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REVISED EUROPEAN SOCIAL CHARTER

5th report on the implementation of
the Revised European Social Charter

submitted by

THE GOVERNMENT OF ESTONIA

(for the period 1/1/05 to 31/12/06:
Articles 1, 9, 10, 15, 18, 20, 24 and 25)

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CYCLE 2008

EUROPEAN SOCIAL CHARTER

(REVISED)

Fifth Report of the Republic of Estonia

For the reference period

2003 (for Article 25) / 2005 – 2006

Articles 1, 9, 10, 15, 20, 24, 25

FORM FOR REPORTS

For the period 2003 (for Article 25) / 2005 – 2006 made by the Government of Estonia in accordance with Article C of the Revised European Social Charter, on the measures taken to give effect to the accepted provisions of the Revised European Social Charter, the instrument of ratification or approval of which was deposited on 11 September 2000.

In accordance with Article C of the Revised European Social Charter and Article 23 of the European Social Charter, copies of this report have been communicated to the Estonian Central Federation of Trade Unions (EAKL), the Estonian Employees Unions Confederation (TALO) and the Estonian Confederation of Employers (ETK). Copies of this report have also been sent to the Estonian Board of Disabled People, the Estonian Women's Cooperation Chain and the Estonian Women's Associations Roundtable.

All Estonian legal acts that have been translated into English are available on the Internet at <http://www.legaltext.ee/indexen.htm>.

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ARTICLE 1 - THE RIGHT TO WORK

ARTICLE 1 PARAGRAPH 1

"With a view to ensuring the effective exercise of the right to work, the Parties undertake:

to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment;"

Question A

Please indicate the policy followed by your government in attempting to reach and maintain full employment. Please supplement with details of the measures and programmes implemented to achieve as high and stable a level of employment as possible.

Please indicate, if possible, the trend in total employment policy expenditure over the past five years, including the relative shares of 'active' (job creation, training, etc.) and 'passive' (financial compensation, etc.) measures.

Please indicate the active policy measures taken in order to favour access to employment of groups most exposed to or affected by unemployment (e.g. women, the young,¹ older workers, the long-term unemployed,² the disabled, immigrants and/or ethnic minorities). Please give indications on the number of beneficiaries from these measures and information, if possible, on their impact on employment.

¹ Aged between fifteen and twenty-four.

² Persons without employment for over one year and seeking employment.

Government measures and programmes under employment policy

In spring 2005, the European Council adopted an updated Lisbon Strategy also known as the Economic Growth and Employment Strategy. As a result of this, it was agreed that every Member State will develop a new action plan aimed at promoting economic growth and the creation of new jobs. Therefore the Government of the Republic of Estonia developed the programme document of the economic growth and employment action plan in 2005, which collated the main goals of the Government in improving the competitive strength of Estonia in the years 2005 to 2007. In addition to the work policy, the strategy document also collated the highest priority policies of micro- and macroeconomics. In October 2006, Estonia submitted a report on the realisation of the economic growth and employment action plan for the period of 2005-2006 to the European Commission.

The programme *Increase of employment, avoidance of long-term unemployment and prevention of exclusion of persons belonging to labour market risk groups* (hereinafter the *Employment Programme*) was prepared for the realisation of employment action plans. Realisation of the programme was funded from the off-budget reserve fund of ownership reform. New labour market services (e.g. coaching for working life) and work methods (case management) aimed at risk groups were piloted within the framework of the Employment Programme alongside an increase of awareness among employers about the employment potential of risk groups, the issue of information materials introducing labour market services (information booklets) and research supporting labour market policies.

The funds obtained from the EU structural funds, including the European Social Fund (ESF), have been used since Estonia joined the European Union (EU) on 1 May 2004. The priority of using these funds has been to increase employment through the development of human resources.

Funds of the ESF that were planned for the years 2004 to 2006, but that could be used until the end of 2008, were used during the reporting period. The state of Estonia also provides funding for every project along with the European Social Fund. A total of 33 million euros has been allocated for funding the relevant employment projects. 91 projects were funded in the years 2004 to 2006 and the 4th application round, which resulted in the funding of 27 projects, ended in January 2007. As of the end of 2006, 8400 people had participated in the course of the projects, they being 3000 men and 5400 women. 3966 people or 47.2% of those people found work. 866 new jobs were created for 323 men and 543 women.

On 1 January 2006, the former *Unemployed Persons Social Protection Act* and the *Employment Service Act* were replaced by the new *Labour Market Services and Benefits Act*, which regulates both the services and benefits offered to the unemployed and jobseekers. The Act is based on the principles of the *Labour*

Market Measures Concept developed in 2004. The Act is discussed in greater detail under active labour market policy measures.

In addition to the measures implemented on the basis of the *Labour Market Services and Benefits Act*, unemployed persons are, under certain conditions, also entitled to the unemployment insurance benefits paid pursuant to the *Unemployment Insurance Act*. Unemployment insurance is a mandatory form of insurance which guarantees employees benefits in the event of unemployment, collective redundancy and insolvency of the employer. The benefits are funded from the money received from unemployment insurance premiums. More information about unemployment insurance can be found in the earlier report on section 1 of article 12.

Changes in the total costs of labour market policy

In 2003, the total expenditure from the State Budget on labour market policy amounted to 195.1 million³ kroons, which formed 0.15% of GDP. Expenditure on active labour market measures⁴ and passive labour market measures⁵ (employment subsidies) was equal. The expenditure on active labour market policy measures in the years 2004 to 2006 considerably exceeded the expenditure on passive labour market policy measures. For example, the expenditure on labour market training in the period 2003-2006 was as follows: 2003 – 46.5 million kroons; 2004 – 41.7 million kroons; 2005 – 62.7 million kroons; 2006 – 71.0 million kroons.

The total expenditure in 2006 increased compared to 2005. In 2006, the total labour market policy expenditure amounted to 272.6 million kroons, 233.8 million of which was spent on active labour market policy and 38.8 million on passive labour market policy measures.

The funding options of labour market policy measures have significantly improved since 2004 due to the support of the European Social Fund, which has made it possible to pilot the provision of the services to a bigger target group, and also the provision of new services.

Figure 1: Active labour market policy expenditure in millions of kroons and share in GDP 2003-2006

³ This expenditure does not include the expenditure of the Estonian Unemployment Insurance Fund.

⁴ Expenditure on active labour market measures means expenditure on all employment services, subsidies associated with participation in labour market services (e.g. grants) and the administrative costs of the Labour Market Board. The administrative costs of the Labour Market Board are deemed as active labour market policy expenditure because most of them are associated with organising the provision of services.

⁵ The cost of unemployment benefits and social tax in special cases is considered to be a passive labour market policy measure.

Source: Ministry of Social Affairs

Pursuant to the 2006 Annual Report of the Estonian Unemployment Insurance Fund⁶, the amount planned for benefits in the 2006 budget (excluding social tax) was 194,932 thousand kroons. The actual cost of benefits in 2006 was 110,846 thousand kroons, which was 57% of the annual budget. In 2006, the amount of all types of benefits was less than in previous years (please see the following tables 1 and 2).

⁶ The objective of the activities of the Estonian Unemployment Insurance Fund is to pay unemployment insurance benefits, the collective termination of employment contracts benefit and the employer's insolvency benefit.

Table 1: Total benefits paid by the Estonian Unemployment Insurance Fund in 2003-2006, in thousands of kroons

	2003	2004	2005	2006
Unemployment insurance benefit	105,996	129,114	99,689	81,550
Benefit upon collective termination of employment contracts	30,918	30,769	20,833	14,185
Employer's insolvency benefit	22,994	34,559	26,936	15,111
TOTAL	159,908	194,442	147,458	110,846

Table 2: Number of unemployment insurance benefit recipients, 2003-2006

	2003	2004	2005	2006
Unemployment insurance benefit recipients	8817	11,813	9045	6439

The fact that the amount of unemployment insurance benefits was smaller than projected was a result of economic growth being larger and unemployment smaller than expected. Economic growth exceeded 10% and the unemployment rate decreased to the lowest level in the last 14 years, and these were the main reasons why the amount of benefits was the lowest in the last four years and only formed 56.9% of the projected amount.

The total number of insured persons (persons who had paid unemployment insurance premiums from their salaries at least once during the year) increased by 24,880 in 2006. There were 643,380 insured people in 2006, which is the highest number of insured persons during the five years that unemployment insurance has been available.

In 2006, new recipients of unemployment insurance benefits formed 24% of new registered unemployed persons, which is the biggest share in four years. The recipients of unemployment insurance benefits who were registered as unemployed in 2006 used an average of 136 days of the maximum 180 days available

(compared to 144 days in 2003, 145 in 2004 and 140 in 2005). The decrease of the average duration of the period during which people received unemployment insurance benefits is mainly associated with the steadily increasing lack of labour and decrease of unemployment, which has made it easier for the unemployed to find work.

Active labour market measures

The *Labour Market Services and Benefits Act* (the LMSBA) entered into force on 1 January 2006 and it significantly increased the number of active labour market services. It also established several new, more intensive and individual measures aimed at the placement of persons most affected by unemployment (persons who belong to risk groups).

The foundations of the new Act are an individual approach to all clients and implementation of a case management method with respect to risk groups in the labour market. The case management method means that the client's problems will be solved from beginning to end by a case manager, who will include different partners of the network in the process whenever necessary. The partners of the network may be schools, local governments, healthcare organisations, etc. or any other institutions who play an important role in the solution of the client's problems alongside the Labour Market Board. The need to involve network partners results from the fact that unemployment is often not caused simply by the lack of a suitable profession, but also by health issues, incomplete education, lack of childcare options, etc.

When the new Act entered into force, Estonia also moved from a service-based approach to a necessity-based approach, which means that a labour market service is offered proceeding from an assessment of the necessity of the service. The professional knowledge and skills of all clients are considered and linked to suitable labour market policy methods, whose performance is then observed on the basis of an individual action plan. The goal of providing this assistance is for the person to successfully apply him- or herself on the labour market.

The LMSBA defines those risk groups whose problems in entering the labour market are given particular attention (Subsection 10(5)):

- unemployed persons with disabilities who, due to these disabilities, need additional help upon commencing employment;
- unemployed persons (between the ages of 16 and 24);
- unemployed persons released from prison in the 12 months prior to registering as unemployed;

- unemployed persons of between 55 years and pensionable age;
- unemployed persons who, prior to registering as unemployed, received a caregiver's allowance and who have not been employed or engaged in an activity equal to work during the 12 months prior to registering as unemployed;
- the long-term unemployed (the duration of unemployment exceeds 12 months, or 6 months in the event of young people between 16-24 years of age);
- unemployed persons who are not proficient in Estonian and whose employment is difficult for this reason.

An individual action plan is prepared for the unemployed person. The first part of the plan contains the general data of the client and the second part contains a detailed action plan for employment of the unemployed person. The second part of the individual action plan maps the circumstances hindering the employment of the person and lists the specific activities (e.g. participation in labour market training, active job seeking, preparation of a CV, etc.) planned with the case manager working in the Labour Market Board which the unemployed person has to complete in order to solve their problems. The second part of the individual action plan is prepared within 18 weeks of registration of the person as unemployed, but in the case of an unemployed person who belongs to a risk group, the individual action plan is prepared no later than five weeks after registration as unemployed. The case manager monitors the performance of the individual action plan and helps the unemployed person wherever necessary.

The term suitable work is a new one that has been introduced in the Act (Section 12). The objective of the term suitable work is to protect the unemployed person from unfavourable job offers during the first months of unemployment (the first 20 weeks). If the length of the period of unemployment grows, it will be assumed that finding any work for the unemployed person has become more important, because the longer a person is unemployed, the harder it is for them to return to the labour market. Employment in a temporary job offering the minimum monthly salary helps a person maintain their existing qualifications and social inclusion. People also gain work experience, which makes it easier to find jobs in the future.

Work suitable for an unemployed person during the first 20 weeks after registering as unemployed is deemed to be employment:

- which is not contraindicated due to health reasons;
- in the case of which the journey from the place of residence to the place of work of the person by public transport will not take longer than two hours a day and will not cost more than 10% of the person's monthly wages;

- which corresponds to the education, profession or earlier work experience of the unemployed person and for which a salary that is at least 60% of the previous monthly salary of the person, but not lower than the minimum monthly salary established by the Government of the Republic, is offered.

The term suitable work becomes stricter if an unemployed person has not found a suitable job by the time 20 weeks have passed. Pursuant to this, a person may be offered work:

- which is not contraindicated due to health reasons;
- in the case of which the journey from the place of residence to the place of work of the person by public transport will not take longer than two hours a day and will not cost more than 10% of the person's monthly wages;
- which is temporary;
- the salary payable for which equals at least the minimum monthly salary established;
- which need not correspond to the education, profession or earlier work experience of the unemployed person.

The LMSBA has increased the number of labour market services that are provided: the Act stipulates 6 new labour market services. The new services offered to unemployed people are:

(1) coaching for working life, whose target group consists of the long-term and discouraged unemployed, who have lost their working skills and habit (the service includes activities that develop social skills and working habits, provided in cooperation with local governments and non-profit organisations);

(2) work practice, whose target group consists mainly of young, but also long-term unemployed (the service often also being provided to disabled and older unemployed people). The purpose of the service is to help the unemployed find a permanent job through the acquisition of work experience and also to help employers find suitable employees. This makes the service particularly useful for those who have acquired a profession, but who lack the practical work experience required to find a job. The work practice service also allows to offer the opportunity to learn from and practice with an employer in professions where training cannot be obtained in schools, but where vacancies are available.

Four new services are aimed at unemployed persons with disabilities. Even though special services have been developed for people with disabilities, they also have access to all other labour market services on the basis of their individual action plans. This means that similar to other unemployed people, the main services offered to people with disabilities from 2006 are career counselling and different labour market training courses. In addition to this, work practice and coaching for working life are also important services. Special

services (that are directed only to the unemployed persons with disabilities) are provided if hindrances caused by disabilities need to be eliminated in order to find job. The situation and needs of the client are assessed first of all, which helps to ascertain the person's skills, personal qualities, education, work experience and desire to work. Assessment of the desire to work is generally followed by an assessment of the workplace, to ascertain whether the following is required after provision of the service aimed at the disabled person:

(3) adaptation of premises and equipment. Once the need for the service has been ascertained, the Labour Market Board enters into a contract with the employer. The employer will carry out adjustments, with the Labour Market Board compensating 50% of the cost of these adjustments, but no more than 30,000 kroons. The upper limit for the support will be established by the state budget for each financial year. Adjustments can be provided for one unemployed person once every three years. If the employer terminates the employment relationship with the unemployed person before three years have passed, it will have to reimburse the cost of the adjustments to the Labour Market Board;

(4) use of a special aids and equipments used free of charge will also be allowed for up to three years, but for no longer than the duration of the valid employment relationship;

(5) working with support person services are offered mainly to unemployed persons with special mental needs, who may need more time than usual to learn their tasks. The services of working with support person may be offered to one unemployed person for a maximum of 700 hours a year. The service can be provided for a maximum of 8 hours a day during the first month of employment, 4 hours a day during the second month and 2 hours a day during the 3rd and 4th months. The hours of the service are reduced over time, as its purpose is the independent employment of the unemployed person. The service is not provided if there is reason to believe that the unemployed person is unable to start working independently.

(6) communication support at interviews is offered mainly to people with speech impediments and hearing impairments, but the law allows for the service to be provided to everyone who requires assistance due to their disability. The service can be provided by a Labour Market Board consultant, a volunteer (a family member, for example) or a specialist (e.g. a speech therapist, sign language translator or psychologist).

The remaining labour market services that were also provided on the basis of the previously applied legal acts are as follows:

(7) provision of information on the situation in the labour market and of labour market services and benefits - the provision of information on the status of and changes in the labour market as well as on the content of labour market services, the terms and conditions for receiving such services, and the terms and conditions for receiving labour market benefits;

- (8) job mediation means finding suitable work for unemployed persons and jobseekers, and finding suitable employees for employers;
- (9) labour market training is professional training organised for unemployed persons, during which the persons receive or develop professional or other skills which facilitate their employment;
- (10) career counselling means making recommendations on the further education, career choices, training or work corresponding to the personal characteristics, education and skills of unemployed persons and persons who have received notice of termination of their employment or service relationship;
- (11) public work is paid work which does not require professional, special or occupational preparation;
- (12) wage subsidy is a benefit payable to employers for employing unemployed persons. Wage subsidies may be paid for the employment of unemployed persons who were released from prison in the 12 months prior to registering as unemployed and unemployed persons who have been registered as unemployed for more than 12 consecutive months and have not found work during this time. Wage subsidies may be paid for the employment of an unemployed person between 16 and 24 years of age who has been registered as unemployed for more than six consecutive months and has not found work during this time.
- (13) business start up subsidy is a subsidy offered to unemployed persons to start a business (the amount of the subsidy in 2007 being 20,000 EEK).

Participation of unemployed persons in active measures is supported with grants and transport and accommodation benefits. Grants are paid to unemployed persons who participate in labour market training, work practice and coaching for working life. The hourly rate of grants is established within the state budget for every financial year. The amount of grants payable for labour market training is calculated based on the single hourly rate of the grant, and the amount of the grant payable for coaching for working life is calculated based on one half of the hourly rate of the grant. The amount of the grant payable for work practice in the first month is calculated based on the single hourly rate of the grant, while in the second month it is calculated based on a 1.5 hourly rate of the grant and in the third and fourth months it is calculated based on double the hourly rate of the grant. The persons who are eligible to receive the transport and accommodation benefit are unemployed persons who take part in labour market training and work practice. Payment of this subsidy began in 2006 (before which only transport costs were reimbursed). The upper limit of the transport and accommodation benefit is also established in the state budget for every financial year, with the upper limit of the benefit in 2007 being 1200 kroons per month.

The opportunities of long-term unemployed people to participate in active measures have also improved as a result of the benefits being more targeted. This also means that the grants paid in labour market training and the transport and accommodation benefit paid in labour market training and work practice are no longer considered part of income when subsistence benefits (social assistance) are paid.

Another important change is that since the beginning of 2007, health insurance is guaranteed to all unemployed persons registered with the Labour Market Board, starting from the 31st day of their being registered. In previous years, health insurance was provided only to those registered unemployed persons who were recipients of unemployment benefits and unemployment insurance benefits and those who participated in labour market training and work practice. This change is important for long-term unemployed persons because employment of this risk group is difficult due to their health issues.

The *Labour Market Services and Benefits Act* also significantly supports the right of people with disabilities to work, because it guarantees them the opportunity to receive national labour market services and benefits. Additional information on the services aimed at disabled people can be found in Article 15.

Number of benefit recipients and the impact of measures on employment

Below is an overview of the measures most often used in practice.

48,167 unemployed persons were registered with the Labour Market Board in 2006⁷. 7073 unemployed persons were referred to labour market training in 2006, which is 2781 referrals less than in 2005, but the share of persons who took part in training has increased compared to the previous year (13.7% in 2005 and 14.7% in 2006). The number of referrals to training in 2006 (taking into account that the same person may take part in several training courses if this is justified in order to find employment for them) was 8905, which was 4095 referrals less than in 2005. Training is divided as follows: initial training - 2947; retraining - 1219; continuous training - 2750; and adaptation training - 1989. Unfortunately, the information system does not enable to give an overview of the persons who participated in training in 2005-2006 on the basis of their sex and age.

Figure 2: Unemployed persons who took part in labour market training in 2005-2006 by county

Source: Labour Market Board

⁷ This figure also includes those unemployed persons who registered more than once during the year.

Labour market training can be considered one of the most efficient active labour market measures, as it provides a tool that from the viewpoint of the state is an efficient aid in improving the qualifications of people and one that gives unemployed people considerably better opportunities to find new jobs (compared to situations where the relevant professional qualifications are lacking). The measure contributes to the increase of employment and also increases the productivity of labour (through the support of lifelong learning and adult education).

676 unemployed persons were referred to work practice⁸ in 2006 to a total of 695 times. 18 unemployed persons participated in work practice twice. 203 of the people who participated in work practice were men and 473 (70%) were women. The average age of the participants was 37, the average age of women being 38 and the average age of men being 36.

Figure 3: Unemployed persons who took part in work practice in 2006 by county

Source: Labour Market Board

446 unemployed persons participated in coaching for working life⁹ in 2006 to a total of 493 times. 39 unemployed persons participated in coaching for working life twice and 4 persons took part three times. Coaching for working life was organised in all departments of the Labour Market Board during the year, except for Viljandi County and Lääne County, where the Labour Market Board was unable to find an organiser of coaching for working life.

Figure 4: Unemployed persons who took part in coaching for working life in 2006 by county

Source: Labour Market Board

⁸ Data about the persons who participated in work practice is only available for 2006 because the provision of the service began when the Labour Market Services and Benefits Act entered into force on 1 January 2006.

⁹ Data about the persons who participated in coaching for working life is only available for 2006 because the provision of the service began when the Labour Market Services and Benefits Act entered into force on 1 January 2006.

Figure 5: Persons referred to coaching for working life in 2006 by risk group

Source: Labour Market Board

4023 disabled persons were registered as unemployed with the Labour Market Board in 2006, which is 8.4% of all unemployed persons registered during the year. An average of 6% of registered unemployed persons with disabilities received unemployment allowance and 28% received unemployment insurance premiums. Career counselling was provided to unemployed persons with disabilities 870 times in 2006, and such persons were referred to training 1146 times (including 403 times to jobseeker training and 743 to specialty training). Unemployed persons with disabilities participated in public work 49 times, in coaching for working life 74 times and in work practice 239 times. 68 unemployed persons with disabilities were employed with wage subsidies and 60 were employed with a support person in 2006, and 43 such persons received communication assistance in their job interviews. 46 unemployed persons with disabilities received business start up subsidies. 758 unemployed people with disabilities were employed during the year (18.8% of all disabled people who had been registered as unemployed during the year). Technical aids required for working were provided free of charge in 5 cases (in three of these cases, the aids were given to disabled people employed through the ESF project *Promotion of Employment of Disabled People*, who were facing the threat of losing their jobs). Adaptation of premises and equipment were adjusted in one case.

16,324 unemployed persons found a job in 2006, which is 33.9% of all persons who had registered as unemployed during the year. 10,533 unemployed persons found work independently, 61 of these starting their own businesses. 5211 unemployed persons found work as a result of referrals by the Labour Market Board and 580 found jobs with the help of labour market services (wage subsidies, business start up subsidies, working with a support person and working with special aids).

Figure 6: Placement in 2006

Source: Labour Market Board

Question B

Please indicate the trends in employment¹⁰ covering all sectors of the economy. In connection with this, indicate, as far as possible, the activity rate,¹¹ the employment rate¹² and the breakdown of employment by region, sex, age, employment status (employed, self-employed), type of employment (full time and part time, permanent and fixed term, temporary) and sector of activity.

Please give the trend of the figures and percentages of unemployed in your country, including the proportion of unemployed to the total labour force. Please give a breakdown of the unemployed by region, category, sex, age and by length of unemployment.

Employment

The economic growth of the country (GDP grew by 11.4% in 2006) has contributed to rapid and positive changes in the Estonian labour market. The number of employed people and the rate of employment have been increasing steadily since 2001. Employment grew particularly fast in 2006, when the number of employed people increased by 6.4% and the rate of employment grew to 3.7 percentage points. The data contained in the labour force survey of the Statistics Estonia shows that 646.3 thousand people in Estonia aged between 15 and 74 were employed. When compared to the figures for 2005, the rate of employment¹³ increased from 64% to 67.7%. The activity rate rose by 2.5 percentage points (from 69.6% to 72.1%) compared to the previous year.

The total number of employed people has grown mainly due to the increase in the employment of women, which in turn has been affected by the gradual increase in the retirement age. This is the reason why women are leaving the labour market later. The employment of women grew particularly fast between 2004 and 2006. Employment of men increased suddenly in 2006, when the number of employed men grew by 7.5% and employment rate exceeded 70%.

Figure 7: Employment rate of persons aged 15 to 64 years 1995-2006, %

¹⁰ Reference is made to the definition of employment adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982) or any further versions.

¹¹ The activity rate represents the total labour force as a percentage of the population aged 15 years and over and living in private households. The labour force is defined as the sum of persons in employment plus the unemployed.

¹² The employment rate represents persons in employment as a percentage of the population aged 15-64 years and living in private households.

¹³ The rates of employment and activity have been calculated for the 15-64 age group.

Source: Labour Force Survey of Estonia, Statistics Estonia

An overview of the employment status of working-age people according to age and sex in 2005 and 2006 is given in the following tables 3-5.

Table 3: Population according to age group and labour status, 2005-2006

Age group, year	Labour force			Inactive	TOTAL	Activity rate, %	Employment rate, %	Unemployment rate, %
	total	employed	unemployed					
Aged 15-24								
2005	70.7	59.5	11.2	137.0	207.7	34.0	28.6	15.9
2006	74.7	65.7	9.0	135.5	210.2	35.5	31.3	12.0
Aged 25-49								
2005	404.6	374.2	30.4	64.7	469.2	86.2	79.7	7.5
2006	417.2	393.9	23.3	48.9	466.1	89.5	84.5	5.6
Aged 50-74								
2005	184.3	173.7	10.6	187.3	371.6	49.6	46.7	5.8
2006	194.8	186.6	8.2	177.9	372.7	52.3	50.1	4.2
Aged 15-64								
2005	637.9	586.3	51.6	278.4	916.3	69.6	64.0	8.1
2006	661.1	621.1	40.0	255.9	916.9	72.1	67.7	6.0
Aged 15-74								
2005	659.6	607.4	52.2	389.0	1 48.6	62.9	57.9	7.9
2006	686.8	646.3	40.5	362.3	1 49.1	65.5	61.6	5.9

Table 4: Men by age group and employment status, 2005-2006

Age group, year	Labour force			Inactive	TOTAL	Activity rate, %	Employment rate, %	Unemployment rate, %
	Total	Employed	Unemployed					
Aged 15-24								
2005	40.9	34.1	6.8	65.1	105.9	38.6	32.2	16.6
2006	43.2	38.9	4.3	64.1	107.3	40.3	36.2	10.0
Aged 25-49								
2005	205.5	189.2	16.2	22.6	228.0	90.1	83.0	7.9
2006	214.3	202.5	11.8	13.2	227.5	94.2	89.0	5.5
Aged 50-74								
2005	83.0	77.2	5.8	71.6	154.6	53.7	49.9	7.0
2006	86.7	81.5	5.2	68.4	155.2	55.9	52.5	6.0
Aged 15-64								
2005	319.3	290.7	28.6	119.6	438.9	72.8	66.2	9.0
2006	331.7	310.8	21.0	108.8	440.6	75.3	70.5	6.3
Aged 15-74								
2005	329.3	300.5	28.9	159.2	488.5	67.4	61.5	8.8
2006	344.2	322.9	21.3	145.7	490.0	70.3	65.9	6.2

Table 5: Women by age group and employment status, 2005-2006

Age group, year	Labour force			Inactive	TOTAL	Activity rate, %	Employment rate, %	Unemployment rate, %
	total	employed	unemployed					
Aged 15-24								
2005	29.9	25.4	4.4	72.0	101.8	29.3	25.0	14.9
2006	31.5	26.8	4.6	71.4	102.9	30.6	26.1	14.7
Aged 25-49								
2005	199.1	185.0	14.1	42.1	241.2	82.5	76.7	7.1
2006	203.0	191.4	11.6	35.7	238.6	85.1	80.2	5.7
Aged 50-74								
2005	101.3	96.5	4.8	115.7	217.0	46.7	44.5	4.7
2006	108.1	105.1	3.0	109.5	217.6	49.7	48.3	2.8
Aged 15-64								
2005	318.5	295.5	23.0	158.9	477.4	66.7	61.9	7.2
2006	329.3	310.3	19.0	147.1	476.4	69.1	65.1	5.8
Aged 15-74								
2005	330.3	306.9	23.3	229.8	560.0	59.0	54.8	7.1
2006	342.6	323.3	19.2	216.5	559.1	61.3	57.8	5.6

Source: Survey of Labour Force in Estonia, Statistics Estonia

The employment rate of women has increased since 2001 and on average amounted to 65.1% in 2006, which is considerably higher than the average in the European Union and the Lisbon goal for 2010 (60%). The gradual increase in the retirement age of women, as a result of which women are leaving the labour market later, has also had a certain impact here. The employment rate of older people (55-64 years of age) has grown for the same reason, and in Estonia it exceeded the Lisbon goal as early as 2002, reaching 58.2% in 2006 (57.2% for men and 59% for women). When compared to the figures for 2005, the employment rate of elderly men fell and that of women rose, as a result of which the employment rate of women in this age group exceeds the employment rate of men for the first time.

The employment rate of older men increased by only 1.8 percentage points in 2006 compared to 1995, and absolute figures even show a decrease, but the increase in the employment rate of women has been very fast. Approximately one-third of older women were employed in 1995 and in 2006 this rate had grown to as high as 59%, which even exceeded the employment rate of men.

Figure 8: Employment rate of older people (aged 55-64) 1995-2006, %

Source: Labour Force Survey of Estonia, Statistics Estonia

The division of employed people according to areas of activity has become more similar to the employment structure in European Union Member States. The share of the agricultural sector continues to decrease. People working in the primary sector only accounted for 5% of all employed people in 2006. When compared to 2005, the number of employees in the secondary sector decreased and the importance of the tertiary sector increased (see Figure 9).

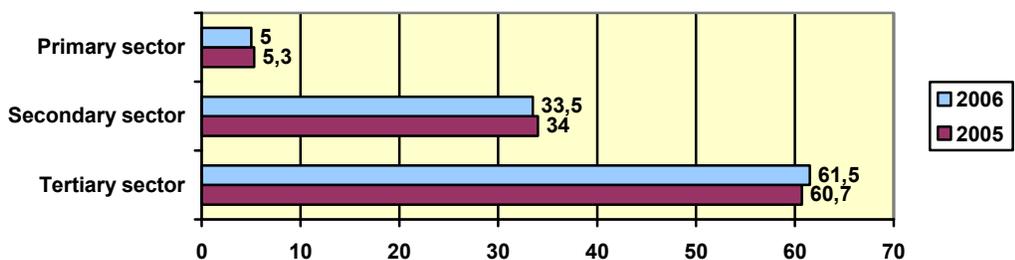


Figure 9: Division of employed people according to economic sectors in 2005 and 2006, %

Source: Labour Force Survey, Statistics Estonia

The number of agricultural workers decreased both among men and women, but among women it mainly occurred on account of the increase in the tertiary sector, whilst men mostly moved on to work in the secondary sector (see Table 6).

Table 6: Employed people by sex and economic sectors, 2005-2006, %

	2005	2006
Men:		
Primary sector	7.1	6.7
Secondary sector	44	45.6
Tertiary sector	48.8	47.7
Total	100.0	100.0
Women:		
Primary sector	3.5	3.2
Secondary sector	24.2	21.5
Tertiary sector	72.3	75.2
TOTAL	100.0	100.0

Source: Labour Force Survey of Estonia, Statistics Estonia

A more detailed overview of employed people by areas of activity is given in Table 7. In terms of numbers, employment increased most in construction and transport. The increase was lowest in the manufacturing.

Table 7: Division of employed people by areas of activity in 2005 and 2006, thousands

	2005	2006		Increase +/- 2005/2006
		total	including women, %	
Agriculture, hunting and forestry	29.4	29.9	34.1	0.5
Fishing	2.8	2.2	9.1	-0.6
Mining	5.9	5.2	9.6	-0.7
Manufacturing	139.5	136.4	45.6	-3.1
Electricity, gas and water supply	12.5	12.4	17.7	-0.1
Construction	48.7	62.8	7.5	14.1
Wholesale and retail trade; repair of motor vehicles etc.	80.6	88.7	59.9	8.1
Hotels and restaurants	22.1	22.3	81.6	0.2
Transport, storage and communications	54.6	61.5	31.7	6.9
Financial intermediation	6.9	7.3	76.7	0.4
Real estate, renting and business activities	46.4	48.1	45.1	1.7
Public administration and state defence; compulsory social insurance	37.2	39.0	51.8	1.8
Education	54.9	58.5	83.1	3.6
Health and social work	35	37.5	87.2	2.5
Other economic activities	31.1	34.3	68.5	3.2
TOTAL	607.4	646.3	50.0	38.9

Source: Survey of Labour Force in Estonia, Statistics Estonia

Table 8: Employed people by sex and employment status, 2005-2006

	2005	2006
Men and women		
Employees	558.2	594.7
Employers	16.2	16.8
Own-account workers	31.5	33.8
Unpaid family workers	1.5	(1.0)
Total	607.4	646.3
Men		
Employees	266.9	286.6
Employers	12.3	13.2
Own-Account workers	20.5	22.7
Unpaid family workers	(0.8)	...
Total	300.5	322.9
Women		
Employees	291.3	308.1
Employers	3.9	3.6
Own-account workers	11.0	11.1
Unpaid family workers	(0.7)	...
TOTAL	306.9	323.3

The majority of employed people in Estonia have full-time jobs. Only 7.8% of employed people (4.3% of men and 11.3% of women) worked part-time in 2006. Even though the share of part-time employees was the same as in 1995, a change can be seen when men and women are compared. The percentage of part-time employees has increased slightly among women.

There were only 1.5% underemployed people in 2006. Their number decreased by 0.3 percentage points compared to 2005. There are more underemployed people among women than men.

Table 9: Percentage of full-time and part-time employees by sex in 2005-2006

	2005	2006
Men and women		
TOTAL	100	100
Full-time	92.2	92.2
Part-time	7.8	7.8
..underemployed	1.8	1.5
Men		
TOTAL	100	100
Full-time	95.1	95.7
Part-time	4.9	4.3
..underemployed	1.1	0.9
Women		
TOTAL	100	100
Full-time	89.4	88.7
Part-time	10.6	11.3
..underemployed	2.4	2.1

Source: Labour Force Survey of Estonia, Statistics Estonia

In 2006, 17.9 thousand people were in temporary job (11 thousand men and 6.9 thousand women), which represents 2.8% of total employment. The share of employed persons with temporary job increased by just 0.2 percentage points compared to 2005.

Unemployment

There were 40,500 unemployed people in 2006 according to the Labour Force Survey in Estonia. The unemployment rate dropped from 7.9% to 5.9% compared to 2005. The number of unemployed people decreased by more than a half in comparison to 2000, when unemployment in Estonia was at an all-time high as a result of the economic and financial crisis in Russia. The favourable economic climate of the last few years, which has resulted in the creation of new jobs and demand for labour, reduced the unemployment rate of 2006 to the same level as at the beginning of the 1990s. The last time unemployment was so low was in 1994. The level of unemployment is lower than the average level in the European Union and many areas are already affected by a lack of labour. The number of persons registered as unemployed as of 1 January 2007 was 12,029, which shows that the number of unemployed has decreased by 45% compared to 1 January 2006. As of 1 February 2006, registered unemployed persons accounted on average for 2.6% of the population aged between 16 and retirement age. The share of registered unemployed persons had fallen to 1.6% by 31 January 2007. Unemployment decreased among both women and men.

Unemployment in Estonia is mostly structural, which means that the acquired level of education, skills and work experience often do not comply with the rapidly changing labour market requirements. The average level of education of unemployed persons is considerably lower than that of employed persons. The lower the level of education, the higher the unemployment rate and the longer it takes to find work. The labour market needs skilled workers and specialists, whilst most of the unemployed person only have basic or general secondary education (42%) and no professional skills.

The number of registered unemployed persons has also been decreasing rapidly. It has always been about half of the number of unemployed revealed by labour force surveys, as not all unemployed persons register themselves as unemployed with the Labour Market Board. The total number of unemployed persons registered with the Labour Market Board in 2006 was 48,167¹⁴. The number of registered unemployed persons decreased constantly during the year and the average number of unemployed persons registered per month was 18,135, which represents 2.6% of labour force. Registered unemployment decreased by one-third compared to 2005.

¹⁴ Includes cases where a person registered several times in one year.

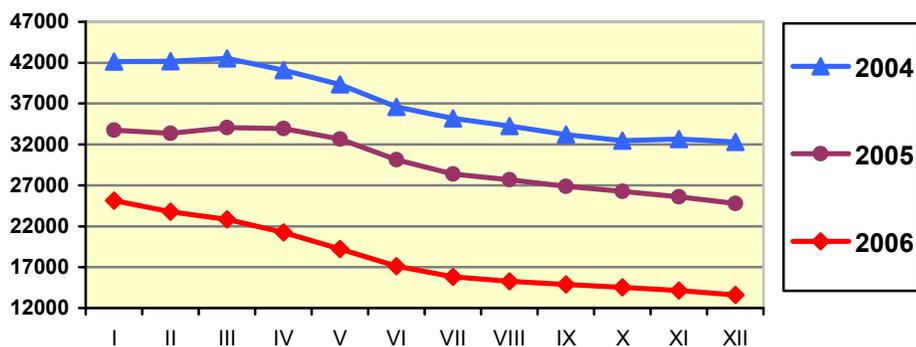


Figure 10: Number of registered unemployed persons by month

Source: Labour Market Board

The number of new jobseekers also decreased. The average number of new jobseekers who registered themselves as unemployed every month was 2103 (3552 in 2005). More than half of them registered in Harju County (including Tallinn) and Ida-Viru County. 54% of all registered unemployed persons live in these areas. Unlike the previous year, the number of new job offers received (29,909 in total) was higher than the number of new jobseekers (26,329).

Unlike most European Union Member States, unemployment in Estonia is somewhat higher among men than women (6.2% and 5.6% respectively). 42% of registered unemployed persons are men and 58% are women. This shows that women turn to the Labour Market Board more often when they become unemployed. According to age groups, the number of jobseekers was highest among people aged between 25 and 49 (57%). Young people between 16 and 24 years of age account for 14% and people older than 50 account for 29% of all unemployed persons. More than half of all registered unemployed persons (59%) have secondary education and the share of people with primary or basic education is also high (24%). 17% of all unemployed persons have ISCED level III education (secondary-special and higher education), 43% of whom have secondary-special education.

Figure 11: Dynamics of unemployment among men and women in 1995-2006, %

Source: Labour Force Survey of Estonia, Statistics Estonia

An overview of the division of unemployed persons by age group and sex and the relevant unemployment rates is given in Tables 3-5.

There is a difference in the unemployment rate of Estonians and non-Estonians, which in 2006 was 4% and 9.7% respectively. Unemployment has decreased among both Estonians and non-Estonians in the last few years. The difference in the unemployment rates is caused by high unemployment in North-East Estonia, where most of the population is Russian-speaking. Their lack of proficiency in the Estonian language and high property prices are preventing them from finding work elsewhere in Estonia. However, the situation improved considerably in 2005-2006 and unemployment among non-Estonians has decreased from 15.6% to 9.7% in two years.

Table 10: Number of unemployed persons by nationality in 2005-2006 (thousands)

	2005	2006
Estonians:		
Total	22.9	18.6
Men	14.5	10.7
Women	8.5	7.9
Non-Estonians:		
Total	29.3	21.9
Men	14.4	10.6
Women	14.9	11.3

Source: Labour Force Survey of Estonia, Statistics Estonia

Figure 12: Dynamics of unemployment rate among Estonians and non-Estonians by sex in 1995-2006, %

Source: Labour Force Survey of Estonia, Statistics Estonia

General unemployment decreased in the years 2004-2006 and there was also a sudden decrease in unemployment among young people, the rate of which dropped from 21.7% in 2004 to 12% in 2006. This is the lowest percentage in the last 12 years and even lower than the average in European Union Member States. When we analyse young people according to their employment status, we can see that most of them (approximately two-thirds) are inactive. This means that most people of this age are engaged in studies and not work. Students represent approximately 89% of inactive persons. The employment rate of young people (31.3%) in 2006 was at a similar level to 2000, but considerably lower than in 1995 (40.7%). Unemployed persons represent a total of 4.2% of all persons aged between 15 and 24.

Unemployment is usually higher among young women than men. 2005 was an exception, with unemployment among women falling below the rate of unemployment among men. Unemployment among women remained stable in 2006, but unemployment among men continued to decrease rapidly, which also caused a decrease in general unemployment among young people.

Figure 13: Dynamics of unemployment rate among persons aged between 15 and 24 by sex in 1995-2006,
%

Source: Labour Force Survey of Estonia, Statistics Estonia

Duration of unemployment

Approximately half of unemployed persons (48%) have been looking for work for a year or longer. Two-thirds of the long-term unemployed have been looking for work for two or more years. The situation has improved compared to 2005, with the number of long-term unemployed decreasing by 8400 persons in 2006. The total number of long-term unemployed in 2006 was 19.5 thousand (10.8 thousand men and 8.8 thousand women). The last time the number of long-term unemployed dropped to below 20 thousand was in 1993.

Table 11: Number of unemployed persons by duration of unemployment and sex in 2005-2006 (in thousands)

	2005	2006
TOTAL	52.2	40.5
Less than 6 months	18.6	15.7
6-11 months	5.7	5.3
12 months or more	27.9	19.5
including 24 months or more	18.2	11.4
Men		
Total	28.9	21.3
12 months or more	13.9	10.8
including 24 months or more	9.2	6.4
Women		
Total	23.3	19.2
12 months or more	14	8.8
including 24 months or more	9	5

Source: Labour Force Survey of Estonia, Statistics Estonia

Figure 14: Dynamics of long-term unemployment rate by sex in 1995-2006, %

Source: Labour Force Survey of Estonia, Statistics Estonia

The number of discouraged unemployed (7.1 thousand) has decreased along with the number of long-term unemployed, which shows that the decrease in long-term unemployment has not occurred on account of discouragement or giving up futile searches for work. There were nearly three times fewer discouraged persons in 2006 than in 2001 (22.3 thousand).

Regional differences

Unemployment is characterised by large regional differences (see Figure 8). Unemployment in different regions varies more than three times and even more than five times in different counties. The average unemployment rate varies from 4% in West Estonia to 12.1% in North-East Estonia. The rate of unemployment exceeds the average rate in Estonia in two regions of the country, the North-East and the South. Unemployment has decreased considerably in North-East, North and West Estonia compared to 2005. It is positive that in North-East Estonia, where unemployment has been high since Estonia regained its independence, the development of new businesses has led to an increase in employment and a resulting decrease in unemployment.

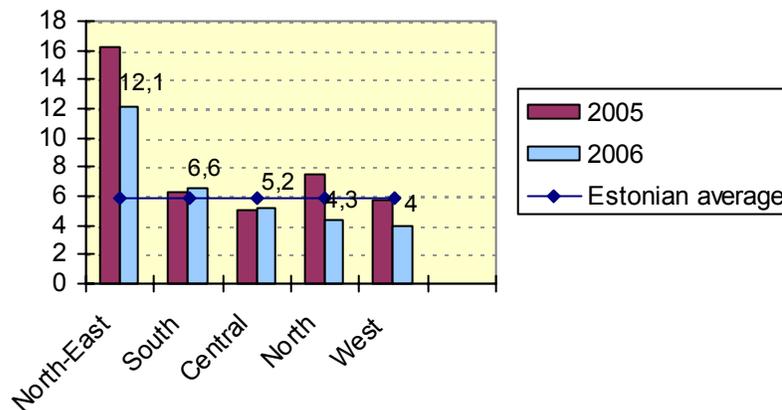


Figure 15: Differences in unemployment rates by region in 2005-2006, %

Source: Labour Force Survey, Statistics Estonia

Figure 16: Percentage of unemployed persons among people aged 16 to retirement age by county

Source: Labour Market Board

Unemployment was lowest in Pärnu County (0.9%) and highest in Ida-Viru County (3.6%). Figure 10 shows that unemployment has decreased in all counties over the last 12 months. It is positive that unemployment fell considerably in areas of high unemployment such as Ida-Viru County and South Estonia.

Lääne-Viru County

Question C

Please indicate the trends in the number and nature of vacant jobs in your country.

The Labour Market Board had 32,446 vacant jobs to offer in 2005. 28,718 new jobs came in during the year. In 2006, the Labour Market Board had 36,535 jobs offers, which was 11.2% more than in the previous year. 30,289 new jobs came in during the year.

The number of vacant jobs increased 11.2% during the year. The number of offers grew most in the ISCO 4 (clerks) group (22.8%), followed by ISCO 6 (skilled agricultural and fishery workers). The only group to undergo a decrease was ISCO 3 (technicians and associate professionals), which decreased by 126 jobs or 11.6%.

Figure 17: Vacant jobs according to the ISCO classification

Source: Labour Market Board

The number of unemployed persons who were engaged in 2005 was 19,545 and the placement rate reached 27.2%. 16,242 persons were engaged in 2006 with the placement rate being 33.7%.

Figure 18: Placement in 2005 and 2006

Source: Labour Market Board

Question

No information is provided on the unemployment rate of people with disabilities and immigrants and ethnic minorities. The Committee asks that the next report contain information on this point.

There is a difference in the employment rate of Estonians and non-Estonians¹⁵, which in 2006 was 4% and 9.7% respectively. The difference in unemployment rates is caused by high unemployment in North-East Estonia, where most of the population is Russian-speaking. Unemployment has decreased among both Estonians and non-Estonians in the last few years. Unemployment among non-Estonians decreased from 15.6% to 9.7% in the two years 2005 and 2006.

Table 12: Number of unemployed persons by nationality in 2005-2006 (thousands)

	2005	2006
Estonians:		
Total	22.9	18.6
Men	14.5	10.7
Women	8.5	7.9
Non-Estonians:		
Total	29.3	21.9
Men	14.4	10.6
Women	14.9	11.3

Source: Labour Force Survey of Estonia, Statistics Estonia

¹⁵ Data on ethnic origin is based on self-determination; it is not related to citizenship.

Figure 19: Dynamics of unemployment rate among Estonians and non-Estonians in 1995-2006, %

Source: Labour Force Survey of Estonia, Statistics Estonia

4023 persons with disabilities¹⁶ were registered as unemployed with the Labour Market Board in 2006, which is 8.4% of all the unemployed registered during the year. 1170 persons with disabilities (9.7%) were registered as of 1 January 2007. The average number of unemployed persons with disabilities registered during the year was 1328. On average, 282 unemployed persons with disabilities were registered each month.

Question

The Committee takes note on data regarding the participation of different groups in active labour market measures, but it asks for clarification on the average number of participants in active measures, the activation rate and the average time before an unemployed person is offered participation in an active measure. The Committee asks to receive this information in the next report.

A detailed description of participation in active labour market measures is described in the answer to Question A in Paragraph 1 of Article 1. Said data has been highlighted separately in the case of services where participation in the service can be differentiated according to risk groups.

The activity rate rose by 2.5 percentage points (from 69.6% to 72.1%) compared to 2005.

Referrals to active labour market measures are regulated by the Labour Market Services and Benefits Act, which has established the requirement that an individual action plan must be prepared for every unemployed person. Part two of the individual action plan is prepared for persons who belong to risk groups immediately, but not later than five weeks after registration of the person as unemployed. The individual action plan is prepared for so-called ordinary unemployed persons within 18 weeks of the registration of the person as unemployed. The above references to deadlines also stipulate the approximate timeline when unemployed persons are given referrals to labour market measures.

¹⁶ Information about the employment rates of disabled people can be reflected on the basis of Labour Market Board data, which only reflects those disabled people who have disclosed the relevant information about themselves to the Labour Market Board, and on the basis of Labour Force Survey data.

ARTICLE 1 PARAGRAPH 2

"With a view to ensuring the effective exercising of the right to work, the Parties undertake:

to protect effectively the right of the worker to earn his living in an occupation freely entered upon;"

[The Appendix to the Charter stipulates that this provision shall not be interpreted as prohibiting or authorising any union security clause or practice.]

Question A

Please give information concerning legislative or other measures taken to ensure the elimination of all discrimination in employment which might be based on sex, social or national origin, political opinion, religion, race, colour or age and to promote effectively equal opportunities in seeking employment and in taking up an occupation.¹⁷

Please give information in this respect on existing sanctions and remedies in cases of discrimination in employment.

In 2005, the Riigikogu ratified the *ILO Convention (no. 111) concerning Discrimination in respect of Employment and Occupation*.

The Gender Equality Commissioner, whose main tasks are to provide opinions concerning possible cases of discrimination, to monitor compliance with the requirements of the *Gender Equality Act* and to promote gender equality, was appointed in 2005 (see also art 20).

In 2006, the *Penal Code* was updated with respect to offences against equality. Public incitement to hatred and violence had already been prohibited, and the amendment to the Code also made public incitement to discrimination a punishable act. Sexual orientation was also added to the list of possible causes of discrimination¹⁸.

¹⁷ The term "discrimination" in this Form is to be understood in terms of ILO Convention no. 111 (Discrimination, Employment, Occupations), Article 1.

¹⁸ The other basis for discrimination referred to in this regulation are: nationality, race, colour, sex, language, origin, religion, political opinion, or financial or social status

The *Employee Trustee Act*, passed in 2006, regulates the activities of a representative of employees in representing the employees and public servants who have authorised the person to represent them in their relationships with their employer and employees. The Act is based on Directive 2002/14/EC of the European Parliament and of the Council, which establishes a general framework for informing and consulting employees in the European Community. The tasks of the representative of employees include, among others, to observe working conditions and to provide notification of any infringements.

Several national policies and strategies treat minority groups as risk groups. Young people, the elderly, people with disabilities and people who don't speak Estonian are mainly seen as risk groups. On the basis of the *Labour Market Services and Benefits Act* that entered force in 2006, the Labour Market Board offers the unemployed more services than before and applies the case management principle. More attention is thereby paid to risk groups, whose situation in an open labour market can be more difficult.

Reducing unemployment among labour market risk groups is also considered one of the greatest challenges in the *Government Report on Social Protection and Inclusion in 2006-2008*. The relevant measures are supported from the funds of the European Union structural funds and the EQUAL Programme, and they comply with the *National Budget Strategy* and the *National Strategy for Use of Structural Funds in 2007-2013* and its implementation plans.

Many activities have been completed within the framework of the *National Integration Programme for 2000-2007* in order to contribute to the integration of different nationalities, including the achievement of equal positions on the labour market. One of the sub-programmes of the integration programme is *Teaching Estonian to Adults*, which includes the preparation and distribution of materials introducing language examinations and the examination procedure, organisation of language teaching and offering free courses and performance-based subsidisation of language learning. Activities that help to increase equality in working life have also been completed within the framework of the sub-programme *Social Competence*: organisation of labour trips for the purposes of language practice for people who are not proficient in Estonian, promoting cooperation among young people, supporting media education, and development of a citizenship examination information programme. Socio-economic integration has been set as the priority in the development of the *National Integration Programme for 2008-2013*. Attention is also paid to the integration of new immigrants in addition to the non-Estonians who have lived in Estonia for a long time.

Regarding measures taken to eliminate discrimination based on sex, please see Article 20 (and especially concerning the legal measures, please see also previous reports).

Question B

Please indicate any methods adopted:

- a. to seek the co-operation of employers' and workers' organisations and other appropriate bodies in promoting the acceptance and observance of the above policy of non-discrimination;
- b. to ensure the acceptance and observance of the above policy through educational efforts.

At the beginning of 2006 Estonia prepared a project idea in order to apply for funding from the EC Transition Facility 2006 programme for a twinning project *Equality between Men and Women – Principle and Goal for Effective and Sustainable Enterprises*. The funding decision was made by the European Commission in July 2006. The project is taking place from August 2007 to August 2008 in co-operation with France. In the framework of this project some activities are specifically targeted to promote and facilitate the co-operation of social partners in promoting gender equality and eliminating discrimination based on sex. Round tables will be held for employers and other stakeholders to exchange information, experience and best practice for the advancement of gender equality. Also a network is planned to be launched to support the sustainability of the co-operation of social partners and other important stakeholders in the field of gender equality in the private sector. In addition to specific activities, it should also be mentioned that the Steering Committee of the project is composed of representatives of social partners and other relevant stakeholders with a view to promoting their co-operation on this topic.

In addition to the activities mentioned effort will also be made to promote gender equality in the private sector through educational activities. Seminars will be held for representatives of private sector employers, employees and Estonian gender experts to give them the know-how to promote gender equality in companies. The seminar for Estonian gender experts is also meant to support the sustainability of such educational efforts in Estonia after the project.

For more about the project, please see Article 20.

Question C

Please indicate the guarantees, including applicable sanctions and remedies, which prevent any discrimination in regard to members of workers' organisations at the time of engagement, promotion or dismissal.

Subsection 10(3) of the *Republic of Estonia Employment Contracts Act* prohibits, amongst other things, discrimination because the employer is a member of workers' associations or represents other employees. Supervision of the fulfilment of this requirement is exercised by the Labour Inspectorate. Employees who claim that they have been treated unequally because they represent other employees or are a member of a workers' association may turn to a labour dispute committee or a court.

Pursuant to the *Employee Trustee Act* and the *Trade Unions Act*, representatives of employees are provided time off work for performance of the duties of such a representative, which, depending on the number of employees represented, can be up to 40 hours a week, and the average salary of the representative is maintained for said time. The most important guarantee is the restriction on the termination of the employment contract established with respect to such a representative in subsection 94(1) of the *Republic of Estonia Employment Contracts Act*, which only permits the termination of the employment contract of the representative of employees with the consent of the labour inspector. This restriction applies during the term of authority of the representative and for one year after termination of the authorisation. The employment contract of such a representative may only be terminated without the consent of the labour inspector upon liquidation of the employer or due to the long-term incapacity for work of the employee (for four consecutive months or for a total of five months in a year).

Question D

Please indicate whether any form of forced or compulsory labour is authorised or tolerated.¹⁹

Forced or compulsory labour is prohibited by the *Constitution of the Republic of Estonia*, in which Subsection 29(1) stipulates that an Estonian citizen has the right to freely choose his or her area of activity, profession and place of work. Pursuant to Subsection 29(2) of the Constitution, no one shall be compelled to perform work or services against his or her free will, except in the following cases: service in the armed forces or alternative service; work to prevent the spread of an infectious disease; work in the event of a

¹⁹ The term "forced or compulsory labour" in this Form is to be understood in terms of ILO Convention no. 29 (Forced Labour), Article 2.

natural disaster or a catastrophe; and work which a convict must perform on the basis of and pursuant to the procedure established by law. This means that forced or compulsory labour is only permitted in the cases prescribed in the Constitution, and no person can be forced into work or service on any other basis.

Question E

If so, please describe the nature and scope of any such labour and indicate the extent to which recourse has been had thereto during the reference period.

See the answer to Question D.

Question F

Please indicate what measures are being taken to secure the complete abolition of forced or compulsory labour and the date by which these measures will be fully implemented.

See the answer to Question D.

Question G

Please give information concerning the conditions under which work is carried out in prison establishments.

The conditions under which work is carried out in prison establishments have not changed during the reporting period.

Pursuant to Section 38 of the *Imprisonment Act*, a prison shall ensure, if possible, that a prisoner is provided with work, considering the physical and mental abilities and skills of the prisoner. If it is impossible to ensure that a prisoner be provided with work, the prisoner shall be required, if possible, to participate in the maintenance of the prison.

In order to ensure prisoners with work, a prison may build plants on or outside the premises of the prison, allow prisoners to work outside the prison or require prisoners to participate in the maintenance of the prison.

A prisoner may be suspended from work or released from mandatory work if the prisoner is unable to perform the mandatory work or if the work endangers the security of the prisoner or the prison or if the work poses a threat to discipline in the prison. The Minister of Justice shall use a regulation to establish the procedure for employment of prisoners, suspension and release of prisoners from work.

Pursuant to Section 39 of the *Imprisonment Act*, prisoners' working conditions shall comply with the requirements established by labour protection law, except the specifications arising from the Imprisonment Act. A prison is required to ensure that prisoners are guaranteed working conditions which are safe to life and health. Prisoners may be required to work overtime, on their days off and on public holidays only with the consent of the prisoners.

Pursuant to Section 42 of the *Imprisonment Act*, if a prisoner has worked or participated in the maintenance of the prison for one year, the prisoner has the right to apply for release from mandatory work for up to twenty-one calendar days. Prisoners shall not be remunerated for the time that they are released from mandatory work. Days on which a prisoner did not work due to illness shall be included in the working year of a prisoner; however, not more than to the extent of six weeks.

Pursuant to Section 43 of the *Imprisonment Act*, prisoners who work shall receive remuneration (and prisoners who are required to participate in the maintenance of a prison shall also be remunerated). The remuneration of a prisoner shall thereby be at least 20 per cent of the minimum wage rate established on the basis of the *Wages Act*. The remuneration of a prisoner shall be calculated on the basis of the nature of the work and the amount of time that the prisoner worked. The Government of the Republic shall establish the rate of and procedure for calculation and payment of remuneration of prisoners. The prison may reduce the remuneration of a prisoner working in the prison by up to 60 percent for unsatisfactory work results through the fault of the prisoner. Remuneration shall be reduced upon the proposal of the person organising the work. The prisoner shall be informed in writing of the amount of his or her remuneration.

The state-owned public limited company Eesti Vanglatööstus (Estonian Prison Industry) was created on the basis of the Regulation *Foundation of Public Limited Company Eesti Vanglatööstus* issued by the Government of the Republic on 22 January 2001 for the purposes of organising the employment of prisoners. The task of Eesti Vanglatööstus is to organise the employment of prisoners in prisons and mediate the labour and/or production facilities of prisoners to the premises of the prison.

Question

The Committee seeks information on how the concept of age discrimination has been interpreted.

According to the 2005 *Working Life Barometer*, 14% of respondents said that someone they worked with had been discriminated against or unfairly treated because of their age. 11% claimed that some employees in their workplace had been discriminated against because they were too young. 2.5% of the respondents claimed that they had been discriminated against or unfairly treated because they were too young. 1.1% had been discriminated against because they were seen as being too old. 8.6% of respondents between the ages of 16 and 29 had felt discriminated against because of their youth and 2.6% of respondents between the ages of 50 and 64 said that they had been discriminated against because of their age.

On 8 January 2006, the Riigikogu passed the *Employment Contracts Act (ECA) Amendment Act*, which entered force on 4 March 2006 and which repealed the provisions that stipulate the right of an employer to terminate an employee's employment contract when the employee has turned 65 and become entitled to a full old-age pension. As a result of the above, it is no longer possible for employers to terminate employment contracts on the basis of the employee's age.

Pursuant to Subsection 10(3) of the ECA, it is prohibited to discriminate against persons applying for employment or employees on the grounds of age. Subsections 10² (1, 2 and 3) of the same Act stipulate that it is prohibited to discriminate against a person on the grounds of age either directly or indirectly.

Direct discrimination shall be taken to occur where one person applying for employment or an employee is treated less favourably than another person applying for employment or another employee is, has been or would be treated in a comparable situation on grounds of age. Indirect discrimination shall be taken to occur where an apparently neutral provision, criterion or practice would put employees or persons applying for employment at a particular disadvantage compared with other employees or persons applying for employment on the grounds of age, unless that provision, criterion or practice is objectively justified by a legitimate aim and the means of achieving this aim are appropriate and necessary.

Discrimination on the grounds of age must be defined by the case principle separately in every specific event, considering all circumstances and proceeding from the definitions of direct and indirect discrimination given in subsections 10² (2 and 3) of the ECA.

Young people aged between 16 and 25 and elderly people aged between 55 and retirement age have been defined as risk groups on the labour market in the *Labour Market Services and Benefits Act* that entered force in 2006. The availability of certain services to specific target groups has also been improved (e.g. wage subsidies have also been made available to young people who have been unemployed for a long time). See also the answer to Question A of Paragraph 1 of Article 1.

In Estonia, compensation for pecuniary and non-pecuniary loss may be awarded to victims of discrimination. According to the report, there are no upper limits to the compensation that may be awarded by the court. The Committee seeks confirmation that there are no limits in the case of discriminatory termination of an employment contract.

In the event that an employment contract is terminated unlawfully, the victim of discrimination has the right to claim compensation for pecuniary and non-pecuniary loss on the basis of the *Law of Obligations Act*. The Law of Obligations Act does not stipulate any upper limit to the compensation that may be awarded for losses. Regarding regulation under the Gender Equality Act see Article 20.

Question

Social partners involved in a discrimination dispute also have the right of recourse to a court of law. The Committee asks whether other interested groups have the right to obtain a ruling that the prohibition of discrimination has been violated.

Similar to the social partners involved in a discrimination dispute, any interested groups involved in such a dispute also have the right of recourse to a court of law.

Question

The Committee notes the establishment of the Gender Equality Board and asks whether any other specific independent bodies have been established to promote equal treatment as well as information on any measures taken to promote equality in employment.

The Gender Equality Commissioner was appointed in 2005 (see more about this independent body under Article 20).

The Gender Equality Council has not been established yet.

The Chancellor of Justice exercises supervision over the activities of natural persons and legal persons in private law and conducts conciliatory proceedings based on petitions filed by persons who find that they are discriminated on the basis of sex, race, nationality (ethnic origin), colour, language, origin, religion or religious beliefs, political or other opinion, property or social status, age, disability, sexual orientation, or other attributes specified by law. For application of the principles of equality and equal treatment the

Chancellor of Justice has a duty to 1) analyse the effect of the implementation of legislation to the condition of the members of the society; 2) inform the Riigikogu, Government of the Republic, governmental agencies, local government agencies and bodies, other interested persons and the public of application of the principles of equality and equal treatment; 3) make proposals for amendment of legislation to the Riigikogu, Government of the Republic, governmental agencies, local government agencies, local government bodies and employers; 4) promote, in the interests of adherence to the principles of equality and equal treatment, the development of national and international co-operation between individuals, legal persons and agencies and 5) promote, in co-operation with other persons, the principles of equality and equal treatment.

Question

The Committee requests further clarification of the situation; i.e. can nationals of other States who are Parties to the Charter but not citizens of EU member states be employed in the civil service, local government etc, where such positions are not concerned with national security, exercise of public authority to guarantee public order and security?

European Union nationals may work in Estonia in all jobs if they meet the requirements established by law or on the basis of law (including language proficiency requirements). The only restrictions are associated with the exercise of official authority. Pursuant to the *Public Service Act*, only Estonian citizens shall be appointed to positions which involve exercise of public authority and protection of public interest. Such positions are, for example, those related to directing higher administrative agencies, exercise of state supervision, national defence and judicial power, handling state secrets, representing the public prosecution and diplomatic representations of the state, and the positions in which an official has the right, in order to guarantee public order and security, to restrict the basic rights and freedoms of persons.

Citizens of third countries (including persons of undefined citizenship) cannot work as officials in state or local governments. All persons, if they meet the requirements established by law or on the basis of law (including language proficiency requirements), can work in all other jobs (including as support staff or non-staff public servants). Language proficiency requirements are established in the *Language Act*.

Question

Prisoners who work inside prisons for a private entity are entitled to a minimum of 20% of the minimum hourly rate. The Committee asks whether they may be required to undertake such work or whether their consent is required.

Pursuant to the *Imprisonment Act*, prisoners are required to work. Pursuant to Subsection 37(2) of the Act, the following prisoners are not required to work:

- 1) prisoners of more than 63 years of age;
- 2) prisoners who are acquiring general or secondary vocational education or participating in vocational training;
- 3) prisoners who are unable to work for health reasons;
- 4) prisoners who are raising a child of less than 3 years of age.

Pursuant to Section 38 of the Act, in order to guarantee work for prisoners, permission to build plants (Eesti Vanglatööstus or any other company) on the premises of a prison may also be granted to natural persons or companies if such persons or companies enter into a corresponding contract with the state or a legal person in private law carrying out the administrative duties of the state. Prisoners may be required to work at the plants only with the consent of the prisoners.

Question

Paragraph 29 of the Estonian Constitution prohibits forced labour. The Committee recalls that the ban on forced or compulsory labour does not apply to compulsory military service and requisitioning in time of war, natural disasters or threats to security or to work necessary to guarantee the safety of a ship or persons on board.

The Committee considers these exceptions are compatible with Article 1§2 of the revised Charter but asks whether there are other circumstances under Estonian law where workers may be required to undertake work without consent.

All Estonian laws must be in compliance with the Constitution. All regulations where non-compliance is found are to be altered or they are declared void (see *Constitutional Review Court Procedure Act*; *Legal Chancellor Act*).

Question

The Committee recalls that under Article 1§2 the duration of alternative service may not exceed one and a half times the length of military service. The Committee notes that according to the information available to it, alternative service may amount to double the length of military service. The situation is therefore not in conformity with the revised Charter on this point.

As it was already explained to the Governmental Committee (in 2006), military service and alternative service are relatively short in Estonia. In its regulation the Government of the Republic has established that the duration of military service shall be 8 months, but the duration of military service for non-commissioned officers, specialists and those being sent to courses of reserve officers shall be 11 months. The duration of alternative service shall be 16 months. Thus alternative service in comparison with military service of the persons mentioned in the second place shall only last 5 months longer, that is less than one and a half times the length of military service.

Alternative service is a voluntary choice for persons who do not wish to serve military service due to their religious or moral beliefs. Alternative service is longer than military service as the person in alternative service resides at home and is connected with the service only during working time. Outside working time he does not have any obligations. In addition, remuneration to the extent of not less than the minimum wage is paid for the work.

Military service is physically and mentally more difficult. The conscripts reside in barracks and are in military service 24 hours a day. A conscript does not receive any remuneration, only small support from the state.

The Ministry of Defence finds that upon shortening the length of alternative service, the conditions of alternative service with regard to military service would be unfairly easy, as a result of which at the moment it is not planned to change the proportion of the length of alternative service and military service. The period of alternative service was only reduced in 2004, and the present situation is in accordance with the final conclusions of the second report of the Human Rights Committee of the *United Nations International Covenant on Civil and Political Rights*.

The Ministry of Defence has not changed its opinion about the duration of alternative service and is in favour of maintaining the duration of alternative service at 16 months considering the duration of compulsory military service, which is 11 months. The reasons for establishing this duration to alternative service are still valid today. The duration of alternative service shall be reviewed when the duration of compulsory military service is changed.

The alternative service option is not taken up all that much in Estonia, with only about ten people having used it in total between 1992 and 2006. According to the data of the Department of Defence Resources, the number of persons in alternative service as of 1 December 2006 was 2 and the number as of 1 December 2007 was 11.

Question

Whether legislation against terrorism precludes persons from taking up certain employment.

Estonia has ratified the *European Convention on the Suppression of Terrorism* and the *Protocol Amending the European Convention on the Suppression of Terrorism*. We have also adopted the *Money Laundering and Terrorist Financing Prevention Act*. According to the information received from the Estonian Ministry of the Interior, referred acts do not preclude persons from taking up certain employment directly. The Ministry of Justice confirms that, but they also mention that however, we do have a general regulation that is applied to employment of persons punished pursuant to criminal procedure.

For example, Subsections 16(1-3) of the *Public Service Act* prohibit employment of the following persons in service:

- 1) persons under punishment for an intentionally committed criminal offence;
- 2) persons under preliminary investigation for or a person accused of a criminal offence for which the law prescribes imprisonment;
- 3) persons deprived of the right to work in a particular position or to operate in a particular area of activity by a court judgment which has entered into force, in such office or area of activity.

There is also a relevant restriction in respect of private security agents. Pursuant to clause 23 (1) 2) of the *Security Act*, it is prohibited for a person to work as a private security agent if he or she is serving a sentence for a criminal offence or if information concerning a punishment for a criminal offence committed by him or her has not been expunged from the judicial register.

Pursuant to Subsection 141(1) of the *Code of Criminal Procedure*, a suspect or accused shall be excluded from office if:

- 1) he or she may continue to commit criminal offences in case he or she remains in the office;
- 2) or her remaining in the office may prejudice the criminal proceeding.

ARTICLE 1 PARAGRAPH 3

„With a view to ensuring the effective exercising of the right to work, the Parties undertake:

to establish or maintain free employment services for all workers;”

Question A

Please describe the operation of free employment services available in your country, indicating the age, sex and nature of occupation of persons placed by them in employment and persons seeking employment. Please indicate, as far as possible, the number of vacancies, the placement rate and the duration of unemployment of persons placed.

All of the labour market services detailed under Paragraph 1 of Article 1 are public labour market services offered by the Labour Market Board (LMB) free of charge to persons registered as unemployed²⁰.

Division of unemployed persons according to age and sex

The number of registered unemployed persons aged between 16 and 24 in 2006 was 6556 or 13.6% of all unemployed persons (the same indicator in 2005 was 11,159, which represented 15.6% of all unemployed persons); the number of registered unemployed persons between the ages of 25 and 50 in 2006 was 27,418 or 56.9% of all registered unemployed persons (41,729 or 58.3% in 2005); and the number of unemployed persons over 50 years of age in 2006 was 14,193 or 29.5% of all registered unemployed persons (18,685 and 26.1% in 2005).

41.8% of the unemployed persons registered in 2006 were men. The share of men among unemployed persons was smallest in Rapla County (34.3%) and largest in Põlva County (49.6%). In 2005, men represented 44.5% of all unemployed persons registered during the year. The share of men among unemployed persons was smallest in Rapla County (40.2%) and largest in Lääne County (54.0%).

²⁰ The conditions for registering as unemployed were established on the basis of Subsection 6(5) of the Labour Market Services and Benefits Act.

Unemployed persons by previous activity

The main previous activity of the persons registered as unemployed during the year was work (46.9% of all registered unemployed persons in 2006 and 50.8% in 2005). Before registering as unemployed in 2006, 4630 persons were at home (the relevant indicator in 2005 being 7206), 3448 were raising children (5680 in 2005), 1946 were engaged in full-time or day-time studies (3174 in 2005) and 96 in part-time studies (115 in 2005), 1418 were carers (2036 in 2005), 1309 were in prison (1584 in 2005), 687 were business operators (914 in 2005), 559 were on sick leave (574 in 2005), 86 were in the defence forces (256 in 2005) and 4 were hospitalised (7 in 2005).

Figure 20: Unemployed persons by previous activity, 2006

The employment relationships of one-third of the persons who had worked before had been terminated on the initiative of the employer, while 18.7% had been working on the basis of employment contracts concluded for a specified term. The employment relationships of 1021 unemployed persons ended in redundancy and in 105 cases in the dissolution of the institution where they worked.

Vacant jobs

See also the answers to Question C of Paragraph 1 of Article 1.

The LMB had 36,001 vacant jobs to offer in 2006, which was 11% more than in the previous year. 30,263 new job offers were submitted to the LMB during the year. The LMB had the highest number of vacancies to offer in May and the lowest number in December. The month where the highest number of job offers came in was also May and lowest number was received in December.

Figure 21: Job offers in the LMB, 2006

Source: Labour Market Board

The average number of unemployed persons per job was 7.4 during the year.

Figure 22: Number of possible applicants per one job

Source: Labour Market Board

The largest number of job offers in 2006 was for skilled workers (30%), followed by offers for unskilled workers (25.6%) and machine operators (15.4%).

16,324 people found employment during the year, 5502 of them filling vacancies offered by the LMB. It is currently impossible to obtain information from our database about the length of the period of unemployment of the unemployed persons prior to their being referred to a vacancy.

Question B

Please describe the organisation of public employment services in your country, indicating the accompanying measures for the unemployed and, where appropriate, the steps taken to revise the

geographical distribution of local and regional employment centres and to redeploy resources when the changing patterns of economic activity and of population so warrant.

The Labour Market Board, which is an institution operating in the area of administration of the Ministry of Social Affairs, plays the most important role in the provision of public labour market services, realisation of the national labour market policy and organisation of social protection for unemployed persons. The goal of the Labour Market Board is to offer jobseekers and unemployed persons advice, support and labour market services in finding suitable work and to provide employers with information and assistance in finding labour. (A detailed description of the public labour market services offered to unemployed persons can be found under Question A of Paragraph 1 of Article 1).

The Labour Market Board has 15 regional structural units (one in each county). Until 1 January 2006, when the *Labour Market Services and Benefits Act* entered force, the administrative organisation of the provision of labour market services was divided in such a manner that the Labour Market Board was the coordinating unit and Employment Offices in counties acted as separate units (in terms of budgets). As a result of administrative restructuring, the formerly independent Employment Offices became the regional departments of the Labour Market Board on 1 January 2006. This change allows for the better management of budgetary funds in the provision of public services.

If necessary, structural units have branches or consultation offices in small towns. The goal of regional structural units is to promote the developments of the labour market at the regional level (regional offices have a better overview of the needs and possibilities of a region than the central office of the Labour Market Board in Tallinn) through public labour market measures and cooperation.

Question C

If both public and private free employment services exist in your country, please describe the steps taken to co-ordinate such services, and to determine the conditions governing the operation of private employment agencies.

The activities of private recruitment agencies were, until the end of 2005, regulated by the *Labour Market Services Act*, pursuant to which private recruitment agencies were issued with activity permits that allowed them to provide information about the labour market situation and to offer employment mediation, vocational guidance and employment training. Licenses were issued to private companies for three years. The law required that all of these services be provided free of charge. The *Labour Market Services and Benefits Act*, which entered force on 1 January 2006, contains a simplified regulation of the provision of

labour market services by the private sector - the activity license system was replaced with formal registration in the Register of Economic Activities. This means that the provision of labour market services by private agencies is no longer limited in terms of time. However, the number of services that private recruitment agencies can offer was reduced and they now have the right to offer the following labour market services: information about the situation on the labour market; employment mediation; and career counselling. The law still contains the requirement that employment mediation services must be provided to jobseekers free of charge.

230 private legal entities and sole traders were offering employment services as at 6 June 2007.

Question D

Please indicate whether and how the participation of representatives of employers and workers in the organisation and operation of the employment services and in the development of employment services policy is provided for.

Central federations of employers and trade unions of employees have been involved in the development of national labour market policies as important partners.

The main role in the mediation of cooperation between different public institutions, local governments, employee and employer unions and associations in the solution of employment issues is played by the Labour Market Board. The regional structural units of the Labour Market Board employ a separate consultant who works with employers in order make them more aware of public labour market services. The work of this consultant also guarantees better knowledge of the possibilities and requirements of the employers in the region.

Question E

Please indicate what legislation or administrative guarantees are provided to ensure that these services are available to all.

The *Labour Market Services and Benefits Act*, which was passed on 1 January 2006, is the basis on which the availability of public labour market services is guaranteed to everyone. Section 3 of the Act stipulates that the following persons have the right to receive labour market services and benefits:

- permanent residents of Estonia;

- aliens residing in Estonia on the basis of a temporary residence permit;
- citizens of the European Union, European Economic Area and the Swiss Confederation residing in Estonia;
- persons under international protection or refugees residing in Estonia under the terms and conditions stipulated in the Act on Granting International Protection to Aliens;
- employers.

A detailed description, together with the principles of providing the service, is given in the answer to Question A of Paragraph 1 of Article 1.

The sustainability of funding the activities of the Labour Market Board, including public labour market services, is guaranteed through the state budget. (A detailed overview of the allocated funds, their division and costs is given in the answer to Question A of Paragraph 1 of Article 1.)

Question

The Committee considers the staff level rather low in view of the number of jobseekers and asks whether there are any plans for further increases in staff.

The labour market situation in Estonia has improved considerably as a result of economic growth (see the answer to Question B in Paragraph 1 of Article 1 for a detailed description of the situation), which has led to a considerable decrease in the total number of unemployed persons as well as in the number of persons who had registered themselves as unemployed or as jobseekers with the Labour Market Board. On the one hand, this reduction in the number of clients has reduced the workload of the consultants working in the regional departments of the Labour Market Board and on the other hand, it allows for better individual case management that focuses on the client.

In association with the implementation of the *Increase in the Supply of Qualified Labour* programme funded from the European Social Fund (within the framework of the new European Union programme period of 2007-2013), which covers the plans to expand target groups to whom law-based labour market measures and updated labour market services are offered, it is planned to increase staff both in the Labour Market Board and in its regional departments in order to allow for a more efficient completion of the programme.

Question

The Committee observes that the figures presented in the report express the percentage of persons who found work out of the total number of registered unemployed persons rather than the number of people placed by the public employment service. The Committee requests that the next report provide an estimate of how many of those who found work had actually been placed in employment by the public employment services.

Figures of registered unemployment refer to the number of clients registered with the Labour Market Board. The labour force survey conducted in Estonia will give an overview of the number of unemployed persons in Estonia as a whole (whilst taking into account that not all unemployed persons register themselves with the Labour Market Board in order to find new jobs or participate in active labour market measures). As a result of this, the figures expressing the number of registered unemployed persons who have found work refer to the people placed in employment by the public employment services (including people who have found work independently during the period they have been registered as unemployed).

16,324 unemployed persons found a job in 2006, which is 33.9% of all persons who had registered as unemployed during the year. 10,533 unemployed persons found work independently, 61 of whom started their own businesses. 5502 unemployed persons found work as a result of referrals by the Labour Market Board and 580 found jobs with the help of labour market services (wage subsidies, business start up subsidies, working with a support person and working with special aids).

Question

The Committee would also like to receive information on the length of time it takes on average to fill a vacancy and on the market share of the public employment services.

Our existing information systems do not allow us to answer this question.

Question

In 2004 the Labour Market Board launched a project aimed at including social partners more efficiently in the implementation of labour market policy. The Committee would like to be informed of the results of the project.

As a result of the changes that occurred in the economy and labour market situation in Estonia and considering that employment councils only started working in the manner prescribed in the project in some

counties, the Ministry of Social Affairs sent a proposal to the Labour Market Board suggesting that the nature of the work of employment councils be made more flexible and focused on cooperation. The content of the proposal was to change the organisation of work in these employment councils in such manner that the councils could exist as bodies of cooperation. Another proposal that has been considered is the introduction of an electronic format for meetings, which would make it easier to obtain the quorum required for adoption of resolutions (members could send proposals electronically).

ARTICLE 1 PARAGRAPH 4

"With a view to ensuring the effective exercising of the right to work, the Parties undertake: to provide or promote appropriate vocational guidance, training and rehabilitation."

Question

The Committee deferred its conclusion on continuing vocational training for workers (Article 10§3) because of the limited number of beneficiaries of training measures and lack of information on what steps are planned to rectify the situation.

Question

The Committee found that the situation with regard to vocational guidance (Article 9) is not in conformity with the Revised Charter because only registered unemployed persons and those threatened with unemployment have access in practice to vocational guidance services on the labour market.

Please see answers under articles 9, 10 and 15.

ARTICLE 9 - THE RIGHT TO VOCATIONAL GUIDANCE

"With a view to ensuring the effective exercising of the right to vocational guidance, the Parties undertake to provide or promote, as necessary, a service which will assist all persons, including the handicapped, to solve problems related to occupational choice and progress, with due regard to the individual's characteristics and their relation to occupational opportunity: this assistance should be available free of charge, both to young persons, including school children, and to adults."

Question A

Please give a description of the service - its functions, organisation and operation - specifying in particular:

- a. whether access to services is free of charge;
- b. whether vocational guidance work is carried out in the public or private sectors;
- c. the measures taken to supply all persons with adequate information on the choice of employment;
- d. the measures taken to ensure a close link between vocational guidance and training on the one hand and employment on the other;²¹
- e. the measures in hand for improving the services;
- f. the details of special measures to assist disabled persons.

Guaranteeing vocational guidance to students is one of the main goals under the *Plan for Development of the Vocational Education System in Estonia 2005-2008*.

Career counselling and information are offered to young people (aged between 7 and 26) by 25 youth information and counselling centres; 19 of these centres are partially funded by the Ministry of Education and Research. In addition to these information and counselling centres, career information is also provided by open youth centres. There were 160 of these in 2006, and their number is increasing. The *Signpost* fair

²¹ If your country has adopted Article 10 paragraph 1, it is not necessary to describe these measures here.

held every December provides seasonal career services. Smaller local fairs are also held in Tartu (the Intellektika fair), Viljandi County, Ida-Viru County and Pärnu County. Career counselling is also offered in several vocational schools.

The purpose of career counselling²² in the labour market system is to help persons resolve issues associated with the selection of jobs, professional careers and finding or losing jobs. The provision of career counselling is regulated by the *Labour Market Services and Benefits Act*, which stipulates that the service is provided to unemployed persons and jobseekers who have received notice of termination of their employment or service relationship. The service is provided by the regional departments of the Labour Market Board. There are 15 such departments and they employ career counsellors (22).

Please see also answer on page 82.

Free access to service

The career service offered in the public sector (i.e. in the public education and labour market system) is free of charge.

The requirements of the provision of the service to unemployed persons (including the criterion that the service is provided free of charge) is regulated by the *Labour Market Services and Benefits Act*.

The private sector may charge for the career services they offer.

Vocational guidance according to sectors

Both public and private sectors can provide counselling services.

In the education sector, career services are offered both as a part of youth work and formal education. The Estonian Youth Work Centre coordinates the work of regional information and counselling centres. Since September 2004, all schools offering general education have been obliged to include the subject *Professional Careers and How to Design Them* in their study programmes as a cross-curricula theme in order to help students learn about themselves, the world of work, professions, etc. Vocational schools are also obliged to offer career services to their students.

²² The term *career counselling* is used instead of the term *vocational guidance* in the text of the report as it complies with the provisions of legal acts applicable in Estonia.

Regional departments of the Labour Market Board are the providers of the career counselling service in the labour market system. Their main clients are unemployed persons and jobseekers who have received notice of termination of their employment or service relationship. The beneficiaries of the career counselling service will be expanded through labour market projects.

Information measures

Different measures have been used in the area of education and youth to inform people of opportunities for work. The Estonian and Russian versions of the www.taskuraha.info portal, which contains a variety of information about working and announcements of vacancies, was opened with the support of the Estonian Youth Work Centre. The EYWC and Tallinn Youth Work Centre have published several issues of the information booklet *Young People and Work*, which tells young people about things to consider when they start working. Work for the creation of the Estonian and Russian versions of the nationwide information portal for young people www.nip.ee started in 2006. It is planned to include a subsection about work on the portal.

In addition to www.taskuraha.info and www.nip.ee, *Rajaleidja* (Pathfinder) is a career planning website (www.rajaleidja.ee) in Estonian, that is divided into three subsections on the basis of different target groups: young people, advisers and adults.

Subsection for YOUNG PEOPLE is aimed at pupils who are at the very start of their career planning process, and therefore require both advice and information in getting to know themselves, investigating the world of work and finding suitable learning opportunities both at home as well as abroad. Information for young people is also divided into three subsections: *Who am I? What do I want to become? Where to study?* Subsection for ADVISERS is aimed at teachers, counsellors and parents, and comprises both exercises and guidelines about supporting young people in their career planning process. One can also find a variety of materials that help to learn more about career guidance in general. Subsection for ADULTS provides practical advice to people of all ages who wish to review their professional careers and make plans for the future, while taking into consideration the current situation on the labour market. In addition to this, one can find news about studying and working possibilities, various competitions and scholarships. Links and references to main regulations concerning acts, statistics, job descriptions and terminology related to working and studying are likewise incorporated in Pathfinder.

Job mediation services are provided by the Labour Market Board, who informs the target groups of young people about its activities through information fairs aimed at them (such as *Signpost*, *Intellektika*, etc.). Information booklets that introduce the services provide an overview of the available labour market

services. General information about the LMB and the services offered by the institution is available at its website www.tta.ee.

Connection between training, vocational guidance and employment

Cooperation between schools, enterprises, labour offices and information and counselling centres is important. The working methods are different. For example, in bigger towns there are work shadowing days organised, so pupils get an opportunity to raise his/her awareness on the world of work. Often teachers or school career coordinators organise study-visits to enterprises.

Every year Foundation Innove National Resource Centre for Guidance organises regular summer- and winterschools for guidance practitioners from both educational and employment sector. The aim is to establish closer links between the service providers from both sectors and exchange information about education, labour market and the field of guidance.

For unemployed persons the better connection between career counselling, training and employment is guaranteed with the creation of an individual action plan. The individual action plan helps to ensure that the services offered to the unemployed person serve the interests of the person's search for work as well as the interests of the labour market as a whole. Please see also answers under article 1-1.

Measures for improvement of the service

The draft project of the integrated counselling model (developed jointly by the Ministry of Education and Research, the Ministry of Social Affairs and the Ministry of Economic Affairs and Communications) is currently being prepared and it is planned to implement it with the help of EU structural funds.

Special measures for disabled people

Disabled people are guaranteed access to career services like all other people (i.e. no additional restrictions have been established on eligibility for the services as a result of disabilities).

Question B

Please indicate the measures taken in the field of vocational guidance to promote occupational and social advancement.

The Ministry of Education and Research has been working on the development of the integrated counselling model since 2005. The decision to proceed from the principles of an integrated counselling model in the further development of the counselling services provided by the Ministry of Education and Research (especially career services and educational counselling) was made on 7 March 2006. The situation and development needs of different consultation services were mapped and divided into four major groups: career services, educational counselling, health counselling and social counselling. The main development goals have been defined as:

- more counselling – it is necessary to improve the availability of different counselling;
- more information about counselling – the visibility of offered counselling services must be increased;
- more cooperation – networking of persons who offer and organise different types of counselling, quality development, methodological and strategic coordination.

In addition to the ordinary activities (e.g. supporting the Career Counselling Information Centre of the Innove Foundation; supporting information and counselling centres; activities of county counselling committees), the following has been done for the development of the integrated counselling system between 2005 and 2006:

2005:

- 1) Career service projects were supported within the framework of ESF measures (incl. the Career Counselling Information Centre of the Innove Foundation, local project in Jõgeva County);
- 2) Pilot projects were launched in Tallinn and Harju County (the project ended in December 2007);
- 3) The programme for financing county educational counselling committees from the state budget was initiated.

2006:

- 1) The project of the career services cooperation council was completed under the supervision of the Career Counselling Information Centre of the Innove Foundation. The Ministry of Education and Research, the Ministry of Social Affairs and the Ministry of Economic Affairs and Communications participated in the project;
- 2) A nationwide survey of career counselling was conducted;
- 3) An analysis of the provision and organisation of educational counselling and consultations with partners was launched;
- 4) Preparation of a counselling programme for implementation in the new period of EU structural funds was initiated;
- 5) The international conference of the Ministry of Education and Research and the Ministry of Social Affairs *Youth/Link: Youth and Work* was organised;
- 6) The first series of seminars for young people was launched in cooperation with the BGC Group youth organisation;
- 7) Budgetary financing of information and counselling centres was increased and the terms and conditions of agreements were amended in order to increase integration on the local level.

In labour market services the case management principle was introduced. This has allowed to move closer to the goal of analysing the opportunities of a client (including their social opportunities) more thoroughly and ensuring that the available choices meet the requirements of the client as well as the requirements of the labour market. Offering career counselling services through the preparation of an individual action plan is the tool that allows people to make such choices in a better-informed way in the labour market system.

Implementation of the EU structural funds has also played an important role in guaranteeing occupational and social advancement.

Question C

Please indicate the types of information available in the vocational guidance services and the means employed to disseminate this information.

Pathfinder, the career planning web-site offers wide range of information about education, labour market and professions.

The Estonian and Russian versions of the www.taskuraha.info portal have been created in the area of youth. It is planned to create a nationwide information portal for young people which will also contain a section about counselling and the labour market.

As for the general information materials used in the provision of career services, the profession folders have also been updated (which contain information about job conditions, education and training possibilities of a certain profession, manual training, preconditions, possible future prospects, potential salary etc), which are available (in Estonian and Russian) in the regional departments of the Labour Market Board and in youth information and counselling centres and from the website www.tta.ee (in Estonian).

Information booklets that introduce career services are used to disseminate information about such services in the labour market system.

Question D

Please indicate:

a. the total amount of public expenditure devoted to vocational guidance services during the reference period;

- b. the number of specialised staff of the vocational guidance services and their qualifications (teachers, psychologists, administrators, etc.);
- c. the number of persons benefiting from vocational guidance broken down by age, sex and educational background;
- d. the geographical and institutional distribution of vocational guidance services.

Total public expenditure

The expenditure associated with career counselling cannot be differentiated from expenditure devoted to education in the education system. In 2005 and 2006, the Ministry of Education and Research allocated 2.682 million kroons of activity subsidies to information and vocational guidance services organised outside schools (information and counselling centres) and more than 4 million kroons was allocated through EFT with up to 50% of this being represented by the guidance service.

In September 2005, the National Resource Centre for Guidance/Euroguidance Estonia started to implement the project The Development of the Guidance System in Estonia, financed through the EU Structural Funds, measure 1.1. Project ends in June 2008, total budget 6 640 000 kroons (ca 424 400 EUR), includes 25% of national funding.

The expenditure aimed at career services in the labour market system can be calculated as staff expenditure and a part of general administration costs. The relevant calculated costs to general expenditure were 1.9 million kroons in 2005 and 3 million kroons in 2006.

Staff

Most career consultants have qualifications in the following specialities: 38% in educational sciences; and 17% in psychology. Other specialities are represented by less than 10% of respondents (social work, youth work, information sciences and economics).²³

30% of all general education schools (there are a total of 601 schools in Estonia, 16 of which are for adults) had appointed a person for the 2005/2006 academic year whose task was career coordination. It is impossible to give the exact figure because this work is often done by persons from county information and counselling centres.

²³ Career consultants working in the labour market and the education system are both taken into consideration here.

22 career counsellors with higher education work in the labour market system, and their specialisation backgrounds are as follows: 13 of them are psychologists; 2 are teachers; and 7 are social workers.

Use of the vocational guidance service

Education system, youth information and counselling centres: more than 12,000 young people used the service in 2006. There is no information about the division of persons who used the service.

Labour market system: 9494 persons or 13.2% of all unemployed persons took part in career counselling in 2005. 8356 persons or 17.3% of all unemployed persons took part in career counselling in 2006. The share of men and women in career counselling was the same in both years. In terms of age, the share of young people (16-24) increased in 2006 whilst the share of people aged between 25 and 49 decreased. The share of elderly people (over 50) remained the same.

Figure 23: Persons who received career counselling by sex

Source: Labour Market Board

Figure 24: Persons who received career counselling by age

Source: Labour Market Board

The number of persons taking part in career counselling (and in other active labour market measures, such as employment training) has decreased because employment has increased and unemployment (including registered unemployment) has decreased. The rate of employment among people aged between 15 and 64 in 2005 was 64.4% and had increased to 68.1% in 2006. The rate of unemployment in the same age group fell from 7.9% to 5.9% (based on Eurostat data). When we consider the profile of the unemployed currently registered with the Labour Market Board, we can assume that most of them are long-term unemployed and that the measure required to help them is not so much career counselling, but various social and healthcare

support measures. We are planning to work on these advancements (e.g. improving existing measures) within the framework of the new programme period of the European Social Fund (2007-2013).

Geographic and institutional division of the vocational guidance service

Counselling services are available in all 15 counties. The service is offered to young people through local government institutions and NGOs. In county youth information and counselling centres, the service is usually outsourced from NGOs. In the labour market system, the counselling service is offered by regional departments of the Labour Market Board. There are 15 of these, one in each county.

Question E

Please indicate whether equality of access to vocational guidance is ensured for all those interested, including nationals of the other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

Everyone is treated equally in the provision of the service.

Pursuant to Subsection 29(3) of the *Constitution of the Republic of Estonia*, the state shall organise vocational training and shall assist persons who seek employment in finding work. The provision gives the state the obligation to assist persons who seek employment in finding work, i.e. it stipulates the subjective right of jobseekers to public labour market services. It is also stipulated that the state shall organise retraining and continuous training and connect professional training activities with labour market services.

The *Gender Equality Act* stipulates that educational and research institutions and institutions engaged in the organisation of training shall ensure equal treatment for men and women in vocational guidance, acquisition of education, professional and vocational development and re-training. The curricula, study materials used and research conducted shall facilitate the abolishment of the unequal treatment of men and women and promote equality.

Counselling is provided to young people on the basis of the *Basic Schools and Upper Secondary Schools Act* (and the *National Study Programme of Basic Schools and Upper Secondary Schools* approved on the basis thereof) and the *Vocational Educational Institutions Act* (and the *Procedure for Admittance of Students to Vocational Educational Institutions* approved on the basis thereof) regardless of their citizenship or the existence of a disability. The *Youth Work Act* stipulates the person who coordinates the informing and counselling of young people on the national level and its organiser in counties.

In the labour market system, career counselling is offered to subjects of the *Labour Market Services and Benefits Act* (see also the answers to Question E in Paragraph 1 of Article 1 and answers to the Question on page 82).

Question

The report states that the education ministry has established a working group to develop common operational guidelines for all of the information centres funded by it, covering such matters as type of services offered, staff numbers and qualifications and equipment requirements. The Committee wishes to be informed of the progress of this project.

The state institution Estonian Youth Work Centre, which is administered by the Ministry of Education and Research, convened a work group that consisted mainly of representatives of information and counselling centres. A standard for information and counselling centres was prepared which regulates the basis for organising services, the list of services, principles of management and staff services, the ethical code of servicing, characterisation of the service, mutual rights and obligations, the place and conditions for offering the service, supervision, etc.

The standard, the quality criteria of the work and staff competencies regulated therein are the recommended materials for the organisation of the work of centres, and they are therefore not associated with the public funding of the centres. It is planned to update all materials in the future and use them as the basis for the development of a common network.

Question

Under the 2004-2006 national development plan, vocational training establishments are also meant to provide careers guidance. The Committee asks to be informed of the outcome of this proposal.

Out of the 23 vocational educational institutions, who filled in the career service system development survey prepared by the National Resource Centre for Guidance of Foundation Innove, 43% or 10 schools have a counsellor. Individual and group career counselling is offered in 12 schools. In addition to counselling, most of these schools perform career related activities, including visits to information fairs, visits to companies, information events, etc. A separate career counselling centre has been created as part of the Tartu Vocational Education Centre, which is in municipal ownership and also offers the service to students studying at other educational institutions belonging to the same school manager.

Career-related activities are mostly organised by specialty teachers, course supervisors and practice supervisors. 24% or 5 schools who responded to the survey have special career coordinators. Issues associated with career development and choosing a profession are also discussed in specialty and vocational training, and also in communication and psychology lessons.

Question

The Committee asks whether students are obliged to follow the advice received through guidance and, if the advice is compulsory, what the consequences are of non-compliance.

The information and recommendations given in counselling are not obligatory for young people and they represent advice aimed at learning about their personal characteristics and assisting them in choosing a career. The recommendations proceed from the wishes, interests and personal characteristics of the young people. It is not checked whether the recommendations have been followed and non-compliance does not result in any sanctions.

Question

The Committee notes that, according to the report, the number of youth information and counselling centres increased from 21 to 24 during the reference period. The report does not include any up-to-date information on the staffing levels of the guidance services or the number of beneficiaries. The Committee asks for this information to be provided systematically in each report.

There are currently 25 youth information and counselling centres. A total of 62 employees worked in the centres funded by the Ministry of Education and Research (19), 13 of whom were youth information workers, 28 career counsellors and 21 psychologists. In 2006, a total of 52,856 young people used the information and counselling services, 4385 of whom used individual career counselling; 15,201 used group career counselling; 7563 used individual psychological or other counselling; and 25,707 used the group youth information service.

Question

The Committee found that, in practice, access to vocational guidance was restricted to registered unemployed persons and those threatened with unemployment, and considered that this was not in conformity with Article 9 of the Revised Charter. The report states that under the new Labour Market Services and Benefits Act, which entered force on 1 January 2006, the national employment agency and its local offices provide public occupational guidance services, which are also concerned with choice of career, systematically and free of charge, on an individual or collective basis, to unemployed persons and those who have been given notice of redundancy. One of the objectives of the national action plan is to develop a comprehensive guidance system that covers all groups and provides all guidance services, ideally by 2007. The Committee asks to be informed of any progress towards the establishment of a new vocational guidance system for which all are eligible.

According to the *Basic Schools and Upper Secondary Schools Act*, a young person is obliged to attend school until he/she acquires basic education or attains 17 years of age. For this reason, the primary purpose of the state is to prevent young people from dropping out of education system. That is why intensified attention has been paid to developing the possibilities of offering career-services at school trying to match the needs, possibilities and interests of the young person with the possible selection of specialty, vocational school etc. When a young person (under the age of 17) has fallen out of school, we try to apply the suitable possibilities in order to direct the young person back to the education system (to obtain a concrete specialty) and not to direct him/her immediately into the labour market. The young person, who has fallen out of the education system, does not have to register himself/herself as unemployed in order to receive career services, but has also the possibility of receiving career services from the youth information and counselling centres.

Even though the *Labour Market Services and Benefits Act* stipulates that career counselling services are only provided to registered unemployed persons and jobseekers who have received notice of redundancy, in practice no person who asks for career counselling is left without assistance. However, provision of assistance to these people is not registered.

In order to promote the right to career counselling, the career services are going to be amplified within the framework of the new European Union programme period (2007-2013) in tight cooperation between the Ministry of Social Affairs and the Ministry of Education and Research. The general goal is to start offering career services, that are based on similar methodological principles and materials (by specialistis, who have followed certain training-models) to all target groups, not depending on whether the person wants to receive career services from the education or employment sector. In addition to the “mainstream counselling” for people who need general information about educational and labour market matters and

advice during their career path, specific attention will be paid to problematic topics, such as preventing dropping out of schools or becoming unemployed. The results of the programme will be the basis for legislative amendments.

Question

Under the European Social Fund, which became available in 2004, additional resources will be allocated to the training of vocational guidance staff over the period 2006-2008. The Committee wishes to be informed of progress.

Many different training courses are aimed at Labour Market Board consultants (including career counsellors) in the course of the central training project of the Labour Market Board conducted within the framework of the European Social Fund. Specific figures to illustrate the amount of budgetary funds allocated to the continuous training of career counsellors within the framework of ESF cannot be highlighted.

A pilot programme consisting of 9 credit points (ECTS) within the framework of the career services project *Development of the Career Services System in the Republic of Estonia* was conducted through three public universities in the education system within the framework of the European Social Fund between November 2005 and June 2006. This will be followed by three different continuous training courses of 3 credit points (ECTS) for career counsellors, career information specialists and career coordinators in schools. Training for career coordinators ended in spring 2007, whereas career counsellors and career information specialists will complete their training in spring 2008. The pilot course was aimed at 55 career practitioners in the education or employment sector. The total cost of training is 818,282 Estonian kroons.

Summer and winter schools for career specialists in the labour market and education systems have been organised within the framework of the Euroguidance project (formerly the Leonardo Programme, now the Lifelong Learning Programme).

The Ministry of Education and Research and the Ministry of Social Affairs are planning to use the training models described above as the main basis of a public training programme for career specialists within the framework of the new programme period (2007-2013) of the European Social Fund.

The project for creation and implementation of an adult career counselling system will be conducted under the leadership of the University of Tartu (2005-2008), including a survey to define the regional need for counselling, organisation of training for career counsellors and support persons, creation and updating of an information base, etc.

Question

The report states that 7701 persons, including 5212 women, received guidance as a labour market service in 2004, compared with 6345 in 2003. The Committee feels that this figure is still very low.

8356 unemployed persons were provided with career counselling services through the regional departments of the Labour Market Board in 2006 (this figure shows that almost a thousand people less were provided with the service than in 2005, but the number is higher than in 2003 and 2004, when the general indicators of unemployment were noticeably higher). Career counselling is becoming a service of increasing priority as a result of the implementation of the case management principle in the labour market system as it is the best tool for ascertaining people's wishes regarding work and their suitability for certain jobs. As the number of unemployed persons has decreased considerably compared to 2004, the number of cases in which career services have been provided has also dropped. At the same time, the share of unemployed persons to whom the service was provided among all registered unemployed persons has increased.

Offering career services to a target group that is as large as possible is one of the priorities of the labour market system, which is why provision of career counselling services has been expanded within the framework of the European Union programme period 2007-2013.

ARTICLE 10 - THE RIGHT TO VOCATIONAL TRAINING

ARTICLE 10 PARAGRAPH 1

"With a view to ensuring the effective exercising of the right to vocational training, the Parties undertake:

to provide or promote, as necessary, the technical and vocational training of all persons, including the handicapped, in consultation with employers' and workers' organisations, and to grant facilities for access to higher technical and university education, based solely on individual aptitude;"

Passed legislation and approved development plans:

- Regulation no. 90 *Vocational Education Standard* issued by the Government on 6 April 2006;
- Regulation no. 25 *Conditions and Procedure for Persons with Special Needs Studying in Vocational Educational Institutions* issued by the Minister of Education and Research on 30 August 2006.
- Estonian Vocational Education System Development Plan for 2005-2008.

Question A

Please give an account of the functions, organisation, operation and financing of the services designed to provide vocational training for all persons including those with disabilities,²⁴ specifying in particular:

- a. the rules laid down by legislation, collective agreements or carried out otherwise;
- b. the total amount of public expenditure devoted to vocational training;
- c. the number of vocational and technical training institutions (at elementary and advanced levels);
- d. the number of teachers in such schools in the last school year;

²⁴ If your country has adopted Article 15, it is not necessary to describe the services for persons with disabilities here.

e. the number of pupils, full-time and part-time, in such schools in the last school year.

Established rules

Pursuant to Subsection 29(3) of the *Constitution of the Republic of Estonia*, the state shall organise vocational training and shall assist persons who seek employment in finding work. The provision gives the state the obligation to assist persons who seek employment in finding work, i.e. it stipulates the subjective right of jobseekers to public labour market services. It is also stipulated that the state shall organise retraining and continuous training and connect professional training activities with labour market services.

Subsection 37(1) of the Constitution stipulates that everyone has the right to education, including all foreign citizens and stateless persons legally residing in Estonia. The right to acquire an education also provides protection from measures that remove a person from the education process, e.g. being expelled from an educational institution.

Subsection 37(2) of the Constitution stipulates that in order to make education accessible, state and local governments shall maintain the requisite number of educational institutions. Other educational institutions, including private schools, may also be established and maintained pursuant to law. Quality requirements must be observed when private schools are founded.

Subsection 3 of the same Section stipulates that everyone has the right to receive instruction in Estonian. The language of instruction in national minority educational institutions shall be chosen by the educational institution. This means that education in the language of a national minority is guaranteed to such a minority if the educational institution chooses it as its language of instruction.

No new laws were passed during the reporting period.

The *Vocational Educational Institutions Act* amended in 2006 stipulates that the state, rural municipalities and cities shall ensure the opportunity to acquire vocational education, vocational education on the basis of basic education, vocational secondary education or vocational education on the basis of secondary education for those interested therein without the requirement of basic education. Likewise, opportunities have been created for acquiring preliminary vocational training and vocational training in basic schools and upper secondary schools. The *Vocational Education Standard* was another addition to legislation in 2006 and represents a collection of common requirements of vocational and professional training offered on the levels of basic and secondary education. The *Vocational Education Standard* stipulates the goal and tasks of vocational training, professional skill requirements, requirements of curricula and studies, requirements of

teachers, requirements of different types of vocational education, broad groups of studies, fields of study and study programme groups.

Disabled people are guaranteed the opportunity to study in schools under the conditions and pursuant to the procedure established by a regulation of the Government of the Republic, i.e. the wishes, specific character and opportunities of disabled people with respect to finding suitable work must be considered. The regulation of the Minister of Education and Research called *Conditions and Procedure for Persons with Special Needs Studying in Vocational Educational Institutions* was adopted in August 2006 and describes the obligations of the director of a school, the school and work experience company to organise vocational education for students with special needs that takes their needs into consideration. The school will be funded from the budget of the state, rural municipality or city, the fee-charging services associated with the main activities of the school defined in the statutes of the school, and monies received from foundations and other funds.

Public funds allocated to vocational education

The principles for using public funds to finance vocational training have remained the same during the reporting period.

Vocational educational institutions are financed from state and local government budgets, funds received from foundations, fee-charging services related to the main activities of the schools, and other funds. Study costs in state schools are covered using the state budget funds meant for the ministry in whose area of government the vocational educational institution belongs, and this is done on the basis of the teaching costs of particular specialties and the number of students financed in the school. Schools have their own budget. The study costs of a state vocational educational institution are covered using state budget funds to the extent of the number of student places financed by the state during the standard period of study determined in the curriculum, on the basis of the cost of a student place and the factors for the curricula and forms of study.

The number of state-commissioned student places is specified in cooperation between the Ministry of Education and Research, Ministry of Social Affairs, the Labour Market Board, the Ministry of Economic Affairs and Communications, the Office of the Regional Minister, employer and employee associations and professional associations. The opinion of professional councils is also taken into consideration. Analysis of social and economic requirements provides a wider basis for state-commissioned education.

Funding for vocational education has increased 4.5 times in the last 12 years - from 269 million kroons in 1995 to 1206 million kroons in 2006 (initial data; from the public sector budget, excluding own income). The

largest growth in recent years occurred when expenditure on vocational education almost doubled. As a share of GDP, funding has increased from 0.63% to 0.66%, which is the highest level of any year.

Figure 25: Educational expenditure of vocational education in public sector budget in 1995-2006

Source: Ministry of Education and Research, Analysis Department, 2006

Vocational educational institutions offering vocational training and technical educational institutions

Since a system consisting of many small schools is ineffective both in economic and educational terms, the state initiated the reorganisation of its vocational educational institutions in 1997. During this reorganisation, smaller vocational educational institutions are being merged and vocational training centres developed on the basis of these. The number of vocational educational institutions, which in autumn 2005 was 58, had decreased by 8 schools in 2006.

The majority of Estonian vocational schools accept students on the basis of both basic and general secondary education; 16 vocational schools provide training only on the basis of secondary education; and some of these also provide education on the level of higher education, 5 of which are institutions of professional higher education that also teach on the basis of vocational study programmes (from 1995/1996 to 1998/1999 diploma studies, from 1999/2000 to 2001/2002 higher vocational education and from 2002/2003 professional higher education). Vocational educational institutions are rather small. Less than 300 pupils study in 54% of the schools and the total number of pupils studying on the level of vocational secondary education in these schools is approximately 18%. Between 700 and 2300 pupils study in 23% of the schools, which represents 54% of the pupils studying on the level of vocational secondary education.

Table 13: Educational institutions according to form of ownership in 2002/2003-2006/2007 academic years

Form of ownership	2002/03	2003/04	2004/05	2005/06	2006/07
State vocational educational institutions, administered by the Ministry of Education and Research	54	49	43	38	33

State vocational educational institutions, administered by the Ministry of Education and Research	3	4	3	3	1
Municipal vocational educational institutions	1	1	3	3	3
Private vocational educational institutions	26	19	18	14	13
TOTAL	84	73	67	58	50

Source: Ministry of Education and Research, Analysis Department, 2006

Number of teachers

The number of vocational school teachers in Estonia as of 22 November 2005 was 2503, 1424 of whom were vocation teachers and 1078 general education subject teachers. The total number of male teachers was 817 (235 of whom were general education subject teachers) and the number of female teachers was 1686 (843 of whom were general education subject teachers) with the proportions being 33 and 67 per cent in favour of women.

Table 14: Number of teachers by educational institution in 2005

	Vocation teachers	Teachers	TOTAL
State vocational educational institutions	1234	830	2064
Municipal vocational educational institutions	118	143	261
Private vocational education institutions	73	105	178
TOTAL	1425	1078	2503

Source: Estonian Educational Information System, Analysis Department of the Ministry of Education and Research, 2005

Table 15: Number of teachers by educational institution in 2006

	Vocation teachers	Teachers ²⁵	TOTAL
State vocational educational institutions	1091	771	1862
Municipal vocational educational institutions	115	166	281
Private vocational educational institutions	56	63	119
TOTAL	1262	1000	2262

Source: Ministry of Education and Research, Analysis Department, 2006

²⁵ Teachers in vocational schools are divided into vocation teachers and general subject teachers.

The level of education among the teachers is different. The majority (almost two-thirds) have academic higher education, especially BA degrees. The share of teachers with professional higher education or professional education is smaller.

Full-time and part-time students

Pursuant to Section 19¹ of the *Vocational Educational Institutions Act*, instruction at schools shall be provided in the form of full-time or part-time study.

A student shall decide during the first academic year whether he or she wishes to study full-time or part-time (except in cases where the curriculum the student has selected enables only full-time or part-time study). During the following academic years, the school shall consider the student's progress in completion of the volume of study prescribed by the curriculum, and on the basis of this decide whether the student should be allowed to continue to study full-time or part-time.

In full-time study, students shall complete cumulatively at least 75 per cent of the studies which, according to the curriculum, must be completed by the end of each academic year. The head of a school may determine the curricula on the basis of which instruction is provided only in the form of full-time study, and curricula where higher requirements are established for full-time study provided on the basis thereof. In part-time study, a student shall complete cumulatively less than 75 per cent of the studies which, according to the curriculum, must be completed by the end of each academic year. For part-time studies, the head of a school may also establish a minimum volume of study which must be completed according to the curriculum.

Table 16: Number of students by form of study in the 2005/2006 and 2006/2007 academic years

Form of study	Students in 2005/6	Students in 2006/7
Part-time study, distance learning, evening courses	1190	1040
Full-time study and day-time study	27,823	27,611
TOTAL students in vocational schools	29,013	28,651

Ministry of Education and Research, Analysis Department, 2006

Question B

Please indicate how the arrangements for vocational training are provided with reference to the various types of vocational activity and, if data is available, to age and to sex.

The purpose of vocational study programmes based on basic education is to prepare the student for work or for continuing their studies at the level of higher vocational education. Completion of the study programme should ensure that the student has the knowledge, skills, experience and attitude required for qualified skilled work that calls for extensive general education knowledge and use of the acquired knowledge both in small and large companies. The duration of training is at least 3 years or 120 weeks of study (ISCED 3/3B), where the volume of vocational, professional and occupational training is at least 50% of the total volume of the study programme. General educational subjects must cover at least 50 weeks of study, of which 32 weeks contain mandatory subjects for teaching all vocations, professions and occupations. The remaining 18 weeks of study contain mandatory subjects which arise from the special features of the vocation, profession or occupation, and their teaching must be integrated into vocational subjects.

The objective of a vocational education plan is to prepare people for complicated skilled work and for positions as service staff and officials. Completion of the study programme should ensure that the student has the knowledge, skills, experience and attitude required for independent, complicated skilled work that calls for general secondary education and maturity in terms of age. The duration of training is 1-2.5 years or 40-100 weeks of study (ISCED 3/4B), where the volume of vocational, professional and occupational training is at least 85% of the total volume of the study programme and the volume of general educational subjects at least 6 weeks of study in the overall volume of the study programme.

Acquisition of vocational secondary education in some areas of activity (such as healthcare and police work) is possible only on the basis of general secondary education.

Figure 26: Students according by broad groups of study from 1999/2000 to 2006/2007

Source: Ministry of Education and Research, Analysis Department

Division of students by sex

On the whole, there are more male than female students in vocational schools: there are 15,865 men (55%) and 12,786 women (45%). In the 2006/2007 academic year, the students acquiring vocational secondary education on the basis of basic education were divided as follows: 66% boys and 34% girls. The situation among students acquiring vocational secondary education on the basis of secondary education is different, with 33% of the students being men and 67% being women. This is the usual structure that has remained relatively unchanged for many years.

Figure 27: Students in vocational education by sex and broad groups of study in 2005/2006

Source: Ministry of Education and Research, Analysis Department

Figure 28: Students in vocational education by sex and broad groups of study in 2006/2007

Source: Ministry of Education and Research, Analysis Department

Division of vocational students by age

The figure below shows that over time there have not been any major changes in the age division of younger students. Small fluctuations are the results of changes in the educational system with respect to the age at which children start in school and the numeration of classes. Since the age of basic and secondary school graduates had changed, the age at which students start acquiring vocational education on the basis of basic and secondary education has also changed. The number students aged 29 and over has also increased. This is the result of the introduction of lifelong learning principles.

Figure 29: Division of students in vocational education by age in 1996 and 2005²⁶

Source: Statistics Estonia, 2006

²⁶ The data from the Statistics Estonia does not allow us to show the division of vocational students by age for each year. We have presented the existing data.

Question C

Please state what measures are taken to ensure a close link between vocational guidance and training on the one hand and employment on the other.²⁷

Since the measures are the same as those applied to vocational guidance, please see Article 9.

Question D

Please indicate the methods adopted by your government with a view to providing access to higher technical education and university education on the basis of the sole criterion of individual aptitude.

In terms of higher education, people are admitted to state-commissioned student places and non-state commissioned student places.

The proportional division of the broad groups and fields of study, including national priorities, are agreed in the first stage of state-commissioned education. Decisions are made on the basis of the national development plans approved by the Riigikogu and the Government of the Republic and the results of the Delfi expert survey. Since resources are limited, an agreement on priorities reached by the state-commissioned education committee also means a decision about broad groups of study and fields of study whose share will decrease or remain the same. Decisions made by the committee consisting of representatives of ministries and social partners about national priorities create a stable basis for planning state-commissioned education and ensuring that national priorities are actually implemented. In the second stage, student places are divided between institutions of higher education on the basis of the proportions of broad groups of study and fields of study approved in the state-commissioned education committee. The process of dividing student places takes place by way of negotiations between the Ministry of Education and Research and the representatives of all universities in public law according to agreed principles, the most important of which are quality and efficiency. The results of negotiations are confirmed with a contract. Student places of institutions of professional higher education of the state are allocated on the basis of the minister's decree.

The number of students who study in non-state commissioned student places has been growing more quickly recently than in state-commissioned student places. The reason for the change is the increase in

²⁷ If your country has adopted Article 9, it is not necessary to describe these measures here.

the number of students attending public and private higher educational institutions. The number of students in non-state commissioned student places is almost half of the total number of students.

In some cases, educational institutions consider the grade point average of the upper secondary school leaving certificate upon admission of students and graduation with a gold medal (a gold medal is awarded to Year 12 students whose annual grade and examination grades during Years 10, 11 and 12 have been 5 (excellent) and whose behaviour has been exemplary or very good) or a silver medal (a silver medal is awarded to Year 12 students whose grades on the leaving certificate are predominantly 5s with a maximum of two annual or examination grades of 4 (good) and annual grades in Years 10 and 11 of 4 and 5, behaviour exemplary or very good) as an advantage upon admission or a reason for admission of the student without admission examinations. In addition, educational institutions may organise admission examinations or interviews and tests in order to determine the persons' suitability for the specific profession (e.g. in military specialties and aviation). In creative specialities, the examination in the specialty must be taken in the form of a test or creative work. Organisation of a preliminary creative competition is also possible.

Schools enter into contracts for compensation of tuition fees with students admitted to non-state commissioned student places. Tuition fees are paid by students admitted to universities outside state-commissioned student places pursuant to the procedure and under the terms and conditions established by the university. Persons who start their studies in non-state-commissioned student places in institutions of professional higher education or vocational education compensate their tuition fees on the basis of the calculated cost of one state-commissioned student place.

Question E

Please indicate whether equality of access to vocational training opportunities is ensured for all those interested, including nationals of other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

Pursuant to the *Vocational Educational Institutions Act*, any person who has the relevant level of education may commence studies at a school. No restrictions with respect to level of education have been set for persons who commence vocational studies where basic education is not required. A regulation of the minister was passed in August 2006, on the basis of the same act, which guarantees persons with special needs the opportunity to study in schools. The regulation also stipulates that vocational educational institutions must describe the support systems and services applied in their schools in their rules for the organisation of studies, create suitable physical conditions for the student, conduct regular appraisals and,

in cooperation with companies, support the student in the transfer from vocational education to working life. Individual study plans are prepared for all students with special needs. When funding the education of students with special needs, the state applies additional coefficients that allow the required learning conditions to be created. Students with special needs represent approximately 2.6% of all vocational students.

People with special needs have access to higher education and, whenever necessary, they can request a personal assistant or communication support from the Ministry of Education and Research. For example, it is known that 13 visually impaired students currently study in universities and institutions of professional higher education. The Ministry of Education and Research has provided 200,000 kroons of support for the publication of textbooks in Braille. The Ministry of Culture has also issued audio language textbooks that are also available to the general public.

Question

On 17 February 2005, the Government of the Republic approved the plan for the reorganisation of vocational educational institutions for 2005-2008. The Committee asks that information about the course of the reorganisation is given in the next report.

Most of the plan for reorganisation of the network of state vocational educational institutions for the years 2005-2008 was completed by autumn 2007. No reorganisation of vocational educational institutions is planned for 2008 at present. The average number of students in one vocational educational institution is currently 600 and the general number of vocational students has not decreased. The table below shows the changes that have occurred in the number of vocational educational institutions in recent years according to their forms of ownership.

Table 17: Number of vocational educational institutions according to their forms of ownership, 2001-2006

Form of ownership	2002/03	2003/04	2004/05	2005/06	2006/07	2006/07
State vocational educational institutions, administered by Ministry of Education and Research	54	49	43	38	33	31
State vocational educational institutions, administered by other ministries	3	4	3	3	1	1
Municipal vocational educational institutions	1	1	3	3	3	3
Private vocational educational institutions	26	19	18	14	13	12
TOTAL	84	73	67	58	50	47

Question

Under amendments to the Universities and Professional Higher Education Acts that took effect on 10 March 2003, higher education establishments may take account of students' results in the previous year and/or occupational/professional experience and are legally obliged to specify their admissions conditions and procedure. The Committee asks what these conditions are and what the admission procedure is.

Since 2003, the *Universities Act* has stipulated that the council of the university shall establish the conditions and procedure for the assessment of the qualifications of the teaching staff and for taking into account the previous study results and professional experience of students. In terms of completing a curriculum in Bachelor's studies, a university may take account of the previous study results and, in Master's and Doctoral studies and in studies based on the integrated curricula of Bachelor's and Master's studies, the previous study results and professional experience of the given person to the extent of up to 50 per cent, unless otherwise provided by an international agreement binding on the Republic of Estonia. An agreement may be set out in a contract for state-commissioned education concerning fields of study and curricula, with regard to the completion of which a university may, in Bachelor's studies, take account of the prior professional experience of the given person to the extent of up to 50 per cent. A university may take account of the previous study results of a student at the same university to an extent of more than 50 per cent to the extent and pursuant to the procedure established by the council of the university.

As of 2003, all of the rights of establishing the previous year's results and occupational experience conditions (except those mentioned in law) had been given to universities (councils of universities).

ARTICLE 10 PARAGRAPH 3

"With a view to ensuring the effective exercising of the right to vocational training, the Parties undertake:

to provide or promote, as necessary:

- a. adequate and readily available training facilities for adult workers;*
- b. special facilities for the retraining of adult workers needed as a result of technological development or new trends in employment;"*

Question A

Please give details of the facilities provided for the training and retraining of adult workers, in particular the arrangements for retraining redundant workers and workers affected by economic and technological change.

All adult learners can acquire vocational education free of charge, i.e. within the framework of state-commissioned education, regardless of whether they study full-time or part-time. Students are usually required to pay for higher education (studies in institutions of higher education and universities), unless the form of study chosen by the student is daytime study. The state commissions part-time student places in priority areas (e.g. for teachers who do not have higher education).

2005 - 2007 the Estonian Unemployment Insurance Fund and different local offices of the Labour Market Board piloted projects on collective redundancies with the support of EU structural funds. Their objective was to develop a system of training and retraining together with counselling services for redundant workers. A support system of public measures for workers who have received notice of redundancy will be developed on the basis of the projects' results and their functioning mechanisms will be piloted by the Labour Market Board within the framework of the new programme period of the European Social Fund (2007-2013).

The person responsible for retraining workers affected by economic and technological change is the employer, who may request funding for this purpose from Enterprise Estonia.

The Ministry of Economic Affairs and Communications, the Ministry of Education and Research and the Ministry of Social Affairs are to agree on and launch a three-column public funding model for professional training of adults within the framework of the new programme period of the European Social Fund (2007-2013). The target group for the Ministry of Economic Affairs and Communications is working adults whose professional training is funded through companies and organisations (column I); the target group for the Ministry of Education and Research is working adults whose training is funded through educational institutions (column II); and the target group for the Ministry of Social Affairs is unemployed people whose training is funded through the Labour Market Board. This model is aimed at the adult population in a wider sense. It does not approach or exclude specific target groups by profession (e.g. teachers, clerks, etc.). The ministries are responsible for the creation of professional training opportunities for the adult population using, among others, the funds of the European Social Fund, and guaranteeing sustainable activities that meet the needs of Estonia with public funds once the funds of the ESF have run out. The model will be legalised in the *Adult Education Act* and in other relevant legislation.

Question B

Please indicate how the arrangements for vocational training are divided between the various types of vocational activity.

No changes in the principles of division of vocational training between the various types of vocational activities have occurred during the reporting period. Most vocational educational institutions, professional educational institutions and universities offer adult education in the same specialities in which they provide preliminary education (formal education). Educational institutions have the right to provide education in the specialities in which they do not provide preliminary education (formal education) if they have adequate teaching materials and instructors.

As educational institutions of formal education and private educational institutions may provide continuing education and retraining in specialities where they have the required competency and market, the planning of the areas, volumes and content of continuing education and retraining is the responsibility of those who provide the training/education, and as an ideal, this is done in cooperation with those who commission the training.

Training of workers at the company level is not regulated by the state. Each institution plans and organises training according to their needs and possibilities. Companies can request funding from Enterprise Estonia to train their employees. Further information about projects eligible for funding can be obtained at

www.eas.ee. Information is available in Estonian, Russian and English. In general, large companies and companies belonging to the leader group pay more attention to training their employees.

Even though companies are relatively free to decide how they train their employees, certain rights and obligations are stipulated in legislation for both employers and employees with respect to the provision of and participation in training. The *Adult Education Act* (1993) stipulates the right of every person to continuous self-improvement and the obligations of the state, local governments and employers in coordinating and carrying out adult education. In the *Income Tax Act*, the state guarantees tax incentives to everyone who have contributed to training.

Any professional training funded by the employer is not seen as a fringe benefit for the purposes of the *Income Tax Act*, which means that employers who cover the costs of the professional training of their employees do not have to pay any tax on such amounts. However, employers are required to pay fringe benefits tax if they fund their employees' formal education acquired within the adult education system and informal education. The state supports the participation of people in training through its valid taxation system.

In addition to tax incentives, the *Adult Education Act* provides people with the right to take study leave in order to participate in training.

The above mentioned rights and incentives apply to both the public and private sectors, in small, medium-sized and large companies, i.e. they do not depend on the number of employees or the area of activity.

Question C

Please state whether the measures described are applicable to all categories of interested workers likely to benefit from and in need of training or retraining facilities. If this is not the case, please give an estimate of the proportion of those not covered and, if appropriate, give details of the categories concerned.

All people who meet the requirements for commencing studies at a certain level have access to formal education. Access to continuing education or retraining is not restricted by legal acts. However, there are several reasons why some types of education or training are actually not accessible: the distance of the place of education/training from one's place of residence; time limitations; a person's professional or private life do not allow studying; and so on.

Question D

Please indicate the approximate number of adult workers who have participated in training or retraining measures.

At the end of 2005, the Government of the Republic approved the *Lifelong Learning Strategy of Estonia 2005-2008*, which set the goal of increasing the proportion of adults (people aged between 25-64) participating in adult training to 10% by 2008. The strategy prescribes the continuous improvement of the opportunities of adult education and the better development of support measures in the area (counselling, development of a system for consideration of previous study and work experience, etc.).

Table 18: Participation of adults (people aged between 25 and 64) in education in 1997-2006. The population of Estonia in 2006 was 1,344,684 people, 706,730 of whom were aged between 25 and 64

Year	2002	2003	2004	2005	2006
Participation percentage	5.2	6.2	6.7	5.9	6.5

Source: Statistics Estonia, Eurostat

Question E

Please describe special measures to assist adult women wishing to take up or resume employment.

Continuous education and retraining are essential for people who wish to remain competitive on the labour market. Men and women are guaranteed equal opportunities to take part in training in Estonia. All of the measures that facilitate access to training are aimed at both sexes. Estonia has not considered it necessary to create special measures to promote women's participation in training and education. Encouraging men to study is more of a problem here. Research shows that women are more active in taking part in training than men.

The public measures of support offered by the labour market system are described in the answer to Question A of Paragraph 1 in Article 1.

Table 19: Persons aged between 25-64 in lifelong learning by sex and level of education 2000-2006, %

	2005	2006
Men and women		
First level and below		1.5
Second level	4.7	4.9
Third level	9.6	11
Total aged 25 to 64	5.9	6.5
Men		
First level and below	..	..
Second level	3	3.3
Third level	9.2	7.8
Total aged 25 to 64	4.4	4.2
Women		
First level and below	..	..
Second level	6.5	6.4
Third level	9.8	13
Total aged 25 to 64	7.3	8.5

Question F

Please indicate whether equality of access to adult training and retraining is ensured for all those interested, including nationals of other Contracting Parties to the Charter lawfully resident or working regularly in your territory, and disabled persons.

The right of all adults to study and take part in different types of training is guaranteed by legislation. Both preliminary and continuing training are moving towards greater flexibility which should ensure that training is available to everyone – workers, unemployed people, people caring for their children and disabled people. Learners and persons who commission training usually have the opportunity to choose the most suitable time, rate, volume and form of study, and this applies to formal education as well as continuing education and retraining.

Nationals of the other Contracting Parties to the Charter are free to participate in any professional training of their choice. The main thing that needs to be considered, however, is that professional training is in most cases offered in Estonian. There are some courses in Russian and English that require a certain level of language proficiency.

Question

The state meets the cost of formal vocational training for adults. Informal training centres are partially financed by the state and also receive local government funding. The European Social Fund provides support to companies to encourage them to offer their employees training courses. Certain training programmes are also supported by the European Union. The Committee asks how spending is broken down between these different bodies.

The funds of the European Social Funds are applied in adult education through the Ministry of Education and Research, the Ministry of Social Affairs (through the Labour Market Board, which currently offers services to unemployed people but, as mentioned above, is also planning to broaden the provision of career counselling services) and Enterprise Estonia (which has improved the opportunities employers have in offering continuous training to their employees). The local government is not obliged to finance directly the vocational training for adults. Due to technical development work with information systems, it is currently not possible to give an overview of data about how spending is broken down between the government and the Social Fund (the EU).

Question

According to the report, in 2003 6.3% of the population aged 25 to 64 received continuing training. The equivalent figure in 2004 was 6.7%. The Committee asks what steps are planned to increase this percentage.

The *Lifelong Learning Strategy 2005-2008* has been adopted and offers various measures to increase the number of people taking part in adult training. The *Human Resources Development Implementation Plan* was prepared in 2007 and forms the basis for use of the funds of the European Social Fund during the period 2007-2013. It also offers significant support to the achievement of the goals established with the *Lifelong Learning Strategy*.

The goals themselves are as follows:

- opportunities for lifelong learning have been created for all adults, including people with special needs, corresponding to their abilities and requirements;
- the adult education funding system is transparent and grants all adults, including people with special needs, access to training;
- people who speak other languages need a certain proficiency in Estonian in order to cope in social and professional environments, and they can also learn their native languages and about their national culture if they wish;
- a system has been developed to guarantee the quality of adult training, and learners/persons who commission training are guaranteed information about the quality of training;
- a system of information about study and training opportunities and the opportunity to receive career services have been created for adults;
- a professional qualification system is being developed which will help to guarantee a lifelong learning system and free movement of labour; the public, private and the third sector have all been engaged in the development of adult education and relevant policies;
- adequate statistics exist and systematic surveys are conducted in the area of adult education;
- the system for consideration of prior study and work experience has been implemented in all broad groups of study and educational levels.

Question

Pursuant to the Employment Services Act, the unemployed are entitled to vocational training financed from the state budget to help them adapt to the labour market. The Committee asks what sorts of vocational training are provided for unemployed persons.

The specialities offered through labour market training are selected through the preparation of an individual action plan and the career counselling service whilst considering the interests, prior training and work experience of the specific client and the current needs and situation of the labour market. People are referred to study groups on the group principle (i.e. if there is enough interest in and need for a specific speciality, a separate study group will be organised in cooperation with the trainer) and according to individual needs (i.e. unemployed persons are referred to groups already created by the trainer if the interest in and need for training in a specific speciality are not sufficient to create a separate study group consisting of unemployed persons).

During 2006, the training for increasing the effectiveness of job-search of an unemployed person, was the most frequently offered field of training. According to fields of specialty, the five most popular areas in labour market training were: computer studies, language courses (out of which in most cases this was a language course in order to teach Estonian), business start-up training, salesman/front-line staff training, welder training.

Question

According to the report, there were 66,200 unemployed persons in 2003 and 63,600 in 2004. In 2003, 8394 unemployed persons (including 3860 long-term unemployed persons) received labour market training. The equivalent figures for 2004 were 6965 unemployed and 3520 long-term unemployed. The Committee again asks why such a low proportion of the unemployed – fewer than 10% - participate in training programmes and what steps are planned to increase this figure. If the next report fails to show that efforts are being made to incorporate unemployed persons into training programmes, the Committee may be forced to conclude that the situation is not compatible with the Revised Charter.

The reason that the proportion of the unemployed referred to labour market services is so low is the general profile of the persons who are currently unemployed - many of those who have registered as unemployed are long-term unemployed. This means that the unemployed in question require several prior supporting measures (such as the coaching for working life service, which became available in 2006) before being referred to labour market training (to be more specific, the labour market training measure might not be the

first suitable measure for them, according to the individual action plan that is compiled for every unemployed person).

In order to improve the opportunities for the unemployed to participate in labour market training, we are planning to make it easier for people to participate in labour market training by, for example, increasing the transport subsidy within the framework of the new programme period of the European Social Fund (2007-2013). It is also planned to broaden the circle of those who currently cannot participate in labour market training (e.g. working disabled people). We are also planning to improve the efficiency of our career counselling service (by broadening the target group and adjusting the existing work materials used in the counselling service), which is also aimed at helping people choose labour market training that is suitable for them and thereby refer a bigger number of clients to relevant professional (continuous) training.

Question

In answer to the Committee, the report states that the fact that 52% of the participants in the training programmes find work is considered a very good indicator at the European level. As the economy is growing, this number could increase further. The Committee wishes to be kept informed of the evolution of the situation.

As our information system is currently being updated, it is not possible to provide the most recent information about how many participants in labour market training have found work. However, considering the favourable economic conditions, there is reason to believe that this number has increased.

In order to achieve the Lisbon goals, Estonia has set itself an objective within the *Economic Growth and Employment Activity Plan* to increase the proportion of unemployed persons who have participated in training and found jobs to 65% by 2008.

Question

The report does not explain how the continuous education and retraining of workers occurring outside service has been organised. Therefore, the Committee would like to be provided with detailed information about this area. The Committee is particularly interested in whether and under what conditions workers are entitled to time off for individual training or retraining.

Training of workers at the company level is not regulated by the state. Each institution plans and organises training according to their needs and possibilities. Companies can request funding from Enterprise Estonia to train their employees. Further information about projects eligible for funding can be obtained at www.eas.ee. Information is available in Estonian, Russian and English. In general, large companies and companies belonging to the leader group pay more attention to training their employees.

Even though companies are relatively free to decide how they train their employees, certain rights and obligations are stipulated in legislation for both employers and employees with respect to the provision of and participation in training. The *Adult Education Act* provides for the right of every person to continuous self-improvement and the obligations of the state, local governments and employers in coordinating and carrying out adult education. In the *Income Tax Act*, the state guarantees tax incentives to everyone who has contributed to training.

Any professional training funded by the employer is not seen as a fringe benefit for the purposes of the *Income Tax Act*, which means that employers who cover the costs of the professional training of their employees do not have to pay any tax on such amounts.

However, employers are required to pay fringe benefits tax if they fund their employees' formal education acquired within the adult education system and informal education. The state supports the participation of people in training through its valid taxation system.

In addition to tax incentives, the *Adult Education Act* provides people with the right to take study leave in order to participate in training.

The above-mentioned rights and incentives apply to both the public and private sectors, in small, medium-size and large companies, i.e. they do not depend on the number of employees or the area of activity.

Question

The Committee would also like the next report to provide information about whether there are any activities in place to prevent active workers, who may lose their jobs due to economic or technological changes, from losing their working skills.

Training of workers at the company level is currently not regulated by the state. However, as mentioned before in the report, companies can request funding from Enterprise Estonia to train their employees. We are planning to use the support of European Union structural funds to pilot the provision of retraining to workers with low qualifications (both in the education and labour market systems) within the framework of the new programme period of 2007-2013 in order to avoid active workers dropping out of the labour market as a result of a deterioration of their skills or the economic changes that have occurred.

Question

The Committee wishes the next report to provide more detailed information about:

- the number and gender balance of unemployed persons who receive training;
- public expenditure on training the unemployed as a percentage of total expenditure on employment measures and as a percentage of GDP.

7073 unemployed persons were referred to labour market training in 2006. The share of women among the unemployed referred to labour market training was 68% and the share of men 32%.

In 2006, labour market training expenditure came to a total of 71.0 million kroons (including foreign aid to the amount of 34 million kroons). This expenditure forms 0.035% of GDP.

ARTICLE 10 PARAGRAPH 4

"With a view to ensuring the effective exercising of the right to vocational training, the Parties undertake;

to provide or promote, as necessary, special measures for the retraining and reintegration of the long-term unemployed;"

Question

Please indicate the special measures taken to provide or promote the retraining and reintegration of the long-term unemployed, including, as far as possible, information on the number of participants and the results achieved.

In general, training aimed at the unemployed may be divided into four categories - the first is general training about looking for work (so-called adaptation training); the second is primary training; the third is complete retraining; and the fourth is continuous training on the basis of the existing profession (any professional examinations that have been passed are also considered a part of labour market training). The speciality for professional training is selected considering the previous professional experience of the unemployed person and their general interests with respect to the new job, alongside the general economy of the state and the resulting interests of employers (an individual action plan is prepared for this purpose). This means that the circle of training areas in which unemployed persons can participate is not strictly limited. Selection of the specialty for professional training aims to ensure that training corresponds to the interests of the unemployed on the one hand, but on the other hand also ensures that the person is likely to find work after the training.

48,167 unemployed persons were registered with the Labour Market Board in 2006. 7073 were referred to labour market training (3041 of whom being long-term unemployed), which is 2781 referrals less than in 2005, but the share of persons who participated in the training of all unemployed persons increased compared to the previous year (from 13.7% in 2005 to 14.7% in 2006).

Since 2006, the long-term unemployed can also be provided with the coaching for working life service, which as a primary measure is very often more efficient for this target group than training (that the unemployed person first takes part in). If necessary, an unemployed person is referred for the service more

than once. In addition, since 2006, a labour market measure named work practice (many employers prefer to train their employees themselves) can also be offered to the unemployed. During the year 676 unemployed persons were referred to work practice

One of the reasons that the proportion of unemployed persons participating in active measures is still low is the rapid economic growth over recent years (which exceeded 10% in 2006) and low unemployment. The result of these developments is that the unemployed often find jobs before active measures are provided. 16,324 unemployed persons were employed in 2006, which is 33.9% of all persons who had registered as unemployed during the year. 10,533 unemployed persons found jobs independently. 5791 unemployed persons found jobs as a result of Labour Market Board referrals.

We are planning to improve the measures for professional reintegration of labour market risk groups (mostly the long-term unemployed, disabled persons and older workers) during the new programme period of the European Union for 2007-2013 in order to make participation in active labour market measures more attractive to the unemployed (and thereby increase the efficiency of their re-entry into the labour market). We are also planning to improve the existing labour market measures in order to make them more flexible and better suited to the needs of the unemployed.

The labour market measures aimed at the long-term unemployed are also described in the answer to Question A of Paragraph 1 in Article 1.

Question

The Committee wishes to be informed of any other measures to combat long-term unemployment, and progress in dealing with this issue, which is particularly serious in Estonia.

The number of labour market services offered to the long-term unemployed has increased since 2006. One of the services offered is coaching for working life, which is aimed at long-term unemployed to give them primary work experience and establish a working habit in them. The number of services for disabled people has also increased, and these are aimed at the more rapid integration of this target group into the labour market, which used to be difficult due to the lack of special services.

The rate of long-term unemployment was 2.8% of the entire labour force in 2006. Even though the number of long-term unemployed has been steadily decreasing, their share of all registered unemployed persons has increased (being 53% of all unemployed persons at the beginning of 2007, as opposed to only 48% in 2006). This change was caused by positive economic developments, which have also made it easier for people with lower qualifications and competitive abilities to enter the labour market, but it has increased the

proportion of problematic clients. Other reasons for this could be the increase of unemployment benefits and medical insurance, which is guaranteed to all registered unemployed persons since 2006.

Since long-term unemployment may be caused by reasons associated with different disabilities, the *Labour Market Services and Benefits Act* stipulates four services especially for disabled people: adaptation of premises and equipment; special aids and equipment; working with a support person; and communication support at interviews. For more information about these services, see the answers given in Paragraph 1 of Article 1.

In order to reduce long-term unemployment, Estonia is planning to pilot services within the 2007-2013 programme period of the European Social Fund which are aimed at removing the obstacles preventing the long-term unemployed from entering the labour market. This is why it is planned to incorporate psychological counselling or social rehabilitation within the existing labour market measures.

Question

According to the report, there were 66,200 unemployed persons in 2003 and 63,600 in 2004. In 2003, 3860 long-term unemployed took part in training programmes. The equivalent figure for 2004 was 3520. The report argues that one of the reasons for this low percentage was that European Social Fund assistance was not yet then available. Spending on training for the long-term unemployed rose in 2006, which has increased the participation rate. The Committee again asks for the next report to supply information on the participation rate in such programmes and placements and the proportion of the long-term unemployed taking part in vocational training.

As our information system is currently under construction, it is impossible to supply accurate feedback about the participation of the long-term unemployed in labour market training. According to the *Estonian Economic Growth and Employment Action Plan 2005-2007 for Implementation of the Lisbon Strategy Report*, the expected result with respect to said proportion for 2008 is 65%. As the economic conditions have been favourable, we can assume that this proportion is quite close to the goal set for 2008.

The data of people who participated in the projects financed from the European Social Fund in the period between 2004 and 2005 will be available some time at the end of 2007, when the impact assessment analysis of the period's projects will be completed.

Question

The Committee acknowledge the information about the measures aimed at long-term unemployed, but believes that they are not sufficient for assessing the actual extent and impact of the vocational training methods aimed at the long-term unemployed. As a result of this, the Committee requests more information about:

- what training is provided to the long-term unemployed (both skilled and unskilled workers);

Similar to other unemployed persons, the long-term unemployed have the opportunity to participate in the active labour market measure known as labour market training. The training offered as part of labour market training can be divided into four categories - general training about looking for work; primary training; full retraining; and continuous training on the basis of the existing speciality (any professional examinations that have been passed are also considered a part of labour market training). Selection of a speciality for training does not depend solely on the previous training or work experience of the (long-term) unemployed person and neither does it therefore solely depend on the circumstance as to whether the unemployed person used to be a skilled or unskilled worker. Instead, prior experience, professional training, future expectations, etc. are mapped out in the individual action plan prepared for the unemployed person, and attempts are made to adapt these to the situation in the labour market as much as possible. The main goal of the training is to assist the unemployed in re-entering the labour market.

- institutions that offer training;

Training for the long-term unemployed is organised by the Labour Market Board. Labour market training is outsourced from educational institutions, legal entities and sole traders who hold training licences.

- whether training is meant specifically for the long-term unemployed;

The purpose of training and selection of the speciality depend on the individual action plan prepared for the client. Therefore, training is organised on the basis of the specific needs of every unemployed person, which means that they correspond to the specific needs of each unemployed person (including the special needs of the long-term unemployed).

- what the duration of each programme or course is;

The maximum duration of labour market training organised through the Labour Market Board is one year.

- the activation rate of the long-term unemployed who have been provided with professional training.

It is currently impossible to obtain information from the database about the number of long-term unemployed persons who have taken part in training and then entered the open labour market.

ARTICLE 15 - THE RIGHT OF PERSONS WITH DISABILITIES TO INDEPENDENCE, SOCIAL INTEGRATION AND PARTICIPATION IN THE LIFE OF THE COMMUNITY

ARTICLE 15 PARAGRAPH 1

“With a view to ensuring persons with disabilities, irrespective of age and the nature and origin of their disabilities, the effective exercising of the right to independence, social integration and participation in the life of the community, the Parties undertake, in particular:

to take the necessary measures to provide persons with disabilities with guidance, education and vocational training in the framework of general schemes wherever possible or, where this is not possible, through specialised bodies, public or private;”

Question A

Please indicate the criteria applied to grant disabled status and give an estimation of the total number of persons with disabilities as well as the number of persons with disabilities of working age.

Pursuant to the definition given in the *Social Benefits for Disabled Persons Act*, a disability is the loss of or an abnormality in an anatomical, physiological or mental structure or function of a person, as a result of which the person needs regular personal assistance, guidance or supervision. Moderate disability is granted to a person who needs regular personal assistance or guidance outside his or her residence at least once a week; severe disability to a person who needs personal assistance, guidance or supervision in every twenty-four hour period; and profound disability to a person who needs personal assistance, guidance or supervision twenty-four hours a day.

According to the data of the Social Insurance Board, the number of disabled persons in Estonia as of 1 January 2006 was 107,513 persons, 43,671 of whom were working age persons (aged between 16 and 64).

There were 1872 children aged between 0-6 and 3938 children aged between 7-15 (i.e. a total of 5810 disabled children) among the recipients of social benefits.

Question B

Please describe the measures taken to provide persons with disabilities with education, guidance and vocational training in the framework of general schemes wherever possible or, where this is not possible, through specialised bodies, public or private, and provide information on the following points:

- a. assessment of the skills of persons with disabilities and the criteria used to assess the prospects of rehabilitation of persons with disabilities;
- b. organisation of education for persons with disabilities in ordinary schools and/or specialised schools (access, number of persons and establishments);
- c. organisation of vocational guidance for persons with disabilities (access, number of persons with disabilities receiving guidance through mainstream or specialist provision);
- d. organisation of vocational training (access, number of persons with disabilities receiving vocational training through mainstream or specialist provision);
- e. adjustment of the methods of vocational rehabilitation in accordance with the needs of the labour market;
- f. financial assistance available to persons with disabilities undertaking vocational rehabilitation.

Assessment of the skills of persons with disabilities and the criteria used to assess the prospects of rehabilitation of persons with disabilities

There were no changes in the criteria applied to the granting of disabled status during the reporting period.

The right of disabled persons to rehabilitation was updated as a result of the amendment of the *Social Welfare Act* and the *Social Benefits for Disabled Persons Act* which entered force on 1 January 2005. The general objective of the Act was to create better opportunities for the prevention, elimination or alleviation of the coping difficulties of people, whilst increasing their social inclusion. The purpose of the part that concerns the rehabilitation service is to promote the independent ability to cope, the social integration and the employment of people with special needs. The aim of social rehabilitation is to bring disabled persons

back into active social life and help them move towards labour market (get other social- and labour market services).

The requirements of the provision of the rehabilitation service were therefore regulated in greater detail and the persons to whom disabled status has already been granted were included in the target group of the service. The obligation of the rehabilitation team to instruct and advise the person on the completion of the rehabilitation plan was also stipulated. The rehabilitation team assess person's ability for independent functioning and personal assistance and draw up a rehabilitation plan. In rehabilitation plan is marked services and actions which would teach disabled persons how to cope independently as much as possible in their changed situation. Person can claim services, which are marked in rehabilitation plan. There are 17 services in the list of rehabilitation service. List of services and description of each service is enacted by Government.

Rehabilitation services are provided to all disabled children. Rehabilitation is usually also provided to all adults to whom disabled status is granted for the first time. A precondition for the provision of the rehabilitation service to adults who have already been granted disabled status is that they need to consult specialists in several areas and require the provision of different services. In addition to the rehabilitation service, the health insurance system also offers medical rehabilitation as an independent service, the need for which is ascertained on the basis of medical criteria.

Rehabilitation and labour market provisions as well as other measures designed to help disabled people into employment or keep them to work are more and more coordinated. The key working method is case management. Relevant institutions and experts co-operate in order to address disabled persons individual needs and provide for tailor –made measures and strategies.

Organisation of education for persons with disabilities in ordinary schools and/or specialised schools (access, number of persons and establishments)

Pursuant to the *Education Act*, all children, including disabled children, have the right to study at a school in their area. In the event that it is not possible to adapt the school environment and/or studies to the needs of a disabled child, the child will be guaranteed the opportunity to study in a suitable educational institution. The organisation of the studies of students with special needs takes into consideration their need for additional support and study programme and learning environment adjustments, and relevant support systems are applied, such as psychological counselling, assistance of special education teachers, speech therapists, the possibility to use sign language, a support teacher, etc.

In the 2005-2006 academic year, 21,406 children with special needs studied in ordinary schools and 6283 in special schools. There are 49 special schools in Estonia.

Organisation of vocational guidance for persons with disabilities (access, number of persons with disabilities receiving guidance through mainstream or specialist provision)

Vocational guidance is provided in general education schools. Vocational guidance is also provided by different organisations: the career counselling centres operating as part of universities, private job agencies, recruitment companies, etc. Astangu Vocational Rehabilitation Centre and supported employment centres specialise in counselling and finding employment for disabled persons. The Astangu Vocational Rehabilitation Centre consist vocational training and rehabilitation departments. Rehabilitation department responsible for providing clients with information about rehabilitation and vocational education opportunities in Astangu Centre and other vocational education facilities in Estonia; drawing up vocational rehabilitation plans (for student candidates), vocational guidance for every student and managing rehabilitation activities that support the trainees in their study process (individual / group). The Centre has 134 trainees in 17 study groups, each group has 6-8 trainees and the age of the students varies from 15 to 46

Since 1 January 2006 the persons with disabilities have been provided with the new labour market services such as work practice, coaching for working life and four services meant especially for disabled people.

In 2006, 4 023 disabled persons were registered as unemployed in the Labour Market Board, that is 8.4 % of all unemployed persons registered during the year. On 1 January 2007, 1 170 (9.7 %) disabled persons were registered. On the average, the number of disabled unemployed persons was 1 328 throughout the year.

During the year, career counselling was provided to disabled unemployed persons in 870 times, 1 146 people were referred to labour market training (incl. 403 trainings for search for work and 743 specialty trainings). Disabled unemployed persons participated in public work in 49 times, in coaching for work in 74 times, in work practice in 239 times. 68 disabled unemployed persons were employed with wage subsidy, 46 disabled unemployed persons were recipients of business start up subsidy. During the year, 758 disabled unemployed persons were employed (18.8 % of all disabled persons registered as unemployed during the year).

Organisation of vocational training (access, number of persons with disabilities receiving vocational training through mainstream or specialist provision)

Vocational education of young people with special needs is regulated by the Government of the Republic Regulation *The Conditions and Arrangements for the Studies of the Disabled in Vocational Educational Institutions* which is based on the *Vocational Educational Institutions Act* and according to which students with special needs who have acquired at least basic education (including on the basis of a simplified and coping curriculum) have been guaranteed opportunities to acquire vocational education, and the requests of the student, the specific features of the special needs and the options of finding suitable work are taken into consideration as much as possible.

Students with special needs are admitted to vocational educational institutions on the basis of their rehabilitation plans or other similar documents, and personal support is assigned to them whenever necessary. There are many alternative options for acquiring vocational education (e.g. apprentice training) and new curriculums have been prepared on the basis of which it is possible for disabled persons to acquire a vocation.

Educational institutions provide disabled persons with the necessary aids, adapted rooms, communication assistance (sign language interpreters) and, where necessary, personal assistants. Other necessary support systems and services are also applied (e.g. use of e-studies, inclusion of an assistant teacher in classroom work, social pedagogical support, assistance of special education teachers, psychological counselling, services of a speech therapist, studying in groups of 6 to 8 people, etc.).

The estimated expenditure on people with special needs per student is double the usual expenditure.

Astangu Vocational Rehabilitation Centre is specialised in the rehabilitation and teaching of students with special needs. Generally vocational educational institutions apply inclusive studies, which means that

students with special needs are taught in mainstream vocational educational institutions. 221 students with special needs have completed the three-year vocational training course at the Astangu Vocational Rehabilitation Centre in the last 9 years and 160 students with special needs have completed the one-year diagnostic training course (coping course and preparatory course). 131 young people studied at the Astangu Vocational Rehabilitation Centre in 2005-2006, with 26 students graduating from the diagnostic training groups and 47 from vocational training groups. The average number of students with special needs studying in ordinary vocational schools is between 600 and 700, approximately 200 of whom graduate every year (for example, the number of graduates in 2005 was 203 whilst 479 continued their studies).

People with special needs have access to higher education and, whenever necessary, they can request a personal assistant or communication support from the Ministry of Education and Research. For example, it is known that 13 visually impaired students are currently studying in universities and institutions of professional higher education.

The study of coping and requirements of disabled people conducted in 2005-2006 showed that 34% of disabled young people aged between 16 and 24 are studying.

Adjustment of the methods of vocational rehabilitation in accordance with the needs of the labour market

The special needs of a person are considered when a contract is entered into for the organisation of practical training for disabled persons. In general, practical training takes place in the workplace where the disabled person starts working after graduating from the educational institution. Transition plans are implemented in cooperation with employers in order to facilitate the students' entry into the labour market. Supported transition from basic school to vocational school and from vocational school to working life is being applied in an increasing number of cases.

Financial assistance available to persons with disabilities undertaking vocational rehabilitation

The *Social Benefits for Disabled Persons Act* allows the state to pay employed disabled persons who are at working age a continuing training subsidy in the amount of 9600 EEK for three years, which can be used for professional continuing or formal training. 56 persons made use of this in 2005 and 51 in 2006. This Act allows also the state to pay rehabilitation allowance. Rehabilitation allowance shall be paid for the active rehabilitation of disabled persons of 16 to 65 years of age in rehabilitation institutions. Rehabilitation

allowance shall be paid to compensate partially for actual rehabilitation expenditure in an amount of up to 200 % of the social benefit rate during the calendar year, up to 800 EEK. 1848 persons made use of this in 2005 and 1815 in 2004.

Question C

Please specify whether the measures mentioned above are available to all persons with disabilities irrespective of age and the nature and origin of their disability.

According to *Social Welfare Act* justified persons for rehabilitation services are: all disabled people (children and adults) and persons who claim degree of disability (children and adults). In order to provide disabled persons with equal opportunities with other persons rural municipality governments and city governments shall establish, in co-operation with competent state authorities, opportunities for vocational training, which would raise the ability of disabled persons to compete in the job market and adept employment positions and establish occupational centres, in co-operation with competent state authorities.

Pursuant to the *Social Benefits for Disabled Persons Act*, the continuing training subsidy is paid to disabled people who work.

Question D

Please specify:

- a. the number and nature of the principal institutions giving general education, guidance and vocational training and the number of places available;
- b. the number of persons undergoing such training;
- c. the number of staff, their qualifications and the measures taken to ensure their expertise;
- d. the organisation of co-operation between general and specialised services.

Number and nature of main general educational, counselling and vocational educational institutions and number of places in such institutions

In vocational training, students with special needs are integrated into ordinary groups. Separate groups can only be formed if a certain number of students with special needs wish to study the same speciality (a

minimum of 4 students in the event of coping or nursing classes and at least 12 students in the event of students who have graduated from basic school on the basis of a simplified curriculum). The school's board decides whether separate study groups will be formed.

In autumn 2006 there were 49 vocational educational institutions in Estonia, 20 of which also taught students with special needs. Vocational training to persons with special needs is also offered by Astangu Vocational Rehabilitation Centre, which operates under the jurisdiction of the Ministry of Social Affairs (not reflected in the figures below).

Table 20: Vocational educational institutions where students with special educational needs are taught, 2004-2006

Year	2004/05	2005/06	2006/07
TOTAL vocational educational institutions	67	58	49
Vocational educational institutions teaching students with special needs	21	23	20

Number of persons receiving relevant education

Information about students with special needs in the vocational education system is collected through the Estonian Educational Information System (EEIS) on the basis of the following classification:

- previous level of education completed on the basis of a simplified curriculum;
- students with learning difficulties;
- students with hearing impairments;
- students with visual impairments;
- students with physical disabilities;
- students with special mental needs.

Table 21: Share of vocational students with special needs 2004-2006

Year	2004/05	2005/06	2006/07
TOTAL students in vocational schools	29915	29013	28651
Students with special needs	856	579	753
Share among all vocational students	2.8%	2.0%	2.6%

Source: Ministry of Education

Number of staff, their qualifications and measures to ensure their professionalism

Due to the specific manner in which data is collected, the qualification of vocational specialists is not separately reflected in the statistics of the staff of Estonian vocational educational institutions.

The number of vocational school teachers in Estonia as at 22 November 2005 was 2503, 1424 of whom were vocation teachers and 1078 general educational subject teachers. Their division according to qualifications is as follows:

Figure 30: Teachers of vocational educational institutions by grade

Source: Estonian Educational Information System, Analysis Department of the Ministry of Education and Research

The number of vocational school teachers in Estonia as at 22 November 2005 was 2262, 1262 of whom were vocation teachers and 1000 general educational subject teachers.

Figure 31: Teachers of vocational educational institutions by grade

Source: Estonian Educational Information System, Analysis Department of the Ministry of Education and Research

In 2006, the Estonian Chamber of Disabled People prepared a 64-hour training programme for local government and education specialists (a total of 50 people) in order to give them information about different types of disabilities, the needs and problems of disabled students and improve the knowledge of social workers and teachers of disabilities. The project was launched in 2007.

Organisation of cooperation between general special institutions

The regulation *Conditions and Procedure for Persons with Special Needs Studying in Vocational Educational Institutions* issued by the Minister of Education and Research stipulates that vocational education institutions must cooperate and implement the support systems and services required for teaching students with special needs (such as e-training, involvement of assistant teachers, social pedagogical support service, learning support service and psychological counselling). Study practice must be organised considering the special conditions required by the student and an individual plan for transition from vocational training to working life must be prepared in cooperation with the practice company.

Studies have been organised in cooperation with the parties involved in the provision of rehabilitation services.

The legal representative of a student with limited active legal capacity is involved when appraisals are prepared and conducted and, if necessary, a representative of the school where the student studied before, a representative of the practice company and representatives of possible employers, the employment office and the rural municipality or city where the person resides are also involved.

Since 2004, several round tables and information events have been organised within the framework of the ESF project aimed at improving cooperation. Local employers have also been involved in these events.

Question

The Committee asks for information on the total number of children with disabilities.

According to the data of the Social Insurance Board, the number of disabled persons in Estonia as of 1 January 2006 was 107,513 persons. There were 1872 children aged between 0-6 and 3938 children aged between 7-15 (i.e. a total of 5810 disabled children) among the recipients of social benefits.

Table 22: Children with a determined degree of severity of disability by age, at the beginning of 2006

Degree of severity of disability	0-6	7-15	TOTAL
TOTAL	1 872	3 938	5 810
By degree of severity:			
- moderate	562	1 393	1 955
- severe	1 024	2 126	3 150
- profound	286	419	705

Question

The Committee recalls from its previous conclusion (Conclusions 2005, p. 176-182) that the legislation in force (the 1992 Education Act and the Basic Schools and Upper Secondary Schools Act) guarantees equal access to education to every child, and in this context promotes inclusive education for children with disabilities. The Committee asks whether these acts explicitly prohibit non-discrimination and if they require a compelling justification for placing children in special or segregated educational systems.

The prohibition of unequal treatment of persons on the grounds of special needs has in currently applicable legislation been stipulated in Section 12 of the *Constitution of the Republic of Estonia*, which states that all people are equal. Subsection 10(1) of the *Education Act of the Republic of Estonia* stipulates that local governments shall provide persons with special needs with the opportunity to study at a school of their residence equally with other children. If suitable conditions are not found, the state and local governments shall provide such persons, pursuant to the procedure and under the conditions prescribed by legislation, with the opportunity to study at an educational institution established for that purpose.

The relevant regulation has been stipulated in greater detail in Subsection 15(2) and Section 21 of the *Basic Schools and Upper Secondary Schools Act (BSUSSA)*. Pursuant to Subsection 21(3) of the *BSUSSA*, children with special needs shall be recommended a curriculum or school suitable for their abilities by a decision of a counselling committee based on medical, psychological and pedagogical assessments. The referral procedure of the counselling committee was established with Regulation No. 43 *Approval of the conditions and procedure for referral of children with special needs to a counselling committee* issued by the Minister of Education and Research on 2 July 1999. The decision made by the counselling committee is an administrative act and it must be sufficiently reasoned on the basis of Section 56 of the *Administrative Procedure Act*.

Question

The report indicates that any complaint of discrimination, including on the grounds of disability, can be directed to the Chancellor of Justice, an independent body which has the special powers of an Ombudsman and is authorised to issue binding decisions in cases of discrimination. The Committee asks whether the victim can also initiate civil proceedings, including in order to secure his or her rights to compensation for the damage suffered as a result of the discrimination. It also asks for case law on discrimination relating to education and training to be provided in the next report.

The *Law of Obligations Act* does not stipulate any differences arising from the basis of damages to the right to claim compensation for damages. This means that a person also has the right to claim compensation for damages on the basis of the Law of Obligations Act in the event that the damages were caused by discrimination.

There are no known court cases of this kind.

As already clarified, the Chancellor of Justice of the Republic of Estonia is a guardian of the constitutionality of legislation and a protector of the constitutional rights and freedoms of people. According to the *Constitution*, the Chancellor of Justice is first and foremost seen as an independent official who reviews the legislation (laws and regulations) of the legislative and executive powers and of local governments for conformity with the Constitution and the laws. The Chancellor of Justice can verify, on the basis of applications submitted by people, whether legislative acts unconstitutionally restrict the rights and freedoms of persons.

The Chancellor of Justice also reviews whether state agencies comply with the fundamental rights and freedoms of people and the principles of good governance. With the amendment to the Act that entered into force on 1 January 2004, the Parliament (Riigikogu) extended the Chancellor's ombudsman functions even further – now the Chancellor of Justice also carries out supervision of local governments, legal persons in public law and persons in private law who exercise public functions.

In addition to violations, the Chancellor of Justice also deals with cases of maladministration which are not necessarily illegal. Maladministration is understood as disregard for principles of good governance and good practice, failure to do the required work, unjustified delays, negligence, impolite behaviour, giving of false information and other similar cases. Everyone who feels that they have been treated illegally or unfairly, i.e. with disrespect for principles of good governance, can turn to the Chancellor of Justice. The Chancellor of Justice also resolves discrimination disputes based on applications received from individuals. These involve situations when persons have been discriminated against on the basis of their sex, race, nationality (ethnic origin), colour, language, origin, religious or other conviction, proprietary or social status, age, disability, sexual orientation or other grounds specified in law.

The Chancellor of Justice resolves discrimination disputes between natural persons and legal persons in private law. To do this, the Chancellor conducts conciliation proceedings between the parties. The Chancellor of Justice can initiate conciliation proceedings only on the basis of an individual's complaint. He cannot open conciliation proceedings on his own initiative.

In sum, it can be said that the supervision carried out by the Chancellor of Justice is aimed at legislation (the so-called constitutional review procedure), at compliance with the guarantee of the fundamental rights and freedoms of persons and the principles of good governance by the above-mentioned agencies, bodies and persons (the so-called ombudsman procedure), or at resolving of discrimination disputes (conciliation procedure).

By the *Constitution of the Republic of Estonia* everyone is equal before the law. No one shall be discriminated against on the basis of nationality, race, colour, sex, language, origin, religion, political or other opinion, property or social status, or on other grounds. Everyone has the right to the protection of the state and of the law. The Estonian state shall also protect its citizens abroad. The law shall protect everyone from the arbitrary exercise of state authority. Everyone whose rights and freedoms are violated has the right of recourse to the courts. Everyone has the right, while his or her case is before the court, to petition for any relevant law, other legislation or procedure to be declared unconstitutional. No one shall be deprived of his or her liberty merely on the ground of inability to fulfil a contractual obligation. Legal aid is provision of legal services to a natural or legal person on account of the state on the basis and pursuant to the procedure provided in the respective law. The aim of providing legal aid is to ensure timely and sufficient availability of competent and reliable legal services for everyone. Provision of legal aid is governed by the *Legal Aid Act* which entered into force on 1st March 2005. If a participant in the proceedings is a deaf, mute or deaf-mute person, the course of the proceeding shall be communicated to him or her in writing, or an interpreter shall be involved in the proceeding.

If a participant in the proceedings is a deaf, mute or deaf-mute person, the course of the proceeding shall be communicated to him or her in writing, or an interpreter or translator shall be involved in the proceeding.

Question

The Committee notes from another source²⁸ that the reform introducing mainstreaming has only partially benefited children with intellectual disabilities, who are still to a large extent segregated in special schools. Many mainstream schools will not enrol children with intellectual disabilities on the grounds that they cannot provide the support needed. No statistics are available on the mainstreaming of children with intellectual disabilities, though their participation increased by 25% in the period 1998-2002. In 2002 and 2003, 5166 students with intellectual disabilities attended special schools; those with severe or profound disabilities were often placed in residential institutions, where the quality of teaching and resources are low. The Committee notes from this information that the system remains largely non-inclusive for children with

²⁸ EUMAP (EU Monitoring and Advocacy Programme of the Open Society), *Right of People with intellectual disabilities: access to education and employment*, Summary Report Estonia, 2005.

intellectual disabilities, and it asks the Government to comment on the situation. In particular, it asks how the quality of education, sufficient resources and monitoring are ensured in special institutions. It recalls that Article 15§1 requires the inclusion of children with disabilities into general or mainstream educational schemes and that the lack of 'inclusiveness' may give rise to a finding of non-conformity.

Educational policy in Estonia focuses on inclusion. Every child, including those with mental disabilities, has the right to study in a school near their home. The school is obliged to admit the child, create the conditions where the child can study according to his or her abilities and apply support systems if necessary. However, if the school is unable to create the necessary study environment, it must refer the child to a regular school that complies with requirements, but it may also be a special school.

The number of students in special schools is decreasing and the number of students integrated into regular classes is increasing, and teaching children in regular schools in separate groups is also on the rise (children in these classes are still integrated into ordinary school life).

According to the data of the Ministry of Education and Research, 2817 mentally disabled children studied in regular schools in 2004; 376 were integrated into regular classes and 397 studied in special classes in regular schools;

In 2005, 2674 children studied in special schools, 450 in regular classes and 460 in special classes in regular schools;

In 2006, 2659 children studied in special schools, 450 in regular classes and 460 in special classes in regular schools.

Question

The Committee recalls from its previous conclusion (ibid) that all pupils with special needs who have acquired basic education, including on the basis of simplified curricula, are guaranteed equal opportunities to acquire vocational education (Government regulation "The conditions and arrangements for the study of the disabled in vocational educational institutions", which is based on the Vocational Educational Institutions Act). The Committee asks whether this act explicitly prohibits non-discrimination.

By the *Constitution of the Republic of Estonia* everyone is equal before the law. No one shall be discriminated against on the basis of nationality, race, colour, sex, language, origin, religion, political or other opinion, property or social status, or on other grounds. Everyone has the right to education. Education is compulsory for school-age children to the extent specified by law, and shall be free of charge in state and

local government general education schools. In order to make education accessible, the state and local governments shall maintain the requisite number of educational institutions. Other educational institutions, including private schools, may also be established and maintained pursuant to law. Parents shall have the final decision in the choice of education for their children. Everyone has the right to receive instruction in Estonian. The language of instruction in national minority educational institutions shall be chosen by the educational institution.

A school may provide vocational training for students of basic school and upper secondary school according to a curriculum of vocational training for basic schools and upper secondary schools which the school shall prepare on the basis of the national curricula for vocations or professions and which allows students to acquire primary vocational, professional and occupational knowledge and skills within the framework of elective subjects prescribed on the basis of the national curricula for basic schools and upper secondary schools, the simplified national curriculum for basic schools or the national curriculum for students with moderate and severe learning disabilities.

The following vocational trainings may be provided at a school: preliminary vocational training; vocational training in basic schools and upper secondary schools; vocational training for persons without basic education who have passed the minimum school-leaving age; vocational training on the basis of basic education; vocational secondary education; vocational training on the basis of secondary education; professional higher education and continuing vocational training. Regulation no. 25 *Conditions and Procedure for Persons with Special Needs Studying in Vocational Educational Institutions* issued by the Minister of Education and Research on 30 August 2006 stipulates that activities supporting individual development must be guaranteed to students with special needs acquiring vocational education, which means that the rehabilitation plan must be considered, an individual study plan must be prepared and implemented, there must be regular appraisals, a plan for transition into working life in cooperation with a company and, if necessary, access to the services of support staff. This regulation gives lots of different and good opportunities for the study of the disabled in vocational schools. By this government regulation are guaranteed equal opportunities to acquire vocational education.

The regulation of the Government of the Republic mentioned above is sufficiently unambiguous in the context of educational policies that include persons with special educational needs in ordinary life in Estonia. Educational policy in Estonia focuses on inclusion, and every child has the right to study in a school near their home. If a school is unable to implement the required support systems (i.e. there is a lack of resources), the school will have to find another school where the necessary conditions have been created. The number of involved students in mainstream schools has increased as implementation of support systems has improved and the school environment is constantly developed. Supervision has

inspected the implementation of support systems, creation of individual study programmes for students with special needs, and the quality of teaching in mainstream schools and in schools for children with special needs. Estonia has achieved 90% inclusion with respect to vocational educational institutions, because only 10% of students with special needs study in one centre which is designed specifically for students with special needs.

ARTICLE 15 PARAGRAPH 2

“With a view to ensuring persons with disabilities, irrespective of age and the nature and origin of their disabilities, the effective exercising of the right to independence, social integration and participation in the life of the community, the Parties undertake, in particular:

to promote their access to employment through all measures tending to encourage employers to hire and keep in employment persons with disabilities in the ordinary working environment and to adjust the working conditions to the needs of the disabled or, where this is not possible by reason of the disability, by arranging for or creating sheltered employment according to the level of disability. In certain cases, such measures may require recourse to specialised placement and support services;”

Question A

Please describe the measures taken to promote the employment of persons with disabilities in an ordinary working environment and in particular the measures concerning the placing of persons with disabilities; incentives for employers to hire persons with disabilities and, where appropriate, measures obliging employers to adjust working conditions. Please provide information on the employment obligation for persons with disabilities.

Please specify the measures designed to ensure the retention of persons with disabilities in employment (duty of occupational redeployment for persons who become disabled following an accident at work or an occupational disease, ban on dismissal of workers because of their disability, obligation for employers to adjust working conditions, provision of support for persons with disabilities to start their own business, etc.).

Pursuant to the *Occupational Health and Safety Act*, an employer must adapt the work and workplace of a disabled employee to suit their needs. If necessary, the Labour Market Board provides the service of adapting premises and equipment to unemployed persons with disabilities, whereby 50% of the cost of adaptations (but no more than 30,000 kroons) is compensated to the employer as stipulated in the *Labour Market Services and Benefits Act*. Aids required for working are provided free of charge for up to three years, but not longer than until the end of the employment relationship. The contract for free use of the aid is usually concluded with the employer, even though it is actually used by the employee.

The Labour Market Board can pay an employer who employs an unemployed person with a disabilities wage subsidy up to 50% of the employee's salary, but not more than the minimum wage valid in the Republic of Estonia (3600 kroons from 1 January 2007).

During the year 2006, career counselling was provided to disabled unemployed persons in 870 times, 1 146 people were referred to labour market training (incl. 403 trainings for search for work and 743 specialty trainings). Disabled unemployed persons participated in public work in 49 times, in coaching for work in 74 times, in work practice in 239 times.

68 disabled unemployed persons were employed with wage subsidy, 46 disabled unemployed persons were recipients of business start up subsidy.

The tasks of disabled people are defined in their employment contracts. The additional rights of people with reduced capacity to work are the right to extended holiday pursuant to the *Holidays Act* and any additional days off are paid for from the state budget.

Pursuant to the *Occupational Health and Safety Act*, an employer is required to enable a worker who has become partially incapacitated for work in the employer's enterprise as a result of an occupational accident or occupational disease to continue working in the same company if suitable work is found for him or her.

Question B

Please indicate the number (or an approximation) of persons with disabilities who during the reference period found paid employment (whether in specialised institutions or not; in the public or private sector).

Detailed statistical data can be given about the unemployed persons registered with the Labour Market Board. It must be considered that information about the existence or lack of a disability constitutes delicate personal data and if a person does not wish to disclose such information about themselves, they have the right not to do so. The Labour Market Board does not have any information about the possible disabilities of such people.

758 disabled persons who were registered with the Labour Market Board found work between 1 January 2006 and 31 December 2006.

Approximately 17% of all working age disabled people work.

There are plans to continue organising round tables and information events. In addition to this, training in case management started in 2005. Consultants from the regional departments of the Labour Market Board, social and child protection workers of local governments, specialists of rehabilitation teams, probation officers and education offices participate in this training. Preliminary work for the improvement of cooperation between the labour market and rehabilitation system has started, and should also improve the movement of vocational rehabilitation information in the future and allow for the more efficient provision of labour market and rehabilitation services.

Unfortunately, some disabled people are not ready to enter the labour market, even though the Labour Market Board is offering support services and suitable jobs are also found. People lack motivation – the majority of disabled people has never worked or has been out of work for a very long time. On the other hand, general awareness of disabilities and the requirements and possibilities of disabled people who work is not sufficiently high and this may be one of the reasons why the use of services aimed at disabled people has remained modest.

Question C

Please provide information on sheltered employment structures (type, capacity, pay rates for persons with disabilities working there). Please indicate the opportunities which exist for transfer from sheltered employment to open employment.

Sheltered employment centres have been created for people with special mental needs, deaf and blind people. The centres are of various sizes. The work is done on the basis of contracts which, among other things, stipulate the pay for the work. In general, the size of pay is regulated by the Government of the Republic *regulation on minimum wages*. There are some special characteristics in sheltered work centres (production is made as piecework, which means that piecework prices have been established for production) that need to be considered.

A survey of sheltered and supported employment was completed in 2007 which also mapped all operation employment centres. 17 institutions (including 7 non-profit associations, 4 private limited companies, 2 foundations, 3 municipal institutions and 1 institution administered by a county government) took part in the survey. The total number of people employed by these institutions is 416. Employment of 214 of these people is supported by the state, 74 are supported by local governments, 14 people operate as sole traders and 114 are in ordinary jobs. The surveyed institutions have a total of 60 supervisors.

Institutions who offer employment to people with special mental needs are supported by the state and three institutions also receive support from local governments.

A welfare service offered in addition to these centres is work support (Regulation no. 4 *Compulsory Requirements for Welfare Institutions and Welfare Services* issued by the Minister of Social Affairs, which took effect on 20 January 2002). The purpose of the service is to make it possible for a person who lives independently or uses the supported living service to work in an ordinary employment relationship. The regulation stipulates the obligations of an employer to provide their employees with work for a certain number of hours depending on the percentage of their loss of capacity to work.

The conditions for provision of the service are:

- the person receiving the service has lost at least 40% of their capacity to work;
- the person receiving the service has a moderate or severe disability;
- the person receiving the service must complete the rehabilitation cycle;
- one of the following criteria must be present:
 - a. inability to work in the existing work place or predicted loss of work
 - b. the person is a jobseeker or unemployed
 - c. the person does not work in a position for which the employer receives an employment subsidy from the Labour Market Board for hiring a person with reduced competitive ability.

There are no legislative obstacles to moving from supported employment to the open labour market.

Question

The Occupational Health and Safety Act makes provision for adapting work places to make it suitable for workers with disabilities. In order to assess whether the right to non-discrimination in employment is effectively guaranteed for persons with disabilities, the Committee asks how reasonable accommodation is implemented in practice, whether there is case law on the issue and whether reasonable accommodation has prompted an increase in employment of persons with disabilities on the open labour market.

Pursuant to the *Occupational Health and Safety Act*, an employer must adapt the work and workplace of a disabled employee to suit their needs. If necessary disabled persons also receive assistance from the labour market measures stipulated in the *Labour Market Services and Benefits Act* (LMSBA). The LMSBA

stipulates four labour market services for disabled persons, and more individual counselling and assistance is provided to people to allow them to find work. The four services aimed at eliminating the factors that obstruct finding work are:

- adaptation of premises and equipment (the adaptations are made by the employer, 50% of the cost of which is covered by the state, but not more than 30,000 kroons);
- use of a special aid free of charge; aids required for working are provided free of charge for up to three years, but not longer than until the end of the employment relationship. The contract for free use of the aid is usually concluded with the employer, even though it is actually used by the employee;
- work with a support person, where the service is aimed mainly at assisting intellectually disabled persons on the open labour market and the goal of the service is independent employment of the person. One person may receive up to 700 hours of this service in one year. The Labour Market Board pays the support person on the basis of an hourly rate, which will be approved for every budgetary year by the State Budget Act;
- communication support at interviews, which is provided whenever it is possible that the parties may face difficulties in understanding each other. The service is also offered when first contact is created. The service may be provided by a specialist (such as a psychologist or speech therapist). In such a case, the Labour Market Board provides the service. The service may also be provided by a consultant of the Labour Market Board. This is the option most often used in practice.

In 2006, only one adaptation of work premises and equipments for a disabled person was supported as labour market service. The adaptation was carried out in Tallinn. Premises were adapted for a person in a wheelchair with reduced mobility, who was in danger of losing his job because of his disability. The disabled employee had to be able to move between the two different levels of the premises and for that purpose, a suitable wheelchair lift was installed.

The Estonian Fund of Disabled People completed the ESF Project *Preparation of Disabled People for Entry into Working Life* between 1 January 2005 to 31 December 2006.

The general goal of the project was to promote independent management among disabled people through information, training and social integration, preparing them for entry into the labour market and professional training and increasing the employment of disabled people.

The sub-goals of the project were as follows:

- 1) Advise working-age disabled people about the opportunities of rehabilitation, professional training and working, labour market and social services and support;
- 2) Use the assistance of the member organisations of the Estonian Chamber of Disabled People to prepare working-age unemployed people for entry into the labour market or professional training or help employed disabled people keep their jobs by teaching them the skills required for independent management and use of aids, offering them social and psychological counselling and opportunities for social integration;
- 3) Develop the cooperation between disabled people, businesses and educational workers on the local level, which has been achieved to a large extent.

Results of the project:

5 information leaflets for disabled people were prepared and printed and they approach the following subjects: social services, rehabilitation services, labour market services, professional training opportunities and employment opportunities. Information leaflets and guidebooks for employers were also prepared.

Training and counselling programmes and social integration events were organised and a total of 2079 people took part in them in 2005 and 3271 in 2006. These events included 98 information days, group counselling sessions for 853 people, individual counselling sessions for 289 people, motivation training for 60 people, 6 CV writing courses for 36 people, 16 computer training courses for 75 people, 15 counselling sessions for 70 mentally disabled people, 2 e-training courses for 30 people, 2 activation courses for 24 people and 2 seminar-training camps for 20 Russian-speaking people. Practical training was also organised and individual action plans were prepared for 110 people. 920 people took part in social integration events.

375 people participated in preparation for entry into the labour market (contacted the Labour Market Board), 139 of them found jobs.

The best results were achieved in the cooperation with social workers of local governments (98 people 17 times).

There was cooperation with 4 vocational schools and 3 meetings with employers, but no cooperation contracts were entered into.

On the level of state, the Estonian Chamber of Disabled People cooperated with the Ministry of Social Affairs and representatives of employers to develop and introduce the h.e.a. (*"g.o.o.d."*) sign and brand. This is awarded to employers who employ disabled people.

Question

The Committee asks for case law of discrimination relating to employment to be provided in the next report.

There are no known court rulings with respect to discrimination relating to employment based on disabilities. Whenever such cases become evident, they are usually settled out of court. One example is the case what was published in all of the major daily newspapers in 2007. Psychology student J.H., who was 28 years old and 120 cm tall and had previous experience in customer service and sales, decided to apply for the position of a loan consultant. A representative of the bank refused to interview her because of her height. When the story emerged, the board of the bank publicly apologised to the woman for the impolite treatment she received and punished the employee who had caused the situation. The Chancellor of Justice also dealt with the issue.

Question

The Committee notes from another source²⁹ that the choice of Estonia to integrate persons with disabilities mainly through tax concession and active employment measures does not really benefit persons with intellectual disabilities. Generally speaking, the subsidies are too low to cover the costs of the services needed by this category of person with disabilities, and funding is often not available. As a result, persons with intellectual disabilities mainly rely on social benefits and are largely excluded from the labour market. The Committee asks the Government to comment on this issue, to indicate the measures planned, as well as figures on the situation of persons with intellectual disabilities.

All disabled persons have been guaranteed access to labour market services and thereby also to the open labour market. A precondition for the provision of labour market services is that the person has registered as unemployed in a regional office of the Labour Market Board, is actively seeking work and is prepared to accept suitable work. The labour market services are provided over a certain period of time. For example, a person can participate in coaching for working life for 3 months, work practice lasts 4 months, and working with a support person (the service most often provided to intellectually disabled persons) is available for 700 hours a year per person.

²⁹ EUMAP (EU Monitoring and Advocacy Programme of the Open Society), *Right of People with intellectual disabilities: access to education and employment*, Summary Report Estonia, 2005.

Question

There is no sheltered employment sector so far in Estonia. There are sheltered work centres for persons with mental disabilities, for the deaf and the blind. The pay in these centres is generally regulated with respect to the minimum wage. The Committee requests the number of people working in these centres, their status and the level of their pay.

A survey of sheltered and supported employment was completed in 2007 which also mapped all operation employment centres. 17 institutions (including 7 non-profit associations, 4 private limited companies, 2 foundations, 3 municipal institutions and 1 institution administered by a county government) took part in the survey. The total number of people employed by these institutions is 416. Employment of 214 of these people is supported by the state, 74 are supported by local governments, 14 people operate as sole traders and 114 are in ordinary jobs.

By the *Social Welfare Act* adult with special mental needs can use different supporting welfare services, one of this services are assisted working. Assisted working service is financed from the state budget, and be paid monthly to the service providers (46 institutions) in an amount of 908 EEK. The total number of people using the assisted working service in 2005 is 533.

Question

The Committee recalls that people working in sheltered employment facilities where production is the main activity must enjoy the usual benefits of labour law. It asks again whether this is the case and whether trade unions are active in sheltered facilities.

Please see answer to the question C.

The organisation, connecting people with disabilities and representing their interests is the Estonian Chamber of Disabled People.

ARTICLE 15 PARAGRAPH 3

“With a view to ensuring persons with disabilities, irrespective of age and the nature and origin of their disabilities, the effective exercising of the right to independence, social integration and participation in the life of the community, the Parties undertake, in particular:

to promote their full social integration and participation in the life of the community in particular through measures, including technical aids, aiming to overcome barriers to communication and mobility and enabling access to transport, housing, cultural activities and leisure.”

Question A

Please indicate how national policy promotes the independence, the full integration and participation in the life of the community of persons with disabilities. Please describe in particular how this applies to children with disabilities.

According to the *Action Plan for Social Inclusion and Protection of Rights for Disabled Persons* in the first place the measures are undertaken to support independent living, education, employment and participation in the society of people with disabilities. Priority areas for 2006-2008 include better responding to educational and developmental special needs of children with disabilities and supporting employment of adults with disabilities.

Facilitating the entry of disabled persons to the labour market through providing necessary services (professional and vocational rehabilitation; assisted work; protected work; personal assistant; support person; transportation opportunities) is considered one way to alleviate the shortage of labour supply that has emerged under the conditions of economic growth and ageing population in Estonia.

Overarching messages:

Work is the best protection against poverty and exclusion. A presupposition in decreasing poverty and exclusion is the highest possible employment rate of the entire working age population. Work must secure a better ability to cope economically and a better quality of life than dependency on social benefits. The tax and social protection systems must also favour and support getting work and working. Welfare and other

public services that promote involvement in labour market are necessary in order to prevent inactivity and exclusion from the labour market.

Education is an investment in the individual. A good level education that meets the expectations of the labour market extends everyone's opportunities for work and self-realisation, promotes independence and well-being, and active participation in society. The education system must ensure everyone benefits from a good pre-school education, study opportunities that meet their interests and abilities, and that provides a preparation for working life. The education system can also help prevent the transfer of poverty from generation to generation. Lifelong learning must be available to everybody, independently from previous education, social status or solvency.

Health is a crucial resource. Healthy people are more productive, consume less welfare and health care services, have more opportunities to participate in social, political and economic life. Each person should have an opportunity to live in a healthy environment and make healthy choices. Everybody, irrespective of their age, gender, residence, special needs or social ranking, should be provided with equal rights and opportunities to use health care services. The availability, quality and sustainability of health care services is feasible, provided that liabilities are justly distributed between the State, local government, health care service providers, employers and individuals.

Adequate social protection must be afforded. For those, who because poor health, old age, disability or lack of suitable work are not able to earn income by working, a decent income must be provided by social security. The benefits must be at such a level that they will prevent poverty where social risks emerge. Where poverty exists, assistance must be provided which eliminates the reasons for poverty and avoids long-term dependency on social assistance.

An integrated approach must be developed. Enhanced social protection and social inclusion in society require one common strategy based on coherence between policies in different fields – in particular, economic, education, employment, social protection, health care and housing policies. For the individual this means providing coherent assistance in accordance with their needs, which, in turn, assumes cooperation between different institutions at both local and national levels.

The vocational and professional rehabilitation system for disabled people, including young disabled people, and the welfare services aimed at assisting disabled people in staying on the labour market are being developed (including personal assistants, support persons, social transport, sheltered and supported work, etc.) and the system of social benefits is linked more to the labour market. A rehabilitation plan is prepared for all disabled children, which enables services that meet their needs to be offered to them.

Awareness rising is a key issue. Discriminatory behaviour and stigmatisation should be opposed and replaced by accessible and objective information on the consequences of impairments and disabilities in order to promote a better understanding of the needs and rights of people with disabilities in society. Our works is aimed at changing negative attitudes towards people with disabilities and promote mainstreaming of disability issues in all area.

Question B

Please describe:

- a. the measures taken to overcome barriers to communication and mobility;
- b. the measures taken to enable access to transport, housing, cultural activities and leisure for persons with disabilities.

The access of disabled people to information technologies was prescribed in the strategy *Fundamentals of Information Policy 2004-2006*. The goal was to implement e-services associated with education and health care in the public sector. One of groups given priority were people with disabilities; they were teach how to use information technologies and guaranty access to Internet points.

It is important to mention that at the beginning of 2005 the Government approved the Estonian Broadband Strategy 2005-2007, whose overall goals were to make the digital services offered by the private and public sectors accessible to all people and thereby to contribute to the increase of the competitive ability of Estonia, the creation of new jobs and the reduction of society's communications and transport costs. The strategy document defined the specific actions to be taken by different authorities in order to achieve these goals. The majority of these actions have been launched and positive results have been achieved.

Actions aimed at the development of the ICT infrastructure of information society: e-Studies and e-Studies Development Centre

e-Studies are studies using information and communication technologies (ICT), which are available both inside and outside classrooms or official lessons. e-Studies are offered using ICT equipment (computer, overhead projector, etc.), the Internet, digital study aids, distance learning environments, etc. in order to improve the quality and efficiency of studies through better access to information and services, more flexible ways of studying, more efficient cooperation between learners and new teaching methods. Completion of the study programme through e-Studies either fully or in part contributes to the improvement

of the quality of higher and vocational education processes, as it allows students to learn from the best teachers:

- the subjects that interest them on the basis of individual study programmes, which have been 100% adapted to their abilities and needs without being tied to a particular school or even a particular country;
- at a learning speed that is suitable for the student; at a suitable time and in a suitable place.
- Learning will become truly open as e-Studies allow for learning that is lifelong and available to everyone, regardless of age, employment status, geographic location or physical disabilities.

The e-Studies Development Centre was created as an independent structural unit in the Estonian IT Foundation on 2 May 2006. It coordinates two projects of the European Union Structural Fund: Regionally available quality higher education through the development of e-studies (REDEL) and Development and implementation of e-studies in vocational educational institutions and institutions of professional higher education (e-VÕTI). Among other things, e-studies allow us to:

- make learning more efficient and accessible, thereby allowing for maximum realisation of the abilities of all members of society;
- develop motivating manners of learning that are focused on the learner and where the learner plays a more important role in designing the learning process, which helps to create a learning environment that supports learning;
- significantly change the content of a teacher's work by creating opportunities for making the study process more individual, creative and flexible, proceeding from the characteristics of the learner.

The activity that has had the most impact on the regional level is the *KülaTee3* (VillagePath3) project managed by the National Information Systems Development Centre. *KülaTee3* is a project designed to bring Internet access to low density areas, prepared on the basis of the Estonian Broadband Strategy 2005-2007, previous *KülaTee* programmes and surveys that map the needs of local governments. 2006 was an extremely busy year for the *KülaTee3* programme. The previous year had mainly been spent collecting data for the programme and the first procurements, whilst the emphasis in 2006 was on organising procurements to find Internet service providers and offering actual Internet connections. Internet service providers were found in 13 counties, meaning the first 1500 households could start using online Internet connections.

All local governments and most libraries, several schools and other institutions were provided with online Internet access during the previous *KülaTee* projects in 1998-2002. The experience gained from the

different KõlaTee programmes showed that the administrative capacity of local governments is directly affected by the availability of ICT, both in communication with the people living in their administrative territories, companies and other state authorities. The quality of local education, health care and social services also depends on Internet access.

The KõlaTee programme is one step towards a society that involves everyone and where the opportunities created by information and communication technology unite Estonia instead of splitting the country. This is not a one-off project, but a programme created for the longer term. KõlaTee helps to reduce digital stratification - improvement of data communication in settlements that are located far from each other helps all people be part of their (information) society.

Further information about IT developments, including the guarantee of access, can be found at <http://www.riso.ee/et/pub/2006it/aastaraamat2006.pdf>.

The *Information Society Development Plan 2013* approved by the Government of the Republic on 30 November 2006 focuses on how to employ the created "IT power" wisely and in such a manner that it improves the overall quality of life. Information Society Development Plan 2013 stipulates that the information society is created for all people in Estonia, wherein particular attention is paid to integrating social groups with special needs into society and supporting regional development and local initiative. Our goal is for every member of society to live their lives to the full with the help of the opportunities offered by the information society and to participate actively in public life ("nobody will be left out"). Access to IT solutions, including for disabled persons, will be organised through activities in the area of developing a person-focussed and inclusive society and the measures for improvement of technical access to digital information and the skills and participation of people through activities that include the development and promotion of an Internet-based learning environment (e-Studies), increase of people's awareness of the information society and application of flexible forms of work.

The Ministry of Social Affairs is currently developing the *Strategy for the Protection of the Rights of Disabled People and for the Increase of their Involvement until 2015*, where it is trying to map all of the measures to increase accessibility that are described and planned in the development strategies of all of the above areas. The Ministry of Economic Affairs and Communications has actively participated in the preparation of a disabled people's strategy.

Under the jurisdiction of the Ministry of Economic Affairs and Communications national strategic development plans for the near future have been prepared with respect to areas of housing, transport and telecommunications. As the strategic goals of information technology, transport and housing and the measures used to achieve them are extremely extensive and also very area-specific, it is unfortunately

impossible to describe them all in one document. However, the access of disabled persons to the above areas is discussed in all of these development plans and we have tried to find solutions to improve this access.

The provisions of the European Parliament and Council Directive 2001/85/EC of 20 November 2001 have been harmonised with Estonian legislation. The provisions of this directive have been introduced into the *Requirements of the technical condition and equipment of motor vehicles and their trailers* (passed with Regulation no. 50 of the Ministry of Transport and Communications on 18.05.2001, entered force on 15.06.2001) and *Rules for type-approval of cars and their trailers and motorcycles* (passed with Regulation no. 44 of the Ministry of Transport and Communications on 12.03.2004, entered force on 01.05.2004). These are already applied in city traffic. For example, the places where disabled passengers or passengers with children can enter public transport with prams and wheelchairs are marked in vehicles used for public transport in Tallinn. The places for prams and wheelchairs and seats for passengers with disabilities and children have also been marked in vehicles. The number of vehicles with low floors is increasing every year, and this makes it easier for disabled passengers to enter the vehicle. We are planning to buy 65 low-floor buses in 2007-2008 and 28 low-floor trolley buses between 2007 and 2010. All departures where low-floor vehicles are used are highlighted in the timetables of Tallinn public transport. Separate transport services have been organised for physically disabled people in many regions of Estonia.

According to the *Public Transport Act*, disabled children, people with profound disabilities aged 16 and over, and persons accompanying people with severe or profound visual disabilities or guide dogs accompanying such persons are allowed to travel by public transport free of charge.

Access of disabled persons to public buildings is regulated by Regulation no. 14 *Requirements to Guarantee Mobility of Persons with Physical, Visual and Hearing Disabilities in Public Buildings* issued by the Minister of Economic Affairs and Communications on 28 November 2002. Similar requirements of access to residential buildings are the objective of one of the measures stipulated in *Development Plan for Residential Issues in Estonia for 2007-2013*. Improvement of the efficiency of supervision over construction activities and use of relevant measures has been established as a national priority in the area of construction (Strategy of the Ministry of Economic Affairs and Communications for 2008-2011).

The *Estonian Housing Economy Development Plan 2008-2013* (approved by the Government of the Republic on 17.01.2008), stipulates several direct activities to improve disabled access under the strategic development trend Guarantee of Housing Availability:

- Supporting the adaptation of housing to special needs.

- Preparation of guidelines with respect to technical solutions in order to guarantee people with physical disabilities access to residential buildings.

Within the framework of the first of these activities, the state plans to offer direct support to local governments, cooperative societies and apartment associations in adapting residential premises to the special needs of people, especially those with physical disabilities and the elderly. The second activity covers the preparation of guidelines for cooperative societies, apartment associations and local governments in order to help them adapt apartment buildings to the special needs of disabled people and to improve access for people with physical disabilities.

An overview of the access opportunities offered to disabled people by institutions governed by the Ministry of Culture:

1. Museums:

- 1.1. Access to disabled people has been guaranteed in three of the six exhibition sites of the Estonian Art Museum.
- 1.2. Disabled access is also provided in four of the remaining 9 central museums. Three of the 15 county museums also provide disabled access.

2. Theatres and concert venues:

- 2.1. Access has been guaranteed in 7 of the 8 major theatres financed by the state.
- 2.2. Disabled access is provided in all 5 halls of National Opera Estonia and the state funded Eesti Kontsert concert organisation.

3. Libraries:

- 3.1. Disabled people can access the National Library.
- 3.2. The central libraries of counties are accessible.
- 3.3. Most libraries in Tallinn are accessible. Overview of the access services provided to disabled people is also given on the website of the Tallinn Central Library.

Construction designs of the new buildings and reconstruction designs of the existing buildings in the area of administration of the Ministry of Culture are prepared according to the standards applicable in Estonia and this means that services needed by disabled people will be guaranteed.

Question C

Please indicate how organisations representing or assisting persons with disabilities are consulted or involved in the formulation and implementation of the social integration policies for persons with disabilities.

Representatives of organisations of disabled people are involved in the development of policies concerning disabled people. For example, the new concept of social benefits for disabled persons was prepared in cooperation with them and a new *Social Benefits for Disabled Persons Act* is currently being prepared.

The project for development of the rehabilitation service *Disabled Persons to the Labour Market through the Development of the Rehabilitation System*, in which disabled persons have also been included in expert groups, has been ongoing since 2005.

The Government of the Republic of Estonia has worked out *engagement policy*. The objective of engagement is to raise the quality and social legitimacy of resolutions and to increase the participation of the non-profit, private, and public sectors in preparing and making decisions. Administrative agencies, non-profit organizations, or representational organizations that create documents should involve interest groups from all sectors in the decision-making process. This ensures that the strategic documents being drawn up will be balanced and based on the public interest. The decisions made for engaging the public must be open, transparent, and flexible.

Guideline on partnership and cooperation includes eight principles, which place great importance on the clarity of goals, openness of relationships, and dedication to goals. Forms of engagement are informing, when information is provided on the planned resolutions and/or legislation and the drafts of strategic documents are made available; consulting; when concerned interests groups and public representatives are asked for their opinions and proposals; participation, which is the opportunity to participate in the development of a draft for a strategic document as part of a working group upon the invitation of the initiator.

Partnership is the continued cooperation of two or more organizations or agencies, in which the objective is to ensure mutual engagement in the preparation of strategic documents and other activities. For consultations and participation, the government will involve the parties in the preparation of the draft as early as possible and will continue the engagement throughout the entire course of the process.

This means that all organisations representing or assisting persons with disabilities are consulted and involved in the formulation and implementation of the social integration policies for persons with disabilities.

Question

The Committee observes that several acts regulate issues such as housing, transport, telecommunications and cultural and leisure activities for persons with disabilities, but there is no anti-discrimination law on disability explicitly covering these issues. Therefore it finds the situation in Estonia is not in conformity with the Charter.

Prohibition of discrimination has been fully stipulated in Section 12 of the *Constitution of the Republic of Estonia*: “Everyone is equal before the law. No one shall be discriminated against on the basis of nationality, race, colour, sex, language, origin, religion, political or other opinion, property or social status, or on other grounds. The incitement of national, racial, religious or political hatred, violence or discrimination shall, by law, be prohibited and punishable. The incitement of hatred, violence or discrimination between social strata shall, by law, also be prohibited and punishable.”

The Riigikogu is currently working on the *Equal Treatment Act*, whose purpose is also to guarantee protection of people against discrimination on the grounds of disability. According to the draft of the *Equal Treatment Act*, the Act shall apply to every person in respect of:

- 1) the establishment of the terms and conditions for finding employment, becoming a sole trader and accessing professions, including the establishment of recruitment and selection criteria, and promotion;
- 2) the conclusion of employment contracts or appointment or selection into office, establishment of working conditions, giving orders, remuneration of work, termination of employment contracts, release from office;
- 3) professional training, career counselling, retraining or in-service training, acquiring practical work experience;
- 4) belonging to associations of employees or employers, including professional associations and in granting bonuses by such organisations;
- 5) receiving social welfare, health care and social security services, including social welfare benefits;
- 6) education;
- 7) the availability of goods and services offered to the public, including places of residence.

Estonia signed the *UN Convention on Disabled People* in September 2007. Immediately after that the ratification process has started.

Question

Two action plans were adopted in 2001 and 2002, but no additional information is provided on their implementation. The Committee asks the next report to provide more systematic information on the integrated programming of the policy for disabled persons.

Estonian policy for disabled persons based on the mentioned period in the *UN Standard Rules on the Equalization of Opportunities for Persons with Disabilities*. The National policy for disabled persons consists of 22 rules. The 22 rules concerning persons of disabilities consist of four chapters - preconditions for equal participation, target areas for equal participation, implementation measures, and the monitoring mechanism - and cover all aspects of life of persons with disabilities.

The Government takes actions to attain equalization of opportunities for persons with disabilities. We use the rules as an instrument for our policy-making. In the bases of UN Standard Rules we worked out action plans, which are revised annually during the 1st quarter in order to make any necessary corrections.

Main accomplishments are made in the following areas:

- Participation in political and public life and democratic processes. People with disabilities are involved in decision – making process and they have the opportunity to influence the destiny of their communities.
- Equal access to education, which is a fundamental requirement for ensuring social inclusion as well as independence for people with disabilities. Our school system are inclusive and cover all life stages from pre-school education to professional education, as well as life-long learning.
- Employment, vocational guidance are key factors for the social inclusion and economic independence of people with disabilities. We have legislation, measures and services which are needed to ensure equality of opportunity for disabled people in obtaining and retaining a job.
- Policy for the rehabilitation of people with disabilities directed to the preventing the deterioration of disability, alleviating its consequences, furthering the autonomy of people with disabilities as individuals and ensuring their economic independence and full integration into society.
- Awareness raising to improve attitudes towards people with disabilities as active and full members of society through a wide range of actions and the rights of people with disabilities to equality of

opportunity and protection against discrimination and to mainstream images of disability in all government advertising and publicity to bring about a change of attitudes in society.

In the last two years our national disability policy directions also come from the *Council of Europe Action Plan to promote the rights and full participation of people with disabilities in society: improving the quality of life of people with disabilities in Europe 2006-2015* and *UN Convention on the Rights of Persons with Disabilities*.

Question

The Committee asks what measures have been taken with respect to rail and air transport means.

The area of rail transport is regulated by *TSI for Persons with Reduced Mobility*, a Commission regulation directly applicable to Estonia.

We are planning to improve the situation of disabled people regarding access to rail transport in the near future. New carriages will be acquired which take the needs of disabled people into account and a number of passenger platforms will be renovated in order to guarantee the disabled access to rail transport (ramps, platforms and entrances to trains should be on the same level). Said changes will be completed within 3 to 4 years.

In aviation, the subject in question is regulated by Parliament and Council *Regulation 1107/2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air*, which will be applied from 26.08.2008. The only provision of the regulation that was immediately enforced is the one that obliges aviation companies to not discriminate against people with physical disabilities by refusing to let them board for any reason other than to guarantee safety during the flight. Airports must implement the relevant procedural rules and quality system for providing service to people who need assistance by 26.08.2008.

Question

One of the objectives of the Transport Development Plan is to make all types of transport accessible to all people, including people with physical disabilities. The report gives a detailed description of access to road transport (low-floor buses, free or low-price travel), which is a responsibility of local governments. The Committee would like to know about the measures taken with respect to rail and air transport.

The Transport Development Plan 2006-2013 stipulates all measures taken to improve the access of disabled people to all types of transport, including rail and air transport. Investment projects are being planned and prepared for reconstruction of railway platforms to improve access using funds received from European Union structural funds.

Similar to road traffic, railway carriers are also obliged to provide free travel to disabled children, persons with profound disabilities up to 16 years of age and older, and persons who accompany persons with serious or profound visual impairments or guide dogs who accompany visually impaired persons. Since railway infrastructure to this point has been in private ownership, our achievements with respect to improving access to infrastructure have unfortunately not been as good as we hoped, but the needs of disabled people will definitely be considered when new platforms are built. An extensive platform reconstruction project will be launched in 2008. All platforms in the areas where Elektriraudtee, and some platforms that are in the areas where other diesel trains operate, and that belong to AS Eesti Raudtee, will be reconstructed. The needs of disabled people will also be considered when the platforms are reconstructed, and the reconstruction is also required in order to start using new rolling stock.

As for air transport, disabled access has been provided for all facilities at Tallinn Airport (there are ramps, special disabled lifts, special smaller wheelchairs to take people onto planes, disabled toilets). International access guarantee requirements have been considered in the entire planning of the airport terminal. International requirements are also considered in the small airports located elsewhere in Estonia, and solutions are found separately in every specific case.

ARTICLE 20 - THE RIGHT TO EQUAL OPPORTUNITIES AND EQUAL TREATMENT IN MATTERS OF EMPLOYMENT AND OCCUPATION WITHOUT DISCRIMINATION ON THE GROUNDS OF SEX

“With a view to ensuring the effective exercising of the right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex, the Parties undertake to recognise that right and to take appropriate measures to ensure or promote its application in the following fields:

- a. access to employment, protection against dismissal and occupational reintegration;*
- b. vocational guidance, training, retraining and rehabilitation;*
- c. terms of employment and working conditions, including remuneration;*
- d. career development, including promotion”.*

New legislation

- *Statute of the Gender Equality Council, Government of the Republic Regulation no. 34 of 16 February 2005;*
- *Statute of the Gender Equality Commissioner, Government of the Republic Regulation no. 45 of 10 March 2005.*

Question A

Please state how the rights contained in this provision have been protected in legislation. This information should be specified according to the areas listed in paragraph 1 of Article 20.

Access to employment, protection against dismissal

No relevant changes were made to legislation in 2005 or 2006. The information provided in the previous report is still relevant.

Occupational reintegration, vocational guidance, training, retraining and rehabilitation

The information provided in the previous report is still relevant. Some changes have been made to § 3 of the Adult Education Act (see Article 1.1 Question A and Article 10.4).

Terms of employment and working conditions, including remuneration

There have been no changes to the legislation or situation described in the last report. The information provided therein is still relevant.

Career development, including promotion

There have been no changes to the legislation described in the last report. The information provided therein is still relevant.

Question B

Please indicate whether legislation provides the right for a worker to take legal action before a court or other competent authority in order to ensure the effective implementation and exercise of his rights under this provision. The information shall cover the four areas specified in the provision.

No relevant changes have been made to legislation since the last report. The information provided therein is still relevant.

Additionally, the first Gender Equality Commissioner started her work in October 2005. There is also one full-time advisor working with her as of September 2006. From October 2005 to the end of 2006 the Commissioner received 44 written applications and presented 29 opinions to persons about possible discrimination based on sex. In 12 cases the opinion of the Commissioner was that there had been discrimination. The applications concerned the issues of employment (recruitment and equal pay), services and education.

As to the possibility of conciliation procedures foreseen in the *Chancellor of Justice Act*, there has only been one such application, but this did not concern discrimination based on sex.

Question C

Please state whether clauses in collective agreements and employment contracts that contravene the principles of non-discrimination may be declared null and void, and according to which procedure.

There have been no relevant changes made to legislation.

Question D

Please describe which safeguards legislation provides against gender discrimination and against retaliatory measures undertaken by the employer. Please state how it provides for the rectification of the situation (reinstatement in cases of dismissal, financial compensation, etc.). Please indicate also whether there are other sanctions against an employer who is guilty of such discrimination.

There have been no relevant changes to legislation, except the inclusion of punishment for the activities that publicly incite to discrimination to the *Penal Code* (see Article 1.2).

Additional to the information provided in the previous report, it is important to highlight that as of 1 July 2004, according to §152 of the *Penal Code*, unlawful restriction of the rights of a person or granting of unlawful preferences to a person on the basis of his or her [...] sex [...] is punishable by a fine of up to 300 fine units or by detention. §47(1) of the same Code states that one fine unit equals 60 kroons. This means that the punishment can be up to 18,000 kroons. In cases when the same act has been committed more than once or causing significant damage to the rights or interests of another person protected by law or to public interests, the act is punishable by a pecuniary punishment or up to one year of imprisonment. According to §44 of the *Penal Code*, the pecuniary punishment can be from 30 to 500 daily rates. The court

calculates the daily rate of a pecuniary punishment on the basis of the average daily income of the convicted offender. The court may reduce the daily rate due to special circumstances, or increase the rate on the basis of the standard of living of the convicted offender. The daily rate applied cannot be less than the minimum daily rate of 50 kroons. Average daily income is calculated on the basis of the income subject to income tax received by the convicted offender during the year immediately preceding the year in which criminal proceedings were commenced against the convicted offender or, if the data pertaining to such a year is not available, during the year preceding such a year, less income tax. A pecuniary punishment may be imposed as a supplementary punishment together with imprisonment, unless imprisonment is substituted by community service.

A pecuniary punishment cannot be imposed as a supplementary punishment together with a fine to the extent of assets. In case of a legal person, the court may impose a pecuniary punishment of between 50,000 and 250,000,000 kroons. A pecuniary punishment may be imposed on a legal person also as a supplementary punishment together with compulsory dissolution.

Question E

Please describe who has the burden of proof in cases of alleged gender discrimination in your country and whether this issue is regulated in legislation or case law. If the latter is the case, please enclose some decisions based on this case law.

There have been no relevant changes made to legislation.

Question F

Please describe the specific measures to prevent discrimination against women in matters of employment and occupation, particularly in cases of pregnancy, confinement and during the post-natal period.

There have been few relevant changes made to legislation. It only needs to be mentioned that the minimum level of parental benefit was 2690 kroons (172 EUR) in 2005 and 3000 kroons (192 EUR) in 2006. From January 2006 the period of parental benefit was extended from 365 to 455 days (for non-working parents 14 months instead of 11 months after the birth of the child).

In addition, see the answers to the question how equality treatment is guaranteed with respect to social security and former report to Article 12.

Question G

Please indicate whether there are occupations (and if so, which ones) that are reserved exclusively for one or the other sex, specifying whether this is due to the nature of the activity or the conditions in which it is carried out.

The information provided in the previous report remains relevant.

Question

The Committee asks whether access to all of the employments listed in the list of physically strenuous jobs and of jobs posing a health hazard where the employment of women is prohibited, established by the Government of Republic Regulation no. 214 of 22 July 1992, is still forbidden to women or if any other measure has been adopted on the issue.

During the reporting period the list was still relevant.

Regarding the list, there were two complaints currently under investigation by the Gender Equality Commissioner. One was from a chimney sweeper who cannot register this activity as her main field of work as a self-employed entrepreneur with the Estonian Tax and Customs Board: as a result of this she cannot apply to the bank for a loan to start a business. The other complaint was from two female dock workers: when their employer realised that this position is prohibited for women, their position in their employment contracts was changed to that of crane operators. While dock workers have the right to an early pension because of hazardous working conditions, crane operators do not. Thus their right to an early pension was affected.

Gender Equality Commissioner drew Minister of Social Affairs' attention to the list and its effect on women's right to free self-realisation (Constitution of Estonia § 19). The minister replied that the *new Employment Contract Act* is in the drafting process and the list will be excluded from the new law. As a result the commissioner made recommendations for the complainants to pursue their rights despite the limits of the list: the chimney sweeper to pursue registration as a self-employed entrepreneur, and the dock workers to submit applications for early pension, based on proofs of the actual character of their work rather than position mentioned in their employment contracts. In the process, the complainants were encouraged to refer to the legislative changes underway and the equal treatment provisions in the *Gender Equality Act*. They were asked to report back in case the Tax and Customs Board or the Pension Department refused to

process their requests in reference to the list, so the commissioner could offer further assistance. So far the complainants have not reported of difficulties in relation to their applications.

Question H

Please indicate whether measures of positive action in favour of one gender aimed at removing de facto inequalities are allowed under legislation and, if so, whether such measures were taken during the reference period.

There have been no changes to legislation on this matter.

Regarding improving the quality and coverage of statistics, it should be mentioned that in addition to a publication by Statistics Estonia Estonia entitled *Women and Men*, published at the end of 2006 and presenting both statistical information and thorough analysis, yearly statistical publications on specific topics (e.g. earnings or labour market) also include both statistics and analysis of the situation of men and women. Moreover, the yearly publication of the Ministry of Social Affairs entitled *The Social Sector in Numbers* includes relevant information under the specific topics and in a separate chapter.

As for the measures themselves, please also see question J.

Question

The Committee requests that the next report on Article 20 provide detailed information on how equal treatment with regard to pay is guaranteed in law and practice.

The Committee notes that the gender pay gap is significant (24% according to Eurostat); but the report indicates that the Labour Inspectorate has issued two precepts on this matter, and the GEA should help improve the situation. The Committee asks to be informed of any developments.

The amendment made to the *Wages Act* on 16 May 2001 stipulates the principle of equal pay for male and female workers for the same or equal work (§5¹). Pursuant to the Act, the establishment of different wage conditions for the same or equal work for employees of different sexes is prohibited. At the request of an employee, the employer is required to prove that the employer has adhered to the principle of equal pay and that any preferences given were based on objective circumstances not connected to a person's sex. The Act gives employees the right to request explanations concerning the basis for calculation of wages. An

employee also has the right to demand equal payment for the same or equal work and the compensation of damages caused by a violation of the principle of equal remuneration. Upon the determination of compensation, the duration, extent and nature of unequal remuneration shall be taken into consideration. The Act also stipulates that upon hiring, employers are required to inform employees of the regulation of equal remuneration by law.

Clause 6(2)3) of the *Gender Equality Act* stipulates that the activities of an employer shall be deemed to be discriminatory if the employer establishes conditions for remuneration or other conditions which are less favourable regarding an employee or employees of one sex compared with an employee or employees of the other sex doing the same or equivalent work. The other conditions mentioned in this provision mean different benefits associated with working that employees receive from the employer in association with working for them. Pursuant to Subsection 7(2) of the Act, within fifteen days of submission of an application the employer is required to provide a written explanation concerning his or her activities to the person who believes that he or she has been discriminated against with respect to remuneration on the basis of his or her sex. Pursuant to Subsection 3 of the same Section, an employee has the right to demand that the employer explain the basis for calculation of salaries and obtain other necessary information on the basis of which it is possible to decide whether discrimination specified in clause 6 (2) 3) of this Act has occurred. Subsection 13(1) of the Act stipulates that upon violation of the principle of equal remuneration, the injured party may demand compensation and termination of the harmful activity. Subsection 13(2) says that the injured party may demand that a reasonable amount of money be paid to the party as compensation for non-patrimonial damage caused by the violation. The Gender Equality Act also stipulates that upon determination of the amount of compensation, a court shall take into account, inter alia, the scope, duration and nature of the discrimination. A court shall also take into account whether the violator has eliminated the discriminating circumstances or not. Pursuant to Section 14, a claim for damages expires within one year of the date when the injured party becomes aware or should have become aware of the damage caused.

See Question I about the differences in the average hourly wages of full-time and part-time female and male employees by occupation groups.

The project *Equality between Men and Women - Principle and Goal for Effective and Sustainable Enterprises* will be carried out in 2007-2008 using the co-financing received from the European Union's Transition Facility 2006 programme in order to improve awareness in the private sector of gender equality in companies with respect to legal provisions, policies, means and best practice. The project includes the following activities:

- preparation of a survey to measure the knowledge of employers about gender equality, their attitude to the subject and implementation of gender equality legislation in the private sector;

- preparation of an overview of the guidelines, methods and tools used for implementation of the principle of equal treatment of men and women and promotion of gender quality in the private sector in EU Member States;
- development of guidelines for employers in the private sector in Estonia for development of bases for wage calculation and assessment of the value of work in order to eliminate the gender pay gap;
- adoption of measures to increase awareness in the private sector of the relevant legal provisions and improve their knowledge and skills in the use of tools and methods for the promotion of gender equality;
- creation of a network of private sector employers and interest groups for the exchange of information, experience and best practice in the promotion of gender equality.

Question

The Committee asks whether there are limits to the amount of compensation that may be awarded in cases of discriminatory termination of an employment contract.

§6(2)(7) of the *Gender Equality Act* considers the activities of the employer discriminatory in cases when s/he terminates an employment relationship or promotes the termination thereof due to reasons connected with gender. §13 stating the right for compensation in cases where there has been a violation of a prohibition on discrimination provided for in. §6 establishes no direct upper limit to either pecuniary or non-pecuniary compensation. It only states that the compensation for non-pecuniary damage must be a reasonable amount of money and that a court, upon determination of the amount of compensation, should take into account, inter alia, the scope, duration and nature of the discrimination and whether the violator has eliminated the discriminating circumstances.

As to the general regulation of this question, please see the answers under Article 1.2.

Question

The Committee asks what measures have been taken to improve the situation regarding gender segregation of the labour market.

The activities of the state have mainly concerned acknowledging the problem both in the context of gender roles and gender stereotypes as one of the reasons behind the gender pay gap. It is an important and complicated process, the development of which depends on many factors, institutions and policies. Strong

interference in the educational and labour market in order to decrease segregation would not be in conformity with the present liberal policy.

Under the European Commission's EQUAL Initiative, 13 development partnerships (DP) have been financed in Estonia. Of these, five are targeted at improving the situation of women on the labour market. The main ideas that have been carried out include training, motivating women to develop their own businesses, raising general awareness in society about gender equality (WE Friends); reconciling family and working life (Choices and Balance); helping women with small children to find work and raise their self-esteem on the labour market (WHOLE), etc.

Some projects that are especially targeted at supporting women's entrepreneurship in Estonia have also been financed from the European Social Fund supported measure 1.3 "Inclusive labour market", the overall objective of which is more extensive and efficient prevention and alleviation of unemployment and, thus, poverty and social exclusion, and enhancing social inclusion. For example: *"From women to women – the successful help the weaker. Supporting families with many children and long-term unemployed women to reintegrate into the labour market and supporting them to start entrepreneurship"* and *"Decreasing unemployment among young women and young mothers in the area of Valga and promoting entrepreneurship among them"*, etc. Training and counselling as well as the provision of financial support were carried out as part of these projects.

See also the information under question J.

Question I

Please provide information on the situation in practice covering the four areas specified in the provision, i.e. on:

- a. the employment situation of both sexes (i.e. the number of men and women who are in employment, unemployed, working part-time or on fixed-term contracts or other forms of temporary contracts);
- b. access to and participation in vocational guidance, training, retraining and rehabilitation and the extent to which women train for jobs which have traditionally been occupied by men and vice versa;
- c. differences in terms of employment and working conditions, including remuneration (with an indication of the differences between full-time workers on permanent contracts and part-time workers or workers on fixed-term contracts or other forms of temporary contracts);

d. differences in career advancement between the sexes in the various sectors of the economy.

Employment and unemployment, full/part-time working time

In 2005 the labour force participation rate (for age group 15-74) for men was 67.4% and 59% for women. The difference between the rates decreased from 10.4 percentage points in 2004 to 8.4 percentage points in 2005, when the participation rate of men was at its lowest and that of women at its highest of any time over the last nine years. In 2006 the rate for women was 2.3 percentage points and for men 2.9 percentage points higher than in 2005, but the difference between men and women had also increased, reaching 9 percentage points.

According to the data of Statistics Estonia Estonia, the employment rate for men is higher than that of women in all groups. The gender gap in employment decreases as age increases: the gap is smallest in the case of older people (50 to 74-year-olds) and biggest in the case of young people (15 to 24-year-olds).

As the analysis of Statistics Estonia shows, women have been more active on the labour market over the last few years than men. Their employment rate has increased faster, but also, while men move more frequently from inactivity to employment using unemployment as an interim stage, women move more often directly to employment (as they continue working after child care leave).

When analysing the employment disparities of women and men by educational level it can be seen that in the case of primary and secondary education, gender disparities are greater than in the case of people with tertiary education, i.e. higher education gives women better opportunities for participation in employment.

See also the answer to Question B in Article 1.1.

Table 23: Employed people by gender and duration of main jobs

	2005			2006		
	Total	Men	Women	Total	Men	Women
TOTAL	607.4	300.5	306.9	646.3	322.9	323.3
Permanent job	591.7	290.5	301.2	628.3	311.9	316.4
Temporary job	15.7	10	5.7	17.9	11	6.9
..seasonal work	4.8	2.4	2.4	5.3	3.8	1.5
..occasional work	5.4	4.5	..	6.1	4.8	1.3
..other temporary work	5.5	3.2	2.4	6.5	2.4	4.2

Source: Statistics Estonia, Labour Force Survey

Analyses conducted by the Statistics Estonia show that Estonian women who have children up to 2 years of age are generally on maternity leave and do not work, but women whose children are aged 3 or more have usually returned to full-time employment. According to the data of the Statistics Estonia, the employment rate of women with children up to 2 years of age in 2006 was more than two times lower than among women whose youngest child is aged between 3 and 5. 74% of women aged between 20 and 49 whose youngest child was aged between 3 and 5 worked. The proportion of working mothers with children aged up to 2 years was only 34%. However, the employment rate of mothers whose youngest child is up to 2 years old had increased by half compared to 2003 (from 21% in 2003 to 34% in 2006). The number of mothers with part-time jobs has also increased. 17.6% of mothers aged between 20 and 49 whose youngest child is less than 2 years old had part-time jobs in 2003 and 82.4% were in full-time employment. 28.2% worked part-time in 2006. Unlike women, the employment rate of men is not linked to the age of their youngest child. The employment rate of men aged between 20-49 with children younger than 12 (93%) in 2006 was 12% higher than among men without children younger than 12 (81%).

Please see also aet 1.1 tables 4, 5 and 8 on employees by gender and type of employment relation.

Part-time employment is not very common, but is more characteristic of female workers, among whom 10.5% in the 15-74 age group were working part-time in 2005 (11.3% in 2006) compared to 4.9% of male workers (4.3% in 2006).

The relevant analysis conducted by the Statistics Estonia highlights the possible reasons for part-time work being unpopular. For example, mothers of small children are unable to find suitable day care options.

Another reason that is highlighted is the impact of the parental benefit system, which means that the higher the income subject to social tax earned during the benefit period, the smaller the benefit paid to the person. The reason that can be highlighted for the unpopularity of part-time work in all employee groups is that the full-time work culture is dominant in Estonia. Another circumstance that can be pointed out is that it is easier for employers to deal with a smaller number of full-time employees than a larger number of part-time employees, and part-time work is therefore rarely offered or encouraged. A very important reason why people generally do not wish to work part-time is that the income earned from such work is not sufficient to lead a good life.

Please also see article 1.1 table 9 on percentage of full-time and part-time employees by sex.

Since 1995 the unemployment rate has been higher among men than women. In 2005 the unemployment rate for women was 7.1% and 8.8% for men, decreasing to 5.6% for women and 6.2% for men in 2006. Possible explanations for this trend could be the willingness of women to accept new jobs, even if salaries are lower than expected, and the fact that women change jobs less frequently than men. For 62.7% of unemployed men in 2005 their expected gross wage was at least 5000 kroons, whereas 37.7% of women were ready to accept wages of at least 3000 kroons, 26.2% of at least 4000 and only 28% considered 5000 kroons to be the lowest limit.

Looking at the unemployment rates of males and females with different educational levels, it can be seen that the unemployment gaps are relatively small (by the primary educational level) or practically non-existent (by the tertiary educational level).

It can also be highlighted that as an exception in 2005 the share of the long-term unemployed of the total number of unemployed persons was higher for women than for men, being respectively 59.9% and 48.2%. Previously, and also in 2006, the number of long-term unemployed men was larger than that of women.

Please see also the answer to Question B in Article 1.1.

Table 24: Male and female unemployment rate and unemployment gap by educational level, 2005

Educational level	Male unemployment rate, %	Female unemployment rate, %	Unemployment gap, percentage points
Below upper secondary education	16.3	11.5	4.8
Upper secondary education	9.5	8.8	0.7
Tertiary education	3.9	4	-0.1

Source: Statistics Estonia, Labour Force Survey

Table 25: Unemployed persons by status before unemployment (annual average, %)

Status	Year	Males	Females
Lost job	2005	54.7	48
	2006	60.2	45.1
Quitted job	2005	17.8	22.1
	2006	19.1	22.9
Non-working student	2005	17.7	12.9
	2006	13.9	15.4
Other status	2005	9.9	16.9
	2006	6.8	16.6

Source: Statistics Estonia, Labour Force Survey

Table 26: Unemployed persons by steps taken to find job (annual average, %)

Steps taken	Year	Males	Females
Asked relatives or friends	2005	68	68.9
	2006	65.7	65.8
Job advertisements	2005	55.8	69
	2006	61.5	70.1
Contacted employers directly	2005	42	30.7
	2006	40.1	25.5
Through state employment office	2005	35.9	50.1
	2006	18.4	38.5
Other steps taken to find job	2005	13.4	10.1
	2006	9.8	8

Source: Statistics Estonia, Labour Force Survey

We would also like to draw your attention to the information presented under article 1.1.

Training

At the beginning of the 2005-2006 academic year, there were 13,000 female and 16,000 male vocational education students and 42,000 female and 26,300 male higher education students.

Table 27: Share of females in total number of pupils and students (at beginning of academic year, %), 2005 and 2006

Educational level	% of females in 2005	% of females in 2006
General education	50.4	50.5
..basic education	47.7	47.9
..general secondary education	59.1	59.0
Vocational education	44.7	44.6
..vocational courses	.	22.8
..vocational secondary courses	44.7	44.9
..professional secondary education	.	.
Higher education	61.6	61.1
..applied higher education courses	62.7	61.4
..professional higher education courses	52.9	45.1
..diploma courses	54.4	53.6
..Bachelor's courses	60.4	59.7
..integrated Bachelor's and Master's courses	62.1	58.8
..Master's courses	66.2	66.8
..Doctor's courses	53.5	54.9

Source: Statistics Estonia

In training and individual development women are more active than men, participating in a variety of training almost twice as much as men. In 2005, the number of women who had participated in vocational courses and conferences during the four weeks prior to the interview exceeded the number of men by approximately three times.

Table 28: Participation in courses within the last four weeks, 2006

	Men		Women		TOTAL	
	Number in thousands	%	Number in thousands	%	Number in thousands	%
Professional continuing training and retraining	5.6	1.1	12.2	2.2	17.8	1.7
Professional conference, seminar	1.5	0.3	2.5	0.5	4.1	0.4
Courses related to interests and hobbies	1.7	0.3	4.9	0.9	6.6	0.6
Other	...		...	...	...	0.1
Did not participate in courses	481.1	98.2	538.8	96.4	1 019.8	97.2
TOTAL	490.0	100	559.1	100	1 049.1	100

Source: Statistics Estonia, Labour Force Survey

We would also like to draw your attention to the tables presented under article 10:

- 1) Students in vocational education by sex and broad groups of study in 2005/2006 and 2006/2007 (Article 10 Paragraph 1, Figures 27 and 28);
- 2) Persons aged between 25-64 in lifelong learning by sex and level of education 2000-2006, % (Article 10 Paragraph 3, Table 19).

Differences in wage conditions

The wage gap between women and men persists, with women's average hourly gross wages being 74.6% of men's in 2005. Within the major group of occupations the largest gap is between male and female technicians and associate professionals, where in 2005 approximately 72% of workers were women. This group of occupations was also the one where the biggest number of women worked in 2005 (58.4 thousand). The gap was smallest between skilled agricultural and fishery workers, among whom 42% were women in 2005. For legislators, senior officials and managers the gap was 19.3%.

Table 29: Average hourly gross wages (in EEK) of full- and part-time employees, 2005

	Males	Females
Legislators, senior officials and managers	87.08	70.25
Professionals	79.97	60.91
Technicians and associate professionals	67.73	45.54
Clerks	45.97	37.62
Service workers and shop and market sales assistants	35.74	28.18
Skilled agricultural and fishery workers	33.66	31.45
Craft and related trade workers	47.22	31.94
Plant and machine operators and assemblers	43.12	34.42
Elementary occupations	31.07	22.75
Armed forces	..	..

Source: Statistics Estonia

Table 30: Women's average hourly gross wages as proportion of men's average hourly gross wages, %, 2005

TOTAL	74.6
Legislators, senior officials and managers	80.7
Professionals	76.2
Technicians and associate professionals	67.2
Clerks	81.8
Service workers and shop and market sales assistants	78.8
Skilled agricultural and fishery workers	93.4
Craft and related trade workers	67.6
Plant and machine operators and assemblers	79.8
Elementary occupations	73.2
Armed forces	..

Source: Statistics Estonia

Table 31: Average gross monthly wages of full-time employees by gender, 2005 (kroons)

Area of activity	TOTAL	Men	Women	Percentage of women's salaries
Total areas of activity	8312	9575	7046	73.6
Agriculture and hunting	6103	6391	5728	89.6
Forestry	8573	8328	9819	117.9
Fishing	6964	7594	4314	56.8
Mining and quarrying	8759	9353	5970	63.8
Manufacturing	7916	9052	6597	72.9
Electricity, gas and water supply	8973	9557	7505	78.5
Construction	9176	9478	7057	74.5
Wholesale and retail trade; repairs of motor vehicles and personal and household goods	8300	10111	6660	65.9
Hotels and restaurants	5966	7151	5523	77.2
Transport, storage and communication	8769	9150	7917	86.5
Financial intermediation	13850	20819	11369	54.6
Real estate, renting and business activities	10194	11668	8124	69.6
Public administration and defence; compulsory social security	9154	9551	8772	91.8
Education	7245	9539	6676	70.0
Health and social work	7195	9731	6810	70.0
Other areas of activity	7273	8323	6587	79.1

Source: Statistics Estonia

Table 32: Average hourly gross earnings of full-time and part-time employees by type of employment contract and economic activities, October 2005 (kroons)

Economic activity	Sex	Indefinite duration	Fixed duration
Agriculture and hunting	M	36,24	36,08
	W	33,04	32,89
	A	34,83	34,97
Forestry	M	49,64	25,64
	W	56,47	...
	A	50,80	26,26
Fishing	M	41,51	43,18
	W	26,53	...
	A	38,08	42,98
Mining and quarrying	M	57,65	39,22
	W	34,30	...
	A	53,57	37,42
Manufacturing	M	52,14	46,24
	W	38,09	34,35
	A	45,44	40,35
Electricity, gas and water supply	M	55,50	...
	W	45,09	...
	A	52,41	73,08
Construction	M	55,60	53,77
	W	41,87	36,29
	A	53,79	51,38
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	M	59,10	57,93
	W	38,66	30,09
	A	47,92	42,87
Hotels and restaurants	M	41,67	33,70
	W	32,80	23,05
	A	35,12	24,29
Transport, storage and communication	M	51,82	59,58
	W	45,63	38,58
	A	49,77	49,58
Financial intermediation	M	120,14	234,01
	W	66,88	62,01

	A	79,95	101,93
Real estate, renting and business activities	M	67,04	34,04
	W	45,08	30,61
	A	57,26	32,09
Public administration and defence; compulsory social security	M	54,85	78,96
	W	51,56	57,11
	A	53,16	68,79
Education	M	46,01	87,25
	W	40,51	56,63
	A	41,48	69,62
Health and social work	M	52,71	104,07
	W	40,83	64,14
	A	42,33	74,36
Other community, social and personal service activities	M	46,94	55,53
	W	37,21	46,39
	A	40,84	50,98
AVERAGE	M	54,97	59,46
	W	41,11	43,16
	A	47,81	51,16

Source: Statistics Estonia

Gender differences in economic sectors

The Estonian labour market features horizontal segregation. Men and women are engaged in different areas of activities, which indicate that the traditional patterns of men's and women's jobs still prevail. While men are almost equally divided between the primary/secondary and tertiary sectors (51.1% and 48.8% in 2005 and 52.3% and 47.7% in 2006), approximately 75.2% of women worked in the tertiary sector in 2006. In 2005 the respective number for women was 72.3%.

The economic activities that involve the largest proportion of women were manufacturing (21.6% in 2005 and 19.2% in 2006), wholesale and retail trade (15.5% in 2005 and 16.4% in 2006) and education (14.9% in 2005 and 15% in 2006). For men, the most popular economic activities were manufacturing (24.4% in 2005 and 23% in 2006), construction (14.7% in 2005 and 18% in 2006) and transport, storage and communication (12.9% in 2005 and 13% in 2006).

Table 33: Employment by economic activity, 2005 and 2006 (annual average, number and proportion of those employed aged 15-74, %)

			Males	Females
Agriculture, hunting and forestry	2005	Employed persons, thousands	19	10.4
		Proportion of employed, %	6.3	3.4
	2006	Employed persons, thousands	19.7	10.2
		Proportion of employed, %	6.1	3.1
..agriculture, hunting and related service activities	2005	Employed persons, thousands	13.4	10
		Proportion of employed, %	4.4	3.3
	2006	Employed persons, thousands	13.8	9.3
		Proportion of employed, %	4.3	2.9
..forestry, logging and related service activities	2005	Employed persons, thousands	5.6	..
		Proportion of employed, %	1.9	..
	2006	Employed persons, thousands	5.9	..
		Proportion of employed, %	1.8	..
Fishing	2005	Employed persons, thousands	2.5	..
		Proportion of employed, %	0.8	..
	2006	Employed persons, thousands	2	..
		Proportion of employed, %	0.6	..
Mining and quarrying	2005	Employed persons, thousands	5.4	..
		Proportion of employed, %	1.8	..
	2006	Employed persons, thousands	4.7	..
		Proportion of employed, %	1.5	..

		employed, %		
Manufacturing	2005	Employed persons, thousands	73.2	66.2
		Proportion of employed, %	24.4	21.6
	2006	Employed persons, thousands	74.2	62.2
		Proportion of employed, %	23	19.2
Electricity, gas and water supply	2005	Employed persons, thousands	9.4	3.1
		Proportion of employed, %	3.1	1
	2006	Employed persons, thousands	10.2	2.2
		Proportion of employed, %	3.2	0.7
Construction	2005	Employed persons, thousands	44.2	4.5
		Proportion of employed, %	14.7	1.5
	2006	Employed persons, thousands	58.1	4.7
		Proportion of employed, %	18	1.5
Wholesale and retail trade; repair of motor vehicles etc.	2005	Employed persons, thousands	33	47.7
		Proportion of employed, %	11	15.5
	2006	Employed persons, thousands	35.5	53.1
		Proportion of employed, %	11	16.4
..sale, repair of motor vehicles; retail sale of automotive fuel	2005	Employed persons, thousands	12.5	4.2
		Proportion of employed, %	4.2	1.4
	2006	Employed persons, thousands	10.4	3.9
		Proportion of employed, %	3.2	1.2
..wholesale trade and commission trade	2005	Employed persons, thousands	7.1	5.6

		Proportion of employed, %	2.3	1.8
	2006	Employed persons, thousands	12.3	8.8
		Proportion of employed, %	3.8	2.7
..retail trade, excluding motor vehicles; repair of household goods	2005	Employed persons, thousands	13.4	37.8
		Proportion of employed, %	4.5	12.3
	2006	Employed persons, thousands	12.8	40.4
		Proportion of employed, %	4	12.5
Hotels and restaurants	2005	Employed persons, thousands	4.7	17.3
		Proportion of employed, %	1.6	5.6
	2006	Employed persons, thousands	4.2	18.2
		Proportion of employed, %	1.3	5.6
Transport, storage and communication	2005	Employed persons, thousands	38.7	15.8
		Proportion of employed, %	12.9	5.2
	2006	Employed persons, thousands	42.1	19.5
		Proportion of employed, %	13	6
..transport and supporting transport activities	2005	Employed persons, thousands	35.5	10.8
		Proportion of employed, %	11.8	3.5
	2006	Employed persons, thousands	38.8	14.6
		Proportion of employed, %	12	4.5
..post and telecommunications	2005	Employed persons, thousands	3.2	5.1
		Proportion of employed, %	1.1	1.7
	2006	Employed persons, thousands	3.3	4.8

		thousands		
		Proportion of employed, %	1	1.5
Financial intermediation	2005	Employed persons, thousands	1.2	5.7
		Proportion of employed, %	0.4	1.8
	2006	Employed persons, thousands	1.7	5.6
		Proportion of employed, %	0.5	1.7
Real estate, renting and business activities	2005	Employed persons, thousands	27.3	19.2
		Proportion of employed, %	9.1	6.2
	2006	Employed persons, thousands	26.4	21.7
		Proportion of employed, %	8.2	6.7
Public administration and defence; compulsory social security	2005	Employed persons, thousands	17.5	19.6
		Proportion of employed, %	5.8	6.4
	2006	Employed persons, thousands	18.8	20.2
		Proportion of employed, %	5.8	6.3
Education	2005	Employed persons, thousands	9.1	45.8
		Proportion of employed, %	3	14.9
	2006	Employed persons, thousands	9.8	48.6
		Proportion of employed, %	3	15
Health and social work	2005	Employed persons, thousands	4.9	30.2
		Proportion of employed, %	1.6	9.8
	2006	Employed persons, thousands	4.8	32.7
		Proportion of employed, %	1.5	10.1

Other economic activities	2005	Employed persons, thousands	10.3	20.7
		Proportion of employed, %	3.4	6.7
	2006	Employed persons, thousands	10.8	23.5
		Proportion of employed, %	3.3	7.3

Source: Statistics Estonia, Labour Force Survey

In terms of occupations, while women are mostly professionals, technicians and associate professionals and service workers and shop and market sales assistants, men are mostly craft and related trades workers, plant and machine operators and assemblers and legislators, senior officials and managers.

Table 34: Employment by occupation, aged 15-74, 2005 and 2006 (annual average, proportion of the employed, %)

Occupation	Year	Male	Female
Legislators, senior officials and managers	2005	16.1	9.2
	2006	17	8.7
Professionals	2005	9.4	18.8
	2006	9.3	20.1
Technicians and associate professionals	2005	7.4	19
	2006	7.8	16.7
Clerks	2005	3.2	6.5
	2006	2.7	7.5
Service workers and shop and market sales assistants	2005	5.6	18.5
	2006	4.8	20.3
Skilled agricultural and fishery workers	2005	2.8	1.9
	2006	2.1	1.5
Craft and related trade workers	2005	26.2	4.6
	2006	27.3	3.8
Plant and machine operators and assemblers	2005	19.8	8
	2006	19.7	9.4
Elementary occupations	2005	8.3	13.3
	2006	8.2	12
Armed forces	2005	..	..
	2006	..	..

Source: Statistics Estonia, Labour Force Survey

Vertical segregation

In 2005 there was 62% male and 38% female managers in the 25-64 age group. In the category of directors and managers there are three and a half times more male managers than female managers. Among the managers of small companies there are twice as many men. Women are most numerous among personnel managers, sales and marketing managers, and advertising and public relations managers.

Question J

Please indicate what active policies are carried out by your authorities to achieve equal opportunities and equal treatment in employment and what practical measures have been taken to implement these policies.

Information materials have been published and distributed. The Ministry of Social Affairs published a reprint of the ILO *ABC of Women Workers' Rights* in 2005 to raise public awareness.

In order to raise general public awareness of gender equality, a Russian version was also published in 2005 of the *Different but Equal* review, a booklet which was first published in Estonian in cooperation with the UN Population Fund in 2003 and which briefly and clearly presents the basic terminology and problems related to equality of men and women.

In 2006 the Ministry of Social Affairs electronically published a handbook about gender mainstreaming.

In order to obtain a better overview of the attitudes and opinions men and women have concerning their situation and position in society, the Ministry of Social Affairs ordered a second *Gender Equality Monitoring* survey in 2005. The analysis of the results of the survey was also made available to the public on the homepage of the ministry.

In 2005 the Ministry of Social Affairs ordered the *Development of a Basis for a Programme for the Promotion of Female Entrepreneurship: Development of a Strategic Model for the Promotion of Female Entrepreneurship* survey from the Open Estonian Institute. The main aim of this survey was on the one hand to examine the policies for promoting female entrepreneurship in the European Union and in other countries, and on the other hand to analyse the situation in Estonia. Based on this information, a strategic model for promoting female entrepreneurship was prepared. Additionally, the attitudes of agents influencing the entrepreneurial environment towards female entrepreneurship were studied and a training strategy and programme created for institutions dealing with the promotion of entrepreneurship.

In order to obtain a better overview of men's studies and to set questions for studying the situation of men in Estonia, the Ministry of Social Affairs ordered the *Men – the Subjects of Social Studies* study in 2005. In it an overview was given about the methodological aspects of men's studies, but also specific topics concerning men, like starting a sex life and sexual education in Estonia, men and fatherhood, and the social, mental and physical health of men.

At the end of 2005 a conference was organised by the Ministry of Social Affairs about new masculinities. The topics discussed with international experts were the issues of constructing men, men and power, masculinity and fatherhood.

The Phare Twinning Project *Development of Administrative Capacity of National Authorities in the Field of Gender Mainstreaming* (July 2004 - December 2005) took place between the Ministry of Health and Social Affairs of Saxony-Anhalt, Germany and the Estonian Ministry of Social Affairs. To achieve the goal of promoting gender mainstreaming, 17 trainers were trained on gender issues, gender mainstreaming and methods and tools for its implementation. Training was also held to provide basic gender mainstreaming expertise to civil servants and local government officials, and a gender mainstreaming implementation strategy was defined and an Internet-based centre of expertise created³⁰.

Breaking the Patterns – New Role Models for Men in Leadership Positions (2004-2005) was a joint project with Austria, Iceland, Hungary and Sweden within the framework of the action programme of the European Community for the promotion of gender equality, aimed at increasing the role of men in family life. The objective of the project was to help male executives personally combine their work and family life better as well as influence them in offering such an opportunity to their subordinates, thereby contributing to changing the pattern of assigning family caring and responsibilities of reconciliation of family and work to women alone.

The *Implementation of Gender Mainstreaming in the New Member States: a Pilot Project in Hungary* project, in which the Ministry of Social Affairs was one of the international partners, took place from September 2005 to November 2006 under the European Union's Community action programme, through which the European Community framework strategy on gender equality (2001-2005) was implemented. As part of the project a concept of institutionalisation and a handbook for leaders containing guidelines, gender equality standards, necessary activities, best practice, indicators and specific measures to be taken for the implementation of the gender mainstreaming strategy were prepared for use in the new member states of the EU.

³⁰ The centre of expertise can be found on the Internet at <http://gender.sm.ee/esileht.php>

The EQUAL programme includes a project of the West Estonian Development Partnership whose objectives also include increasing the employment of lowly competitive women by 2010. The projects aims to develop and implement innovative support measures, bring together best practice, enhance gender equality awareness among institutions making decisions on labour market issues concerning women and more.

There is also another local project that forms part of the EQUAL program, led by the rural municipality of Viljandi, which aims to provide young mothers belonging to risk groups with better access to the labour market through new integrated methods and services.

Another project under the EQUAL programme, *Choices & Balance*, is aimed at improving the opportunities of combining work and family life for both men and women. The leading partner in this project is the Estonian Employers Confederation. Other partners include the Centre for Policy Studies, the Office of the Minister of Population and Ethnic Affairs, the Estonian Law Centre Foundation and others. As part of the project an interdisciplinary background study was conducted with the aim of collecting data on obstacles to the implementation of flexible forms of work in order to submit proposals on making relevant changes to legislation. The training and consulting needs of parents excluded from the labour market and inactive parents have been defined, and flexible consultation and training programmes developed. As a pilot project, four groups of women (with 14-15 women in each) who have been home with small children for a long period underwent a training and counselling programme to facilitate their (re-)entry to the labour market.

Another project that is part of the EQUAL programme also aims to create possibilities for workers with children to participate in the working process to the maximum and to not be discriminated against because of their status as parents.

In yet another EQUAL programme project where the leading partner is the Office of the Minister of Population and Ethnic Affairs, the goal is to increase the employment of young parents (especially mothers) through the development of a flexible childcare system.

The state continued to allocate money from the state budget in support of the activities of NGOs helping to promote gender equality. In 2006 some changes were made to the funding allocation process. Firstly, a relevant project competition is now organized in co-operation with the Open Estonia Foundation. Secondly, the circle of addressees has been widened from women's NGOs to all NGOs who are interested in promoting gender equality through their activities as part of specific projects. The sum of money has also increased due to the addition of funds from the Open Estonia Foundation. The topic of the projects for 2006 was *More Women in Politics*.

Question K

Please indicate if social security matters as well as provisions concerning unemployment benefits, old age benefits and survivor's benefits are considered to be within the scope of this provision.

Please see the answer to the next question.

Question

The Committee asks how gender equality treatment is guaranteed with respect to social security, in particular benefits related to employment.

An overview of the Estonian social insurance system is provided for Article 12. The information below is given considering the purposes of Article 20.

Health insurance

Health insurance is regulated by the *Health Insurance Act* that entered force on 1 October 2002. The share of social tax transferred into national health insurance funds is 13% of the taxed amount. Pursuant to the Health Insurance Act, an insured person is a permanent resident of Estonia or a person living in Estonia on the basis of a temporary residence permit, for whom an employer is required to pay social tax or who pays social tax for him- or herself. Persons equal to insured persons for whom social tax is not paid are pregnant women from the twelfth week of pregnancy, persons under 19 years of age, persons who receive a state pension granted in Estonia and persons with up to five years left until attaining pensionable age who are maintained by their spouses who are insured persons.

Prices of health services and self-payments: Visits to family doctors are free. Home visits by family doctors cost 50 kroons, but a fee for a home visit shall not be demanded from pregnant women from the twelfth week of pregnancy and from insured persons under 2 years of age.

No fee for a visit to a specialist is demanded

- if out-patient specialised medical care is provided to pregnant women from the twelfth week of pregnancy and from insured persons under 2 years of age;

- if the provision of emergency out-patient medical care is immediately followed by provision of in-patient healthcare services;
- if the insured person was referred to the specialist by a health care professional working for the same health care provider or a health care professional working for another health care provider but providing the same health service.

The in-patient fee is 25 kroons per day, but this may not be demanded for a period when intensive care is provided, upon provision of in-patient specialised medical care in connection with pregnancy or delivery, or upon provision of in-patient specialised medical care to a minor.

Benefits in cash: The Estonian Health Insurance Fund pays several indemnities to insured persons. In terms of volume, the most important is the benefit for temporary incapacity for work. The amount of the benefit depends on the salary of the insured person (being the relevant percentage of the average income of the insured per calendar day).

Table 35: Total amount and number of recipients of benefits for temporary incapacity for work in 2006 and their division by gender

	TOTAL			Per person, average			
	Benefit cost, kroons	Number of benefit recipients	Number of days on benefit	Benefit amount, kroons	Number of days on benefit	Benefit per day, kroons	Average daily income, kroons
Men	559,963,817	228,882	2809742	2446.5	12.3	199.3	251
Women	920,646,022	337,836	5247903	2725.1	15.5	175.4	190
TOTAL	1,480,609,839	566,718	8057645	2612.6	14.2	183.8	214

Source: Ministry of Social Affairs

The data about benefits for incapacity for work shown in the table also includes maternity benefits and care allowances, which explains why the number of women is higher among all benefit recipients. This is also the reason why the average number of days on benefit is higher for women. Since benefits are paid on the

basis of the average daily income of the insured person, the difference between men and women is caused by the differences in salaries.

Pregnant women have the right to receive dental care benefits of up to 450 kroons a year. Mothers of children less than 1 year of age can apply for a benefit of 300 kroons a year (450 kroons from 2007).

Social protection of the unemployed

Unemployment insurance is regulated by the *Unemployment Insurance Act* that entered force on 1 January 2002. The purpose of unemployment insurance is to guarantee an income in the event of unemployment that allows the person to cope and look for suitable work. Benefits are funded from the money received from unemployment insurance premiums. The Unemployment Insurance Fund has been paying unemployment insurance benefits since 1 January 2003.

Persons who have worked and paid unemployment insurance benefits for at least 12 months within the 36 months preceding unemployment have the right to receive unemployment benefits. The unemployment insurance benefit paid for the first 100 days of unemployment is 50% of the prior salary of the employee. From the 101st day the unemployment insurance benefit is 40% of the prior salary of the employee. The amount of the benefit is calculated on the basis of the average salary of one calendar day paid over the nine months preceding the last three months of employment.

Table 36: Unemployment insurance benefit recipients by sex

	2003	2004	2005	2006
Number of benefit recipients*	8651	14888	12238	8990
Males	3358	6040	4719	3164
Females	5293	8848	7519	5826
Share of female recipients	61%	59%	61%	65%

Source: Unemployment Insurance Fund

*A benefit recipient is a person who was paid benefits during the respective period.

Among recipients of unemployment insurance benefits the share of women is higher.

Table 37: Average unemployment insurance benefits by sex

	2003	2004	2005	2006
Average benefit paid to men	2150	2322	2525	3002
Average benefit paid to women	1635	1763	1847	2078
Average benefit paid to women as proportion of average benefit paid to men	76%	76%	73%	69%

Source: Unemployment Insurance Fund

The average insurance benefit paid to women is smaller than the benefit paid to men, because insurance benefits depend on the prior salaries of benefit recipients.

Unemployment allowances are granted on the basis of the *Labour Market Services and Benefits Act* that entered force on 1 January 2006. Unemployment allowances are paid in a situation where the person is not entitled to unemployment insurance benefits or the right to receive insurance benefits has expired. Unemployed persons who have been employed or engaged in work or an activity equal to work for at least 180 days during the twelve months prior to registration as unemployed and whose income is less than the amount of the unemployment allowance have the right to receive an unemployment allowance. Previous employment or engagement in an activity equal to work is not required of an unemployed person who for at least 180 days during the twelve months prior to registration as unemployed:

- raised, as a parent or a guardian, a child of up to 18 years of age with a moderate, severe or profound disability, a child under 8 years of age or a child of 8 years of age until the child completed year one at school;
- cared for a sick person, a person who is permanently incapacitated for work or an elderly person.

The basis for calculation of unemployment allowance is the daily unemployment allowance rate established by the State Budget Act. The daily unemployment allowance rate in 2006 was 14.3 kroons. Since 1 January 2007, the daily unemployment allowance rate has been 32.9 kroons.

Table 38: Number of unemployment allowance recipients by sex in different years

	2005	2006
Men	12,032	6826
Women	20,754	13,487

Source: Labour Market Board

Pensions

Pursuant to the *State Pension Insurance Act* that entered force on 1 January 2002, the pensionable age of women will gradually be made equal to the pensionable age of men throughout the transition period that ends in 2015. (Information about this was given in the previous report.)

The *Old-Age Pensions under Favourable Conditions Act* and the *Superannuated Pensions Act Amendment Act* that were passed on 15 June 2005 and entered force on 1 January 2006 also equalise the requirements of men and women with respect to eligibility for old-age pensions under favourable conditions and superannuated pensions.

The difference in men's and women's salaries has no impact on the average amount of current pensions. The average old-age pension of women is 97% of the average old-age pension of men, i.e. women's pensions are 3% lower than men's. At the same time, the survivor's pension and national pension paid to women are higher by a couple of percentage points. The main reason that average pensions are similar is the fact that the extent of the pension depends on the length of employment. The employment rate of women has been relatively high.

2 years for every child per parent are added to the pension qualifying period for periods preceding 1999. This option is mostly used by mothers, because the retirement age of women is currently lower than that of men and said years increase women's pensions. Since 1999 the social tax is paid by the state on behalf of a parent who receives child care benefit (the benefit is generally paid until the child becomes 3 years old).

Table 39: Pension amounts and number of recipients by sex as of the start of the year

Pension type	Average monthly pension granted, kroons			Pension recipients		
	TOTAL	Men	Women	TOTAL	Men	Women
1 January 2006						
Old-age pension	2723	2771	2701	291,596	92,357	199,239
Superannuated pension	1988	2019	1893	2603	626	1977
Pension for incapacity for work	1620	1644	1593	63,103	33,787	29,316
Survivor's pension	970	965	974	13,654	6412	7242
National pension	939	897	977	8992	4310	4682
Judge, member of the Defence Forces, auditor general	6127	6105	6192	1480	1102	378
1 January 2007						
Old-age pension	3115	3166	3091	290,387	92,428	197,959
Superannuated pension	2294	2320	2213	2620	1987	633
Pension for incapacity for work	1839	1870	1805	66,953	35,068	31,885
Survivor's pension	1112	1105	1118	13,005	6047	6958
National pension	1002	958	1047	8356	4167	4189
Judge, member of the Defence Forces, auditor general	6705	6760	6542	1565	1173	392

Source: Social Insurance Board

State family benefits depending on the amount of income

The parental benefit forms part of family benefits and is regulated by the *Parental Benefit Act* that entered force on 1 January 2004. The aim is to support the combination of work and family life. Parental benefit compensates parents for the loss of income arising from the raising of a child, because a parent temporarily stops working in order to care for the child.

In general, the mother of the child has the right to receive the benefit before the child attains six months of age. The father of the child can also be the recipient of parental benefit after the child reaches six months of age. An amendment to the act will enter force on 1 September 2007 abolishing the requirement that the child reach 6 months of age before the father becomes eligible for parental benefit. Fathers will become entitled to parental benefit when the child reaches 70 days of age. The restriction with respect to 70 days of age arises from the fact that the maternity leave compensated to working mothers on the basis of the *Health Insurance Act* covers 70 days before and 70 days after childbirth, and only mothers are entitled to maternity benefit during this time. Parental benefit is paid after maternity leave.

If a mother is not working and is not entitled to maternity benefit, parental benefit will be paid from the birth of the child.

The amount of parental benefit is calculated on the basis of the applicant's average salary earned in one calendar month during the previous calendar year. The amount of the benefit as a rule is 100% of the average income of the recipient earned in one month during the previous calendar year on which social tax was paid. The parental benefit paid to fathers is calculated on the basis of income earned during the same period used as the basis to calculate the benefit paid to mothers.

Those who have joined the 2nd column of funded pensions have 1% of parental benefit paid into their 2nd column pension fund for every child born. This payment is made from the state budget.

Table 40: Number of parental benefit recipients and average benefit amounts by sex

		In 2005	In 2006
Number of times parental benefit granted	Total recipients	14,272	14,642
	Women	14,047	14,387
	Men	225	255
Average parental benefit granted, kroons	Average benefit	5243	6182
	Women's average	5163	6099
	Men's average	10,226	10,913

Source: Ministry of Social Affairs

ARTICLE 24 - THE RIGHT TO PROTECTION IN CASES OF TERMINATION OF EMPLOYMENT

“With a view to ensuring the effective exercising of the right of workers to protection in cases of termination of employment, the Parties undertake to recognise:

- a. the right of all workers not to have their employment terminated without valid reasons for such termination connected with their capacity or conduct or based on the operational requirements of the undertaking, establishment or service;*
- b. the right of workers whose employment is terminated without valid reason to adequate compensation or other appropriate relief.*

To this end, the Parties undertake to ensure that a worker who considers that his employment has been terminated without a valid reason shall have the right to appeal to an impartial body.”

Question

The Committee considers that dismissal on the grounds of age will not constitute a valid reason for termination of employment except in accordance with a valid retirement age justified by the operational requirements of the undertaking, establishment or service. States should take adequate measures to ensure protection for all workers against dismissal on the grounds of age. The Committee wishes to receive updated information on the situation in both the private and public sector.

On 8 January 2006, the Riigikogu passed the *Employment Contracts Act Amendment Act*, which entered force on 4 March 2006 and which repealed the provisions that stipulate the right of an employer to terminate the employee’s employment contract when the employee has turned 65. As a result of the above, it is no longer possible for employers to terminate employment contracts on the basis of the employee’s age. The provision also applied to persons who work in public service on the basis of employment contracts.

On 1 October 2007, the Supreme Court of Estonia adopted a resolution which declared that the following provisions of the *Public Service Act* are in conflict with the Constitution and therefore invalid: Section 120 and Subsection 130(1), in the extent to which it regulates the provision of advance notice of release from

service due to age; Subsection 131(1), in the extent to which it regulates compensation upon release from service due to age; and Subsections 133(1,3), in the extent to which they regulate restrictions on the timing of release from service due to age.

ARTICLE 25 - THE RIGHT OF WORKERS TO THE PROTECTION OF THEIR CLAIMS IN THE EVENT OF THE INSOLVENCY OF THEIR EMPLOYER

“With a view to ensuring the effective exercising of the right of workers to the protection of their claims in the event of the insolvency of their employer, the Parties undertake to provide that workers’ claims arising from contracts of employment or employment relationships be guaranteed by a guarantee institution or by any other effective form of protection.”

Question A

Please indicate whether workers’ claims in the event of the insolvency of their employer are secured by means of a guarantee institution, a privilege, a combination thereof or by other means.

The Estonian Unemployment Insurance Fund has been paying benefits to workers in the event of their employer’s insolvency since 1 January 2003.

Question B

Please state how the term ‘insolvency’ is defined and to which situations it is applied.

For the purposes of the *Unemployment Insurance Act*, an employer is deemed to be insolvent if a court has declared bankruptcy or terminated the bankruptcy proceedings by abatement, or if a court or another competent body of another EEA country has declared the employer insolvent within the meaning of Council Regulation 1346/2000/EC on insolvency proceedings.

If an employer has gone bankrupt, only the trustee in bankruptcy can apply for insolvency benefit from the Unemployment Insurance Fund. The benefits themselves are paid directly to the workers of the bankrupt company.

Question C³¹

³¹ See paragraph 3 of the appendix to Article 25.

Please indicate which claims are protected in the case of the insolvency of the employer.

In the event of an employer's insolvency, the Unemployment Insurance Fund will compensate the employee wages not received, holiday pay and compensation not received upon the termination of the employment contract before or after the employer was declared insolvent.

Question D

Please indicate whether there are any categories of workers not covered by the protection offered in this field by reason of the special nature of their employment relationship.

All workers are entitled to the insolvency benefit except members of the company's management board and persons who work on the basis of a service contract. They have the right to demand the wages they have not received as creditors in the course of bankruptcy proceedings pursuant to the general procedure.

Question E

Please indicate whether workers' claims are limited to a prescribed amount. If so, state what the amount is and how it is determined.

From 2003 to 2006, unemployment insurance covered salaries and benefits outstanding due to the employer's insolvency to a maximum of three times the average monthly wage of the employee, but not exceeding the amount equal to three average gross monthly wages in Estonia (according to the data published by the Statistics Estonia) during the quarter preceding the declaration of the employer as insolvent.

At the beginning of 2007 new maximum limits for the benefit came into force. From 2007, the maximum benefit paid in the case of the employer's insolvency increased, as the each type of claim is compensated separately and the compensation for each type has its own maximum limit:

- outstanding wages are compensated up to three times the monthly wage of the employee, but limited to three times the Estonian average monthly wage;
- outstanding holiday pay is compensated up to the employee's holiday pay for one month, but limited to the Estonian average monthly wage;

- benefit upon termination of contract of employment is compensated up to twice the monthly wage of the employee, but limited to the Estonian average monthly wage.

Pursuant to the *Unemployment Insurance Act*, joint liability in the event an employer's insolvency is limited to the amounts paid out, but on the basis of the *Law of Obligations Act*, the person has the right to demand payment of their entire wages, holiday pay, etc. due to the person as a creditor in the employer's bankruptcy proceedings.

Question

The Committee requests details of the Estonian average monthly wages calculation procedure and asks whether the maximum guaranteed amounts cover wages, holiday pay and any compensation which was not received.

Data on the Estonian average monthly wage is gathered and published by the National Statistics Estonia (more information on sampling and methodology can be found on their official website at www.stat.ee).

The Statistics Estonia uses the following formula to calculate average gross monthly wages:

Average gross wages and salaries in a quarter per month — $B_{average}$

Payments to employees for time actually worked — B_1

Remuneration to employees for time not worked — B_2

Average number of employees in a quarter per month — $t_{quarter}$

$$B_{average} = \frac{B_1 + B_2}{3t_{quarter}} \quad (\text{kroons})$$

The published average gross monthly wages have thus been converted to full-time units (part-time employees converted into full-time units).

The average gross wage includes payments for time actually worked and remuneration for time not worked. The average gross wages and salaries exclude payments to employees with contracts of agreement, because it is difficult to measure the working time of these employees and Estonian laws do not require that it is measured. The average gross wages and salaries also exclude employers' pay in the event of sickness and guaranteed remuneration in the event of occupational accidents.

The Estonian average monthly wages calculated pursuant to the procedure provided by the Government are presented in the following table.

Table 41: Estonia's average monthly gross wages, Quarter I 2003 to Quarter I 2007 (kroons)

	Average annual wages	Quarter I	Quarter II	Quarter III	Quarter IV
2003	6723	6333	6915	6431	7127
2004	7287	6748	7417	7021	7704
2005	8073	7427	8291	7786	8690
2006	9407	8591	9531	9068	10,212
2007		10,322			

Please see also answer to the question E.

Question

The Committee requests that the next report clarify whether the Guarantee Fund has been replaced by the Unemployment Insurance Fund.

The activities of the Guarantee Fund of the Government of the Republic were terminated on 17 December 2002 with Regulation no. 396 of the Government of the Republic, which repealed Regulation no. 137 *Procedure for Making Payments from the Guarantee Fund of the Government of the Republic in the Event of an Employer's Bankruptcy* issued by the Government of the Republic on 23 April 2002. The regulation entered force on 1 January 2003.

Question

The Committee asks whether the protection of workers' claims are also protected where an enterprise is unable to honour its commitments, but where formal insolvency proceedings are not opened.

Submission of claims for remuneration not received due to the employer's insolvency to the Unemployment Insurance Fund is associated with the declaration of insolvency: the trustee in bankruptcy may submit claims (applications for payment) to the guarantee institution only after insolvency has been declared or the proceedings are terminated due to abatement without bankruptcy being declared.

Claims for wages, holiday pay and compensation for termination of employment contracts that have not been received before insolvency is declared are basically protected, because no reference period has been established in Estonia during which any claims are passed on to the guarantee institution.

An employee may submit a claim to the labour dispute committee or a court as stipulated in the *Individual Labour Dispute Resolution Act* and apply for performance of the ruling by way of execution proceedings before insolvency proceedings are initiated or in the event that insolvency proceedings are not initiated.

Question

The Committee requests an estimate of the overall proportion of workers' claims which are satisfied by the guarantee system and of the normal or average duration of the period from when a claim is lodged until the worker is paid.

Number of benefit recipients

Between 2003 and 2006, 8353 people received insolvency benefits due to the bankruptcy of 636 enterprises. The number of bankruptcies and the number of benefit recipients were largest in 2004 – 188 and 2844 respectively (see Table 43). The number of bankruptcies and benefit recipients was smallest in 2006 – 132 and 1256 respectively.

Table 42: Benefit recipients and insolvency cases

	2003	2004	2005	2006	2003- 2006, total	2007, first 6 months
Number of benefit recipients	2050	2844	2203	1256	8353	604
Number of insolvency cases	158	188	158	132	636	58

Source: Unemployment Insurance Fund

Average duration of the period from when a claim is lodged until the worker is paid

Between 2003 and 2006, the average duration of the period from declaration of insolvency until the worker was paid was 147 days (see the following table). Most of this period encompasses the time between the declaration of bankruptcy and the submission of the application.

Table 43: Average duration of period from when claim is lodged until worker is paid

	2003	2004	2005	2006	2003-2006, average	2007, first 6 months
Average duration of period from declaration of insolvency until submission of benefit application (number of days)	171	117	107	151	133	118
Average duration of period from submission of benefit application until payment of benefit (number of days)	12	14	15	17	14	15
Average duration of period from declaration of insolvency until payment of benefit (number of days)	183	131	122	168	147	133

Source: Unemployment Insurance Fund

Between 2003 and 2006, the average duration from the submission of claims until the worker was paid was 14 days. No account is kept of the duration of the period from the submission of claims by a person until the transfer of the benefit.