

## **CROATIA**

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Statement by

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at the General debate on national experience in population matters: The changing age structures of populations and their implication for development

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820 Second Avenue,19th Floor, New York, NY 10017 tel. (212) 986-1585, fax (212) 986-2011, e-mail: cromiss.un@mvp.hr www.un.int/croatia Mr Chairman,

As this is the first time that my delegation is taking the floor during this session of the Commission on Population and Development, please allow me to congratulate you and the other members of the Bureau on your election and to thank you for the efforts put into organizing the 40th Session of the Commission. I would like to assure you of the full cooperation of my delegation during the 40th Session of the Commission. As Croatia has already aligned itself with the statement of the European Union, I will limit my statement to the changing age structure of population and their possible implications for development in Croatia. The labour force in the Republic of Croatia is considerably affected by population ageing, negative birth rate as well as migrations.

Throughout the history Croatia was a country of emigration, but during the last decade, Croatia has faced a new challenge noting a gradual increase of a positive migratory balance. Despite the relatively high rate of unemployment, some industries are confronted with shortage of highly skilled workers and employ foreigners, underlining that Croatia might face a growing demand for skilled and highly skilled workers in the future. In addition to that, if demographic facts accounted, the necessity to develop a forward-looking policy seems imminent.

The demographic facts also show that there will be fewer working-age adults in this decade than there were in the last one. The share of people aged over 65 increased to almost 17% by 2003, which has placed Croatia, in a very short period of time, from 22nd position to 12th position in the scale of old population in the world.

Since the young population is considerably smaller than the old one, the population in Croatia will continue to age if the positive net immigration doesn't diminish the ageing trend. The increase of the older population as well as the decrease of the actively working population presents and will present a difficult challenge not only to the social security system, but also to the public health-care. To maintain the similar level of services of the growing number of users, higher rate of the participation of labour force will be needed.

Mr Chairman,

To reduce the negative effects of the increased population ageing, one of the measures the country has taken on the national level is involving greater part of the population into working activities.

In 2005, the average rate of employment among the population aged between 15 and 64 was 54.8 per cent. The rate of employment among the population between 55 and 65 was also quite low, only 31.5 per cent, comparing to the rate in the EU, which was 42.5 per cent. Relatively low level of employment is, generally, due to the restructuring in the transition period, as well as to opening to foreign competition and changes in the demand and technology.

We can conclude that the population of Croatia and its labour force has been ageing, that the movement of the labour force and employment in general are strongly affected by economic oscillations, by the level of education and the reform of the social security system. Still, an increase in employment rate in the last few years of women and the older population has been noted.

Croatia will, following the European directions, ensure the flexibility of the labour market, develop the system of education in which the process of whole-life learning will provide the basis for permanent capacity for employment and the main tool for decreasing the structural unemployment. Also specific living conditions of older population in rural areas, islands and other underdeveloped areas are in the focus of the activities of the relevant institutions.

The Republic of Croatia puts efforts to overcome causes and consequences of the negative demographic processes on various aspects of the economic and social development. On the issue of ageing, Croatia is aware that a sustained action is required to pursue the targets of the UN Madrid International Plan of Action on Ageing from 2002 and its Regional Implementation Strategy by the UN Economic Commission for Europe.

Furthermore, recognizing the changing age structure of population, the Republic of Croatia established in 2003 the Ministry of the Family, Veterans' Affairs and Intergenerational Solidarity that deals with special needs of older population, aiming to improve their quality of life and encourage their participation in the social, economic, political and cultural life for the benefit of the whole community.

Thank you, Mr. Chairman.