



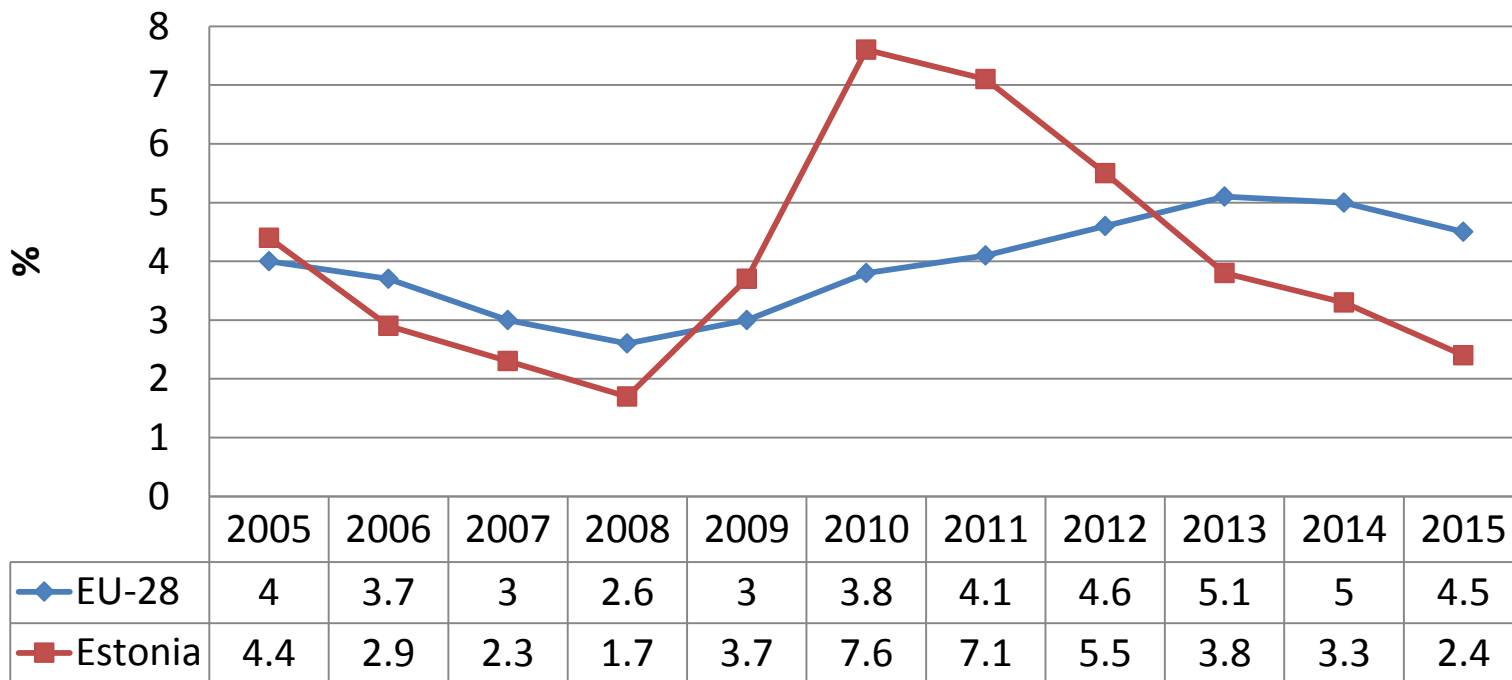
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# **Approaches to integrate long-term unemployed persons - Estonia**

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# Long-term unemployment in Estonia



- Vulnerable groups: older workers; people with lower levels of education and a lack of qualifications; non-Estonians; inhabitants of North-Eastern Estonia (industrial region)
- The LTU group is very heterogeneous in Estonia: it includes young men with basic education as well as highly educated women in pre-pension age (over 50 years old).



# Main challenges to integrate LTU

- Heterogeneity of the LTU group
- Relatively high rate of very long-term unemployed (more than 24 months) – more than half of the LTU (9,100 in 2015)
- Low level of benefits for LTU
- Provision of services for the LTU are not formally integrated
- Availability and quality of social services depends on the economic resources of the local municipalities. Majority of them are economically very weak
- Expenditure on ALMPs has increased significantly in recent years, but measures still implemented on a relatively small scale in Estonia in terms of total expenditure and participant numbers
- Short duration of training programmes, limited access to labour market training



# Effective practices - ‘Case management’

- Estonian Unemployment Insurance Fund (EUIF) provides services according to individual needs, and on the basis of an individual action plan (IAP)
- Since 2012, specific individual arrangements can be made for people who face particular or multiple obstacles in finding and gaining employment
- For cases with multiple problems, the case manager contacts the local government and they jointly create a suitable plan of services
- Fulfilling the IAP is tied to receiving unemployment insurance and unemployment allowances, and may also be related to the payment of subsistence benefit
- No published studies on the effectiveness of these IAPs
- Since the benefits that the long-term unemployed may lose when not following IAPs are quite small, the effect of the threat is rather moderate and does not discipline job seekers a great deal
- The activation approach in Estonia is very similar to the Host Country’s 4-phase model of an individual integration approach: counselling and service provision includes different steps (from profiling to follow-up of strategy). In Estonia, case managers are performing a quite similar role to “job hunters” in Germany



# Effective practices - Coaching for working life

- **Aims:** to bring long-term unemployed closer to the labour market; to restore their work habits; to prepare people for the next active labour market measure (and not necessarily force them to enter employment)
- **Main activities:** a form of workplace training. Includes motivational group counselling, teaching job search skills, trying out practical work/ tasks that do not need specific skills. In 2015, 3,725 unemployed people participated in this measure.
- **Results so far:** about 28 % of participants enter employment within a year after finishing this practice. About half of the participants enter some other active measure within a year after coaching for working life.
- **Differences:** on-the-job coaching is mandatory for employees and employers in Germany and often happens in the workplace. In Estonia it is voluntary and its aim is slightly different. Its aims are to prepare the unemployed for working and to recover their working habits.

Thank you!

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