

# Eurostat

## Labour market policy statistics

### Qualitative report

EE, 2014

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## A - Introduction

## Introduction

The Eurostat Labour Market Policy (LMP) database collects information on labour market interventions implemented by each of the EU Member States and Norway. Data are collected according to a comprehensive methodology, which classifies interventions into three main types – services, measures and supports – and into nine detailed categories according to the type of action (see below). Readers are recommended to refer to the LMP methodology <sup>1</sup> for details of this classification scheme and definitions of terms used in this report.

The LMP database collects quantitative data on expenditure and participants for each intervention. These are published annually and are available online from the Eurostat website <sup>2</sup>. The quantitative data are complemented by a set of qualitative information describing each intervention. This represents an invaluable source of reference to support a harmonised approach to the classification of national interventions and to help interpret the detailed figures on expenditure and participants. These qualitative data are compiled into a series of **Labour market policy statistics: Qualitative Reports** and produced as separate volumes for each country/year.

The reports all have the same structure:

- Part A Introduction

- Part B Inventory of interventions - a list of all interventions reported for the relevant year, grouped by type of action and including a national language version of the intervention name.

- Part C Qualitative information by intervention - presents the available information about each intervention in three sections: *Identification*, *Description*, and *Supplementary information*. The *Description* contains seven sub-sections: Aim, Beneficiaries/participants, Action/instrument, Financing/support, Eligibility, Legal basis, and Recent changes. The *Supplementary information* contains eight sub-sections describing the breakdown of expenditure, target groups, the treatment of unemployment spells, receipt of benefits, planned duration and other characteristics of the intervention. Together, these items summarise the qualitative information collected through the LMP questionnaire.

- Part D Reference data - provides a description of the populations considered as reference data within the LMP database, giving national definitions of those considered as registered unemployed and other groups registered with the public employment services (PES).

- Part E Abbreviations

The qualitative information in the LMP database is updated annually with the contribution of delegates from each country and Eurostat cannot take responsibility for the validity of the content. The reports are published annually by Eurostat in English and reports for other years that are not currently in the online library can be produced on request.

### Classification of interventions by type of action

#### *LMP services*

1. Labour market services

#### *LMP measures*

2. Training
4. Employment incentives
5. Supported employment and rehabilitation
6. Direct job creation
7. Start-up incentives

*LMP supports*

- 8. Out-of-work income maintenance and support
- 9. Early retirement

<sup>1</sup>

[http://epp.eurostat.ec.europa.eu/portal/page/portal/product\\_details/publication?p\\_product\\_code=KS-GQ-13-002](http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-GQ-13-002)

<sup>2</sup> [http://epp.eurostat.ec.europa.eu/portal/page/portal/labour\\_market/labour\\_market\\_policy](http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/labour_market_policy)

## B - Inventory of interventions

Category, intervention number and name (English/National language)

1	Labour market services	
1	[Component] Placement by public employment services - Client services	[Component] Töövahendus -
2	Career counselling	Karjäärinõustamine
16	Coaching for working life	Tööharjutus
18	Communication support at interviews	Tööintervjuul abistamine
21	Psychological counselling	Psühholoogiline nõustamine
23	Job search training	Tööotsingu töötuba
24	Job club	Tööklubi
25	Debt counselling	Võlanõustamine
27	Individual work placement	Individuaalne töölerakendamine
28	Addiction counselling	Sõltuvusnõustamine
1	[Component] Placement by public employment services - Administration of PES	[Component] Töövahendus -
2	Training	
3	Labour market training	Tööturukoolitus
15	Work practice	Tööpraktika
4	Employment incentives	
5	Wage subsidy	Palgatoetus
17	Working with support person	Tugiisikuga töötamine
19	Employment with special aids and equipment	Töötajad kes vajavad eraldi abi või abivahendit
20	Adaption of premises and equipments	Töökoha kohandamine
29	Care allowance	Hooldusteenus
31	Work trial	Tööproov
35	Individual solutions	Individuaalsed lahendused (muu teenus)
5	Supported employment and rehabilitation	
6	Direct job creation	
6	Public work	Avalik töö
26	Volunteering	Vabatahtlik töö, talgutöö
7	Start-up incentives	
4	Business start-up subsidy	Ettevõtluse alustamise toetus
32	Compensation of training expenses for start-ups	Täiendkoolituse kulu hüvitamine ettevõtluse alustamise toetuse saajatele
33	Compensation of counselling expenses for start-ups	Järelnõustamise kulu hüvitamine ettevõtluse alustamise toetuse saajatele
34	Mentoring for start-ups	Mentorlus

8	Out-of-work income maintenance and support	
7	[Component] Unemployment benefits - State unemployment benefit	[Component] Töötuskindlustushüvitis, töötutoetus -
7	[Component] Unemployment benefits - Unemployment insurance benefit	[Component] Töötuskindlustushüvitis, töötutoetus -
30	Insurance benefit upon redundancies	Kindlustushüvitis koondamise korral
10	Benefits upon insolvency of employer	Hüvitudised tööandja maksejõuetuse korral
9	Early retirement	
Mixed	\$\$353	

*Number of measures:* **57**



## C - Qualitative information by intervention

## Identification

Country Estonia 2014 Category 1 - Labour market services

Intervention n°/name 1 Placement by public employment services

Type of action: 1.1 - Client services  
1.2 - Other activities of the PES

## Description

Aim:

To register vacancies and find unemployed persons qualified to fill these.

Beneficiaries:

Registered unemployed, registered jobseekers

Action/Instrument:

One of the main roles of Unemployment Insurance Fund is to organise the provision of employment services for job-seekers and employers.

According to the law, the obligations of Unemployment Insurance Fund are:

1. organising unemployment insurance with an aim to ensure:  
partial compensation for lost income while job-seeking in case of unemployment;  
the payment of benefits for employees in case of redundancy;  
protection of employee's claims in case of insolvency.
2. implementing labour market policies with an aim to ensure:  
a high level of employment among working-age population;  
the prevention of long-term unemployment and exclusion from labour market.

In order to fulfil these obligations the Unemployment Insurance Fund:

provides the necessary financial backing that helps to cover living expenses and allows to concentrate on seeking new employment;

takes partially over the responsibilities of employers in case of insolvency and redundancy;

assists in job-seeking while offering appropriate labour services that support and enhance the possibility of obtaining work and raises qualification and competitiveness;

mediates suitable work-force for employment and supports the recruitment of staff.

Financing/Support:

Central government budget, social security fund (unemployment insurance tax paid by employers and employees).

Eligibility:

Registered unemployed, registered jobseekers

Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: None

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Source: Eurostat LMP database. Date of extraction: 22 December 2015

Implementation:

*Year started:* 1991

*Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 2 Career counselling  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

Provide aid to unemployed persons to settle issues concerning suitable employment, career decisions and problems connected with finding or losing job

### Beneficiaries:

Registered unemployed, registered jobseekers

### Action/Instrument:

Career counselling is provided by career counsellors in the Public Employment Service. The service provides information and professional orientation to individuals or groups. Unemployed person has right to ask for individual consultation with vocational counsellor to discuss career options, problems connected with job-search and complete personality and occupational inventories.

Career counselling is mostly an one-off occasion but may also be prolonged to several meetings. Career counselling for disabled persons may be contracted to service providers.

In 2009 and 2010 several similar services to facilitate job search were introduced like job clubs, job-search workshops, etc.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

Registered unemployed, registered jobseekers

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: None  
Planned duration: Continuously available  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: Year started: 2002 Year Ended: Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 16 Coaching for working life  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

The aim of coaching for working life is to prepare an unemployed person for working (to recover the working habits for long-term unemployed and to develop working habits for the unemployed without prior working experience).

### Beneficiaries:

Registered unemployed and registered jobseekers, especially:

- long-term unemployed
- the unemployed without prior working experience

### Action/Instrument:

An unemployed person is pointed to coaching for working life when he/she needs to restore or gain working habit.

Coaching for working life is organized by legal person in private law, a sole proprietor or local government agency.

Coaching can last up to 4 months. It can be repeated.

Unemployed person will attend work practice for no longer than 8 hours per day.

During coaching the service provider receives payment.

During coaching for working life the attendant will receive a grant and reimbursement for travel expenses. The grant payable for coaching for working life is calculated for every hour during which, based on the data submitted by the service provider, the unemployed person participated in the exercise. Payments to beneficiaries are made monthly.

Redundant employees who are registered as jobseekers are also eligible from 2011.

### Finanacina/Support:

Central government budget, social security fund

### Eligibility:

- registered unemployed
- redundant employees who are registered as jobseekers at PES

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

Employment programme 2012-2013

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers

Target groups: Registered unemployed (All, LTU, Public priorities and Other)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Current intervention), Non-cash benefits

Planned duration: Maximum: 4 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2006 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 18 Communication support at interviews  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

Communication support at interviews is a labour market service provided to disabled unemployed persons who, due to their disability, need help in communicating with the employer during job interviews.

### Beneficiaries:

Registered disabled unemployed

### Action/Instrument:

If the disabled unemployed person needs additional help during job interviews (for example sign-language), help is organized by PES. If the employees of the Estonian Unemployment Insurance Fund lack the skills necessary for assisting disabled unemployed persons during job interviews, the Estonian Unemployment Insurance Fund enters into a contract under public law for provision of such service with a person who has the skills necessary for provision of the service. The contract may constitute a fee for the service, but in practice the service is provided by volunteers.

### Financing/Support:

Service providers are volunteers, central government budget

### Eligibility:

For registered unemployed persons, who need additional help at job interviews

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: Registered unemployed (Disabled)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: None  
Planned duration: Continuously available  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2006 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 21 Psychological counselling  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

Provide aid to unemployed persons and registered jobseekers to settle issues concerning psychological problems connected with losing job and support to manage different psychological barriers to find job.

### Beneficiaries:

Registered unemployed, registered jobseekers

### Action/Instrument:

Unemployed person has right to ask for individual consultation with psychological counsellor to discuss issues concerning psychological problems connected with losing job and to manage different psychological barriers to find job. Psychological counselling is provided by skilled psychologist. Counselling may include several consultation sessions.

In case distance between person's residence and counselling venue is at least 500 meters he/she has right to receive travel cost compensation.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- registered unemployed persons, who need psychological counselling: especially disabled persons, long-term unemployed, elderly unemployed and redundants
- redundant employees who are registered as jobseekers at PES

### Legal basis:

Employment programme 2012-2013

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements), Transfers to service providers

Target groups: Registered unemployed (LTU, Older, Disabled, Public priorities and Other)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: None

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2008 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 23 Job search training  
Type of action: 1.1.2 - Individual case-management

## Description

Aim:  
to improve the job-search skills of the registered unemployed and the registered jobseekers

Beneficiaries:  
registered unemployed  
registered jobseekers

Action/Instrument:  
Job-search training is a workshop that is carried out by career counselling specialists of the Unemployment Insurance Fund. Workshops are open to registered unemployed and registered jobseekers. The themes covered at the workshop include the possibilities of finding a job, information on job application process, guidance on compilation of documents necessary for job application. There is also possibility to discuss and share experiences on these topics at the workshop.

Financing/Support:  
Central government budget, social security fund (unemployment insurance tax paid by employers and employees).

Eligibility:

Legal basis:  
Employment programme 2012-2013

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: None

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2009 *Year Ended:* Ongoing



## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 24 Job club  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

To improve job search skills and provide group support during job search process

### Beneficiaries:

Registered unemployed, registered jobseekers

### Action/Instrument:

Regular group meetings with the aim to improve the job search skills of the participants and provide them with group support during job search process. Group meetings are supervised. During the meetings different job-search related topics are covered like job search techniques, job application process, etc. There is also possibility to discuss and share experiences on these topics at the meetings.

The intervention is similar to job-search training, but the topics are covered more profoundly, a person participates in the meetings regularly and the measure is more oriented to group support.

There are special job clubs for young unemployed and ethnic minorities.

In case distance between person's residence and job club venue is at least 500 meters he/she has right to receive travel cost compensation.

Redundant employees who are registered as jobseekers are also eligible from 2011.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- registered unemployed
- redundant employees who are registered as jobseekers at PES

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

Employment programme 2012-2013

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements), Transfers to service providers

Target groups: Registered unemployed (All, Youth, Immigrants/ethnic minorities)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2008 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 25 Debt counselling  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

to help the unemployed cope with debt obligations in the conditions of diminished income

### Beneficiaries:

Registered unemployed, registered jobseekers

### Action/Instrument:

Debt counselling helps the unemployed to deal with their debt obligations (or to avoid falling into debts) in the conditions of diminished income. Debt consultation includes financial-judicial, psychosocial, practical and preventive advice.

Debt counselling is organized in cooperation with local governments and non-profit organizations. Counselling may also be purchased from service providers.

In the debt counselling session the unemployed persons are taught better to manage their monetary situation as the financial support to the

unemployed is quite low and short in Estonia. There are two main needs for debt counselling:

A) Many people in Estonia have settlement loans that are very difficult to repay during unemployment.

B) Some people need counselling to avoid financing the everyday needs with short period loans that they cannot repay.

The need for this kind of counselling is identified during the regular visits to job mediation consultant. Counselling is offered either by PES

counsellors or in cooperation with local governments or NGOs.

Redundant employees who are registered as jobseekers are also eligible from 2011.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- registered unemployed

- redundant employees who are registered as jobseekers at PES

### Legal basis:

Employment programme 2012-2013

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements), Transfers to service providers

Target groups: Registered unemployed (All, LTU)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: None

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Implementation: Year started: 2010 Year Ended: Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 27 Individual work placement  
Type of action: 1.1.2 - Individual case-management

## Description

**Aim:**

Individual support and guidance to the unemployed belong to risk groups in the job-search process and in integration into labour market

**Beneficiaries:**

registered unemployed and registered jobseekers, who need special assistance in integration to labour market (especially long-term and disabled unemployed)

**Action/Instrument:**

The service is provided to the risk-group unemployed that are most disadvantaged in the integration to labour market. The unemployed person is assisted and mentored by a support person. The support process includes motivating, guidance in finding a suitable job, assistance in the application process, support at the beginning of (re)starting the working life, mentoring the unemployed person, the employer and the colleagues at the acquired post. The mentoring process may vary in duration.

Redundant employees who are registered as jobseekers are also eligible from 2011.

**Financing/Support:**

Central government budget, social security fund

**Eligibility:**

**Legal basis:**

Employment programme 2012-2013

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements), Transfers to service providers  
Target groups: Registered unemployed (LTU, Disabled, Public priorities and Other)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: None  
Planned duration: Continuously available  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2010 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 1 - Labour market services  
Intervention n°/name 28 Addiction counselling  
Type of action: 1.1.2 - Individual case-management

## Description

**Aim:**

to support the addicted unemployed in solving the addiction problems

**Beneficiaries:**

registered unemployed who need support with their addiction problems

**Action/Instrument:**

Addiction counselling is usually purchased from service providers. Addiction counselling supports the addict in solving the addiction problems to be able to take part in active labour market measures and to integrate into labour market. The addicts are also advised about possibilities to receive medical rehabilitation.

The need for this kind of counselling is also identified during the regular visits to job mediation consultant. The addiction counselling is

in general not offered by PES but is bought in from specialized service providers. This measure covers only counselling and not medical

treatment to the addicts (some medical treatment can also be financed by the PES but this is out of the scope of LMP).

**Financing/Support:**

Central government budget, social security fund

**Eligibility:**

- registered unemployed
- expresses a wish to deal with addiction problems to the job mediation consultant

**Legal basis:**

Employment programme 2012-2013

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements), Transfers to service providers

Target groups: Registered unemployed (Public priorities and Other)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: None

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2010 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 2 - Training  
Intervention n°/name 3 Labour market training  
Type of action: 2.1 - Institutional training

## Description

### Aim:

To give new professional skills or improve existing professional skills by vocational training or help unemployed persons to adapt to labour market needs

### Beneficiaries:

Registered unemployed, redundant employees

### Action/Instrument:

Measure includes primary vocational training, skill conversion training and adaptation training, entrepreneurship training, computer skills training and professional language skills training.

Maximum length of training is one year. Training is purchased by tenders from different organizations and trainers have to have schooling licence given by Ministry of Education and Science.

It is also possible to use training vouchers in the maximum value of 2,500 EUR to participate in a training course organized by licensed training providers that are approved by PES. Training vouchers are not awarded for management training, general social skills or qualities training or entry-level professional training.

Registered unemployed person participating on labour market training have right to receive stipend if the training lasts at least 40 hours. In case distance between person's residence and trainingplace is at least 500 meters he/she has right to receive travel cost compensation.

The upper value limit of training vouchers is 2,500 EUR from 2011 and these can also be used for skills conversion training.

### Finanacina/Support:

Central government budget, social security fund

### Eligibility:

- Unemployed person who has applied for training
- redundant employee who is registered as a jobseeker at PES
- training needs are discussed with and approved by job mediation consultant

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

Regulation No 119 of the Minister of Social Affairs of 13 December 2005: The procedures to reimburse travel and accomodation costs

The European Social Fund programme 'Increasing the Supply of a Qualified Labour Force 2007-2013'

Employment programme 2012-2013

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (Public priorities and Other)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Maximum: 12 Months

Responsible institution(s): Public employment services

Area of application: National

Source: Eurostat LMP database. Date of extraction: 22 December 2015

Implementation:

*Year started:* 1991

*Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 2 - Training  
Intervention n°/name 15 Work practice  
Type of action: 2.2 - Workplace training

## Description

### Aim:

to improve the knowledge and skills and to gain practical experience needed for the employment of the unemployed persons

### Beneficiaries:

Registered unemployed, registered jobseekers

### Action/Instrument:

An unemployed person is pointed to participate in work practice when he/she needs improvement of skills. Work practice takes place in a company (real work place). Work practice can last up to 4 months. Unemployed person will attend work practice for 8 hours per day, when the unemployed person is in age 16-17 he/she will attend work practice for 7 hours per day. No employment contract shall be concluded for the period of work practice.

Employer shall ensure supervision of the unemployed. One supervisor may have as many as four supervisees.

An unemployed person shall keep a training record book concerning his or her participation in work practice. A training record book shall contain descriptions of performed duties and the employer's assessment of performance of the duties. An unemployed person is required to submit the training record book to the Estonian Unemployment Insurance Fund once a month.

During work practice the employer receives remuneration for supervision. For each practice hour attended by an unemployed person, the employer shall receive remuneration for supervision in the amount of 100 per cent of the minimum hourly wage established by the Government of the Republic during the first month, 75 per cent of the minimum hourly wage established by the Government of the Republic during the second month and 50 per cent of the minimum hourly wage established by the Government of the Republic during the third and fourth month the unemployed person participates in work practice. The remuneration for supervision shall be paid to the bank account of an employer once a month.

During work practice the attendant will receive grant, which is paid once a month. In case distance between person's residence and the location of work practice is at least 500 meters he/she has right to receive travel cost compensation.

During work practice the attendant may receive transport and accommodation benefit.

Redundant employees who are registered as jobseekers are also eligible from 2011

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- registered unemployed
- redundant employees who are registered as jobseekers at PES

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits:	Cash benefits (Source: Current intervention), Non-cash benefits		
Planned duration:	Typical: 2 Months, Maximum: 4 Months		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i> 2006	<i>Year Ended:</i>	Ongoing



## Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 5 Wage subsidy  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

Support recruitment and employment of people belonging to risk-groups

### Beneficiaries:

Registered unemployed persons belonging to risk-groups

### Action/Instrument:

Wage subsidy is benefit payable to employees for employing unemployed persons. Wage subsidy may be paid for the employment of unemployed persons who, within the twelve months preceding registration as unemployed, have been released from prison and unemployed persons who have been registered as unemployed for more than twelve consecutive months and have not found work during such time. Wage subsidy may be paid for the employment of unemployed person of 16–24 years of age who have been registered as unemployed for more than six consecutive months and have not found work during such time.

A natural person, legal person in private law or local government agency may apply for wage subsidy upon employment of a person belonging to risk groups mentioned in above on the basis of an employment contract for an unspecified term or employment in service. Fixed-term contracts of minimum 6 months are also eligible starting from 2010.

The size of wage subsidy shall be 50 per cent of the wage or salary of the employee or public servant but not more than the official minimum monthly wage. Subsidy is paid for 6 months but not for longer than for one year after the date of entry into the contract (in case of fixed-term contract wage subsidy is paid for up to half the length of the contract period).

An employer shall return a wage subsidy in full if the relevant employment or service relationship is terminated on the initiative of the employer earlier than one year after entry into the contract of employment or appointment to the position, except for reasonable causes.

From 2010 also fixed-term contracts of minimum 6 months are eligible for wage subsidy.

### Finanacina/Support:

Central government budget, social security fund

### Eligibility:

Eligible persons belong to one of the following risk groups:

- young unemployed (at age 16-24, have been registered at least 6 months)
- long-term unemployed (have been registered at least 12 months)
- ex-prisoners

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (LTU, Youth, Public priorities and Other)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 6 Months, Maximum: 12 Months  
Responsible institution(s): Public employment services  
Area of application: National

Source: Eurostat LMP database. Date of extraction: 22 December 2015

Implementation:

*Year started:* 1995

*Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 19 Employment with special aids and equipment  
Type of action: 4.1 - Recruitment incentives

## Description

Aim:  
to facilitate the recruitment and employment of disabled unemployed persons

Beneficiaries:  
Registered disabled unemployed, registered disabled jobseekers

Action/Instrument:  
The Estonian Unemployment Insurance Fund shall enter into a contract under public law with a disabled person or the employer of the disabled person on special aids and equipment of the disabled person. According to the contract the PES remunerates the costs on special aids and equipment.  
A technical device necessary for work is a technical aid without which, due to a person's disability, the person is unable to perform his or her duties. The devices which a person needs for the performance of his or her duties regardless of whether or not the person has a disability, and the devices necessary for a disabled person for coping with everyday life are not deemed to be technical devices necessary for work.  
The contract shall be concluded for a period of three years. If a disabled person is employed or appointed to service for a specified term, then the contract shall be concluded for a term equal to the term of the contract for employment or the term of appointment to service, but not for longer than three years. If the disabled person is employed or in service at the time the contract expires, it may be extended for up to three years.

Redundant employees who are registered as jobseekers are also eligible from 2011.

Financing/Support:  
Central government budget, social security fund

Eligibility:  
- For disabled registered unemployed persons or registered jobseekers  
- to provide for special equipment that is needed in order to do the job properly  
Not eligible for equipment that is needed for all employees (whether they have a disability or not) and equipment that the person would need to cope with everyday life and that is not needed specifically for the job at hand

Legal basis:  
Labour Market Services and Benefits Act entered into force 1 January 2006

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers ( Reimbursements)  
Target groups: Registered unemployed (Disabled)  
Other registered jobseekers (Disabled)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 3 Years  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: Year started: 2006 Year Ended: Ongoing

## Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 29 Care allowance  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

to enable the unemployed who have an obligation to take care of a disable person or a child to enter or return to the labour market

### Beneficiaries:

the unemployed or registered jobseekers who have an obligation to take care of a disable person or a child

### Action/Instrument:

Care allowance is paid to the beneficiaries to reimburse the costs of care services of the child or the disabled person. Care services must be purchased from qualified service providers. Care services are reimbursed for the days that the beneficiary participates in labour market measures. When entering into employment, care services are reimbursed for the days worked during the first three months. Care allowance is paid once a month.

Redundant employees who are registered as jobseekers are also eligible from 2011.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- Registered unemployed or redundant employees who are registered as jobseekers
- obliged to take care of a disabled person or
- obliged to take care of a child under 7 years old (unless he/she receives parental benefit or the child is enrolled to pre-school child care institution)

### Legal basis:

Employment programme 2012-2013

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements)

Target groups: Registered unemployed (Re-entrants/lone parents, Public priorities and Other)  
Other registered jobseekers (Re-entrants/lone parents, Public priorities and Other)

Treatment of unemployment spells: Broken

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Typical: 3 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2009 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 31 Work trial  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

To provide the unemployed person with a possibility to try out the suitability of the job, to provide the employer with a possibility to try out the suitability of the applicant for the post before hiring him/her.

### Beneficiaries:

Registered unemployed

### Action/Instrument:

Together with job mediation the unemployed person is offered a possibility to work by the employer for one day before signing an employment contract. The unemployed person remains registered unemployed during the work trial. He/she also retains the right to the unemployment insurance benefit or unemployment allowance.

In case distance between person's residence and the location of work trial is at least 500 meters and the vacancy is mediated by Töötukassa, he/she has right to receive travel cost compensation.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

Registered unemployed, who:

- apply for the vacancy mediated by Töötukassa
- have not made a work trial by this employer and for this vacancy before
- have not worked by this employer at this post before
- have not been in work practice by this employer at this post before.

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

Employment programme 2012-2013

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements)  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: Cash benefits (Source: Current intervention)  
Planned duration: Typical: 1 Days, Maximum: 1 Days  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: Year started: 2011 Year Ended: Ongoing

### Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 35 Individual solutions  
Type of action: 4.1 - Recruitment incentives

### Description

**Aim:**

To support registered unemployed who have problems entering employment because of long term unemployment, social problems, disability or health problems or some other kind of problems.

**Beneficiaries:**

Registered unemployed

**Action/Instrument:**

With that measure additional expenses because of the special needs of a person are compensated in order to help them enter employment or some other active measure. Usually payments to service providers are made because unemployed do not have finances to cover the expenses themselves.

**Financing/Support:**

Central government budget, social security fund.

**Eligibility:**

Registered unemployed who have problems entering employment because of long term unemployment, social problems, disability or health problems or some other kind of problems and other measures do not suit for their needs.

**Legal basis:**

Employment Programme 2012-2013.

**Recent changes:**

### Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: Registered unemployed (LTU, Disabled, Public priorities and Other)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: None  
Planned duration: One-off  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2010 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 17 Working with support person  
Type of action: 4.1.1 - Permanent

## Description

### Aim:

to assist the disabled persons to integrate in the workplace, to provide them help and direction while working, to facilitate the recruitment of disabled people

### Beneficiaries:

Registered disabled unemployed persons and disabled employed persons.

### Action/Instrument:

Working with a support person is provided to disabled unemployed persons who, due to their disability, need help and direction while working.

In order to provide the service of working with a support person to disabled unemployed persons, the Estonian Unemployment Insurance Fund shall enter into a contract under public law with: the support person, or the employer who ensures the provision of the service of working with a support person to a disabled unemployed person.

The service of working with a support person may be provided to a disabled unemployed person for a period of up to one year after the entry into an employment or service relationship between the employer and the disabled unemployed person:

- 1) for up to eight hours per day during the first month;
- 2) for up to four hours per day during the second month, and
- 3) for up to two hours per day during the third to the twelfth month, but not for more than 700 hours per one unemployed person during each year.

The employer or the support person is paid a fee. The fee shall be paid into the bank account of the support person or employer not less frequently than on one occasion during every thirty days.

The hourly rate for the service of working with support person is established by the state budget for every financial year.

From 2010 persons with long-term health problems are also eligible

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- registered disabled unemployed or disabled employed persons
- registered unemployed or employed persons with long-term health problems
- employer has to offer an open-ended contract or service relationship

### Legal basis:

Labour Market Services and Benefits Act entered into force 1 January 2006

Employment programme 2012-2013

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)

Target groups: Registered unemployed (Disabled)  
Employed (Disabled)

Treatment of unemployment spells: Broken

Receipt of benefits: None

Planned duration: Maximum: 12 Months

Responsible institution(s): Public employment services

Area of application: National

Source: Eurostat LMP database. Date of extraction: 22 December 2015

Implementation:

*Year started:* 2006

*Year Ended:* Ongoing



## Identification

Country Estonia 2014 Category 4 - Employment incentives  
Intervention n°/name 20 Adaption of premises and equipments  
Type of action: 4.1.1 - Permanent

## Description

Aim:  
to adapt the working premises to be accessible and fit for use by a disabled person

Beneficiaries:  
Registered disabled unemployed, employed disabled

Action/Instrument:  
Adaptation of premises and equipments means the rendering of an employer's construction works, facilities, workstations or equipment accessible to and fit for use by a disabled person.  
The Estonian Unemployment Insurance Fund shall enter into a contract under public law with the employer whose premises and equipment are to be adjusted. After a disabled person commences employment or service with an employer, the Estonian Unemployment Insurance Fund shall compensate the employer for up to 100 per cent of the cost of the adjustment. If a disabled person is already employed, the Estonian Unemployment Insurance Fund shall compensate the employer for up to 50 per cent of the cost of the adjustment. An employer shall return, in full, the amount of support received in compensation for the adaptation of premises or equipment from the Estonian Unemployment Insurance Fund if the relevant employment or service relationship is terminated on the initiative of the employer earlier than three years after entry into the contract of employment or appointment to the position or after benefitting from the measure, except for reasonable causes.

An unemployed person can not benefit from this measure more frequently than on one occasion within the period of three years.

Financing/Support:  
Central government budget, social security fund

Eligibility:  
- For disabled registered unemployed persons or employed disabled  
- employer has to offer a contract of employment or service relationship for at least 3 years  
- if the person already works by the employer, the contract of employment or service relationship can not be terminated before 3 years

Legal basis:  
Labour Market Services and Benefits Act entered into force 1 January 2006  
Employment programme 2012-2013

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers ( Reimbursements)

Target groups: Registered unemployed (Disabled)  
Other registered jobseekers (All)  
Employed (Disabled)

Treatment of unemployment spells: Broken

Receipt of benefits: None

Planned duration: One-off

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2006 *Year Ended:* Ongoing

Source: Eurostat LMP database. Date of extraction: 22 December 2015

## Identification

Country Estonia 2014 Category 6 - Direct job creation  
Intervention n°/name 6 Public work  
Type of action: 6 - Direct job creation

## Description

**Aim:**

Helps to retain working customs for unemployed persons

**Beneficiaries:**

Registered unemployed

**Action/Instrument:**

Public work is paid work which does not require professional, special or occupational preparation. An unemployed person is sent for public work with his or her consent for the period of up to ten working days but not for more than fifty hours a month. The Estonian Unemployment Insurance Fund shall enter into a contract under public law with a local government unit, non-profit association or foundation in order to arrange for public work. In the contract it is specified what kind of work unemployed persons has to do, where they have to work, how many unemployed persons can participate on this specific job, working time and also size of the wage paid to the participating unemployed persons. The minimum hourly wage payable for public work is the minimum hourly wage established by government regulation. An unemployed person engaged in public work is remunerated by the organiser of public work.

While participating in community placement programme registration as unemployed is continuing.

**Financing/Support:**

Measure is financed by local government or public institution administrated by government office which organise the public work together with Unemployment Insurance Fund.

**Eligibility:**

Registered unemployed

**Legal basis:**

Labour Market Services and Benefits Act entered into force 1 January 2006

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: None  
Planned duration: Typical: 2 Months  
Responsible institution(s): Local government, Public employment services  
Area of application: National  
Implementation: *Year started:* 1996 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 6 - Direct job creation  
Intervention n°/name 26 Volunteering  
Type of action: 6 - Direct job creation

## Description

### Aim:

to retain the working habits and working motivation during job search period, to offer possibilities for self-actualisation for the unemployed

### Beneficiaries:

Registered unemployed, registered jobseekers

### Action/Instrument:

The registered unemployed have a possibility to work as a volunteer. Voluntary work is organized in cooperation with or by non-profit organizations, local governments, enterprises, etc. The unemployed are also encouraged to participate in the Day of Civil Actions (yearly 'Teeme ära' action). The unemployed may also be involved in training other unemployed.

In case distance between person's residence and workplace is at least 500 meters he/she has right to receive travel cost compensation.

Redundant employees who are registered as jobseekers are also eligible from 2011.

### Financing/Support:

Central government budget, social security fund

### Eligibility:

- registered unemployed
- redundant employees who are registered as jobseekers at PES

### Legal basis:

Employment programme 2012-2013

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements)

Target groups: Registered unemployed (All, LTU)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Continuously available

Responsible institution(s): Local government, Public employment services

Area of application: National

Implementation: *Year started:* 2010 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 7 - Start-up incentives  
Intervention n°/name 4 Business start-up subsidy  
Type of action: 7 - Start-up incentives

## Description

**Aim:**

Support business start-ups and creation of additional workplaces

**Beneficiaries:**

Registered unemployed

**Action/Instrument:**

Unemployed starting their own business are eligible for subsidy for investments in the newly created company. Subsidy is paid as lump-sum and use of subsidy is inspected twice during 12 months - first time 6 months and second time 12 months after subsidy is paid out. The recipient of business start-up subsidy must use it for the intended purpose in adherence to the submitted business plan.

The recipient of business start-up subsidy shall return the aid in full if (1) the economic activity prescribed by the business plan has not commenced within six months, unless the person has good reason for not starting the economic activity; 2) the economic activity prescribed by the business plan stops before one year, unless the economic activity stops for a good reason.

The upper limit for business start-up subsidy is established by the state budget for each budget year.

Mentoring, compensation of training and counselling expenses are an ad hoc services offered to beneficiaries of business start-up subsidy.

**Financing/Support:**

Central government budget, social security fund

**Eligibility:**

Eligible persons

- are registered unemployed
- have attained at least 18 years of age, and
- have completed business training, or have vocational or higher education in economics or experience in business.

**Legal basis:**

Labour Market Services and Benefits Act entered into force 1 January 2006

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Broken  
Receipt of benefits: Cash benefits (Source: Current intervention)  
Planned duration: Typical: 12 Months, Maximum: 12 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1995 *Year Ended:* Ongoing

### Identification

Country Estonia 2014 Category 7 - Start-up incentives  
Intervention n°/name 32 Compensation of training expenses for start-ups  
Type of action: 7 - Start-up incentives

### Description

**Aim:**

To support the implementation of the business plan and sustainability of the start-up by compensating training expenses.

**Beneficiaries:**

Business start-up subsidy recipients.

**Action/Instrument:**

Expenses for training which is related to the start-up's field of activity are (partly) compensated to the business start-up subsidy recipient. Compensation is available during two year period since the business start-up subsidy is paid out.

**Financing/Support:**

Central government budget, social security fund.

**Eligibility:**

Business start-up subsidy recipients who received their subsidy less than two years ago.

**Legal basis:**

Employment programme 2012-2013.

**Recent changes:**

### Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)

Target groups: Employed (All)

**Treatment of unemployment spells:**

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Maximum: 2 Years

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2008 *Year Ended:* Ongoing

### Identification

Country Estonia 2014 Category 7 - Start-up incentives  
Intervention n°/name 33 Compensation of counselling expenses for start-ups  
Type of action: 7 - Start-up incentives

### Description

Aim:  
To support the implementation of the business plan and sustainability of the start-up by compensating counselling expenses.  
Beneficiaries:  
Business start-up subsidy recipients.  
Action/Instrument:  
Expenses for individual counselling that is related to the start-up's field of activity are (partly) compensated to the business start-up subsidy recipient. Compensation is available during two year period since the business start-up subsidy is paid out.  
Financing/Support:  
Central government budget, social security fund.  
Eligibility:  
Business start-up subsidy recipients who received their subsidy less than two years ago.  
Legal basis:  
Employment programme 2012-2013.  
Recent changes:

### Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)  
Target groups: Employed (All)  
Treatment of unemployment spells:  
Receipt of benefits: None  
Planned duration: Maximum: 2 Years  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2011 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 7 - Start-up incentives  
Intervention n°/name 34 Mentoring for start-ups  
Type of action: 7 - Start-up incentives

## Description

**Aim:**

To give knowledge and experience of entrepreneurship to new entrepreneurs in order to support the sustainability and competitiveness of the start-up.

**Beneficiaries:**

Business start-up subsidy recipients.

**Action/Instrument:**

Mentoring consists of 6 sessions, each 4-5 hours. During sessions exercises and problems related to entrepreneurship are solved and discussed with the help of a trainer and mentors.

**Financing/Support:**

Central government budget, social security fund.

**Eligibility:**

Business start-up subsidy recipients who received their subsidy less than two years ago.

**Legal basis:**

Employment programme 2012-2013.

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Employed (All)

**Treatment of unemployment spells:**

Receipt of benefits: None

Planned duration: Typical: 4 Months, Maximum: 6 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2009 *Year Ended:* Ongoing

## Identification

Country	Estonia	2014	Category	8 - Out-of-work income maintenance and support
Intervention n°/name	7	Unemployment benefits		
Type of action:	8.1.1 - Unemployment insurance 8.1.2 - Unemployment assistance			

## Description

### Aim:

To provide income support to unemployed people who are actively seeking for work

### Beneficiaries:

Registered unemployed who are willing and able to work

### Action/Instrument:

Unemployment insurance in Estonia is based on obligatory systems of membership. An unemployment insurance premium is a type of compulsory insurance payment for the purpose of financing unemployment insurance which is paid by insured persons and employers.

Benefit is payable for a period 180 days in case insurance period is up to 5 years, 270 days in case insurance period is from 5 till 10 years and 360 days in case insurance period is over 10 years.

The amount of an insured person's unemployment insurance benefit per calendar day shall be calculated on the basis of the average remuneration of the insured person per calendar day during nine months based on the information in the unemployment insurance database. The average remuneration of the insured person per calendar day shall be calculated on the basis of the payments made to the insured person during the nine months of employment prior to the last three months of employment from which unemployment insurance premiums have been withheld. The amount of unemployment insurance benefit per calendar day shall be 50 per cent of the average remuneration of the insured person for the period of 1 to 100 calendar days and 40 per cent of the average remuneration of the insured person for the period of 101 to 360 calendar days.

The unemployment insurance fund shall pay unemployment insurance benefits to insured persons monthly by the tenth day of the given calendar month for the previous calendar month.

Persons who are unemployed but not covered by the national unemployment insurance scheme or who do not satisfy the conditions for unemployment insurance benefit, are entitled to state unemployment allowance. Size of the allowance is fixed by the Government of Republic and is uniform to all beneficiaries. The allowance is paid up to 270 days. After the end of 270 days, an unemployed person who will attain pensionable age in less than 180 days shall be paid unemployment allowance until the person attains pensionable age. Unemployment allowance shall be paid at least once every thirty days.

Unemployment allowance shall be granted not earlier than as of the eighth day of registration of the person as unemployed.

The unemployed persons who, before their registration as unemployed, were enrolled in daytime or full-time study at an educational institution shall be granted unemployment allowance as of the sixty-first day of the date of submission of the application for unemployment allowance. Unemployed persons who have received unemployment insurance benefit for a period shorter than 270 days shall receive unemployment allowance until the end of the period of 270 days.

Both unemployment insurance benefits system and unemployment allowance are governed by Estonian Unemployment Insurance Fund.

### Financing/Support:

Central government budget;

social security fund (paid by employees to insure the risk of unemployment; the social tax on benefit is paid by employer).

### Eligibility:

#### Unemployment insurance:

The beneficiary must be

- registered unemployed
- covered by the national unemployment insurance scheme
- must have insurance period at least 12 months during the 36 months prior to registration as unemployed. One month of insurance period is calculated in case person had paid insurance premium for one calendar month, regardless of the number of days worked during the calendar month. Every twelve months towards an insurance period shall be calculated as one

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Source: Eurostat LMP database. Date of extraction: 22 December 2015



year towards the insurance period.

- appear to the appointment with job mediation consultant at an appointed time and comply with the terms and conditions, and perform the activities agreed upon in the Individual Action Plan and accept a suitable job mediated by PES

Benefit is not paid for people who leave employment

- on initiative of the employee (except in case employer violate conditions of the employment contract)

- by agreement of the parties

- due to a breach of the employment or service, loss of confidence, an indecent act or act of corruption.

Benefit is suspended if the beneficiary refuses to accept a suitable job opportunity proposed by the employment office or refuses to accept training provided by employment office

State unemployment allowance:

Registered unemployed who:

- have worked or have been engaged with activities equal with working at least 180 days during the 12 months preceding registration for employment

- whose income is less than the 31-fold daily unemployment allowance rate (the grants, transport and accommodation benefits and remuneration for public work received from PES, and social benefits are not counted as income)

- do not satisfy the conditions for entitlement to receive unemployment insurance benefit

- appear to the appointment with job mediation consultant at an appointed time and comply with the terms and conditions, and perform the activities agreed upon in the Individual Action Plan

Legal basis:

Unemployed Insurance Act (RT I 2001, 59, 359), entered into force 1 January 2002

Labour Market Services and Benefits Act entered into force 1 January 2006

Recent changes:

### Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reduced social contributions)

Target groups: Registered unemployed (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Typical: 270 Days, Maximum: 449 Days

Responsible institution(s): Social security funds, Public employment services

Area of application: National

Implementation: *Year started:* 1991 *Year Ended:* Ongoing

## Identification

Country Estonia 2014 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 30 Insurance benefit upon redundancies

Type of action: 8.4 - Redundancy compensation

## Description

### Aim:

To provide support to employees in case of redundancy

### Beneficiaries:

Employees and civil servants who are made redundant

### Action/Instrument:

A redundancy benefit is paid to employees or civil servants who are made redundant. The benefit is also paid when someone leaves on their own accord because the employer can not provide sufficient work or pay.

The benefit is paid only to those whose employment relationship with an employer or to an official whose employment in the service has lasted for at least five years.

The amount of the redundancy benefit depends on the number of years of employment or service, and on the previous wages for which contributions are paid (assessed by the data available in the unemployment insurance database). If the person concerned has worked with the employer for more than five, but less than ten years, the redundancy benefit amounts to one average monthly wage. If that period is longer than ten years, the benefit is two average monthly wages.

The amount of the benefit shall be calculated, based on the data in the unemployment insurance database, from the employee's or public servant's average salary or wages for one calendar day during a period of nine months. The employee's or public servant's average salary or wages for one calendar day shall be calculated by dividing the total amount of remuneration paid by the employer during the nine months preceding the final three months of work to such employee or public servant by the factor 270.

In order to apply for a benefit upon collective termination of employment contracts, an employer shall submit an application to the unemployment insurance fund. The unemployment insurance fund shall review the application of an employer and make a decision to grant the benefit within fourteen calendar days after the receipt of the application. The benefit shall be paid not later than on the fifth calendar day after the date of making the decision to the bank account of the employee or public servant.

### Financing/Support:

Ear-marked taxes (paid by employers to insure the risks of employer).

### Eligibility:

Employees and civil servants

- who are made redundant

- whose employment or service relationship has lasted for at least five years

### Legal basis:

Unemployment Insurance Act (RT I 2001, 59, 359), entered into force 1 January 2002

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments, Reduced social contributions)

Target groups: Employed (All)

Treatment of unemployment spells:

Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	One-off		
Responsible institution(s):	Social security funds		
Area of application:	National		
Implementation:	<i>Year started:</i>	2009	<i>Year Ended:</i> Ongoing

## Identification

Country Estonia 2014 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 10 Benefits upon insolvency of employer

Type of action: 8.5 - Bankruptcy compensation

## Description

### Aim:

To cover wages not received due to insolvency of employer to employee

### Beneficiaries:

Employees of insolvent employer

### Action/Instrument:

Upon insolvency of an employer, the following shall be compensated to an employee:

- 1) unreceived salary from the period before the declaration of the employer as insolvent (in the amount equal to up to the employee's gross wages for the last three months of work but not exceeding in total the amount equal to three average gross monthly wages in Estonia);
- 2) unreceived holiday pay from the period before the declaration of the employer as insolvent (in an amount to the extent of the employee's one gross monthly wage but not exceeding the amount equal to one average gross monthly wage in Estonia);
- 3) benefits from the period before or after the declaration of the employer as insolvent which were not received at the time of cancellation of the employment contract but which were prescribed by the Employment Contracts Act (in the amount equal to up to the employee's two gross monthly wages but in total not exceeding the amount equal to one average gross monthly wage in Estonia).

For application of benefit upon insolvency of an employer, the trustee in bankruptcy or an interim trustee shall submit a standard format application to the unemployment insurance fund together with the documents certifying the employer's insolvency. Upon grant of a benefit, the unemployment insurance fund shall pay the benefit to the bank account of the employee not later than on the fifth day after the grant of the benefit.

### Finanacia/Support:

Social security funds (paid by employers to insure the risks of employer).

### Eligibility:

Employees of employer about whom there is announced bankruptcy.

### Legal basis:

Unemployment Insurance Act (RT I 2001, 59, 359), entered into force 1 January 2002

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments, Reduced social contributions)

Target groups: Employed

### Treatment of unemployment spells:

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: One-off

Responsible institution(s): Social security funds

Area of application: National

Implementation: *Year started:* 2003 *Year Ended:* Ongoing

Source: Eurostat LMP database. Date of extraction: 22 December 2015

## D - Reference data

**R.1 Registered jobseekers (total)**

**14 Total registered jobseekers**

**12 Registered unemployed**

Overview:

Registered unemployed person is fully or partly capable for work at age 16 till pension age, is without job, ready to enter employment immediately and seeks for job actively. Registered person is considered to seek for a job in case he/she contacts the job mediation consultant at least once during 30 days and is ready to enter employment immediately or is ready to participate in labour market training. Registered unemployed have right to all active labour market measures.

Minimum age to be registered unemployed: 16

- a person can not be registered unemployed if he/she is a student enrolled in daytime study or full-time study
- No specific restrictions for school-leavers/first-time jobseekers.

Maximum age to be registered unemployed: 60/63

- Maximum age to be RU is the standard retirement age (63; for women born between 1947 and 1952 the retirement age is between 60 and 62,5 years dependent of the year of birth).
- UBR aged over 50 have to follow the same obligations generally applying to seek work
- a person is not registered as unemployed if an early-retirement pension has been granted to him or her

Registered unemployed are allowed to work? NO

A person shall not be registered as unemployed if the person:

- is working based on a contract of employment, contract for services, authorisation agreement or contract under the law of obligations for provision of other services, or is in public service;
- is a member of the management or supervisory body of a legal entity and receives remuneration for such work, unless the person is a member of the management or supervisory body of a foundation, non-profit association or non-profit cooperative and receives remuneration for such work in the amount forming less than half of the official minimum wage;
- is registered as a sole proprietor.

RU have to be immediately available for work? YES

Restrictions on the type of work sought (full/part-time, permanent/temporary, etc.)? NO

RU and UBR - Are all UBR counted as RU? YES

- It is obligatory to register as unemployed in order to claim UB.

RU and UBR - Do all RU receive benefits? NO

Treatment of periods of activation during unemployment. Is the unemployment spell:

Continuous:

- Participants continue to be counted as RU.

**13 Other registered jobseekers**

Registered job-seeker is a person who seeks job and is registered by the Estonian Unemployment Insurance Fund but for whom some conditions necessary to register as unemployed is not fulfilled (e.g. age, person is working or is not ready to enter employment immediately etc.) or who does not want to be registered as unemployed person. A person shall not be registered as a job-seeker if he or she is less than thirteen years of age. Registered job-seekers have right to receive information and job mediation services and career counselling.

Persons registered as job-seekers have to visit the Estonian Unemployment Insurance Fund at least once during 30 days.

Registration as a job-seeker terminates if ninety days have passed from the last time that the job-seeker visited the Estonian Unemployment Insurance Fund.

Registered unemployed





Abbreviations

Abbreviation, Description