

Youth Guarantee country by country

Estonia October 2020



Employment, Social Affairs & InclusionThe Youth Guarantee country by country - Estonia



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Introduction and context

The Youth Guarantee has become a reality across the EU. It has facilitated structural reforms and innovation in policy design across EU Member States.

This document provides extracts from official Commission documents on the implementation of the Youth Guarantee in Estonia. It contains extracts from:

- The country report drawn by the Commission for Estonia in the context of the European Semester;
- The conclusions of the thematic multilateral surveillance review of the Employment Committee (EMCO).
- Results from the data collection on Youth Guarantee schemes.

A section at the end of the document is devoted to the assessment made by the Commission the previous year.

Estonia presented a Youth Guarantee Implementation Plan on 30 April 2014, updated in September 2017.



Commission's assessment

From the 2020 country report (EN - ET):

"Strong labour demand has delivered high employment and participation, but challenges lie ahead as the economy slows down. Employment increased further by 0.8percentage points in 2018, reaching a record high of 79.5%, flagging as the best performer in the Social Scoreboard. This increase materialises in the context of an already positive labour environment, with low unemployment (5.4%) and high activity rates (83.8%) in 2018. The recent employment growth has been shared more or less equally between permanent and temporary employment, but self-employment increased the most in 2018 reaching 10.6% of total employment. However, as economic growth is slowing, there are already signs that new job creation will moderate in the short term."

"Estonia performs relatively well on most indicators in the Social Scoreboard supporting the European Pillar of Social Rights, but some concerns remain. Estonia's labour market is one of the best performing in the EU. However, the proportion of people with unmet medical needs remains one of the highest in the EU. The share of young people not in education, employment or training has increased further."

"Over the past years, Estonia has made substantial progress in addressing the challenge of the shrinking labour force. [...] Specific measures have been deployed for bringing young people and the long-term unemployed to the labour market, helping to lower the unemployment rates."

"The labour market has continued to perform well. Employment increased in 2018 and reached 79.5%, as demand for labour has been high in all sectors. [...] The unemployment rate decreased to just over 5% in 2018. 1.3% of the labour force were long-term unemployed and youth unemployment declined to 11.9% in 2018."

"High school dropout rates hamper the integration of young people in the labour market and society at large. Despite recent improvements the early schoolleaving rate remains high, with large gender disparities. This contributes to the rising share of young people neither in employment, nor in education or training, in spite of good labour market developments overall."

"Over recent years, labour shortages have been eased by activation policies. [...] Major reform initiatives that affect the labour market, such as the implementation of the Youth Guarantee, the work ability reform, or reforms to the parental leave and benefits system, have been introduced to further increase the activity rates. This in turn helped raise activity rates of young people, women and people with disabilities as well as of older workers [...]. However, challenges remain ensuring sustainable employability."

"Shortages of medical workers persist, in particular concerning nurses. These shortages are due to the insufficient number of graduates, but also lower remuneration and worse working conditions in the health sector, which makes it difficult to attract and retain young people"

"The take-up of vocational education and training was not responsive to the needs of the labour market (33). [...] Measures are under way to improve the quality of work-based learning and to further strengthen career counselling (34) and related services offered to young people."

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For further youth-related matters please refer to the country report.



EMCO's assessment

Conclusions of the Employment Committee's multilateral surveillance review on youth employment, October 2019:

Estonia has made progress in implementing the Youth Guarantee scheme, which is based on a good, yet improvable, level of coordination between relevant institutions and well-developed early intervention schemes. Progress has been registered in outreach strategies, personalised quidance and timeliness of offers. Yet, the increasing NEET rate is a matter of concern.

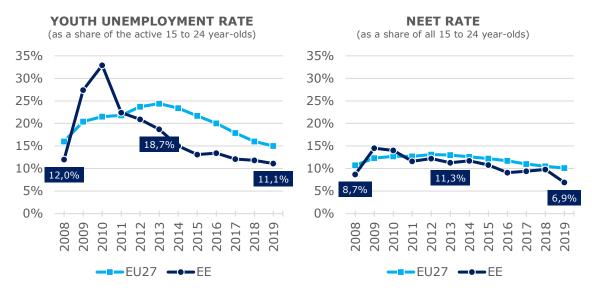
Continued expansion of the pilot tracking system and investment in prevention measures could help provide services to the high proportion of inactive NEETs who are not currently benefiting from the Youth Guarantee, including those facing multiple barriers.

Monitoring and evaluation systems are in place and have driven significant adjustments to the programmes implemented. Overcoming protection data issues could help in further improving them. The 'work practice scheme', which largely complies with the Quality Framework for Traineeships, has proved effective in improving the employability of young people, though more transparency is needed to ensure that the scheme provides true learning opportunities for young people. Introducing legislation on open-market traineeships could be considered.



Youth Guarantee monitoring – Key data

1. Main trends in young people's labour market performance

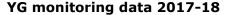


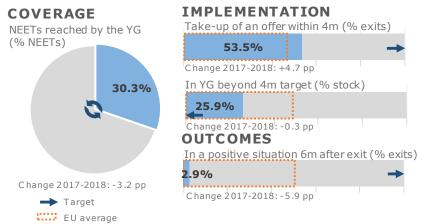
Source: Eurostat, LFS (une rt a, edat Ifse 20)

2. Youth Guarantee delivery

The Estonian Youth Guarantee Implementation Plan was presented in April 2014. Implementation is the responsibility of the Ministry of Social Affairs and the Ministry of Education and Research. The Ministry of Social Affairs helps young people registered as unemployed via the services provided by the Estonian Public Employment Services (PES), while the Ministry of Education and Research oversees the "Youth Prop Up" programme. The Youth Prop Up programme started in 2015 and is implemented by the Association of Estonian Open Youth Centres. Through this programme, youth workers aim to engage young NEETs (e.g. through mobile youth work) and get them to join activities organised by the Open Youth Centres. Youth workers collaborate with local municipalities, schools, the Estonian PES, partners in the youth sector etc., in order to find the best solution for each person. The Youth Guarantee is supported by national strategies and development plans including the Youth Field Development Plan 2014-2020 and Lifelong Learning Strategy 2020.

Further information is available in the national YG implementation plan.





Note: Data on the situation of participants 6m after exiting the YG are available only for participants in the Youth Prop-Up programme (8.3% of total exits in 2018), 35% of whom were known to be in a positive situation 6 months after exit. For YG participants supported by the PES (the large majority), the subsequent situation is unknown, hence the indicator result is not meaningful.

Source: DG EMPL, YG monitoring database, data extracted 09 December 2019. NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019.

On average in 2018, a quarter (25.9%) of those registered in the YG at any point during the year had been waiting for an offer for more than 4 months, well below the EU average of 48.6%.

Just over half (53.5%) of those leaving the Estonian YG scheme in 2018 took up an offer within 4 months of registration. While already above the EU average of 46.7%, this result may be understated due to a high number of exits with unknown destinations (31.1%).

The YG scheme reached less than a third (30.3%) of all NEETs aged under 25, well below the average coverage observed at EU level (38.9%).

Follow-up data are available only for the Youth Prop-up programme, which accounted for less than a tenth (8.3%) of all exits in 2018. Within this group, just over a third (35.0%, or 2.9% of all exits in 2018) were known to be in positive situations 6 months after exit.

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Previous year

From the 2019 country report (ET - EN):

"Labour market performance as measured by key indicators has continued to improve. Both unemployment and youth unemployment have declined, benefitting from the favourable economic climate (15). The long-term unemployment rate decreased to 1.9 % in 2017. Conversely, the proportion of people not in employment, education or training (15-24 years) increased slightly16 to 9.4% in 2017, from 9.1 % in 2016, but remained below the EU average (10.9 %)."

"Estonia has a promising policy measure for outreach youth. It is implementing a tracking system to identify and integrate outreach to youth not in education, employment or training under the Youth Guarantee scheme. This system analyses data from different registries and helps local municipalities to approach young people and offer them help in finding job. Since the launch of the system in mid-April 2018, around 7 000 young people have been identified and local authorities have reached out to them (including through a media campaign)."

"Self-reported unmet need for medical care is one of the highest in the EU. Unmet healthcare needs in Estonia stood at 11.8 % in 2017, and continue to flag a critical situation according to the Social Scoreboard that supports the European Pillar of Social Rights and its healthcare principle. The situation is mostly due to long waiting times. These have been previously noted mainly for access to specialised care, but, according to the State Audit Office (Riigikontroll, 2018a), access to primary healthcare is also an issue. Some groups face serious difficulties with access to health services, notably the unemployed, young people, women, and those in poorer health and/or who have a lower income."

"Despite its potentially important role in tackling skills mismatches, vocational education and training remains unattractive. The employability of recent graduates is above the EU average (86.2 % in Estonia compared to 76.6 % the EU in 2017) indicating a high demand for specialists. The potential of vocational education and training to provide industry-specific technological skills and support productivity growth is not sufficiently utilised. Young people still consider vocational education and training an unattractive educational path, but the proportion of adult students in vocational education is growing."

For further youth-related matters please refer to the country report.



Links to further information

Youth Guarantee Knowledge Centre - Including promising examples from Estonia

http://ec.europa.eu/social/main.jsp?catId=1327&langId=en

Youth Guarantee Implementation Plan

http://www.sm.ee/et/noortegarantii

Where to register for the Youth Guarantee?

http://ec.europa.eu/social/main.jsp?catId=1218&langId=en

Youth Wiki Estonia

https://eacea.ec.europa.eu/national-policies/en/content/youthwiki/overviewestonia