



Harmonization and implementation of
Corporate Social Responsibility EU Directives

Act On Professional Rehabilitation And Employment Of Persons With Disabilities

Jasenka Begić, mag. ling., mag. litt. comp.

Funded by



Partners



Content

1. Context
2. Modes of employment of persons with disabilities
3. Legal sanctions
4. Main problems and obstacles
5. Examples of good practice
6. Conclusion



1. Context

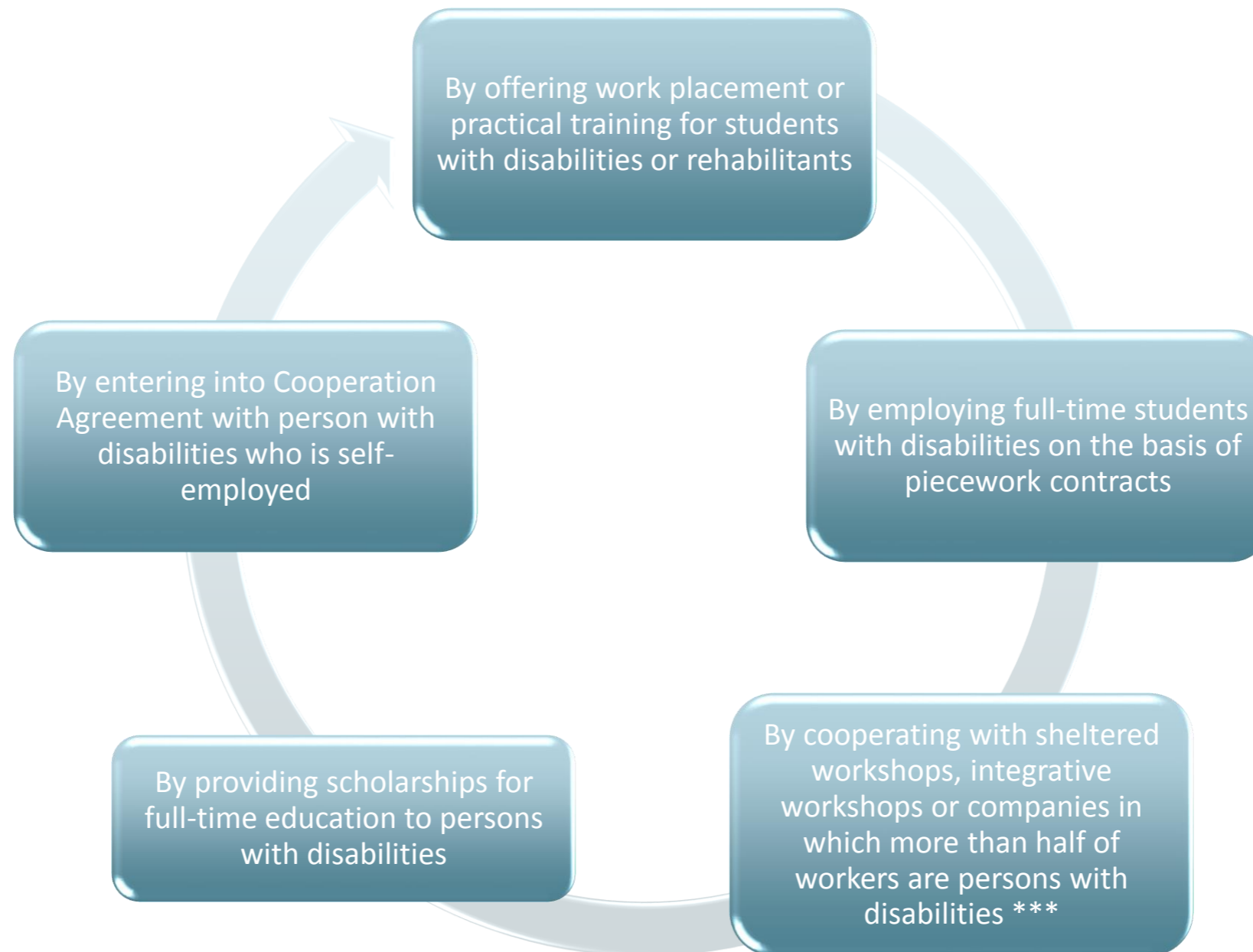
- In February of 2016, out of 289,429 people registered as unemployed there were a total of 7,542 persons with disabilities registered as unemployed.
- Persons with disabilities comprise 12% of total population of Croatia, ie. about half a million people.
- Approximately 17,000 of them are employed and together with 7,000 of those registered as unemployed which puts only 24,000 of persons with disabilities in the working population.*
- For reference, a 2013 study showed that EU unemployment rate of people with disabilities is 17% compared to 10% of people without disabilities. The EU average is 11%. It ranges from 7% (Netherlands) to 49% (Croatia)**.

1. Context

- **2014 Act On Professional Rehabilitation And Employment Of Persons With Disabilities** has set quotas for employment of persons with disabilities in order to promote inclusiveness in the workplace
- Starting January 1st 2015, all employers, both public and private, in the Republic of Croatia with 20 or more employees are required to employ a certain number of persons with disabilities, depending on the total number of employees and activities carried out within the company
- The quota is determined as 2% to 6% of the total number of employees

2. Modes of employment of persons with disabilities

Under the Act, employers can meet the quota of employment of persons with disabilities in several ways:



3. Legal sanctions

- Employers who fail to meet the quota either through employment or alternative means are required to pay a fee of 30% of the minimum wage for each person with disabilities they were required to employ.
- Every employer with 20 or more employees who fails to employ a person with disabilities in one way or another must pay the fine of 30% of the minimum wage, on average more than 900 HRK (Croatian kuna).
- Article 41 of the Act defines the fine of 5,000.00 to 30,000.00 HRK for employer if he, when hiring, fails to give priority to a person with disabilities within the quota or if he fails to pay the fee (=financial compensation for not employing persons with disabilities) within the prescribed timeframe.
- In 2016 the financial compensation was 936.00 HRK (30% of 3,120.00 HRK minimum wage) for every person with disability which employer should have employed.

4. Main problems and obstacles

- According to the 2013 **Feasibility study of professional rehabilitation in Croatia** made by Fund for professional rehabilitation and Institute for public finances there are several possible problems or obstacles in implementation of the Act which need to be addressed:

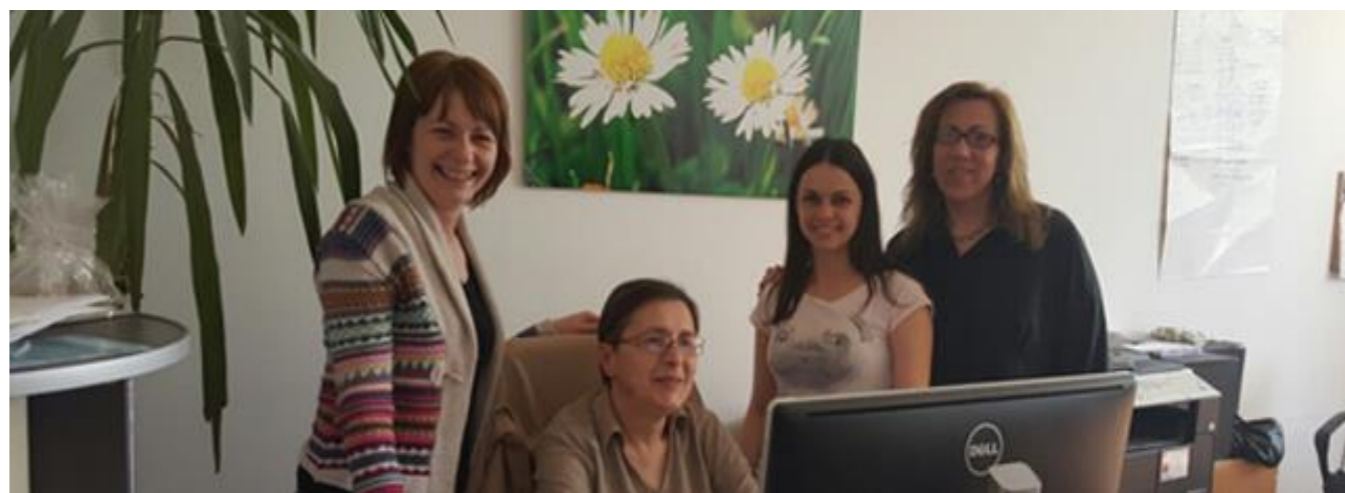
The lack, unavailability or inaccessibility of organized education, training and rehabilitation

Inadequate adjustment of workplaces and / or architectural barriers

Employers' attitudes regarding the productivity and employability of people with disabilities

5. Example of good practice - small and medium-sized enterprises

- **Act Konto d.o.o** is a small enterprise specialized in bookkeeping, accounting and tax consulting for nonprofit organizations.
- In 2014 Act Konto won the **Key Difference** award, an award for diversity of human resources, in the category **Equality of persons with disabilities**.
- The enterprise has earned the award because of:
 - employment of people with disabilities and reinvestment of profit through donations,
 - providing services to organizations working in education,
 - employment of persons with disabilities
 - continuous investment in personal and professional development of their employees



5. Example of good practice - large enterprises

- **Zvijezda d.d.** is the largest producer of edible oils in Croatia and the only producer of margarine, mayonnaise and mayonnaise based products
- In 2008. Zvijezda was awarded **Employer of the year** in the category of large companies for persons with disabilities thanks to the use of innovative practices in the recruitment process and integration of people with disabilities
- In 2011. Zvijezda won the **Key Difference** award in the category of equality of persons with disabilities
- It has accomodated persons with disablilites both by adaptation of workspaces to its own employees with disabilities, as well as through cooperation with the **Inkluzija** Association, through which it has employed 10 people with intellectual disabilities for the last 10 years



6. Conclusion

- 2013 study showed that unemployment rate of people with disabilities in Croatia is well below the EU average - 49% compared to 11%
- Number of Acts throughout years together with 2014 **Act On Professional Rehabilitation And Employment Of Persons With Disabilities** have significantly improved the employment rate and overall position of persons with disabilities
- Legal sanctions and government incentives have introduced a number of penalties and benefits for employment of persons with disabilities and have been proven helpful in promoting diversity and inclusiveness
- Examples of good practice have shown that both small and large enterprises can find new and innovative ways to successfully implement proactive policies regarding employment of persons with disabilities
- Still, there is definitely a lot of room for improvement

Thank you for your attention!

Questions?