Executive summary

In the past decades, gender equality in Costa Rica has advanced along multiple dimensions. Nevertheless, just as elsewhere in the region and around the world, men and women do not share paid and unpaid work equally, with negative consequences for women's key economic outcomes. This report reviews evidence on gaps in education and employment between men and women in Costa Rica and in international comparison. It discusses the drivers of these gender differences, highlights variations across socio-economic groups and proposes a strategic policy framework towards a more gender-equal, sustainable, and productive economy and society.

Costa Rica has made big improvements towards gender equality in education but there is scope for further progress

Educational attainment has improved strongly in the past decades in Costa Rica, also in comparison to other Latin American and Caribbean countries. Women have seen particularly large gains in educational attainment and have started to outperform men. In 2022, 35% of men and 37% of women aged 55 to 64 years in Costa Rica had an upper secondary or higher educational degree. Among young adults aged 25 to 34 years, this share is much higher, at 54% for men and 63% for women. In the same age group, 34% of women have completed tertiary education, about 6 percentage points higher than men. Improved educational outcomes are linked to better employment outcomes. On average, the employment rate of women with a tertiary level of education is 63%, compared to 34% for women with less than secondary education.

Despite these big improvements, the overall levels of education in Costa Rica are below average in the OECD. The share of young women in the age group 24-35 with tertiary education remains around 20 percentage points below the OECD average. For both young men and women in Costa Rica, enrolment in secondary education decreases strongly with student age, and is relatively low in international comparison. Declining secondary school attendance interacts strongly with poverty, which often leads to more permanent withdrawals from school. As in other OECD countries, Costa Rican girls are much less likely to study in the more lucrative science, technology, engineering, and mathematics (STEM) fields. The share of male graduates in STEM subjects exceeds the corresponding female share by about 19 percentage points, although this gap is smaller than on average in the OECD (25%).

Employment outcomes of women are comparatively weak in Costa Rica

In Costa Rica, 47% of women of working age (15-64 years old) were employed in 2022, compared to 73% of men. The gap in employment rates of men and women in the country stood at 26 percentage points, which is 14 percentage points higher than the OECD average. About three in ten women who are employed in Costa Rica work part-time, compared to only one in ten men. As elsewhere in the world, the gender gap in employment tends to increase with parenthood: in 2023, the gender gap was below 10 percentage points among young people aged 15 to 24 while it stood at 27 percentage points for the age group 25 to

44. This reveals systemic labour market disadvantages that women face once they become mothers in Costa Rica, as in many countries around the world. Women are more likely than men to work informally in Costa Rica, and employed mothers are more likely to work informally (44%) compared to women without children (24%). As motherhood lowers women's labour supply, it also shifts their occupational choices towards more flexible employment, such as part-time work, self-employment, or informal work arrangements.

Men and women in Costa Rica do not share paid and unpaid work equally

Compared to men, women in Costa Rica are not only more likely to be hired in low quality jobs but they typically also spend more hours providing unpaid care and domestic work – looking after children, elderly relatives, or relatives with disabilities, and doing housework. International data suggest that women in Costa Rica generally devote 23 more hours per week to unpaid domestic and care work than men, significantly above the average of OECD countries of 15 hours. On the other hand, men devote 15 more hours to paid work activities per week than women in Costa Rica, compared to the average gap in the OECD of 12 hours.

Girls and young women are particularly at risk of not being in employment, education, or training

The likelihood that a young Costa Rican is not in Employment, Education or Training – also called NEET – is high by international standards. At 28% the NEET rate for girls and young women aged 15-29 in Costa Rica is almost double the OECD average (15%) and higher than observed in Chile (27%) and Peru (27%), but significantly lower than in Colombia (34%). Young women in Costa Rica are 1.7 times more likely to be NEETs than young men are. This reflects multiple factors, including the disproportionate amount of time young women spend on unpaid care and domestic work from an early age. Many NEETs are likely to provide non-remunerated labour and contribute to the family and society in valuable ways. However, the high NEET rate in Costa Rica, especially among women, is concerning as NEETs are more at risk of social exclusion, poverty, and a lack of skills to improve their economic situation.

In Costa Rica, gender inequalities vary widely across socio-economic groups

The employment rate of women living in urban areas exceeds that of women in rural areas by more than 10 percentage points. Moreover, at 35 percentage points the gender employment gap is significantly more pronounced in the rural areas compared to urban areas, where it stands at 22 percentage points. These differences at least partially reflect the considerable time that women in rural areas spend on unpaid work. Of all employed women in rural areas, 52% work in the informal sector, compared to 49% of men in rural areas and 35% of women in urban areas.

Indigenous women experience multiple and intersecting forms of disadvantage due to their gender, indigenous origins, and social and economic conditions. In the eight territories where the bulk of Costa Rica's indigenous population resides, the average employment rate of women (17%) is strikingly lower than that of men (56%), on top of being lower than the employment rate of rural women more generally. Only 13% of indigenous girls have a secondary school degree.

Costa Rica is the country with the highest proportion of migrants in the Latin America and Caribbean region (10%), mainly from neighbouring Nicaragua. Migrant workers generally concentrate in sectors and occupations that native-born individuals consider less attractive, reflecting their low pay and worse working conditions, or because natives are increasingly overqualified for such occupations. For example, migrant women are significantly more likely to be employed in domestic household activities.

Carefully designed and implemented policies can enhance gender equality and well-being in Costa Rica

In Costa Rica, the working-age population is declining significantly, making it urgent to invest in female talent. Costa Rica combines one of the highest life expectancies in Latin America (79 years, compared to 73 years in the LAC region) with one of the lowest fertility rates (1.56, compared to 1.88 in the LAC region). In this setting, the mobilisation of the female talent pool must lie at the centre of any Costa Rican policy strategy to create a more sustainable and inclusive economy and society. International evidence suggests that closing gender gaps in key economic outcomes is closely connected to a more balanced sharing of paid and unpaid work between men and women. Achieving this goal requires a comprehensive policy strategy, following two main axes. Firstly, carefully designed and implemented family policies that can contribute to a more effective care system by expanding access to parental leave, affordable early childcare and education, as well as care for the elderly. Secondly, policy makers will need to scale up efforts to tackle gender attitudes and stereotypes, attract the interest of girls in STEM disciplines, promote women in non-traditional careers and leadership positions, and fight gender-based violence. The positive effects of a comprehensive policy strategy on employment and productivity - through an increase of the time women spend in paid work hours and a reduction in the gender wage gap - could be significant. Wellbeing and growth can be boosted even more if these policies combine with continued efforts to provide benefits targeted to poor households who support their children's continued enrolment in education, particularly in rural areas, and in families of indigenous and migrant origins.



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