning needs</i>	+
<i>Promoting lifelong learning and development of the adult vocational education and training system</i>	+
<i>Setting up mechanisms for recognising and validating skills</i>	+
3.2. Providing effective employment assistance to older jobseekers	
<i>Promoting an all-age mainstreaming activation approach</i>	+
<i>Targeting workers most at risk of long-term joblessness</i>	+
<i>Providing employment/hiring subsidies to firms</i>	+
3.3. Enhancing job quality for older workers	
<i>Strengthening workplace safety and physical and mental health</i>	+
<i>Reducing the incidence of arduous/hazardous work</i>	/
<i>Balancing professional and family responsibilities</i>	/
<p>++ = Substantial action taken. + = Some action taken, but more could be done. +? = Some action taken, but requires further assessment. ? = Some action taken with negative impact. / = No relevant action taken. ✓ = No action needed.</p> <p><i>Source:</i> Assessment based mainly on answers by Croatia to the 2016-2017 OECD questionnaire.</p>	

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