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ОБЪЕДИНЕННЫЕ НАЦИИ
ЭКОНОМИЧЕСКАЯ КОМИССИЯ
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RIS Commitment 1: Mainstreaming ageing

This chapter analyzes whether and to what extent mainstreaming ageing is part of national priorities. It reveals whether ageing is included in development plans and policy strategies on the national, regional and local levels. This specifically refers to RIS Commitment 1, which intends to mainstream ageing in all policy fields with the aim of bringing societies and economies into harmony with demographic change to achieve a society for all ages.

The analysis could focus on the following issues:

- a) *What are the areas in which ageing is mainstreamed and to what extent is this done?*
- b) *To what extent do the different policies related to ageing pursue a holistic approach and are coordinated and applied consistently?*
- c) *What initiatives has your country taken to tackle age discrimination? Which results have these initiatives achieved?*
- d) *What is the participation of older persons in the development of policies and strategies and in their implementation?*
- e) *To what extent are NGOs and the private sector involved in policy development and what is their role in the implementation of policies and programmes?*

RIS Commitment 2: Integration and participation of older persons

The Member States have committed to further enhance the social, economic, political and cultural **participation** of older persons.

- a) *What measures has your country undertaken to recognise, encourage and support the contributions of older people to society (e.g. media campaigns, school curricula)?*

Year 2007 has been pronounced „The year of equal opportunities” that draws bigger attention to social groups, including the elderly, that are marginalized in our society and many government-funded projects will be carried out during the year to help to include those groups to active social life.

Changing the attitude of the whole population towards ageing, intergrating elderly to the society and encouraging pensioners to participate actively in society is one of the claimed goals of Estonian government. According to the Ministry of Social Affairs and the national policy of elderly in Estonia, non-government organisations have an important role to play in encouraging and supporting the contributions of older people to society. Thus, promoting social participation of the elderly is largely a duty of local governments, communities and day-centres. Many NGOs and voluntary organisations encourage older people to lead active social life and participate in life-long learning. The state supports the goals of social inclusion of older people via financing the NGOs and voluntary organisations of elderly people. There have not been any large-scale media campaigns to create a positive image about ageing and according to the Ministry of Social Affairs the idea of it has been under discussion many times but so far no action has followed.

Estonian Ministry of Education and Research has not yet regulated the issue of ageing society and appreciation of the elderly in school curricula. The regulation of textbooks and workbooks provides that all teaching materials must be in compliance with the following requirements: all texts and illustrations in a textbook should avoid stereotypes, that instigate gender, national, cultural or racial prejudice. Age discrimination is not mentioned in that regulation. However, Estonian Ministry of Education and Research has set some advisory guidelines or „friendly suggestions” for authors of textbooks, that stress the importance of avoiding unpleasant stereotypes when showing older people in teaching materials. For example, advisory guidelines point out that:

1. Elderly women and men should be shown to reflect dignity and wellness. They should not be arbitrarily depicted in unfashionable clothing.
2. Middle-aged and elderly persons should be depicted together with younger generations. Groups of people should be made up of people of different ages.
3. Stereotypes such as grey hair, canes, wire-rimmed glasses and rocking chairs etc. should not be dominating in illustrative materials.
4. Elderly persons should be depicted as involved in many activities which are beneficial to society and their own positive self-image.

b) What mechanisms has your country put in place to take into account the views of older persons on the services provided to them?

For a long time there were two major organisations that protected the interests of older people - Estonian Pensioners Community and Estonian Pensioners Union. In March 2007 the two

organisations united and they now have approximately 30 000 active members. The new Pensioners Union is actively cooperating with Elderly Policy Commission that is working under supervision of Estonian Ministry of Social Affairs. Elderly Policy Commission is forming and regulating the policy for elderly in Estonia and one of their main goals is to actively communicate and cooperate with voluntary organisations and NGO-s to shape the policies in accordance with the actual needs of older people. Another active partner for government organisations is Estonian Gerontology and Geriatrics Association. EGGA is a voluntary union of the people wishing to improve the life and health of the elderly. EGGA members include persons working with the elderly (medical doctors, nurses, nurse helpers, social workers, care workers, managers of care institutions), representatives of pensioners, those taking care of sick family members, and the elderly themselves. EGGA is regularly organising seminars and conferences to inform and educate public concerning the problems of ageing. EGGA has conducted many researches during the past years concerning the elderly and the services provided for them. In near future another research concerning coping and need for social services will be conducted among the elderly by Ministry of Social Affairs. Also, during the year of equal opportunities in 2007, Ministry of Social Affairs has planned a study to gather information about perceived discrimination among citizens. That includes age discrimination.

- c) *How has your country encouraged the participation of older persons in society, culture, and economy?*
- d) *What activities have you undertaken to promote the political participation of older persons and in particular of older women?*
- e) *What mechanisms and organisations exist in your country to provide a political voice for older persons and how have they been promoted?*
- f) *Have you set up a national advisory body on ageing or a similar institutional mechanism that includes older persons to ensure a dynamic and coordinated contribution of older persons to national policy responses to ageing?*
- g) *Have you adopted policies and programmes to improve the housing and living environment of older persons especially in rural areas? This includes access to and affordability of services, such as housing, utility, sanitation and in particular transportation.*

Member States also committed to promoting the **integration** of older persons by encouraging their active involvement in the community and by fostering **intergenerational relations**.

- a) *What steps has your country taken to promote age-integrated communities where facilities are made available to people of all ages and where they can meet and interact (e.g. joint community centres for the elderly and the young)?*

The priority of Estonian policy related to elderly persons is to create possibilities for supporting independent coping and active ageing of elderly persons. The target group of the programme is elderly persons and families taking care of and nursing elderly persons.

Social protection is offered to elderly persons through pension insurance, health insurance, social welfare services and benefits.

Pursuant to § 27 of the **Social Welfare Act** organisation of social welfare of elderly persons is the responsibility of the local government. In order to assist the elderly to cope in surroundings familiar to them and to have a life of equal value with other persons, rural municipality governments and city governments:

- establish opportunities for cheaper alimentation;
- ensure the accessibility of information concerning services provided and establish opportunities for the use of social services;
- establish opportunities for interaction and hobbies.

In order to provide elderly persons with equal opportunities with other persons, their active participation in community life and independent ability to cope, rural municipality governments and city governments shall organize transportation and guarantee access to public buildings for elderly persons. Pursuant to §3 of the Building act requirements ensuring that persons with reduced mobility and visually impaired and hearing impaired persons are able to move in public construction works is established.

Local government authorities are required to provide dwelling for persons or families who are unable or incapable of securing housing for themselves or their families and to create, if necessary, the opportunity to lease social housing (§14 of the Social Welfare Act). Since social housing is located on the territory of the same municipality, i.e. close to the person's former place of residence, the changes related to the surrounding are small and they can retain their contacts.

At the end of 2003 the number of persons living in social housing was 3,224, of which 1,459 (45%) were of pension-age. 80% of the expenses on social housing and support homes (institutions providing day or periodical 24-hour services to disabled persons living at home) are financed by local governments.

Elderly persons can choose if and what kind of assistance they want.

Open care and domestic care services

The purpose of open care is to help those elderly persons living in familiar surroundings, whose coping ability has deteriorated, to cope independently or with the help of their family or organised services by social worker.

Open care services are:

- services provided to elderly persons in their homes (opportunities are created to elderly persons to live as long as possible in the security of their homes);
- services provided outside their homes (possibilities to be active in day centres);
- support services (special transport facilities, technical devices, alimentation, sauna and laundry service).

Domestic care services are adaptation of the elderly person's home, satisfying every-day needs, counselling, guiding and care.

Care workers who have undergone special training offered by day centres, rural municipality or city governments provide domestic services. More than 700 social care workers provided domestic services in 2003. The range of services offered varies: provision with food, medicinal products,

technical devices, medicinal and household appliances, tidying up, conversation and communication of information, washing of the elderly person, managing their affairs, laundry, housecleaning, etc.

A new service - domestic nursing care - is developing.

Fostering of elderly persons is not widely spread (care in family of which he or she is not a member). Of 1,113 persons in foster care in 2003 only 32 were adults, including 13 persons who were 65 or older. Fostering of children is facilitated by additional financing of the state.

Technical and medical devices

There are possibilities for elderly and disabled persons, if necessary, to apply for technical and medical devices at a discount¹. The devices would help them to cope better with their every-day life.

Technical devices (prosthetic, orthopaedic and other devices) are products, instruments, equipment or technical systems which enable to prevent aggravation of developed or congenital damage or disability, to compensate functional disorders which have resulted from damage or disability, to improve or maintain possibly high physical and social independence and operational ability.

More than 34.000 persons received technical devices in 2005 at a discount, of which 64% were of pension age. The state financed the purchase and rent of technical devices to the extent of 47.7 million EEK, covering 74% of their price.

Medical devices are medical equipment (instruments, appliances, devices, materials or other items) which enable to treat developed or congenital diseases or injuries, or which application improves the results of surgery or treatment with medical products. Most of the costs of medical devices for persons who have health insurance are covered by the Health Insurance Fund.

Services of day centres

Day centres for elderly persons are institutions for hobbies (art, craft and language learning groups), information (sharing of information, holding lectures) provision of rehabilitation services (social counselling, activity therapy, gymnastics) and various social services (hot lunches delivered home, laundry, sauna service, etc.). Most of day centres are *available to people of all ages*. It is possible to do voluntary work and participate in the self-help movement. In 2005 there were 102 day centres or other institutions providing services of day centres in Estonia. More than half of them have no defined target groups and they provide services to children, elderly persons and disabled people of different age. According to estimates almost 80% of the customers of the day centres were of pension age. The number of day centres specialising in elderly people is approximately 20. The number of day centres is higher in Tallinn, Lääne-Virumaa county and Pärnumaa county. The owners of day centres are local governments, private persons or non-profit organisations. A number of Estonian care homes (welfare institutions) offer services in addition to their own clients also to the elderly persons requiring care services of local governments (services of day centre, temporary care, provision with food, laundry, sauna, renting of technical devices, etc.).

The range of services provided by day centres, the number of elderly persons who use the services and the service expenses have increased every year. Day centres are financed mainly from local government budgets (88%), but also from the state budget and by the recipient of services or from other sources.

Most of the finances are spent on food, domestic services, day care and transport services.

Member States also committed to ensure appropriate financing of health and social services for persons of all ages.

What has been done to ensure efficient, equitable and sustainable financing of health and social services for persons of all ages?

Pension and health insurance are financed from the social tax of specific purposes, which is paid by employers, sole proprietors and state. Social tax is 33% from the tax base (salary fund), of which 20% is allocated to pension insurance and 13% to health insurance. National pensions, some pension supplements, special pensions and funeral grants are financed from the state budget.

Social welfare is financed from

- local government budgets;
- state budget;
- finances of legal and natural persons voluntarily engaged in social welfare;
- other means.

Cost sharing of financing by clients is presumed in case of several social services (care in general social welfare institutions, services to people with special mental needs, etc).

The amount of state financing of social welfare expenditures is established in the state budget act of the relevant financial year. The following is covered from the state budget:

- expenditure relating to state social welfare management,
- expenditure relating to state social programmes and projects,
- expenditure relating to social services financed by the state (social services to the disabled, care expenses of the elderly placed in general social welfare institutions before 1993, partial covering of the price of technical medical devices, etc.),
- expenditure relating to state social benefits, (subsistence benefit, disabled person allowance),
- other expenses relating to performance of state social welfare duties and events.

Local governments cover partially the costs of social welfare institutions for the elderly, the majority of the day care, domestic service, social housing, shelters for homeless, social counselling and other costs. In addition local governments provide other services to the elderly and disabled and pay one-off benefits but there is no overview of such expenditures.

Possibilities for payment of additional benefits vary by local governments. For example, the City Government of Tallinn has established higher income levels for payment of benefits from their budget than the level for subsistence benefits paid from the state budget. A family in Tallinn has the right to receive income related benefits if their income per first family member is lower than the net wage calculated from the minimum wage and if per each subsequent family member it is smaller than 75% of the income. The elderly and disabled have the right to receive benefits for ensuring subsistence, for partial compensation of the acquisition costs of technical medical devices, rehabilitation and long-term nursing care and prescription medicinal products costs. There is also the right to receive funeral grants for arranging funerals of people close to them. In addition the City Government of Tallinn pays a 500-kroon (appr. 32 euro) benefit to all pensioners, and use public transport is free in Tallinn for persons of 65 years of age and older.

Of other financial resources gambling tax is important. 11.8 % of gambling tax is allocated to support family, medicine and social welfare projects and the elderly and disabled projects. 12.7% is allocated to the investments into regional programmes related to children, families, the elderly and disabled. First and foremost the projects support activities of the associations of disabled persons and pensioners. In

2002 11.6 million EEK were allocated to support the disabled and 1 EEK to support pensioners. Investments have allowed renovation of social welfare institutions, in 2002 for 4.4 million EEK.

Expenditures on general social welfare institutions paid from the state budget become smaller every year since care of the elderly in social welfare institutions has been transferred from state financing to self-financing. If a person is unable to pay, the obligation will be imposed to their family or local government. The state will finance care of only those elderly persons who came to live in the welfare institutions before 1 January 1993.

In Estonia has close to 90 day-centers and half of them are not for certain target group, those day-centers can visit children, elderly people and handicap people. In day-centers people get useful information and notification, several social services are offered, people can do voluntary work and participate in self-help movement.

b) How has your country promoted volunteer activities to enable younger and older people to interact and help each other?

Promoting social participation and volunteer activities to enable younger and older people to interact and help each other is also largely a duty of local governments, NGOs, communities and day-centers. The state support is mainly by financing and supporting them. Good health, longer life expectancy and social demand are the factors which have involved more and more elderly persons with voluntary work. Elderly persons have taken voluntarily responsibilities to help their peers to attain spiritual levels similar to their own. At the same time it is a wonderful opportunity for them to feel themselves as useful members of the society. Elderly volunteers are generally united in organisations with the aim to support one another, learn from one another and share experience, e.g. neighbourhood help, tutoring of pupils, self-help, sharing of information.

In Estonia there are two umbrella organisations of elderly persons including approximately 40,000 members or 13% of all pensioners. In addition to above umbrella organisations a large number of different organisations of elderly persons have been set up where people can get different information. A large number of elderly persons who are members of the organisations of elderly persons are at the same time also members of the organisations of disabled persons (e.g. organisations of blind or deaf persons, of persons suffering from rheumatic, heart or other diseases and disabled persons organisations). All organisations have their own home pages on the Internet, organise information days and training, issue information brochures and leaflets.

To get information elderly persons can use the Internet in the day centres, since a number of them have public Internet points. Computers for them were purchased in the project "Look at the World". Day centres have run several training courses to teach elderly persons to use computers.

Many elderly persons (or their children, grandchildren) have computers at home and they use them. In addition two newspapers are published for the target group of elderly persons (Videvik and Elukaar). One of them is free and the other is not. Financing of publishing of the free newspaper is project-based from the gambling tax and it is distributed through local governments. Information is available in national newspapers, but more from local (municipality, city, regional) ones. Research findings related to ageing or elderly persons are reported in the media.

Elderly people, especially those who live alone, are explained the essence and possibilities of self-help.

In 2000 only every tenth elderly person was registered as a volunteer (29,000 people or 10% of elderly persons), but the number of volunteers is growing every year. In 1999 the Government of the Republic approved the "**Principles of Estonian policy related to elderly persons**". The principles say: "Voluntary work and self-help of elderly people help the society to have a better

understanding of ageing, to facilitate coping of elderly people, at the same time reducing the social welfare expenses intended for elderly people”.

Elderly volunteers work in day centres, in different pensioners’ associations, churches, care homes, penal institutions, etc.

Local governments promote participation of individuals, charity organisations and other relevant organisation in the provision of social services in every manner. The state and local governments give financial support to legally registered voluntary organisations of pensioners.

Legal and natural persons who are voluntarily engaged in social welfare cover their social welfare expenses from their own funds, but the Ministry of Social Affairs, county governors and rural municipality governments and city governments may enter into contracts for the provision of social welfare services with legal persons and natural persons, and with other legal persons and natural persons, and may allocate financial and material resources to them to cover expenditure relating to social welfare.

Resources received from different funds, foundations, non-profit activities, sponsor support and donations may be used for financing social welfare, as well as resources of persons applying for social welfare services or other assistance. Funds shall be registered, their use shall be accounted for, and the corresponding state authority and rural municipality government or city government have the right to audit their use.

Providers of social services, emergency social assistance or other assistance have the right to remuneration, made from the rural municipality or city government of their residence, for the expenses. The latter have no right to refuse compensation of the costs if the manner and extent of assistance comply with the provisions prescribed in laws or other legal acts or contracts.

The majority of welfare institutions intended for the elderly are in the administration of local governments, but more and more social welfare services are bought from private companies and NGOs. Almost 70% of all social welfare institutions are in the administration of local governments, 10% operate as non-profit organisation, 7% and private limited companies, 3% as foundations and a small number is owned by public limited liability companies, natural persons or church.

The majority of social welfare institutions operating today were set up after the restoration of independence (75%), one fourth before 1992 and 7% have been operating already for more than 50 years.

The RIS commitments also refer to the need to **promote a positive image of ageing**.

a) What steps has your country taken to promote a positive image of ageing (e.g. media campaigns, incentives for employers to promote continued employment of older persons, initiatives within local communities and with participation of other social actors to facilitate dialogue and a better understanding between the generations)? In this respect, it is important to promote a differentiated and heterogeneous view of the life of older persons to better reflect reality.

- Increasing pensions constantly since 1994, what has raised older people self esteem and position in society;
- Gradually has been raising the limits for old-age retirement and by law has been given right to work above the official retirement. It has caused strong incentive for elder people to keep on working or to return to labor market;

- Active support of re-integration of unemployed older persons by incentives for employers to promote continued employment of older persons;
- Provided free access to internet and computer study for elderly, what has among other things facilitating a better understanding between the generations;
- To put into practice The Policy for the Elderly in Estonia was started many governmental programs and near to Ministry of Social Affairs was created Commission of Elderly Policy as a link between state and NGOs.

b) What actions (in particular in cooperation with mass media) have been taken to encourage older persons to make the general public more aware of the positive aspects of ageing?

- Promoting positive attitude in life, through TV-shows in national television channels about cheerful and active older persons („Prillitoos”, „Laulge kaasa”);
- Supporting newspaper and optimistic magazine for middle-aged and older people (Videvik ja Elukiri) to encourage them to take part in social life more actively;
- Commercials about benefits by banks and telephone operators for seniors;

RIS Commitment 3: Promotion of equitable and sustainable economic growth in response to population ageing

Member States committed to promoting **equitable and sustainable economic growth** in response to population ageing. Efforts should be made to raise the economic growth rates and productivity so as to increase available resources for transfer and distribution and to ensure the **financial sustainability of social protection systems** in general and pension schemes in particular.

a) What strategies has your country adopted to transform your economies with a view to eradicating poverty especially among older person?

Important is to link the rise of cost of living with the amount of pension by indexation. Indexation of pensions since April 1, 2002 makes to the increase of state pensions to correspond to the cost of living and receipt of social tax (growth of the salary fund). In other words – once a year pensions are multiplied by the index that depends equally on the changes in the consumer price index (cost of living) as well as on the yearly increase in received social tax.

Two new pension opportunities are the early-retirement pension and the postponed retirement pension through indexation. A person can retire with the early-retirement pension up to three years before the legally stipulated retirement age, but in such case the amount of pension is reduced by 0.4% for each month falling short of the legally stipulated retirement age. As to the postponed retirement pension, the pension is increased by 0.9% for each month by which a person postpones his or her application for the pension.

The Governing Coalition is agreed in 2007 to continue to pursue a policy promoting economic growth and shall **double pensions in four years**. Among other things the Governing Coalition have made in 2007 agreement to:

1) change the indexation of pensions in such a manner than the rise in pensions takes place at a pace that is more comparable with the accrual of social tax. To that end the Governing Coalition shall increase the dependency of the annual rise in pensions out of the growth of the accrued social tax;

- 2) in state pension insurance change the calculation of the annual coefficient dependent on the contribution of the person in such a manner that coefficient 2 takes into account the median of social tax accruals instead of the average;
- 3) as of 1 July 2007 raise the base amount of the pension by 250 Estonian kroons and the national pension by 150 Estonian kroons;
- 4) consider preliminary funding of the transition expenses of the pension reform necessary and legislate that the proceeds (interest) of the state's stabilization reserve shall be transferred to the state pension insurance fund if the economic growth of the state in the previous year exceeds 7%;

The rapid economic growth (more than 10% annually) in Estonia have had a positive influence on the elderly incomes and to the general developments of labor market. Female and elderly (55-64) participation in the labor market in Estonia is one of the highest in EU. In Jan 01 2007 the number of retired people was 381 360, included no of men 140 051 and 241 309 women. In 2006. the number of retired persons who participated in the labor market was 121 680.

- b) What measures has your country taken to review and adjust the macroeconomic policies to address the needs of a growing ageing population?*

Increasingly it is paid attention to the flexicurity in the labor market and creating possibilities of reconciliation of work and family. Estonian policies have been also targeted to encourage active ageing and working on the retirement. For several reasons the flexible working forms in general and by elderly people have been rarely used. Comparing to other EU countries the part time job is not common in many labor market sectors and age groups, mainly due to loss of income.

To increase employment of elderly (50-74 years old) it is important to promote them to participate in the labor market. Comparing to the numbers of last year it has been increased 2.6 percentage point. The reason behind it is the step-by-step increase of female retirement age as well as increase of wages in general.

RIS Commitment 4: Adjustment of social protection systems in response to demographic changes and their social and economic consequences

Member States committed to take steps to **ensure the financial sustainability of social protection systems** in the face of demographic ageing. They agreed that social security systems should strengthen incentives for citizens to participate in the labour force while protecting the weakest groups in society. Social protection systems should be adjusted so that they can fulfil their basic functions of safeguarding those who are deprived and covering those who are at risk. They need to be supported by high level of employment, comprehensive health services, functioning educational systems and active labour market policies.

In this regard, the Member States agreed to pursue the objective of preserving and strengthening the basic objectives of **social protection**, namely to prevent and/or reduce poverty and provide adequate benefits for all. In addition, the Member States agreed to adapt existing social protection systems to demographic changes and changes in family structures.

- a) How has your country adapted social protection systems to societal and demographic changes?*

- b) *What steps has your country taken to achieve a sufficient income for all older persons?*
 - c) *What policies has it adopted to address on time the needs of older persons for a variety of social and health services, including sheltered housing and long-term care?*
5. *How has your country promoted standards of living for persons with disability and for fragile older persons that allow them to maintain their independence and dignity?*

Member States also committed to establishing a regulatory framework for occupational and private **pension provision**.

- a) *What steps has your country taken to establish or further develop a regulatory framework for occupational and private pension provision?*
6. *Which changes have been implemented to the laws regulating mandatory retirement?*

Member States also pledged to pay special attention to the social protection of women and men throughout their life course.

- a) *What policies has your country adopted to ensure the equal treatment of men and women in social protection systems?*
7. *What policies has your country adopted to ensure that social protection systems support a better reconciliation of work and family responsibilities throughout the life cycle (e.g. through special leave arrangements for working parents and other caregivers, or supportive measures such as respite care services (professional care services provided on an ad-hoc basis to give the regular caregiver some time off))?*

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RIS Commitment 5: Enabling labour markets to respond to the economic and social consequences of population ageing

Member States committed to take measures to enable labour markets to respond to the economic and social consequences of ageing. In this regard, they pledged to seek increase in employment rates, especially the employment rates of older persons.

Has your country taken measures to promote access to employment opportunities and reduce unemployment rates especially for older persons, such as active labour market policies (job-search assistance, training, counselling, etc.), adaptation of curricula to labour market needs, measures to ease the transition between formal education and work, efforts to reduce non-wage labour costs while protection workers' rights, easing of factors reducing demand for labour (e.g. too heavy administrative regulations, etc.)?

Labour Market Services and Benefits Act came into force on 01st January 2006. According to this Act unemployed labour force at age 55 till retiring age is one of the labour market target group. That means individual approach (using case management method) is provided to help a person to integrate into open labour market more successfully. Active labour market measures are open to all who have registered as unemployed at Local Employment agency.

Though inactivity among ageing workforce has decreased during recent years (since 2005) and employment rate of older workforce is above EU average there are still number of ageing unemployed who have been out of job for long term. Therefore Labour Market Board provides the service "coaching for working life". Different labour market trainings and work practice is also provided to improve the qualification and skills that is generally low among the risk group.

The continued employment of older people is also supported by the promotion of flexible forms of work though fairly small usage of flexible forms of work by both entrepreneurs and workers (partially due to the lack of the awareness) can be highlighted.

During next programming period there is a plan to widen active labour market measures (as retraining, career counselling and adaptation of premises and equipments also for working people at age 50+ as one of the State priorities is to prevent inactivity and unemployment among certain labour market target groups (incl. older workforce).

The Member States also agreed to improve the **employability of older workers**.

Has your country taken measures to improve the employability of older workers, e.g. through vocational guidance and training, promoting life-long learning (delivery of job-relevant training to enable workers to adjust to changing labour markets), improvement of working conditions?

There are possibilities created for employers to apply resources from Enterprise Estonia that enables further training for employees. The legislation does not support retraining of workers being financed by employer. Therefore during programming period 2007-2013 Ministry of Education and Science and Ministry of Social Affairs will plan activities, which enable older workers participate in retraining. Ministry of Education and Science has started to work three level model of financing the adult education in cooperation with Ministry of Economy and Communication and Ministry of Social Affairs. The model should help those with lower competitiveness to participate in life long learning. Ministry of Social Affairs together with National Labour Market Board outline widening active labour market measures as career planning, retraining and adaptation of premises and equipments for older workers (50+) who are at risk to lose a job. Active labour market measures as work practice and coaching for working life in addition to measures mentioned above will be available also for pensioners who would like to continue working/re-enter into labour market. Widened labour market services will be provided through Employment programme 2007-2008 which will be implemented under Operational Programme for Human Resource Development that is not fully approved yet though.

Raising **participation rates** for all women and men is another commitment of the Member States.

a) Has your country taken steps to raise participation rates in labour markets for all women and men, e.g. through removing barriers and disincentives to stay in employment?

Employment rates for older workers (55-64) have increased since 2001. This has been obviously influenced by the economic growth, increase of the pension age and the payment of full pension to working pensioners (since 1996). In 2007, the retirement age for men is 63 and for women 60 years. The age limit for women is rising and will be equalized with that of the men by 2016.

Old age pensions can be fully accumulated with earnings from work with no restrictions. Continuation of work gives an additional bonus as the full career is taken into account for calculation of pension. Accordingly, pensions are recalculated once a year (from 1 April) to take into account additionally acquired rights over the last calendar year. This is done automatically (no separate application required) on the basis of social tax information of the pension insurance register.

Starting from 2002, the Estonian state pension insurance includes a possibility to postpone the time of granting old age pensions with an increase in pensions by 0.9% per month (i.e. 10.8% per year).

In principle, state pensions constitute a taxable income, however, for pension income a higher than normal non-taxable threshold applies. Whereas the non-taxable threshold for wage income is

currently 2000 EEK a month, for pension income an additional 3000 EEK (from 1.04.2007 – 4000 EEK) is tax-exempt.

Also following clauses that were discriminative to age were removed from the Employment Contract Act in 2006:

- terminate an employment contract (unspecified or fixed)
- due to the age
- employee has attained 65 and has the right to receive full old-age pension
- terminating the contract an employer is required
- to notify an employee in writing due to age...
- pay the following compensation due to the liquidation of the enterprises, agency or other organisation, lay-off of employees or age.

b) Has your country taken specific measures to increase the labour force participation of women, e.g. through suitable education and training, measures to broaden their job opportunities and avoid discriminatory situations with regards to pension benefits or personal income?

Retiring age between men and women will be equalised by 2016 as mentioned above. Already now the employment rate of women has risen (especially among older women who are not proficient in Estonian).



Labour Force Study, 2006

Estonia is the only EU country where the participation rate of older women in labour force exceeds the ratio of older men. The reasons are:

- In the proportion of women over 50 years of age grows more rapidly than men
- Low life expectancy of men
- Estonia is characterised by high educational levels: the proportion of over-50s who have completed third level education is about twice the European average
- Women have a higher participation rate in lifelong learning than men;

Therefore active (labour market) measures are available to all.

Member States committed to taking steps towards increasing the age at which people stop working and towards making **retirement** more **flexible** and **gradual**.

a) Has your country taken steps to offer incentives for the participation of older persons in the labour market (abolishment of incentives to take up early retirement, abolishment of disincentives to stay in the labour market)?

Main incentive that motivates older people to stay employed after retiring age is receiving full pension while working. Starting from 2002, Estonian state pension's insurance includes a possibility to postpone the time of granting old age pensions with an increase in pensions by the time of granting old age pensions with an increase in pensions by 0.9% per month (i.e. 10.8% per year). The scheme has been not implemented very often though. Early-retirement age (3 years before official retiring age) pension is not paid during working.

Member States committed to take measures to enable labour markets to respond to the economic and social consequences of ageing. In this regard, they pledged to seek increase in employment rates, especially the employment rates of older persons.

b) What mechanisms has your country adopted to promote a smooth and gradual retirement?

The state of Estonia is dealing a lot with policies that consider elderly people. In there you can see care, possibilities for working, sports and culture, self-managing, charity and also voluntary work.

There are many day care centres and organisations that help to feel needed and belong to a group after retiring.

For example, Union of Pensioners and Association of Pensioners that have unified recently. These NGO-s are supporting elderly people's social well being, give juridical advice, supporting creative activity. They also help to organise additional training, gather information and give information about the current needs and possibilities for the elderly in the country. Within all of this their priority is also to promote the ideas of social cohesion, intergenerational sustainability ensuring that elderly people feel still a valuable part of the society.

RIS Commitment 6: Promotion of life-long learning and adaptation of the educational system in order to meet the changing economic, social and demographic conditions

Member States committed to promoting life-long learning and adapting their educational systems in order to meet the changing economic, social and demographic conditions.

In particular, they committed to facilitate and encourage **life-long learning**.

a) What steps have been taken to adjust education institutions to the needs of persons in retirement?

Based on Life Long Learning Strategy 2005-2008 every adult has a chance to study until he/she wishes for the basis of one's ability and necessity, it also includes elderly people. The several life long learning possibilities are there starting from evening schools to several diverse learning possibilities.

b) What initiatives has your country undertaken with respect to pre-retirement programmes?

Since year 2000 elderly people in Estonia can use early retirement scheme, that allows working while retiring without a financial loss. This makes early retirement more unattractive. Calculations show that the most profitable retirement is through disability program, what assumes weak health. Healthy individual can make decision between early retirement program or unemployment program. But the benefit of unemployment is very low in Estonia, so it is unattractive alternative for retirement.

The main results can be compared with developed countries where the most important factor is income that have had effect on retirement decisions. The replacement rate of income was over all early retirement pensioners 250% and over pensioners who worked before retirement average 75%. This means that received pension benefit where 2,5 times larger than the average income before retirement. And over pensioners who worked before retirement the replacement rate is also high. To explain the high replacement rate the data show that about 80% of these people had small income (unemployment subsidy) or not income at all.

Early retirement pensioners retired as soon as it was possible and so long time earlier than allowed. Under these circumstances early retirement program has been successful as it approves the situation of older people unemployment.

c) What learning methods have been developed to teach older persons the use of new information technologies?

The state of Estonia is funding through a project competition non profit organisations, foundations and local government entities to encourage elderly people use of internet and e-services. The increases the possibilities of life-long learning and flexible working form.

For example, Estonia has a project "Look@world" to raise the living standards of the Estonian population and increase the competitiveness of the government. By today, Look@world has grown into a foundation whose founders include ten Estonian companies. Companies have pledged to invest, together with the Estonian government in the development of the Internet, in order to surpass Finland in the percentage of Internet users within three years.

In order to achieve that goal, in the framework of the "Look@world" project Estonia will help to increase the population's opportunities to use computers and the Internet, and will develop co-operation with state institutions.

The government has also created a web based working environment (www.osale.ee). Its main purpose is to get people, organizations and interest groups more involved into the government work and the questions they might have for the future discussion.

d) Has your country adapted educational curricula to prepare people to lives of continuous change and equip them with the necessary skills and attitude favouring flexibility? The use of which new didactic methods has been promoted in these regards?

For that exact point Estonia has worked out a Life Long Learning Strategy 2005-2008. With that specific Strategy it is meant to promote Estonian population's chances and motivation getting involved with formal and informal studying process. The main turning point should be that people would improve their knowledge and skills based on their society and labour market's needs.

Adult education is regulated by the law of adult training law that gives every person the right for life long learning.

The state and government/local governments are working always side-by-side, and will provide help and assistance if they will see the necessity of it. The interruption will only take place if it is seen that in some areas or some groups are not able to learn and also if there are some changes to be made.

The Member States also committed to ensure that the **education system** achieves better **employability** of all persons.

a) Has your country taken steps to establish closer links between educational institutions and employers and to encourage employers to provide on-the-job training for workers of different ages, including older workers?

The situation of Estonia is somewhat controversial because from one hand there is unemployment and on the other hand there is lack of workforce almost in every sector. Projects of Labour Market Board have been made to activate the job market so that the person who looks for job gets specific training according to the needs of the labour market. The outcome of the project is that everyone is encouraged to join no matter of one's age. The project's main action plan consists of research, creating modern database and its focus group – people who need training after being without a job and the ones who are getting the layoff notice. Project's final goal is to get work for their focus group with a vocational certification that Labour Market Board will provide. It will encourage also elderly to learn new skills and participate more actively in the labour market.

b) What initiatives have been taken to increase school retention rates and limit dropouts?

The Estonian action plan "Education for All" has many activities on combating with increase school retention rates and limit dropouts. Some of them are listed as follows:

- Exact counting of the kids who need to go to school and educational improvement of data bases and analysis of why some students do not attend school;
- Lowering the level of students in the classroom of elementary schools and also finding better ways how to help these kids who need to repeat the course;
- The training for teachers includes also how to find students who need special attention and the very first indication that start in the kindergarten or in first grade;
- Free lunch for students, supporting families who are in financial hardship with all what their kids need in school from grade one until grade four;
- Training for teacher who are in multicultural and multilingual classrooms;
- Increase participation of young people and elderly to participate in the decision making of educational policy-making process;

c) Have any special programmes been developed and/or promoted to facilitate the reintegration into the labour market of those who left early the formal educational system?

There are no special programs, but people who are 16 or more years old can use all Labour Market Services by case management method.

- d) *Has your country taken steps to make formal schooling more gender-sensitive, e.g. through the introduction of gender-sensitive curricula, specific programmes for girls and women, and specific programmes for older women to help them re-enter the labour market?*

The state's curricula of primary school, high schools and vocational schools doesn't make any differences between men and women when they want to apply for all these schools.

In order to have more competence within teachers about gender sensitivity, in 2004 Ministry of Education and Research translated into Estonian M. Guriani and A.C. Ballew book "Boys and Girls learn differently". Book's main purpose is to educate and promote gender mainstreaming.

For younger generation who are starting with school or are little older is a specially formulated web based course that they could try (www.miksike.ee). On that website there is one part that is especially dedicated for themes like women's rights and gender equality.

Based on Gender Equality Act all educational and research organizations have to offer equal treatment for men and women. All the curricula's, materials for teaching and researches needs to be done with gender sensitivity.

It is illegal/discriminative to offer any training that is thought to be only for one sex. It would be only the case if it is meant to be for women or men because of the nature of the occupation.

RIS Commitment 7: Striving to ensure quality of life at all ages and maintain independent living including health and well-being

The UNECE Member States committed to striving to ensure **quality of life** at all ages and maintain **independent living** including **health** and **well-being**. In particular, the Member States agreed to promote health and well-being over the entire **life course**, by mainstreaming health through sectoral policies.

What actions have been taken to integrate ageing issues into sectoral policies?

In addition, Member States committed to ensure **equal access** to health and social services including long-term care for persons of all ages.

- e) *What targeted measures have been taken to decrease inequalities in access to health and social services, including for people in rural and remote areas?*

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To better the condition of unemployed people, at the beginning of 2007 the government changed the law so that even the unemployed people are getting access to health care but they have to be registered. In order to offer the basics of health care to all people then the state's government is doing partnership with local governments, who are today compensating to their citizens free family doctor service. Estonian government is motivating health care workers with a financial benefits to work in more remote areas in the country. Special health care providing is based on the rule that there is a 24-hour care provider at least within 70 km or not further then 1 hour.

- b) *What initiatives have been taken to improve long-term care services for older persons, in particular community-based services mostly demanded in order to overcome the*

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mismatch between home services asked for as against residential care services supplied?

Aligned with Estonian Gerontology and Geriatric Association was put together a quality standards for nurses who provide care for elderly people. Estonian Health Insurance Fund is year-by-year trying to improve the funding for home care services.

The number of people using home care services has remained around 5.5-6.0 thousand in recent years. The home care service is generally provided by social care-givers hired for that purpose by local government. At the same time, some of the local governments buy the home care service partly or fully from day-care centres operating on the territory of the rural municipality. As the provision of home care services first of all depends on the need of the persons living on the administrative territory for the said services as well as on the governments possibilities to provide the services, sometime the users of services and providers possibilities are different.

c) How has your country improved the coordination and integration of services provided to older persons (e.g. through case management systems)?

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Estonia is working out a special conception and legal framework for designing care service according to the target group needs.

d) What efforts have been made to improve the training of care providers: professionals, volunteers and family members?

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Health colleges are training and giving a special education for nurses and for social care workers. The school has in mind in the near future to put together the curricula's of these two (nurses, social care workers) because they are rather similar in take. The main goal is to prepare qualified and versatile workers who could work on a different level of care taking and to meet the needs of growing market.

e) What efforts have been made to improve the skills of older persons with regard to self-care, health promotion, prevention of disease and disability?

In today's rehabilitation they have a therapy that is meant to people with disability and how to cope one's self in many kind of every day situations.

Member States also committed to ensure appropriate **financing** of health and social services for persons of all ages.

What has been done to ensure efficient, equitable and sustainable financing of health and social services for persons of all ages?

For the sustainability of financing health care system government has worked out a system that arises step by step to the minimum level of social tax by the year of 2008 and on the same time optimising the cost of health care insurance. There is constant supervision of contracts of the financing by Estonian Health Insurance Fund and optimising the network of medical institutions.

In addition, Member States pledged to enable people to make healthy choices.

What measures have been taken to facilitate the adoption of healthy life-styles (e.g. information campaigns)?

Implementing the prevention programs of cardio-vascular diseases, HIV and cancer, drug and tuberculosis to the specific target groups including elderly.

RIS Commitment 8: Mainstreaming a gender approach in an ageing society to support families that provide care for older persons and promote intergenerational and intra-generational solidarity among their members

The Member States committed to mainstream a **gender** approach in an ageing society.

a) What measures have been taken to mainstream gender, to remove all obstacles to achieving gender equality, to eliminate all forms of discrimination against women, and to promote individual development of women throughout their entire life cycle?

- many non/profit organisations EX. ENUT- The Estonian Women's Studies.
- women got the right to vote 1920
- promotion for future women in politics
- Rising number of members in Riigikogu 1992 13% and in 2003 19%
- Estonia took part with an official delegation from the IV Women World Conference in Beijing 1995 which was a turning point for all the members of UN.
- Estonian Gender Equality Act 7th of April 2004 (Chapter 3)
- Publications, lots of conferences EX. Third Baltic Sea Women's Conference on Women and Democracy
- Few downfalls: the difference how much men and women get paid for their work. But this is not a problem only for Estonia but all the EU member states.

b) What has been done to give particular attention to collection and analysis of gender- and age-disintegrated data?

Estonia is having a huge Media Campaign and project competition at this time (2007). By 30th of November the Social Forum gathers all the information what the "Year of Equal Opportunities in Estonia 2007" succeeded.

c) What measures have been taken to promote the economic rights of women (such as legislation to ensure equal pay for equal work, to protect other women rights at work place, and to reconcile family life with work life, etc.)?

- The draft Gender Equality Act aims at establishing equality in the labour market, places of employment, in education, social security and other spheres. Direct discrimination will be prohibited and measures against indirect discrimination will be provided. The Act would allow certain positive measures to promote the situation of women who are in a less advantageous position compared to men. The authorities would be obliged to promote equality between men and women. The Act would specify ways of seeking justice in the courts as well as via proceedings provided by other relevant institutions indicated in the Act.
- In 1996, the Bureau of Gender Equality was formed at the Ministry of Social Affairs. According to the Government of the Republic Act, Art 67, the Ministry of Social Affairs is

responsible for co-ordinating the activities targeted at eliminating gender inequalities, composing legislation and promoting gender equality.

- Since Jan 1 2007 there is regulated by the law the non-institutional child minding for the place and occupational standard. The legalisation of home nannies is helping widespread the possibilities of reconciling work and family. By being a legal nanny the local government compensates the monthly salary.
- There are different projects to promote flexible working forms that help to combine better work and family life, especially among men.

d) Have social protection policies been reviewed to ensure full and equal participation of men and women in social protection systems?

e) What measures have been taken to encourage and facilitate equal sharing of family and care responsibilities between women and men?

d) and e) In Estonia there is no gender based difference made on social protection system.

Everyone could take care of their elderly fellow members of the state. Financial aid and training is provided to the caretakers. Estonia also has parental benefit act which states that parents or grandparents, mother/father or grandmother/grandfather, are getting financial support from the state based on one's last year's salary. According to draft law the benefit is provided until the child is 1,5 years old.

RIS Commitment 9: Support for families that provide care for older persons and promote intergenerational and intra-generational solidarity among their members

The RIS describes the family as the basic unit of society. Member States committed to provide support to families that provide care for older persons and to promote solidarity among its members, to respond to the needs and changing roles of individual **family** members and strengthen **intergenerational and intra-generational solidarity**.

a) How has your country adjusted its family policies to changing demographic circumstances?

b) What policies and programmes has your country adopted to respond to the needs of family members of different ages?

c) What are specific elements of these policies and programmes to promote equality between men and women?

d) Have you taken any awareness-raising measures concerning the contribution of older persons to family, community and society at large?

e) Have you adopted measures to help families deal with the growing responsibilities of care for their older members?

f) What mechanisms are in place to strengthen the role of communities, organisations and associations in providing support and care to older persons?

Member States also committed to supporting the families in coping with the social and economic consequences of demographic change.

What measures has your country adopted to support families in coping with social and economic consequences of demographic change (e.g. support to care-giving families, family friendly policies and services; adaptation of the infrastructure of towns to the needs of

families, and in particular the young and older persons, and to ensure that generations can live together; improvements in planning of services)?

RIS Commitment 10: Promotion of the implementation and the follow-up of the Regional Implementation Strategy through regional cooperation

UNECE Member States have the primary responsibility for the implementation and the follow-up of the RIS. They are encouraged to do so, among others, through regional cooperation, civil society involvement, and cooperation with the UNECE secretariat.

The analysis of your activities in this field could focus on the following questions:

- a) What activities have you undertaken to strengthen cooperation among UNECE Member States in the field of ageing (e.g. participation in meetings of the UNECE and the European Centre Vienna, exchange of information with Member States and the UNECE secretariat)?*
- b) How have you provided opportunities for civil society to cooperate in this process?*
- c) Have you requested the assistance of the UNECE secretariat and/or other entities of the United Nations system in the implementation of RIS? If so, what is your evaluation and how would you describe further needs for assistance?*

5. Conclusions and Outlook for the Future

This chapter is expected to

- a) briefly summarize to what extent your country has addressed the challenges and opportunities of ageing since the adoption of the MIPAA/RIS in 2002;*
- b) indicate, based on the assessment provided and in view of future demographic developments, future policy challenges and perspectives related to ageing;*
- c) indicate major strengths and weaknesses of your country in the field of ageing;*
- d) outline future activities in the areas of population and individual ageing and other related areas;*
- e) propose adjustments to existing policies;*
- f) identify priorities for further policy research;*
- g) indicate capacity-development needs;*
- h) describe the need and/or request for exchanges of experiences across countries;*
- i) indicate your requests/needs/wishes with regards to the work of international organizations in the field of ageing.*

Annex

1. List and contact details of organisations in your country directly involved in preparing this report.
2. List and contact details of organisations in your country involved the follow-up to MIPAA/RIS, by sector (government institutions, NGOs, academia, private sector).
3. Attach, if applicable, the national actions plan on ageing and the relevant laws on ageing.