

Croatia: Obligation to consider alternatives to collective dismissals

Croatia

Phase:

Management

Type:

Obligation to consider alternatives to collective dismissals

 *Last modified: 30 April, 2021*

Native name:

Zakon o radu 93/2014, 127/17, 98/19

English name:

Labour Act 93/2014, 127/17, 98/19

Article

Article 127, 128 (2)

Description

According to article 127, a collective dismissal must prompt the employer to begin consultations with the works council in a timely fashion and in the manner prescribed by the labour act, with a view to reaching an agreement aimed at avoiding redundancies or reducing the number of affected workers.

The mentioned redundancies concern those employees whose employment contract is to be terminated due to business reasons and where there is an agreement between the employer and the employee, as proposed by the employer. The employer is obliged to provide the works council a written notification with all relevant information (see Selection of employees for (collective) dismissals ([//www.eurofound.europa.eu/observatories/emcc/erm/legislation/croatia-selection-of-employees-for-collective-dismissals](http://www.eurofound.europa.eu/observatories/emcc/erm/legislation/croatia-selection-of-employees-for-collective-dismissals))).

During the consultations with the works council, the employer is obliged to consider ways and means of avoiding the projected collective redundancies. The employer is also obliged to notify the public employment service of the mentioned consultations and provide information on the duration of consultations with the works council, outcomes and conclusions resulting therefrom, with a statement of the works council attached thereto, should he/she receive it.

Article 128 (2) stipulates that for employees who are proclaimed as surplus, the employment relationship may not be terminated within 30 days from the date of delivery of the information to the competent public employment service (PES). The PES may instruct in written form the

employer to postpone dismissal to all or individual workers for a period of a maximum 30 days, if the company can ensure continuation of the workers' employment for the extended period.

Comments

The employer can start with the preparation of the cancellation of employment relations, but cannot implement this decision before the expiry of the mentioned deadlines. Furthermore, in some circumstances the local government may informally seek to put pressure on employers and lobby the central government to find alternative ways to keep the employees in jobs as long as possible.

Cost covered by

Employer

Involved actors other than national government

Public employment service
Regional/local government
Works council

Thresholds





Company size by number of employees:

20

Number of affected employees:

20

Sources

-  Labour Act 93/2014 (http://narodne-novine.nn.hr/clanci/sluzbeni/2014_07_93_1872.html)
-  Zakon o izmjenama Zakona o radu (Act on Amendments to the Labour Act) 127/2017 (https://narodne-novine.nn.hr/clanci/sluzbeni/2017_12_127_2877.html)
-  Zakon o radu (the Labour Act) (consolidated text) (<http://www.poslovni-savjetnik.com/propisi/zakon-o-radu-urednicki-procisceni-tekst-nn-br-932014-i-1272017>)
-  Croatia: Selection of employees for (collective) dismissals (<https://www.eurofound.europa.eu/observatories/emcc/erm/legislation/croatia-selection-of-employees-for-collective-dismissals>)

Revision log summary