



Estonia

Trends, Recent Developments, “Feeding in” and “Feeding out”

A Study of National Policies

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or the Member States.*

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Summary

In the European Commission's 2007 Annual Progress Report (APR), the implementation of the Estonian Action Plan for Growth and Jobs 2005-2007 (Estonian Action Plan) is valued highly, but also seven areas are identified to focus on over the period of the National Reform Programme (NRP). Three of these are directly connected with social cohesion objective: improving labour market flexibility through further progress in the renewal of labour laws; reinforcing active labour market policies; raising the skills level of the labour force further by reinforcing the reforms in education and lifelong learning. The Estonian 2007 Implementation Report of the National Reform Programme for Growth and Jobs (IRNRP) lays greater emphasis on the activities developing the areas defined by the Commission, and it should be underlined that all the mentioned areas were initially included in the Estonian Action Plan. Based on the action programme of the government that entered into office in April 2007, where much attention has been focused on social issues (family and population, social and health, education and research, ethnic minorities, civil society etc. policies), in the IRNRP new initiatives have been presented for all objectives and this has increased emphasis on social cohesion. Although among new initiatives many are directly social cohesion oriented, social cohesion is not included in the stated goals of the policies. Even such term as 'social cohesion' is not mentioned, although in the IRNRP 2006 the term 'social inclusion' was mentioned once, then this time this term was not used even once. In the context of environmental issues, the term 'social impact' is used. Like in previous year, it should be pointed out that no reference to the social inclusion/social cohesion challenges in the IRNRP has been directly made and links to the social cohesion process can be identified only by single activities of measures. Although the IRNRP does not refer explicitly to a possible impact on social inclusion objectives, the objectives, measures and activities of the IRNRP are definitely contributing to the social cohesion / inclusion process.

The most important strengths of the IRNRP may be considered as follows:

- the most important aspects of 'feeding out' are covered (promoting both social cohesion and economic growth, to some extent also ensuring an adequate income from work, assessing the impact on social protection systems, etc.);
- new initiatives have been presented for all objectives and emphasis on social dimension has increased;
- increasing of the administrative capacity of labour market participants (organisations representing enterprises and trade unions);
- systematic involvement of different stakeholders in the policy-making;
- many of the activities foreseen have been implemented successfully - a detailed overview of the indicator levels compared to the reference levels (better results than initially planned in many areas such as employment, education, productivity etc.) and a set of more ambitious goals for the next years.

The most important weaknesses of the IRNRP may be considered as follows:

- the aspects of 'feeding in' are covered to a very little extent;

- there is not any reference to the strategies for social protection and social inclusion and no attention has been given to the OMC in the implementation of the Lisbon agenda;
- there was very little attention paid to the territorial differences and regional aspects;
- no attention has been paid to gender dimension;
- there is not any systematic use made of impact assessments or poverty-proofing and/or similar tools.

Content

1. The 'feeding out' and 'feeding in' aspects in the IRNRP	5
1.1. The 'feeding out' aspects	5
1.1.1. Promoting both social cohesion and economic growth	5
1.1.2. Ensuring an adequate income from work	9
1.1.3. Targeting job creation at vulnerable groups	9
1.1.4. Addressing territorial differences and regional gaps	9
1.1.5. Assessing the impact on social protection systems	10
1.1.6. Addressing the contribution of fiscal policies	10
1.2. The 'feeding in' aspects	11
1.2.1. Links with the EU Social Protection and Social Inclusion Process	11
1.2.2. Links to 2007 Joint Report challenges	11
1.2.3. Examples of good practice	11
1.3. Aspects related to governance	11
1.3.1. Monitoring and assessment of impact of policies	11
1.3.2. Involvement of stakeholders	12
1.3.3. Coordination and joining up of economic, employment and social policies	12
2. Key trends and recent developments	13
2.1. Major changes in the economic, social and demographic context	13
2.2. Policy development and new legislation	15
References	17
Annex	18

1. The 'feeding out' and 'feeding in' aspects in the IRNRP

1.1. The 'feeding out' aspects

1.1.1. Promoting both social cohesion and economic growth

In the IRNRP, the goals and activities are not explicitly related to social cohesion / inclusion, although many activities conduce to social cohesion / inclusion. IRNRP includes measures and activities in several policy areas (education, incl. lifelong learning, active inclusion, re-conciliation of work and family life, active ageing, improving the health status of the population etc.) promoting both economic growth and social cohesion, but it does not mention the promotion of social cohesion. Social cohesion is not included in the stated goals of the policies and there is no reference to the strategies for social protection and social inclusion either, although in terms of content, the planned activities undoubtedly increase social cohesion.

Improvement of the accessibility of education is regarded as a priority for increasing Estonia's competitiveness in the government's 2007-2011 action programme, which contains many measures and activities that have been included as new initiatives into the IRNRP, but the significant role of education in increasing social cohesion has not been mentioned in the IRNRP. In the IRNRP, education measures and activities largely involve development of higher and vocational education, which would help to improve Estonia's competitiveness and alleviate growing shortage of labour and at the same time provide workers with qualifications demanded in the labour market, which is a precondition for coping in the labour market:

- increase funding for the improvement of higher education quality – the basic cost of a student place will be increased by 30%, enabling an increase in salaries for teaching staff (Objective 7.2);
- in terms of human capital, the principal activities are the support for doctoral schools, which are financed within the framework of the European Social Fund (ESF), the promotion of the repatriation of the researchers and top specialists of Estonian origin to homeland, the development of possibilities for mobility of development workers (researchers, engineers, designers, innovation managers, area specialists, etc.) between enterprises and scientific organisations, etc. (Objective 4.2);
- increase funding for vocational education – to finance one vocational training study place on average at the rate of 1.5 in comparison with a study place at schools of general education; but the achievement of this objective is not possible in 2008 (Objective 7.1);
- development of development plans and action plans for e-learning in universities and vocational higher education schools and institutions of professional higher education (Objective 7.2);
- a web site will be set up as a public internet-based language gateway to learning and promoting Estonian language and obtaining language-related advice, the development and utilisation of learning software in Estonian along with the development of internet-based learning environments in Estonian (Objective 5.3);
- measures aimed at reducing the number of students dropping out of school is directly related to the social inclusion process (the student home programme for children from

families with difficulties, whose domestic environment does not support the acquisition of education; state support for the school meals, travel concessions and purchasing study equipment and school books to ensure opportunities to study to all children; expansion of the vocational education opportunities in general education schools, primarily in rural areas and small towns) (Objective 7.2);

- in order to decrease early dropping out of school the acquisition of learning habits from an early age will be developed – the number of kindergarten places will be increased; support raising the salary of kindergarten teachers to the same level with the basic school teachers' minimum wage; a system of assistant teachers will be introduced; programmes for the development of a pedagogical-psychological counselling system, the compilation of study materials for students with special education needs etc. (Objective 7.2);
- development of an in-service training and retraining system based on the principles of lifelong learning, which is particularly important considering that those in better position in the labour market participate in lifelong learning considerably more than people in risk groups and those with a low education; implementation of a system to take into account previous studies and work experiences (VÕTA) in higher and vocational education (Objective 7.3);
- development of a general education funding model, which primarily tackles the distribution principles governing teacher salary instruments and ensures better access and quality of education; the consideration given to the principle of home vicinity in the case of younger students is one of the greatest advantages of the new funding model compared to the old one (Objective 7.1).

Based on the IRNRP it can be said that the implementation of the activities for providing effective and flexible, labour-demand-satisfying vocational education has not been most successful, hence jeopardising also the fulfilment of the objective of improving labour skills and qualifications, which under the increasing shortage of labour and at the same time structural unemployment in Estonia is particularly important.

The main arrangements concerning active inclusion are:

- in accordance with the new Social Benefits for Disabled Persons Act (scheduled to enter into force in 2008), the volume of aid granted will be dependant on additional expenses incurred due to disability (incl. transport expenses) and individual activity – the aid will be higher for individuals working or studying, the average increase of a working-age disabled person's allowance will be 30%;
- expanding of the list of labour market services and, if need be, widening of the target group of beneficiaries of the service (e.g. working disabled individuals, prisoners); developing and launching new labour market services (e.g. integration of psychological counselling and social rehabilitation with other labour market services) within the framework of the national programme 'Increasing the qualified labour 2007-2009'. An important priority is the reduction of long-term unemployment (and through that the numbers of non-active and discouraged) by special measures. Services that find effective and efficient utilisation will be the basis for the supplementation and direction of the current labour market policy (Objective 8.1);

- considering the recommendation in the APR to focus on reinforcing active labour market policies, many activities have been presented within the framework of the measure for increasing labour supply through providing active labour market measures and supporting social measures (Objective 8.1) in the IRNRP. ESF measure 1.3 'Equal opportunities in the labour market' projects have mostly offered training, but also other active labour market measures such as practical training, coaching for working and wage subsidisation, labour market services for disabled people, targeted projects for most of the unemployed risk groups (the long-term unemployed, individuals with special needs, young unemployed, older unemployed and those unemployed with insufficient knowledge of Estonian language) (Objective 8.1);
- a Labour Market Board's notification campaign to increase the knowledge of both non-active individuals as well as employers of national labour market services and benefits (Objective 8.1);
- considering the recommendation in the APR to improve labour market flexibility through further progress in the renewal of labour laws, many important laws are still under preparation (new Employment Contracts Act, incl. the compilation of the regulation for agency work, modernisation of the Collective Agreements Act and the regulation of the Collective Labour Dispute Resolution Act). Current priorities include the modernisation of issues related to the individual employment relationship (Objective 9). But the activities related to increasing the labour market flexibility are behind the schedule.

To promote re-conciliation of work and family life an amendment to the Holidays Act has been prepared, which is aimed to create opportunities for greater paternal participation in raising children. It provides that the daily rate of compensation for the 10-working day holiday, paid from the state budget, will be increased to the average salary of the father but not more than the triple amount of the average salary in Estonia (Objective 9).

In the sphere of active ageing it should be mentioned that the government approved a draft act for the Amendment Act of the Public Service Act, which removes provisions enabling an official to be released from public service once they turn 65; this will significantly expand working opportunities for older people. It is also important that for improving individual qualifications special attention is paid to the target group of older individuals to improvement their professional competency (Objective 8.1).

Measures for improving public health consist in (Objectives 2 and 8.2):

- health insurance is made available to all unemployed people who are officially registered as unemployed, which creates access to the active labour market for those people whose health problems were previously seen as obstacles to participating in active labour market measures and competing in the open labour market;
- to guarantee access to the services of a family physician for people not covered by health insurance, the Ministry of Social Affairs shall elaborate the relevant draft legislation amendments by 2008;
- the capital expenditure of hospitals (depreciation of buildings and other infrastructure) will be financed from the state budget and not from health insurance, which enables the use

of money that becomes available to make necessary investments to improve the quality and accessibility of health care services;

- increasing the measures for combating drug addiction and alcoholism, preventing HIV/AIDS, cardiovascular diseases, cancer and tuberculosis - more extensive funding for the prevention programmes is a priority for the government;
- implementation of the national cardiovascular disease prevention strategy:
 - promotion of healthy eating habits in the population (a healthy nutrition campaign, nutritional recommendations for pregnant women, breastfeeding mothers and elderly, programmes for school milk and school lunches, cardiovascular health related training of caterers for preschool institutions etc.);
 - ensurance of an environment that promotes exercise (additional funding of the local governments for the support of playgrounds and sport facilities, developing of a network of sporting areas, exercise and health tracks etc);
 - an internet based system for self-testing physical capabilities and an accompanying manual;
 - a system of performance pay for family physicians for diagnosing and reducing the risk of cardiovascular diseases;
- implementation of the drug addiction prevention strategy:
 - provide knowledge about drug related problems, medical treatment and rehabilitation services for persons with drug addiction;
 - preparation of the description of a quality management system, a concept for a management organisation system and practice directions for local governments;
 - train youth workers and health education teachers;
 - development of a network of support persons;
 - treatment directions for opiate addiction, training seminars for treatment-rehabilitation specialists, a campaign for the prevention of drug abuse for young people and for parents;
- implementation of the strategy against HIV/AIDS:
 - provide syringe exchange and counselling services, opiate replacement therapy for injecting drug abusers;
 - the case management scheme for HIV positive individuals;
 - prevention activities among young people, prepare teachers to teach HIV prevention related subjects, peer education courses;
- decrease tobacco consumption and time spent in smoky environments:
 - an overview of various tobacco products and the accompanying health risks for students in general education schools;
 - various campaigns to increase understanding and to promote prevention, the network of offices of smoking cessation,
 - tobacco act prohibits smoking in catering establishments, smoking is permitted in a smoking facility that meets the requirements or on an outer terrace only;
- in accordance with the Action Programme of the Government for 2007-2011, by the end of 2007, a single comprehensible public health development plan for 2008-2015 will be completed;

- implementation of the principles of the e-state in health care ('Digital case report', 'Digital x-ray', 'Digital registration in waiting lists', 'Digital prescription').

One measure in pursuit of quality jobs is the government's programme for promoting the involvement of development workers (researchers, engineers, designers, innovation managers, area specialists, etc) in enterprises (so called mobility programme). Within this programme a maximum of 50% of the wages and salaries for development workers will be covered for up to three years. Another such measure is the promotion of the repatriation of the researchers and top specialists of Estonian origin – favourable and attractive conditions will be created for them to launch or continue their career in the homeland (both active (repatriation scheme) and passive measures (improvement of general research and development environment).

In the IRNRP, no attention has been paid to gender equality issues (the section describing positive changes in the labour market has mentioned only differences in the male-female employment and unemployment rates), even measures for reducing the gender pay gap are missing. The flexicurity issue has not been discussed in the IRNRP either. Undoubtedly activities for ensuring the state's electricity supply security are of great importance, but the impact of electricity price changes on the most vulnerable groups have not been taken into account, whereas in the transport area, it is mentioned to meet the needs of people (e.g. by developing the public transport).

1.1.2. Ensuring an adequate income from work

In the context of economic growth and positive developments in the labour market, average wages have increased. But this should not be a reason to pay so little attention in the IRNRP to the ensuring of an adequate income from work:

- raising the salary of kindergarten teachers to the same level with basic schools teachers' minimum wage will be supported (Objective 7.2);
- to esteem more than so far the profession of teacher and to appreciate their work more than so far, young teachers will get a certain amount of starting money when they commence work in a school in small towns and rural areas (Objective 7.2).

1.1.3. Targeting job creation at vulnerable groups

Development of a new financing model for adult education, adult work-related training in vocational education institutions (Objective 7.3) can be seen as a measure targeted at low skilled and vulnerable groups. Considering the recommendation in the APR to focus on raising the skills level of the labour force further by reinforcing the reforms in education and lifelong learning, the objective 7 'Improve the quality of the labour force' includes several measures and activities to increase the flexibility and efficiency of vocational education and to develop an in-service training and retraining system based on the principles of lifelong learning.

1.1.4. Addressing territorial differences and regional gaps

Very little attention has been paid to the territorial differences and regional gaps. To some extent, regional aspects have been taken into consideration concerning the improvement of the financial position of the local governments (the share of personal income tax transferred to them was

increased to 11.9% in 2007 instead of 11.4% in 2005) – it enables to fulfil the tasks, mostly with social orientation, better (Objective 2.1); the improvement of curricular quality – starting money for new teachers who start working in small towns and rural areas (Objective 7.2), development of a business environment promoting entrepreneurship and initiative (Objective 5.1; 5.3); strengthening the synergy between environmental protection and growth (Objective 6.2). Social cohesion is not among the stated goals and there are no examples of local employment initiatives in the IRNRP. A lot of attention has been paid to implementing new information technology applications, e.g. e-health, which offers new, modern methods for diagnosing and medical treatment; however, this has not been discussed from the most vulnerable groups' and regional aspects.

1.1.5. Assessing the impact on social protection systems

The social protection system is affected by the measures in the IRNRP not only by concerns over financial sustainability (the rise of social tax minimum liability to EEK 4,000 per month in 2009; to strengthen the financial position of the pension insurance fund in addition to receipt of social tax, the pension fund reserves have been increased) (Objective 2) but there are also concerns over adequacy (Objective 3). Change of the indexation system of old-age pensions, the still existing conservative index did not ensure an adequate living standard for pensioners and the substitution rate for pensions would decrease. Therefore it was necessary to make an ad hoc pension rise. The components of the new index remain the same (the growth of social tax revenues and the growth of the consumer price index equally), but the scales have been changed so that the growth rate of social tax revenues contribute 80% and growth rate of consumer price index 20% to the pension index. It is presumed that this change ensures that the growth rate of pensions will be sufficient and the ad hoc pension increase is no longer necessary. However, the consumer price index has increased rapidly over the past year. The objective to ensure a stable macroeconomic environment is to a certain extent endangered by the fast rate of inflation, which particularly affects most vulnerable groups – no attention has been paid to this in the IRNRP.

1.1.6. Addressing the contribution of fiscal policies

Under Objective 3: 'Direction of fiscal policy to improve economic growth and employment' the goal of supporting economic growth and employment has been set by shifting the tax burden from labour taxation to consumption, natural resource exploitation and environment pollution taxation, which involves increasing the relative importance of indirect taxation compared to direct taxation. According to the Income Tax Act amendment, the income tax rate will be lowered from 22% in 2007 to 19% in 2010 and the basic exemption rate will be increased to EEK 3,000 per month in 2010.

The plans to increase excise duty rates have changed significantly and the excise duty rates for tobacco, alcohol and fuel will increase more quickly than envisaged so far – all increases will be made in 2008. It is due to economic considerations – to cool down the economy and contribute to the adoption of the euro, but social impacts have not been taken into consideration.

1.2. The 'feeding in' aspects

1.2.1. Links with the EU Social Protection and Social Inclusion Process

The link with measures and policies under the EU Social Protection and Social Inclusion Process is not made explicit in the IRNRP. The links with the SI/SP process can be identified only indirectly by single activities of measures (ensuring sufficient standard of living for pensioners, people's financial security in case of health risks, improving the effectiveness of youth work, developing training and re-education system in line with the principles of lifelong learning, providing active labour market and supportive social measures, improving the health of the population and insuring better working conditions, etc.). Although the NRP does not refer explicitly to the contribution of the policies under the OMC, in the section 4 'The labour market and employment' has mentioned that as a result of implementing the new Labour Market Services and Benefits Act the active labour market policy is already functioning successfully. Whereas it has to be underlined that this new law has a central role to play among the measures in the Estonian NRSSPSI 2006-2008. Unfortunately it has not been mentioned in the IRNRP whether and how much the positive changes in the labour market (increase in number of employed persons and decrease of unemployed persons, a sharp decrease in youth unemployment, a decrease in unemployment among non-Estonians, etc.) has been influenced by SP/SI policies and activities; only the impact of fast economic growth and favourable economic situation has been underlined.

1.2.2. Links to 2007 Joint Report challenges

There are no explicit references to the challenges identified for Estonia in the 2007 Joint Report on social protection and social inclusion in the IRNRP. However, in essence some of these SI/SP challenges have been taken into consideration, e.g. active labour market and supporting social measures, increasing the labour market flexibility, ensuring the sufficient resources to guarantee overall adequacy of pensions, improving health status through promotion and prevention strategies, etc.

1.2.3. Examples of good practice

There are not any concrete examples of feeding in that can be highlighted as examples of good practice in the IRNRP.

1.3. Aspects related to governance

1.3.1. Monitoring and assessment of impact of policies

In the IRNRP it is not explicitly indicated how it will be ensured that greater growth and more jobs contribute to the objectives of the OMC, and vice versa. In the IRNRP (available only in Estonian) there is a detailed table based overview of activities planned for 2006-2007, how they have been met and of indicator levels compared to the reference level. This allows making some social cohesion oriented estimates of the expected results (share of early school leavers, school drop-outs, employment and unemployment rates by age and gender, etc.). There is not any systematic use made of impact assessments or poverty-proofing and/or similar tools.

1.3.2. Involvement of stakeholders

An important governance mechanism has been the systematic involvement of various stakeholders in the whole cycle of policy-making:

- the preparation of reports on the coordination of the implementation and application of the IRNRP is the responsibility of an inter-ministerial working group (representatives from the Ministry of Education and Research, Ministry of Justice, Ministry of Environment, Ministry of Economic Affairs and Communications, State Chancellery, Ministry of Finance, Ministry of Internal Affairs, Ministry of Social Affairs, Ministry of Foreign Affairs, Bank of Estonia), and the responsibility for various parts of the IRNRP is divided between ministries;
- the inter-ministry working group is convened by the Secretary of State and directed by the Strategy Director of the State Chancellery;
- members of the working group and other partners (representatives of social partners, interest groups, experts from universities and scientific research establishments) contributed to the IRNRP via working group meetings, by submitting electronic and/or written proposals;
- prior to submitting the IRNRP to the government, a joint seminar was held with the representatives of ministries and other partners;
- after the seminar, the final draft of the IRNRP was submitted to the partners for consultation;
- to ensure integrity of the data presented in the IRNRP, prior to approval from the government, the IRNRP was submitted to an official coordination round;
- prior to submission to the government for approval, the IRNRP was amended in accordance with the results of the seminar and official proposals and comments by ministries and partners.

In preparing the employment contract regulation, in the course of consultations, the principal view points of social partners for the development of various employment relationship directions have been clarified. An important step to increase the capacity of labour market participants (organisations representing enterprises and trade unions) to participate in the policy making process, improve cooperation and organisation of involvement in their own networks is the launching within the framework of the operational programme for human resource development a programme to increase the administrative capacity of labour market participants.

Considering that representatives of most of the ministries and other partners were present in the preparation of the IRNRP it is not clear why direct links in the IRNRP to the social cohesion / inclusion process are missing (although measures and activities for that are included), because the sectoral strategies and action plans elaborated by different ministries have explicitly stated the social dimension in recent years.

1.3.3. Coordination and joining up of economic, employment and social policies

In the IRNRP it is difficult to find direct examples of 'joined up' policies. In a sense the following objectives can be regarded as aimed at this:

- under the Objective 3: 'Direction of fiscal policy to improve economic growth and employment' there is foreseen a measure for greater and more efficient allocation of budgetary resources to activities supporting growth and job;
- under the Objective 2: 'Ensuring the long-term sustainability of fiscal policy' there are foreseen measures for ensuring long-term sustainability of pension insurance system for providing sufficient standard of living for pensioners and ensuring long-term sustainability of health insurance system and thereby guaranteeing people's financial security in case of health risks.

2. Key trends and recent developments

2.1. Major changes in the economic, social and demographic context

Based on the Bank of Estonia's analyses it can be said that Estonia's economy has been surging after the accession to the European Union in 2004, the main reasons for which are higher confidence in the Estonia's economy, opening of the labour market and financial sector developments. In 2006, economic growth reached 11.2%, being the fastest in recent years, but in 2007 it has been slower than previously. The slowdown was mainly caused by domestic market oriented sectors (construction, retail trade, real estate development). The Bank of Estonia forecasts a 7.3% growth for 2007.

Although economic growth has been slowing down, price pressures have not eased in Estonia yet. Consumer price growth is facilitated by a continuously rapid wage increase and higher wholesale prices in external markets fuelled by strong demand (in September 2007, the price rise exceeded 7% mainly owing to the increase in food and fuel prices). The Estonian Bank estimates that inflation will continue at a similar pace until the end 2007. In the coming years, Estonia's inflation rate will remain at its current level as a result of food price growth and one-off tax policy measures scheduled for 2008.

Estonia's labour market is still characterised by strong demand. In 2006, the number of employed people increased by 6.4% and employment rate (age group 15-64) increased to 67.7%; unemployment decreased to 5.9% (by the second quarter 2007 to 69.7% and 5%, respectively); female employment rate increased to 65.1%; employment rate for older people (55-65) increased to 58.2%; youth unemployment decreased to 12% (15.9% in 2005); compared to 2005, long-term unemployment has declined and unemployment rate for non-Estonians has decreased faster than for Estonians; employment rate for disabled people increased to 32.6%. According to the Bank of Estonia, the wage growth has been outstripping productivity growth during the past years (real wage growth 11.9% and value added growth per full-time employee 5.3% in 2006), although wage pressures have been slightly decreasing since the beginning of this summer.

The most recent indicators that characterise poverty are based on 2005 income data.¹ Therefore the poverty indicators do not reflect the expected positive impact of economic growth of recent

¹ In the Eurostat public use database the Laeken indicators have been published under one year greater than here, as Eurostat uses the survey year and Statistics Estonia an income year. Estonian Social Survey. 2007. http://pub.stat.ee/px-web.2001/I_Databas/Social_life/13Social_exclusion_Laeken_indicators/HHS00.htm.

years, labour market changes and wage growth. Poverty in 2003-2005 (for these years comparable data sources are available) was characterised by the following changes:

- compared with 2003, the at-risk-of-poverty rate dropped; however, it remained still on the level of 2004 and was 18.3% in 2005, meaning that 245,800 people had to manage with less than EEK 34,153 (EUR 2,183) a year;
- social transfers have a positive influence on the economic situation of many households also in Estonia; however, compared with EU average, the share of social transfers in reducing poverty is not sizable in Estonia – due to social transfers (excluding pensions) the at-risk-of-poverty rate decreased from 24.6% to 18.3% (in the EU-25 from 26% to 16%), the at-risk-of-poverty rate before all transfers (including pensions) was 38.0% in 2005;
- by age groups the at-risk-of-poverty rate was the highest (19.8%) among children (aged 0-15) and the lowest (14.3%) among people in their prime working age (25-49), whereas in all age groups, excluding age group 0-15, the female at-risk-of-poverty rate was higher than the male at-risk-of-poverty rate. Relative median at-risk-of-poverty gap decreased to 22.1% in 2005 (26.3% in 2003) and was the highest for males in the age groups 16-64 (28.9%) and 0-15 (28.2%), and the lowest gap was in the age group 65 or more: for male 10.7% and female 11.5%;
- compared with Estonians, the at-risk-of-poverty rate of non-Estonians was higher by 2.7 percentage points, whereas the major poverty risk factors for non-Estonians are incompetence in the Estonian language and the economic activity status;²
- in all regions, excluding northern Estonia, the at-risk-of-poverty rate has been higher than average, in north-eastern region it was 27.9%, which is mainly due to the economic development caused unemployment and national composition of the population in this region;
- the at-risk-of-poverty rate for persons at work decreased from 9.1% in 2003 to 7.5% in 2005;
- the at-risk-of-poverty rate of people aged 16 or more with education below upper secondary education increased from 35.8% in 2003 to 37.1% in 2005, that of people with tertiary education decreased to 10.3%;
- indicators of income inequality indicate a decreasing tendency of inequality: quintile share ratio decreased from 7.2 to 5.5 and Gini coefficient from 0.374 to 0.331 in 2003-2005.

The demographic situation in Estonia is characterised continuously by the decreasing and aging trend of population. However, it must be admitted that in the last years all the birth indicators have slightly improved. According to the Statistics Estonia, there were 14,877 births (12,632 in 2001) and total fertility rate was 1.55 in 2006 (1.34 in 2001). After the introduction of the parental benefit, the decrease in the birth rate has stopped also among those aged below 20 since the year 2004. The number of marriages has been continuously increasing, but that of divorces is decreasing: there were 5.2 marriages and 2.8 divorces per 1,000 inhabitants in 2006. Although

² Eomais, P.-P. 2007. Income inequality. In: Social inequality. Statistics Estonia.

the proportion of the married couples with children is decreasing among those divorcing, they still account for more than half of those divorcing (54% in 2006).

2.2. Policy development and new legislation

For the sake of clarity and comprehensibility, the detailed overview of the recent policy developments, which was already included in the Second 2007 report (Assessment report), is given in the Annex (with few changes) once again and here only additional information is provided.

The work schedule of the Ministry of Social Affairs prescribes that the report on the implementation of the social inclusion strand of the NRSSPSI (*NAP/inclusion*) shall be prepared by 1st of March 2008. Involved in the preparation of this report shall be representatives of the ministries concerned, social partners and NGOs.

Social inclusion policy is mainstreamed in other decision-making, social inclusion objectives are a part of education, health, employment, housing, family, etc. policy-making and decision-making.

According to the Ministry of Social Affairs, it is possible to identify assessments of the progress in the implementation of the *NAP/inclusion* and in relation to challenges identified in the 2007 Joint Report on Social Protection and Social Inclusion:

- measures taken to reduce long-term unemployment and exclusion from the labour market:

Necessities in 2004	Achievements in 2007
Extend the diversity and availability of active labour market measures (ALMP)	The Labour Market Services and benefits Act (LMSBA): 6 new ALMPs
Motivate and support search for work	LMSBA: concept of suitable work; benefits
More attention to the needs of risk-groups	LMSBA: individual action plan; case management principle
Strengthen cooperation with employers	Special consultants for employers
Raise the efficiency of regional labour market offices	Rise of administrative capacity (training)

- The Ministry of Economic Affairs and Communications has prepared (to be ratified by the government in the nearest weeks) the new Housing Strategy 2007-2013, which includes measures to improve the living conditions of families with children. Activities for improving housing acquisition opportunities are:
 - deduct housing loan interests from taxable income;
 - national guarantees to housing loans (CredEx);
 - support to the enlargement of the municipal and rental housing fund;
 - support to the adjustment of dwellings according to the special needs (will be specified with the amendments to the Social Welfare Act);
- The Ministry of Social Affairs has prepared first draft Social Welfare Act, which among other purposes will enable to create additional means and measures for decreasing poverty among children and families with children. The first draft is currently opened for consultations with partners. The additional means and measures in the draft are:
 - new child care services will be established;
 - the requirements of the substitute home services will be toughened;

- training requirements for foster families, increase of state benefit more than tripled;
 - a requirement to create a case plan when a child is separated from the parents;
 - the use of case management method will be made compulsory in planning and providing services;
- for the monitoring and evaluation of social services for decreasing poverty among children and families with children, the creation of a child care services information system and STAR (social services data registry) is in the process;
 - elaboration of a new Social Benefits for Disabled Persons Act (the basic concept of which was approved in 2006 and entering into force is planned for 2008). Previously the Ministry of Social Affairs in 2005-2006 conducted a survey of the subsistence and needs of disabled people³ with the objective to get more information on and perceive how disabled people manage and on their social inclusion. The survey mapped the main problems related with disabled people's subsistence, evaluated support provided for the mitigation of these problems, including accessibility and suitability of benefits-services, analysed additional need for assistance. This law will also take into consideration opinions and proposals made by representatives of disabled people's organisations;
 - planned developments of welfare services and social benefits system are:
 - elaboration of the rehabilitation system;
 - development of welfare services;
 - training of social workers;
 - coherence between provision of subsistence benefits and participation in welfare and ALMPs;
 - the reform of social benefits system for disabled people on the basis of the new Social Benefits for Disabled Persons Act.

A new growing employment form in Estonia is temporary agency work as a tripartite employment relationship between the employee, agency and employer. The role of the agency is to hire workers and intermediate them to user enterprise to do jobs. This new employment form creates new flexible opportunities as well as new relationships (rights and obligations) between employer and employee, but its principles have not yet been agreed on the state level. For drafting national policies and legislation the Ministry of Social Affairs ordered in 2006 from the Research Centre Klaster a research to analyse similarities and differences of the temporary agency work in comparison with the classical bilateral (employer and employees) employment, to map behaviour and problems of the parties in the temporary agency work, to map visions of the parties in the temporary agency employment of a fair division of responsibility in the temporary agency relationship.⁴

The Confederation of Estonian Trade Unions has tried to promote a regular and substantive dialogue with the government and ministries so as the bilateral and tripartite negotiations on the state level would be more effective than so far. In the meeting with the minister of finance in June 2007 one of the most important subjects was introduction of the insurance against accident at work and occupational disease.⁵ Over the last month cooperation between the Ministry of Social Affairs and social partners (Confederation of Estonian Trade Unions, Estonian Employees'

³ Masso, M., Pedastsaar, K. 2007. Puuetega inimeste toimetulek ja vajadused (Subsistence and need of disabled people). Teemaleht. Sotsiaalministeeriumi toimetised (Proceedings of the Ministry of Social Affairs), No 1.

⁴ Renditöö uuring (Survey of the temporary agency work). 2007. Aruanne (Report). University of Tartu: Uuringukeskus Klaster (Research Centre Klaster).

⁵ Confederation of Estonian Trade Unions. 2007. <http://www.eakl.ee>.

Unions' Confederation, Central Federation of Employers) has increased, which obviously is directly related with the implementation of activities under the Estonian Action Plan for Growth and Jobs 2005-2007 Objective 9: 'Increasing the flexibility and organisation of the labour market'. Many employment contract law related issues have been discussed in the meetings:

- the administrative burden of implementing the Employment Contracts Act and possibilities of reducing it. By order of the Ministry of Social Affairs the Centre for Policy Studies PRAXIS in 2006 conducted an analysis of administrative burden of the Employment Contracts Act, which identified three main possibilities for reducing the administrative burden: increasing clarity of the law; simplifying fulfilment of the law; and abolishing the informing obligation, which involves unnecessary bureaucracy;⁶
- bringing of the Working and Rest Time Act into accordance with the EU requirements, as well as compensation for overtime work, work at night, short-time working, calculating the holidays, etc.;
- fixed term employment and termination of employment:
 - trade unions are of the opinion that redundancy payments may not be reduced, but the redundancy payments might be paid as monthly payments during the unemployment period. Employers agreed with the principle that redundancy payments must stay, but their rates should be smaller, because they think reduction of redundancy payments to a certain extent might strengthen the labour market as a whole and create preconditions for new jobs;
 - employers' and trade unions' opinions about the fixed-term employment contracts diverge, but they are unanimous about that different forms of employment may not reduce the protection of employees and unspecified term contract must remain the main form of employment.

In view of the parliamentary elections in spring, the Central Federation of Employers submitted early in 2007 an Employers Manifest for 2007-2011, which is to encourage dialogue between employers and politicians in labour market, education, health care, administrative and pension reform issues, which earned a lot of attention of the public. Entrepreneurs do not want to accept that participatory democracy means only participation in parliamentary elections, because they think there is no public and official dialogue with politicians.

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⁶ Anspal, S., Masso, M. 2007. Töölepinguseaduse halduskoormus (Administrative burden of the Employment Contracts Act). Teemaleht. Sotsiaalministeeriumi toimetised (Proceedings of the Ministry of Social Affairs), No 4.

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Annex

A new government entered upon office on 5 April 2007 and from among 19 policy areas of the Programme of the Coalition for 2007-2011⁷ the family and population policy has been raised to the forefront. Much attention has been focused also on social and health policy, education and research policy, ethnic minorities policy, civil society, etc. measures. According to the Ministry of Social Affairs, in a meeting of the minister of social affairs and the prime minister (24.04.2007) they promised that the priorities of the Ministry of Social Affairs in the next four years will be family policy and the draft laws relevant for the fulfilment of the family policy action programme will be sent to the Parliament this year already. Even while in the First 2007 semester report, the independent expert noted that the child protection issues (coordinated by the Ministry of Social Affairs) are treated separately from family policy (coordinated by the Bureau of the Population Minister) in Estonia, then on 24.05.2007 the Estonian government decided to make the coordination of the Estonian family policy the sphere of responsibility of the Ministry of Social Affairs.

1. The main changes in the sphere of family allowances and services are:

- the 2007 operational programme for the Strategy for Ensuring Child's Rights, which was approved by the Government in June 2007, aggregates activities of different ministries and of the Union for Child Welfare for ensuring the child's rights, increasing children's welfare and security and improve their health. It includes, for instance, measures and

⁷ Three parties formed a government coalition: Estonian Reform Party, Union of Pro Patria and Res Publica, Estonian Social Democratic Party.

activities for child allowances, parental benefit, flexible work forms for combining work and family life, school health development in the sphere of children's health to prevent diseases and propagate healthy life style, training of teachers for the prevention of youth consuming alcohol, informing about the harmfulness of consuming alcohol and tobacco, etc. The operational programme activities seek to reduce the number of children living in poverty or risk of poverty, engage disabled children into society, deal with the prevention of abuse and violation of law by children, and raise social awareness of the child's rights. All activities and measures envisaged in the operational programme are planned in the state budget for 2007;

- from 1.09.2007, child allowance and other family allowances are granted also to 16–19-years old children in evening or distance education. Child allowances will be granted also to those studying in an evening or extramural forms at basic school or upper secondary school; part time in a basic school based vocational school and those without basic education who are obtaining vocational education. So far, child allowance was paid only when the child could not for health reasons study full time in daytime school. The objective of the amendment was to support all young people who are obtaining secondary education. Linked to the child allowance payments is also payment of other state family allowances such as school allowance, foster care allowance, and single parent's child allowance. According to the Estonian Education Information System, approximately 7000 young people will receive family allowances who previously were not eligible. Additionally, entitled to the allowance from 1 September will be disabled parent who is raising a child alone, or who has an up to 19-year old child studying part time at basic school or upper secondary school in evening or extramural form. Previously the disabled parent's allowance was paid only when the 16–19-years old child studied in the daytime form or full time. The monthly rate of disabled parent's allowance is 300 kroons;
- from 1.09.2007, fathers are entitled to parental benefit when the child is 70 days old, instead of the previous six months (the benefit is paid to one parent at a time);
- from 1.01.2008, parents will receive the benefit for 120 days longer: parents who was working receive the benefit until 575 days from the beginning of maternity and childbirth leave; in 2007, it is paid until 455 days, and parents who was not working will receive the parental benefit until the child is 18 months old instead of the previous 14 months. The parental benefit rate is calculated on the basis of the average wages in the previous calendar year (100% of the income from which social tax has been paid, but not more than three-fold Estonian average for the year before last – in 2007 21,624 kroons per month). The parents who did not work during the calendar year preceding the year when the entitlement to parental benefit was established, are entitled to 2,690 kroons per month; and when the parent worked during the calendar year, but his/her average wage was smaller than the minimum wage, the monthly parental benefit rate is equal to the minimum wage rate (the minimum wage rate in 2007 is 3,600 kroons). When a parent receives parental benefit, he/she is not entitled to child care allowance at the same time. Child allowance and other family allowances are paid together with the parental benefit. If the parent has obligatory pension insurance, the state pays into the pension fund one percent of the parental benefit amount. Parental benefit is paid also to court-appointed caregiver or guardians of the child;
- from 1.07.2007, the child allowance rose starting from the third child to 900 kroons (at the same time, allowances to households with three or more children, or quarterly allowances, were ceased). Families with three children will gain 300 kroons, families with

four children 600 kroons, families with five children 1,050 kroons and families with six children 1,500 kroons per months from this amendment;

- tax allowances to parents and guardians:
 - a parent may deduct from his/her income education costs of his/her child (until the child gets 26 years of age) including study loan interest payments (since 2004, a young parent who has graduated from university or vocational school can apply for the study loan balance to be cancelled in the amount of 50% per every up to four year old child);
 - since 2006, families with children can deduct from their taxable income 24,000 kroons annually per every up to 17 years old child starting from the second child in the family and on 1.01.2008, a tax allowance will enter into force according to which families with children can deduct from their taxable income an additional tax-free income per every up to 17 years old child;
 - the state shall pay social tax for a parent raising an up to 3-year old child from the monthly amount established by the state budget (2,000 kroons in 2007, it will increase every year in the future), so that the parent would be provided health insurance and pensionable service. In addition to the parents of up to 3 years old children, the state shall pay social tax also for parents of many other children, for example parent of 7 and more children and parent of a disabled child, etc.;
- foster care allowance rose from 900 kroons to 1,500 kroons;
- in 2007, a start-in-independent-life allowance of 6,000 kroons is also granted to children in foster care (previously only orphanage children were granted a single benefit for starting independent life);
- in August 2008, the government parties approved of the plan to create new kindergarten places and to raise wages of kindergarten teachers with higher education to the same level with basic school teachers (programme 'A kindergarten place for every child') and presented it to the government;
- transition from large orphanages to the system of family houses where the children will live as six to ten member families began. In a family house the mother of the family and every child has his/her own room, a common living room and a kitchen, playgrounds around the house. Activity house is a place for the children to come together and spend their free time, for example, in hobby groups, a gym etc. The state supports orphanages build new family houses, so as the orphanages were more child- and family-focused, where the child and his/her needs were in the focus. Orphanage projects will be ready by the end of this year, houses are expected to be completed by Christmas 2008. Financial resources for design and construction come from the Estonian state budget and from the European Union projects;
- the Ministry of Social Affairs, Ministry of Education and Research and Estonian National Committee of UNICEF concluded in July 2007 a partnership agreement for the development of the protection of children in Estonia. An objective of the tripartite cooperation is to improve children's welfare, to ensure children's rights better and to create better subsistence opportunities for the children. According to the agreement, the parties involved shall actively cooperate in developing policies aimed at the protection of children's rights. Attention is focused on different subjects, for example, children and trafficking in persons, children and drug addiction, children and violence, and children

with specific needs. In cooperation with the international organisation it is possible to use experiences of UNICEF for initiating events and charity projects targeted at children and young people, as well as have more possibilities for implementing ideas through common activities for the protection of children.

2. The main changes in pensions, social benefits and services:

- from 1.04.2007, the average old-age pension is 3,490 kroons (rise 11.29%) and since 1.07.07 by another 250 kroons more;
- death grant rate rose to 2,600 kroons;
- a victim support law amendment raised the benefit rate from 70% to 80% of the material damage caused by the crime of violence (the maximum rate will rise from 50,000 kroons to 150,000 kroons and the death grant rate paid in the event of the victim's death will rise from 5,500 kroons to 7,000 kroons);
- benefits to the repressed rose to 3,000 kroons (maximum rates for health care services, prescription medical products and medical rehabilitation services rose to 2,500 kroons (in 200 2,000 kroons), and with transport compensation of 500 kroons the annual benefit is 3,000 kroons);
- the subsistence level rose to 900 kroons per single person or first household member, and to 720 kroons per second and every next member of household;
- a state-owned public limited company AS Hoolekandeteenus (AS Welfare Services) was established, which shall converge specific social welfare institutions (16) so far administered by county governments, which are rendering institutional services to disabled people (24-hour care), to improve the quality of the service;
- the Ministry of Social Affairs has started activities for supporting the more extensive use of computers in everyday life by elderly, children and households with many children and disabled children. The project tender announced by the Ministry of Social Affairs in May 2007 will support eight projects with a total of 496,279 kroons (21 projects were submitted). As a result of a project tender for increasing e-inclusion new programmes will be introduced and computer training will be organised for the elderly and disabled people; for example, an e-learning programme for sign language will be developed for people who have to do with hearing impaired children; a sign language dictionary will be published, which will be accessible in the web; a web portal will be created on technical aids for disabled people, which will enable to use a computer and the internet, etc.

3. Changes in employment sphere:

- a sharp rise in labour demand, especially in construction, trade, transport and storage, brought in 2006 a reduction in the number of unemployed and also return of some inactive people to the labour market. Competitiveness of non-Estonian, discouraged, long-term unemployed and other risk groups in the labour market was improved by the activity of the labour market board in various regions in Estonia, where a significant role was played also by many projects of the European Union Social Fund. Under the continuing economic activeness, demand for labour has stayed high also in 2007, which is however limited by shortage of labour force, particularly skilled labour. Employment

can be increased primarily by offering more active labour market measures to inactive people, which would enable the unemployed and inactive people to obtain a qualification that satisfies demand; it is also necessary to increase use of flexible work forms and hours to employ students, mothers of small children and pensioners. A topic circular prepared by the Ministry of Social Affairs on the basis of the Statistical Office's labour force survey data⁸ has noted that only 11% of the inactive people want and can go to work immediately, on the first opportunity;

- in June 2007, the government made a proposal to simplify conditions for bringing in foreign labour (according to a recent survey by the Estonian Institute of Economic Research, shortage of workforce is today the biggest limit to production growth; two years ago it was insufficient demand). These will reduce bureaucracy and time for documentation and procedure, as well as definite criteria will be established for allowing application for short-term registration of employment or temporary residence permits for employment. The main principle is that the importing of foreign labour is justified in the case of a qualified labour (the relevant amendments to the law will be prepared for November 2007);
- unemployment insurance law amendments improve the situation of those who have been unemployed repeatedly; also the calculation of unemployment insurance benefit will change. When the remuneration per calendar day of the applicant is bigger than the threefold Estonian average remuneration per calendar day of the insured persons, then the benefit shall be calculated on the basis of the former;
- the monthly rate of social tax rose to 2,000 kroons. Through raising the social tax the state values more than so far some kinds of inactive periods, for example child raising, and provides more effective pension insurance. The state pays social tax for the child care allowance, parental benefit and unemployment benefit receivers, and for the conscripts in the defence forces;
- unemployment benefit rose from 400 kroons to 1,000 kroons (daily rate of unemployment benefit 32.90 kroons);
- the state provides health insurance to all unemployed people who are registered in employment office and actively seeking employment. Hence the number of people covered by health insurance approximately by 10,900, who are motivated to participate in labour markets services for the long-term unemployed and more actively seek employment.

4. Changes in the sphere of health:

- under the leadership of the Ministry of Social Affairs a national cancer strategy for the years 2007-2015 was prepared; its objective is to reduce the increasing number of preventable malignant cancer cases and deaths from cancer, and to prolong the lifetime and improve the life quality of the patients with cancer. It is targeted that in comparison with the current level, nearly 300 or 5% fewer Estonian people would fall ill with cancer in 2015 and later and nearly 350 people less would die of cancer annually. Screening will be used for early detection of cancer, including the most evidence based examinations of

⁸ Mitteaktiivne rahvastik kui potentsiaalne tööjõuallikas (Inactive population as a potential source of labour). 2007. Teemaleht. Sotsiaalministeeriumi toimetised (Proceedings of the Ministry of Social Affairs), No 6.

cervical cancer and breast cancer, where women in certain age and after a certain time interval will be invited to medical examination. With the finance of the Sick Fund and on the initiative of Estonian Cancer Foundation pilot examination projects have been conducted since 2002. According to the strategy, the present insurance based screening will be reformed to population based screening, for which purpose the relevant structures will be established. A part of the strategy is a plan to establish a cancer treatment quality commission for a more effective and well-considered treatment of cancer, where the best specialists in their field will analyse organisation and results of treatment. The cancer strategy operational programme will be implemented by the National Institute for Health Development;

- dental benefit rose from 150 kroons to 300 kroons per year;
 - denture benefit to over 63 year old people rose from 2,000 kroons to 4,000 kroons;
 - a regulation entered into force, which increased the VAT on many medical instruments from 5% to 18%. A reduced rate of 5% will remain among other things on all pharmaceuticals, technical aids to disabled people, women's sanitary products, baby napkins etc.;
 - it is prohibited to use chemical substances phthalates in toys and child care equipment;
 - owners or possessors of a beach and providers of swimming and spa services are obliged to guarantee people's safety, conduct water inspection and inform the public about the suitability of bathing water and swimming pool water;
 - the Tobacco Act has more strictly restricted smoking in interior spaces, particularly at recreation facilities. Smoking is permitted in casinos and catering facilities only where there is a separate room for smokers. Catering is prohibited in the smoking room, i.e. one may not enter there with a cup of coffee or a glass of wine. Requirements for packagers of tobacco products have also grown more severe and the entrepreneurs were given up to two years to bring rooms into conformity with the requirements;
 - in 2008, a new state immunisation plan will come into force, where the most significant changes are introduction of more up-to-date vaccines for children and re-vaccination of adults (for the adults older than 25 years of age the state guarantees regular re-vaccination against diphtheria-tetanus at the state expense);
 - though the waiting lists for medical treatment have grown shorter, it is still a sharp problem in some specialties and regions; the main reason for this is shortage of medical personnel. A possible solution is the e-health project where digital waiting lists through Estonia make them more transparent and the patients can choose the specialist or use reception services of sisters, as well as to introduce a penalty system for the patients who have not showed up and have not notified of this.
5. Early in September, the Confederation of Estonian Trade Unions and the Central Federation of Employers started national minimum wage negotiations for 2008 (until 2002 minimum wages were established as a result of tripartite negotiations) and trade unions want a sharp rise (38.9%) in minimum wage (from 3,600 kroons to 5,000 kroons). Whereas the trade unions play on the long-term agreement concluded with employers in 2001 whereby the minimum wage must by 2008 be 41% of the average gross wage, and also on that according

to the economic prognosis of the Ministry of Finance the average wage in 2008 will be 13,000 kroons and the consumer price index will rise to 7.4%. It is to be noted that a minimum wage growth would help to alleviate the situation of low-paid people under the accelerating inflation and to reduce the share of unreported wages, thus increasing state revenue, and also a sufficiently high minimum wage would force employers to require employees to work more efficiently.

6. In July 2007, a special publication on social inequality in the Estonian society conducted by Statistics Estonia⁹ was published for the first time, where inequality is treated in a wider sense. Besides the distribution of income between people attention is also paid to the distribution of social, cultural and health resources, to the transition of inequality from one generation to the next.
7. In June 2007, an opinion poll ordered by the bureau of the minister of population from Saar Poll indicated that the April crisis has not reduced the Estonian society in the sense of national polarisation into a new status, although the causes of the street riots are seen by Estonians and representatives of other nationalities differently and they blame each other for nonunderstanding.¹⁰ The survey also identified that national minorities in Estonia are not homogeneous: 27.5% of non-Estonian population are strongly, 34.1% moderately, 30.9% weakly integrated and 8% are not integrated at all. The main objective after the April crisis is to restore trust between Estonians and non-Estonians.

An objective of the Estonian integration policy has been to create for all Estonian people equal opportunities for participation in social life notwithstanding the nationality or mother tongue. The framework plan for governmental agencies and other institutions for the years 2000-2007 has been the State Programme 'Integration in Estonian Society 2000-2007', the success of which, particularly in the context of April events, has been doubted by many opinion leaders. Therefore a lot of emphasis is laid on increasing participation of the public in the elaboration of a new programme, although already in April 2006, the minister of population appointed a 26-member expert commission for the elaboration of an integration strategy for the years 2008-2013. The integration strategy identifies the content and main emphases of the integration process, formulates long-term objectives in three areas: socio-economic, legal-political and educational-cultural.¹¹ The expert commission comprises specialists of different areas of integration, parliament members, representatives of employers and of ethnic minorities and other parties involved. A 30-member working group works with the expert commission, which collects and works through proposals made by the ministries/offices, as well as draft projects/undertakings of other parties in the field of integration, and prepares on the basis of these drafts of national integration programme. The working group shall report to the expert commission about its activity; the role of the expert commission is to look through, discuss and approve of the draft versions. Monitoring of the implementation of the integration programme shall be conducted by the steering committee. All those interested are invited to express their opinion about the objectives, target groups, principal measures of the integration strategy and until 30.09.07 it is possible to submit proposals for the improvement of the draft integration strategy. A public debate of the integration programme with the participation of 80 representatives of the integration programme target groups was held on 07.09.2007 in Tallinn; the next one will be held on

⁹ Sotsiaalne ebavõrdsus (Social inequality). 2007. Tallinn: Statistics Estonia.

¹⁰ Kalberg, S. 2007. Uuring lükkas ümber Eesti rahva lõhestumise rahvuse pinnal (The survey proved the split in Estonian population by nationality to be untrue). Eesti Päevaleht, 8. august.

¹¹ Intergratsioon Eesti ühiskonnas 2008-2013 (Integration in Estonian society 2008-2013). 2007. http://www.osale.ee/files/consult/4_INTEGRATSIOONISTRATEEGIA%20L%DCHIKIRJELDUS.pdf.

14.09.07 in Jõhvi and the third and final debate will be held at the end of October in Tallinn. After receiving the amendments/proposals the working group of the National Integration Programme 2008-2013 will work them through and will submit to the expert commission, who will make relevant amendments to the strategy. A consolidated response on the basis of proposals will be published in the web¹² not later than 14 October 2007. An improved draft of the integration strategy 2008-2013 will be submitted for approval to the Government at the end of 2007.

¹² Intergratsioon Eesti ühiskonnas 2008-2013 (Integration in Estonian society 2008-2013). 2007. <http://www.osale.ee/index.php?page=consults&id=4>.