

## **REPORT**

**for the period of July 1, 2017 to June 30, 2018  
by the Government of the Republic of Estonia on measures implementing the provisions  
of the European Code of Social Security signed by the Government of Estonia on  
January 24, 2000.**

The provisions of the Code are connected with the following legal acts in Estonian social security system.

Acts:

- 1) Health Insurance Act – parts II, III, VIII;
- 2) State Pension Insurance Act – parts V, IX, X;
- 3) Labour Market Services and Benefits Act – part IV and XII;
- 4) Unemployment Insurance Act – part IV and XII;
- 5) Work Ability Allowance Act – part IX;
- 6) Family Benefits Act - part VII and XII;
- 7) Social Tax Act – parts II, III, V, VI, IX, X, XII;
- 8) Administrative Procedure Act – part XII.

The legislation can be accessed in Estonian and English at [www.riigiteataja.ee](http://www.riigiteataja.ee).

## PART II – MEDICAL CARE

### **No significant changes (persons protected, contingencies covered, cost-sharing) during the reporting period**

The protected persons are defined in the Health Insurance Act, § 5 subsection (1) - “an insured person is a permanent resident of Estonia or a person residing in Estonia on the basis of a temporary residence permit or the right of residence or a person legally staying and working in Estonia based on a temporary ground for stay for whom a payer of social tax must pay social tax or who pays social tax for themselves in accordance with the procedure, in the amounts and within the time limits provided for in the Social Tax Act, or a person considered equal to such persons on the basis of this Act”.

Estonian Health Insurance Fund will assume the obligation of an insured person to pay for health services if the services are entered in the list of health services of the Health Insurance Fund and the provision thereof is therapeutically justified. (subsection § 29 (1) of the Health Insurance Act).

During the reporting period the circle of persons protected was extended to payers of business income tax and to monks and nuns who are members of a cloister registered in the register of religious associations.

In order to ensure sustainability of financing of health care system and medical care, the government has decided to extend the revenue base of the Health Insurance Fund by making available additional provision for non-working pensioners. During years 2018-2022 more than 300 million of euros will be made available to health care systems, 34 million of which already in 2018.

Dental care benefit was established on July, 1, 2017. It applies to essential dental care services. Dental services reimbursed are X-ray, inserting medication, temporary and inexpensive permanent filling, tooth removal, opening and treating abscess, root canal treatment, gum pockets deep cleaning, anaesthesia. Patient cost-sharing applies as following:

- 50% for working-age adults, benefit amount up to 40 euros per calendar year;
- 15% for old-age pensioners, pregnant women, mothers of children under one year of age and persons with increased need; benefit amount up to 85 euros per calendar year.

Dental care of the persons of 19 years of age and younger is fully reimbursed by the Estonian Health Insurance Fund.

In order to reduce the cost-sharing a new additional benefit for pharmaceuticals was introduced on January, 1, 2018. The aim of the benefit is to improve accessibility of pharmaceuticals to those having higher need for pharmaceuticals, and thus, higher expenses on pharmaceuticals, by compensating their costs to a considerably larger extent than before. Under the new pharmaceutical benefit system additional benefit is provided on the expenses that exceeds 100 euros. Expenses of 100 to 300 euros are compensated to the extent of 50% and expenses

exceeding 300 euros are compensated to the extent of 90%. The benefit is calculated automatically while purchasing pharmaceuticals in the pharmacy.

Additional information available:

<https://www.haigekassa.ee/en/people/benefits/additional-benefit-pharmaceuticals>

## PART II – UPDATED STATISTICAL INFORMATION

### Article 9

A. The recourse is had to Article 9 (c) of the Code

C. Statistical information (Part III Article 74)

- a) Number of insured persons at Estonian Health Insurance Fund as of December 31, 2017 was 1 240 927 (Estonian Health Insurance Fund);
- b) Total population as of January 1, 2018 was 1 319 133 (Statistics Estonia);
- c) Number of insured persons amounted to 94,07% of the total.

|            | Insured persons |                                  |
|------------|-----------------|----------------------------------|
| 31.12.2017 | 1 240 927       | (Estonian Health Insurance Fund) |
| 31.12.2016 | 1 237 277       | (Estonian Health Insurance Fund) |
| 31.12.2015 | 1 237 336       | (Estonian Health Insurance Fund) |
| 31.12.2014 | 1 232 819       | (Estonian Health Insurance Fund) |
| 31.12.2013 | 1 231 203       | (Estonian Health Insurance Fund) |

b) Total population (beginning of the year)

|            | Total population |                      |
|------------|------------------|----------------------|
| 01.01.2018 | 1 319 133        | (Statistics Estonia) |
| 01.01.2017 | 1 315 635        | (Statistics Estonia) |
| 01.01.2016 | 1 315 944        | (Statistics Estonia) |
| 01.01.2015 | 1 313 271        | (Statistics Estonia) |
| 01.01.2014 | 1 315 819        | (Statistics Estonia) |

c) Number of insured persons per cent total population, %

|      | %     |
|------|-------|
| 2017 | 94,07 |
| 2016 | 94,0  |
| 2015 | 94,0  |
| 2014 | 93,9  |
| 2013 | 93,6  |

### **PART III – SICKNESS BENEFIT**

#### **No significant changes (persons protected, contingencies covered) during the reporting period**

Pursuant to subsection § 50 (1) of the Health Insurance Act, the benefit for temporary incapacity for work is financial compensation paid by the Health Insurance Fund to an insured person on the basis of a certificate of incapacity for work in cases where the person does not receive income subject to individually registered social tax due to a temporary release from their duties or economic or professional activity.

The benefit for temporary incapacity for work is paid to the following insured persons:

- 1) employee;
- 2) officials, active servicemen, members of the Riigikogu, the President of the Republic, members of the Government of the Republic, judges, the Chancellor of Justice, the Auditor General, the Public Conciliator, members of councils of local authorities, members of city or rural municipality governments, mayors of rural municipality or city districts;
- 3) members of the management or controlling bodies of legal persons
- 4) persons receiving remuneration or service fees on the basis of a contract or contracts under the law of obligations for the provision of services, who are not entered in the commercial register as self-employed persons
- 5) self-employed persons
- 6) spouse participating in activities of undertaking of self-employed person
- 7) a payer of business income tax

The types of the benefit for temporary incapacity for work are:

- 1) sickness benefit;
- 2) maternity benefit;
- 3) adoption benefit;
- 4) care benefit.

#### The benefit for temporary incapacity for work

The benefit for temporary incapacity for work will not be paid to persons covered by insurance on the grounds specified in clauses 5 (2) 3) (persons for whom social tax is paid by state, local authority or artistic association) and 6) (persons receiving an unemployment insurance benefit on the basis of the Unemployment Insurance Act) or subsection 5 (4) (persons considered equal to insured persons) of the Health Insurance Act or to persons considered equal to insured persons on the basis of a contract.

No benefits will be paid for the first 3 days of sickness, an employer shall pay to an employee sickness benefit from the fourth until the eighth calendar day of sickness (§ 122 of the Occupational Health and Safety Act), the Health Insurance Fund will pay sickness benefit to everyone as of the ninth day of sickness (subsection § 56 (1) of the Health Insurance Act).

**Starting from January 1, 2017**, an employer who wishes to pay sickness benefit to a sick employee already starting from the second day of sickness is exempt from social tax obligation on sickness benefit paid for those 2 days (second and third day of sickness).

Employer will pay sickness benefit of 70 per cent of the employee's average wages for previous 6 months, the Health Insurance Fund will pay sickness benefit of 70 per cent of the income the calendar year prior to the sickness.

During the reporting period legislation changes that widen the circle of persons eligible for care leave benefit took place. Namely, the **legislation changes entered into force on the July 1, 2017**, enable a caregiver, who is nursing a disabled person under 19 years of age, to care benefit. The Health Insurance Fund pays the benefit up to 14 days, rate of benefit is 80%. Care benefit is paid starting from the first day of absence from work, that is noted on certificate for care leave.

### PART III – UPDATED STATISTICAL INFORMATION

#### Article 15

- A. The recourse is had to Article 15 (b) of the Code.
- B. No changes

#### Titles I and II, Article 65

- C. Statistical information (Part II, Article 74):
  - a) number of economically active insured as of  
December 31, 2017 was 618 289 (Estonian Health Insurance Fund);
  - b) Total population as of  
January 1, 2018 was 1 319 133 (Statistics Estonia);  
number of economically active insured made up 46,9% of total population in 2017

#### Number of economically active insured (end of the year)

|            | Number of economically active insured |                                  |
|------------|---------------------------------------|----------------------------------|
| 31.12.2017 | 618 289                               | (Estonian Health Insurance Fund) |
| 31.12.2016 | 604 781                               | (Estonian Health Insurance Fund) |
| 31.12.2015 | 615 333                               | (Estonian Health Insurance Fund) |
| 31.12.2014 | 600 998                               | (Estonian Health Insurance Fund) |
| 31.12.2013 | 584 094                               | (Estonian Health Insurance Fund) |

#### b) Total population as of (beginning of the year)

|            | Total population |                      |
|------------|------------------|----------------------|
| 01.01.2018 | 1 319 133        | (Statistics Estonia) |
| 01.01.2017 | 1 315 635        | (Statistics Estonia) |
| 01.01.2016 | 1 315 944        | (Statistics Estonia) |
| 01.01.2015 | 1 313 271        | (Statistics Estonia) |
| 01.01.2014 | 1 315 819        | (Statistics Estonia) |

#### c) Number of economically active insured of total population, %

|      | %    |
|------|------|
| 2017 | 46,9 |
| 2016 | 46,0 |
| 2015 | 46.8 |
| 2014 | 45.8 |
| 2013 | 44.4 |

#### Article 16

- A. The recourse is had to Article 65 of the Code.

#### Titles I and II, Article 65

In 2017, the minimum monthly wage for full-time work was 470 euros and the upper limit of income of sole proprietors taxable with social tax respectively 7050 euros per month. From January 1, 2018, the minimum monthly wage is 500 euros per month.

The sickness benefit is taxable with income tax (in 2017, the income tax rate amounted to 20 percent and the income tax exemption was 180 euros per month; in 2018, the income tax rate is 20 percent and the income tax exemption varies from 0 to 500 euros per month).

B,C. The average income of insured persons taxable with social tax was 1106,60 euros per month in 2017 (data by the Social Insurance Board). Respectively, the gross monthly earnings of a regular skilled male worker pursuant to Article 65 (6) (c) of the Code were as follows in 2017:

$$1,25 * 1106,60 = 1383.25 \text{ euros.}$$

Average income of insured persons taxable with social tax, euros a month

|      | euros   |                          |
|------|---------|--------------------------|
| 2017 | 1106,60 | (Social Insurance Board) |
| 2016 | 1029,85 | (Social Insurance Board) |
| 2015 | 969.05  | (Social Insurance Board) |
| 2014 | 908.12  | (Social Insurance Board) |
| 2013 | 849.65  | (Social Insurance Board) |

Gross monthly earnings of a regular skilled male worker, euros

|      | euros   |                          |
|------|---------|--------------------------|
| 2017 | 1383,25 | (Social Insurance Board) |
| 2016 | 1287.31 | (Social Insurance Board) |
| 2015 | 1211.32 | (Social Insurance Board) |
| 2014 | 1135.15 | (Social Insurance Board) |
| 2013 | 1062.06 | (Social Insurance Board) |

D. In 2017, the amount of the sickness benefit for a standard beneficiary (in in-patient care) for one month was as follows:

$$0,7 * 1383.25 = 968.28 \text{ euros.}$$

Sickness benefit for a standard beneficiary, euros

|      | euros  |                          |
|------|--------|--------------------------|
| 2017 | 968,28 | (Social Insurance Board) |
| 2016 | 901.12 | (Social Insurance Board) |
| 2015 | 847.92 | (Social Insurance Board) |
| 2014 | 794.61 | (Social Insurance Board) |
| 2013 | 743.44 | (Social Insurance Board) |

E, F. In 2017, the amount of family benefits for a standard beneficiary with two children amounted to 100 euros per month. Payment of family benefits is not related with working/not



working of parents or receiving other social security benefit, i.e. the same family benefit is paid both while working and receiving sickness benefits.

Family benefits for a standard beneficiary with two children, euros

|      | euros |                              |
|------|-------|------------------------------|
| 2017 | 100   | (Ministry of Social Affairs) |
| 2016 | 100   | (Ministry of Social Affairs) |
| 2015 | 90    | (Ministry of Social Affairs) |
| 2014 | 38.35 | (Ministry of Social Affairs) |
| 2013 | 38.35 | (Ministry of Social Affairs) |

G. The gross replacement rate of a standard beneficiary of sickness benefit in 2017 was  $(968.28 + 100) / (1383.25 + 100) * 100 = 72.0\%$ .

Gross replacement rate of a standard beneficiary of sickness benefit, %

|      | %    |
|------|------|
| 2017 | 72,0 |
| 2016 | 72.2 |
| 2015 | 72.1 |
| 2014 | 71.0 |
| 2013 | 71.0 |

## **PART IV – UNEMPLOYMENT BENEFIT**

### **No significant changes (persons protected, contingencies covered) during the reporting period**

The contingency covered shall include the situation where a person has not left his/her last place of employment or position on his/her own initiative (except in the cases mentioned in subsections § 37 (5), § 91 (2) and § 107 (2) of the Employment Contracts Act), by agreement with employer (§ 79 of the Employment Contracts Act) or due to wrongful behaviour (clauses § 88 (1) 3)-8) of the Employment Contracts Act, § 94 of the Public Service Act). Thus, a person is entitled to receive unemployment insurance benefit, for example, if the person was made redundant, his/her employer has been liquidated, his/her employment contract was terminated at the probation period on employer's initiative, employer has cancelled employment contract because of a long-term working inability of the employee, his/her fixed-term employment contract expired.

The insured persons shall comprise an employee, an official, a natural person providing services on the basis of a contract under the law of obligations, a Public Conciliator, a member of a rural municipality or city government, a rural municipality or city district elder, a non-working spouse accompanying an official on a long-term assignment abroad, and a non-working spouse accompanying an official serving in a foreign mission of the Republic of Estonia (subsection § 3 (1) of the Unemployment Insurance Act). The insurance cover does not apply to self-employed persons, notaries, bailiffs or another independent persons engaging in a profession in public law, old-age pensioners or other persons listed in subsection § 3 (2) of the Unemployment Insurance Act.

The maximum amount of unemployment insurance benefit in 2018 is 1 446,15 euros a month. The minimum amount of unemployment insurance benefit for 31 days is 242,73 euros (minimum daily rate is 7,83 euros).

The basis of the maximum amount of unemployment insurance benefit is three times the average remuneration per calendar day in Estonia, which is 31,10 euros this year. The average remuneration per calendar day is recalculated every year by Unemployment Insurance Fund on the basis of unemployment insurance premiums paid in the preceding year.

The amount of unemployment insurance benefit is:

- for the first 100 days - 50% of nine months average daily remuneration a person has received 3 months before getting unemployed (maximum daily rate 46,65 euros in 2018);
- for the subsequent days - 40% of nine months average daily remuneration a person has received 3 months before getting unemployed (maximum daily rate 37,32 euros in 2018).

Also unemployment allowance daily rate has changed on January 1, 2018, and is 5,31 euros a day. Previous year, unemployment allowance daily rate was 4,86 euros. Unemployment allowance amount for 31 days is 164,61 euros.

## PART IV – UPDATED STATISTICAL INFORMATION

### Article 20

No changes.

### Article 21

A. The recourse is had to Article 21 (a) of the Code

B. No changes.

C. In 2017, according to Estonian Tax and Customs Board, unemployment insurance premiums were collected from 623 518 insured persons. The total number of employed and unemployed persons was 698 900 in 2017 (according to Statistics Estonia). Therefore 89,2% of the total number of employed and unemployed persons was insured.

Number of insured persons by collection of unemployment insurance premiums

|      | Insured persons |  |
|------|-----------------|--|
| 2017 | 623 518         | (Estonian Tax and Customs Board data ) |
| 2016 | 613 899         | (Estonian Tax and Customs Board data ) |
| 2015 | 612 216         | (Estonian Tax and Customs Board data ) |
| 2014 | 608 476         | (Estonian Tax and Customs Board data ) |
| 2013 | 598 544         | (Estonian Tax and Customs Board data ) |

Total number of employed and unemployed persons

|      | Total   |                      |
|------|---------|----------------------|
| 2017 | 698 900 | (Statistics Estonia) |
| 2016 | 691 300 | (Statistics Estonia) |
| 2015 | 683 200 | (Statistics Estonia) |
| 2014 | 674 400 | (Statistics Estonia) |
| 2013 | 680 000 | (Statistics Estonia) |

Number of insured persons per cent of total number of employed and unemployed, %

|      | %    |
|------|------|
| 2017 | 89,2 |
| 2016 | 88.8 |
| 2015 | 89.6 |
| 2014 | 90.2 |
| 2013 | 88.0 |

In 2017 the unemployment insurance premiums from insured persons added up to 112 824 thousand euros and the unemployment insurance premiums from employers added up to 60 751 thousand euros.

|  | Unemployment insurance premiums from | Unemployment insurance premiums from | Total of unemployment insurance |  |
|--|--------------------------------------|--------------------------------------|---------------------------------|--|
|--|--------------------------------------|--------------------------------------|---------------------------------|--|

|      | insured persons,<br>thousand euros | employers,<br>thousand euros | premiums ,<br>thousand euros |                                       |
|------|------------------------------------|------------------------------|------------------------------|---------------------------------------|
| 2017 | 112 824                            | 60 751                       | 173 575                      | (Unemployment<br>Insurance Fund data) |
| 2016 | 103 472                            | 55 715                       | 159 187                      | (Unemployment<br>Insurance Fund data) |
| 2015 | 97 376                             | 52 433                       | 149 809                      | (Unemployment<br>Insurance Fund data) |
| 2014 | 113 517                            | 61 124                       | 174 641                      | (Unemployment<br>Insurance Fund data) |
| 2013 | 105 306                            | 56 699                       | 162 005                      | (Unemployment<br>Insurance Fund data) |

## Article 22

A. The recourse is had to the provisions of Article 65 of the Code

Unemployment insurance benefit is taxable with income tax. In 2017 the income tax rate was 20% and the income tax exemption was 180 euros a month.

B, C. The average income of insured persons taxable with social tax was 1106.60 euros per month in 2017 (data by the Social Insurance Board). Respectively, the gross earnings of a regular skilled male worker pursuant to Article 65 (6) (c) of the Code were as follows in 2016:  
 $1,25 * 1106.60 = 1383.25$  euros.

D. The amount of unemployment insurance benefit to a standard beneficiary (during the first 100 days of unemployment) in a month was:  
 $0,5 * 1383.25 = 691.63$  euros.

E, F. In 2017, the amount of family benefits for a standard beneficiary with two children amounted to 100 euros per month. Payment of family benefits is not related with working/not working or receiving other benefits, i.e. the same family benefit is paid both while working and during unemployment.

G. Accordingly, the gross replacement rate of a standard beneficiary of unemployment insurance benefit in 2017 was:  
 $(691.63+100) / (1383.25 +100)*100 = 53.4\%$

B.C. The average income of insured persons taxable with social tax, euros

|      | euros   |                          |
|------|---------|--------------------------|
| 2017 | 1106,60 | (Social Insurance Board) |
| 2016 | 1029.85 | (Social Insurance Board) |
| 2015 | 969.05  | (Social Insurance Board) |
| 2014 | 908.12  | (Social Insurance Board) |
| 2013 | 849.65  | (Social Insurance Board) |

Gross wage of a regular skilled male worker, euros

|      | euros   |                          |
|------|---------|--------------------------|
| 2017 | 1383,25 | (Social Insurance Board) |
| 2016 | 1287.31 | (Social Insurance Board) |
| 2015 | 1211.32 | (Social Insurance Board) |
| 2014 | 1135.15 | (Social Insurance Board) |
| 2013 | 1062.06 | (Social Insurance Board) |

D. The amount of unemployment insurance benefit to a standard beneficiary (during the first 100 days of unemployment)

|      | euros  |                          |
|------|--------|--------------------------|
| 2017 | 691,63 | (Social Insurance Board) |
| 2016 | 643.66 | (Social Insurance Board) |
| 2015 | 605.66 | (Social Insurance Board) |
| 2014 | 567.58 | (Social Insurance Board) |
| 2013 | 531.03 | (Social Insurance Board) |

E, F. Family benefits for a standard beneficiary (corresponds to child allowance paid to a family with 2 children)

|      | euros |                              |
|------|-------|------------------------------|
| 2017 | 100   | (Ministry of Social Affairs) |
| 2016 | 100   | (Ministry of Social Affairs) |
| 2015 | 90    | (Ministry of Social Affairs) |
| 2014 | 38.35 | (Ministry of Social Affairs) |
| 2013 | 38.35 | (Ministry of Social Affairs) |

G. Gross replacement rate of a standard beneficiary of unemployment insurance benefit, %

|      | %    |
|------|------|
| 2017 | 53,4 |
| 2016 | 53.6 |
| 2015 | 53.5 |
| 2014 | 51.6 |
| 2013 | 51.7 |

*Article 23*

No changes.

*Article 24*

1. Starting from July 1, 2014, the insurance accumulation period is accounted in months and years. Every 12 months of an insurance accumulation period are accounted as one year of the insurance accumulation period.

According to the provisions of subsection §8 (1) of Unemployment Insurance Act If the insured person's insurance accumulation period is:

- shorter than 5 years, the Unemployment Insurance Fund grants the benefit for 180 calendar days;
- 5 to 10 years, the Unemployment Insurance Fund grants the benefit for 270 calendar days;
- 10 years or more, the Unemployment Insurance Fund grants the benefit for 360 calendar days.

2. *No changes.*

3. *No changes.*

4. *No changes.*

## PART V – OLD-AGE BENEFIT

### Persons protected and contingencies covered

In 2017, a person who has become at least 63 years old (birth year 1953) and whose length of employment in Estonia is at least 15 years is entitled to receive the old-age pension. One year towards the accumulation period of an insured person shall be calculated for the insured person for whom the pension insurance part of individually registered social tax has been paid or calculated pursuant to the Social Tax Act in an amount equal to at least the minimum wage for a year. Old-age pensions shall be granted to permanent residents of Estonia and aliens residing in Estonia on the basis of temporary residence permits or temporary right of residence.

National pension ensures the minimum pension for those people who have attained the age of old-age pension and who do not become entitled to old-age pension based on work contribution and who have been permanent residents of Estonia or have resided in Estonia on the basis of a temporary residence permit or temporary right of residence for at least five years immediately before making a pension claim. As of 01.04.2018, the amount of national pension is 189.31 euros per month and its payment will not be suspended or reduced, if the person is engaged with any kind of gainful activity. National pension is adjusted by a retirement index once a year.

### Important changes:

**Starting from January 1, 2017 pensionable age in Estonia is gradually raising to attend 65 years by 2026. Pensionable age depends on year of birth.**

| Year of Birth  | Pensionable age |
|----------------|-----------------|
| 1953           | 63 y            |
| 1954           | 63 y. and 3 m.  |
| 1955           | 63 y. and 6 m.  |
| 1956           | 63 y. And 9 m.  |
| 1957           | 64 y.           |
| 1958           | 64 y. 3 m.      |
| 1959           | 64 y. 6 m.      |
| 1960           | 64 y. 9 m.      |
| 1961 and later | 65 y.           |

### Pensions' export:

Starting from January 1, 2018 all the old-age pensions earned in Estonia are exported all over the world. Thus a residency restriction has been abolished and out-payment of pensions has been extended to all the countries. The pension export possibility is currently used by 119 persons residing in following countries:

|            |   |
|------------|---|
| Argentina  | 1 |
| Belorussia | 8 |
| Georgia    | 1 |



|                          |     |
|--------------------------|-----|
| Israel                   | 59  |
| Kazakhstan               | 1   |
| United States of America | 49  |
| Total                    | 199 |

## PART V – UPDATED STATISTICAL INFORMATION

### Article 27

A. The recourse is had to the sub-paragraph (b) of Article 27 of the Code.

B. Starting from January 1, 2017 pensionable age in Estonia is gradually raising to attend 65 years by 2026. Pensionable age depends on year of birth.

C. **Statistical information (Article 74):**

- a) **the number of economically active insured persons as of December 31, 2017 was 618 289 (data by Estonian Health Insurance Fund);**
- b) **the total population of Estonia as of January 1, 2017 was 1 319 133 (data by Statistics Estonia);**
- c) **number of economically active insured persons was 46,9% of total population.**

a) number of economically active insured as of December 31

|      |         |                                  |
|------|---------|----------------------------------|
| 2017 | 618 289 | (Estonian Health Insurance Fund) |
| 2016 | 604 781 | (Estonian Health Insurance Fund) |
| 2015 | 615 333 | (Estonian Health Insurance Fund) |
| 2014 | 600 998 | (Estonian Health Insurance Fund) |
| 2013 | 584 094 | (Estonian Health Insurance Fund) |

b) total population of Estonia as of January 1

|      |           |                      |
|------|-----------|----------------------|
| 2018 | 1 319 133 | (Statistics Estonia) |
| 2017 | 1 315 635 | (Statistics Estonia) |
| 2016 | 1 315 944 | (Statistics Estonia) |
| 2015 | 1 313 271 | (Statistics Estonia) |
| 2014 | 1 315 819 | (Statistics Estonia) |

c) economically active insured persons per cent of total population

|      |      |
|------|------|
|      | %    |
| 2017 | 46.9 |
| 2016 | 46.0 |
| 2015 | 46,8 |
| 2014 | 45,8 |
| 2013 | 44.4 |

D. Non-applicable

### Article 28

The recourse is had to Article 66 of the Code with regard to the calculation of old-age pension.

As of April 1, 2017 the base amount for pension was 161,9038 euros per month, the monthly national pension rate was 175,94 euros and the value of a year was 5,767 euros per month.

According to the Income Tax Act, income tax is charged in 2017 on the component of pension that exceeds 236 euros per month. Every person, including an old-age pensioner, is entitled to

receive additional basic exemption of 180 euros per month. Therefore, pensioners are entitled to a basic exemption of 416 (236+180) euros per month in 2017. Any amounts above this sum will be subject to 20% income tax. Taxation by income tax will be imposed cumulatively and on accrual basis.

### *Titles I and III Article 66*

a. Regular unskilled male worker is defined as an unskilled male industry worker (ISCO-08 International Standard Classification of Occupations, occupation code 9).

Gross wage of a regular unskilled male worker is calculated and forecasted on the basis of gross hourly wage of a male worker in processing industry. Processing industry was chosen because it has been the industry with the largest number of employees (19,0% of all employees) for years (124.9 thousand employees in 2017, total number of employed people 658,6 thousand).

b. In 2017, the average gross hourly wage of a male worker working in processing industry for full-time and part-time work was 7.87 euros. The calculated average gross hourly wage of a regular unskilled male worker for full-time and part-time work was 5 euros and 76 cents (i.e., 73,2% of the male worker's gross hourly wage). The calculation is based on Statistics Estonia gender gap pay survey from October 2016 (PA5335) and October 2015 survey (gross hourly wage for workers with full-time and part-time work, PA 632). Thus, the calculated average gross monthly wage of a regular unskilled male worker was 941,04 euros and the calculated net monthly wage was 761,73 euros. The income tax exemption for 2017 was 180 euros per month, the income tax rate was 20%, the unemployment insurance premium rate was 1.6% and the rate of contributions to the mandatory funded pensions (the second pillar of pension insurance) for people who had joined pension insurance was 2%.

c. According to the pension formula, in 2017 the old-age pension of a beneficiary with a pensionable period of 30 years was  $161,9038 + 5,767 \cdot 30 = 334,91$  euro

d, e. The persons with pension insurance shall still not receive family benefit for their wife during their work or pension period.

f. In 2017 the old-age pension of a standard beneficiary (a man with a wife of pensionable age) formed  $(334,91 + 175,94) / 761,73 \cdot 100 = 67,1\%$  of a regular unskilled male worker's net wage.

a) the old-age pension of a beneficiary with a pensionable period of 30 years, euros

|      | the old-age pension with a pensionable period of 30 years | Pension components |                       |                 |                          |
|------|---|--------------------|-----------------------|-----------------|--------------------------|
|      |   | Base part          | National pension rate | Value of a year |                          |
| 2017 | 334,91  | 161,9038           | 175,94                | 5,767           | (Social Insurance Board) |
| 2016 | 318,72  | 153,3035           | 167,40                | 5,514           | (Social Insurance Board) |
| 2015 | 301.61  | 144.2585           | 158.37                | 5.245           | (Social Insurance Board) |
| 2014 | 283.83  | 134.9093           | 148.98                | 4.964           | (Social Insurance Board) |

|      |        |          |        |       |                          |
|------|--------|----------|--------|-------|--------------------------|
| 2013 | 268.36 | 126.8183 | 140.81 | 4.718 | (Social Insurance Board) |
|------|--------|----------|--------|-------|--------------------------|

d, e) Gross and net monthly wage of a regular unskilled male worker in processing <sup>1</sup>, euros

|                   | Gross wage | Net wage |
|-------------------|------------|----------|
| 2017              | 941,04     | 761,73   |
| 2016              | 907.56     | 733.91   |
| 2015              | 787.39     | 638.03   |
| 2014 <sup>1</sup> | 721.35     | 577.31   |
| 2013              | 624.4      | 503.78   |

<sup>1</sup> Data for the year 2014. is updated (In a report submitted in 2015 the gross and net monthly wage of a regular unskilled male worker was 658.49 and 529,64 euros respectively).

f) Old-age pension of a standard beneficiary (a man with a woman of pensionable age) per cent of a regular unskilled male worker

|                   | %    |
|-------------------|------|
| 2017              | 67,1 |
| 2016              | 66.2 |
| 2015              | 72.1 |
| 2014 <sup>1</sup> | 75.0 |
| 2013              | 81.2 |

<sup>1</sup> Data for the year 2014 is updated as the corresponding data on gross and net monthly wage of a regular unskilled male worker was recalculated (In the report submitted in 2015 the percentage for the year 2014 was 81,7).

## PART VII – FAMILY BENEFIT

### No significant changes in family benefit system during the reporting period.

All the family benefits in Estonia are universal, no qualifying period is required. All the residents are entitled to receive the benefits as of the first day of registration of residence in Estonia (entering the data of a person's residence in the population register).

### Periodical benefits and their amounts as of entry into force of Family Benefits Act:

| Type of benefit                            | Amount of benefit  |
|--|--|
| Child allowance                            | - for the first and second child of family - 55 euros per month<br><br>- for third and every consequent child - 100 euros per month.   |
| Single parent's child allowance            | 19.18 euros per month  |
| Child care allowance                       | - to the parent raising a child of up to three years of age or to the person other than a parent who uses parental leave 38.35 euros for each child of up to 3 years of age per month;<br><br>- in the family where in addition to the child of up to 3 years of age, there are also children between 3 and 8 years of age, to one parent 19.18 euros per month for each child between 3 and 8 years of age;<br><br>- in the family with three or more children who are at least 3 years of age and who receive child allowance to one parent 19.18 euros per month for each child between 3 and 8 years of age.<br><br>Child care allowance shall not be paid, if a parent receives parental benefit. |
| Foster care allowance                      | 240 euros per month  |
| Allowance for families with many children; | For the family with three to six children is 300 euros per month.<br><br>For the family with seven or more children is 400 euros per month.  |
| Parental benefit                           | The amount of benefit is calculated on the basis of the applicant's average income of one calendar month of the preceding calendar   |

|  |  |
|--|--|
|  | <p>year and it is generally 100% of the average income of one calendar month of the preceding calendar year subject to social tax.</p> <p>The ceiling for parental benefit is 3 089,55 euros per month. The parental benefit rate is 470 euros per month. Parental benefit in the amount of the benefit rate is paid to a person who had no income taxable with social tax in the preceding calendar year (e.g. not working students).</p> |
|--|--|

## PART VII – UPDATED STATISTICAL INFORMATION

### Article 41

- A. The recourse is had to the sub-paragraph (b) of Article 41 of the Code
- B. Protected persons are all permanent residents of Estonia or aliens residing in Estonia on the basis of temporary residence permits or temporary right of residence.
- C. Statistical information Title II Article 74:

Title II of Article 74 is not the most suitable for getting statistical data on persons affected by the State Family Benefits Act. Therefore, in order to show the fulfilment of the requirements in Article 41 of the Code, the number of covered persons shall be deemed equal to the total number of male population of economically active age (15–64).

- a) In 2017, the number of Estonian male population aged 15–64 was 421 669 (Statistics Estonia);
- b) In 2017, the total population of Estonia (annual average) was 1 317 384 (Statistics Estonia);
- c) The number of covered persons amounted to 32.0% of the total population.

a) number of Estonian male population aged 15–64 (annual average)

|      |         |                      |
|------|---------|----------------------|
| 2017 | 421 669 | (Statistics Estonia) |
| 2016 | 422 397 | (Statistics Estonia) |
| 2015 | 423 583 | (Statistics Estonia) |
| 2014 | 425 348 | (Statistics Estonia) |
| 2013 | 428 714 | (Statistics Estonia) |

b) total population of Estonia (annual average)

|      |           |                      |
|------|-----------|----------------------|
| 2017 | 1 317 384 | (Statistics Estonia) |
| 2016 | 1 315 790 | (Statistics Estonia) |
| 2015 | 1 314 608 | (Statistics Estonia) |
| 2014 | 1 314 545 | (Statistics Estonia) |
| 2013 | 1 317 997 | (Statistics Estonia) |

Notes (Statistics Estonia):

Data for 2000-2013 recalculated on January 17, 2014.

Corresponding changes male for years 2011 and 2012.

c) covered persons per cent of total population

|      |      |
|------|------|
|      | %    |
| 2016 | 32,0 |
| 2016 | 32.1 |
| 2015 | 32.2 |
| 2014 | 32.4 |
| 2013 | 32.5 |

### Article 42

The recourse is had to the sub-paragraph (a) of Article 42 of the Code

A. Gross monthly wage of a regular unskilled male worker was 941,04 euros in 2017 (see information provided under Article 28).

B. The total amount of family benefits (excluding parental benefits and (one-time) childbirth allowance) for 2017 was 124,3 million euros (data by the Ministry of Social Affairs), which makes on average 18,695 million euros per month.

C. i. The number of children (average, entitled to payment of child allowance) was 226 651 in 2017 (data by Statistics Estonia, children 0–15 years of age);

ii. In 2017, the total value of family benefits was 8.8% of the multiplication of the gross wage of a regular unskilled male worker by the children of all residents.

**A. Gross and net monthly wage of a regular unskilled male worker, euros**

|      | Gross wage, euros | Net wage, euros |                      |
|------|-------------------|-----------------|----------------------|
| 2017 | 941,04            | 761,73          | (Statistics Estonia) |
| 2016 | 907.56            | 733,91          | (Statistics Estonia) |
| 2015 | 787.39            | 665,14          | (Statistics Estonia) |
| 2014 | 721.35            | 601,77          | (Statistics Estonia) |
| 2013 | 624.4             | 503,78          | (Statistics Estonia) |

**B. Total amount of family benefits, millions of euros**

|      | millions of euros |                          |
|------|-------------------|--------------------------|
| 2017 | 224,35            | (Social Insurance Board) |
| 2016 | 189.45            | (Social Insurance Board) |
| 2015 | 174.581           | (Social Insurance Board) |
| 2014 | 96.074            | (Social Insurance Board) |
| 2013 | 94.415            | (Social Insurance Board) |

**C. i. Number of children entitled to payment of child allowance**

|      | Children 0-15 y.o (annual average) |                    |
|------|------------------------------------|--------------------|
| 2017 | 226 651                            | Statistics Estonia |
| 2016 | 224 725                            | Statistics Estonia |
| 2015 | 222 527                            | Statistics Estonia |
| 2014 | 220 345                            | Statistics Estonia |
| 2013 | 219 029                            | Statistics Estonia |



ii. total value of family benefits per cent of t of the multiplication of the gross wage of a regular unskilled male worker by the children of all residents

|                   | %    |
|-------------------|------|
| 2017              | 8,77 |
| 2016              | 7.74 |
| 2015              | 8.3  |
| 2014 <sup>1</sup> | 5.04 |
| 2013              | 5.75 |

<sup>1</sup> According to gross wage presented in previously the percentage 5.52.

## PART VIII – MATERNITY BENEFIT

### **No significant changes (persons protected, contingencies covered) during the reporting period**

Insured persons are set out in Part III (sickness benefit) of the report.

Pursuant to subsection § 50 (1) of the Health Insurance Act, the benefit for temporary incapacity for work, including maternity benefit, is financial compensation paid by the Health Insurance Fund to an insured person on the basis of a certificate of incapacity for work in cases where the person does not receive income subject to individually registered social tax due to a temporary release from their duties or economic or professional activity.

Pursuant to subsection § 51 (2) of the Health Insurance Act, the insured event in respect of which maternity benefit is paid to an insured person is the pregnancy and maternity leave of the insured person and without pregnancy and maternity leave to the members of management or controlling bodies of legal persons and persons receiving remuneration and service fees based on contract under law of obligations, self-employed persons and a spouse participating in the operation of his/her undertaking. The basis for the calculation of maternity benefit is given in § 58 of the Health Insurance Act.

Maternal benefit will not be paid to persons covered by insurance on the grounds specified in clauses 5 (2) 3) (persons for whom social tax is paid by state, local authority or artistic association) and 6) (persons receiving an unemployment insurance benefit on the basis of the Unemployment Insurance Act) or subsection (4) (persons considered equal to insured persons) of the Health Insurance Act or to persons considered equal to insured persons on the basis of a contract. The aforementioned persons are entitled to receive all other health insurance benefits equal to the persons receiving maternal benefit.

All pregnant women living in Estonia have an individual right to medical care, this right is not related to the insurance status of their spouses. Pursuant to clause § 5 (4) 1) of the Health Insurance Act, pregnant women, whose pregnancy has been identified by a doctor or a midwife and for whom are ensured all the health insurance benefits, except benefits for temporary incapacity for work, including maternal benefit in case they are not working, are considered to be equal to insured persons.

Pursuant to § 29 of the Health Insurance Act, the Health Insurance Fund will pay for health services if the services are entered in the list of health services of the Health Insurance Fund and the provision thereof is therapeutically justified. Health Insurance Fund will pay for the services to the health service provider on the basis of a contract for financing medical treatment. The list includes, inter alia, monitoring of pregnancy, obstetrical care and gynaecological examinations and procedures and postnatal services.

Insured persons is not obliged to pay for health services. Pursuant to the Health Insurance Act, it is not allowed to charge from pregnant woman a visit fee upon provision of outpatient specialised medical care and home visit, and it is also not allowed to charge an in-patient fee upon provision of in-patient specialised medical care in connection with pregnancy or delivery.

Pursuant to § 59 of the Employment Contracts Act, a woman has the right to pregnancy and maternity leave of 140 calendar days. The leave becomes collectible at least 70 calendar days before the estimated date of birth determined by a doctor or midwife. If a woman starts using pregnancy and maternity leave less than 30 days before the estimated date of birth determined by a doctor or midwife, the pregnancy and maternity leave is shortened by the respective period. Pursuant to § 58 of the Health Insurance Act, pregnant woman has the right to receive maternity benefit on the basis of a certificate for maternity leave for 140 calendar days if her pregnancy and maternity leave commences at least 30 calendar days before the estimated date of delivery as determined by a doctor or midwife. The number of the days by which the pregnancy and maternity leave of the woman commences after the term of 30 calendar days will be deducted from the period for which the woman has the right to receive maternity benefit.

If a pregnant woman has been provided with work corresponding to her state of health or the conditions of service of a pregnant woman have been eased during her pregnancy, she will have the right to receive the maternity benefit for 140 calendar days if the pregnancy and maternity leave commences at least 70 calendar days before the estimated date of delivery as determined by a doctor or midwife. The number of the days by which the pregnancy and maternity leave of the woman commences after the term of 70 calendar days will be deducted from the period for which the woman has the right to receive maternity benefit.

A person specified in clauses 5 (2) 4) and 5) and in subsections (3) and (31) of the Health Insurance Act has the right to receive the maternity benefit for 140 calendar days on the basis of a certificate for maternity leave. The number of the days by which the certificate for maternity leave is issued later than the term of 30 calendar days will be deducted from the period for which the woman has the right to receive the maternity benefit.

Maternity benefit shall be calculated pursuant to § 55 of the Health Insurance Act (see Article 16). Health Insurance Fund shall pay maternal benefit as of the first day of release from employment, with the rate of benefit of 100% for one calendar day of the average income of one calendar day for up to 140 calendar days. Maternal benefit is taxable with income tax, income tax rate is 20%. No maximum limit of salary is established for the calculation of maternity benefit.

## PART VIII – UPDATED STATISTICAL INFORMATION

### Article 47

No changes.

### Article 48

The recourse is had to the sub-paragraph (b) of Article 48 of the Code

B. No changes.

C. Updated statistical information

**a) In 2017, the number of Estonian female population aged 15–64 (annual average) was 424 868 (Statistics Estonia);**

**b) In 2017, the total population of Estonia (annual average) was 1 319 133 (Statistics Estonia);**

**c) The number of covered persons amounted to 32.2% of the total population.**

**a) number of Estonian female population aged 15–64 (annual average)**

|      |         |                      |
|------|---------|----------------------|
| 2017 | 424 868 | (Statistics Estonia) |
| 2016 | 428 467 | (Statistics Estonia) |
| 2015 | 432 167 | (Statistics Estonia) |
| 2014 | 436 323 | (Statistics Estonia) |
| 2013 | 441 942 | (Statistics Estonia) |

**b) total population of Estonia (annual average)**

|      |           |                      |
|------|-----------|----------------------|
| 2017 | 1 319 133 | (Statistics Estonia) |
| 2016 | 1 315 635 | (Statistics Estonia) |
| 2015 | 1 314 608 | (Statistics Estonia) |
| 2014 | 1 314 545 | (Statistics Estonia) |
| 2013 | 1 317 997 | (Statistics Estonia) |

**c) covered persons per cent of total population**

|      |      |
|------|------|
|      | %    |
| 2017 | 32,2 |
| 2016 | 32,6 |
| 2015 | 32.9 |
| 2014 | 33.2 |
| 2013 | 33.5 |
| 2012 | 33.8 |
| 2011 | 34.1 |

D. No changes.

#### Article 49

No changes.

#### Article 50

For the calculation of the in cash (maternity) benefit the recourse is had to the Article 65 of the Code

#### B. Updated statistical information Titles I and V, Article 65 of the Code

a. Maternity benefit is subject to income tax. In 2017, the income tax rate was 20% and the income tax exemption was 180 euros; in 2018, the income tax rate is 20% and the income tax exemption varies from 0 to 500 euros.

In 2017, the minimum wage was 470 euros per month in case of full-time work and accordingly the upper limit for the income taxable with social tax for sole proprietors was 7050 euros per month. As of January 1, 2018 the minimum monthly wage for full-time work is 500 euros per month and accordingly the upper limit for the income taxable with social tax for sole proprietors is 7500 euros per month.

b, c. In 2017, the pursuant to Article 65 (6) (c) were 1383,25.31 euros.

Gross earnings of a regular skilled male worker, euros

|      | Gross earnings of a regular skilled male worker, euros |                          |
|------|--|--------------------------|
| 2017 | 1383,25  | (Social Insurance Board) |
| 2016 | 1287.31  | (Social Insurance Board) |
| 2015 | 1211.32  | (Social Insurance Board) |
| 2014 | 1135.15  | (Social Insurance Board) |
| 2013 | 1062.06  | (Social Insurance Board) |

d. In 2017, the standard beneficiary's maternity benefit per month was:

$1,00 * 1\,383,25 = 1383.25$  euros.

Standard beneficiary's maternity benefit per month and maternity benefit gross replacement rate

|      | Standard beneficiary's maternity benefit per month, euros | maternity benefit gross replacement rate, % |
|------|---|---|
| 2017 | 1383,25   | 100   |
| 2016 | 1287.31   | 100   |
| 2015 | 1211.32   | 100   |
| 2014 | 1135.15   | 100   |
| 2013 | 1062.06   | 100   |

g. Standard beneficiary's maternity benefit gross replacement rate was:  
 $1383.25/1383.25 = 100$

*Article 51*

No changes.

*Article 52*

1. No changes.
2. No changes.
3. No changes.

## PART IX – INVALIDITY BENEFIT

### Work ability reform

On July 1, 2016, work ability reform, by which a new system of work ability support is created, was launched.

Under the old system (incapacity for work pension) a degree of permanent incapacity for work, expressed in percentages (10, 20...100%), was established. With at least 40% of permanent incapacity for work a person was eligible to incapacity for work pension and considered a pensioner.

Starting from July 1, 2016, notions of “partial work ability” and “no work ability” are used and no percentages are established any more. Under the new work ability system one’s work ability, not incapacity for work, is assessed. This assessment is done to determine what a person is able to do and on this basis a suitable job is identified together with a case manager from Unemployment Insurance Fund. “Partial work ability” means activity requirements for a person, to a person with “no work ability” no activity requirements are applied.

### Eligible persons

All persons of at least 16. years age until pensionable age. Allowance is residence-based, no qualifying period is required.

### Work ability allowance

Work ability reform replaces incapacity for work pension with work ability allowance. The latter’s amount is not linked nor to a person’s previous income, neither employment record.

Work ability allowance daily rate (as of April 1, 2018) is 12,72 euros. The effective allowance amount is:

- 57% of daily rate in case of partial work ability – 7,25 euros a day or ca 217,51 euros a month;
- 100% of daily rate in case of no work ability – 12,72 euros a day or ca 381,60 euros a month.

Similarly to state pensions daily rate of work ability allowance is also indexed on yearly basis on April 1, which presumably raises the rate each year. Unlike state pensions work ability allowance is not taxed with income tax.

### Transition provisions from the old system to the new one

Transition from the old system to the new system is done gradually. During the first stage (July 1, 2016 – December 31, 2016) the work ability was assessed only of those who have not been assessed as having incapacity for work in the last five years. Starting from January 1, 2017, work ability is assessed and the allowance is paid also to those, whose term of reassessment of permanent incapacity for work has approached.

All the incapacity for work pensioners will enter the new work ability system by 2020. With an exception for a small category of those who are assessed as permanently incapable for work with no re-assessment term given (termless) – this category will be receiving incapacity for work pension until reaching retirement age. Nevertheless, they can join the new system on voluntary basis.



## PART IX – UPDATED STATISTICAL INFORMATION

### Article 56

The recourse is had to the Article 66 of the Code

A. The national pension rate is the minimum guarantee in determination of pension for incapacity for work. Starting with April 1, 2017, the national pension rate was 175,94 euros per month.

B. In 2017, the old-age pension for a person with 30 years of pensionable service was 334,91 euros per month.

### Titles I and II, Article 66

a. For the selection of a regular unskilled male worker, see information under Article 28.

b. In 2017, the gross wage for a regular unskilled male worker was 941 euros and 04 cents and the net wage was 761 euros and 73 cents (see also information under Article 28).

c. At the end of 2017, the pension for incapacity for work for a standard beneficiary (a person totally incapacitated for work) was at least 334,91 euros.

d, e. In 2017, the family benefit sum paid for a standard beneficiary with two children was 100 euros per month. Payment of family benefits is not related to the parents working or receiving other social security benefits, i.e. the same family benefit is paid both while working and during periods of incapacity for work

f. In 2017, the standard beneficiary's pension for incapacity for work amounted to:  
 $(334,91 + 100 / (761,73 + 100) * 100 = 50.5\%$  of a regular unskilled male worker's net wage.

a. Gross and net monthly wage of a regular unskilled male, euros  
Gross and net monthly wage of a regular  
unskilled male worker, euros

|      | Gross wage | Net wage, euros |                      |
|------|------------|-----------------|----------------------|
| 2016 | 941,04     | 761,73          | (Statistics Estonia) |
| 2016 | 907.56     | 733.91          | (Statistics Estonia) |
| 2015 | 787.39     | 638.03          | (Statistics Estonia) |
| 2014 | 721.35     | 577.31          | (Statistics Estonia) |
| 2013 | 624.4      | 503.78          | (Statistics Estonia) |

b. Pension for incapacity for work for a standard beneficiary (a person totally incapacitated for work), euros

|      | euros  |                        |
|------|--------|------------------------|
| 2017 | 334,91 | Social Insurance Board |
| 2016 | 318.72 | Social Insurance Board |
| 2015 | 301.61 | Social Insurance Board |
| 2014 | 283.83 | Social Insurance Board |

|      |        |                        |
|------|--------|------------------------|
| 2013 | 268.36 | Social Insurance Board |
|------|--------|------------------------|

d, e. Family benefits for a standard beneficiary with two children,  
euros

|      | euros |                        |
|------|-------|------------------------|
| 2017 | 100   | Social Insurance Board |
| 2016 | 100   | Social Insurance Board |
| 2015 | 90    | Social Insurance Board |
| 2014 | 38.35 | Social Insurance Board |
| 2013 | 38.35 | Social Insurance Board |

Pension for incapacity for work for a standard beneficiary per cent of a regular unskilled male  
worker net monthly wage, %

|                   | %    |
|-------------------|------|
| 2017              | 50,5 |
| 2016              | 50.2 |
| 2015              | 53.8 |
| 2014 <sup>1</sup> | 52.3 |
| 2013              | 56.6 |

<sup>1</sup> Data for year 2014 was recalculated. Previously submitted per cent was 56,7.

#### *Article 57*

Starting with April 1, 2017, the national pension rate is 175,94 euros per month and the national pension for a person with 40 percent incapacity for work is 70.38 euros per month.

## **PART X – SURVIVOR’S BENEFIT**

### **Persons protected, and contingencies covered during the reporting period**

Contingency covered is death of provider. In this case, family members who were maintained by the provider have the right to receive survivor’s pension. It is important to point out that the right of the provider’s widow or widower to receive a survivor’s pension does not depend on whether they were maintained by the provider or not (during provider’s lifetime).

However, incapacity of widow or widower to maintain himself/herself is essential for determining eligibility for survivor’s pension.

Provider’s non-working widow who is pregnant (from the 12th week of pregnancy) has the right to receive a survivor’s pension.

Provider’s widow or widower, who has been established to have no work ability or who is of pensionable age, has also the right to receive a survivor’s pension.

### **Important changes:**

#### **Pensions’ export**

Starting from January 1, 2018 all the survivor’s pensions earned in Estonia are exported all over the world. Thus a residency restriction has been abolished and out-payment of pensions has been extended to all the countries.

## PART X – UPDATED STATISTICAL INFORMATION

### Article 62

A. The recourse is had to the Article 66 of the Code

Survivor's pension for a spouse with two children is equal or bigger (but no less) than old-age pension, available to a person with a pensionable period of 30 years. Starting from April 1, 2017 the old-age pension for a person with 30 years of pensionable service was 334,91 euros per month. Therefore, starting with April 1, 2017 the survivor's pension for a spouse with two children is at least 334,91 euros per month.

Starting from April 1, 2017 the survivor's pension amount is:

- for three family members 334,91 euros;
- for two family members 267.93 euros;
- for one family member 167.46 euros.

### Titles I and IV, Article 66

a. For the selection of a regular unskilled male worker, see information under Article 28.

b. In 2017, the gross wage for a regular unskilled male worker was 941.04 euros and the net wage was 761.73 euros (see also information under Article 28).

c. In 2017, the survivor's pension for a standard beneficiary (spouse with two children) was 334,91 euros per month.

d, e. In 2017, the family benefit sum paid for a standard beneficiary with two children was 100 euros per month. Payment of family benefits is not related to the parents working or receiving other social security benefits, i.e. the same family benefit is paid both while working and during periods of incapacity for work.

f. In 2017, the survivor's pension for a standard beneficiary per cent of a regular unskilled male worker's net wage was:

$$(334,91 + 100) / (761,73 + 100) * 100 = 50,5\%$$

b) Gross and net monthly wage of a regular unskilled male, euros

|                   | Gross wage | Net wage, euros |                      |
|-------------------|------------|-----------------|----------------------|
| 2017              | 941,04     | 761,73          | (Statistics Estonia) |
| 2016              | 907,56     | 733,91          | (Statistics Estonia) |
| 2015              | 787.39     | 638.03          | (Statistics Estonia) |
| 2014 <sup>1</sup> | 721.35     | 577.31          | (Statistics Estonia) |
| 2013              | 624.4      | 503.78          | (Statistics Estonia) |

<sup>1</sup> Previously submitted data for year 2014: Gross and net monthly wage of a regular unskilled male 658.49 euros and 529.64 euros respectively.

c) Survivor's pension for a standard beneficiary (with 2 children), euros

|  |       |  |
|--|-------|--|
|  | euros |  |
|--|-------|--|

|      |        |                        |
|------|--------|------------------------|
| 2017 | 334,91 | Social Insurance Board |
| 2016 | 318,72 | Social Insurance Board |
| 2015 | 301.61 | Social Insurance Board |
| 2014 | 283.83 | Social Insurance Board |
| 2013 | 268.36 | Social Insurance Board |

d, e)

Family benefits for a standard beneficiary with two children, euros

|      |       |                        |
|------|-------|------------------------|
|      | euros |                        |
| 2017 | 100   | Social Insurance Board |
| 2016 | 100   | Social Insurance Board |
| 2015 | 90    | Social Insurance Board |
| 2014 | 38.35 | Social Insurance Board |
| 2013 | 38.35 | Social Insurance Board |

the survivor's pension for a standard beneficiary per cent of a regular unskilled male worker's net wage, %

|                   |      |
|-------------------|------|
|                   | %    |
| 2017              | 50,5 |
| 2016              | 50.2 |
| 2015              | 53.8 |
| 2014 <sup>1</sup> | 52.3 |
| 2013              | 56.6 |

<sup>1</sup> Data for year 2014 is recalculated. Previously submitted percentage was 56,7.