



European Employment Policy Observatory (EEPO)

# **EEPO Review Spring 2015: Upskilling unemployed adults**

## **The organisation, profiling and targeting of training provision**

Estonia

Written by Reelika Leetmaa  
Praxis Center for Policy Studies  
March 2015



**EUROPEAN COMMISSION**

Directorate DG Employment, Social Affairs and Inclusion

Unit C.1 – Europe 2020: Employment Policies: European Employment Strategy and Governance

E-mail: [empl-c1-unit@ec.europa.eu](mailto:empl-c1-unit@ec.europa.eu)

European Commission

B-1049 Brussels

European Employment Policy Observatory (EEPO)

**EEPO Review Spring 2015:  
Upskilling unemployed adults  
The organisation, profiling and  
targeting of training provision**

Estonia

Directorate-General for Employment, Social Affairs and Inclusion  
European Employment Policy Observatory (EEPO)

March, 2015

**Europe Direct is a service to help you find answers  
to your questions about the European Union.**

**Freephone number (\*):**

**00 800 6 7 8 9 10 11**

(\*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

#### **LEGAL NOTICE**

This document has been prepared for the European Commission however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Luxembourg: Publications Office of the European Union, **2015**

ISBN **ABC 12345678**

DOI **987654321**

© European Union, **2015**

Reproduction is authorised provided the source is acknowledged.

## **1 Introduction: Overview of organisation of training for unemployed adults 25-64 (funding, governance, providers)**

The labour market situation in Estonia has steadily improved since 2009, when the global economic crisis hit the economy. The unemployment rate of those aged 25-64 years has fallen from 15 % in 2010 to 7 % in 2014 and the employment rate for the same age group has increased by 7 percentage points to 77 % (Statistics Estonia, 2015). However, the lack of available skilled labour is a key limitation to the competitiveness of the Estonian economy in business surveys (see for example IMD World Competitiveness Yearbook, 2014). However, only 6.5 % of 40 000 unemployed adults took part in lifelong learning in 2014 (Statistic Estonia, 2015).

It is widely recognised at the European level, that by identifying training needs and referring people to labour market training programmes, or back to the regular education system, public employment services (PES) play a central role in upskilling the adult population. The aim of the current article is to provide an overview of the training provisions targeted at unemployed adults in Estonia and implemented by the Estonian Unemployment Insurance Fund (UIF). Work-related adult training courses targeted to wider groups and financed by the Estonian Ministry of Education and Research are out of the scope of this article.

According to Eurostat labour market policy statistics (Eurostat, 2013) 'training covers measures that aim to improve the employability of the unemployed through training, and which are financed by public bodies'. Four different sub-categories are distinguished depending on the proportion of training time spent in the classroom. Of these, two sub-categories of training interventions are represented in Estonia (Eurostat, 2012). These include labour market training (LMT) (Tööturukoolitus); work practice (WP) (Tööpraktika); and coaching for working life (CfWL) (Tööharjutus). While LMT is defined as a form of institutional training, WP and CfWL fall under the category of workplace training as most of the time spent training is in the workplace. While labour market training has always formed part of the menu of active labour market policies (ALMPs), the WP and CfWL measures were launched in 2006.

Training for unemployed adults is organised by the UIF in Estonia. The UIF took over the responsibility for ALMPs from the National Labour Market Board<sup>1</sup> in May 2009. The UIF is a public-private entity rather than a state agency and is governed by the tripartite Supervisory Board composed of representatives of the Government, employees (the Confederation of Estonian Trade Unions, the Estonian Employees' Unions' Confederation) and employers (the Estonian Employers' Confederation). The UIF has a central office in Tallinn and 15 regional offices<sup>2</sup>.

The provision of ALMPs has improved remarkably since 2009. The network of regional public employment offices has been modernised and various e-services are available for both job-seekers and employers. Furthermore, the menu of ALMPs has been considerably widened and currently more than 20 different active labour market measures are available to address various barriers to employment.

---

<sup>1</sup> Previously UIF was responsible only for the payment of unemployment insurance benefits according to the Unemployment Insurance Act.

<sup>2</sup> Internet: <http://www.tootukassa.ee/index.php?id=14054>. Accessed: 6 March 2015.

However the expenditure on ALMPs, as well as the number of participants in ALMPs, remains low in Estonia compared to the average of EU countries. According to the estimations of the Ministry of Social Affairs (MoSA) expenditure on ALMPs increased from 0.11 % of GDP in 2008 to 0.38 % of GDP in 2012 and 0.29 % of GDP in 2013. The latest available data from Eurostat<sup>3</sup> indicates that in 2012 the expenditure on ALMP services and measures was 0.29 % (category 1-7) and expenditure on services 0.20 % (category 2-7). This is more than two times lower than the EU average and seven times lower than the best performing country (Denmark). Furthermore, the ratio of participants in ALMPs per 100 persons wanting to work amounted to 5.5, which is also much lower than most other EU countries (e.g. in the best performing countries Belgium and Denmark the respective indicators were 51.3 and 44). Hence, ALMP measures in general are implemented on a relatively small scale in Estonia.

Between 2009-2011 ALMPs were financed mostly from external resources (ESF, EURES), from 2012 onwards most resources have come from labour market services and support endowment<sup>4</sup> of the UIF indicating the sustainability of the current financing level.

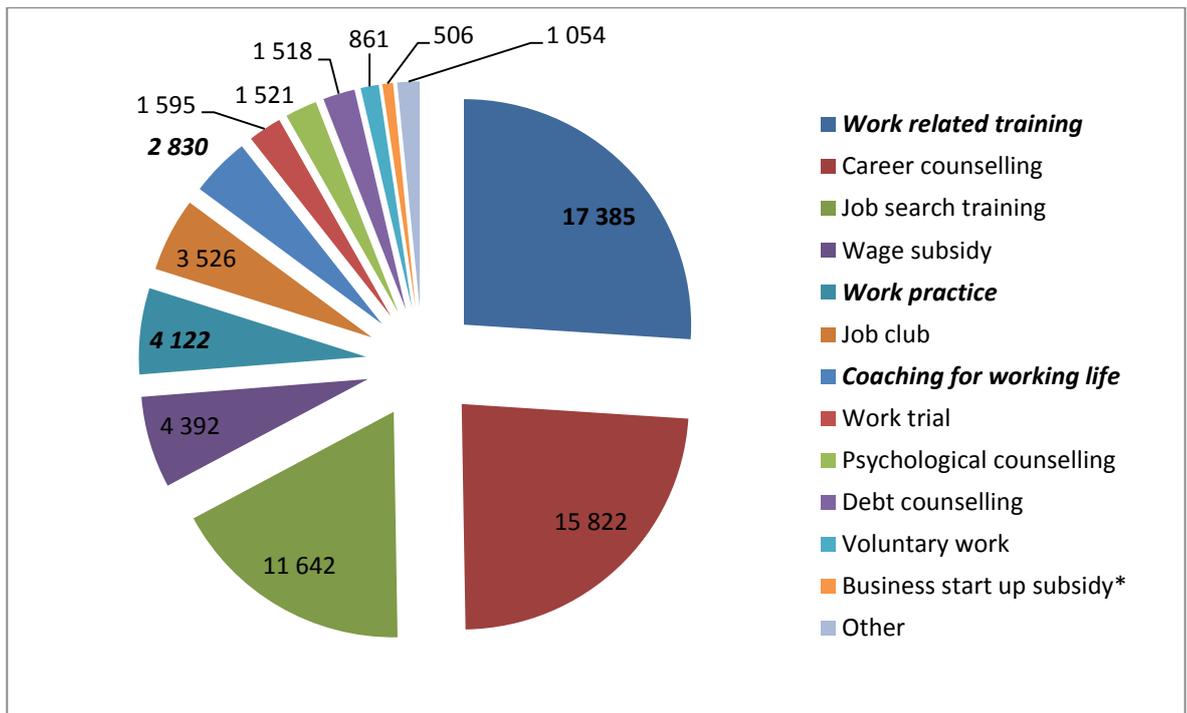
Training interventions have been the most important ALMP measures in Estonia both in terms of expenditure and also in terms of participants (see Figures 1 and 2) in labour market programmes. Only in 2010 was the expenditure on employment incentives (wage subsidies) and the numbers of participants in this scheme higher. The main reason behind this was the economic downfall and resulting high inflow of registered unemployed; to increase the demand for labour the Government decided to widen the wage subsidy scheme.

---

<sup>3</sup> Eurostat. Tables 'Public expenditure on labour market policies, by type of action' and 'Activation-Support - LMP participants per 100 persons wanting to work'. Accessed in 6 November 2014

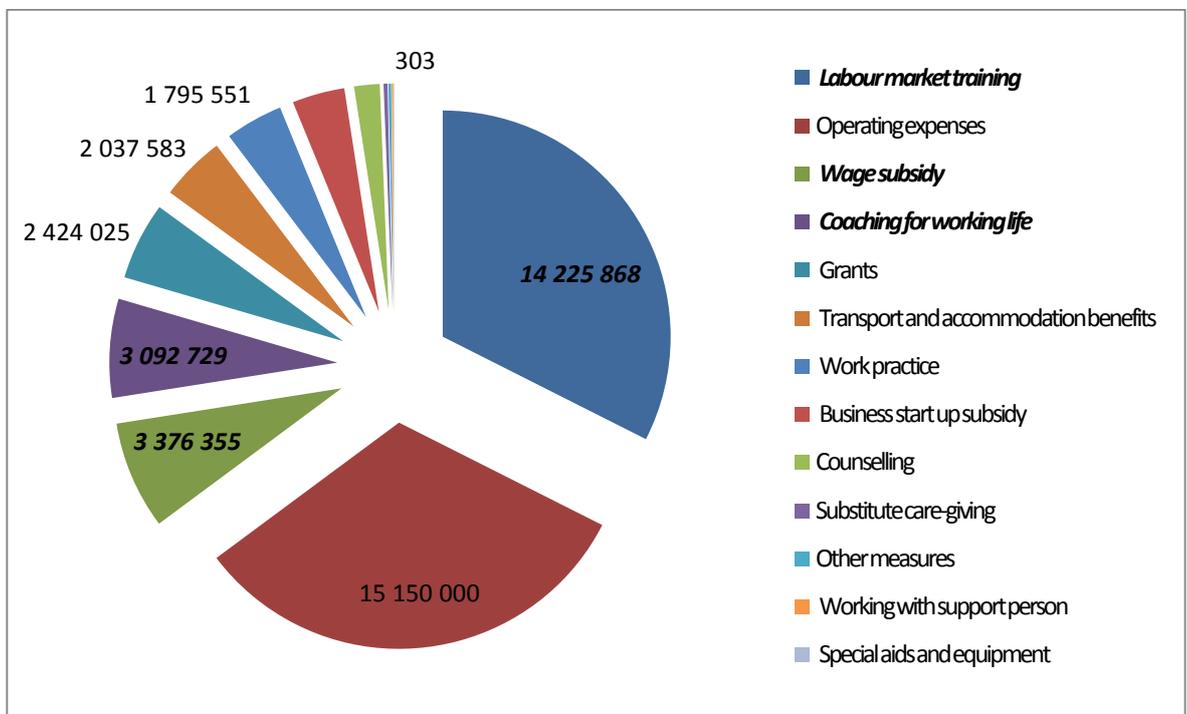
<sup>4</sup> Provision of ALMPs in Estonia is financed from the state budget through the UIF (since 2009 administration costs), labour market services and support endowment (since 2012) and external resources (ESF, EURES).

Figure 1. Number of participants in ALMP measures in 2013 (unique numbers)



Source: UIF online database, table 'Participation of unique persons in active labour market measures'. Accessed 8 March 2015.

Figure 2 Expenditures on ALMP measures in 2013 (euro)



Source: UIF on-line database, table 'Expenses on active labour market programs, euros'. Accessed 8 March 2015.

## **2 Targeting provision to specific unemployed groups: detailed description of training provision**

As mentioned above three different measures are classified under training category in Estonia. These include labour market training, work practice and coaching for working life. The provision of training measures is regulated by the Labour Market Services and Benefits Act<sup>5</sup>, Employment Programme for 2014-2015<sup>6</sup> and, since 1 November 2014, also the Government Regulation No 122 on Provision of Labour Market Services to Improve the Access to Employment<sup>7</sup>. The latter is one of the regulations for implementation of the investment priorities of the Operational Programme for Cohesion Policy Funds 2014-2020. Additionally, the UIF has prepared service standards for all labour market measures including training provisions, which give detailed overview on the content and provision processes of these services. The description of training provisions below is based on these documents if not cited otherwise.

To be eligible for active labour market policy measures, including training interventions, one has to be registered as unemployed in the UIF. To register as unemployed the person must be aged 16 years or more (up to pensionable age), out of work, and actively searching for employment. In addition, employees who have received redundancy notice (Employment Programme 2014-2015, 2014), and since the 1 November 2014 also unemployed retirees (Government regulation no 122..., 2014), can participate in labour market training and work practice measures. Also, certain disadvantaged employees are eligible for training. These include employees who were previously registered as unemployed for 12 consecutive months and those who have not been able to comply with their duties due to health problems for a long time. In that case employers must be able to offer alternative employment after training (Employment Programme 2014-2015, 2014).

Provision of ALMP measures, including training provisions, is based on an Individual Action Plan, which is prepared in cooperation between the unemployed person and the case manager at the UIF within thirty days from the registration of the person as unemployed (ibid, 2014). Hence, all labour market services are provided based on the individual needs of the unemployed and taking into account the individual's specific barriers to employment.

Participation in labour market services is not directly conditional on the receipt of unemployment benefits<sup>8</sup>: not all benefit recipients participate in ALMP measures and on the contrary the unemployed who have exhausted their right to unemployment benefits may participate in ALMP measures. However, failure to comply with the Individual Action Plan, including participation in ALMP

---

<sup>5</sup> Internet: <https://www.riigiteataja.ee/en/eli/509072014008/consolide>

<sup>6</sup> The first Employment Programme for 2012-2013 entered into force in 2012 and the second one for 2014-2015 took effect in January 2014. Employment programmes allow reacting to the changes in the labour market more rapidly and pilot small scale employment measures targeted to specific disadvantaged groups instead of changing the existing law continuously

<sup>7</sup>Internet:

<https://www.tootukassa.ee/sites/tootukassa.ee/files/Tooturuteenused%20TAT%202015-2020.pdf> Accessed 6 March 2015.

<sup>8</sup> There are two different types of unemployment benefits in Estonia: 1) unemployment insurance benefit, which depends on previous contributions and 2) unemployment assistance benefit, which is means tested and flat rate.

measures as agreed, may lead to the termination of the payment of unemployment benefits.

Participants in labour market training, work practice, and coaching for work life measures can receive a training grant for each day they participate in training. If the distance between a person's residence and training place is at least 500 meters they are also eligible for transportation and accommodation benefits.

#### *Labour market training (LMT) (Tööturukoolitus)*

Labour market training (LMT) is a form of institutional training meaning that most of the training time is spent in a training institution. The aim of the LMT is to give new professional skills, improve existing ones or help unemployed persons to adapt to labour market needs. LMT includes primary vocational training, skill conversion and adaptation training, entrepreneurship training, computer skills training and professional language skills training (see Table 1 below).

The duration of training is limited to one year. However, in practice two thirds of training lasted up to one month and the majority (93 %) were less than three months in 2010 (Lauringson *et al.*, 2011).

The principles for providing training were fundamentally changed from February 2010. While previously the unemployed could participate in training which they found interesting, currently the training is offered only in cases where the unemployed person has not found a job despite active job search due to lack of specific knowledge and skills. As the courses offered by the UIF are short-term, it should be possible to acquire the knowledge and skills through short-term training. Also, the regional labour supply and demand situation is taken into account when making a decision (Lauringson *et al.*, 2011; Protseduurireegel. Tööturukoolitus, 2014).

The UIF has defined so-called priority training areas in cooperation with experts. In these priority areas special study programmes are being worked out in close cooperation with employers, trainers and professional associations, which are thereafter regularly offered (Protseduurireegel. Tööturukoolitus, 2014).

The UIF purchases training through procurement from different organisations and trainers, which must hold a schooling licence from the Ministry of Education and Science. Training providers are required to keep account of the participants, report once a month to the UIF and stick to the curriculum or study plan. After completion of the training course participants receive a certificate confirming participation. The UIF has the right to review the level of organisation of training by engaging experts and making inquiries (Labour Market Services and Benefits Act, 2014).

Alternatively, the unemployed can participate in training courses using personalised training vouchers, which were launched in parallel to procured training in October 2009. Personal training vouchers enable individuals to match training more precisely to individual needs and allow participation in more specific courses, where the demand is limited. As with training courses purchased through the main procurement process, courses financed by training vouchers can be chosen only from a list of licenced training providers, which fulfil the qualification criteria determined by the UIF. While in 2009-2010 training vouchers could be used only for further training, from 2011 onwards

re-training courses have also been included. Training vouchers are not awarded for management training. During one unemployment spell personalised training vouchers up to EUR 2 500 are available (Lauringson *et al.*, 2011; Employment Programme 2014-2015, 2014).

Furthermore, in order to support the acquisition of occupational qualification certificates, the UIF compensates the costs related to these documents (Employment Programme 2014-2015, 2014)<sup>9</sup>. According to the UIF data the inflow of participants into that measure was 1 690 in 2014.

Table 1 depicts a breakdown of occupational training by sectors. In 2014 the largest courses in terms of participants were transport, marine activities and logistics followed by computer use, IT and electronics. While the majority of the former were financed by training vouchers, most of the latter were purchased through the main procurement process.

*Table 1. Inflow of participants to training courses purchased by tenders and training vouchers, 2014 (absolute numbers)*

<b>Courses</b>	<b>Procured training</b>	<b>Voucher-based training</b>	<b>Total</b>
Transport, marine activities, logistics	60	3 566	3 626
Computer use, IT, electronics	1 577	553	2 130
Business, administration and personnel	1 038	1 060	2 098
Language training	1 040	919	1 959
Tourism, catering, services	879	507	1 386
Manufacturing and processing	358	525	883
Construction and real estate activities	38	801	839
General training	802	0	802
Public health, care and social work	344	435	779
Gardening, agriculture, forestry, environmental protection	62	126	188
Electricity and energetics	60	125	185
Education, culture, sport	6	176	182
Law enforcement	60	53	113
<b>Total</b>	<b>6 324</b>	<b>8 846</b>	<b>15 170</b>

Source: Unemployment Insurance Fund

According to the data from the UIF in 2014 15 % of training courses purchased through the procurement process and 12 % of the training courses financed by training vouchers were provided by vocational education institutions. Hence, the majority of training courses are provided by private training institutions; the role of vocational education institutions is marginal.

There are two evaluation studies available on the impact of participation in training on participant's future employment and income.

<sup>9</sup> The relevant training courses can also be financed by UIF.

The study by the UIF analyses department (Lauringson et al., 2011) focuses on two distinct time periods, firstly from May to September 2009 and secondly, from April to October 2010. The study is based on merged data from the UIF and Tax and Customs Board. Propensity score matching is used to analyse the impact of training.

Analyses of both samples show that participation in training has had a significant positive impact on both employment probability and income of participants. In the 2009 sample the employment rate of participants a year after completing the training was by 10 percentage points higher than in the comparison group and in the case of the 2010 sample by almost 13 percentage points. Higher impact in 2010 can be explained by the change in the principles of training provision (move from wishes based service provision to needs based provision). The results of the 2010 sample show that training has been more useful for women, the elderly, persons with a lower level of education and those who had been unemployed for a shorter period of time. The cost-benefit analysis conducted on the basis of the 2010 estimations suggests that training has been a cost-effective measure (Lauringson et al., 2011).

The study by Anspal et al. 2012 analyses the impact of training from January to September 2010. The authors used coarsened exact matching as a tool for analyses. The results of this study were in line with the UIF study: it was found that participation increases the probability of employment by 6 percentage points both 6 and 12 months after completion of the course. Also, the cost-benefit analyses confirmed that training was cost-effective.

#### *Work practice (WP) (Tööpraktika)*

Work practice (WP) is a form of workplace training meaning that most of the training time is spent in the workplace. The aim of the work practice is to improve the knowledge and skills of the unemployed and to give them an opportunity to gain practical experience. Hence, work practice is deemed to be necessary if the main obstacle for the unemployed in finding employment is the lack of work experience (Protseduurireegel. Tööpraktika, 2014).

Workplaces suitable for work practice are mainly found by the UIF, but the initiative may also come from the unemployed or employee. Work practice is organised by the employers in a real work environment based on the contract with UIF. The contract determines the number of persons participating as well as the content and duration of work practice (ibid, 2014). According to the data by UIF 91 % of the work practices took place in private sector, 5 % in non-profit organisations and 4 % in public sector in 2014.

Work practice can last up to four months. The employer has to keep record of the participants and has monthly reporting obligations to the UIF. Unemployed persons are required to keep a training record book, which contains descriptions of performed duties and the employer's assessment of performance of the duties during the WP. The unemployed have to submit the training record book monthly to the UIF (Labour Market Services and Benefits Act, 2014).

Employers are obliged to ensure proper supervision of the WP participants and they receive remuneration for this. One supervisor may have as many as four supervisees. For each practice day attended by an unemployed person, the

employer receives remuneration for supervision<sup>10</sup>. The UIF has the right to review the level of organisation of work practice by engaging experts and making inquiries (ibid, 2014).

The unemployed attend work practice for eight hours per day, when the unemployed person is aged 16-17 years, work practice attendance is for seven hours per day. Service providers are not obliged to conclude the employment contract for the period of work practice (ibid, 2014b).

There is one evaluation study conducted by the analyses department of the UIF available on the impact of work practice (see Villsaar *et al.*, 2012). The analyses focus on two different time periods: from January to July 2010 (Period 1) and from August 2010 to December 2011 (Period 2). The study is based on merged administrative data of the UIF and Tax and Customs Board, and propensity score matching is used as an analyses method. The descriptive statistics shows that the average duration of work practice in Period 1 for the total population was 81 days. During the first period 50 % of the work practices and during the second period 30 % of the practices lasted more than 90 days. The majority of work practices were organised in commercial and customer services, beauty services and catering (Villsaar *et al.*, 2012b).

The results of the impact evaluation based on the data from these periods show that work practice had a significant positive effect on the employment status and income levels of the participants. In the first period, work practice increased the employment rate within one year from the commencement of practice by 8 percentage points and in the second period by 15 percentage points. However, the effect is negative in the first few months of practice, which is likely the result of the so called locking in effect. Also, the cost benefit analysis conducted on the basis of the estimations of the second period confirms that work practice has been cost effective measure for society (Villsaar *et al.*, 2012b).

#### *Coaching for working life (CfWL) (Töõharjutus)*

Coaching for working life (CfWL) is also a form of workplace training. The aim of this measure is to prepare the unemployed for working, to recover the working habits of the long-term unemployed and/or to develop working habits for the unemployed without prior working experience. Coaching can last up to 4 months and can be repeated. Unemployed person can attend work practice for no longer than 8 hours per day. No employment contract shall be concluded for the period of coaching for working life and labour legislation shall not apply to coaching for working life (Protseduurireegel. Töõharjutus, 2014).

According to the law, the UIF can provide the coaching for working life service itself or enter into a contract under public law for the provision of the service. In practice the UIF organised CfWL only twice, 70 % of the practices were organised by non-profit organisations and 26 % by private firms in 2014 according to the UIF data.

The contract specifies the schedule for coaching for working life; skills to be taught and their planned level; place of coaching for working life; duration of

---

<sup>10</sup> The remuneration for supervision is paid in the amount of 100 per cent of the daily rate of remuneration for supervision during the first month (EUR 18 72 in 2015), 75 % in the second month (EUR 14 04 in 2015) and 50 per cent during the third and fourth month (EUR 9 36 in 2015).

coaching for working life; the number of unemployed persons to participate; the total cost of coaching for working life and price per one participant; the procedure for keeping account of the persons participating in coaching for working life and the procedure for submission of corresponding data to the UIF; and the terms and conditions for payment for the provision of the coaching for working life service. As in the case of WP, service providers are required to report to the UIF on a monthly basis. The latter has the right to review the organisation of CfWL. Service providers are not obliged to conclude the employment contract after the period of work practice.

As the aim of the participation in CfWL is not directly finding employment, but rather moving one step closer to the labour market, the impact on participant's future wages and income has not been evaluated. Instead, the analyses department of the UIF has prepared a comprehensive overview on the participants of CfWL and their performance in the labour market after participation (see Villsaar *et al.*, 2012a). The analyses reveals that, compared to the average of all registered unemployed, CfWL participants are older and have lower education. Also, there are more individuals without previous work experience. Within a year after participation roughly one third of the participants continue in some other type of labour market measures. A year after participation roughly one fifth of participants were employed, half were still unemployed, around 11 % received disability pension and the information for the remaining part was missing (Villsaar *et al.*, 2012a).

### 3 Most Significant Practice

Out of the training measures discussed above, the most significant measure in terms of expenditures and participants is labour market training. As mentioned in the previous section, labour market training can be purchased either by public procurement or personal training vouchers, which were launched in October 2009. Over recent years most training participants have participated in training courses by using personal training vouchers (see Table 1 above). The advantage of the personal training vouchers is that they allow a better match between the individual needs of the unemployed and the training available, including participation in more specific courses.

The results of the evaluation study by Lauringson *et al.* (2011) indicate that participation in voucher-based training has a stronger impact on future employment and incomes of participants than procured training. Six months after finishing training, employment of the participants in voucher trainings was almost 12 % higher than in the control group, compared to 6 % in the group participating in procured training.

#### CASE STUDY BOX

**Country:** Estonia

**Name of training programme:** Personal training vouchers.

**Short description and aims of the training programme:** Personal training vouchers can be used to purchase labour market training that corresponds to the specific needs of the unemployed. While in 2009-2010 training vouchers could be used only for further training, from 2011 onwards also retraining courses are included. Training vouchers are not awarded for management training. During one unemployment spell personalised training vouchers up to EUR 2 500 worth can be used.

**Target group:** Registered unemployed, employees who have received redundancy notice and, since the 1 November 2014, also unemployed retirees.

**Number of participants:** 8 846 individuals in 2014.

**Duration of programme for the beneficiary (and amount of subsidy beneficiaries receive, if applicable):** The duration of training is limited to one year. From 1 January 2014 training vouchers up to EUR 2 500 can be used during two years from the start of training.

**Target group or educational level targeted:** The training is offered only in case the unemployed person has not found a job despite active job search and the reason for failure is the lack of specific knowledge and skills.

**Eligibility Criteria:** See above, case worker has the discretion to make the final decision.

**Funding source and total budget (share of EU funding, if applicable):** Unemployment Insurance Fund.

**Types of skills (or qualification if relevant) delivered:** Further training and retraining, depends on individual needs.

**Actors involved in the provision of training and their role:** Private training institutions and vocational education institutions.

**Summary of evaluation findings:** Participation in voucher-based training has a stronger impact on future employment and incomes of participants than procured training. Six months after finishing training employment of the participants in voucher trainings was almost 12 % higher than in the control group compared to 6 in the group participating in procured training.

**Policy lessons:** Allows more flexible service provision and targeting training to the specific needs of the unemployed.

**References:**

Lauringson, A., Villsaar, K., Tammik, L. ja Luhavee, T., *Counterfactual Impact Analyses of the labour market training*, Tallinn: Eesti Töötukassa, 2011. Available in Estonian and English at internet:  
<https://www.tootukassa.ee/content/tootukassast/uuringud-ja-analuusid>

## 4 Conclusion

As mentioned above three different measures are classified under training category in Estonia. These include labour market training, work practice and coaching for working life. While labour market training and work practice are targeted to all registered unemployed, and certain disadvantaged employees, coaching for working life is mostly targeted at the long-term unemployed. Hence, the latter is rather a transitory service for entering to other labour ALMP measures and not really aimed at upgrading the skill level.

The provision of active labour market policies, including training measures, in Estonia has remarkably improved over recent years, when the UIF has been responsible for the implementation of these measures. The whole concept of providing services has been changed, physical environment of the regional employment offices has been fundamentally renewed, and the expenditure on ALMP measures, as well as the number of participants, have increased. Hence,

Estonia has a modern network of regional PES offices, which provides a diverse package of services, based on individual needs of the unemployed.

Furthermore, the UIF has developed a sound monitoring and evaluation system. Activities of service providers are regularly monitored and the impact of ALMPs is evaluated. For example, in 2014 1 000 on-site inspections were carried out by the UIF. Out of these 90 % were in accordance with the foreseen procedures (Unemployment Insurance Fund, 2015). Furthermore, the UIF has built up databases on registered unemployed, which can be used to conduct impact evaluations. Since 2010 the analyses department of the UIF prepares one impact evaluation annually. Up to now three impact evaluations and one in depth overview study are available. The available studies on the impact of labour market training and work practice suggest that participation in these measures has indeed increased the employment probability and incomes of participants. As the aim of the CfWL is moving participants closer to the labour market, the impact of participation on future employment and income has not been evaluated.

Training interventions have been the largest ALMP measure both in terms of expenditure and participants. The provision of training is also flexible, especially in the case of personalised training vouchers. These enable a good match between training and individual needs, and allow participation in more specific courses for which the demand is limited.

However, despite the fact that expenditure on ALMPs have remarkably increased in recent years, these measures are still implemented on a relatively small scale in Estonia both in terms of total expenditure and participant numbers. In 2011 the expenditure on ALMP services and measures were roughly three times lower in Estonia than the EU average, and nine times lower than in the best performing country (Denmark). The reasons behind this are likely to include the short duration of these measures, as well as low expenditure on measures targeted at the disabled unemployed.

Hence, despite the positive outcomes of evaluation studies, it is questionable whether training programmes with such a short duration can indeed play a major role in upskilling unemployed adults in Estonia. Also, access to labour market training seems to be rather limited as training is provided only if the reason for not finding a job is the lack of specific knowledge and skills and demand for those skills in the local labour market. Hence, this may indicate the presence of creaming effects in the selection of those for labour market training.

There is no evidence on successful referrals of the unemployed back to the regular education system and integrating labour market policy measures with participation in formal education (e.g. maintaining unemployment benefits while participating in formal education). Furthermore, labour market training is mainly provided by private institutions; the role of vocational education institutions is limited.

## **5 Bibliography**

- Anspal, S., Järve, J., Jääts, K., Kallaste, E., Maar, K., Mägi, A., Toots, A., *Interim evaluation of the wage subsidies and labour market training*, (Palgatoetuse ja tööturukoolituse teenuste vahehindamine), Eesti Rakendusuuringu Keskus CentAR & InterAct Projektid ja Koolitus OÜ, 2012. Available in Estonian at internet:

[http://www2.sm.ee/esf2007/files/hindamine2010/2012\\_06\\_18%20T%C3%B6%C3%B6turumeetmete%20hindamise%20I%C3%B5ppraport%20%28CENTAR%20InterAct%29%20final.pdf](http://www2.sm.ee/esf2007/files/hindamine2010/2012_06_18%20T%C3%B6%C3%B6turumeetmete%20hindamise%20I%C3%B5ppraport%20%28CENTAR%20InterAct%29%20final.pdf)

- *Employment Programme 2014-2015*, RT I, 17.12.2013, 6, 2014). Internet: <https://www.riigiteataja.ee/akt/117122013006?leiaKehtiv>
- Eurostat, *Labour market policy statistics*, Methodology 2013. Internet: <http://ec.europa.eu/eurostat/documents/3859598/5935673/KS-GQ-13-002-EN.PDF/bc4d9da7-b375-4eb3-97c7-766ebf7b4aa0?version=1.0>
- Eurostat, *Labour market policy statistics. Qualitative Report. EE, 2012.*
- *Government Regulation No 122 on Provision of Labour Market Services to Improve the Access to Employment*, 2012. Internet: <https://www.tootukassa.ee/sites/tootukassa.ee/files/Tooturuteenused%20TAT%202015-2020.pdf>
- International Institute for Management Development, *World Competitiveness Yearbook 2014.*
- *Labor Market Services and Benefits Act (2014)*, RT I 2005, 54, 430, 2014 Internet: <https://www.riigiteataja.ee/akt/121122010016?leiaKehtiv>
- Lauringson, A., Villsaar, K., Tammik, L. ja Luhavee, T., *Counterfactual Impact Analyses of the labour market training*, (Tööturukoolituse mõjuanalüüs), Tallinn: Eesti Töötukassa, 2011. Available in Estonian and English at internet: <https://www.tootukassa.ee/content/tootukassast/uuringud-ja-analuusid>
- Statistics Estonia (2014). Online database. Accessed on 06.03.2015.
- Unemployment Insurance Fund, *Service standard for coaching for working life*, 2014 (Protseduurireegel. Tööharjutus, 2014).
- Unemployment Insurance Fund, *Annual Report 2015*, 2015.
- Unemployment Insurance Fund, Online database, accessed 10 March 2015. Internet: <https://www.tootukassa.ee/content/tootukassast/peamised-statistilised-naitajad>
- Villsaar, K., Luhavee, T., Lauringson, A., Tammik, L., *Mapping service work exercise: Overview of work practice of the participants and their future well-being of the labor market*. Estonian Unemployment Insurance Fund, Department of analysis, 2012a. Internet: [https://www.tootukassa.ee/sites/tootukassa.ee/files/Tooharjutuse\\_analyys.pdf](https://www.tootukassa.ee/sites/tootukassa.ee/files/Tooharjutuse_analyys.pdf)
- Villsaar, K., Lauringson, A., Tammik, L. ja Luhavee, T., *Counterfactual Impact Analyses of work practice*, (Tööpraktika mõjuanalüüs mõjuanalüüs), Tallinn: Eesti Töötukassa, 2012b. Available in Estonian at internet: [https://www.tootukassa.ee/sites/tootukassa.ee/files/TOOPRAKTIKA\\_MOJUJANALUUS.pdf](https://www.tootukassa.ee/sites/tootukassa.ee/files/TOOPRAKTIKA_MOJUJANALUUS.pdf)

## Annex 1: Measure Description Table

### Main training programmes in ESTONIA

Name of training programme	LMP measure: the name and number of the relevant LMP measure, based on the list of LMP measures in the qualitative LMP report (if possible to attribute the training programme to the LMP measure)	Short description and aims of the training programme: e.g. basic skills(literacy, numeracy, ICT, other skills); general work experience and employability skills; initial vocational training oriented to a specific job; continuing training to up/re-skill in own occupation/sector; validation of prior learning and experience; tertiary education; preparation to start own business, etc.	No. of participants	Duration of programme for the beneficiary (and amount of subsidy, if applicable)	Target group or educational level targeted	Criteria for accessing the programme	Funding source and total budget	Types of skills (or qualification if relevant) delivered	Actors involved in training provision and their role	Evaluation results available (here, please provide detail on the method used, on the coverage, and on the evaluation findings)
Labour market training (LMT)	Intervention no 3 Labour market training  Type of action: 2.1. Institutional training	The aim of the LMT is to give new professional skills, improve existing ones or help unemployed persons to adapt to labour market needs. Training is offered only in case the unemployed person has not found a job despite active job search and the reason for failure is the lack of specific knowledge and skills. Can be financed through procured tenders or personal training vouchers.	17 385 unique individuals in 2013	The duration of training is limited to one year.  In case of personalised training vouchers EUR 2 500 per one unemployment spell.  Participants are entitled to training stipend for each day of participation. Daily rate of the stipend is EUR 3.84 per day in 2015 (approximately EUR 115per month).	Registered unemployed  Employees who have received redundancy notice  Unemployed retirees  Employees who have not been able to comply with their duties due to health problems for a long time on the condition that the employer can offer her/him other job after training  Employees who were previously registered as unemployed for 12 consecutive months	Future employment and income of the participants compared to non-participants	UIF 14 225 868 euros in 2013	LMT includes primary vocational training, skill conversion and adaptation training, entrepreneurship training, computer skills training and professional language skills training.	Private training institutions  Vocational education institutions	Two evaluation studies are available. Both are based on merged data from the UIF and Tax and Customs Board, but focus on slightly different time periods. The study by the UIF analyses department (Lauringson <i>et al.</i> , 2011) focuses on the two distinct time periods, firstly from May to September 2009 and secondly, from April to October 2010. The authors use propensity score matching and find significant positive effects on participant's future employment and incomes.  The study by Anspal <i>et al.</i> 2012 is based on data from January to September 2010. Using coarsened exact matching, they also found significant positive effects on participant's future employment and incomes.  Both studies confirmed that training was cost-effective.
Work practice (WP)	Intervention no 15 Work practice	The aim of the work practice is to improve the knowledge and skills of the unemployed and to give them an opportunity to gain practical experience. Work practice is organised by the	4 122 unique individuals in	Work practice can last up to 4 months.	Registered unemployed  Employees	Future employment and income of the	UIF 1 795 551 euros in 2013	Practical work experience	Firms based on the contract with UIF	There is also one evaluation study conducted by the analyses department of UIF available (Villsaar <i>et al.</i> , 2012b). The analyses focus on two different time

	Type of action: 2.2. Workplace training	employers in a real work environment based on the contract with UIF. Workplaces suitable for work practice are mainly found by the UIF, but the initiative may also come from the unemployed or employee.	2013	Participants are entitled to training stipend for each day of participation. Daily rate of the stipend is EUR 3.84 per day in 2015 (approximately EUR 115per month).	who have received redundancy notice	participants compared to non-participants				periods: from January to July 2010 (Period 1) and from August 2010 to December 2011 (Period 2) and is based on merged administrative data of the UIF and Tax and Customs Board. Propensity score matching is used as an analyses method. The results of the evaluation show that work practice has had a significant positive effect on the employment status and income levels of the participants. The cost benefit analyses conducted on the basis of the estimations of the second period indicate that work practice has been a cost effective measure for society (Villsaar <i>et al.</i> , 2012b).
Coaching for Working Life (CfWL)	Intervention no 16 Coaching for working life  Type of action: 2.2. Workplace training	The aim of this measure is to prepare the unemployed for working, to recover the working habits for long term unemployed and/or to develop working habits for the unemployed without prior working experience. Coaching can last up to 4 months and can be repeated. Unemployed person can attend work practice for no longer than 8 hours per day. No employment contract shall be concluded for the period of coaching for working life and labour legislation shall not apply to coaching for working life	2 830 unique individuals in 2013	Up to 4 months; in case of long-term unemployed; unemployed with special social needs; disabled unemployed or unemployed with long-term health problem up to 6 months.  Participants are entitled to training stipend for each day of participation. Daily rate of the stipend is EUR 3.84 per day in 2015 (approximately EUR 115per month).	Mainly long-term registered unemployed	NA, but not directly employment and future incomes. It is rather taken as transitory measure to other ALMPs.	UIF 3 092 729 euros in 2013	Restoring working habits	UIF Local municipalities Private providers including non-profit organisations	Proper evaluation not available, but the overview study shows that a year after participation roughly one fifth of the participants were employed, half were still unemployed, around 11 % received disability pension and the information for the remaining part was missing (Villsaar <i>et al.</i> , 2012a).

## HOW TO OBTAIN EU PUBLICATIONS

### ***Free publications:***

- one copy:

via EU Bookshop (<http://bookshop.europa.eu>);

- more than one copy or posters/maps:
  - from the European Union's representations ([http://ec.europa.eu/represent\\_en.htm](http://ec.europa.eu/represent_en.htm));
  - from the delegations in non-EU countries ([http://eeas.europa.eu/delegations/index\\_en.htm](http://eeas.europa.eu/delegations/index_en.htm));
  - by contacting the Europe Direct service ([http://europa.eu/europedirect/index\\_en.htm](http://europa.eu/europedirect/index_en.htm)) or calling 00 800 6 7 8 9 10 11 (freephone number from anywhere in the EU) (\*).

(\* ) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

### ***Priced publications:***

- via EU Bookshop (<http://bookshop.europa.eu>).

### ***Priced subscriptions:***

- via one of the sales agents of the Publications Office of the European Union ([http://publications.europa.eu/others/agents/index\\_en.htm](http://publications.europa.eu/others/agents/index_en.htm)).

