

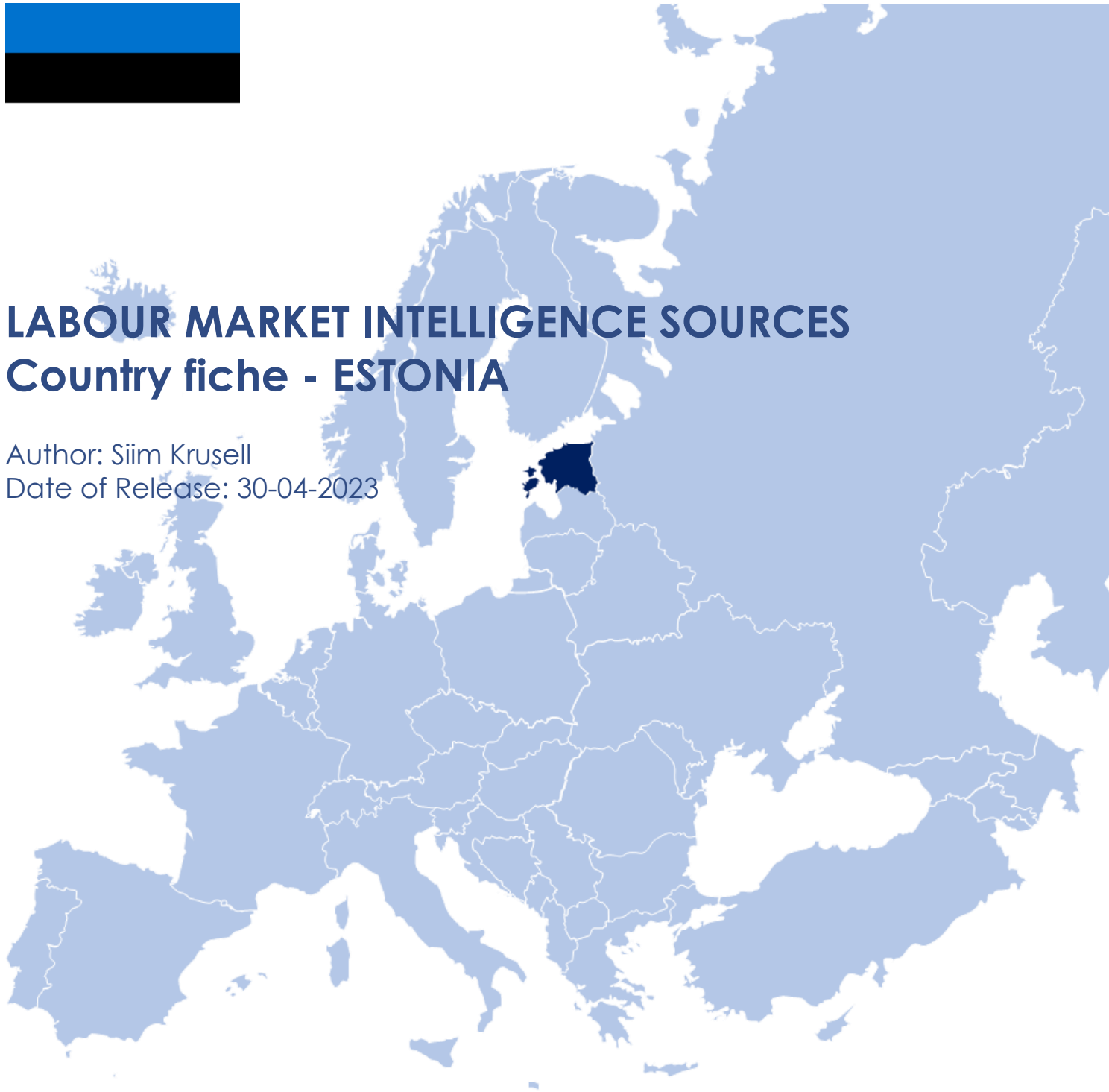


LABOUR MARKET INTELLIGENCE SOURCES

Country fiche - ESTONIA

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Innovating the use of Labour Market Intelligence
within European Universities - LMI-EUniv



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LIST OF ABBREVIATIONS

CEDEFOP	European Centre for the Development of Vocational Training
EU	European Union
HEI	Higher Education Institution
ILO	International Labour Organisation
IO	Intellectual Output
LISER	Luxembourg Institute of Socio-Economic Research
LMI	Labour Market Intelligence
LMI-EUniv	Innovating the use of Labour Market Intelligence within European Universities
LMO	Labour Market Observatory
OECD	Organisation for Economic Cooperation and Development
OJA	Online Job Advertisement
OVATE	Skills Online Vacancy Analysis Tool for Europe (Skills OVATE)
PES	Public Employment Service
R&D	Research and Development
TU	Tallinn University
WUT	West University of Timisoara

BACKGROUND

LMI-EUniv project

“Innovating the use of Labour Market Intelligence within European Universities - LMI-EUniv”, the project was the subject of a successful application to Key Action 2 - Cooperation among organisations and institutions - of the Erasmus+ programme.

Consortium

The consortium is composed of West University of Timisoara (project leader), University of Milano-Bicocca (Italy), University of Tallinn (Estonia), Prospektiker - (Spain) and Luxembourg Institute of Socio-Economic Research (Luxembourg).

Aims

The primary focus of the project is to understand how are European Universities using labour market information and labour market intelligence in the planning and delivery of their provision and how can this be improved. Therefore, the project aims to help HEI to develop appropriate skills and competencies through better matching of education supply to demand through innovative learning and teaching practices.

Objectives

The LMI-EUniv project has three main objectives: (1) to map essential LMI sources at national level, (2) to explore how HEI in Europe are using LMI, and (3) to produce a training course, guide and a Labour Market Intelligence Hub. This will be an online platform, aggregating LMI sources and information, and aims to become a reference point for all HEI.

INTRODUCTION

This country fiche provides information concerning the essential LMI sources at national level with a particular focus on LMI sources used by HEI. It was developed within the Intellectual Output 1 of the LMI-EUniv project - Mapping essential LMI sources at national level. The role of the country fiches is to systemize information related to LMI sources and gather them into a LMI Hub. The country fiches will form the basis for the Data (Evidence) Report and in turn, will inform the production of the Final Report.

During the inception phase of the project, we have noticed the existence of a large number of LMI sources but also a lack of information about them. We consider that having access to a single point of information with LMI sources will enable HEI to better use this for their activities. Thus, this research represents the first step in this direction through mapping the LMI sources at the European level.

We believe that this study is the first of its kind focused on LMI sources across Europe and is in itself a considerable innovation. Through this activity, we are seeking to influence how universities in Europe view, analyse, utilise and produce their own LMI to aid with their decision-making. Further, we aim to make this available to help stakeholders such as policymakers in national and regional governments, employers, and regional development agencies to be better able to bring their demand-side knowledge to support universities and ensure higher education supply fits to current and future labour market need.

The Final Report Recommendations given the project's geographical coverage and the pressing need for action on using labour market intelligence should have considerable transferability potential.

GENERAL INFORMATION

Demography

In the last decade, the number of live births has remained between 13-14,000 children per year in practically all years. In 2020 and 2021, the number of births was just over 13,000, and in 2022, based on the data so far, the number of births will decrease even more year-on-year. One of the reasons for the decline in the number of births is given, for example, by the increase in the share of women born in the low birth years of the 90s among potential mothers. Even a slight increase in the fertility rate in recent years (In 2021, 1.61) suggests that the reason behind the decrease in the number of children is not the decreased desire of families to have children, but the fact that there are fewer young families. The number of deaths in the last decade has been over 15,000 deaths annually. The sudden increase in the number of deaths took place last year, i.e. 2021, which can be explained both by the exceptionally hot summer and the impact of corona deaths. Based on the statistics so far in 2022, it can be said that the number of deaths will be lower, but will still exceed the normal level of the previous decade. The fact that the natural birth rate has remained negative for decades means that there are fewer young people entering the labor market than those leaving the labor market due to age. However, due to the negative natural increase, the population may not necessarily decrease, especially if there are far more immigrants to the country than emigrants. In the last five years, instead of decreasing, the population of Estonia has grown, as the positive migration balance has exceeded the negative natural increase. In 2021, the population grew by 1,700 people thanks to the positive migration balance. In recent years, the share of people aged 15-64 and younger has continued to decrease. However, the share of people 65 and older has increased.

Labour market

The gross domestic product per person in Estonia was 89% of the average of the European Union in 2021, which means lagging behind the EU average, but has moved closer to the average in the last ten years. Since developments in the economy are also reflected in the labor market, it is not surprising that the main labor market indicators also reflect the relatively

good health of the labor market in the last few years. By 2021, the unemployment rate decreased from 6,9% to 6.2% compared to 2020, the employment rate remained relatively same. In 2021, the employment rate in age group 15-74 was 66.7% and economic activity rate was 71.1%.

In age group 20-24 the activity rate was 69%, employment rate 60% and unemployment rate 13%. In age group 25-64 the activity rate was 86%, employment rate 81% and unemployment rate 6%.

In total, there were 654 thousand employed, from whom 119 thousand worked in manufacturing, 82 thousand in wholesale and retail trade; repair of motor vehicles and motorcycles and 64 thousand in education field. More than half of the employees (353,000) in 2021 were white-collar workers. There were 301,000 blue-collar workers. Most among white-collar workers were employed as a professionals followed by technicians and associate professionals. Among the blue-collar service workers, the largest number of employees were working as a craft and related trades workers followed by service and sales workers.

Higher education market

In Estonia, the share of tertiary students (Isced 5-8) among the 20-24 years was 30% in 2020. The higher education system in Estonia is similar with the rest of EU through the Bologna Process where degrees are divided into three levels: basic level, advanced level and doctoral level. It is possible to acquire higher education at a university and a professional higher education institution. In addition, there is a five-year study that integrates bachelor's and master's studies (e.g. for Veterinary Education). After completing the master's studies, one can start studying in the doctoral program. According to the form of ownership, educational institutions are divided into state, public and private. At the beginning of the 2021/2022 academic year, 44,611 students were studying in 18 higher education institutions. Among the biggest higher education institutions there can be found University of Tartu, University of Tallinn, TalTech, Estonian Academy of Arts and Estonian University of Life Sciences. By field of study the most popular by number of students in 2021 were business, administration and law, engineering, manufacturing and construction and health and welfare.

LMI SOURCES AT NATIONAL LEVEL

LMI providers

LMI comprises any information and knowledge about labour market dynamics. It covers topics such as labour demand and supply, unemployment, employment and earnings, emergence of new occupations, new skills required on labour market, post-graduate path, career expectations, etc.

List of potential providers:

- National institute of statistics
- Public employment service
- Social security
- Ministry of labour
- Ministry of education
- Employer organizations, employees organizations (Chamber of employees), trade unions and professional associations
- Academic and research institute
- Private and public centres of lifelong learning
- Private providers (e.g. job portal, Inomics, AKADEUS ...)

In the following section, there is a brief description of the Estonian LMI sources. A more detailed description of what LMI information source provides can be seen in the form in the Appendix (Table 1).

SA Kutsekoda/OSKA

The Estonian Qualifications Authority (trademark - Kutsekoda) is a private legal entity (foundation) under the Ministry of Education and Research. Kutsekoda is developing a support structure for occupational qualifications system in order to increase the competitiveness of Estonian employees and promote the development, assessment, recognition and comparison of their occupational competence. Kutsekoda is also responsible for developing and implementing the anticipation and monitoring system for labour and skills

demand - OSKA. OSKA surveys on the needs for labour and skills, together with professional standards, help people make informed career choices.

Ministry of Education

The Ministry of Education and Research is a state institution and is responsible for the planning of education, research, youth and language related national policies and, in conjunction thereof, managing the fields of pre-primary, basic, general upper secondary, vocational secondary, higher, hobby and adult education, organizing research and development activities, youth work and special youth work, and compiling drafts of corresponding legal acts.

Ministry of Social Affairs

The Ministry of Social Affairs is a state institution. Ministry manages social insurance and welfare services, develops and implements the working life and labour market policy, in order to ensure prevailing of people with long-term working capacity and employment. It designs and implements the policy in the field of social security, ensures timely and targeted granting and payment of social insurance benefits, shapes the family policy, which sets a priority of collocation of working life and private life, as well as parental education. Ministry promotes the equal treatment of women's and men's equality, in order to incorporate different social groups into the life of the society.

Estonian Unemployment Insurance Fund

Estonian Unemployment Insurance Fund was founded in 2001 to administer unemployment insurance benefits. Since May 2019 it also organizes labour market services that help unemployed persons find new employment. Estonian Unemployment Insurance Fund is a quasi-governmental organisation, and a legal person in public law. It performs its activities independently from government, but on the basis of a mission and of operational rules defined by law. The key responsibilities of Eesti Töötukassa are provision of Active Labour Market Measures (ALMPs), payment of unemployment and work ability benefits and compensations and work capability assessment. With the short-term labour demand forecast prepared on the basis of the labour demand barometer, EUIF provides an overview of the occupations for

which it is the most difficult to find employees and which occupations are in excess in the labour market.

Praxis

Praxis Centre for Policy Studies Foundation is an independent, non-profit, civil initiative think tank. Praxis was founded in 2000 and has now become one of the biggest think tanks dealing with socio-economic topics in Central and Eastern Europe. Praxis mission is to enrich the public debate, create valuable knowledge and effective solutions for policymakers, the third sector and to other interested people. Applied research forms the largest part of Praxis work and is the foundation for everything else. Praxis research has provided knowledge for many strategies and legislation drafts. The think tank team consists of experts and analysts who have extensive experience in both quantitative and qualitative studies. Praxis research fields are for example civil society, economy and sustainable growth, education, labour and social policy and governance.

Centar

Centar is a private research institute and they are important partner for ministries and other policymakers. They use wide range of research methods and have a experienced team. Centar conducts research in different fields and their main focus is labour market, education, social policy and its impact, health care.

Statistics Estonia

The Statistics Estonia is a government institution operating under the jurisdiction of the Ministry of Finance, which has a management function and which organizes the production of national statistics and carries out national and administrative supervision on the basis and to the extent prescribed by law. The Statistics of Estonia is independent in choosing statistical methods and a field of activity is the production of national statistics in accordance with the principles and quality criteria valid in the statistical system of the European Union and the coordination of data management. Statistics Estonia works in close co-operation with many institutions, such as Eurostat (the statistical office of the European Union), the United Nations Economic Commission for Europe (UNECE), OECD, Eesti Pank (central bank of Estonia), the

University of Tartu, ministries and local governments. Respondents are also important cooperation partners Statistics Estonia. Statistics Estonia is a part of the European Statistical System, contributing to the development of international statistics.

Eesti Pank

Eesti Pank as a central bank of the euro area contributes to the sustainable development of the Estonian economy and to increased prosperity for Estonia by keeping inflation moderate, the financial sector stable, and cash circulation functioning. Among other activities, Eesti Pank experts analyse and make forecasts for the Estonian economy and take part in analysis, research and forecasting for the euro area economy. The purpose of economic research at the bank is to provide information that can be used in decisions on monetary policy and financial stability, and to give support to experts and managers from the central bank in discussions of economic policy. Analysis are also used by the government in deciding economic policy, and also by companies and households in making financial decisions.

Foresight Centre

The Foresight Centre is a think tank at the Estonian parliament. The Foresight Centre conducts foresight projects on various topics with the aim of analysing long-term developments in the society and identifying new trends and developments. The study teams include renowned experts from Estonia and abroad. For all the foresight projects, the Centre maps the current situation, systematises the results of the existing studies, and conducts additional studies if necessary. Foresight projects can be in different areas, from labour market developments to the energy policy.

Ministry of Finance

The Ministry of Finance is a government office performing functions arising from the existing law and assigned to it by the Government of the Republic. The Ministry's main functions include advising of the Government of the Republic on matters of budget, taxation, macroeconomics, and financial and governance policy; making of proposals; and development and implementation of policy within its competence. The Ministry's area of government includes for example coordination and implementation of the planning of the

government's financial and resource management policy and the state fiscal policy; planning and implementation of the tax and customs policy; economic analysis and forecast. To conclude: The Ministry of Finance is the government's expert in the implementation of tax, financial, fiscal and public policies, and in setting economic goals.

Assessing the sources of LMI at national level

Once the sources of LMI have been identified, their quality is needed to be assessed. There are many organisations that produce LMI but only through a standardized evaluation process they can be considered as being qualitative. The quality of LMI sources is sustained by their representativeness, validity and reliability.

The **Table 1** below contains a list of LMI sources identified at national level and their rating in accordance with LMI-EUniv methodology.

Table 1: LMI Sources at national level

[SEE THE LMI SOURCES HERE](#)

REFERENCES

- SA Kutsekoda/OSKA , URL: <https://oska.kutsekoda.ee/> [Accessed March 2023]
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