The current situation of gender equality in Croatia –
Country Profile

2012
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Dear Reader,

We are happy that we have raised your interest in the EU-Initiative "Equality Pays Off". The initiative supports large companies in successfully adapting to upcoming labour market challenges: Due to demographic change as well as a stronger focus on service and knowledge intensive industries European companies will face a significant shortage of (qualified) skills in the next decades. The initiative covers all EU-27 countries plus Croatia, Turkey, Former Yugoslav Republic of Macedonia (FYROM), Serbia, Norway, Iceland and Liechtenstein – in total 34 countries.

To secure qualified labour, it will be of vital importance for large companies to diversify the group of (potential) employees by better accessing the female labour force. The initiative supports companies within Europe to increase female participation, to improve integration part-time workers, to motivate students to enter atypical fields of education and to reduce horizontal as well as vertical segregation. Consequently, the initiative contributes to a reduction of the gender pay gap in Europe.

This country report serves as background material for workshops taking place in each country in the context of "EQUALITY PAYS OFF". Workshops shall enhance knowledge exchange between business leaders and key decision-makers of participating companies. The quick and country-specific overview on the status quo will serve as a basis to explore starting points for each company to tap the female talent pool in a better way.

The country report is structured into four parts: After the management summary, Part 1 describes the status quo of equality in the Croatian labour market. Part 2 describes our recommended strategic approach for a better access to the female labour force within a company. Part 3 lists initiatives of the public and private sector in Croatia, which support companies in their ambition to enhance equality.

Further information on the EU-Initiative and its respective activities as well as on involved stakeholders can be found at http://ec.europa.eu/justice/equality-pays-off.

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1 The information on the website has been summarized in this country report. Detailed information can be found on the website: http://ec.europa.eu/justice/equality-pays-off
Demographic change as well as a stronger focus on service and knowledge intensive industries will lead to a significant shortage of (qualified) skills in Europe. In order to fill the upcoming gap between labour demand and labour supply, companies need to improve their access to the female talent pool by ensuring equality.

Currently, Croatian companies do not make full use of the existing labour force potential. Five groups of indicators show the status quo in 2011:

- **The general participation rate of women in the Croatian labour market equals 47.0% and is significantly below EU-average (58.5%)** – the share of women actively looking for work (13.6%) is higher than EU-average (9.8%)

- **The rate of Croatian women working part-time (9.6%) is significantly lower than EU-average (31.6%)** – nevertheless, the female average part-time weekly working hours are in Croatia (20.5) are above EU-average (20.2)

- **College/university (tertiary education) attainment of Croatian women equals 15.3% and is significantly lower than the EU-average (24.8%)** – besides raising the female tertiary education attainment rate, the challenge remains to motivate high school students to enter gender atypical fields of study

- **The under-/overrepresentation of women and men in occupations or sectors** ¹ is pronounced in Croatia as well as in the EU-27 – it is necessary to motivate graduates to enter gender atypical sectors and also occupations

- **The under-/overrepresentation of women and men in hierarchical levels** ² prevails – the proportion of women on supervisory boards (16%) is slightly higher than the EU-average (14%); the rate of women in management positions, however, has decreased by 3 pp since 2003 and is significantly lower than the EU-average (22% vs. 33%)

The unadjusted gender pay gap in Croatia in 2002 equalled 11.0%. Since then, no official data has been compiled.
1. How Croatian companies access the talent pool

In the following, we give a brief overview over the current situation of employment in Croatia in comparison to the overall EU-27 average.

1.1 General participation of women in the labour market

The employment rate of women in Croatia is significantly lower than the EU-27 average. Also, women still do not participate to the same degree as men in the labour market. The difference between the male and female employment rate in Croatia was around 11 percentage points in 2011, which is a decrease by around 3 percentage points since 2002. However, this decrease is foremost due to a decline in the general participation rate of men and not to an increase in the participation rate of women. The rate of women and men actively searching for work is significantly higher in Croatia (13.6% and 14.1%) than on EU-average (9.8% and 9.7%). The unemployment rate of women has decreased by about 4 pp since 2002.

Figure 1: Labour market participation of women and men in Croatia in comparison to the EU-27

1.2 Part-time segregation

In Croatia, the female part-time rate is significantly lower than on EU-27 average. Only 9.6% of all employed women work part-time. In the EU-27 this number equals 31.6%.

The average part-time weekly working hours of women in Croatia (20.5) are lower than those of men (22.6) but about equal to the EU-average (20.2). Whereas male part-time hours have increased since 2002, female part-time hours have decreased since 2002.

![Part-Time Rate and Average part-time weekly working hours](image)

The low part-time rate shows that Croatian women tend to work full-time or not at all. Keeping in mind the relatively high rate of women actively searching for work, this fact exhibits a great potential for Croatian companies to gain better access to the female talent pool. For instance, a starting point can be to offer more part-time options or flexible work arrangements in order to allow a larger number of women to enter the labour market.

A prerequisite for encouraging a larger number of women to enter the labour market is to create the necessary framework for the reconciliation of work and family life. Currently, formal childcare arrangements are much less frequent in Croatia than on EU-27 average. Only 8% of all children under 3 years are in childcare in Croatia. This number is 20 percentage points lower than the EU-27 average. The same applies to children between 3 years and school age. Here, only 13% are in childcare for less than 30 hours a week and 29% for more than 30 hours a week. In comparison, the EU-27 average for childcare is 39% for less than 30 hours a week and 45% for more than 30 hours a week.

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The low numbers of children in childcare stem from the fact that childcare is traditionally carried out by mothers or grandparents in Croatia. Therefore, women are often not available for the labour market for several years because of family duties. In addition, childcare facilities are often too expensive for families. Offering corporate childcare facilities or providing employees with financial assistance for childcare can be a starting point for companies to gain better access to the female talent pool and enlarge the participation rate of women.

The traditional role of women being responsible for family duties is also reflected by practices regarding parental leave in Croatia. In 2009 only 146 fathers used parental leave after childbirth compared to 26,997 mothers who went on maternity leave. Also, women often face difficulties in reconciling professional and family life after returning from maternity leave. This shows that there is still great potential for Croatian companies to prevent skill shortages by improving their access to the female talent pool. For instance, a starting point can be to provide more options for working mothers to combine professional and private life. Another mean is to systematically accompany the maternity leave process, i.e. inform and prepare women before leave, hold contact during leave and provide assistance for re-entry at the end of the leave period.

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4 EU IPA Programme for Croatia: Current Position of Women in the Croatian Labour Market: Assessment Report
5 EU IPA Programme for Croatia: Current Position of Women in the Croatian Labour Market: Assessment Report
6 EU IPA Programme for Croatia: Current Position of Women in the Croatian Labour Market: Assessment Report
7 EU IPA Programme for Croatia: Current Position of Women in the Croatian Labour Market: Assessment Report
1.3 Qualification level and choice of education

The secondary education attainment of Croatian women is slightly higher than the EU-27 average (see figure 4), but around 8 percentage points lower than that of men in Croatia. This trend is reversed in regards to tertiary education. The attainment of Croatian women is significantly below EU-average, but around one percentage point higher than that of Croatian men. This shows that highly qualified women represent a huge potential for the Croatian labour market.

![Figure 4: Education attainment in Croatia in comparison to the EU-27](image)

On the one hand, the existence of "typically female" fields of education is notable in Croatia. 93.2% of all "teacher, training and education science" students and 75.1% of all "health and welfare" students are female. On the other hand, the rate of women in "typically male" subjects is much higher in Croatia than in the EU-27: Women represent 50.6% of all students in "science, maths and computing" (EU-average: 37.6%) and 28.7% in "engineering" (EU-average: 25.0%).

![Figure 5: Share of women in different fields of education in Croatia in comparison to the EU-27](image)

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1.4 Horizontal segregation

Gender segregation in sectors is only partially pronounced in Croatia. The top three female sectors, "wholesale & retail", "agriculture, forestry & fishery" and "manufacturing", are also among the top five male sectors. Added up, 42.6% of all female employees and 43.4% of all male employees work in these three sectors. The following sectors, "health & social work" and "education", are "typically female". For example, 11.7% of all employed women work in "health & social work" whereas only 2.3% of men work in this sector. On the other hand, the second most popular sector for men is "construction" in which 13.9% of all employed men work. The share of employed women who work in this sector is very low with only 1.1%.

The distribution of women and men across occupations is characterised by a strong gender bias. Even though horizontal gender segregation is less pronounced in Croatia than on EU-average in regard to fields of study and economic sectors, women tend to choose "typically female" occupations. In Croatia, women are predominantly employed as clerks (13.8%), sales workers (10.8%) or personal service workers (9.2%), whereas men are employed as drivers and plant operators (9.8), metal workers (9.4%) or builders (8.8%) as well as science and engineering professionals (8.0%). It is notable, however, that the second most popular occupation for women "skilled agricultural workers" (12.6%) is also the second most popular occupation for men (9.8%).

<table>
<thead>
<tr>
<th>% of women employed in</th>
<th>Croatia</th>
<th>EU-27</th>
<th>% of men employed in</th>
<th>Croatia</th>
<th>EU-27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale &amp; Retail</td>
<td>16.4</td>
<td>15.3</td>
<td>Manufacturing</td>
<td>20.6</td>
<td>20.5</td>
</tr>
<tr>
<td>Agriculture, Forestry &amp; Fishing</td>
<td>13.6</td>
<td>3.9</td>
<td>Construction</td>
<td>13.9</td>
<td>12.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.6</td>
<td>10.3</td>
<td>Agriculture, Forestry &amp; Fishing</td>
<td>11.6</td>
<td>5.4</td>
</tr>
<tr>
<td>Health &amp; Social Work</td>
<td>11.7</td>
<td>17.8</td>
<td>Wholesale &amp; Retail</td>
<td>11.2</td>
<td>13.1</td>
</tr>
<tr>
<td>Education</td>
<td>10.5</td>
<td>11.7</td>
<td>Transportation &amp; storage</td>
<td>9.4</td>
<td>7.3</td>
</tr>
</tbody>
</table>

**Accumulated concentration**

<table>
<thead>
<tr>
<th>Croatia</th>
<th>EU-27</th>
</tr>
</thead>
<tbody>
<tr>
<td>64.8</td>
<td>59.0</td>
</tr>
</tbody>
</table>

**Accumulated concentration**

<table>
<thead>
<tr>
<th>Croatia</th>
<th>EU-27</th>
</tr>
</thead>
<tbody>
<tr>
<td>66.7</td>
<td>59.2</td>
</tr>
</tbody>
</table>

Source: Eurostat LFS (2010), RB Calculations

Figure 6: Distribution of Employment in the main NACE-2 digit sectors (2010)

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9 Source for statistical data (unless stated otherwise): Eurostat Labour Force Survey (2010)
In order to compare the extent of horizontal segregation in Croatia with the overall EU-27 average, two horizontal segregation indicators are calculated: (1) Sectorial Gender Segregation Indicator (SGS), and (2) Occupational Gender Segregation Indicator (OGS):

- The extent of sectorial gender segregation (SGS) in Croatia (5.2 pp) is slightly lower than the average of the overall SGS of the EU-27 (5.4 pp). Consequently, Croatia should focus on sustaining and developing the positive status quo and encourage even more women to enter "typically male" economic sectors and more men to enter "typically female" economic sectors.

- The extent of occupational gender segregation (OGS) in Croatia (4.7 pp) is slightly higher than the overall OGS of the EU-27 (4.6 pp). In Croatia and the EU, the challenge remains to focus on motivating women to enter "typically male" occupations and men to enter "typically female" occupations.

**Horizontal Gender Segregation Indicators [pp]**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Croatia</th>
<th>EU-27</th>
</tr>
</thead>
<tbody>
<tr>
<td>SGS 2010</td>
<td>5.2</td>
<td>4.6</td>
</tr>
<tr>
<td>OGS 2010</td>
<td>5.4</td>
<td>4.6</td>
</tr>
</tbody>
</table>

Source: Eurostat LFS (2010), RB Calculations

Comparing the share of female employees that work in one economic sector to the share of male employees that work in the respective economic sector shows the extent of gender segregation in that specific economic sector. For instance, in the sector "Education" a strong gender segregation exists: 10.5% of Croatian female employees work in the sector while only 2.2% of Croatian male employees work in the sector (difference in percentage points: 8.3 pp). The Sectorial Gender Segregation Indicator (SGS) reflects the weighted average difference in absolute percentage points (share of all male employees in an economic sector [%] minus share of all female employees in resp. economic sector [%]) across all economic sectors.
1.5 Vertical segregation

In Croatia, the rate of women holding board positions in large companies has increased by 2 pp since 2007 to currently 16%. This rate is higher than the EU-27 average (14%). The share of Croatian women in management positions in large companies and SMEs equals 22%. This is significantly lower than the EU-27 average (33%). Also, the share of women in management positions has decreased by 3 pp since 2007. Hence, it is a core challenge for Croatian companies to continue the good approach regarding board positions held by women and increase the rate of women in management positions.

1.6 Gender pay gap

In Croatia the average female employee earned 11.0% less than the average male employee in 2002. No official data on the gender pay gap has been compiled for Croatia since then.
2. How to gain better access to the talent pool?

More gender equality within the business sector and a reduction of the gender pay gap can only be sustainably realised if companies follow a comprehensive approach including corporate strategy, management, operational implementation by business units and HR work organisation and monitoring ("strategic pillars"):  

| CORPORATE STRATEGY – Establish gender equality as a part of the company's DNA |
| MANAGEMENT – Understand and position management as driver and role model |
| WORK ORGANISATION create the frame-work to enable necessary changes |
| MONITORING – monitor and follow up target achievement |
| OPERATIONAL IMPLEMENTATION – Business units and HR striving for more gender equality in daily work |

**Fields of action**

1. Raise awareness among high school graduates regarding the full spectrum of fields of education
2. Attract top talent irrespective of gender
3. Strengthen the work-life balance
4. Promote career advancement
5. Evaluate the remuneration system
6. Communicate company's activities to tap the talent pool in a better way

Focusing on merely one pillar will lead to partial improvements only.

**Corporate Strategy – Establish gender equality as part of the company's DNA**

The corporate strategy sets the framework for doing business and determines the internal work culture. Experience shows that gender equality – in order to be sustainably established – has to be(come) a company rationale: The concept of gender equality has to be an integral part of the overall corporate strategy. This is the foundation for successfully addressing the gender pay gap within a company.

**Management – Understand and position management as driver and role model**

A management which is convinced of and fully endorses the company's strategy towards gender equality is vital to sustainably establish and live the principles of equality between women and men throughout the company and contribute to a sustainable reduction of the gender pay gap. The management is responsible for the implementation of the corporate strategy. Also, managers act as role models and multipliers within and outside the company.
Operational implementation – Business units and HR striving for more gender equality in daily work

- Business units are responsible for operationalising strategic targets regarding gender equality by actually implementing measures which have been agreed upon in their daily work, e.g. by offering internships. They contribute to a sustainable attraction, retention and development of employees.
- HR – as central point of contact for human resource issues of business units – offers strategic advice on how to address gender equality sustainably and provides instruments and processes to attract, retain and develop top talent, e.g. by designing regular evaluation processes.

There are six main fields of action for operational implementation:

- **Raise awareness among high school graduates regarding the full spectrum of fields of education** – To enlarge the potential talent pool, companies need to sensitise high school graduates regarding the full spectrum of fields of education and hereby motivate them to also consider gender "atypical" fields of specialisation.
- **Attract top talent irrespective of gender** – To attract top talent, companies need to build up a relationship with talented graduate students early on and show them how it is to work in their company. Additionally, they need to tap the dormant work force by mobilising women to start working.
- **Strengthen the work-life balance** – To retain the talent pool, companies need to motivate talents to continue working, to return early from leave and to facilitate the career advancement of employees with family care obligations.
- **Promote career advancement of women** – To promote the most qualified female employees, companies need to establish a culture and promotion process that equally honours male and female talent and institutionalise a systematic succession planning.
- **Evaluate the remuneration system from a gender perspective** – To attract and retain female employees, companies need to evaluate and – if necessary – adapt their remuneration system to eliminate discriminatory practices.
- **Communicate internally and externally company activities aimed at tapping the talent pool in a better way** – To maximise the positive impact of their efforts to champion gender equality, companies need to communicate their actions enhancing corporate gender equality internally and externally.

Work Organisation – Create the framework to enable necessary changes

Often, workflows within the company are organised in a way which does not easily allow for necessary changes towards more gender equality. This especially refers to the flexibility of the working environment. In the context of this project, flexibility comprises working hours, workplace options and work arrangements. It is therefore vital to evaluate the organisation of current business activities and requirements systematically and identify room for change in favour of employees but beneficial for both parties (employers and employees).
Monitoring – Monitor and follow up target achievements

To ensure that gender equality is taken seriously, companies need to monitor gender equality targets in the same way as financial targets. Monitoring should include indicators that measure company-wide progress regarding corporate efforts to enhance gender equality as well as the success of individual managers in promoting gender equality in their departments/teams. Additionally, it should be part of regular feedback talks with the top management.
3. Where companies find support to gain better access to the talent pool - Examples

In order to foster a sustainable change towards better accessing the labour force potential of women a series of public and private initiatives – with legislative and non-legislative focus - have been implemented in Croatia. In the following we give an overview over sample initiatives:

3.1 Legislative initiatives (examples)

<table>
<thead>
<tr>
<th>Year</th>
<th>Legislation</th>
<th>Website Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>Ustav Republike Hrvatske (Constitution of the Republic of Croatia, gender equality one of principle values, right of every employee to a fair remuneration)</td>
<td><a href="http://www.usud.hr/default.aspx?Show=ustav_republike_hrvatske&amp;m1=13&amp;m2=21&amp;Lang=hr">http://www.usud.hr/default.aspx?Show=ustav_republike_hrvatske&amp;m1=13&amp;m2=21&amp;Lang=hr</a></td>
</tr>
<tr>
<td>1993</td>
<td>Zakon o političkim strankama (Act on Political Parties (No. 76/1993) and amendments, binds political parties to take gender equality into account when proposing lists)</td>
<td><a href="http://www.sabor.hr/Default.aspx?art=38698">http://www.sabor.hr/Default.aspx?art=38698</a></td>
</tr>
<tr>
<td>2008</td>
<td>Zakon o ravnopravnosti spolova (Gender Equality Act (No. 82/2008), regulates general principles for the promotion of gender equality)</td>
<td><a href="http://www.ured-ravnopravno-st.hr/site/hr/zakon-o-ravnopravnosti.html">http://www.ured-ravnopravno-st.hr/site/hr/zakon-o-ravnopravnosti.html</a></td>
</tr>
<tr>
<td>2008</td>
<td>Zakon o suzbijanju diskriminacije (Anti-Discrimination Act (No. 85/2008), prohibits discrimination on seventeen grounds in all areas of social, political and cultural life)</td>
<td><a href="http://www.ombudsman.hr/propisi/111-zakon-o-suzbijanju-diskriminacije.html">http://www.ombudsman.hr/propisi/111-zakon-o-suzbijanju-diskriminacije.html</a></td>
</tr>
<tr>
<td>2008</td>
<td>(Act on Maternity and Parenting Rights and Allowances, promotes inclusion of fathers in family life and balancing of both genders in labour market)</td>
<td></td>
</tr>
</tbody>
</table>
### 3.2 Public non-legislative initiatives (examples)

<table>
<thead>
<tr>
<th>Name</th>
<th>Sponsor</th>
<th>Target Group</th>
<th>Target</th>
<th>Website Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ured za ravnopravnost spolova (Office for Gender Equality)</td>
<td>Vlada Republike Hrvatske (Government of Croatia)</td>
<td>Women, employers, general public</td>
<td>Improve gender equality</td>
<td><a href="http://www.ured-ravnopravnost.hr/site">http://www.ured-ravnopravnost.hr/site</a></td>
</tr>
<tr>
<td>Pravobraniteljica za ravnopravnost spolova (Gender Equality Ombudsperson)</td>
<td>Vlada Republike Hrvatske (Government of Croatia)</td>
<td>General public</td>
<td>Protect citizens' rights that are threatened or infringed on by state bodies</td>
<td><a href="http://www.prs.hr/">http://www.prs.hr/</a></td>
</tr>
<tr>
<td>Title</td>
<td>Organization</td>
<td>Target Group</td>
<td>Description</td>
<td>Link</td>
</tr>
<tr>
<td>-------</td>
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</tr>
<tr>
<td>&quot;Women Entrepreneurship – a job creation engine for South East Europe&quot; project</td>
<td>Pravobraniteljica za ravnopravnost spolova (Gender Equality Ombudsperson)</td>
<td>Women</td>
<td>Establishment and development of sustainable Women Entrepreneurship Training Needs Assessment (WETNAS) instruments and methodologies specific for women entrepreneurs</td>
<td><a href="http://www.gtf.hr/index.php?option=com_content&amp;view=article&amp;id=87:first-strategic-expert-project-workshop-women-entrepreneurship-">http://www.gtf.hr/index.php?option=com_content&amp;view=article&amp;id=87:first-strategic-expert-project-workshop-women-entrepreneurship-</a></td>
</tr>
</tbody>
</table>
### 3.3 Private initiatives (examples)

<table>
<thead>
<tr>
<th>Name</th>
<th>Sponsor</th>
<th>Target Group</th>
<th>Target</th>
<th>Website Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>BPW Prvi Hrvatski Klub Pula (Business and Professional Women Associated Club Pula, Croatia)</td>
<td>BPW Prvi Hrvatski Klub Pula (Business and Professional Women Croatia)</td>
<td>Employers and relevant players in the labour market</td>
<td>Raise awareness about the gender pay gap</td>
<td><a href="http://www.bpw-europe.org/countries/217">http://www.bpw-europe.org/countries/217</a></td>
</tr>
<tr>
<td>Ženska mreža Hrvatske (Women’s Network Croatia)</td>
<td>Ženska mreža Hrvatske (Women’s Network Croatia)</td>
<td>Women</td>
<td>- Promote women’s rights and promote women in business</td>
<td><a href="http://www.zenska-mreza.hr/">http://www.zenska-mreza.hr/</a></td>
</tr>
<tr>
<td>Društvo hrvatskih intelektualki - DHI (Croatian Association of University Women - CAUW)</td>
<td>Društvo hrvatskih intelektualki - DHI (Croatian Association of University Women - CAUW)</td>
<td>Women</td>
<td>Promote women’s rights and their status in professional, educational and social life</td>
<td><a href="http://www.ifuw.org/croatia/index_e.htm">http://www.ifuw.org/croatia/index_e.htm</a></td>
</tr>
</tbody>
</table>