Safer and healthier work at any age Country Inventory: Estonia





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Abbreviations

ENWHP: European Network for Workplace Health Promotion

ESF: European Social Fund

European Foundation for the Improvement of Living and Working Conditions

EU-OSHA: European Agency for Health and Safety at Work

MSDs Musculoskeletal disorders

ILO: International Labour Organization

OECD: Organisation of Economic Cooperation and Development

OSH: Occupational Safety and Health

P.p.: Percentage point RTW: Return to work

SHS: Social Welfare Law

SKA: Social Insurance Board

WHO: World Health Organisation

Introduction

This report is part of the project 'Safer and healthier work at any age', initiated and financed by the European Parliament¹². The objective of the European Parliament was to further investigate possible ways of improving the health and safety of older people at work.

The project, which started in 2013,

- reviewed state of the art knowledge on ageing and work;
- investigated EU and Member States policies, strategies, and programmes addressing the challenges of an ageing workforce in the field of occupational safety and health (OSH) and policy areas that affect OSH, such as employment and social affairs, public health, and education;
- investigated EU and Member States policies, strategies, and programmes in relation to rehabilitation/return-to-work;
- and collected information on related workplace-level practices.

To review policy developments and initiatives taken in Europe to tackle the demographic change, country reports were prepared, with a specific focus on initiatives to improve the health and safety of an ageing workforce and on those aiming at promoting rehabilitation/return to work.

Methodology

The country reports were prepared in each of the 28 European Member States and EFTA countries (Iceland, Switzerland, Lichtenstein and Norway). In eight countries (Austria, Belgium, Denmark, Finland, France, Germany, the Netherlands and the United Kingdom), the research was carried out at a more indepth level including additional resources and the consultation of relevant stakeholders via the organisation of expert workshops.

The **information** used to prepare the reports was collected between September 2013 and June 2014 and comes from international, European and national sources, referenced in the report's bibliography.

The **indicators** presented in the first section of the reports have been selected taking into account:

- Relevance to the topic: In addition to data on working conditions and health, indicators related to general contextual factors such as the demographic development, labour market and employment have also been included.
- Availability of data by age groups: As the focus of this work is to investigate activities in the context of an ageing workforce, it is central to the project to collect data by age groups.
- Geographical coverage: In order to be able to compare results across the Member States, it is important to use the same indicators in all country reports. For this reason, European and international sources were favoured.

National expert workshops took place in the eight countries subject to in-depth review as well as in two additional countries, Poland and Greece between March and June 2014.

The objectives of the workshops were to:

- Confirm the findings and interpret the results of the desk research;
- Stimulate discussions between intermediaries and experts in the field of occupational health and safety and rehabilitation/return-to-work, in order to collect additional information and examples of good practices;
- Exchange views and ideas on what works well, what could be improved, and what are the drivers, needs and obstacles to address the challenges of an ageing workforce.

Official Journal of the European Union, '04 04 16 – Pilot project - Health and safety at work of older workers', Chapter 0404— Employment, Social Solidarity and Gender Equality, 29.02.2012, pp. II/230 - II/231. Available at: http://bookshop.europa.eu/en/officialjournal-of-the-european-union-l-56-29.02.2012-pbFXAL12056/ (Accessed December 2014

² The activities carried out for the European Parliament's pilot project are coordinated by the European Agency for Safety and Health at Work (EU-OSHA) and implemented by a consortium led by Milieu Ltd (other consortium partners include: COWI, IOM, IDEWE, FORBA, GfK, NIOM).

The present report describes policies and strategies in Estonia, addressing the ageing of workforce. Specifically, it focuses on initiatives to improve the health and safety of an ageing workforce and on those aiming at promoting the rehabilitation/return to work of workers following a health problem.

Structure of the reports

The first section of the report provides background information on demographic developments, the labour market, working conditions and the health status of the older working population. The institutional and legal framework for occupational health and safety in Finland, as of June 2014, is also described.

The second section of the report describes strategies, policies, programmes and activities initiated by the government or government-affiliated organisations, social partners and non-governmental organisations to tackle the challenges related to demographic change, and more specifically to the ageing of the workforce. These initiatives were identified primarily in the area of occupational health and safety but also in the areas of employment and public health and any other relevant policy areas.

The third section of the report focuses on the issue of the rehabilitation and return to work of workers following a health problem (accident or disease). The section starts by introducing the national system for the rehabilitation of workers following a long-term sick leave or work incapacity and considers the legal and policy framework, the actors involved and the main steps of the rehabilitation process. The second part of the section describes specific activities, programmes or strategies implemented by the government or government-affiliated organisations, social partners and non-governmental organisations for the rehabilitation of workers.

1 General context

Section I of this report starts with an overview of the most relevant facts and figures on the current situation in Estonia with regard to demographics, the labour market, working conditions and the health status of the older working population. It then provides background information on the institutional and legal frameworks in Estonia that pertain to safe and healthy work in the context of an ageing workforce. Finally, it provides a brief overview of the pension system, looking specifically at legal and actual retirement ages, early retirement opportunities and ongoing or upcoming reforms that would affect older workers.

1.1 Facts & figures

In this sub-section on facts and figures, a number of indicators introduce the current situation in Estonia with regard to demographic factors, the labour market, working conditions and health status of the older working population.

The following definitions aim to provide clarity on a number of terms used frequently in this section:³

- "Median age" is the age that divides a population into two groups that are numerically equivalent.
- The "old age dependency ratio" is the ratio of the number of older people at an age when they are generally economically inactive (i.e. aged 65 and over), compared to the number of people of working age (i.e. 15-64 years old)
- "Old age pension" is payment to maintain the income of a person after retirement from employment at the standard age or payment made to support the income of older persons.⁴
- "Healthy life years", also called disability-free life expectancy (DFLE), is defined as the number
 of years that a person is expected to continue to live in a healthy condition.⁵

Table 1 provides a quick snapshot of selected indicators, some of which are further described in the rest of the section.

Table 1, Overview table of main indicators

	Estonia	EU-28
Median age 2013 (2060)	41 (46)	42 (46)
Share of population aged 55 to 64 years (2013)	13%	13%
Share of population aged 65+ (2013)	18%	18%
Old age dependency ratio (65+/15-64) 2013 (2060)	27% (55%)	28% (50%)
Employment rate of 55 to 64-year-olds (2013) (Δ since 2003)	63% (+10 p.p.)	50% (+10 p.p.)
Official Retirement age (2012) ⁶	66	
Effective retirement age (2012) ⁷	62(f)/63.6(m)	60.9(f)/62.3(m)*8
Share of pensioners (50-69) who quit working for health or disability reason (2012)	38%	21%

Pension expenditures (% of GDP) (2011*)

a41d6a2df37f?version=1.0 (Accessed December 2014)

³ Definitions extracted from the Eurostat glossary (unless stated otherwise):

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Thematic_glossaries_(Accessed December 2014)

⁴ Eurostat, Methodologies and Working Papers, *The European System of integrated Social PROtection Statistics (ESSPROS), ESSPROS Manual and user guidelines*, 2012, p. 58. Available at: http://ec.europa.eu/eurostat/documents/3859598/5922833/KS-RA-12-014-EN.PDF/6da3b2bf-85ba-4665-b318-

⁵ This indicator is compiled separately for men and women, both at birth and at age 65. It is based on age-specific prevalence (proportions) of the population in healthy and unhealthy condition and age-specific mortality information. A healthy condition is defined as one without limitation in functioning and without disability.

⁶ See section 1.4 on Pension system.

⁷ Source: OECD estimates on the "average effective age of retirement versus the official age, 2007-2012"

⁸ These figures refer to the EU-27

	Estonia	EU-28	
All pensions Old-age pensions Disability	8% 5.1% 1.2%	13.0% 9.5% 0.9%	
Life expectancy at 65 years, in years (2011) Women Men	18 20.1 14.8	19.7 21.3 17.8	
Healthy life years at the age of 65 (and 50) (2011) Women Men	5.7 (14) 5.6 (12.2)	8.6 (17.7) 8.6 (17.9) 8.6 (17.5)	
Employed persons aged 55 to 64 years reporting one or more work-related health problems in the past 12 months in 2007 (% from all employed aged 55 to 64 years)	16.1%	11% ⁹	
Share of employed people aged 55-64 yrs who perceive their health as in being in a bad or very bad status (and 45-54 yrs), 2012	9.2% (6.3%) ¹⁰	5.7% (3.8%)	
Share of employed people aged 55-64 yrs who have a long-standing illness or health problem (and 45-54 yrs), 2012	52.5% (37%)	33.3%** (24.2%**)	
Share of people aged 55-64 yrs who report MSDs as their most serious work-related health problem during the past 12 months (2007) Women Men	60% ¹¹ 61% ¹² 59% ¹³	60% ¹⁴ 64% 56%	
Share of workers above the age of 50 who think they could do their current job at the age of 60^{15} (2010)	76%	71% ¹⁶	
Share of employed people with working experience who report that measures to adapt the workplace for older people have been put in place at their workplace ¹⁷ (2013)	22%	31%	

Sources: All figures are as published by Eurostat, unless mentioned otherwise. Sources used by Eurostat include: Eurostat population statistics, Eurostat population projections, the European Labour Force Survey (EU-LFS), the European Survey on Income and Living Conditions (EU-SILC), the European System of Integration Social Protection Statistics (ESSPROS) *figure refers to 2011; ** estimated figures only (by Eurostat)

Demographic developments

In 1970, the median age of the Estonian population was 34 years, rising to 41 years by 2013. It is still below the overall median age of the 2013 EU population – 42 years. This ageing of the Estonian population is also reflected in the distribution of the population across the different age groups and their development between 1990 and 2012. The share of the oldest group – people over the age of 65, shows an increase from 12% to 18% (EU-28: 18% in 2013), whilst the 55-64 year olds have increased from 11% to 13% (EU-28: 13% in 2013).

The population ageing is predicted to continue. The age group 65+ will significantly increase between 2013 and 2060, from 18% to 30% of the total population in 2060. This ageing is also shown in the age

⁹ This figure is for the EU-26 without France. Due to different wording in the French version of the questionnaire, the results were very different in France and Eurostat recommends using the aggregate figures without France.

¹⁰ Low reliability

¹¹ Definition differs

¹² Definition differs

¹³ Definition differs

¹⁴ This figure is for the EU-26 without France. Due to different wording in the French version of the questionnaire, the results were very different in France and Eurostat recommends to use the aggregate figures without France.

¹⁵ Source: European Working Conditions Survey 2010

¹⁶ This Figure refers to the EU-27

¹⁷ Source: European Commission, Flash Eurobarometer on Working Conditions, 2014. Fact sheet on Estonia. Available at: http://ec.europa.eu/public_opinion/flash/fl 398 fact ee en.pdf (accessed December 2014).

pyramid below (Figure 1) which shows that between 2010 and 2050, the age group of 20 to 65-yearolds is predicted to decrease while the age group of 65+ is predicted to increase. This is also reflected in the old-age dependency ratio (see Table 1).

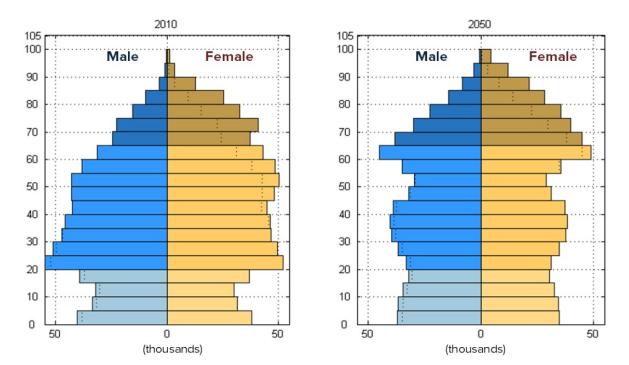


Figure 1, Total population by age group and gender, 2010 and projection for 2050

Source: International Conference on Population and Development Beyond 2014, Estonia Country Implementation Profile¹⁸.

Labour market participation

The employment rate among 55-64 year old Estonian employees has been rising sharply since 2000 (see figure 2, below). While the employment rate of this age group was significantly lower compared to the EU average in 2002 (27.7% compared to 38.5% respectively), it reached the level in 2008 (46%). However, after 2008, the employment rate did not continue to grow at the same speed as the EU-average, i.e. employment among 55-64 year old Estonian employees was at 63%, in 2013, compared to an EU average of nearly 50% for the same year.

Since 2002, in Estonia, the employment rates of the over 65's have remained constant at 2.8%, which is 2.2% lower than the EU average (5%) for the same period.

¹⁸ International Conference on Population and Development Beyond 2014, Estonia Country Implementation Profile. Available at: http://icpdbeyond2014.org/about/view/19-country-implementation-profiles (Accessed December 2014)

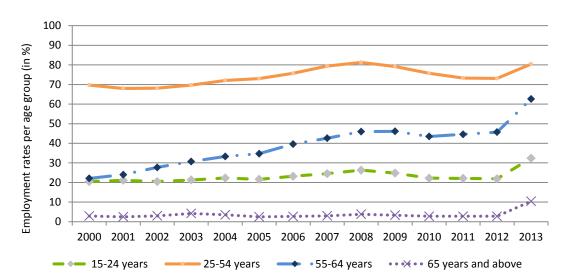


Figure 2, Employment rates per broad age groups, 2000-2013, Estonian residents, all nationalities

Source: Eurostat 2013, EU-LFS, annual detailed survey results, Employment rates by sex, age and nationality (%) [lfsa_ergan]

Working conditions

Based on the Fifth European Working Conditions Survey (5th EWCS), carried out by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in 2010¹⁹, the following conclusions can be drawn with regard to the working conditions of older workers (aged 50 and above) in Estonia:

- The share of older workers²⁰ aged 50 and above, *carrying heavy loads* for at least a quarter of their working time, has increased between 2000 and 2010 (from 27% in 2010 to 39% in 2005 and dropping to 34% in 2010). For EU workers in this age group, the percentage was 32% in 2010.
- The share of older workers whose job involves *tiring and painful positions* (almost) all of the time in Estonia is similar to the average EU (15.3% compared to 15.5% respectively).
- The percentage of older workers who *work in shifts* has been relatively stable throughout the years in Estonia, i.e. between 16% and 17% always higher to the EU-average. Across the EU, 14% of older workers reported working shifts in 2010. Like in many other European countries, the percentage of workers who *work at night* decreases with age. Only 17.3% of older workers work at night in Estonia, which is higher than the EU average (16%).
- In Estonia, the share of older workers reported that their working hours fit well with their private life has decreased from 84% to 81% between 2000 and 2010. The 2010 percentage is lower compared to the EU average (85% in 2010).
- As in most other EU Member States, the number of people reporting *three or more external constraints on their work pace* (such as demands from people or production/performance targets) in Estonia decreased after the age of 50 years in 2010 (29.7% of Estonian workers aged 50 in 2010 compared to 26.8% on EU average).
- In Estonia, a higher share of workers from all age categories except older workers receive onthe-job training compared to the EU average. For older workers, is the share is lower - 24% compared to 26% respectively.

¹⁹ Unless mentioned otherwise, the figures in this paragraph relate to the EWCS from 2010. Available at: http://eurofound.europa.eu/surveys/ewcs/2010/european-working-conditions-survey-2010 (Accessed December 2014)

²⁰ The term "older workers" in this section refers to workers aged 50 years and above, the term "young workers" refers to workers below 30 years.

- A considerably higher share of Estonian workers, across all age groups, reported that their work had a negative effect on their health, compared to the EU-27 average. In 2010, 40.2% of older Estonian workers reported that their health was affected in a negative way by their work, compared to 27.3% among older workers across the EU.
- Among older workers in Estonia, satisfaction with working conditions increased between 2000 and 2010 (74% and 80%, respectively). The 2010 result is also the highest percentage increase compared to the other age group of the same years.
- The share of workers aged 50 and above, reporting that they would be able to do the same job at the age of 60 has decreased from 80.6% in 2000 to 75.6% in 2010. It remains higher than the EU average (71.4% in 2010). As in most other countries, the share of Estonian workers reporting that they would be able to do the same job at the age of 60 increases substantially with age.
- In Estonia, 22% of employed people and people with working experience indicated that
 measures to adapt the workplace for older people had been put in place at their workplace
 (compared to 31% at EU-28 average). 19% of those that responded did not know whether their
 workplace had been adapted to older workers²¹.

Health

In 2011, estimations showed that Estonian men of the age of 65 years had a *life expectancy* of around 14.8 additional years²² which is lower than the EU average – 17.8. 5.6 of these years are estimated to be 'healthy life years' which is also lower than the EU average (8.6)²³. The same observation can be made for women. Women of the age of 65 had a life expectancy of 20.1 additional years (21 years in the EU) but only 5.7 'healthy life years' (compared to the 8,6 at EU level).

The *perceived health status* among employed persons in Estonia worsens with age as demonstrated in Table 2 below.

Table 2, Self-perceived health among employed in different age groups, 2012; shares of age group reporting 'very bad' or 'bad' health status

	16-44 years	45-54 years	55-64 years	65 years and above
Employed	1.6%*	6.3%*	9.2%*	10.9%

Source: EU-SILC Self-perceived health by sex, age and labour status (%) [hlth_silc_01]

As shown in Table 3 the share of Estonian workers between the age of 55 and 64 who reported that they suffered from *work-related health problems* was higher than the EU average for the same age group in 2007²⁴.

^{*} Figures are of low reliability

²¹ European Commission, Flash Eurobarometer on Working Conditions – Fact sheet for Estonia, 2014. Available at: http://ec.europa.eu/public_opinion/flash/fl 398 fact ee en.pdf (Accessed December 2014)

²² Eurostat 2013'Life expectancy by age and sex' [demo_mlexpec]

²³ Eurostat 2013 'Healthy Life Years (from 2004 onwards) (hlth_hlye).

²⁴ EU LFS ad-hoc module 2007 on accidents at work and work-related health problems "Persons reporting one or more work-related health problems in the past 12 months, by sex, age and education - % [hsw_pb1]"; shares from all employed in the respective age group; a work-related health problem is defined as covering all diseases, disabilities and other physical or mental health problems, apart from accidental injuries, suffered by the person during the last 12 months, and caused or made worse by the work. This is a broad concept that covers much more than the recognised occupational diseases.

Table 3, Self-reported work-related health problems by workers in Estonia and EU-27, by age group

EE 25-34 yrs		5%	
EE 35-44 yrs			7%
EE 45-54 yrs			12%
EE 55-64 yrs			16%
	Men		18%
	Women		15%
EU-27* 55-64 yrs			11%

Source: EU LFS ad-hoc module 2007 on accidents at work and work-related health problems, Persons reporting one or more work-related health problems in the past 12 months, by age - % [hsw_pb1]; according to Eurostat, 'minor wording, conceptual, or cultural differences were identified' for data from this country; therefore, comparability with other countries has to be interpreted with caution²⁵.

The most serious work-related health problems reported among the 55 to 64-year-olds were – as in most other countries – musculoskeletal disorders (MSDs) (Table 4)²⁶. However, compared to the EU average, the prevalence of cardiovascular disorders as most serious work-related health problems is higher in Estonia and increases with age, while stress and depression are less common.

Table 4, Most serious work-related health problem during the past 12 months, % of all employees who reported a work-related health problem during the past 12 months; by gender and by most prevalent types of diseases²⁷

		Cardiovascular disorders	Musculoskeletal disorders	Stress, depression, anxiety	Pulmonary disorders
35-44 yrs.	Total (EU-27*)	7.3 (2.9)	55.6 (60.9)	5.5 (16.4)	8.4 (4.9)
	Women	8.5	44.8	8.8	9.3
	Men	5.9	67.5	1.9	7.4
AE EA viro	Total	9.9	61.2	4.2	6.8
45-54 yrs.	(EU-27*)	(6.2)	(61.3)	(13.5)	(4.7)
	Women	7.5	59.7	3.8	8.2
	Men	12.4	62.8	4.6	5.3
EE GA was	Total	17.0	60.2	6.2	3.9
55-64 yrs.	(EU-27*)	(11.3)	(59.9)	(9.2)	(5.8)
	Women	17.4	61.5	5.6	5.1
	Men	16.6	58.7	6.9	2.6

Source: EU LFS ad-hoc module 2007 on accidents at work and work-related health problems, Persons reporting their most serious work-related health problem work in the past 12 months, by type of problem - % [hsw_pb5]; according to Eurostat, 'minor wording, conceptual, or cultural differences were identified' for data from this country; therefore, comparability with other countries has to be interpreted with caution²⁸.

*this figure is for EU-27 excluding France, since in France, the question wording was slightly different, causing a bias. Eurostat suggests using the aggregate without France.

^{*}this figure is for EU-27 excluding France, since in France, the question wording was slightly different, causing a bias. Eurostat suggests using the aggregate without France.

²⁵ See Eurostat Evaluation Report AHM 2007, p. 26, available at: http://ec.europa.eu/eurostat/documents/1978984/6037334/Evaluation-Report-AHM-2007.pdf

²⁶ EU LFS ad-hoc module 2007 on accidents at work and work-related health problems, Persons reporting their most serious work-related health problem work in the past 12 months, by type of problem - % [hsw_pb5]; the module distinguishes 8 different problems in total

²⁷ More recent figures are available (EU-LFS ad-hoc module 2013); however, several countries have not delivered data for 2013, which is why no EU aggregates for this variable could be calculated. Due to these limitations, the 2007 data was used in this report. Data for 2013 can be obtained from Eurostat, available at: http://ec.europa.eu/eurostat/web/lfs/data/database

²⁸ See Eurostat Evaluation Report AHM 2007, p. 26, available at: http://ec.europa.eu/eurostat/documents/1978984/6037334/Evaluation-Report-AHM-2007.pdf

Definition

There is no official definition of 'older worker' in Estonia. Traditionally 'older' workers are those over 45 vears old.

1.2 Institutional structure for health and safety at work

The following section presents the overall institutional structure related to occupational health and safety in Estonia.

Overall Structure

The institutional competences in Estonia related to the field of occupational health and safety (OSH) are spread across the following authorities and bodies:

- Ministry of Social Affairs (Sotsiaalministerium): is the government body responsible for the regulation of health and safety at work. It does so through two of its structural units; the Health Care Department and the Working Life Development Department – the latter is the EU-OSHA focal point and involves 16 governmental and non-governmental institutions.
- Elderly Policy Committee: is part of the Ministry of Social Affairs and discusses and evaluates all statutory decisions and regulations related to older people. Moreover, the Committee, being an an intermediary between the State and organisations that protect the interests of older people, decides on and implements measures aimed at improving the well-being of older people
- Labour Inspectorate (Tööinspektsioon) 29: is the state body competent for supervising compliance with occupational health and safety requirements. The Labour Inspectorate operates through local divisions; the Northern, Southern, Western and Eastern Inspectorates.
- Health Board (Terviseamet) 30: acts as the national OSH institute in Estonia and includes a spcialised OSH Working Environment Department. In 2004, the Health Board took over the executive role of the Occupational Health Centret.
- Working Environment Council (Töökeskkonnanõukogu): is a tripartite advisory body that operates under the supervision of the Ministry of Social Affairs. The Council comprises 15 members and its main task is to make suggestions and to express opinions on the development and implementation of the working environment policy³¹.
- Social Insurance Board (Sotsiaalkindlustusamet)³²: is mainly responsible for organising and coordinating the state pension scheme in Estonia and payment of benefits and compensations, throughout its local offices.
- National Institute for Health Development (Tervise Arengu Instituut) is a government-funded science and research institute which is responsible for collecting and analysing national health indicators. The Institute regularly organises events and frequently publishes issues related to health behaviour, including scientific studies and impact assessments.

²⁹ Website of the Labour Inspection: http://www.ti.ee/ (Accessed October 2014)

Website of the Leabth Inspection: http://www.terviseamet.ee/info/uudised.html (Accessed October 2014)

30 Website of the Health Board: http://www.terviseamet.ee/info/uudised.html (Accessed October 2014)

31 EU-OSHA – European Agency for Safety and Health at Work, OSHWIKI, "OSH system at national level – Estonia". Available at: http://oshwiki.eu/wiki/OSH_system_at_national_level_%E2%80%93_Estonia (Accessed December 2014)

³² Republic of Estonia, Social Insurance Board website: http://www.sotsiaalkindlustusamet.ee/ (accessed October 2014).

Ministry of Social Affairs Working Life Development Health Health Care Board Labour Inspection Department Department Occupational Health Departmet 15 Regional Inspectorates - legislation - consultations - enforcement - monitoring - directions - inspection - register of OH - statistics - registers specialists Occupational health Working environment services specialist WORKPLACE risk assessment Working environment First aid specialist Employer health examination representative Employee Working environment council Social partners Research and advisory support Estonian Employers' Confederation of - Labour Policy Information and Analysis Department Ministry of Confederation Estonian Trade Unions Social Affairs - Advisory Committee of Working Environment - National Institute for Health Development - Tartu University - consultations - agreements - Tallinn Technical University - information - training - Estonian University of Life Sciences - Training Centres - Measurement laboratories - analysis - implementation - education - expert services - research - assessments - development - measurements - advice

Figure 3, Occupational Health and Safety system in Estonia

Source: Northern Dimension Partnership in Public Health and Social Well-being, Country Reports on Occupational Safety and Health in the Northern Dimension Area.³³

Social dialogue

Estonia's main social partners are:

- The Estonian Trade Union Confederation (*Eesti Ametiühingute Keskliit EAKL*)³⁴ comprises of 20 branch unions, and represents employees' interests in collective agreements. The EAKL participates actively in policy-making processes in order to guarantee social security rights and benefits and a healthy working environment for workers.
- The Estonian Employers' Confederation (*Eesti Tööandjate Keskliit*)³⁵ represents the largest number of employers among local employers' organisation and covers all economic sectors of Estonia. The aim of the Confederation is to represent its members' interests in communications with legislative and executive powers and employee organisations, as well as to represent its member organisations at international, state and regional levels.

³³ Available at: http://www.ndphs.org/?database,view,paper,22 (Accessed October 2014)

³⁴ EEAKL website: http://www.eakl.ee/ (Accessed October 2014)

³⁵ The Estonian Employers Confederation website: http://www.employers.ee/ (Accessed October 2014)

According to the OECD, trade union density³⁶ in Estonia has decreased significantly during the past 20 years; from 40.8% of all employees in 1993 to 12.4% in 2002 and 6.4% in 2012. Additionally, trade union density is low in Estonia compared to the average in OECD countries – which was 17.1% in 2012³⁷.

OSH policies and strategies are discussed in the **Working Environment Council**, which is a tripartite advisory body involving representatives from the Ministry of Social Affairs, trade unions and employers' organisations. Social partners also participate in the **Advisory Committee** of the Working Environment³⁸.

1.3 Labour, OSH and antidiscrimination legislation

The following section provides a brief overview of the main pieces of legislation in the fields of occupational health and safety, labour and employment and antidiscrimination in Estonia, and whether they contain any provisions in relation to older workers.

Occupational health and safety legislation

• The Occupational Health and Safety Act³⁹, which is the main framework for OSH in Estonia, entered into force on 26 July 1999. The Act covers OSH requirements for the work of workers, rights and responsibilities of employers about employees' health in establishing and ensuring a safe work environment and organising occupational health and safety at enterprise and national level. Various regulations have been adopted under the Occupational Health and Safety Act, determining specific requirements for workplaces and work equipment and different work operations. The Act does not specifically address older workers.

The Occupational Health and Safety Act requires enterprises with 50 or more workers to set up a **Work Environment Council**. The Council, which should contain an equal number both of employer's and worker's representatives, comes together to discuss issues related to OSH.

Additionally, according to the Act, every company must appoint a **Working Environment Specialist**. This person should either be an engineer who is competent in matters of the work environment or another kind of specialist in an enterprise who has received appropriate training on work environment issues. The Working Environment Specialist should be authorised by the employer to perform occupational health and safety duties.

Employment and labour legislation

• Legislation on employment issues are covered in the **Employment Contracts Act** ⁴⁰, which sets out the general principles for employers, including: ensuring the protection of employees against discrimination; following the principle of equal treatment; and promoting equality in accordance with the Equal Treatment Act and Gender Equality Act.

Anti-discrimination legislation

• The **Equal Treatment Act**⁴¹ aims to ensure the protection of persons against discrimination on the grounds of nationality (ethnic origin), race, colour, religion or other beliefs, age, disability or sexual orientation. There is one exception to prohibition of discrimination based on age, which states that: "Differences of treatment on grounds of age, if provided by law, do not constitute

³⁶ Trade union density corresponds to the ratio of wage and salary earners that are trade union members, divided by the total number of wage and salary earners (OECD Labour Force Statistics). Density is calculated using survey data, wherever possible, and administrative data adjusted for non-active and self-employed members otherwise (OECD)

³⁷ Online OECD Employment database: http://www.oecd.org/els/emp/onlineoecdemploymentdatabase.htm#union (accessed October 2014)

³⁸ EU-OSHA, OSHWIKI, "OSH system at national level – Estonia", as above.

³⁹ Occupational Health and Safety Act (Töötervishoiu ja tööohutuse seadus) of 16 June 1999. Available in English at;

https://www.riigiteataja.ee/en/eli/511112013007/consolide (Accessed October 2014)

40 Resolution No. 421 of the President of the Republic of 12 January 2009, Employment Contracts Act.

⁴¹ Law No. 315 of 11 December 2008 on Equal Treatment (Võrdse kohtlemise seadus). Unofficial English translation available at: http://www.legaltext.ee/text/en/XXXX006K1.htm (Accessed October 2014)

discrimination if they are objectively and reasonably justified by a legitimate aim related to employment policy, labour market, vocational training or social security, and if the means of achieving that aim are appropriate and necessary". According to the Equal Treatment Act, the employer has the obligation to take appropriate measures to facilitate access, participation and advancement in employment for disabled workers.

1.4 Pension system

The Estonian pension system, which is a three-pillar system, is defined by the **State pension Act** and the **State Pension Insurance Act**. The First Pillar is the renewed state pension insurance scheme (a pay-as-you-go system) and the Second Pillar is a compulsory funded pension scheme. The Third Pillar is a voluntary supplementary pension scheme that is supported by the Government through tax deductions.

Retirement age (pensionable and actual)

The current official *retirement age* in Estonia is 63 years. Specific conditions apply to women born in 1951 and 1952, who reach their pensionable age at 62 and 62.5 respectively. According to the Estonian National Reform Programme 'Estonia 2020', the pensionable age will increase by 3 months a year starting from 2017, so that an official retirement age of 65 years is reached in 2026. According to the OECD, the effective retirement age in Estonia was 62.9 for women and 63.6 for men in 2012⁴².

Early retirement

A person is eligible to receive an *early retirement pension* or *old-age pension under favourable conditions* in the following situations:

- A person has the right for an early retirement pension up to three years before attaining the
 pensionable age, when he/she has earned the pension-qualifying minimum requirement. In
 case of early retirement, the pension is reduced by 0.4% for every month remaining until the
 pensionable age.
- Old-age pension under favourable conditions applies to a parent or a guardian, who has raised at least 3 children during his/her life for at least eight years. For example, a mother who has raised more than 5 children is entitled to the old-age pension 5 years prior to the pensionable age. Workers 'who have been engaged in work which is particularly hazardous to health and have particularly arduous working conditions' are also entitled to receive an old-age pension under favourable conditions.

Extending working life after the official retirement age has been reached is possible in Estonia; the *deferred old-age pension* increases by 0.9% for each worked month after legal retirement age ⁴⁴. Additionally, it is possible for a pensioner to *combine work and pension income*, without limiting his/her overall income. ⁴⁵ These measures, together with the increasing retirement age, have resulted in a relatively high employment rate among workers who have passed legal retirement age (18 % among 65-69 year olds in 2010 compared to 10 % for the EU average). ⁴⁶

⁴² Source: OECD estimates on the "average effective age of retirement versus the official age, 2007-2012"

⁴³ Old-Age Pensions under Favourable Conditions Act of 14 May 1992: https://www.riigiteataja.ee/en/eli/511112013009/consolide (available in English) (Accessed October 2014)

⁴⁴ Social Insurance Board, 'Deferred old-age pension': http://www.sotsiaalkindlustusamet.ee/deferred-old-age-pension-2/ (Accessed October 2014)

⁴⁵ Eurofound, Income from work after retirement in the EU, Publications Office of the European Union, Luxembourg, 2012.

⁴⁶ European Employment Observatory, *EEO review: Employment policies to promote active ageing: Estonia*, 2012: http://www.eu-employment-observatory.net/resources/reviews/Estonia-EPPAA-Feb2012-final.pdf (Accessed October 2014)

2 Overview of policy, strategy and programmes in relation to the occupational health and safety of older workers

As life expectancy rises, it is important to create working conditions that enable healthy and active ageing and ensure that workers reach pension age in good health. The following chapter provides an overview of the various policies, programmes and initiatives put in place by governmental and non-governmental organisations in Estonia to address the issue of work sustainability and healthier working lives.

2.1 Initiatives from government/government-affiliated organisations

Occupational health and safety

The Estonian **Occupational Health and Safety Strategy 2010-2013** (*Töötervishoiu ja tööohutuse strateegia 2010–2013*) ⁴⁷, and its corresponding **Plan of Action** (*Töötervishoiu ja tööohutuse strateegia 2010–2013 tegevuskava*) define the development targets of the Estonian working environment for the years 2010-2013, with the aim of improving the quality of working life. The following areas of development have been defined by the Strategy: legislative framework for occupational health and safety; raising awareness on the value of a health-preserving work environment; OSH training; occupational health services as an integral part of general healthcare; emerging risks in the work environment; increasing knowledge-based approaches and administrative capacity in policy making and implementation; scientific knowledge generation in OSH; national and international co-operation ⁴⁸.

The strategy underlines that, in view of the demographic situation of the country, it is crucial to extend the *work ability of people*. The strategy states that in order to safeguard the health of workers under the changing conditions of the labour market (especially considering the high employment rate of women above pensionable age), it is important to pay attention to new types of flexibility at the working place (e.g. working from home, flexible working time, use of service contracts etc.).

The Strategy adopts a comprehensive approach to well-being at work, and focuses on the prevention of risks and strengthening of partnership between all structural units dealing with occupational health and safety. The sub-goals of the Strategy are as follows:

- 1) To sustain and promote workers health and their ability to work;
- 2) To improve the work environment so that it is possible to work without any risk to health; and
- 3) To establish management systems and work organisations, which support health and safety at work, promoting positive psycho-social micro-climate at enterprises and creating a presumption for raising productivity of work⁴⁹.

Since 2012, the targets of the OSH Strategy have been incorporated into the **National Health Development Plan 2009-2020**⁵⁰. The Estonian government is therefore not planning to extend the OSH Strategy for the next period. The aim of the National Health Development plan is to increase the average (healthy) life expectancy by 2020, by reducing health risks in the living, learning and working environment. The implementation principles of this priority field are specified in annual Action Plans.

Various short-term projects and activities related to OSH have taken place under the programme: **Improvement of the Quality of Worklife 2009-2014**, which is managed by the Ministry of Social Affairs and financed under the European Social Fund. Overall, the aim of the activities is to raise awareness on occupational health and to increase the productivity of workers by providing them with guidelines and measures to improve working conditions.

The Labour Inspectorate has recently developed a new web-site (available at: www.tooelu.ee) which

⁴⁷ English summary available at

http://osha.europa.eu/en/organisations/Estonia%20OSH%20Strategy%20English%20Summary.pdf. The complete version in Estonian available at http://www.sm.ee/fileadmin/meedia/Dokumendid/Toovaldkond/TAO/TTTO strateegia 2010-2013.pdf (Accessed October 2014)

⁴⁸ About the exact goals and actions for achieving these goals please see http://www.ti.ee/index.php?page=1261& (Accessed October 2014).

⁴⁹ EU-OSHA, OSHWIKI, "OSH system at national level – Estonia", as above.

⁵⁰ National Health Development Plan 2009-2020, Ministry of Social Affairs, 2008, amended 2012. Available in English at http://pns.dgs.pt/files/2010/03/pnsest.pdf (Accessed October 2014).

brings together information on different activities related to, amongst others, working conditions, work contracts, occupational health and psychological counselling.

Employment

Active labour market policies are not specifically targeting older workers. The general policy of the Estonian Unemployment Insurance Fund is to promote labour market instruments directed to all workers rather than linking them to the age of the employee.

As part of the general case management approach adopted by the Unemployment Insurance Fund, 'individual action plans' are developed by the Insurance Fund for all job-seekers — including older workers. However, people from 55 to legal retirement age are considered to be a vulnerable group and at higher risk of long term unemployment. As a result, additional efforts are made and the individual action plan of these people often contain measures such as work related training, career counselling and job search training. Regarding the latter, an example is the **coaching for working life programme**, which is a training programme designed to motivate and encourage people to either get a job for the first time or to reintegrate after (long term) absence.

Estonia has also introduced **wage subsidies** for employers hiring workers who have been registered as unemployed for (at least) a year, but these subsidies are not age-specific⁵¹.

Other labour market measures have been proposed though individual projects financed by the European Social Fund (ESF), such as training and career counselling. Activities to encourage older workers to engage in vocational training are very limited, and generally, the participation rate of 55-64 year olds in life-long learning is much lower compared to other age groups⁵². Lower or outdated skills are however recognised as a major issue that can hinder the employment of older workers.

In 2010, new legislation passed to encourage employers to use **more flexible working arrangements**. In Estonia, flexible or part time working arrangements are not commonly used and the awareness of workers on opportunities to reduce their working hours is low. Under the new legislation, employers benefit from tax reductions under certain conditions if they create part-time jobs. The measure is not targeted specifically at older worker but could support transition into retirement⁵³.

Active ageing

Estonia has recently adopted a general framework for active ageing policy: **The Active Ageing Development Plan 2013-2020** (*Aktiivsena vananemise arengukava 2013-2020*)⁵⁴, which was released in 2013. The policy document highlights the general principles to guide policy decisions in fields that are impacted by the ageing population, and aims at mainstreaming awareness of ageing throughout all policy fields. A chapter is dedicated to the **working conditions of older workers**, which analyses the current situation of older workers from a socio-economic and legal perspective.

The strategy has four objectives:

- · Increasing the involvement of older people in society;
- Increase participation of older people in vocational training;
- Increase participation of older worker in the labour market and their satisfaction with their professional life; and
- Increase healthy life expectancy.

According to the National Reform Programme for the years 2011-2015⁵⁵ 'Estonia 2020', the Ministry of

European Commission Mutual Learning Programme for Public Employment Services, 'Peer Public Employment Services Paper Estonia – PES and older workers', prepared by the Estonian Unemployment Insurance Fund, 2012.
 European Employment Observatory, EEO review: Employment policies to promote active ageing: Estonia, 2012. Available at:

European Employment Observatory, EEO review: Employment policies to promote active ageing: Estonia, 2012. Available at: http://www.eu-employment-observatory.net/resources/reviews/Estonia-EPPAA-Feb2012-final.pdf (Accessed October 2014)
 Ibid.

The Active Ageing Development Plan 2013-2020, available at: http://www.sm.ee/sites/default/files/content-editors/eesmargid ja tegevused/Sotsiaalhoolekanne/Eakatele/aktiivsena_vananemise_arengukava_2013-2020.pdf (in Estonian) (Accessed October 2014)

²⁰ 'Estonia 2020', available in Estonian at http://valitsus.ee/UserFiles/valitsus/et/riigikantselei/strateegia/_b_konkurentsivoime-kava_b_/_b_esti-2020-strateegia/Eesti%202020%20(2013%20uuendamine)/EE2020%20tegevuskava.pdf

Social Affairs shall be responsible for promoting measures that ensure the active engagement of older people on the labour market and that promote the overall approach of active ageing. This means that suitable conditions shall be created that will result in a more flexible transition from the period of active employment to retirement (e.g. part-time employment, retraining, easement of professional requirements, etc.). Moreover, the National Reform Programme outlines that "there is a need for special measures to bring older people back to the labour market and support their employment. The strategy states that the resources necessary to support and promote work ability need to be identified, as well as the means that could keep people active on the labour market. This includes a reform of the current pension system and a review of the favourable conditions for old-age pensions.

Overall, the policy on active ageing acknowledges that the costs associated with the integration of older people into the society are a profitable investment for the society as a whole, and that increasing the number of old-age-pensioners who are capable of working is of particular economic importance. As regards the implementation of the policy, it calls for the state, local governments, the private sector and voluntary organisations to co-operate on developing relevant programmes, and for the state to support research focused on older people.

2.2 Initiatives from social partners

The Estonian Trade Union Confederation's strategy 'Development Vision 2020'56 aims at enhancing social justice, well-being and equality in the working environment. No specific initiative related to the employment of older workers has been identified.

2.3 Initiatives from other organisations

In 2006, the Estonian Network for Workplace Health Promotion was established and coordinated by the National Institute for Health Development (Tervise Arengu Instituut). Members of the network include a wide range of companies (over 200 in total) from different business fields that have defined 'health protection' and 'ergonomic workplaces' as a priority area. The network aims to create and adapt workplaces for everyone, including older workers⁵⁷.

The non-governmental organisation **Tayeco** organised at the end of September 2013, in Tallin, an EU supported conference themed 'Is the age 50+ good to be reemployed?'58. The discussions involved the possibility to work with flexible working times, workplace rearrangement and adaptations according to the needs of ageing workers, discrimination and stereotyping and best practices promoting the work ability of older workers.

The Praxis Centre for Political Studies has conducted several research projects related to health care and working conditions. Current projects include, for example, 'Analysis of the sustainability of the health care system (2013-2014)⁵⁹ and 'Working Conditions in the Public Sector (2013-2014)⁶⁰.

A non-governmental organisation called **Uus Tervis**⁶¹, is active in organising conferences and training on healthy life and bringing new quality to working conditions by engaging community leaders.

The NGO Ergoest has launched a website on occupational health and ergonomics⁶².

⁽accessed October 2014)

Development Vision 2020', available in Estonian at: http://eakl.ee/failid/322b35544f92e44d918af8c3f30dbe35.pdf (Accessed October 2014)

⁵⁷ More information available on the National Institute's website: http://vana.tai.ee/?id=4052 (accessed October 2014)

⁵⁸ More information on Taveco website: http://www.taveco.ee/sundmused-view/eha2013/konverentsi-ettekanded/ (Accessed

⁵⁹ Kruus, P. et al., Ravikindlustuse jätkusuutlikkuse prognoos. More information on the project available at: http://www.praxis.ee/tood/ravikindlustuse-jatkusuutlikkuse-prognoos/ (Accessed October 2014)

Masso, M. et al., Töötingimused ja töösuhted avalikus sektoris. More information on the project available at: http://www.praxis.ee/tood/tootingimused-ja-toosuhted-avalikus-sektoris/ (Accessed October 2014)

⁶¹ Uus Tervis website: http://www.uustervis.ee/ (Accessed October 2014)

⁶² Ergoest website: http://www.ergonoomika.ee/ (Accessed October 2014)

3 Overview of policies, strategies and programmes in relation to the rehabilitation/return to work of workers

Extending working lives in healthy, safe and sustainable working conditions also means ensuring that people who suffer from an illness or an accident that leads to prolonged sick leave have the necessary support to return to work in safe and adapted conditions. By promoting the return to work of those who are suffering from a health problem, and specifically in the older age group, a number of people who may otherwise have chosen early retirement or needed a disability pension will remain employed.

The effectiveness of the rehabilitation process is therefore another important factor related to prolonging healthy working lives. Although the issue of rehabilitation and return-to-work is particularly relevant for older workers, as they are more likely to suffer from work-related health problems than younger age groups, the chapter looks at rehabilitation for all workers.

The Estonian system for rehabilitation is to be reformed entirely in the coming years, focusing a worker's abilities rather than their disabilities, hence creating the conditions for a sustainable return to work. For the moment, rehabilitation services, coordinated by the Social Insurance Board (SKA) are offered to people with temporary or permanent incapacity to work (which may cover people with long-standing or chronic illnesses) as well as to unemployed people, but are actually quite uncommonly used by Estonian workers.

The following chapter first describes the institutional system in Estonia for the rehabilitation/return to work of workers suffering from a health problem and then looks at specific initiatives from governmental and non-governmental organisations to promote rehabilitation and return-to-work.

3.1 The national system for the rehabilitation/return to work of sick or injured workers

The legal and policy framework

Currently, in Estonia, the rehabilitation/return to work of sick or injured workers, as well as their compensation, is regulated by the **Social Welfare Law** (*Sotsiaalhoolekande Seadus – SHS*)⁶³. This law sets the rights, conditions and procedures for claiming and providing rehabilitation services. The adjustments to the workplace, tools, or services necessary to facilitate the return to work, are considered as labour market services, and are therefore regulated by the **Labour Market Services and Benefits Act**⁶⁴.

In June 2013, the Government agreed the timetable and actions foreseen for reforming the **Work Ability reform programme** (*Töövõimetusreform*) ⁶⁵, which is currently under discussion in the Estonian Parliament. The reform will significantly change the currently applicable system of rehabilitation services and compensations, and will move from a system that assesses workers' disabilities when determining social benefit eligibility to a system that will focus on workers' abilities. The reform will have implications and indirect effects on how rehabilitation services are provided to workers seeking to remain active on the labour market. The new system is expected to be implemented in different stages starting from summer 2015.

The reform will considerably amend the applicable legislation and will redesign the organisation of rehabilitation services into one system encompassing both the labour market and social benefits aspects⁶⁶. The reform aims at supporting the recruitment of people with a reduced capacity to work, creating suitable working conditions and facilitating their active involvement in the labour market. The

⁶³ Law No. 21/323 from 08.02.1995 (Sotsiaalhoolekande seadus RT I 1995, 21, 323) Available in Estonian at https://www.riigiteataja.ee/akt/12851852 (Accessed October 2014)

⁶⁴ Law No. 54/430 from 28.09.2005 (Tööturuteenuste ja -toetuse seadus RT I 2005, 54, 430) English translation available at https://www.riigiteataja.ee/en/eli/506062014001/consolide (Accessed October 2014)

⁶⁵ The principles of the reform and timetable are available in Estonian http://www.sm.ee/et/toovoimereform (accessed October 2014)

⁶⁶ Explanatory note on the changes in the Welfare Act, the Labour market Services and Benefits Act and other acts influenced by the reform of the rehabilitation and return-to-work system. Available in Estonian at http://www.riigikogu.ee/?op=ems&page=eelnou&eid=ad143d32-64b4-45cd-bf4d-6a926d802894& (Accessed October 2014)

reform also aims at guaranteeing the financial sustainability of the system. As a part of the reform, a new *performance evaluation system* will also be created aiming to better reflect and target the needs of each individual in terms of rehabilitation and assistance necessary.

As a part of the forthcoming reform, the work-related rehabilitation services are envisaged to become part of wider labour market services and will concentrate on providing rehabilitation necessary for finding work and adjusting the working conditions for people with a reduced capacity to work. The **Unemployment Insurance** is foreseen as the main competence centre to provide work-related rehabilitation services.

As the reform programme is still under discussion, the specific features of the new system are still to be defined. In its draft version the new programme foresees support in the form of counselling services and best-practice sharing for people in need of rehabilitation to return to work.

The Active Ageing Development Plan 2013-2020 (*Aktiivsena vananemise arengukava* 2013-2020)⁶⁷, mentioned in Section 2.1, mentions the need for medical rehabilitation opportunities in order to ensure that older workers remain employed as long as possible. The measures are specified in the **Estonian Care and Rehabilitation Plan 2004-2015** (*Eesti hooldusravivõrgu arengukava* 2004 - 2015)⁶⁸, which concentrates on the development and restructuring of the Estonian health care facilities. In particular, within the context of the Estonian 'Policy for the Elderly', there has to be a variety of medical rehabilitation services in relation to both the quality and forms of services i.e. geriatrics and out-patient wards in hospitals, domestic rehabilitation services, nursing.

Main actors and steps to rehabilitation

There are two different systems of rehabilitation management in Estonia:

- Medical rehabilitation, funded by the Estonian Health Insurance Fund, which administers
 health insurances, including medical services, compensation for pharmaceuticals and sickness
 benefits; and
- Social rehabilitation, funded by the **Social Insurance Board**, which manages pension insurance, family benefits and social benefits for disabled people.

A lot of the rehabilitation services provided are a combination of both medical as well as social rehabilitation. The **European Social Fund** (ESF) played an important role in the development and improvement of the social rehabilitation services⁶⁹.

As stipulated by the Social Welfare Law, the incapacity to work and type of social rehabilitations services offered to a person are defined and managed by the **Social Insurance Board** (*Sotsiaalkindlustusamet - SKA*). When applying for a rehabilitation service, following medical treatment, a person must submit an application completed by a certificate from a generalist/specialised doctor to the SKA. The SKA thereafter assigns a suitable rehabilitation service for the individual and provides a list of rehabilitation service providers. The person needs to decide within 21 days which service provider he/she wishes to make use of.

Rehabilitation services are available to the following people⁷⁰:

- Children and adults applying for a degree of severity of a disability;
- Disabled persons;

• People aged 16-65 years with special needs regarding their mental health whose impairment rating is at least 40%; and

• Minors (aged 7-18 years) on the basis of a decision of a juvenile committee.

⁶⁷ Active Ageing Development Plan 2013-2020, available at: http://www.sm.ee/sites/default/files/content-editors/eesmargid_ja_tegevused/Sotsiaalhoolekanne/Eakatele/aktiivsena_vananemise_arengukava_2013-2020.pdf
(Accessed October 2014)

⁶⁸ Estonian Care and Rehabilitation Plan 2004-2015, available at: http://www.sm.ee/sites/default/files/content-editors/eesmargid_ja_tegevused/Tervis/Tervishoiususteem/eesti_hooldusravivorgu_arengukava_2004-2015.pdf (Accessed October 2014)

⁶⁹ V.R. Tuulikleesi, 'Development of Rehabilitation Services in Estonia and the role of UEMS PRM Section's Clinical Affairs Committee and of the European Social Fund', *Annals of Physical and Rehabilitation Medicine*, Volume 54, n° S1, p277, 2011

Oniversity of Tartu, A review of the situation of people with disabilities in Estonia, January 2009. Available at: http://www.travors.eu/download_material/subhABOUT%20TRAVORS/ENglish%20site/backgroundreport_estonia.pdf (Accessed October 2014)

Rehabilitation services may be provided by sole proprietors, legal persons, local government agencies or agencies administered by governmental authorities registered as providers of rehabilitation services in the register of economic activities⁷¹.

The rehabilitation procedure followed by SKA can be described as follows⁷²:

- Rehabilitation assessment and development of an individualised rehabilitation plan (valid for a term of 6 months up to 5 years), which specifies the type of rehabilitation services that need to be provided;
- Guidance in the implementation of the plan;
- Evaluation of results.

In case of disability, this is supplemented by:

- Provision of services to a disabled person and his/her family by the different specialists of a rehabilitation team (list of services includes 17 services);
- Accommodation if services are provided in inpatient rehabilitation facilities;
- Refunding of travel costs if a person must travel outside of the municipality of residence for receiving rehabilitation services or the provider of rehabilitation service travels to the person in question.

Currently, the rehabilitation services provided are defined according to the needs set out in the rehabilitation plan. Rehabilitation services may include:

- physiotherapy services;
- occupational therapy;
- · social services;
- special education services;
- · psychological counselling; and
- speech therapy.

The maximum values reimbursed for each service are defined by a Government Act73.

Vocational rehabilitation, including the provision of professional retraining to people following a long-term sickness absence is not common in Estonia and is focused mostly on people with recognised temporary or permanent incapacity to work. However, it should be noted that a person suffering from a long-term sickness or permanent health condition (chronic disease) can be assessed by the SKA as having a temporary or permanent incapacity to work.

The **Astangu Vocational Rehabilitation Centre** (*EQUASS Eesti*) was founded in 1995 and is the only vocational rehabilitation service provider in Estonia⁷⁴. It provides rehabilitation services and scholarly courses to working-age people with special needs, in order to develop their operational work abilities and to support them to retaining on or returning to the labour market. The centre works in cooperation with the Ministry of Social Affairs, and the provision of their services is funded by the Social Insurance Board. Astangu is part of the European Quality in Social Services (EQUASS) initiative, which is being supported by the European Social Fund.

The **Unemployment Insurance Fund** (*Töötukassa*) is responsible for the unemployment insurance scheme and services to unemployed people, including services related to the return to the labour market. These are accessible to all people who are unemployed. According to the Labour Market Services and Benefits Act, an individual action plan will be developed within 30 days after somebody got unemployed. People with a reduced capacity to work are considered to be "risk-cases" and therefore receive in-depth counselling during the process of putting together their individual action plan. During this process, the Unemployment Insurance Fund can engage with other experts (such as a rehabilitation specialist, social worker, expert on specific disabilities). The Unemployment Insurance is the body who is responsible for putting together the individual action plan and for assessing the necessary services and adjustments to

⁷² Ibid.

⁷¹ Ibid.

⁷³ Government Regulation on the List of Rehabilitation Services, Prices and Maximum Reimbursements for Rehabilitation services (Rehabilitationoniteenuse raames osutatavate teenuste loetelu, teenuste hindade ja teenuse maksimaalse maksumuse kehtestamine, RT I 2007, 71, 443),

Available in Estonian at https://www.riigiteataja.ee/akt/117122010035?leiaKehtiv (Accessed October 2014)

⁷⁴ http://www.equass.ee/

the workplace that are necessary for the individual to return to work.

Considering that health-related problems are becoming more of an obstacle to retain workers in employment, the Unemployment Insurance Fund is also offering, since 2012, compensation for the retraining of workers who are at risk of losing their job due to health problems (development of new skills). Similarly, the Unemployment Insurance Fund can compensate up to 50% of the costs necessary to adapt the workplace or equipment and to make them suited to the health condition of an employee, as per the conditions set out in the individual action plan.⁷⁵ .However, during 2007-2012 this service was reported to be used by only 7 people⁷⁶.

At the workplace

Occupational health services in Estonia are organised on a free market basis. Some private occupational health clinics also offer their services to enterprises. The employer is solely responsible and covers all of the costs of OSH services in his/her company. The Government does not provide subsidies. The percentage of companies offering OSH services is low. In addition to risk assessment and medical examination of employees, OSH services provide advice to employers on workplace adjustment to the abilities and health of their employees, and improvement of the working conditions⁷⁷.

Upcoming reform

The reform currently under discussion will differentiate between work-related rehabilitation and social rehabilitation. With regard to work-related rehabilitation, it is planned to reform vocational rehabilitation services, as well as to provide further help and assistance to employers in improving and adapting the work environment and working conditions. As for social rehabilitation, everyday social rehabilitation services (i.e. daily home management tasks, movement, orientation, communication, participation in society) will continue to be managed and provided by the SKA. The SKA will be the responsible institution for rehabilitation services for people under the age of 16 and above the retirement age.

People who have a reduced capacity to work (detected through the performance evaluation system) and who are between 16 and retirement age will be entitled to assistance in view of recruitment to work and rehabilitation services. In this case, the institution responsible will be the Unemployment Insurance Fund. With the reform, the Unemployment Insurance Fund is envisaged to become a competence centre providing rehabilitation/return-to-work services necessary for finding work and adjusting the working conditions for people with a reduced capacity to work.

According to the new system, the rehabilitation needs of each individual will be assessed by the responsible institution (the SKA or the Unemployment Insurance). The choice of the service provider will thereafter be done by the individual; the responsible institution will cover the costs of the rehabilitation service.

Compensation system

Compensation for sickness absence

According to the currently applicable system, **short-term sickness leave** benefit is paid during the first 4-8 day of leave by the employer at a rate of 70% of the last 6-month salary. Starting from day 9, the Estonian Health Insurance Fund (*Haigekassa*) will become responsible for paying the benefit according to the same 70% rate. Different rules apply in case of pregnancy and in case of taking care of a child

⁷⁵ European Commission Mutual Learning Programme for Public Employment Services, 'Peer Public Employment Services Paper Estonia – PES and older workers', prepared by the Estonian Unemployment Insurance Fund, 2012.

⁷⁶ Praxis, Töövõimetuse hindamine, asendussissetuleku võimaldamine ja tööalane rehabilitatsioon Eestis ja viies Euroopa Liidu riigis, 2012. Available in Estonian at http://www.sm.ee/sites/default/files/content-editors/Ministeerium_kontaktid/Uuringu_ja_analuusid/Sotsiaalvaldkond/praxis_toovoimetus_eestis_5_el_riigis_v1.2_01.pdf (Accessed October 2014)

Northern Dimension Partnership in Public Health and Social Well-being (NDPHS), Situation analysis of existing occupational health service systems in NDPHS countries – Lithuania, Latvia, Estonia, Poland, Finland, Norway, Russia, Germany, 2012. Available at: http://www.ndphs.org/?download,6117,Situation_analysis_NDPHS_final_for_net_with_coverpage.pdf (Accessed October 2014)

below 12-years of age⁷⁸. The sickness leave benefits are paid up to 182 days, however, numerous specific rules apply for different medical conditions⁷⁹.

Compensation for disability or incapacity to work

In case of a **long-term sickness or permanent health condition (chronic disease),** a person will be declared as having a temporary or permanent incapacity to work. The percentage corresponding to the loss of full working capacity is defined by doctors and an expert of the SKA. In case the percentage is between 40-100% and the individual is between 16 years of age and pension age, he/she has a right to the **pension for incapacity to work**, as defined in the State Pension Insurance Act⁸⁰.

In case of a **work accident**, the payment of benefits is solemnly the responsibility of the Health Insurance Fund – in this case the payment of benefits starts from day 2 of the leave and will be paid at a rate of 100%. In case an employee is forced to take up a different position due to a change in his/her health condition, the Health Insurance Fund will pay the employee a benefit to compensate for the difference in salary.

Currently, the compensation provided for services/tools necessary for reintegrating a person to work and providing social rehabilitation are under the competencies of the county administration. According to the new reform programme, this will become the competence of the SKA. Furthermore, in order to reduce the discrepancies between different regions in terms of the rehabilitation services, the reform programme also foresees putting in place a monitoring and standardising system for rehabilitation service providers.

3.2 Specific initiatives or programmes

Government/government-affiliated

The **Unemployment Insurance** offers several different types of *counselling for job-seekers*. This includes, for example, psychological counselling and counselling specifically aimed at reintegrating former alcohol/drug-addicts to the labour market. People endangered by unemployment due to a deteriorating health condition are entitled to receive trainings to facilitate their conversion/re-education. The employer offering the training will be reimbursed by 50% (but no more than 1250 Euros).

Workplace adjustments or accommodations are considered to be a part of the **labour market services** and are regulated by the Labour Market Services and Benefits Act⁸¹. The workplace adjustments or accommodations are currently defined as making the workplace suitable for disabled people. The 'special aids equipment service' provides equipment to people with disabilities, without which they would otherwise not be able to do their job. These services are limited to disabled people. Costs incurred by the employer are reimbursed between 50-100% by the Employment Insurance. This scheme is accessible only for people entitled to the disability benefit.

Non-governmental organisations

No relevant initiative on rehabilitation/return-to-work could be identified in Estonia at non-governmental level.

⁷⁸ Law No. 62/377 RT I 2002 Health Insurance Act (Ravikindlustuse seadus RT I 2002, 62, 377) available in English at https://www.riigiteataja.ee/en/eli/525042014002/consolide (Accessed October 2014)

⁷⁹ The rates of compensation and the durations paid for temporary incapacity to work due to sickness are available in Estonian at http://www.haigekassa.ee/tooandjale/tabel-hyvitise-maaramise-ja (Accessed October 2014)

⁸⁰ Law No. 100, 648 (Riikliku pensionikindlustuse seadus RT I 2001, 100, 648) available in English at https://www.riigiteataja.ee/akt/13336686?leiaKehtiv (Accessed October 2014)

⁸¹ Labour Market Services and Benefits Act, 2005: https://www.riigiteataja.ee/en/eli/506062014001/consolide (Accessed October 2014)

4 Conclusions

General context

Facts and figures

- Although Estonian's population is still a little younger than Europe's total population, there has been a noticeable increase in *median age* since the 1970s from 34 to 40 between 1970 and 2012. Ageing of the Estonian population is predicted to continue and the old-age dependency ratio will increase from 27% in 2012 to 55% in 2060.
- The *life expectancy* and estimated 'healthy life years' of Estonian men at the age of 65 was considerably lower in 2011 than that of EU men in general (14.8 for life expectancy compared to 19.6 at EU level and 5.6 healthy life years compared to 8.6 at EU level). In contrast, Estonian women have a higher life expectancy than EU women in general (20.1 compared to 19.6) but also have fewer estimated "healthy life years" (5.7 compared to 8.6 at EU level).
- The employment rate among 55-64 year olds in Estonia has been relatively high in the 2000s. However, since the beginning of the recession, the employment rate of older workers did not continue to grow at the same speed and remains under EU average (45.7% in 2012, compared to an EU average of nearly 49%).
- In general, working conditions of older workers in Estonia are reported to have a negative impact on their health. In several aspects, such as carrying heavy loads, working shifts or receiving onthe-job training, Estonian older workers report worse conditions than EU older workers. Although general satisfaction with work improved, the number of older workers reporting that work impacted negatively on work-life balance and health also increased (40.2% in 2010 compared to 27.3% among older workers across the EU).
- Retirement age is set at 63 years in 2012 but will increase to 65 by 2026. Early retirement is
 possible with relatively easy conditions (compared to other EU Member States) but working
 beyond retirement age and combining pension and income are also possible.

The legal and institutional framework

No specific provisions have been identified in the OSH, employment and antidiscrimination legislation in Estonia in relation to the older workforce, apart from the obligation of employers to pay particular attention to vulnerable categories of workers when assessing risks at the workplace and to adapt the workplace to the needs of workers with disabilities, as regulated by the relevant EU legislation.

OSH and older workers

The ageing workforce has received growing attention, especially since the Year of Active Ageing and Solidarity between Generations in 2012. A general policy framework linking health, skills and participation in the labour market was adopted in 2013 with the Active Ageing Development Plan 2013-2020. The strategy now needs to be developed into a concrete action plan.

However, contrary to other countries, active labour policies targeting older workers have not yet been developed and implemented in Estonia. Instead, it has promoted a case management approach to support all unemployed people regardless of their age. This approach focuses on all obstacles preventing access to the labour market, including health problems or reduced capacities. Age is a specific policy issue that has only been addressed in the reform of the pension system or that has been taken up in anti-discrimination policies.

Career counselling is a commonly used instrument, but there is no formal policy on career management in Estonia. Moreover, career counselling measures are intended to support unemployed people to find a job, and are not meant to promote the anticipation and preparation of career change. They are thus rather used as an additional active labour market policy.

Ageing is not specifically addressed in OSH policies, even though the Occupational Health and Safety Strategy 2010-2013 and the Active Ageing Development Plan 2013-2020 both underline the necessity to preserve the work ability of workers. The Active Ageing Development Plan 2013-2020 sets as

operational objectives to improve the employability of older workers, in particular by improving access to training, and to encourage flexible work arrangements. It does, however, not put forward the improvement of working conditions as a way to keep older workers longer in employment.

Rehabilitation/return-to-work

There are two different systems of rehabilitation management in Estonia: medical rehabilitation and social rehabilitation. Medical rehabilitation is funded by the Estonian Health Insurance Fund and social rehabilitation by the Social Insurance Board. One provider of vocational rehabilitation services exists in Estonia. Rehabilitation services are mainly directed at (partially) disabled people. People suffering from long-term or chronic diseases can also benefit from these services if they are assessed as suffering from temporary or permanent incapacity to work. However, the use of these services is relatively uncommon in Estonia and is seen as being targeted mainly at people with disabilities rather than all workers with a temporary incapacity to work.

The Unemployment Insurance Fund also provides rehabilitation/return-to-work services to unemployed people (including people with a reduced capacity to work).

In June 2013, the Government agreed the timetable and actions foreseen for the Work Ability reform programme, which is currently under discussion in the Estonian Parliament. The reform will significantly change the currently applicable system of rehabilitation services and compensations, and will move from a system that assesses workers' disabilities when determining social benefit eligibility to a system that will focus at workers' abilities. The reform will have implications and indirect effects on how rehabilitation services are provided to workers seeking to remain active on the labour market. It is also foreseen to reform vocational rehabilitation services, as well as to provide further help and assistance to employers in improving and adapting the work environment and working conditions. The new system is expected to be implemented in different stages starting from summer 2015.

General conclusion

Estonia has not so far implemented age-specific OSH policies. The Active Ageing Development Plan of 2013 is the first general framework for addressing the problems of an ageing workforce. However, this strategy does not provide for a comprehensive age management policy, including career management and the improvement of working conditions. Rehabilitation services are quite advanced in Estonia but remain essentially directed at disabled or unemployed people. However, the upcoming reform on Work Ability and the emphasis on work ability in the national OSH strategy show that Estonia is increasingly paying attention to the issue of the sustainability of working lives.

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The European Agency for Safety and Health at Work (EU-OSHA) contributes to making Europe a safer, healthier and more productive place to work. The Agency researches, develops, and distributes reliable, balanced, and impartial safety and health information and organises pan-European awareness raising campaigns. Set up by the European Union in 1994 and based in Bilbao, Spain, the Agency brings together representatives from the European Commission, Member State governments, employers' and workers' organisations, as well as leading experts in each of the EU Member States and beyond.

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