

Non-standard work in Croatia since the outbreak of the crisis: challenges and responses in selected sectors

Abstract

Starting from theoretical insights, this article discusses the forms and incidence of non-standard work in Croatia since the outbreak of the economic crisis. According to the definition of non-standard work, all employment contracts which are not full-time and open-ended with a single employer are taken into consideration in this analysis. This primarily encompasses fixed-term contracts, part-time work, temporary agency work and self-employment. Our core analysis is made through a focus on selected sectors, primarily in private ownership (construction, metal industry and retail), which have endured significant financial losses as well as reductions in workers in the post-2008 period. Additionally, public health care is also analysed as a representative of the public sector. Within these sectors, the strategic responses of the trade unions and employers towards the phenomenon of non-standard work will be particularly examined, as well as their implications for the further development of industrial relations in the country.

Keywords: non-standard work, social partners, strategies, economic crisis, Croatia

Introduction – research goals, methodology and theoretical background

The aim of this article is to present and discuss developments in the area of non-standard work in Croatia in four sectors of the Croatian economy since the outbreak of the economic crisis. The focus of the analysis is targeted towards the responses of the social partners concerning non-standard work in the sectors of construction, metal industry and retail, which have been significantly affected by the economic downturn. Additionally, the public health care system is also examined due to its rather unique position within the public sector.

The article is based on the preliminary results for Croatia within the EU-funded research project *PRECARIR – The rise of the dual labour market: fighting precarious employment in the new member states through industrial relations*.¹ National-

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level research within the PRECARIR project was conducted in Croatia between March and August 2015. The principal research question posed by the project was the impact of the phenomenon of non-standard employment on industrial relations structures, institutions and processes in the post-crisis period.

The first stage of the research included the collection of statistical data concerning non-standard work and desk research based on the available literature, legislation and collective agreements, as well as data from websites and media sources. In the next stage, this analysis was supplemented with findings from qualitative in-depth interviews. For the purposes of the implementation of the project in Croatia, three semi-structured questionnaires were developed (for employers, trade unions and experts). Each one addressed the general themes of the project and some particularities of the Croatian labour market. Sixteen interviews based on the questionnaires were conducted both with representatives of the Croatian social partners in the selected sectors as well as with other relevant stakeholders, mostly located in Zagreb (i.e. experts in the field of non-standard work).

This article combines the qualitative research results from the PRECARIR project for Croatia with some theoretical background on the attitudes of the social partners towards non-standard work as a means of providing further analytical insights. The goal is to upgrade the findings of the PRECARIR project for Croatia with a broader theoretical framework. The article thus further deepens the results of the original project concerning the positions and activities of the social partners towards non-standard work in these four sectors of the Croatian economy. It determines clear differentiations between the chosen strategic approaches and analyses why each was taken.

The first part of the article presents the research goals and methodology as well as theoretical insights into the phenomenon of non-standard work. It provides a short review of efforts aimed at conceptualising the strategies which have been adopted by trade unions and employers towards non-standard work. In the second part, the article focuses on the particularities of the Croatian labour market. It primarily assesses the legislative framework and the incidence of various non-standard forms of work. The central part of the article presents the strategic responses of the social partners concerning non-standard work in our four chosen sectors of the Croatian economy. Finally, a concluding section summarises the most important insights and comparatively assesses the findings from the different sectors.

The term ‘non-standard work’ is relatively new and dates back to the 1980s, when the International Labour Organisation (ILO) started to conduct surveys of its spread and characteristics (Papp Cseh, 2001). Non-standard forms of work are usually defined in contrast to standard employment, which implies full-time engagement

Institute for Development and International Relations (IRMO) is a partner in the project and carried out the in-country study for Croatia. PRECARIR applied the same research methodology across all the countries encompassed by the research, which included: the collection of statistical evidence; desk research; empirical research as regards a limited number of interviews; a focus on the construction, metal industry, retail and health care sectors, and on agency work. In the final stage of the project, a comparative analysis will be implemented which aims to sum up the insights drawn from all the national research studies.

on open-ended contracts with access to social security systems (Kalleberg, 2009). Therefore, non-standard work comprises the broad range of forms of work from part-time and fixed-term employment to (dependent) self-employment, agency work and various types of work outside of an employment relationship (Kahancová and Mar-tišková, 2011; Eichhorst *et al.* 2010).

Non-standard work is often considered to be precarious. This is because it frequently implies low income and job security, unfavourable working conditions, minimal access to training and limited access to social security systems as well as a limited possibility for expressing the worker's voice (Keune, 2013: 60). However, non-standard work and precarious work are not direct synonyms. When non-standard work represents the conscious choice of a worker, it cannot be considered precarious. Similarly, even standard forms of employment can be considered precarious where salaries are very low, payments are made late, overtime work is unpaid, etc. (Keller and Seifert, 2013).

The trend of an increase in non-standard work has been visible throughout Europe since the outbreak of the economic crisis (Sala and Silva, 2009). This happened as a two-phase process. In the years immediately following the economic downturn, the number of non-standard workers decreased because they were the first to lose their jobs. However, when the creation of new jobs started, these frequently belonged to a category of non-standard work (Lang *et al.* 2013: 25).

Trade unions traditionally tend to oppose non-standard work and avoid dealing with non-standard workers. Such a position is mostly defended with the argument that trade union members belong overwhelmingly to the standard workforce (Keune, 2013: 66) and that non-standard forms of work pose a threat to standard employment on open-ended contracts (Heery and Abbott, 2000). Furthermore, non-standard workers are considered difficult to access due to the provisional character of their work engagement (Heery and Abbot, 2000; Tilly, 1996). However, in the more recent period, many trade unions have been changing their attitudes in order to be able to represent the interests of both standard and non-standard workers. The reason for this change is the falling number of trade union members as well as the growing share of non-standard workers (Gumbrell-McCormick, 2011; Benassi and Vlandas, 2015).

Researchers have sought to conceptualise and categorise specific trade union strategies towards non-standard workers since the 1990s. Hazel Conley (2008), drawing on Chris Tilly (1996), stresses that the acceptance of non-standard workers by trade unions represents a lengthy process which may take different forms. The first step is made when unions stop excluding non-standard workers by opening up membership to them and by starting to represent their interests. Subsequently, trade unions may seek to recruit non-standard workers by putting greater effort into representing their interests and by seeking to regulate their position in relation to core union membership. Alternatively, some trade unions may even pursue the abolition of some forms of non-standard employment.

Cunningham and James (2010) identify five trade union strategies towards non-standard workers which could be divided into two groups. The first group concerns 'traditional' workplace-related strategies of organisation and partnership, i.e. organ-

ising the workforce and establishing mutuality-based collaborations between employers and unions. The second group relates to so-called ‘beyond the enterprise activities’ pursued by trade unions of diversity unionism, community unionism and servicing. Diversity unionism stresses the need for adaptations of trade unions in order to make sure that the interests of under-represented groups become represented. Community unionism focuses on the way in which membership could be increased through collaboration with other interest groups, such as civil society or academia. Finally, servicing concerns are located within the provision of different services to non-standard workers e.g. legal advice or discounts on goods and services.

Kahancová and Marišková (2011), drawing on Heery and Abbott (2000), also distinguish five trade union strategies towards non-standard workers: inclusion; separation; exclusion; reduction; and elimination. According to the strategy of inclusion, trade unions make no differentiation between standard and non-standard workers. The separation strategy implies that trade unions treat non-standard workers separately, i.e. as a particular group. The exclusion strategy concerns a refusal of trade unions to represent the interests of non-standard workers. The strategy of reduction refers to a desire of trade unions to narrow the differences between standard and non-standard workers. Finally, the elimination strategy concerns the trade union aspiration of eliminating all forms of non-standard work. Inclusion, separation and exclusion represent distinct trade union strategies, whereas reduction and elimination are more ambiguous and could also be viewed as purposes behind the first three strategies.

It is this categorisation which was applied in the PRECARIR project. It fits well into the situation of Croatian industrial relations and, therefore, it is used, among others, as a framework for the analysis in this article.

Drawing from the literature on the sources of trade union power, Donna McGuire (2011) discusses the factors in the strategic choices made by trade unions. She stresses that each trade union strategy draws on a source (or multiple sources) of power. Therefore, the choice to pursue a particular strategy does not depend only on the aims of the trade union but also on the nature of the power resources at its disposal. McGuire identifies four ‘ideal type’ sources of union power which are mutually inter-related: associational; structural; institutional; and productive. The source of associational power is seen as embedded in collective organisations and manifests itself primarily through the capacity of a trade union to engage in collective bargaining and the building of coalitions. Structural power is viewed as incorporated in the economy and manifests itself primarily through the capacity for engaging in industrial action. Institutional power is defined as embedded in previous social compromises and surfaces through a capacity to influence labour laws and societal institutions. Finally, productive power is defined as incorporated in the social processes and public domain, with manifestations such as the ability to challenge the existing hegemony, capture media support or build coalitions with non-union groups.

An important factor in the development of innovative trade union strategies towards non-standard workers is their willingness to go beyond the mere recruitment of non-standard workers; in other words, their preparedness to use newly-acquired diversity as an impulse to revitalise union organisation (Conley, 2008). In this con-

text, the activities of some Italian trade unions, which are known for their strong bargaining positions at sectoral and company level, represent interesting examples of best practice. These unions have managed to set up new organisations aimed at the affiliation and representation of non-standard workers, based on sector or profession. On numerous occasions, they have managed to extend collective agreement coverage and foster transitions from non-standard to standard contracts. Additionally, these new organisations regularly offer services to non-standard workers, such as the dissemination of information and consultancy (Pulignano, Ortiz and de Franceschi, 2015).

Employers' strategies towards non-standard work generally tend to be in clear opposition to those of trade unions. Trade unions aim to reduce or eliminate non-standard work, but employers frequently advocate its expansion. This is because employers save (financially), since non-standard workers usually have lower hourly labour costs as well as non-wage labour costs. Additionally, the relative ease of hiring and dismissing non-standard workers makes such forms of work more attractive to employers (Evans and Gibb, 2009: 40). Finally, non-standard workers are beneficial for employers due to their disciplining effect on the standard workforce. Namely, in a work environment which is composed of both standard and non-standard workers, standard workers start to feel less secure and more exposed to performance-related pressures (Standing, 2008).

Roots and forms of non-standard work in Croatia

The increase in non-standard work in Croatia in the post-2008 period is closely related to the economic crisis, which had a strong impact on the national economy (see Table 1). The strongest negative change in GDP growth was in 2009 (-7.4%). In the years which followed, the economy further contracted, with recovery not starting until 2015. Overall, the economy is set to grow at a rate of 1.4% in 2016, and is expected to further accelerate to 1.7% in 2017 (European Commission, 2015).

During the period of recession, the employment rate decreased from 64.9% in 2008 to 57.2% in 2013, with a slow recovery commencing in 2014 (to 59.2%) (see Table 1). Similarly, a successive increase in unemployment was visible between 2009 (9.2%) and 2013 (17.3%). In 2014, unemployment remained at the level of the previous year, subsequently showing a slow trend of reduction.

Table 1 – Selected economic indicators relevant for the labour market in Croatia (2008-2016)

Indicators	2008	2009	2010	2011	2012	2013	2014	2015 (f)*	2016 (f)*
GDP growth	2.1	-7.4	-1.7	-0.3	-2.2	-0.9	-0.4	1.1	1.4
Employment rate	64.9	64.2	62.1	59.8	58.1	57.2	59.2	-	-
Unemployment rate	8.6	9.2	11.7	13.7	16.0	17.3	17.3	16.2	15.6
Long-term unemployment	5.30	5.10	6.60	8.40	10.2	11.0	10.1	-	-
Youth unemployment rate (less than 25 years of age)	23.7	25.2	32.4	36.7	42.1	50.0	45.5	-	-

Source: EUROSTAT (accessed 15 January 2016)

*European Economic Forecast, Autumn 2015

f=forecast

Prior to going into details concerning developments related to various forms of non-standard work in Croatia, it is important to shed some light on the characteristics of industrial relations in the country. According to some recent estimates, trade union density in Croatia is slightly below 30%, and is on a declining trend, whereas before the crisis it used to be around 35% (Šeperić, 2015). Coverage by collective agreements was around 40% at the beginning of 2015; this represents a significant fall compared to the period before the crisis, when it used to stand around 60%.² The reasons for this could be found, firstly, in the cancellation of collective agreements due to the impacts of the crisis; secondly, in the 2012 legislative changes which revoked the validity of expired collective agreements; and, thirdly, in the increasing reluctance of the Labour Minister to extend sectoral agreements (Butković, Samardžija, Tišma and Funduk, 2014). All this reduced (primarily) the associational power of trade unions (McGuire, 2011: 5).

Currently, no fewer than four trade union confederations fulfil the representativeness criteria for collective bargaining, but there is just the one representative employer association.

The results of the research indicate that most Croatian trade unions have opened up their membership to non-standard workers and have started to represent their interests (Conley, 2008: 4).

- 2 This estimate was provided by Professor Dragan Bagić in his presentation of the preliminary research results at the conference ‘Collective bargaining in Croatia and Europe today’, held in Zagreb on 14 October 2015. At the same conference, Professor Bagić indicated that, according to his research in 2014, the coverage of collective agreements in the construction sector was 18.2% and in retail 8.5%. In both cases, these figures represent a significant drop compared to those before the crisis.

Meanwhile, pre-dispositions towards the use of most forms of non-standard work increased after the adoption of the new Labour Act in 2014 which reduced the labour protection legislation index from 2.55 to 2.28 (CNB, 2014: 17).

The findings of the research show that the most common form of non-standard work in Croatia is fixed-term work. The Labour Act (OG 93/14) defines fixed-term work as an exception and notes that it must be justified by objective reasons (Art. 12). However, in the last ten years, fixed-term employment has become the most widespread form of new employment in the country (CES, 2015). The Labour Act prescribes that a fixed-term contract cannot be concluded for a period longer than three years (Art. 12), although there are exceptions to this rule in the case of replacements or for the first such contract, which can be concluded for a longer time period. At the beginning of the economic crisis, there were some minor reductions in fixed-term work. Even so, after the initial shock in 2009, the number of fixed-term workers has been continually increasing: in 2014, workers on fixed-term contracts represented 16.9% of the labour force in the country (see Table 2).

Part-time work is defined by the Labour Act (Art. 62) as any kind of employment for fewer than forty hours per week. In Croatia, this form of work is less frequently used than in most other EU member states: in 2014, only 6.2% of workers worked on a part-time basis, compared to an EU average of 20.5% (see Table 2). The reasons for this can be found partly in that part-time work used to be too expensive for employers (Novaković, 2013a): namely, before 2014, the Labour Act was deficient concerning the full application of the *pro rata temporis* principle, which states that all expenditure related to part-time work has to be regulated in accordance with working time.

Temporary agency work in Croatia is regulated by the Labour Act (Art. 46), which prescribes that working conditions for agency workers need to be the same as those for standard workers. However, in 2014, the new Labour Act (Art. 46) introduced the possibility of concluding separate collective agreements with agency workers, prescribing lower levels of protection. In practice, all agency work contracts are concluded on a fixed-term basis, making such work highly precarious. The maximum uninterrupted time that an agency worker can work for the same agency is set at three years (Art. 48). Despite its relatively minor usage (0.4% of the labour force, according to Novaković, 2013b), the number of agency workers has almost doubled since the outbreak of the crisis (see Table 2).

In Croatia, self-employed people are defined as those employers who manage an enterprise and employ one or more workers, as well as those who are workers on their own account who have no employees. Additionally, unpaid family members who participate in the earnings of the company also belong to this category (Kulušić, 2009: 107). The number of self-employed workers has reduced by about one-third since the outbreak of the crisis. In 2014, there were 207 300 such workers, representing around 15% of the total workforce (see Table 2). Bogus self-employment is not defined in the Labour Act or by any other legislation.

Table 2 – Indicators of non-standard employment in Croatia compared to the EU-28 average

Indicators of non-standard employment	2008	2009	2010	2011	2012	2013	2014	EU-28 average, 2014
Temporary employees as % of total employees, 15-65	12.3	12.0	12.8	13.5	13.3	14.5	16.9	14.0
Part-time employees as % of total employees	8.0	8.2	8.6	8.8	7.1	6.5	6.2	20.5
Self-employed (000), annual average	294.8	288.8	294.1	280.0	245.0	229.5	207.3	30,600
Temporary employment agency activities	2,433	2,821	3,482	4,505	5,740	5,182	-	36.8m*

Source: EUROSTAT (accessed 15 January 2016)

*data for 2012

Work outside of an employment relationship is manifested through three types of contracts in Croatia: contract for work (services); an author contracted for work; and a student contract for work. The characteristic which is common to all of these contracts is that they are not regulated by the Labour Act. Therefore, they are highly precarious in all respects (wages, working time, job security, social security, voice, etc.).

Croatia has implemented a measure of occupational training since 2010 for young people which does not entail the commencement of employment. Under this measure, the state covers the pay (approximately at the level of the minimum wage) and contributions for employers which provide training for young university graduates under the age of 35 for a period of twelve months (36 months in craft professions). According to the Croatian Employment Service, there were 28 039 people on this programme, which is part of the EU Youth Guarantee Scheme, in 2014 (CES, 2015).

Research results: social partners' strategies towards non-standard work in four selected sectors of the Croatian economy

Construction

Construction is the sector of the Croatian economy the most affected by the impacts of the economic crisis. According to the Croatian Bureau of Statistics, the construction sector lost close to 40% of its workforce after 2008. Namely, the number of workers fell from 100 825 in 2009 to 60 137 in 2014. The sector recorded a successive decline in the number of workers on open-ended contracts, while the number of workers on fixed-term contracts declined at first but, from 2010, started to grow (Lang *et al*, 2013: first chapter). However, the proportion of part-time work has continued to remain marginal.

The crisis brought a deterioration of working conditions in the construction sector, with a reduction of some material workers' rights as set out in collective agreements. Furthermore, the incidence of fixed-term contracts of a very short duration intensified, as did unpaid overtime (interview with TUCIC, 2015). However, by far the most pressing sectoral problem since the outbreak of the crisis is represented by the increase in the scope of the informal economy, reaching up to some 30% of GDP, which makes the functioning of legal business increasingly difficult (interviews with TUCIC and the CEA's Department for Construction, 2015).

The sectoral trade union in the Croatian construction industry chose a traditional strategy of inclusion towards non-standard workers. This means that the trade union serves as a broad interest representation organisation, making no differentiation between standard and non-standard workers. The aim of this strategy is a reduction in the number of non-standard workers. In the area of collective bargaining, the pursued strategy of inclusion is best visible in that, in both sectoral and company level collective agreements, the trade union has avoided specific provisions which would pertain only to non-standard workers.

The prevalence of an inclusion-oriented strategy can also be identified in the other activities of the sector trade union. Namely, the trade union avoids making distinctions between standard and non-standard workers in organising strikes, lobbying for legislative changes or campaigning against bad employers (interview with TUCIC, 2015).

The strategy of the Croatian Employers' Association towards non-standard work in the construction sector is, to a great extent, in accordance with that pursued by the trade union. This is because the sector trade union and the Croatian Employers' Association have (surprisingly) similar views on numerous issues with implications for non-standard workers. Both social partners lobby the government to change the current rules on public procurement, which allow companies to sign public procurement bids regardless of their capacities. They both advocate the extension of the sectoral collective agreement as an instrument in reducing the informal economy. The trade union and the employer association work together on the establishment of parity funds in order to support companies in difficulties. Furthermore, they closely co-operate on the reform of vocational training concerning construction professionals. Finally, both partners argue against the employment of construction professionals through temporary agencies, explaining that such workers are in great demand on the labour market (interviews with TUCIC and the CEA's Department for Construction, 2015).

The crisis has weakened the economic positions of both workers and employers. In this context, the common views of both social partners could be explained in terms of the devastating effects which the crisis has had on the sector. However, common positions do not prevail when it comes to the material rights of the workers (both standard and non-standard). Based on economic considerations, employers oppose the idea of granting more generous material rights to workers via collective agreements. The reason for this is that such action might jeopardise the market position of some smaller companies (interview with the CEA's Department for Construction, 2015).

Metal industry

The metal industry is an important sector of the Croatian economy, mostly in private ownership, which, according to the Croatian Bureau of Statistics, held a share of 21.9% in the industrial production of the country in 2013. The three most important segments of the metal industry are shipyards; ironworks; and the production of motor vehicles. The sector was hit by the economic crisis, but not as severely as construction. Data from the Croatian Bureau of Statistics show that the total number of workers in the sector was reduced by some 20%, i.e. from 69 565 in 2009 to 55 555 in 2014. The total number of workers on open-ended contracts has been in successive decline, while the number of workers on fixed-term contracts started to increase from 2010 onwards – the same as in the construction sector. The use of part-time work is still marginal, as is agency work and self-employment (Novaković, 2013a: second chapter).

The crisis led to a reduction and cancellation of certain material rights of workers (both standard and non-standard) via the revision of numerous company level collective agreements. Average incomes were reduced by 10-15% which, ultimately, saved thousands of jobs (interview with MTUC, 2015). Additionally, the crisis resulted in an increase in overtime work and a more frequent usage of the unequal distribution of working time, although this was frequently opposed by the sectoral trade union (interviews with MTUC and the CEA's Department for Metal Industry, 2015).

The sectoral trade union in the metal industry opted for a more radical strategy towards non-standard workers, containing elements of both inclusion and separation. Similar to the pure inclusion strategy used in the construction sector, this mixed approach has been aimed at reducing the number of non-standard workers. The inclusion elements refer to non-standard workers being treated the same as standard workers in most trade union activities (collective bargaining, legislative lobbying, industrial action, etc.). The elements of separation are visible from the distinct treatment of non-standard workers in some sections of numerous company-level collective agreements. In such agreements, the sectoral trade union has limited the overall number of particular categories of non-standard workers in order to oblige employers to hire workers on open-ended contracts. The number of fixed-term workers is usually limited to 20-25%, but the limitation for agency workers is set at 5-10% (interview with MTUC).

The strategy of the Croatian Employers' Association towards non-standard work in the metal industry has the opposite goals to those of the trade union strategy. Namely, the employers' strategy is clearly aimed at preserving the *status quo* and the further expansion of non-standard work (Evans and Gibb, 2009: second chapter). This is visible in the slow progress in the negotiation of the sectoral collective agreement, which process started back in 2006 and which is still in its initial phases. The reasons for this are disagreements over the material rights of workers and working time arrangements. Additionally, compliance with the separation elements of the trade union collective bargaining strategy represents a problem for the employers' association, which generally opposes limitations on the use of non-standard work (interviews with the CEA's Department for Metal Industry and the MTUC, 2015).

The polarisation of the standpoints of the social partners is also visible in the area of vocational training for workers in the metal industry. The sectoral trade union and the employers' association have worked extensively in this area since 2008. However, the trade union perceives the renewal of vocational training as an instrument for increasing standard forms of employment (interview with MTUC, 2015) whereas, for the employers' association, it merely represents an opportunity to develop new forms of work (interview with the CEA's Department for Metal Industry, 2015).

Retail trade

According to the Croatian Bureau of Statistics, the participation of the retail and wholesale sector in national GDP declined from 10.7% in 2008 to 9.6% in 2013. The induced losses bore immediate consequences for the Croatian labour market, because this sector is the most dynamic generator of new jobs. Croatian Bureau of Statistics data indicate that the number of employees was affected by a successive decline, from 98 963 in 2009 to 84 420 in 2014, while both open-ended and fixed-term contracts experienced reductions. Part-time work still represents a marginal phenomenon, but it significantly increased from 890 in 2009 to 2 856 in 2014. Similarly, student work has been increasing. Agency work is marginally present, and only in non-core activities such as cleaning and security.

The crisis led to a deterioration in working conditions in the retail sector. Short duration fixed-term contracts, which is one of the most pressing problems, became even more widely spread. Additionally, reductions in working time from full-time to part-time increased, with these being mostly implemented on an involuntary basis. The situation with regard to unpaid overtime, among all groups of workers, was also aggravated by the difficulties in the sector (interview with CTUC, 2015).

The sectoral trade union in retail, similar to the metal industry union, chose a strategy combining elements of inclusion with those of separation. The aim of this mixed approach was, likewise, to reduce the number of workers on non-standard contracts. Company-level collective agreements signed by the sectoral trade union generally make no distinction between standard and non-standard workers. However, in these agreements the trade union managed to oblige employers to give priority to their fixed-term workers in cases of the hire of new workers on open-ended contracts (interview with CTUC, 2015).

Elements of the separation strategy pursued by the trade union are not confined to collective bargaining, since they can also be found in other union activities which relate to non-standard workers. The trade union gained much experience with the practice of trade union membership being taken out on the basis of secrecy, which is particularly relevant for non-standard workers. Additionally, the union is very active in lobbying the government to ban work on Sundays and during public holidays in the retail sector. Abuses related to such work apply to all workers, but non-standard workers are more exposed (interview with CTUC, 2015). On this issue, the trade union demonstrated its possession of a significant amount of productive power (McGuire, 2011: 5). Namely, on several occasions it was very successful in building coalitions against Sunday working with non-union organisations such as the Catholic Church.

The Croatian Employers' Association strategy towards non-standard work in the retail industry is not in accordance with the strategy pursued by the trade union. Based on economic considerations, the employer association aims to preserve the *status quo* and extend non-standard work further (interview with the CEA's Department for Retail, 2015). Employers' firmly opposing standpoints towards the positions taken by the trade union can, in part, be explained with the relative ease with which workers in a low-skilled sector such as retail can be replaced. The strong position of employers is visible in the cancellation of the sectoral collective agreement in 2013, which happened at their initiative. Fresh negotiations on a sectoral collective agreement are, however, underway and are expected to be finalised in 2016 (interviews with the CTUC and with the CEA's Department for Retail, 2015). That these negotiations seem to be progressing well could partly be explained by the need to improve the social legitimacy of companies in the retail sector.

Public health care

Croatia spent 7% of its GDP on the public healthcare system in 2012, which is below the level of most EU member states (Eurostat, 2012). However, over the last two decades, public healthcare has experienced a strong debt accumulation problem which several governments have sought to address through different reforms.

Data from the Croatian Bureau of Statistics show that, in the post 2008 period, as with other parts of the public sector, healthcare did not experience any significant loss of workforce: the total number of employed people (65 907 in 2014) remained roughly the same as in the pre-crisis period. Additionally, in the post-2008 period, healthcare recorded a slight increase in the number of workers on open-ended contracts, while the number of workers on fixed-term contracts decreased by about one-third (to 4 064 in 2014). Part-time work is marginal, similar to agency work which can be detected only in non-core activities.

In public healthcare, the crisis did not lead to the introduction of any significant changes to working conditions. However, numerous problems which frequently date back to the pre-crisis period remain. This includes so-called twelve-hour shifts for medical staff (apart from doctors), which allows workers to accomplish all of their monthly working hours in two weeks in order to be free from work in the two weeks that follow. The sectoral trade union opposes this highly atypical distribution of working time which, in its opinion, is dangerous to the health of workers and the well-being of patients (interview with ATUHSPC, 2015). Similarly, the sectoral trade union opposes the practice of calculating the time on duty of doctors as regular overtime (implemented since 2013). This increases doctors' income but, at the same time, it negatively affects non-standard workers whose path to standard employment becomes more uncertain due to the lack of financial resources (interview with ATUHSPC, 2015).

The sectoral trade union has adopted a strategy of inclusion towards non-standard workers, as with the union in the construction sector, aimed at reducing the numbers of such workers. Therefore, in the Basic Collective Agreement for the Public Services and the Sectoral Collective Agreement for the Healthcare Sector alike, there are no specific provisions which apply only to non-standard workers.

The reasons for pursuing such a traditional approach could be found in the comparatively small number of non-standard workers. Additionally, difficulties in co-operation between sectoral and professional trade unions has protracted efforts to pursue more innovative approaches (interview with ATUHSPC, 2015).

The strategy of the Ministry of Health (the employer in this sector) seems to be in accordance with the inclusion strategy pursued by the trade union. Namely, statistical data from the Croatian Bureau of Statistics for the post-2008 period indicate significant reductions in the number of non-standard workers. Explanations for this are rather simple and are based on the staff shortages which have intensified since 2013: namely, after EU accession, the European labour market opened up for Croatian citizens, and healthcare professionals were among the most wanted workers.

The trade union inclusion strategy could also be seen in 'beyond the enterprise activities', most specifically in the domain of broad community mobilisation (Cunningham and James, 2010: 4). The sectoral trade union for healthcare was among the most active unions in the 2014 campaign against the government's proposal to implement the outsourcing of non-core services in the public sector. The main activity in this campaign was the collection of signatures calling for a people's initiative on the controversial proposal. The campaign was successful and persuaded the government to abandon the proposal, which caused tensions between the social partners in the healthcare sector (interview with ATUHSPC, 2015). If it had been implemented, the proposal may have increased the number of non-standard workers in the public healthcare sector from below 10% to more than 20% (Franičević and Matković, 2013).

Discussion

The economic crisis had a strongly negative impact on the Croatian economy and the country finally succeeded in stepping out from recession only in 2015. Unemployment has doubled since 2008, while the frequency of non-standard work forms has increased. The principle reason for this was the economic uncertainty, which led employers to avoid standard forms of employment, burdened with lengthy and complicated dismissal procedures. Additional reasons for the stronger orientation towards non-standard forms of work were the legislative changes which led towards a flexibilisation of the labour market and which made non-standard work more accessible. Namely, in 2014 the new Labour Act relaxed the conditions on the use of fixed-term contracts and removed obstacles to the economically-efficient use of part-time work. Agency work was also made more attractive through the possibility of concluding separate collective agreements with such workers. Finally, a special form of non-standard work, lasting one year, was offered to young people (occupational training without commencing employment).

Work on fixed-term contracts represents by far the most widespread form of non-standard work in Croatia. Regarding this type of contract, statistics show that Croatia generally follows trends present in other EU countries. With minor oscillations, the share of workers on fixed-term contracts in Croatia increased during the period of economic crisis, while standard forms of employment followed the opposite trend. Out of the four sectors analysed in this article, this pattern could be observed in the

construction and in the metal industry. In retail, the numbers of people engaged on standard as well as fixed-term contracts decreased in number. Finally, the opposite trend was recorded in healthcare, meaning that the share of fixed-term workers was reduced. Such an atypical development could be explained by healthcare's specific position as part of the public sector. Therefore, its labour market was not affected in the same way by the negative impacts of the economic crisis.

The four sectoral trade unions in the post-2008 period responded towards non-standard workers by implementing two types of strategy. In construction and healthcare, trade unions chose a strategy of inclusion, aimed at a reduction in the size of the non-standard workforce by avoiding any differentiation between standard and non-standard workers. This is best visible in the area of collective bargaining, with collective agreements in these sectors not containing any provisions that would concern only non-standard workers. In the construction sector, the reason for choosing such a traditional, and moderate, approach could be found in the severe consequences which the crisis had for the sector. This obliged the trade union to focus on other priorities, such as the retention of employment and a reduction in the informal economy, as well as on strengthening co-operation with employers. In public healthcare, the reasons for the inclusion strategy implemented by the trade union are the comparatively small and decreasing number of non-standard workers, as well as disagreements between the trade unions.

In the metal industry and retail, the trade unions have developed a mixture of strategic approaches and find themselves in between inclusion and separation of non-standard workers. These mixed strategic approaches are intended to reduce the number of non-standard workers in a more assertive manner than is the case with pure inclusion strategies. Namely, in addition to the general equal treatment of all workers, non-standard workers in the metal industry and retail are sometimes treated as a separate group. Collective agreements in these sectors contain specific provisions which limit the proportion of non-standard workers (metal industry), or which support a transition between non-standard and standard forms of employment (retail).

Employer reactions to the (traditional) strategies pursued by the trade unions towards non-standard workers in the construction industry and public healthcare could generally be described as corresponding, but the same cannot be claimed in the metal industry and retail. In the latter two sectors, the trade unions, with their more daring strategies, have been confronted by tough positions of employers in sectoral collective bargaining as well as in other areas. Employer strategies towards non-standard work in the metal industry and in retail follow the mainstream of employers' approaches concerning this issue. In short, these are clearly aimed at preserving the *status quo* and at the further expansion of non-standard work.

Despite the responses of the Croatian social partners towards non-standard types of work being different, it is obvious that both trade unions and employers are still in the initial stages of formulating comprehensive and innovative strategies in this area. More innovative strategic approaches are a big challenge primarily for the trade unions, whose existence is threatened by the rise of new forms of work. For that reason, trade union strategies addressing non-standard work need in the longer run to amplify the current focus on collective bargaining by providing clear strategic guide-

lines for action towards public authorities and employers. Additionally, following the successful examples of Italian trade unions, such strategies ought to be targeted towards the production of a roadmap for internal trade union restructuring aimed at making them better adapted to the new labour market realities.

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