

SOCIAL SECTOR IN FIGURES 2005



MINISTRY OF SOCIAL AFFAIRS OF ESTONIA

SOCIAL SECTOR IN FIGURES

2005

TALLINN 2005

EXPLANATION OF SYMBOLS

... no reliable data available
.. term not applicable
- magnitude nil

ISCED International Standard Classification of Education
OECD Organisation for Economic Co-operation and Development
SKP Gross domestic product
M Males
N Females

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DEAR READER,

In the past few years, more attention has been paid to making the policy planning process knowledge-based, to a better understanding of ongoing processes. Statistical data and indicators play a role in decision-making that cannot be underestimated - the data are of assistance in designing policies, evaluating the results of implemented measures and drawing attention to problems that need to be solved.

The “Social sector in figures 2005” contains basic statistical data on social welfare and social insurance, health and labour domains. Various statistical data from several sources have been used for compiling this publication, the majority of which have been gathered by the Ministry of Social Affairs and its subordinate boards and inspectorates. Statistical survey data produced by the Statistical Office and other relevant institutions have also been used. Depending on availability, comparative data have been provided for the period 1995-2004.

The introduction to each section includes a description of the legal acts governing the domain and of changes therein, definitions of the terms used and a brief statistical overview.

The Ministry of Social Affairs has been publishing this publication since 1999, thereby creating a significant consistency of indicators to be observed. New topics are added every year in relation to new measures being implemented or certain issues gaining importance. This year’s publication gives thorough consideration to the issues of unemployment insurance, parental benefit and gender equality. A separate annex provides selected indicators of the health behaviour of the inhabitants.

Foremost, this publication is directed at policy designers, aiming to provide assistance with initiating, elaborating and evaluating policies. However, the presented information can certainly be a useful and interesting source of data for everyone interested in changes occurring in Estonian society.

Maarja Mändmaa

Secretary General

Ministry of Social Affairs

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GENERAL DATA

Official name of the state	THE REPUBLIC OF ESTONIA
System of government	Parliamentary republic
Capital	TALLINN
Currency unit	Kroon (EEK) 1 EUR = 15.6466 EEK
Administrative division	Counties 15 Local governments 241 cities and towns 39 rural municipalities 202 towns without municipal status . 8
Population as of 1 January, 2005 (preliminary data)	1 346 500
Population density (inhabitants per km ²)	30
Total area (km ²)	45 227

Administrative division of Estonian territory



POPULATION

The statistical data on the population is given mainly for the years 1995-2003, as the Statistical Office will disclose the data for 2004 by the end of 2005. The preliminary population as of 1 January 2005 is 1 346 500.

The decreased proportion of young people is due to a rapid decrease in the birth rate starting in the 1990s. In 1995, people from the age of 0-14 formed 20,9 percent of the population, but by 2004 this percentage had sunk to 16,0 percent. At the same time the percentage of people over 65 rose from 13,3 per cent to 16,2 per cent.

The lowest point in the birth rate was in 1998. Ever since, the birth rate has shown an increasing trend (although with slight fluctuations). The birth rate increased somewhat in 2004. According to the data from the Estonian Medical Birth Register¹, the number of live births was 13 018 in 2003 and 13 975 in 2004.

In recent years, the increase of the birth rate has mainly been due to the growth of the number of first-born children. The first-born children make up almost half of live births, while second-born children make up a third and third-born children a tenth of live births. The number of fourth-born and later-born children has been decreasing year by year.

The average age of mothers giving birth, including the average age at first birth, has continuously increased since 1993. In recent years there have been more births by women between the ages of 30-39. At the same time, birth activity among women under 25 has continuously decreased. Bearing witness to positive changes in family planning habits is the fact that in recent years, the absolute number of induced abortions and the number of abortions per 1 000 women between the ages of 15-49 have steadily decreased. In 2000, the number of induced abortions fell below the number of live births for the first time and this tendency of decrease has continued ever since.

Life expectancy at birth was the lowest in 1994 (66,9 years). Since then, the average age has risen slightly (71,6 years in 2003), but still the difference in life expectancy between men and women is over 10 years.

The number of deaths has been quite stable in recent years, only slightly crossing the 18 000 margin. Over half of deaths are caused by diseases of the circulatory system, followed by cancer and accidents, poisonings and acute injuries. The causes of death differ by sex - in 2003 63% of women's deaths were caused by diseases of the circulatory system (for men - 47%), 17% by neoplasms (men - 20%) and less than 5% by accidents, poisonings and acute injuries (men - 16%).

The mortality rate for men exceeds the figure for women by far, especially in younger age groups. For instance, the difference in the age group 25-64 is almost threefold (in 2003, 1 128 cases per 100 000 for men and 400 cases per 100 000 for women).

1 - This includes births in Estonian health care institutions and therefore the figure differs somewhat from the official population statistics.

Population by age, 1 January

Age group	Population					Age structure, %		
	1995	2000	2002	2003	2004	1995	2000	2004
Total	1 448 075	1 372 071	1 361 242	1 356 045	1 351 069	100	100	100
0-14	302 490	250 503	233 829	224 761	215 718	20.9	18.3	16.0
0-4	83 940	61 440	61 352	62 175	63 347	5.8	4.5	4.7
5-14	218 550	189 063	172 477	162 586	152 371	15.1	13.8	11.3
15-64	952 702	915 938	916 273	915 834	916 316	65.8	66.8	67.8
15-39	503 233	479 245	478 942	480 457	483 204	34.8	34.9	35.8
40-64	449 469	436 693	437 331	435 377	433 112	31.0	31.8	32.1
65+	192 883	205 189	210 699	215 009	218 658	13.3	15.0	16.2
65-74	123 752	130 577	130 878	131 984	132 263	8.5	9.5	9.8
75-84	53 493	56 970	63 067	67 227	70 616	3.7	4.2	5.2
85+	15 638	17 642	16 754	15 798	15 779	1.1	1.3	1.2
Unknown	-	441	441	441	377			

Population by sex and age, 1 January

Sex, age group	Population					Structure, %		
	1995	2000	2002	2003	2004	1995	2000	2004
Men	671 264	632 709	627 591	624 961	622 450	100	100	100
0-14	154 779	128 511	120 184	115 433	110 786	23.1	20.3	17.8
15-64	455 686	437 015	437 822	438 260	439 071	67.9	69.1	70.5
65+	60 799	66 918	69 320	71 003	72 361	9.1	10.6	11.6
Unknown	-	265	265	265	232	-	0.0	0.0
Women	776 811	739 362	733 651	731 084	728 619	100	100	100
0-14	147 711	121 992	113 645	109 328	104 932	19.0	16.5	14.4
15-64	497 016	478 923	478 451	477 574	477 245	64.0	64.8	65.5
65+	132 084	138 271	141 379	144 006	146 297	17.0	18.7	20.1
Unknown	-	176	176	176	145	-	0.0	0.0

Number of households, annual average, thousand

	2000	2002	2003	2004
Total number of households	575.3	566.7	566.1	564.7
Single-member households	179.6	175.9	173.0	178.7
With two and more members	395.7	390.8	393.1	386.0
2 adults ¹	111.4	108.5	112.0	113.7
1 parent with child (children) ²	26.2	21.9	25.9	19.2
2 adults ¹ with children ²	90.5	87.2	79.6	79.6
with 1 child	44.6	42.1	40.8	40.2
with 2 children	35.8	37.1	32.6	32.1
with 3 and more children	10.2	8.0	6.2	7.4
other	167.5	173.2	175.6	173.4

1 - Both common-law and married couple.

2 - From the age of 0-15.

Source: Statistical Office's household budget survey (estimated figure, calculated on the basis of census data and population registration data).

Main demographic indicators

Indicator	1995	1998	2000	2001	2002	2003
Number of live births	13 509	12 167	13 067	12 632	13 001	13 036
Live births per 1000 women aged 15–49	38.2	35.3	38.1	36.9	38.0	38.0
Crude birth rate (per 1000 inhabitants)	9.4	8.8	9.5	9.3	9.6	9.6
Total fertility rate ¹	1.38	1.28	1.39	1.34	1.37	1.37
Number of deaths	20 828	19 445	18 403	18 516	18 355	18 152
Crude death rate (per 1000 inhabitants)	14.5	14.0	13.4	13.6	13.5	13.4
Infant mortality rate ²	14.8	9.3	8.4	8.8	5.7	7.0
Maternal mortality rate ³	51.8	16.4	38.3	7.9	7.7	23.0
Mortality rate of 0–64-year-olds (per 1000 inhabitants)	6.5	5.7	5.2	5.4	5.2	5.0
M	9.7	8.4	7.6	8.0	7.8	7.3
F	3.4	3.1	3.0	3.0	2.8	2.8
Mortality rate of 65-year-olds and older (per 1000 inhabitants)	65.3	62.3	58.7	57.8	57.8	57.6
M	79.0	75.3	71.0	71.5	70.8	71.9
F	58.9	56.0	52.8	51.2	51.4	50.5
Natural increase	-7 319	-7 278	-5 336	-5 884	-5 354	-5 116
Rate of natural increase (per 1000 inhabitants)	-5.1	-5.3	-3.9	-4.3	-3.9	-3.8
Dependency ratio⁴, beginning of year	52.0	51.6	49.8	49.1	48.5	48.0
Labour market reprisal index⁵, beginning of year	1.27	1.24	1.20	1.18	1.14	1.09
Age dependency rate⁶, beginning of year	4.94	4.54	4.46	4.41	4.35	4.26

1 - The average number of live-born children per woman during her lifetime (based on age-specific fertility rates of a current year).

2 - Deaths under 1 year of age per 1 000 live births.

3 - Per 100 000 live births.

4 - Proportions of inhabitants aged 0-14 and 65 and older to those aged 15-64.

5 - Proportion of inhabitants aged 5-14 to those aged 55-64 (shows the ratio of people entering the labour market and people leaving the labour market in the coming decade. If the index is higher than 1, then the number of people entering the labour market is higher than the number of people leaving.)

6 - Proportion of inhabitants aged 15-64 compared to those aged 65 and older.

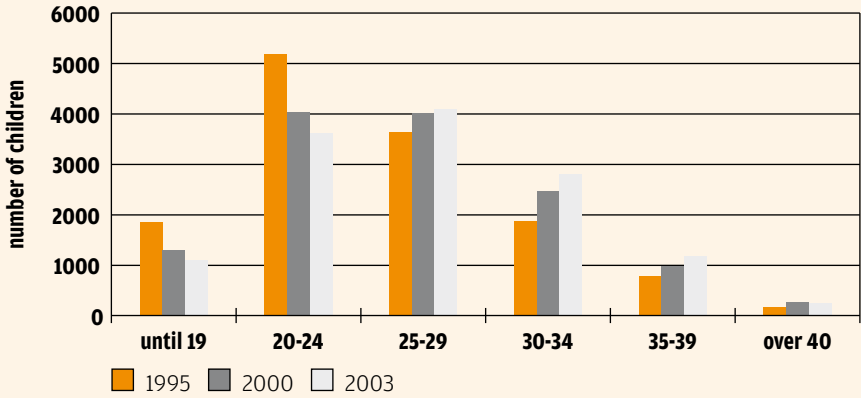
Average age of birthgiver

Indicator	1995	1998	1999	2000	2001	2002	2003
Average age of a woman at delivery	25.6	26.4	26.5	27.0	27.2	27.5	27.7
Average age of a woman at first delivery	23.0	23.6	23.8	24.0	24.2	24.6	24.8

Live births by birth order

Indicator	1995	1998	2000	2001	2002	2003	% of all births					
							1995	1998	2000	2001	2002	2003
Number of live births	13 509	12 167	13 067	12 632	13 001	13 036	100	100	100	100	100	100
as 1st child	6 705	6 103	6 320	6 099	6 264	6 422	49.7	50.2	48.4	48.3	48.2	49.3
as 2nd child	4 316	3 804	4 195	4 106	4 299	4 252	31.9	31.3	32.1	32.5	33.0	32.6
as 3rd child	1 514	1 392	1 582	1 542	1 567	1 505	11.2	11.4	12.1	12.2	12.1	11.5
as 4th and subsequent child	970	866	969	883	870	857	7.2	7.1	7.4	7.0	6.7	6.6

Number of live births, by mother's age

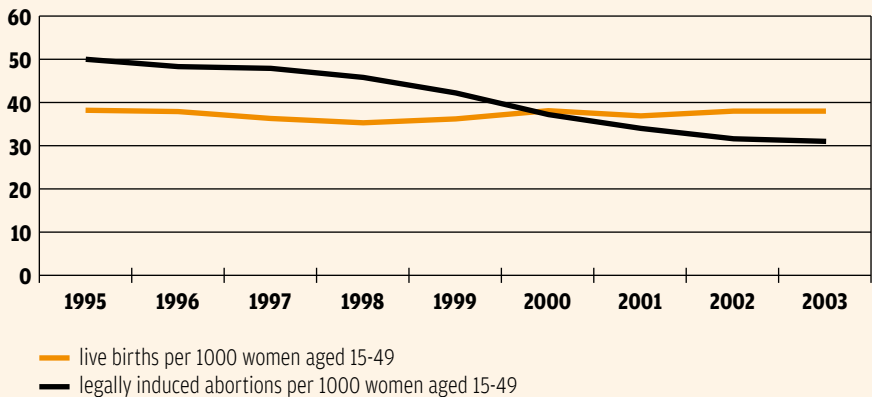


Abortions

	1995	1998	2000	2001	2002	2003	2004
Total number of abortions	20 518	18 424	15 331	14 049	13 149	13 008	12 625
per 1000 women aged 15-49	58.1	53.4	44.7	41.0	38.4	38.0	...
per 100 live births	151.9	151.4	117.3	111.2	101.2	99.8	...
Total number of legally induced abortions¹	17 671	15 798	12 743	11 653	10 834	10 619	10 074
per 1000 women aged 15-49	50.0	45.8	37.2	34.0	31.6	31.0	...
per 100 live births	130.8	129.8	97.5	92.2	83.3	81.5	...

1 - The termination of pregnancy at the pregnant woman's wish and on medical indications.

Live births and abortions per 1000 women aged 15-49



Life expectancy at birth¹

	1995	1996	1997	1998	1999	2000	2001	2002	2003
Total	67.6	69.8	70.1	69.5	70.3	70.6	70.4	71.0	71.6
M	61.3	64.1	64.2	63.7	64.6	65.1	64.6	65.1	66.0
F	74.1	75.4	75.7	75.3	75.8	76.0	76.2	77.0	76.9

1 - The data differs somewhat from those presented in previous publications, as the Statistical Office recalculated the data for 1989-2002 on the basis of the adjusted distribution of age groups in the population during the years between the 1989 and the 2002 censuses and due to changes in the method of calculating the life table indicators.

Total number of deaths and mortality rate by age, sex and cause of death, 2003

	Number of deaths				Mortality rate per 100 000 inhabitants in respective age group			
	Total ¹	0-24	25-64	65+	Total	0-24	25-64	65+
All causes of death	18 152	358	5 267	12 485	1 341	84	742	5 758
M	9 192	249	3 760	5 151	1 474	114	1 128	7 186
F	8 960	109	1 507	7 334	1 228	52	400	5 053
Diseases of the circulatory system	9 952	12	1 712	8 221	735	3	241	3 791
M	4 334	8	1 250	3 070	695	4	375	4 283
F	5 618	4	462	5 151	770	2	123	3 549
Neoplasms	3 376	19	1 132	2 224	249	4	159	1 026
M	1 856	12	667	1 176	298	5	200	1 641
F	1 520	7	465	1 048	208	3	124	722
Accidents, injuries and poisonings	1 837	191	1 275	350	136	45	180	161
M	1 427	148	1 045	219	229	68	313	306
F	410	43	230	131	56	21	61	90
incl suicides	342	41	231	70	25	10	33	32
M	276	34	197	45	44	16	59	63
F	66	7	34	25	9	3	9	17
Diseases of the digestive system	642	4	317	321	47	1	45	148
M	348	2	199	147	56	1	60	205
F	294	2	118	174	40	1	31	120
Diseases of the respiratory system	617	14	241	360	46	3	34	166
M	425	8	184	231	68	4	55	322
F	192	6	57	129	26	3	15	89
Other causes	1 728	118	590	1 009	128	28	83	465
M	802	71	415	308	129	33	124	430
F	926	47	175	701	127	23	47	483

1 - Including deaths of persons of unidentified age.

Number of deaths caused by accidents, poisonings and acute injuries per 100 000 inhabitants, by sex

	1995	1998	2000	2002	2003
Total	202.4	169.8	152.8	147.9	135.7
M	344.1	286.6	254.9	250.1	228.8
F	80.3	69.7	65.5	60.5	56.2
Motor vehicle accidents	28.6	24.7	18.4	18.2	14.3
M	49.3	42.2	29.6	31.0	24.7
F	10.8	9.6	8.8	7.2	5.3
Alcohol poisoning	23.7	18.3	20.4	14.2	13.7
M	39.7	29.9	34.5	24.3	21.2
F	10.0	8.4	8.4	5.6	7.4
Suicide	41.4	34.8	27.5	27.3	25.3
M	70.2	62.7	45.8	47.7	44.3
F	16.6	10.9	11.9	9.8	9.0
Assault	22.8	19.3	13.9	11.7	10.9
M	42.8	33.1	24.7	19.6	17.3
F	5.6	7.4	4.6	4.9	5.5

LIVING STANDARD AND POVERTY

Overview of methods

The following chapter on the population's living standards, inequality, poverty and poverty risk is mainly based on data from the Statistical Office's household budget surveys and consumer price statistics. The indicators and calculation methods used for measuring the living standard and the poverty level vary to a great extent and this has to be kept in mind in using the data provided in this publication. Definitions for the terms used have been provided under respective tables.

There are various ways to reflect changes in the living standard, but in this case changes in real income (considering the inflation) and in the income of different types of households have been reviewed. The data in the tables show the average monthly income of various types of households per household member, not considering the consumption scales. When consumption scales are used, a special note is provided under the table.

When discussing the economic status of inhabitants with lower income, the indicators of absolute and relative poverty are used, calculated on the data from the household budget survey.

The absolute poverty level¹ is an indicator calculated on the basis of minimum food basket, empirically determined dwelling expenses and essential clothing, education and transport expenses, which is adjusted with the consumer price index every year. In calculating the poverty level for households, the consumption scales appropriate in the current situation in Estonia have been used: 1.0 (first member) and 0.8 (other members). In 2004, the absolute poverty level per the first household member was 1662 EEK a month.

Relative poverty shows the percentage of inhabitants whose income remains below a certain percentage of the median income of inhabitants. In the European Union and in Estonia, people whose income is lower than 60% of the income median are considered to be living below the level of poverty risk. In calculating the relative poverty indicators, the consumption scales recognised in Europe are used: 1; 0.5; 0.3. The relative poverty indicators do not allow for a direct evaluation of an improvement or deterioration in people's subsistence, as these indicators are not based on expenditure or consumption. Relative poverty reflects the distribution of incomes in the society - this means that when the people's incomes increase while the distribution of incomes remains the same, then the level of relative poverty remains the same.

Statistical overview

The economic subsistence of people improves when incomes grow faster than prices (i.e. real incomes increase) and over the recent years there have been positive developments in

1 - The methods for calculating the absolute poverty level were developed in spring 1999 in the framework of the project "Alleviating poverty in Estonia. Background and goal-settings" completed in cooperation between the Ministry of Social Affairs, the University of Tartu and the UN Development Programme.

this respect. At the same time the real increase in average pensions in the last two years has compared to the previous year exceeded the real increase in the average gross wages and the average disposable income. Thus, the old age pension grew by 9.8%, the average disposable income per household member by 5.4% and the average monthly gross wages by 5.2% from 2003 to 2004 (in 2003, the figures compared to the previous year were 11.5; 10.1 and 8.0% respectively). It is also important to note that Estonia has managed to adhere to the minimum standard of the European Code of Social Security, according to which the average pension of a pensioner with 30 years of pensionable service must be at least 40% of the average net wages of an unskilled male production worker.

According to the data from the household budget survey, the average disposable income per household member has shown a relatively steady growth - by about a tenth in a year (by 8.6% from 2003 to 2004, amounting to 3029 EEK per household member a month).

Differences between the average monthly income per household member in various types of households and in households with different levels of income (income deciles) have still remained worthy of note, despite the continuous growth of income in all household types. Normally a single adult or households with two adults receive the largest average income. Households with 3 or more children, households with a single parent, and households with a pensioner or head of household without professional training, receive the smallest income. The relatively rapid increase in pensions has somewhat improved the economic status of pensioners. According to the survey, their incomes increased by nearly 16% from 2003 to 2004, which is a considerably higher growth compared to changes in the income of the "average" household (growth 8.6%).

Households with a head of household with higher education receive the largest average income - in 2004, 44 per cent higher than the per capita income of an average household. The difference between the incomes of households with males or females as the head of household has remained within a 9-12 percent margin, meaning that in recent years the income of a household with a female head is 220-330 EEK lower than the income of a household headed by a male.

Due to positive changes in the Estonian economy (job creation, increased wages and pensions), and as a result of the growth in real incomes, the number of people living below the absolute poverty level has decreased from year to year. Compared to 1998, the percentage of households living under the poverty line has decreased from 32.1 to 14.2 of all households (i.e. 17.9 percentage points) in 2004, with the most important decrease (5.6 percentage points) in 2003. The percentage of children living under the poverty line has decreased from 40.4 in 1998 to 25.3 in 2004. At the same time, the percentage of households living outside poverty risk has risen from 49.5 to 75.4 (growth 25.9 percentage points), the percentage of children from 42.7 to 63.5.

The relative at-risk-of-poverty rate has grown somewhat in the last two years - in 2004, 19.3% of the population lived on income that remained below 60% of the income median. This means that inequality in the distribution of incomes has grown a little and not all the inhabitants of Estonia partake in the continuing economic growth.

Changes in the consumer price index, compared to the previous year, %

	1995	1998	2000	2001	2002	2003	2004
Total	29.0	8.2	4.0	5.8	3.6	1.3	3.0
goods	18.0	6.2	3.3	4.9	1.9	-0.2	2.9
food	16.3	6.0	2.6	7.1	2.7	-0.6	3.7
manufactured goods	20.8	6.5	4.2	2.4	1.1	0.3	2.2
services	45.3	12.7	5.4	7.6	6.8	4.3	3.3
dwelling	...	11.2	2.7	9.8	8.2	3.0	4.1
health care	...	5.1	5.5	11.0	8.3	13.6	4.7
transport	...	9.6	16.1	2.9	-2.3	-0.3	5.4
communications	...	11.4	6.1	-2.0	1.6	5.2	-1.6
education and children's institutions	...	19.8	8.1	7.4	4.7	3.8	2.8

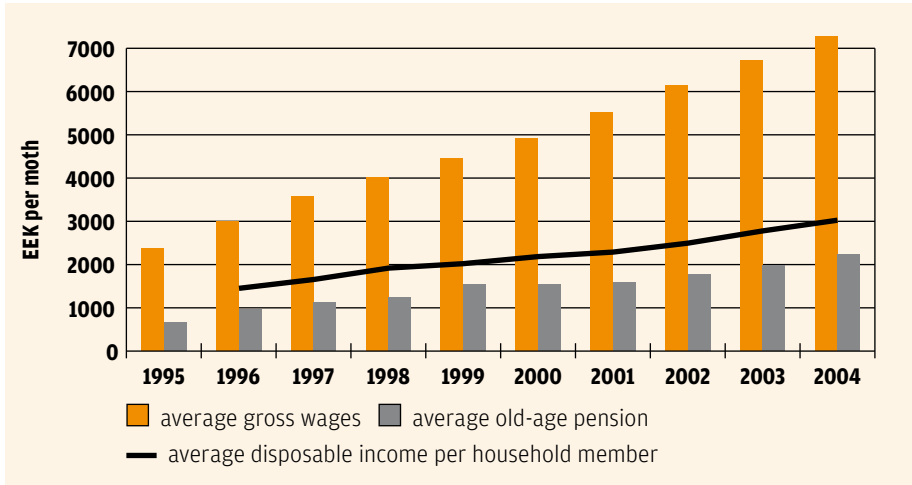
Changes in incomes

Indicator	1995	1998	2000	2001	2002	2003	2004
Average disposable income per household member (EEK per month)	...	1 911	2 183	2 289	2 500	2 789	3 029
Average gross wages per month (EEK) ¹	2 375	4 125 (4 021)	4 907	5 510	6 144	6 723	7 287
Average old age pension per month (EEK)	670	1 247	1 532	1 583	1 758	1 985	2 244
Average old age pension as percentage of average net wages ²	36.5	39.2	39.9	36.5	36.9	38.3	40.1
Average old age pension as percentage of an unskilled male production worker's average net wages ² (in October)	...	51.7	56.9	48.0	52.4	59.3	...
Average old pension of a pensioner with 30 years of pensionable service as percentage of an unskilled male production worker's average net wages ² (in October)	...	41.4	44.4	37.4	41.6	40.5	...
Change compared to the previous year, %							
average disposable income	...	16.4	8.3	4.9	9.2	11.6	8.6
average gross wages	37.0	15.4	10.5	12.3	11.5	9.4	8.4
average old age pension	48.1	12.3	-0.8	3.3	11.1	12.9	13.0
Change in real income compared to the previous year, %							
average disposable income	...	7.6	4.1	-0.9	5.4	10.1	5.4
average gross wages	6.2	6.7	6.3	6.1	7.6	8.0	5.2
average old age pension	14.8	3.8	-4.7	-2.3	7.2	11.5	9.8

1 - Since 1999 the average gross wages do not include the benefits for temporary incapacity for work as these are paid by the Estonian Health Insurance Fund. The recalculated average gross wages without the benefits for temporary incapacity for work are given in brackets.

2 - 1% unemployment insurance (since 1 January 2002) and 26% income tax (taking into account the income tax free minimum) is deducted for the average calculated net wages.

Average gross wages, old-age pension and disposable income per household member



Average disposable income in different household types, per household member a month

Household type	Average monthly disposable income (EEK)						Compared to average household, %		
	1998	2000	2001	2002	2003	2004	2000	2003	2004
Average of households	1 911	2 183	2 289	2 500	2 789	3 029	100	100	100
Single adult	2 292	2 520	2 561	2 829	3 186	3 234	115	114	107
2 adults	2 282	2 743	2 833	2 975	3 379	3 650	126	121	121
2 adults with children	1 864	2 144	2 274	2 539	2 755	3 192	98	99	105
with 1 child	2 216	2 510	2 547	2 733	3 149	3 605	115	113	119
with 2 children	1 719	2 006	2 116	2 525	2 568	2 982	92	92	98
with 3 and more children	1 553	1 556	1 910	2 021	1 874	2 565	71	67	85
Single adult with a child (children)	1 410	1 659	1 763	2 106	2 385	2 301	76	86	76
Pensioner's household	1 382	1 640	1 659	1 848	2 035	2 351	75	73	78
Urban household	2 044	2 326	2 430	2 668	2 952	3 217	107	106	106
Rural household	1 551	1 866	1 973	2 119	2 453	2 678	86	88	88
Household with a male as head of household	2 048	2 272	2 409	2 594	2 930	3 169	104	105	105
Household with a female as head of household	1 755	2 077	2 139	2 371	2 596	2 853	95	93	94
Household with the head of household with no professional training	...	1 937	1 989	2 119	2 378	2 534	89	85	84
Household with the head of household with higher education	...	3 225	3 334	3 639	4 364	4 370	148	156	144

Estimated subsistence minimum and minimum food basket¹, EEK

	1998	1999	2000	2001	2002	2003	2004
Subsistence minimum	1 177	1 172	1 229	1 306	1 389	1 411	1 489
incl minimum food basket	599	579	593	646	669	657	696

1 - The calculated subsistence minimum is the lowest set of essential means of subsistence that enables the capacity for work to be maintained. The calculated subsistence minimum per person a month (30 days) includes the minimum food basket and the costs of essential industrial goods and services. In calculating the minimum food basket, the suggestions of nutritionists were considered and a sample food basket created, the components of which must ensure the essential "average" human energy need of 2400 kcal and accord to average prices. For calculating the subsistence minimum for industrial goods and services, the average costs from a household survey were applied, corrected with various coefficients calculated by experts. The methods for calculating the subsistence minimum were developed in 1997 by a workgroup created during trilateral negotiations between the representatives of the government, the employers and the employees. Since then the Statistical Office has calculated its value. The value of the subsistence minimum has always been lower than the absolute poverty line, since the methods for calculating them are different.

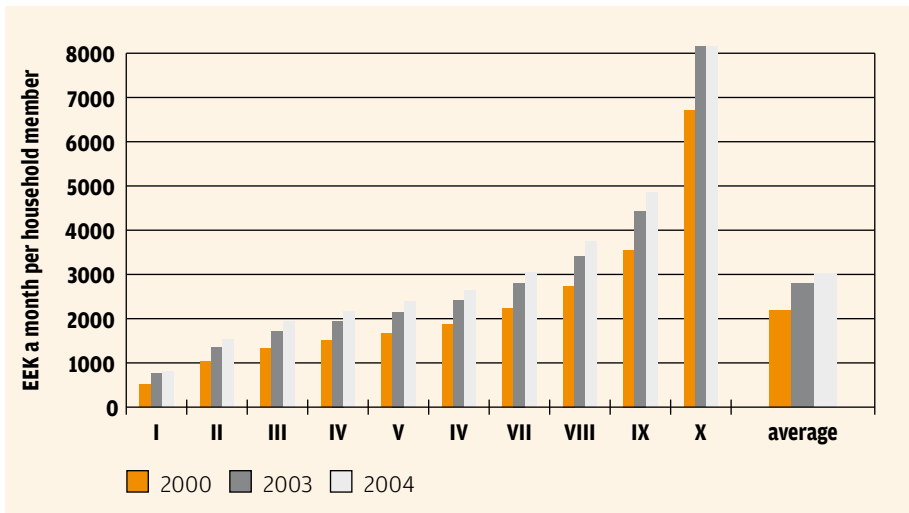
Average monthly disposable income in income deciles, average and median of the households, per household member per year, EEK

	Income deciles ¹										Average	Median ²
	I	II	III	IV	V	VI	VII	VIII	IX	X		
1996	326	708	888	1 015	1 133	1 291	1 519	1 832	2 330	4 274	1 433	1 200
1998	500	956	1 158	1 298	1 452	1 661	1 964	2 410	3 110	5 942	1 911	1 539
2000	505	1 030	1 320	1 503	1 657	1 874	2 229	2 741	3 549	6 704	2 183	1 750
2001	608	1 116	1 394	1 571	1 742	1 974	2 313	2 863	3 811	6 710	2 289	1 833
2002	652	1 193	1 515	1 717	1 898	2 128	2 493	3 064	4 105	7 295	2 500	1 994
2003	754	1 347	1 705	1 945	2 148	2 417	2 809	3 401	4 431	8 159	2 789	2 211
2004	805	1 530	1 946	2 168	2 390	2 649	3 043	3 739	4 847	8 158	3 029	2 468

1 - The income deciles are derived by dividing all households according to the size of the average income per household member into 10 income groups (deciles). The first decile contains households with the lowest and the tenth with the highest income per household member.

2 - The median is calculated by ranking all households according to the size of average income per household member and the household that is in the middle is the median, i.e. 50% of all households had lower incomes than the median and 50% of all households had higher income than the median per household member.

Average disposable income, by income deciles



Gini coefficient¹ according to expenditure

	1996	1997	1998	1999	2000	2001	2002	2003	2004
Without consumption scales ²	0.34	0.37	0.38	0.38	0.37	0.38	0.37	0.36	0.36
Consumption scales 1.0 and 0.8 ³	0.34	0.36	0.37	0.37	0.36	0.37	0.36	0.35	0.36
Consumption scales 1.0; 0.5 and 0.3 ⁴	0.33	0.36	0.37	0.37	0.36	0.36	0.36	0.35	0.36

1 - The Gini coefficient shows the level of economical inequality in the society. The closer its value is to 1, the bigger the inequality. Income distribution is considered very uneven, when the value of the coefficient falls between 0.5-0.7, and relatively even, when the range is 0.2-0.35.

2 - All household members are calculated with the coefficient of 1.0.

3 - The first household member is calculated with the coefficient of 1.0 and every following member with the coefficient of 0.8.

4 - The modified OECD scale, where the first household member is calculated with the coefficient of 1.0, the following member over 14 years of age with 0.5 and children under 14 years with 0.3.

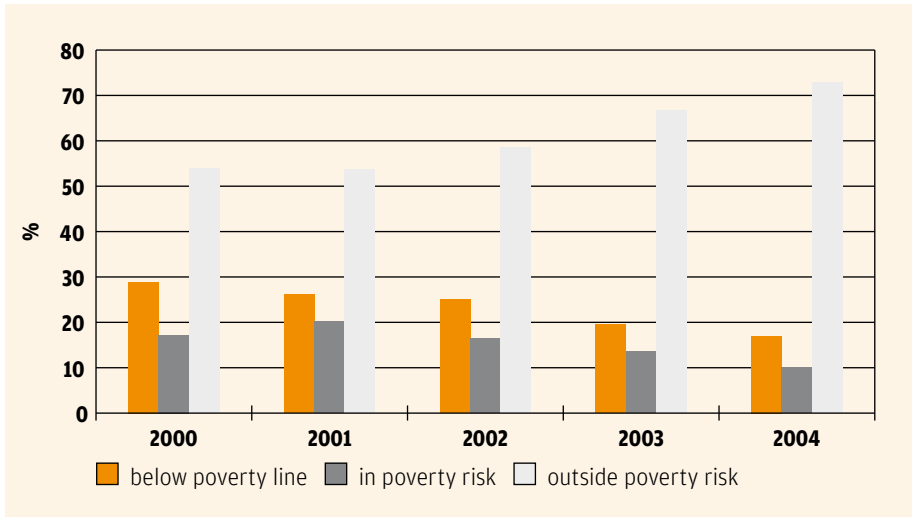
Absolute poverty layers¹. Distribution of households, inhabitants and children by poverty layers

	Year	Below poverty line (APL) ²	incl		In poverty risk	Out of poverty risk
			In direct poverty	In poverty endangering subsistence		
Monthly income per household member by poverty layers¹ (EEK)						
	1998	up to 1353	up to 1082	1083-1353	1354-1691	over 1691
	2000	-"- 1454	-"- 1163	1164-1454	1455-1818	-"- 1818
	2001	-"- 1538	-"- 1230	1231-1538	1539-1923	-"- 1923
	2002	-"- 1593	-"- 1274	1275-1593	1594-1991	-"- 1991
	2003	-"- 1614	-"- 1291	1292-1614	1615-2018	-"- 2018
	2004	-"- 1662	-"- 1330	1331-1662	1663-2078	-"- 2078
Distribution by poverty layers. %						
Households	1998	32.1	16.2	16.0	18.3	49.5
	2000	25.8	15.2	10.6	20.3	53.9
	2001	26.2	14.4	11.8	20.1	53.7
	2002	22.6	13.6	9.0	19.2	58.2
	2003	17.0	10.6	6.5	14.6	68.4
	2004	14.2	8.2	6.0	10.4	75.4
Inhabitants	1998	32.8	19.2	13.6	17.7	49.5
	2000	28.9	18.6	10.3	17.2	53.9
	2001	26.2	14.4	11.8	20.1	53.7
	2002	25.0	15.3	9.7	16.5	58.5
	2003	19.6	12.1	7.4	13.6	66.8
	2004	17.0	10.3	6.7	10.1	72.9
Children (0-15)	1998	40.4	27.7	12.7	16.9	42.7
	2000	39.1	27.8	11.3	14.1	46.8
	2001	36.6	24.2	12.4	14.7	48.7
	2002	33.7	20.3	13.4	14.1	52.2
	2003	26.7	17.1	9.7	14.7	58.5
	2004	25.3	15.8	9.5	11.2	63.5

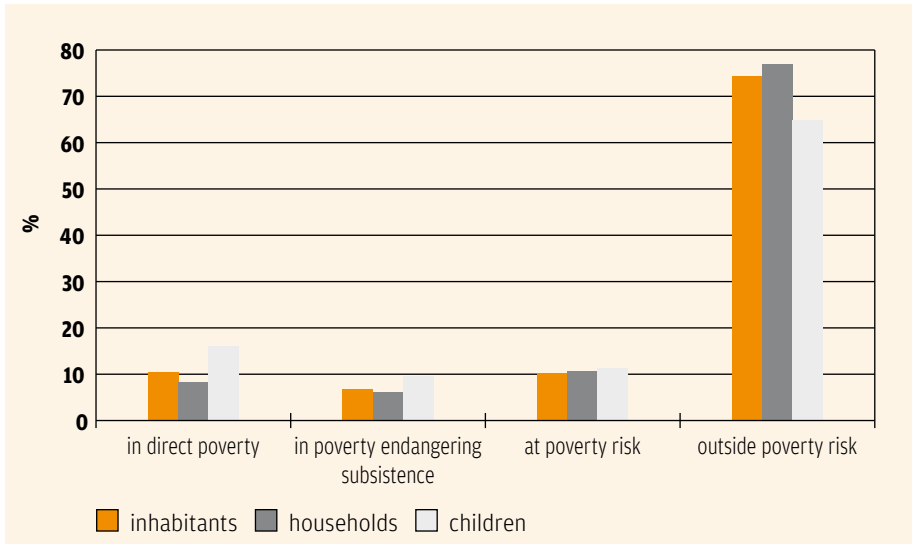
1 - With consumption scales of 1.0 (first household member) and 0.8 (every following household member).

2 - Poverty layers: direct poverty - up to 80% APL; poverty endangering subsistence - 81-100% APL; poverty risk 101-125% APL; out of poverty risk - over 125% APL. Since 2002, the poverty level has been calculated using the average annual consumer price index instead of the December's consumer price index used in original methods. All the data provided in the tables is recalculated by the Statistical Office.

Distribution of inhabitants, by poverty layers, %



Distribution of inhabitants, households and children, by poverty layers, 2004, %



Inequality in the distribution of income

	1996	1997	1998	1999	2000	2001	2002	2003	2004
Difference in the incomes of the V and I quintile¹	7.0	7.0	6.7	6.5	6.3	6.1	6.1	5.9	6.0

1 - Difference in the incomes of 20% wealthier households and 20% poorer households.

Relative poverty line¹

		1998	2000	2001	2002	2003	2004
EEK per month	1-member household	1 244	1 490	1 575	1 731	1 936	2 161
	2 adults + 2 dependent children	2 613	3 129	3 308	3 634	4 066	4 538
EUR per month	1-member household	79	95	101	111	124	138
	2 adults + 2 dependent children	166	200	211	232	260	290

1 - Unlike the absolute poverty indicators, the relative poverty is calculated using consumption scales of 1; 0.5; 0.3.

At-risk-of- poverty rate¹ after social transfers by sex, age and employment status

	1998	2000	2001	2002	2003	2004
Total	19.4	18.3	18.2	17.9	18.3	19.3
M	17.6	17.3	17.4	17.0	17.0	18.4
F	20.7	19.1	18.9	18.7	19.5	20.2
By age						
0-15	19.5	21.3	18.9	17.9	19.8	20.2
16-24	18.6	21.7	20.5	20.9	21.1	23.5
25-49	16.6	18.5	17.6	17.1	18.3	17.9
50-64	20.6	13.9	17.1	19.0	16.1	18.0
65+	24.6	16.0	18.1	15.8	16.7	19.1
Total unemployed	50.1	49.5	46.9	48.4	49.0	50.2
M	52.6	49.0	50.0	49.8	49.4	50.6
F	47.3	50.0	43.4	46.8	48.6	49.6
Total pensioners	27.2	18.1	21.0	20.6	19.4	22.8
M	19.2	14.3	15.7	15.2	14.5	17.8
F	30.7	20.0	23.7	23.4	22.2	25.6

1 - Relative poverty. Proportion of the population at large whose net income after social transfers remains under the poverty line (60% of the median net income of household members).

At-risk-of- poverty rate after social transfers by household type

	1998	2000	2001	2002	2003	2004
1-member household	33.5	30.1	33.3	34.9	33.2	37.5
M	29.2	31.7	32.5	35.2	29.4	43.2
F	35.1	29.3	33.6	34.8	34.8	34.8
1-member household by age:						
under 30 years old	14.3	33.6	31.2	39.0	...	...
30-64 years old	30.3	28.5	32.3	35.9	32.6	39.8
over 65 years old	43.0	31.0	34.9	32.7	35.0	38.3
Single parent household, 1 or more dependent children	26.8	37.2	29.2	35.2	32.8	38.9
Household with 2 adults with no dependent children:						
up to 65 years old	14.7	11.8	13.6	14.6	13.4	14.4
1 member 65 or older	8.9	9.0	10.2	6.9	9.3	9.8
Household with 2 adults and dependent children:						
with 1 child	13.0	13.0	15.6	12.7	14.9	12.1
with 2 children	14.1	16.4	15.1	15.2	18.1	15.6
with 3 and more children	24.7	22.9	20.8	20.0	24.4	23.6

FAMILY AND CHILDREN

This chapter is based on the State Family Benefits Act, the Parental Benefit Act, the Study Allowances and Study Loans Act and data from the Social Insurance Board.

Overview of legal acts

The types and extent of state family benefits and the conditions under which they are granted are regulated by the State Family Benefits Act, which aims to partially cover the costs of care, raising and education in families with children. Family benefits are paid to permanent residents of Estonia and foreigners living in Estonia who have a temporary residence permit or who are in Estonia on the basis of Aliens Act. Monthly family benefits are child allowance, childcare allowance, single parent child allowance, conscript's child allowance and foster care allowance as well allowance for families with seven or more children. Lump sum family benefits include childbirth allowance, adoption allowance and the starting an independent life allowance. One family benefit is disbursed quarterly: allowance paid to families with three or more children or triplets. The school allowance is paid once a year. Family benefits are financed from the state budget. If a person is entitled to several types of family benefits, these benefits are determined and disbursed simultaneously.

Child benefits are calculated on the basis of the child allowance rate. Childcare allowances and allowances for families with seven or more children are calculated on the basis of childcare allowance rate. Both rates are established with the state budget for every budget year and the new rate cannot be lower than the existing rate. In 2004, the child allowance rate was 150 and the childcare allowance rate 1200 EEK. All benefits are coefficients of those rates.

Most of the family benefits have not grown in recent years, except the child allowance for the first and second child, which is paid at an equal rate (300 EEK a month) to all children in a family since 2004. Since 2005, the quarterly benefit paid to families with three or more children was substantially increased. In 2001-2004 it was 150 EEK per child a quarter, but since 2005 it is paid on a differentiated basis depending on the number of children in a family (e.g. 375 EEK a quarter for every child in a family with 6 and more children). Since 2005, one parent in a family with 7 and more children¹ is paid a benefit of 2400 EEK a month (twice the childcare allowance rate).

The aim of the Parental Benefit Act entered into force on 1 January 2004 is to compensate for income not received by stay-at-home parents in the first year of the child's life. The right to the parental benefit is granted to the parent, adoptive or foster parent, guardian or caregiver, who is a permanent resident in Estonia or a foreigner living in Estonia on terms of a temporary residence permit. Generally, only mothers are eligible for parental benefit during the first six months of the child's life. When the child reaches 6 months of age, fathers are also eligible for this benefit.

¹ 7 or more children eligible for child benefits (in eligible age).

Payments of the parental benefit start at the end of the maternity benefit period – on the condition that the mother went on pregnancy and maternity leave at least 30 days before the presumed date of birth – and are paid until the end of a 365-day period from the beginning of the maternity benefit period. If the mother did not have the right to maternity benefit, the parental benefit is paid up to the time when the child turns 11 months old. The parental benefit is subject to income tax.

The size of the benefit is calculated according to the applicant's average monthly income in the previous calendar year (generally 100%). Persons who did not receive any income taxed with social tax (e.g. not working students) are paid the parental benefit at the parental benefit rate (2200 EEK in 2004). Persons whose average monthly income in the previous year was less than or equal to the minimum wages are paid the parental benefit in the amount of the minimum monthly wages (2480 EEK in 2004). The maximum amount of the monthly benefit is three times the average monthly income taxed with social tax in the previous calendar year (15 741 EEK in 2004).

Since 2004, the state also started partial deletion the parents' study loans, deleting 50% of the study loan balance of a parent of one child, 75% of the study loan balance of a parent of twins and 100% of the study loan balance of a parent of triplets. 50% of the loan balance is deleted upon the birth of every new child. The study loan is deleted from the day a person submits the application for the partial deletion of the study loan until the end of the double nominal study period calculated from the end of the person's studies, but not over a period exceeding 12 years. The study loan is not deleted after the end of the double nominal study period calculated from the end of the person's studies. The state will partially delete the loan of one parent raising: a child under 1 years old in 2004; a child under 2 years old in 2005; a child under 3 years old in 2006; a child under 4 years old in 2007; a child under 5 years old in 2008.

Under the Holidays Act and the Working and Rest Time Act the following are financed from the state budget: the extended basic holiday (7 days) of minors and disabled persons (who have been granted a pension for incapacity for work or a national pension on the basis of incapacity for work), the additional childcare leave of one parent (3 or 6 days, depending on the number of children), and since 2002 the additional childcare leave for fathers (14 days). The father is entitled to additional childcare leave either during the mother's pregnancy and maternal leave or within 2 months from the child's birth. Since 2000, the daily pay for the additional childcare leave is 66 EEK. A working person raising a child under 1.5 years of age is entitled to additional breaks for feeding the child – 30 minutes after every three hours. The additional breaks may be added up or used to shorten the workday. The employees are paid average wages for the additional breaks from the state budget. Families are also paid a lump sum benefit for holding funerals on the territory of Estonia under the Funeral Benefit Act.

Statistical overview

Expenditure on family benefits from the state budget increased significantly in 1998 and 2000 due to enforcement of amendments or new acts, in 2000 especially on account of childcare allowance. In 2001 the expenditure on family benefits from the state budget re-

mained the same as in 2000 (due to a decrease in the number of children), although since the start of the year 2001 a quarterly allowance to families raising four or more children or triplets was introduced.

In 2002 the expenditure increased in connection with the rise of the allowance of the second child and of the foster care allowance as well as due to the increased number of recipients of the single parent's child allowance. In 2003 the family benefits expenditure increased foremost due to an increase in the number of people receiving the childcare allowance and single parent allowance. In 2004, the number of people receiving the childcare allowance decreased significantly in connection with the enforcement of the Parental Benefit Act, according to which no childcare allowance is paid for a child on whose birth parental benefit is paid. Parental benefit is also not paid simultaneously with the maternity benefit paid under health insurance scheme. The main reason for the growth of family benefits in 2004 was the introduction of the parental benefit, due to which there was a steep increase in the total amount allocated for family benefits. The number of births is also growing from year to year and this will also have its effect.

Amounts of state family benefits, 1 January, EEK

Type of benefit	1996	1997	1998; 1999	2000	2001	2002	2003	2004	2005
Birth allowance (single benefit)									
1 st child (incl multiple births since 2000)	1560	1800	3000	3750	3750	3750	3750	3750	3750
2 nd and subsequent children	1560	1800	2250	3000	3000	3000	3000	3000	3000
Adoption allowance (single benefit)	-	-	-	-	-	3000	3000	3000	3000
Child allowance (per month)									
1 st child	130	150	150	150	150	150	150	300	300
2 nd child	165	185	225	225	225	300	300	300	300
3 rd and subsequent children	215	235	300	300	300	300	300	300	300
Childcare allowance (per month)									
for a child aged 0-1.5 ¹	260	300	600	600	600	600	600	600	600
for a child aged 1.5-3 ¹	130	150	300	600	600	600	600	600	600
for children between 3 and 8 years in families with a child under 3 years	-	-	-	300	300	300	300	300	300
for children between 3 and 8 years in families with 3 or more children	-	-	-	300	300	300	300	300	300
supplementary childcare benefit for a child up to 1 year	-	-	-	-	-	-	100	100	100
to families with 4 or more children (per family)	230	230	300	-	-	-	-	-	-
Allowance for families with 3 or more children (per child a quarter) ²	-	-	-	-	150	150	150	150	-
per child for families with 3 children	-	-	-	-	-	-	-	-	150
per child for families with 4-5 children	-	-	-	-	-	-	-	-	300
per child for families with 6 and more children	-	-	-	-	-	-	-	-	375

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► *Cont.*

Type of benefit	1996	1997	1998; 1999	2000	2001	2002	2003	2004	2005
Monthly allowance for one parent of a family with 7 and more children (children entitled to child allowance)	-	-	-	-	-	-	-	-	2400
Allowance for families with triplets (per family a quarter) ³	-	-	-	-	600	600	600	600	900
Child's school allowance (at the beginning of the school year)	130	300	450	450	450	450	450	450	450
Single parent's child allowance (per month)	78	90	150	300	300	300	300	300	300
Allowance for a child in guardianship or in foster care (per month)	260	300	300	300	300	900	900	900	900
Conscript's child allowance (per month)	130	150	600	750	750	750	750	750	750
Start in independent life allowance⁴ (single benefit)	4000	4000	5000	5000	5000	6000	6000	6000	6000

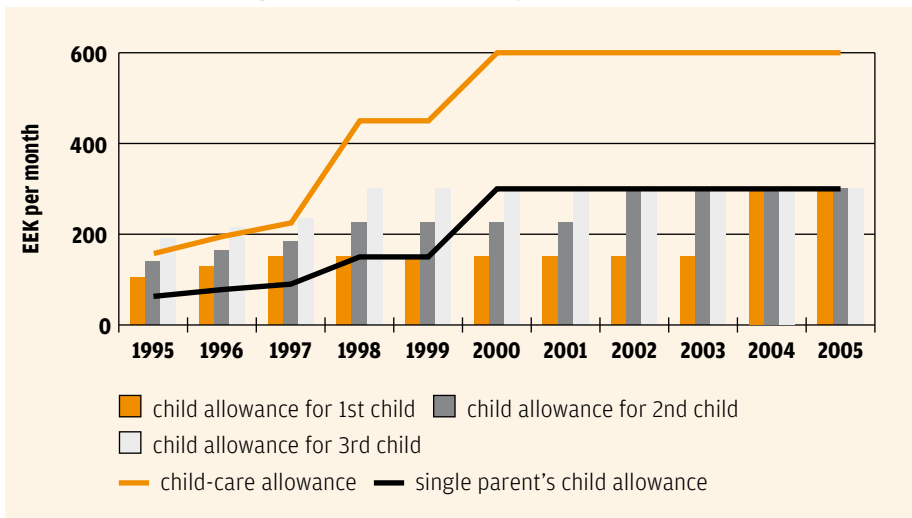
1 - In 1998 and 1999 for 0-2 and 2-3-year-old children. Since 2000 the childcare allowance is equal for children aged 0-3. Since 1 January 2005 for 2-3-year-old children.

2 - Since 1 January 2004, the allowance for families with three or more children was paid instead of the former allowance for families with four or more children.

3 - For families with triplets only (in other cases the benefit amount equals the number of children multiplied by the child allowance rate).

4 - For orphanage wards and for children without parental care raised in schools for children with special needs.

Amounts of state family benefits, as of 1 January



Receivers of state family benefits¹

Type of benefit	1995 ²	1998	2000	2001	2002	2003	2004
Birth allowance	12 722	12 173	12 636	12 526	12 986	13 100	14 402
Parental benefit	-	-	-	-	-	-	9 968
Child allowance³	360 409	339 578	312 172	311 043	301 115	293 880	290 281
1 st child	220 644	212 530	198 337	199 483	194 173	190 670	189 007
2 nd child	104 661	95 444	87 267	84 173	80 903	78 311	76 872
3 rd and subsequent child	35 104	31 604	26 568	27 387	25 939	24 899	24 402
Childcare allowance	38 863	34 953	55 065	58 618	58 762	58 800	48 543
for children up to the age of 3	37 133	33 456	35 712	38 242	38 834	39 039	28 601
to families with 4 and more children	1 730	1 497	-	-	-	-	-
for children aged 3-8 in families with a child under 3 years	-	-	10 597	11 126	11 087	11 000	11 219
for children aged 3-8 in families with 3 and more children	-	-	8 747	9 250	8 841	8 761	8 723
Allowance to a family raising four or more children or raising triplets	-	-	-	22 561	24 997	23 670	-
Allowance to a family raising three and more children or raising triplets	-	-	-	-	-	-	68 061
Child's school allowance	230 629	249 031	228 091	222 770	213 253	205 509	200 097
Single parent's child allowance	24 502	24 804	22 300	25 266	27 958	28 432	28 540
Allowance for a child in guardianship or foster care	2 411	2 575	2 407	2 927	2 982	2 949	2 835
Adoption allowance	-	-	-	-	20	30	32
Conscript's child allowance	59	63	56	54	21	9	11
Start in independent life allowance	71	112	76	64	88	71	108
Single supplementary allowance to families with four or more children	-	-	22 953	22 252	-	-	-
Deletion of study loan	-	-	-	-	-	-	2 050

1 - The number of people receiving the allowance at the end of the year (the growing number of single benefits from the beginning of the year). An exception is the support allowance paid to families with four or more children, which was valid until 1999 and showed the number of families.

2 - The number of people receiving the monthly allowance in 1995 is the average number of allowance recipients; the number of receivers of the allowance for families with four or more children or families raising triplets is calculated according to the number of payments during the year.

3 - The number of children for whom the allowance is paid. The number of people receiving the allowance for the first child also shows the general number of families to whom child allowances are paid.

Parental benefit recipients by benefit type and sex, 2004, as of October 2005

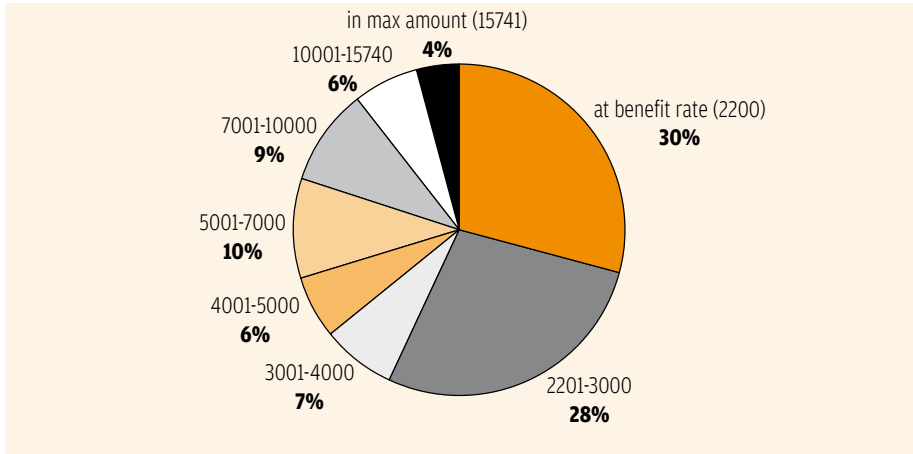
Type	Total recipients in a year			Percentage of recipients		
	Total	M	F	Total	M	F
Parental benefit in the amount of 100% of the income of one calendar month	9 605	323	9 282	43	72	42
Parental benefit in the maximum amount	913	65	848	4	15	4
Parental benefit in the amount of minimum monthly wages	5 122	30	5 092	23	7	23
Parental benefit at the parental benefit rate	6 670	29	6 641	30	6	30

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Type	Total recipients in a year			Percentage of recipients		
	Total	M	F	Total	M	F
Parental benefit in the amount of minimum monthly wages, if the previous child is under 2.5 years old and no income is received	259	0	259	1	0	1
Total	22 569	447	22 122	100	100	100

Distribution of receivers of parental benefit, by amount of benefit, 2004, %



Expenditure on state family benefits, million EEK

Type of benefit	1995	1998	2000	2001	2002	2003	2004
Total	704.4	1 158.9	1 317.0	1 317.2	1 395.4	1 382.1	2 106.0
Birth allowance	16.7	31.3	42.0	42.3	44.0	44.4	48.9
Parental benefit	-	-	-	-	-	-	441.3
Child allowance	554.6	751.1	711.8	696.5	754.1	730.0	1 058.0
Childcare allowance ¹	79.7	215.2	352.8	353.4	354.0	366.0	293.5
Single parent's child allowance	20.2	45.7	85.1	88.0	100.6	103.0	103.7
Child's school allowance	26.5	105.4	102.5	100.2	95.9	92.5	90.5
Allowance for a child in guardianship or in foster care	6.4	9.2	10.3	10.7	32.4	32.6	32.0
Allowance to a family with 4 and more children or triplets	-	-	-	14.0	13.6	12.8	-
Allowance to a family with 3 and more children or triplets	-	-	-	-	-	-	37.3
Single supplementary allowance to families with four or more children	-	-	11.5	11.1	-	-	-

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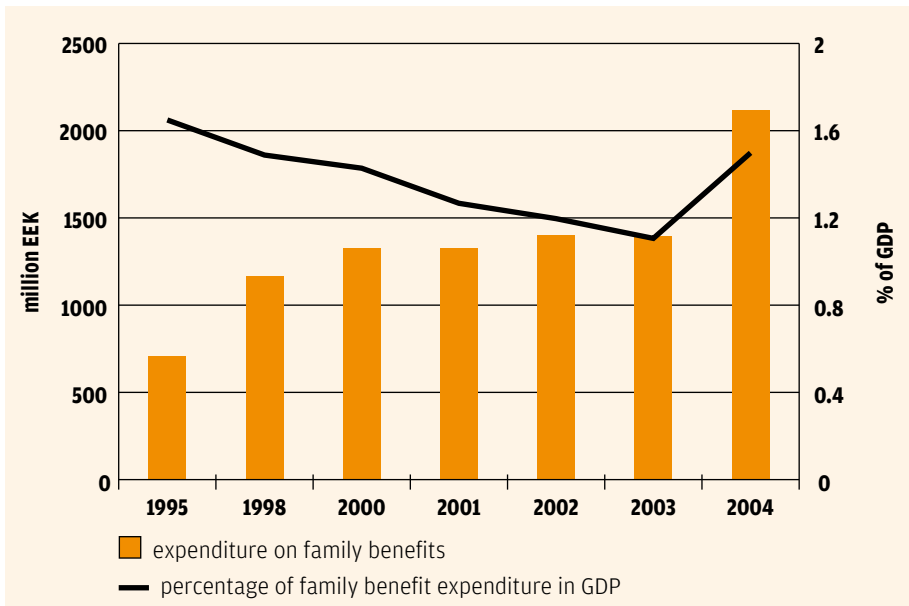
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Type of benefit	1995	1998	2000	2001	2002	2003	2004
Other benefits	0.3	1.0	1.0	0.9	0.8	0.6	0.8
Percentage of family benefits							
of GDP	1.64	1.48	1.42	1.26	1.19	1.10	1.49
of state budget	...	...	4.62	4.42	4.06	3.49	4.42
Social tax paid from state budget ²	-	-	107.9	104.2	106.4	108.2	102.9

1 - Since 2003, an additional 100 EEK childcare allowance was paid monthly for a child up to 1 year. This has caused the sum paid as childcare allowances to rise in 2003. In 2004, the Parental Benefit Act was enforced, under which no childcare allowance is paid during the period, for which the parental benefit is paid, and this is why the childcare allowance expenditure decreased.

2 - Social tax is paid from state budget for the receivers of parental benefit and child care allowance.

Expenditure on state family benefits and percentage of GDP



Other family benefits financed from the state budget

	1995	1998	2000	2001	2002	2003	2004
Holiday pay for additional holidays of minors, disabled persons and additional childcare leave							
number of recipients a year	58 401	78 365	59 736	50 487	53 663	44 026	42 645
number of days compensated	...	...	...	182 539	193 980	176 023	172 455
total amount of compensation paid, million EEK	16.5	35.7	17.3	12.6	13.5	11.9	12.9

Cont. ►

► *Cont.*

	1995	1998	2000	2001	2002	2003	2004
Additional day off for parents of disabled children							
number of recipients at the end of the year	482	285	281	273	321	636	779
number of days compensated	...	...	...	3 500	4 012	4 258	5 321
total amount of compensation paid, million EEK	0.1	0.4	0.5	0.6	0.8	1.1	1.5
Paid breaks for feeding a child							
number of recipients at the end of the year	158	96	213	134	156	228	196
number of hours compensated	...	...	...	17 010	17 624	20 304	16 332
total amount of compensation paid, million EEK	0.05	0.4	0.7	0.9	1.1	1.2	1.0
Deletion of study loan							
number of recipients a year	-	-	-	-	-	-	2 050
total amount of compensation paid, million EEK	-	-	-	-	-	-	3.8
Funeral benefit							
amount of benefit, EEK	900	1 250	1 500	1 650	1 800	1 800	2 200
number of recipients a year	20 076	18 569	17 759	18 147	18 239	17 976	17 626
total amount of compensation paid, million EEK	18.1	25.7	28.7	32.3	32.8	32.4	35.2

LABOUR MARKET

This section is based on the Social Protection of the Unemployed Act, the Employment Service Act, the Unemployment Insurance Act and the data from the Labour Market Board, the Unemployment Insurance Fund and the Statistical Office's Labour Force Survey.

Overview of legal acts

The benefits and services to job seekers and persons registered as unemployed in employment offices are until the end of 2005 regulated by two laws: the Social Protection of the Unemployed Act and the Employment Service Act.

The employment service enables job seekers to find work and promote professional development. It also enables employers to find appropriate work force. The employment services include providing information about the situation on the labour market and about possibilities for employment training; employment mediation; employment training; vocational guidance; employment subsidies for starting a business; employment subsidies to employers for employing less competitive employees and community placement. All persons who are registered as job seekers and are looking for work are entitled to employment services.

An unemployed person (in the meaning of the Social Protection of the Unemployed Act) is a person with total or partial capacity for work who has attained at least 16 years of age and is under pensionable age, who is not employed, is ready to commence work immediately and seeks employment.

Persons who have been employed or engaged in an activity equal to work for at least 180 days during the twelve months prior to registration as unemployed have the right to receive state unemployment benefit. Previous employment or engagement in an activity equal to work is not required of persons who for at least 180 days during the twelve months prior to registration as unemployed: raised, as a parent or a guardian, a child of up to 18 years of age with a moderate, severe or profound disability, a child under 8 years of age or a child of 8 years of age until the child completed year one at school; underwent hospital treatment; cared for a sick person, a person who is permanently incapacitated for work or an elderly person on the basis of a foster care contract; were not employed due to disability or declaration as permanently incapacitated for work; or were held in custody or served a sentence in prison.

In September 2005, the Parliament passed the new Employment Services and Benefits Act, which will enter into force from 1 January 2006. In connection with this the Social Protection of the Unemployed Act and the Employment Service Act will be repealed. The aim of the new act is to achieve as a high level of employment among working-age population as possible and to prevent unemployment and exclusion from the labour market by providing employment services and paying labour market benefits. Compared to the Employment Service Act, the new law contains considerably more types of employment services, including: providing information about the situation on the labour market and about employment services

and subsidies; employment mediation; employment training; career counselling; practical training; public work; work practice; subsidised wages; subsidies for starting a business; adaptation of workplaces and equipment; free use of technical equipment necessary for work; assistance at job interviews; working with a support person. These employment services are provided to the unemployed on the basis of an individual job seeking plan.

The monthly rate of the unemployment benefit has since the beginning of 1999 been 400 EEK. Benefits are paid during the eligibility period for registration as unemployed generally for up to 270 days.

The Unemployment Insurance Act passed in 2001 and enforced in 2002 introduced a compulsory insurance based on the principle of solidarity, the objective of which was to pay employees unemployment insurance benefits in case of involuntary unemployment; to compensate employees for unreceived income in case of insolvency of employers, and to partially compensate for expenses incurred in connection with collective cancellation of employment contracts and service relationships. The Unemployment Insurance Act is implemented by the Estonian Unemployment Insurance Fund.

The unemployment insurance system is financed from ear-marked unemployment insurance contributions. For the insured, or the employee, the unemployment insurance contribution rate may be 0.5 to 2.0 percent and for the employer 0.25 to 1 percent of the insured's wages and other remuneration. In 2002-2005, the unemployment insurance contribution rate has been 1 percent for employees and 0.5 percent for employers. The money collected from the contributions of the employer and the employee is directed into two funds: the fund for unemployment insurance benefits and the fund for benefits paid upon collective cancellation of employment contracts and insolvency of employers.

Insured persons, who have been registered as unemployed according to the Social Protection of the Unemployed Act and who have been insured for at least 12 months during the 24 months prior to registration as unemployed, have the right to receive unemployment insurance benefits. The amount of the unemployment insurance benefit is 50% of the previous salary on the first 100 days of the benefit period and 40% of the previous salary from day 101 to day 360. The unemployment insurance benefit period depends on the length of the insurance period. Insured persons, who have been insured for less than 5 years, have the right to receive unemployment insurance benefit for 180 calendar days. Those who have been insured for 5-10 years have the right to receive unemployment insurance benefit for 270 calendar days and those who have been insured for over 10 years have the right to receive unemployment insurance benefit for 360 calendar days. The amount of the unemployment insurance benefit for one calendar day is calculated on the basis of the insured's average wages for one calendar day in the last 12 months of employment, without taking into account wages that exceed the threefold Estonian average wages for one calendar day.

In case of collective termination of employment contracts the Unemployment Insurance Fund shall pay a benefit for collective termination of employment contracts in the extent

of the employee's average salary of 1, 1.5 or 2 months, while the employer has to pay the rest of the layoff benefit. The benefit can be granted on the basis of both the Employment Contracts Act and the Public Service Act.

In case of insolvency of the employer the Unemployment Insurance Fund will cover the unreceived wages, holiday pay and other benefits up to the total of the employee's three months' average wages, but not exceeding the Estonian average three months' wages.

The collection of unemployment insurance payments started in 2002, the payment of benefits to unemployed persons started in 2003.

Statistical overview

The European Union has established three main objectives in regards to the labour market: by 2010 the Member States will have to make their best efforts to increase the average employment rate to 70 percent and the women's employment rate to 60 percent of working-age (15-64) population. Another objective is to increase the employment rate of elderly people (55-64) to 50 percent. Estonia has already achieved the objectives related to the employment rate of women and elderly people. The main reasons for the positive developments in the labour market are the rapid economic growth and the gradual postponement of retirement age.

According to the Statistical Office's Labour Force Survey, 595.5 thousand people of the working-age population were employed, 63.6 thousand unemployed and 388.7 thousand inactive in Estonia in 2004. Although the proportion of people aged 65-74 in the employed population has steadily grown (while in 1998, 13.5 thousand people in this age group were employed, then in 2004 this figure already exceeded 22 thousand), it is definitely relevant to present data on the employment status of the working-age population (15-64). The activity rate among people aged 15-64 (participation in the labour force) dropped by 0.3 percentage points from 2003. In 2004, 69.5% of people aged 15-64 participated in the labour force (73.5% of men and 65.8% of women). While the participation rate shows a growth trend in regards to women, the number of inactive men has increased from 2003.

Although the employment rate constantly grew in 2004, the average annual employment rate (62.6%) still remained at the same level with 2003. Men's employment rate dropped and women's employment rate grew by 1 percentage points. Women's employment rate has grown since 2001, reaching the annual average of 59.8% in 2004. The gradual postponement of women's retirement age has a certain effect here, as women are leaving the labour market at a later age. The employment rate of elderly people (55-64) was 52.1 percent in 2004.

The unemployment rate (15-74) dropped to the lowest level in recent years (9.7%), but largely due to the growth of inactivity. Men's unemployment rate in Estonia (unlike most European Union countries) is higher than that of women (10.4% and 8.9% respectively in 2004). Compared to 2003, men's unemployment rate increased somewhat and women's unemployment decreased.

Several risk groups can be pointed out in the Estonian labour market, the integration of whom into the labour market is complicated for various reasons. These include young people, the long-term unemployed, disabled people, non-Estonians who do not speak Estonian, job seekers with a low education level and jobseekers aged over 45. Unemployment among young people has grown over recent years and reached 21.7 percent in 2004. While the unemployment rate among young people considerably exceeds the European average, the proportion of young unemployed people in population aged 15-24 is compared to other countries on the average level, amounting to 7.4 percent.

Long-term unemployment is a serious problem in Estonia. In 2004, the number of the long-term unemployed (seeking work for 12 months or longer) was 33.2 thousand and they formed 52.5% of the unemployed population (i.e. 5.0% of labour force). The level of extremely long-term unemployment (seeking work for over 24 months) has grown, especially among men. Due to the persistence of long-term unemployment in rural areas we are facing a large number of discouraged people, who have lost hope of finding work and given up job-seeking (a total of 17.7 thousand people in 2004).

Registered unemployment has compared to labour force survey data always been considerably lower, as not all the unemployed register as unemployed in employment offices. A total of 88.5 thousand people were registered as unemployed in employment offices in 2004, which is over 48 thousand less than in 2001, when the highest number of unemployed people was registered (136.9 thousand). The number of new job-seekers has also decreased since then. Employment offices received 20.7 thousand work offers during the year, which is considerably less than the number of new job-seekers, but nonetheless 44% more than in 2003. Trade and craft workers, service and sales workers, vehicle drivers and unskilled workers received the most work offers. While labour force surveys show that there are more men among the unemployed (55%), the number of registered unemployed people includes more women (55%). Thus, women turn to employment office more often upon becoming unemployed.

In connection with the decrease in the registered unemployment and the implementation of unemployment insurance system the number of people receiving unemployment benefit has dropped in recent years. While in 2001, unemployment benefit was paid to the average of 28.9 thousand people a month and in 2003 to 19.6 thousand people, in 2004 unemployment benefit was paid to 14.4 thousand people a month.

The state expenditure on the social protection of the unemployed has decreased in recent years and this first of all due to the decreased number of people receiving unemployment benefit, which is caused by the implementation of the unemployment insurance system. Compared to 2003, the expenditure on the social protection of the unemployed decreased by 19% in 2004, amounting to 158.9 million EEK. Expenditure on passive measures formed 41% and expenditure on active measures formed 59%. The share of state expenditure of GDP dropped to 0.11 percent.

Together with the unemployment insurance benefits the expenditure directed at the unemployed formed 0.28% of GDP in 2004.

The average monthly unemployment insurance benefit was 2 188 EEK in 2003 and 2 439 EEK in 2004. In 2003, the minimum wage rate in Estonia was 2 160 EEK, and unemployment insurance benefit equal to or lower than this level was paid to 55 percent of all recipients of the benefit. 4 percent of all recipients of the benefit received unemployment insurance benefit in the first hundred days in the amount less than 50 percent of their previous income, i.e. the maximum possible unemployment insurance benefit rate per calendar month applicable in 2003 was applied to them – 6 563 EEK. In 2004, the minimum wage rate in Estonia was 2 480 EEK, and unemployment insurance benefit equal to or lower than this level was paid to 56 percent of all recipients of the benefit. 3 percent of benefit recipients received less than 50 percent of their previous income, because the maximum possible unemployment insurance benefit rate per calendar month was applied to them (7 786 EEK).

In 2003, the average number of recipients of unemployment insurance benefit was 3 450 a month. 16.7 percent of new registered unemployed people were eligible to receive unemployment insurance benefit. In 2004, the number of people receiving unemployment insurance benefit was 5 356 and 22.8 percent of new registered unemployed people were eligible to receive the benefit.

The average benefit for insolvency of the employer was 11 136 EEK in 2003 and 11 821 EEK in 2004. The average wages of people receiving the benefit for insolvency of the employer was 5 266 EEK in 2003 and 4 879 EEK in 2004.

Working-age population by sex and economic status, annual average, thousand

		1998	2000	2002	2003	2004
Population	Total 15-74	1 051.1	1 046.5	1 047.2	1 047.8	1 047.8
	M	486.1	485.2	487.0	487.7	487.7
	F	565.0	561.3	560.2	560.1	560.1
	Total 15-64	919.1	915.9	916.3	915.8	916.3
	M	438.5	437.0	437.8	438.3	439.1
	F	480.6	478.9	478.5	477.6	477.2
Labour force ¹	Total 15-74	672.6	662.4	652.7	660.5	659.1
	M	346.7	340.6	333.6	336.7	333.9
	F	326.0	321.8	319.1	323.8	325.3
	Total 15-64	658.7	645.2	632.0	638.9	636.4
	M	339.3	332.5	324.6	326.3	322.3
	F	319.5	312.7	307.5	312.6	314.1
Employed	Total 15-74	606.5	572.5	585.5	594.3	595.5
	M	309.3	291.1	297.5	302.5	299.1
	F	297.2	281.4	288.1	291.8	296.4
	Total 15-64	593.0	555.9	565.6	572.9	573.3
	M	302.1	283.1	289.0	292.2	287.7
	F	290.9	272.7	276.6	280.8	285.6

Cont. ►

► *Cont.*

		1998	2000	2002	2003	2004
Unemployed	Total 15-74	66.1	89.9	67.2	66.2	63.6
	M	37.4	49.5	36.1	34.2	34.7
	F	28.7	40.5	31.0	32.0	28.9
	incl long-term unemployed ²	31.1	40.8	35.5	30.4	33.2
	M	17.0	23.5	21.3	16.2	18.8
	F	14.1	17.3	14.3	14.2	14.4
	Total 15-64	65.8	89.3	66.5	66.0	63.1
	M	37.2	49.4	35.6	34.2	34.5
	F	28.6	40.0	30.9	31.8	28.6
Inactive population	Total 15-74	378.5	384.1	394.4	387.4	388.7
	M	139.4	144.7	153.4	151.0	153.8
	F	239.1	239.4	241.0	236.4	234.9
	incl discouraged persons ³	17.2	19.1	17.7	18.1	17.7
	M	9.7	10.6	10.4	10.8	10.2
	F	7.5	8.5	7.3	7.3	7.5
	Total 15-64	260.3	270.7	284.2	276.9	279.4
	M	99.2	104.5	113.3	111.9	116.0
	F	161.1	166.2	171.0	165.0	163.4

1 - Employed and unemployed.

2 - 12 months or longer.

3 - People who have lost hope of finding work.

Source: Labour Force Survey

Labour force participation, employment and unemployment rate, %

		1998	2000	2002	2003	2004
Labour force participation rate¹						
Total 15-74		64.0	63.3	62.3	63.0	62.9
M		71.3	70.2	68.5	69.0	68.5
F		57.7	57.3	57.0	57.8	58.1
Total 15-64		71.7	70.4	69.0	69.8	69.5
M		77.4	76.1	74.1	74.5	73.5
F		66.5	65.3	64.3	65.5	65.8
Employment rate²						
Total 15-74		57.7	54.7	55.9	56.7	56.8
M		63.6	60.0	61.1	62.0	61.3
F		52.6	50.1	51.4	52.1	52.9
Total 15-64		64.5	60.7	61.7	62.6	62.6
M		68.9	64.8	66.0	66.7	65.7
F		60.5	57.0	57.8	58.8	59.8
Unemployment rate³						
Total 15-74		9.8	13.6	10.3	10.0	9.7
M		10.8	14.5	10.8	10.2	10.4
F		8.8	12.6	9.7	9.9	8.9

Cont. ►

► Cont.

	1998	2000	2002	2003	2004
unemployment rate in age group 15-24 (Youth unemployment rate)	15.8	23.8	17.6	20.6	21.7
M	17.0	23.9	14.3	16.9	21.2
F	14.2	23.7	22.5	26.0	22.4
unemployment rate in age group 25-49	10.0	12.9	9.7	8.6	8.7
M	10.5	13.4	9.9	8.9	9.3
F	9.5	12.3	9.5	8.3	8.1
unemployment rate in age group 50-74	6.1	10.3	8.9	8.8	7.2
M	7.8	12.1	11.5	9.8	7.7
F	4.3	8.5	6.6	8.0	6.7
unemployment rate in age group 15-64	10.0	13.8	10.5	10.3	9.9
M	11.0	14.9	11.0	10.5	10.7
F	8.9	12.8	10.1	10.2	9.1
Percentage of unemployed youth in age group 15-24	6.9	9.8	5.9	7.5	7.4
M	8.4	11.2	5.6	7.1	8.6
F	5.4	8.4	6.3	8.0	6.2
Percentage of long-term unemployed in total number of the unemployed	47.0	45.4	52.8	45.9	52.2
M	45.5	47.5	59.0	47.4	54.2
F	49.1	42.7	46.1	44.3	49.8

1 - The share of labour force in the relevant age group.

2 - The share of employed people in the relevant age group.

3 - The share of the unemployed in the labour force.

Source: Labour Force Survey

Employed, by economic activity

	Employed, annual average, thousand					Share of women, %	
	1998	2000	2002	2003	2004	2000	2004
Total	606.5	572.5	585.5	594.3	595.5	49	50
Agriculture, fishing, hunting, forestry	53.8	41.2	40.7	36.7	35.0	31	29
Mining and quarrying	7.5	7.2	5.7	5.7	8.0	...	...
Manufacturing	131.8	129.2	128.2	134.1	140.9	45	47
Electricity, gas and water supply	17.2	14.7	10.5	10.2	12.0	28	29
Construction	44.1	39.7	38.9	42.9	46.8	10	10
Wholesale and retail trade; repair of motor vehicles and household appliances	85.7	79.3	86.3	80.8	80.0	57	58
Hotels and restaurants	13.7	19.9	17.9	17.4	16.2	78	73
Transport, storage and communication	55.3	56.9	54.5	56.2	51.5	31	31
Financial intermediation	8.1	7.7	7.9	7.6	7.9	56	72
Real estate, renting and business activities	37.4	40.0	44.3	44.4	39.4	49	43
Public administration and defence; compulsory social insurance	34.7	34.1	33.2	34.5	36.9	52	50
Education	54.2	44.6	55.6	56.9	54.5	83	81
Health and social welfare	33.9	28.5	31.6	36.4	37.5	88	85
Other	29.0	29.6	30.1	30.4	28.8	63	63

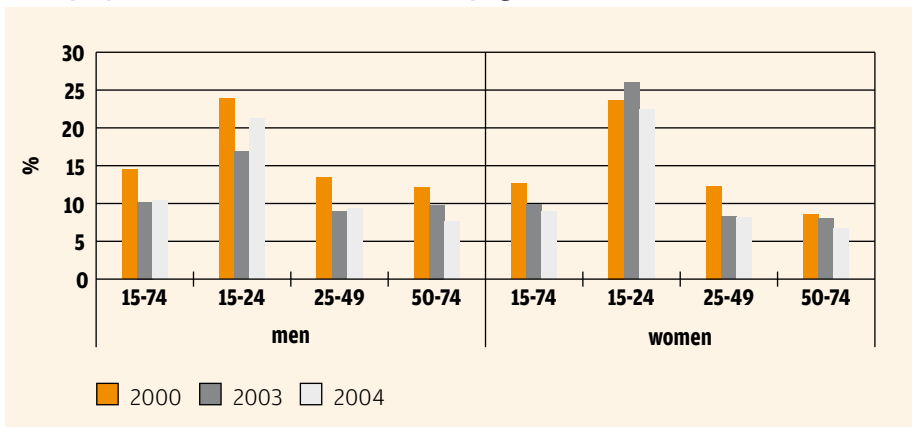
Source: Labour Force Survey

Employed, by occupation

	Employed. annual average, thousand					Share of women. %	
	1998	2000	2002	2003	2004	2000	2004
Total	606.5	572.5	585.5	594.3	595.5	49	50
Legislators, senior officials, managers	82.4	72.4	69.6	69.8	73.6	37	35
Professionals	66.9	75.7	84	82.6	78.9	71	65
Technicians and midlevel specialists	81.8	80.3	74.8	71.7	78.5	65	70
Clerks	28.3	27	30.2	30.2	25.9	76	77
Service and sales workers	65.9	62.1	67.3	76.3	71.6	75	77
Skilled agricultural and fishery workers	26.7	21.3	19.2	15	15.4	40	40
Craft and trade workers	103.5	90.7	88.7	93.6	94.1	17	16
Plant and machine operators	78.9	79	81.4	83	83.2	25	29
Unskilled labour	69.6	62.5	67.5	68.4	71.4	60	61

Source: Labour Force Survey

Unemployment rates of men and women by age, %



Unemployment rates of men and women by level of education¹, %

	1998	2000	2002	2003	2004
Total	9.8	13.6	10.3	10.0	9.7
Level I	16.6	23.8	20.7	16.9	18.4
Level II	10.8	14.6	10.9	10.6	10.5
Level III	5.1	7.3	5.7	6.5	5.1
M					
Level I	10.8	14.5	10.8	10.2	10.4
Level II	17.5	25.3	21.9	16.8	19.9
Level III	4.4	6.1	6.5	6.4	5.2

Cont. ►

► Cont.

	1998	2000	2002	2003	2004
F	8.8	12.6	9.7	9.9	8.9
Level I	15.1	21.4	18.5	17.1	15.8
Level II	9.9	14.1	11.7	11.1	10.6
Level III	5.5	8.2	5.2	6.5	5.1

1 - The division of levels of education by the ISCED:

Level I: primary and basic education

Level II: secondary education, vocational education and vocational training after basic education

Level III: vocational training after basic education, higher education, M.A. degree, doctor's degree

Source: Labour Force Survey

Indicators of registered unemployment, thousands

	1995	1998	2000	2002	2003	2004
Registered unemployed persons¹ total, during the year	77.3	81.6	120.9	108.0	99.0	88.5
M	...	...	...	...	45.1	40.3
F	...	...	...	...	53.9	48.3
incl new entrants	46.6	53.5	81.5	64.5	59.8	52.1
Recipients of unemployment benefit	39.8	48.4	67.4	56.9	47.4	39.3
Participants in active labour market measures						
re-specialisation	9.8	8.0	8.2	10.0	9.0	7.0
community placements ²	5.7	3.8	4.2	0.5	0.6	0.4
employment subsidy for the unemployed for starting a business	0.5	0.4	0.4	0.4	0.4	0.3
employment subsidy for employers to employ less competitive unemployed persons	0.1	0.1	0.2	0.2	0.5	0.5
vocational guidance (number of consultations) ³	-	-	2.1	8.1	8.9	7.9
Vacancies received by state employment offices, per year	15.1	14.6	14.9	16.1	14.4	20.7
Employed persons, per year ⁴	15.0	15.2	21.8	23.4	17.3	22.4
Registered unemployed¹, monthly average	34.9	31.9	46.3	48.2	43.3	37.0
incl unemployment benefit recipients	13.9	17.6	26.6	23.5	19.6	14.4
Registered unemployed (average per month) by sex, %						
M	42.5	39.6	42.5	44.3	45.6	45.5
F	57.5	60.4	57.5	55.7	54.4	54.5
Share of registered unemployed (average per month) of the whole population between 16 to retirement age, %	4.1	3.7	5.3	5.9	5.3	4.5

1 - The number of unemployed persons may include cases in which unemployed persons registered as unemployed several times during the year.

2 - The number of participants in community placements decreased sharply in 2001 due to the cut of financing for these services from the state budget.

3 - Since 1 October 2000, a new type of service was established with the Employment Service Act, which aims to help job seekers solve problems concerning work choice, professional career and finding or losing work.

4 - This also includes those employed on vacant positions offered outside employment offices.

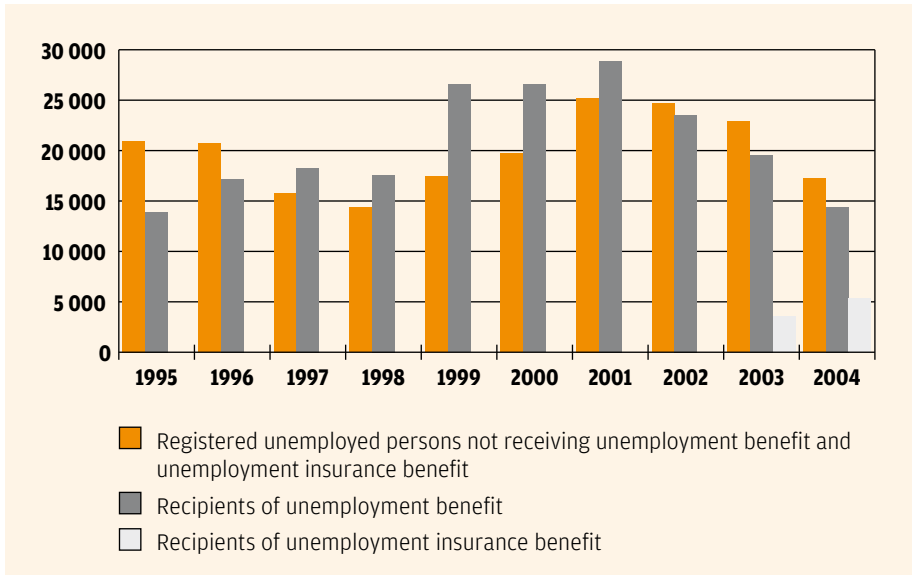
Source: Labour Market Board

Registered unemployed by sex, age and level of education, 2004, thousands

	Total	M	F
Total	88.5	40.3	48.3
By age			
16-24	15.1	7.6	7.5
25-49	52.4	22.5	29.9
50+	21.0	10.1	10.9
By level of education (ISCED)			
Level I	20.9	...	...
Level II	52.8	...	...
Level III	14.8	...	...

Source: Labour Market Board

Persons registered as unemployed and receivers of unemployment benefit and unemployment insurance benefit, monthly average



Monthly unemployment benefit rate and employment training stipends, EEK

	Date of validation				
	01.10.1992	01.10.1994	01.07.1996	01.03.1998	01.01.1999
Unemployment benefit	180	-	240	300	400
Employment training stipends	270	450	-	-	600

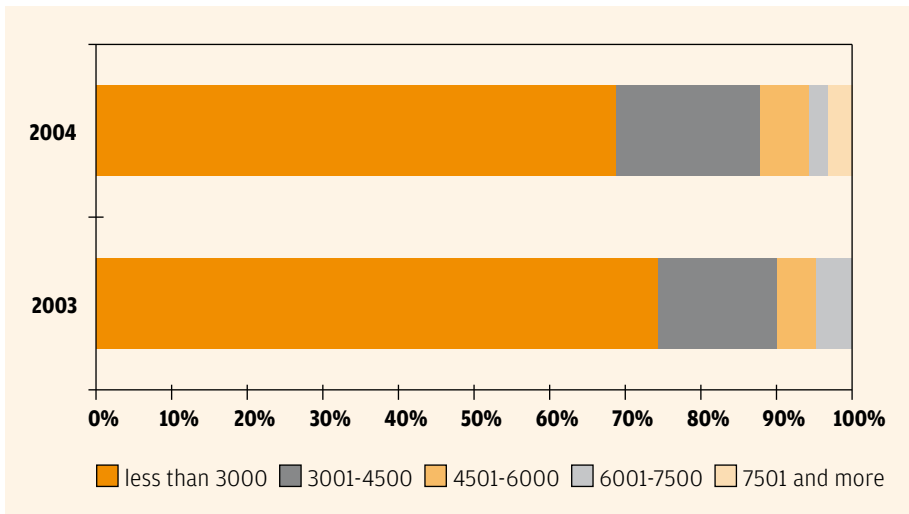
Unemployment insurance

	2002 ¹	2003	2004
Number of persons covered with unemployment insurance during the year, thousands	638.2	592.4	602.4
Total unemployment insurance payments received, million EEK	535.8	575.0	643.9
Unemployment insurance expenditure, million EEK:	7.3	202.6	244.1
Expenditure on benefits	-	191.3	232.8
unemployment insurance benefit	-	106.0	129.1
benefit for collective termination of employment contracts	-	30.8	30.8
benefit in case of insolvency of the employer	-	23.0	34.6
social tax paid on benefits	-	31.5	38.3
Other expenditure (incl the operating, banking and mailing costs of the Unemployment Insurance Fund)	7.3	11.3	11.3
Recipients of benefits:			
unemployment insurance benefit	-	10 033	11 720
benefit for collective termination of employment contracts	-	4 247	3 989
benefit in case of insolvency of the employer	-	2 058	2 873
Average amount of unemployment insurance benefit, EEK a calendar month	-	2 188	2 439
Maximum amount of unemployment insurance benefit, EEK a calendar month	-	6 563	7 786

1 - The payment of benefits started in 2003.

Source: Unemployment Insurance Fund

Receivers of unemployment insurance benefit, by amount of benefit a month¹, 2003-2004, %



The gross amounts of benefits presented in the diagram (EEK per calendar month) have been calculated on the basis of a 30-day month on the first hundred days, when the substitution rate of the unemployment insurance benefit is 50 percent of the person's previous income.

Recipients of benefits from the Unemployment Insurance Fund by sex, age and type of benefit

		Under 25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	Over 60	Total
Recipients of unemployment insurance benefit											
2003	Total	532	832	1 063	1 180	1 514	1 687	1 795	1 185	245	10 033
	M	281	401	452	440	499	563	592	501	245	3 974
	F	251	431	611	740	1 015	1 124	1 203	684	0	6 059
2004	Total	673	1 064	1 213	1 289	1 669	1 866	1 989	1 642	315	11 720
	M	396	528	544	510	654	647	696	606	315	4 896
	F	277	536	669	779	1 015	1 219	1 293	1 036	0	6 824
Recipients of benefit in case of insolvency of the employer											
2003	Total	189	268	243	222	246	236	259	197	198	2 058
	M	97	138	124	107	127	125	125	120	121	1 084
	F	92	130	119	115	119	111	134	77	77	974
2004	Total	254	341	335	358	371	385	335	279	215	2 873
	M	136	180	168	162	157	176	129	127	113	1 348
	F	118	161	167	196	214	209	206	152	102	1 525
Recipients of benefit for collective termination of employment contracts											
2003	Total	231	261	325	383	457	600	737	596	657	4 247
	M	135	133	150	138	174	219	272	192	332	1 745
	F	96	128	175	245	283	381	465	404	325	2 502
2004	Total	223	279	319	382	473	503	594	593	623	3 989
	M	127	125	142	140	162	168	185	192	299	1 540
	F	96	154	177	242	311	335	409	401	324	2 449

Source: Unemployment Insurance Fund

Expenditure on social protection of the unemployed (excl. unemployment insurance)

Type of expenditure	Total, million EEK				Structure of expenditure, %		
	2000	2002	2003	2004	2000	2003	2004
Total	286.3	217.7	197.1	158.9	100	100	100
Expenditure on passive measures:	220.5	129.3	97.3	64.5	77	49.4	40.6
unemployment benefit	119.8	104.1	81.1	55.0	41.8	41.1	34.6
social tax for the unemployed paid from state budget	100.7	25.2	16.2	9.5	35.2	8.2	6.0
Expenditure on active measures:	65.8	88.4	99.8	94.4	23.0	50.6	59.4
employment training	32.2	47.5	46.5	41.6	11.3	23.6	26.2
employment training stipends	6.1	7.1	7.2	5.4	2.1	3.7	3.4
community placements ¹	3.2	-	-	-	1.1	-	-
employment subsidy for starting a business	4.3	4.2	6.4	5.8	1.5	3.2	3.6
employment subsidy for employers for employing less competitive unemployed persons	2.1	3.1	3.8	7.2	0.7	1.9	4.5
Labour Market Board administrative expenses ²	17.9	26.4	35.9	34.4	6.3	18.2	21.7

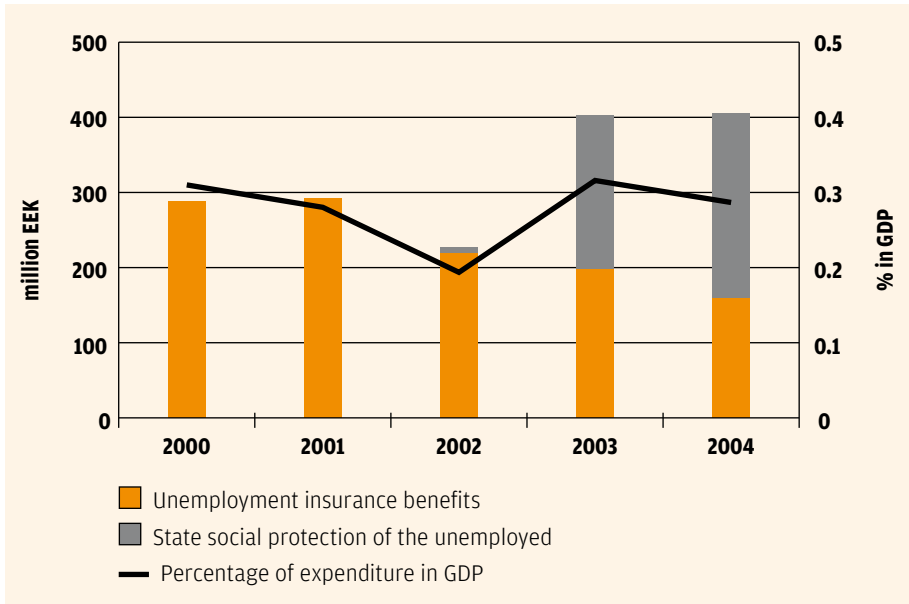
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Type of expenditure	Total. million EEK				Structure of expenditure. %		
	2000	2002	2003	2004	2000	2003	2004
Percentage of expenditure							
of GDP	0.31	0.19	0.15	0.11			
of state budget	1.00	0.63	0.50	0.33			
Percentage of expenditure on social protection of the unemployed (incl. the expenses of the Unemployment Insurance Fund) of the GDP	..	0.19	0.31	0.28			

1 - According to the Employment Service Act the payment to an unemployed person participating in community placement is disbursed by the organiser of the community placement at the minimum rate of the community placement benefit prescribed by the Government of the Republic.
 2 - Including the administrative expenses of Employment Offices.

Expenditure of the social protection of the unemployed (incl. unemployment insurance benefit) and percentage of GDP



WAGES AND SALARIES

The following tables include data from the Statistical Office's statistics on wages and salaries.

The average monthly gross wages continued growing in 2004, reaching 7 287 EEK, but this growth is slowing down each year - the average wages grew by 8.4% from 2003 to 2004, by 9% from 2002 to 2003 and by 12% from 2001 to 2002. Compared to 2003, wages have grown most in forestry (23%), real estate, renting and business activities (15%) and health care (14%). Through the years, wages have been the lowest in the fishing industry and agriculture as well as in hotels and restaurants. The salaries of people employed in the financial intermediation sector exceed the Estonian average twofold.

Women's hourly gross wages still form a bit less than 76% of men's average hourly wages. Wages differ most for service and sales workers, clerks and unskilled labour, while the difference is less noticeable in case of the hourly wages of legislators and senior officials and skilled workers. The differences in the wages of men and women are also highlighted by the data on the distribution of full-time employees by gross wage groups. Although the number of people receiving over 5 000 EEK in wages per month has considerably grown among both men and women, the survey in 2003 showed that the proportion of such people was 61% among men and 47% among women. In 2003, a fifth of men and only less than a tenth of women received wages exceeding 10 000 EEK.

Average monthly gross wages by economic activity, EEK

Occupation	Average monthly gross wages, EEK					Compared to average wages, %	
	2000	2001	2002	2003	2004	2000	2004
Average wages	4 907	5 510	6 144	6 723	7 287	100	100
Financial intermediation	10 889	12 249	13 258	14 556	14 998	222	206
Real estate, renting and business activities	4 980	6 299	8 122	8 090	9 332	101	128
Public administration, defence, compulsory social insurance	6 287	6 958	7 844	8 524	9 224	128	127
Mining industry	5 869	6 843	7 458	8 149	8 687	120	119
Electricity, gas and water supply	5 916	6 727	7 321	8 000	8 482	121	116
Transport, storage, communication	6 027	6 468	7 074	7 362	8 048	123	110
Construction	4 379	5 232	5 891	6 684	7 468	89	102
Forestry	4 379	5 048	5 219	5 912	7 267	89	100
Wholesale and retail trade, repair of motor vehicles and household appliances	4 706	5 359	5 885	6 737	6 915	96	95
Manufacturing	4 772	5 149	5 665	6 177	6 696	97	92
Education	4 187	4 770	5 366	5 873	6 475	85	89
Health and social welfare	4 387	4 768	4 983	5 729	6 524	89	90
Agriculture	2 823	3 293	3 896	4 242	4 799	58	66
Hotels, restaurants	3 054	3 771	3 551	4 180	4 535	62	62
Fishing industry	3 552	3 936	4 701	4 493	4 430	72	61
Minimum wages	1 400	1 600	1 850	2 160	2 480	29	34

Full-time workers by gross wages groups, in October, %

Wages group	Total				Men				Women			
	1998	2000	2002	2003	1998	2000	2002	2003	1998	2000	2002	2003
Total	100	100	100	100	100	100	100	100	100	100	100	100
<1000	0.9	0.2	0.1	0.0	0.8	0.2	0.1	0.0	0.9	0.2	0.1	0.0
1001-2000	28.1	20.9	11.5	0.3	24.0	18.9	10.1	0.3	32.1	22.7	12.9	0.4
2001-3000	19.6	17.2	15.2	19.4	16.7	14.9	12.8	16.5	22.3	19.3	17.5	22.2
3001-4000	17.2	16.1	14.1	13.4	16.7	14.1	11.9	10.8	17.7	17.8	16.2	15.7
4001-5000	12.1	12.8	12.4	12.8	12.9	12.0	11.3	11.3	11.3	13.6	13.5	14.3
5001-7000	11.7	16.4	20.5	22.0	14.0	17.8	20.6	21.1	9.5	15.1	20.4	22.9
7001-10000	6.3	9.3	14.4	17.4	8.3	11.6	16.7	19.5	4.3	7.1	12.2	15.2
10 000<	4.3	7.0	11.7	14.7	6.6	10.3	16.6	20.5	2.0	4.0	7.3	9.2

Average hourly gross wages of male and female workers by occupation¹,

in October, EEK

Profession	Average hourly wages								Women's wages of men's wages. %	
	Men				Women				2000	2003
	1995	2000	2002	2003	1995	2000	2002	2003		
Average hourly gross wages	16.3	31.5	37.2	41.4	11.9	23.8	28.2	31.3	75	76
Legislators, senior officials, managers	27.1	52.6	60.3	65.7	20.1	40.3	47.3	52.2	76	80
Professionals	21.4	46.8	54.2	60.3	16.3	33.3	39.4	44.1	71	73
health care professionals	18.4	45.8	57.6	71.9	17.1	38.3	48.7	57.7	84	80
nursing and midwifery professionals	19.6	...	...	...	14.6	26.2	30.7	36.8	...	...
social workers	21.2	...	...	...	14.3	25.1	30.5	33.1	...	...
Technicians and midlevel specialists	18.5	36.3	44.2	50.7	13.3	25.6	31.2	34.8	71	69
associate health care professionals	10.9	23.2	31.5	29.9	10.4	21.5	25.0	29.1	93	97
nursing and midwifery associate professionals	10.8	23.6	28.0	30.7	10.4	24.0	27.8	32.9	102	107
work safety and quality inspectors	...	31.6	35.0	40.3	...	23.7	30.0	29.1	75	72
Clerks	15.8	29.2	36.5	39.8	12.0	22.9	26.9	29.1	78	73
Service and sales workers	13.0	21.8	26.8	28.7	8.0	14.9	17.9	20.9	68	73
care workers at medical institutions	12.2	14.1	17.8	21.6	11.2	12.8	16.1	19.1	91	88
Skilled agricultural and fishery workers	9.5	15.8	21.6	26.7	7.7	14.4	18.8	21.3	91	80
Craft and trade workers (excl. agriculture, fishery)	15.7	24.6	30.3	33.6	12.1	20.7	23.3	25.6	84	76
Plant and machine operators	14.3	25.3	28.7	31.8	12.7	22.9	25.9	27.4	91	86
Unskilled labour	8.9	16.3	20.2	23.3	6.4	12.2	15.3	17.3	75	74
unskilled production workers	11.3	20.9	25.8	30.8	10.5	18.9	22.4	24.9	90	81

1 - Both full-time and part-time workers. The main categories reflect the wages in general, whereas the data from enterprises, institutions and organisations with less than 20 employees (excl. enterprises and institutions in state and municipal ownership) was gathered using a sampling survey method. The sub-categories and professions reflect only enterprises in state and municipal ownership and other enterprises with more than 19 employees.

WORKING ENVIRONMENT

Overview of legal acts

The working environment is the surroundings people work in. Physical, chemical, biological, physiological and psychological factors present in the working environment must not endanger the life or health of workers or that of other persons in the working environment.

First and foremost, this area is regulated by the Occupational Health and Safety Act, which defines occupational health as the application of work-related organisational and medical measures to prevent damage to the health of workers, adaptation of work to the abilities of workers, and promotion of the physical, mental and social well-being of workers. Occupational safety is defined as a system of work-related organisational and technical measures to provide a working environment which enables workers to work without endangering their health. The employer's actions in organising working environment related programmes at workplaces are one of the basic principles in ensuring safe and healthy working conditions. National enforcement of this act and the requirements prescribed in legislation based on this act is carried out by the Labour Inspectorate. Employers who did not fulfil the requirements prescribed by legal acts regulating occupational health, occupational safety and occupational relations are presented with a list of requirements to remedy these violations.

An occupational accident is damage to the health or death of a worker which occurs in the performance of a duty assigned by an employer or in other work performed with the employer's permission, during a break included in the working time, or during other activity in the interests of the employer. Accidents happening on the way to or from work are since 1 July 2003 no longer considered occupational accidents. An occupational disease is a disease which is brought about by risk factors present in the working environment and included in the list of occupational diseases, or the nature of the work.

An employee who has sustained health damage in the performance of work duties is entitled to demand compensation for the damages caused from the employer. A person is entitled to compensation for damages, if the health damage has been caused through the employer's fault. The compensation for damages means cash payments in the extent of the income (or a part thereof) the person lost due to loss or reduction of capacity for work. In addition to compensating the employee for income lost due to health damage the employer liable for the damages shall compensate the employee for additional expenses incurred in relation to the health damage, including prostheses and auxiliary devices; prescription drugs; rehabilitation centre expenses; travel expenses to treatment institutions and rehabilitation centres and the employee's nursing expenses. The national social insurance shall assume the above mentioned obligations, if the employer liable for the damages has been liquidated without legal successor.

Statistical overview

From 2000 to 2004, i.e. after the entry into force of the Occupational Health and Safety Act and its implementing acts, 28 063 inspections have been conducted, of which 6 833 inspections were focused on evaluating the condition of the working environment as a whole on the basis of the methods developed by the Labour Inspectorate. This includes 8 289 inspections in 2004, which covered 2 626 enterprises (with the working environment as a whole evaluated in 1 243 enterprises). On the basis of the inspection of the fulfilment of precepts it can be concluded that the working environment has improved in the majority of previously inspected enterprises. The number of registered occupational accidents and workdays lost due to occupational accidents increased until 2002. This growth was caused by neglect of safety requirements, improved registration of accidents and an amendment to the law, according to which the benefit for temporary incapacity for work in the extent of 100% of average income is since 1999 paid for all occupational accidents (previously only for occupational accidents caused through the employer's fault). The decrease in the figures since 2003 does not reflect an improvement in the situation, but rather stems from amendments to the law, according to which accidents happening on the way to or from work are since 1 July no longer considered occupational accidents. Compared to the previous year, 2004 brought an increase in the number of fatal occupational accidents (31 and 34 respectively) and in the number of occupational accidents resulting in severe injury (906 and 973 respectively).

Compared to the decreasing trend of the previous years, the number of first diagnoses of occupational diseases grew in 2004, but these changes are not entirely unequivocal. Diagnosis of occupational diseases is aggravated by several factors: proving the presence of links between the disease and the risk factors in the working environment is particularly problematic. This indicator is also influenced by the availability of occupational health care services (incl. the presence of an occupational health physician in the county).

Among the cases diagnosed in recent years, the number of vibration syndromes has decreased and the number of repetitive strain injuries (caused by handling loads, incorrect working posture, forced posture) has risen. While the vibration syndrome cases formed 39% of all diagnosed occupational diseases in 2000 and 23% in 2004, the proportion of repetitive strain injuries in the same years was 36% and 49% respectively.

Evaluation of working environment, 2004

Number of enterprises inspected			1243
Condition of the working environment, % of enterprises	Low	Medium	High
Risks arising from technical risk factors	31.2	66.9	1.9
Risks arising from physical, chemical, biological and physiological risk factors	31.9	64.2	3.9
	Satisfactory	Deficiencies found	Unsatisfactory
Employer's activities in fulfilling legal requirements	22.5	61.1	16.4
Workers' common environment	72.4	23.7	3.9
Working environment on the whole	16.9	81.6	1.5

Fulfilment of requirements established by the Occupational Health and Safety Act¹ (% of enterprises, where requirements are not met)

Activity or situation inspected and evaluated	%
Existing and active working environment council (enterprises with over 50 workers)	10.5
Training of member of the working environment council	15
Election of working environment representatives	34.5
Training of working environment representatives	46.7
Working environment risk assessment plan for reducing health risks	54.4
Organisation of internal control	38.4
Health care service agreement	60.7
Medical examination of workers	38.2
First aid training	29
Instruction of workers in the sphere of occupational health and safety	12.3
Provision with personal protection equipment	1.9
Investigation of occupational accidents and cases of occupational disease	57.7
Application of measures intended for the prevention of occupational accidents and diseases	3.8

1 - Since 2004, only the results of the first inspections of enterprises are included, not the results of follow-up inspections. Due to this the data is not comparable to the data presented in the last year's publication.

Source: Labour Inspectorate

Occupational accidents and diseases

	1995	2000	2002	2003	2004
Total number of occupational accidents¹	2 460	2 965	4 033	3 783	3 326
incl, % M	...	67	62	70	70
F	...	33	38	30	30
accidents resulting in severe health damage ¹	290	692	1 316	1 163	973
incl, % M	...	...	...	...	73
F	...	...	...	...	27
fatal accidents ¹	...	27	39	33	34
incl, % M	...	93	91	100	71
F	...	7	9	0	29
Number of occupational accidents per 100 000 employees ²	303	424	532	544	559
Number of persons diagnosed with occupational disease for the first time	...	296	117	95	132
incl, % M	...	...	62	49	55
F	...	...	38	51	45
Number of occupational diseases diagnosed for the first time	145	355	129	101	132
First diagnoses of occupational diseases per 100 000 employees	22.1	57.1	22.0	17.0	22.2

1 - Since 1 July 2003, accidents happening on the way to or from work are not considered as occupational accidents.

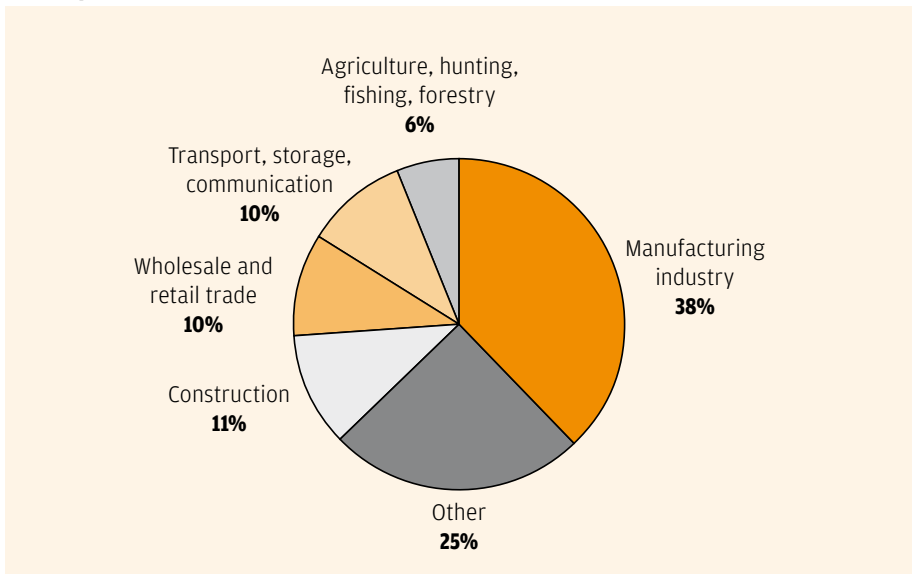
2 - The figures for all the years only represent the number of accidents at workplace.

Occupational accidents at workplace resulting in death and severe injury, by fields of economic activity

Field of activity	Number of persons severely injured due to occupational accidents					Number of fatalities				
	1998	2000	2002	2003	2004	1998	2000	2002	2003	2004
Total	389	496	935	906	973	56	27	35	31	34
Agriculture, hunting, fishing, forestry	47	27	79	54	57	8	3	3	2	2
Mining and quarrying	16	11	30	15	23	5	0	2	1	0
Manufacturing	96	179	336	345	390	10	9	6	8	5
Electricity, gas and water supply	27	10	15	12	13	2	3	0	1	2
Construction	60	64	102	93	101	12	4	9	4	5
Wholesale and retail trade	19	29	83	103	94	2	2	5	2	2
Transport, storage, communication	72	72	95	87	89	9	5	5	8	7
Financial intermediation, real estate activities	5	23	51	51	50	3	0	2	3	4
Public administration and defence, compulsory social insurance	...	40	55	61	56	...	0	2	1	3
Education	...	11	41	37	37	...	0	0	1	1
Health care and social welfare	...	17	23	17	20	...	0	0	0	0
Other	47	13	28	31	43	5	1	1	0	3

Source: Labour Inspectorate

Occupational accidents resulting in severe injury and death, by field of economic activity, 2004, %



Occupational accidents at workplace resulting in severe injury and death, by groups of occupation

Occupation	Number of persons injured				Number of fatalities			
	2001	2002	2003	2004	2001	2002	2003	2004
Total	770	935	906	973	30	35	31	34
Trade and craft workers	269	304	275	316	13	12	7	8
Plant and machine operators	192	203	206	239	4	8	7	9
Unskilled workers	133	177	121	146	5	7	4	5
Service and sales workers	41	61	77	77	0	2	2	1
Professionals	36	51	45	47	1	2	0	0
Technicians and midlevel specialists	31	54	38	47	3	0	3	3
Clerks	29	31	29	29	1	2	0	0
Skilled agricultural, forestry and fishery workers	17	20	18	29	1	0	0	2
Legislators, senior officials, managers	20	28	10	31	2	2	1	4
Other	2	6	81	12	0	0	6	2

Source: Labour Inspectorate

Occupational diseases by disease and occupation

Indicator	1998	2000	2002	2003	2004
Total cases of first diagnosis	269	355	129	101	132
By diseases					
vibration syndrome	109	137	45	15	30
repetitive strain injuries	72	128	47	54	66
hearing impairment	37	60	22	21	20
other occupational diseases	51	30	15	11	16
By occupation					
tractor drivers	90	114	41	28	22
car and bus drivers	32	50	16	2	4
farm labourers, stock farmers	26	55	17	21	28
excavator and crane drivers	16	15	6	3	4
sewers, weavers	5	12	3	6	2
joiners	17	6	4	1	0
processors of fish and meat products	15	8	6	6	5
forestry workers	4	5	3	3	4
medical workers	2	2	1	2	0
confectioners	3	1	3	1	0
painters	6	9	7	4	1
timber processors	0	0	1	1	3
mining workers	2	4	0	1	0
tool fitters	9	10	1	3	7
construction workers	2	3	1	0	4
welders	16	13	2	3	6
concreting workers	2	1	0	0	0

Cont. ►

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Indicator	1998	2000	2002	2003	2004
ship builders	0	2	0	1	0
manufacturers of dairy products	0	0	1	1	3
other fields of occupation	22	44	16	13	39

Source: Labour Inspectorate

Number of workdays lost and expenses incurred due to occupational accidents

	1995	2000	2002	2003	2004
Number of workdays lost due to occupational accidents	83 643	157 051	171 850	146 411	118 941
Percentage of workdays lost due to occupational accidents in the total number of sick-leave days, %	...	3.1	3.7	3.1	3.7
Expenditure on benefits					
Occupational accident benefit ¹ , million EEK	6.3	19.5	25.2	23.1	20.4
number of certificates of incapacity for work	2 783	6 921	7 572	6 871	5 863
Compensation for damages related to occupational accidents and occupational diseases ² , million EEK	...	21.6	34.6	36.9	38.3
number of people receiving compensation for damages	...	1 111	1 553	1 646	1 745

1 - Health insurance benefit, 100% of the average income of one calendar day.

2 - The Social Insurance Board compensates for lost income and additional expenses, if the employer liable for the damages has been liquidated without legal successor.

Source: Labour Inspectorate, Health Insurance Fund, Social Insurance Board

The cost of occupational accidents on the national level¹

	2002	2003	2004
Number of occupational accidents	4 033	3 783	3 326
of which resulting in permanent incapacity for work	157	173	161
number of fatalities in accidents at workplace	35	31	34
Total costs , million EEK	57.9	67.2	61.2
benefit for temporary incapacity for work	20.3	19.0	16.8
medical treatment costs	7.8	8.9	8.0
permanent incapacity for work	25.8	35.6	33.0
fatalities	0.1	0.2	0.2
administration costs	3.9	3.5	3.2

1 - In 2003, models for calculating the cost of occupational accidents on the level of the enterprise, the state and the society were developed in cooperation between the Labour Inspectorate and the Danish Working Environment Office. This table presents the costs on the level of the state.

Source: Labour Inspectorate, Health Insurance Fund, Social Insurance Board

GENDER EQUALITY

Gender equality means women's and men's equal rights, obligations and responsibilities in working life, obtaining education and participating in other domains of social life. In order to promote equality, the Bureau of Gender Equality was established at the Ministry of Social Affairs in 1996. It has since become a separate department at the ministry. In spring 2004 the Gender Equality Act entered into force and in autumn 2005 the Gender Equality Commissioner was appointed. The mission of the Commissioner is to process individuals' complaints on violation of their rights and awareness raising about gender equality.

In this publication, two complementary discourses on gender equality have been used. First, mainstreaming gender into all political domains (gender equality as a horizontal topic). As a result, the gender aspect has been taken into account in presenting data throughout the entire publication. More gender-segregated data has been provided than in previous years. Second, an approach of implementing various (positive) measures to reduce gender inequality. The following chapter has been prepared with this in mind.

Both women and men experience gender inequality in society and thus representatives of both genders benefit from the promotion of gender equality. If we analyse the issue of health and life expectancy we can say that men's situation is worse, but when we speak of the labour market, wages or participation in decision-making processes, we can say that generally women are in disadvantage. Furthermore, there are issues - like the reconciliation of work and family life - where the situation needs to be changed for both men and women.

One impact of the widespread gender stereotypes is that men's life expectancy is considerably shorter than that of women, although it has risen in recent years. In 1995, men's life expectancy at birth was 61.3 years, which was 12.8 years less than in case of women. By 2003, men's life expectancy has increased to 66 years and the difference compared to women had decreased to 10.9 years. Men's death causes also include a considerably higher number of accidents, injuries and poisonings and diseases of the circulatory system and the death rate coefficients of working-age men exceed the death rate coefficients of women by nearly threefold.

Gender inequality expresses itself in the different amount of access of men and women to social resources (political power, decision-making, work, education, services, time etc.). Similarly to other developed countries, Estonian men and women are engaged in somewhat different occupations. Women dominate in less prestigious professions where the wages are lower than the average (horizontal gender segregation). The proportion of women in managerial positions is also significantly smaller compared to men (vertical gender segregation). In interpreting the employment figures by occupation, it has to be borne in mind that senior specialists (65% women) include education professionals (incl. primary school and kindergarten teachers), medical professionals (incl. doctors, nurses, dentists etc.), administrative staff (incl. secretaries, accountants). A good example of vertical segregation is the gender segregation among the staff members in educational institutions - while the proportion of women among professors is 16-17% and among lecturers 36-37%, 86% of teachers and practically 100% of kindergarten employees are women.

An important issue in the labour domain is the reconciliation of work and family life and the men's greater involvement in caring for children and domestic tasks. Although women's employment rate in Estonia is relatively high, our situation is characterised by huge impact of parenthood on employment for parents with small children (0-6 years). While for men, small children are a factor favouring employment, then the difference between the employment rates of mothers of small children and childless women in 2004 was 31.3 percentage points. It is worth noting here that this figure is considerably higher than the European Union average, which was 13.9 percentage points in 2004.

Since independence was regained, the average salary of women has been almost 25% lower than that of men. Among the countries of Central and Eastern Europe, this income difference by gender is one of the highest. Women are financially dependent on their husbands three times more frequently than men are dependent on their wives. Women's material dependence on their husbands decreases with age, while men's dependence on their wives increases somewhat with age.

An important gender equality indicator is the participation in the decision-making process. Through the entire independence period, the proportion of women in the Estonian parliament (Riigikogu) has been below a fifth, although this figure has increased at all elections. The number of women running for the Riigikogu and local government councils has gradually grown, but women are still in a considerable minority compared to male candidates. In the second half of 2005, there were two female ministers in the 14-member government cabinet. The proportion of women has been higher in previous years, but they have generally fulfilled social-cultural functions (ministers of social affairs, culture and education).

70-80% of senior state officials (secretary generals and deputy secretaries) and 93% of county governors are men. In 2005, the majority of local municipality governors and mayors were also men (89%), while the gender distribution among local municipality secretaries was the opposite (10% men). Among representatives of judicial authority, men prevail in the higher positions of power hierarchy (84% of the Supreme Court justices are men), while the distribution of men and women in lower positions, where the salary level is lower, is equal. Unlike many other countries, there are more women than men among prosecutors in Estonia.

As a result of the Soviet heritage, the average level of education of Estonian women is higher than that of men. 62% of people with third-level education (vocational secondary education after secondary education and higher education) are women. This trend also continues among students today, with the majority of students obtaining higher education being women. It is worth noting though, that women reach high academic positions - doctors or professors - more seldom than men.

One of the most serious equality-related problems in the education domain in recent years has been the increase in the number of dropouts from basic schools. The main reasons for both boys and girls are the inability to make progress and reaching the permitted school-leav-

ing age, as well as family reasons in the case of girls (incl. marriage). The majority of dropouts are boys, whose future prospects of finding work and receiving decent wages are small.

Time usage is a common gender equality indicator in many countries. As for Estonia, it can be stated that men generally spend more time on paid work than women. However women's share of unpaid household work is much higher than that of men. Thus the amount of spare time women have during their entire lifespan is much smaller. The main reason for the gender differences in time usage lies in the traditional gender roles, according to which men primarily have the breadwinner role and women take care of the home and the family.

The high rate of violence against women also indicates gender inequality in society, reflecting structural power hierarchies. Police and court statistics do not as yet provide us with an adequate picture of violence against women¹, but surveys demonstrate that one in five women experiences violence in the course of a year. Two-thirds of all cases of violence against women take place at home. Of all cases of violence against intimate partners, women are victims nine times out of ten.

Statistical data from shelters demonstrate that besides the lack of a dwelling an important reason for women ending up at shelters is domestic violence² (31% of all cases in 2003 and 23% in 2004)³.

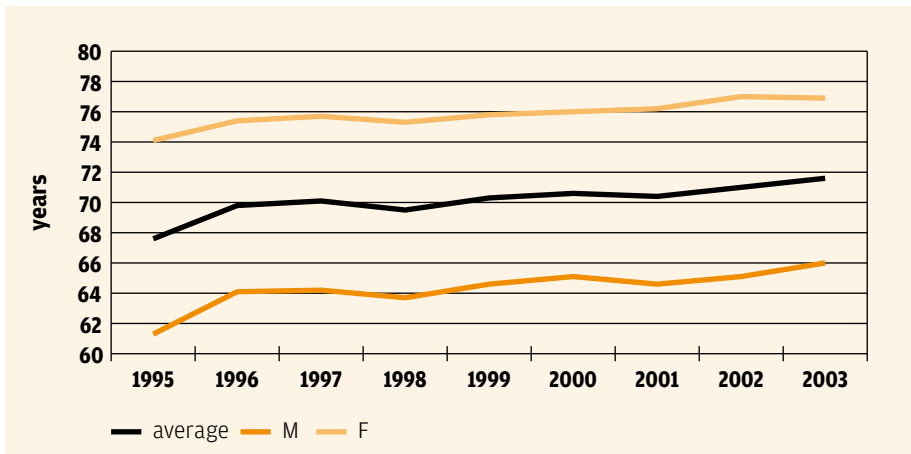
1 - The term "violence against women" means all types of gender-based violence, resulting in physical, sexual or psychological damage or suffering to women. The term covers violence committed in the family, community and in the state.

2 - The term "domestic violence" has not been defined in Estonian legislation. In terms of the statistics collected on shelters, domestic violence includes all cases of physical, sexual and psychological violence committed inside families.

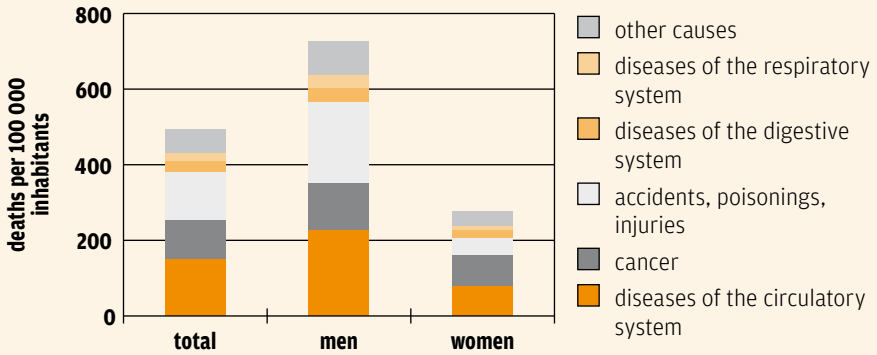
3 - The data are presented in the section "Social welfare".

Life expectancy and death rate

Average life expectancy, by sex



Death rates of people aged 0-64, by sex and cause of death, 2003



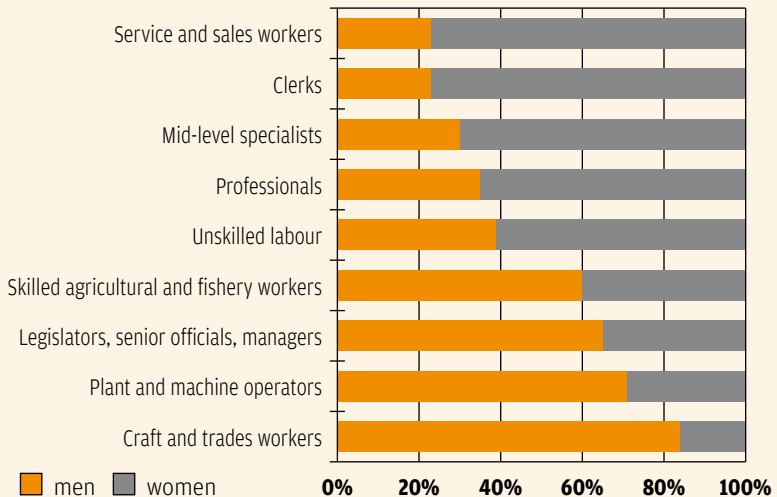
Employment

Employment impact of parenthood (age group 20-50), percentage points

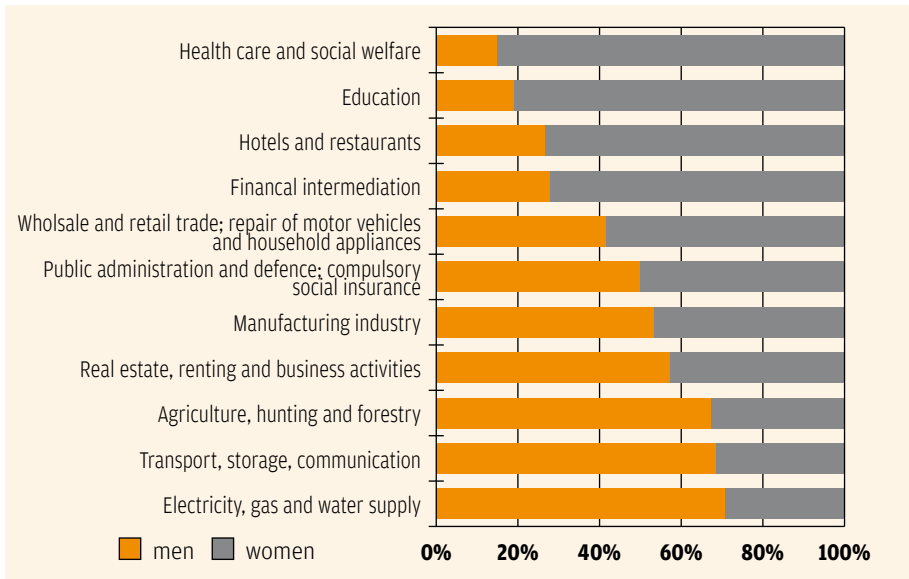
	2000	2001	2002	2003	2004
M	-12.7	-10.8	-13.0	-16.4	-7.6
F	36.6	30.2	31.7	28.8	31.3

1 - The absolute difference in employment rate without the presence of any children and with the presence of a child(ren) aged 0-6.

Employed, by occupation, 2004, %



Employed, by economic activity, 2004, %

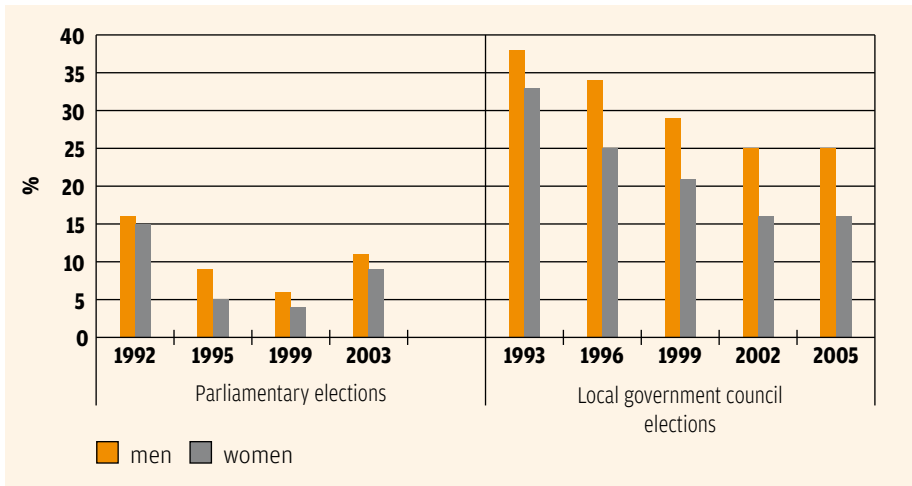


Participation in the decision making process, by sex

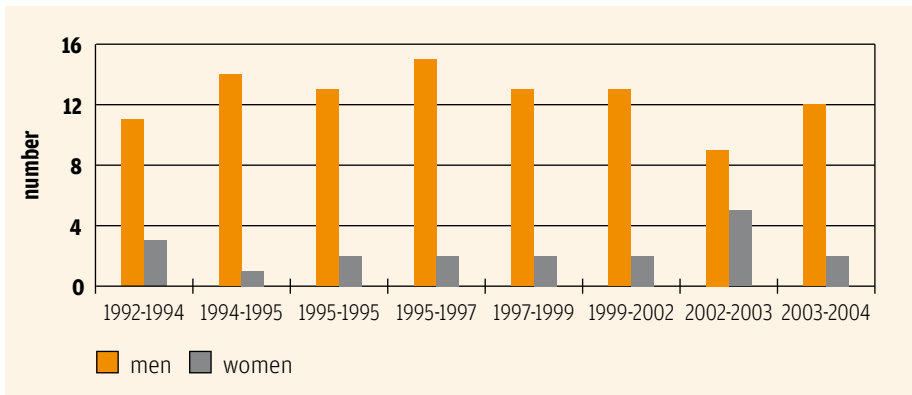
	Year	Total number		Share, %		
		M	F	M	F	
Candidates and elected members of the Riigikogu (parliament)	Candidates	1992	541	88	86	14
		1995	1 034	222	82	18
		1999	1 376	508	73	27
		2003	757	206	79	21
	Elected	1992	88	13	87	13
		1995	89	12	88	12
		1999	83	18	82	18
		2003	82	19	81	19
Candidates and elected members of the councils of local municipalities	Candidates	1993	6 436	2 535	72	28
		1996	7 454	3 674	67	33
		1999	8 240	4 562	64	36
		2002	9 464	5 739	62	38
		2005	8 893	5 763	61	39
	Elected	1993	2 469	834	75	25
		1996	2 533	920	73	27
		1999	2 404	951	72	28
		2002	2 345	928	72	28
		2005	2 191	920	70	30

Source: Estonian National Electoral Committee

Elected persons from candidates, by sex, %



Members of the cabinet, by sex



Persons elected and appointed to decision-making positions, by sex

	Total	M	F	Proportion, %	
				M	F
State level					
Members of Parliament ¹	101	82	19	81	19
Ministers (incl. the Prime Minister) ²	14	12	2	86	14
Local level					
Members of local councils ⁴	3 111	2 191	920	70	30
Mayors and local municipality governors ³	241	213	28	89	11

Cont. ►

► *Cont.*

	Total	M	F	Proportion, %	
				M	F
Chairpersons of city and local municipality councils ³	241	210	31	87	13
City and local municipality secretaries ³	241	23	218	10	90
Higher state officials⁵					
Secretary Generals	11	8	3	73	27
Deputy Secretaries	39	32	7	82	18
County Governors	15	14	1	93	7
Representatives of judicial authority⁵					
Supreme Court Justices	19	16	3	84	16
incl. Chief Justice of the Supreme Court	1	1	0	100	0
Judiciaries of first instance	46	19	27	41	59
Judiciaries of second instance	150	50	100	33	67
Prosecutors⁵					
Attorney General of Estonia	1	1	0	100	0
Leading public prosecutor	2	2	0	100	0
Leading prosecutors	4	1	3	25	75
Public prosecutors	10	5	5	50	50
Regional prosecutors	56	11	45	20	80

1 - Candidates elected at the parliamentary elections of 2003.

2 - In October 2005.

3 - In May 2005.

4 - Candidates elected at the elections of local government councils of 2005.

5 - In October 2005.

Source: Election Commission of the Republic, Ministry of Internal Affairs, Ministry of Justice, websites of ministries

Education

Population (over 10 years old) by sex and level of education, 2000

Level of education ¹	Total	M	F	Structure, %		Proportion of women, %
				M	F	
I level: primary and basic education or education level unknown	492 118	238 467	253 651	42.6	37.9	51.5
II level: secondary education, vocational education and vocational secondary education after basic education	470 836	220 140	250 696	39.4	37.4	53.2
III level:	266 093	100 828	165 265	18.0	24.7	62.1
vocational secondary education after secondary education	109 244	34 863	74 381	6.2	11.1	68.1
higher education	151 581	62 801	88 780	11.2	13.3	58.6
master's level degree	2 435	1 222	1 213	0.2	0.2	49.8
doctoral level degree/ degree of scientific candidate	2 833	1 942	891	0.3	0.1	31.5

1 - ISCED classification

Source: Population Census 2000

Personnel at educational institutions, by sex

Profession	2003				2004			
	Total	M	F	Proportion of women. %	Total	M	F	Proportion of women. %
Kindergartens and general education schools								
Kindergarten educators	7 794	25	7 769	99.7	8 003	26	7 977	99.7
Teachers in general education schools	17 927	2 550	15 377	85.8	15 974	2 263	13 711	85.8
Academic personnel								
Professor	467	391	76	16.3	481	398	83	17.3
Special professor	62	52	10	16.1	67	56	11	16.4
Docent	680	438	242	35.6	688	431	257	37.4
Lecturer	1 046	467	579	55.4	1 148	492	656	57.1
Senior teacher and teacher	568	112	456	80.3	494	129	365	73.9
Assistant	418	151	267	63.9	439	161	278	63.3
Senior researcher	308	205	103	33.4	314	199	115	36.6
Researcher	457	213	244	53.4	490	244	246	50.2

Source: Statistical Office, Estonian Education Information System

Graduates from higher education institutions in 2003/2004, by sex

	Total graduates	M	F	Proportion, %	
				M	F
Diploma studies	2 320	774	1 546	33	67
Vocational higher education	394	146	248	37	63
Applied higher education	1 768	220	1 548	12	88
Bachelor's degree studies	3 786	1 185	2 601	31	69
Integrated bachelor and master's degree studies	286	52	234	18	82
Master's degree studies ¹	1 472	451	1 021	31	69
Resident studies (registered before 2001/2002)	71	12	59	17	83
Doctoral degree studies	138	67	71	49	51
Total	10 235	2 907	7 328	28	72

1 - 1-year teacher training, internship included.

Source: Statistical Office

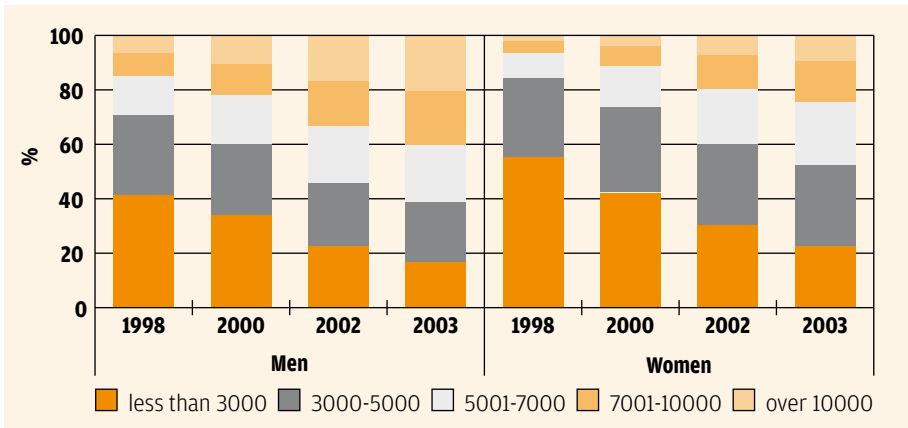
Dropouts from the basic school level, by sex

Academic year	Total	M	F	Proportion, %	
				M	F
1998/1999	899	678	221	75	25
1999/2000	998	721	277	72	28
2000/2001	1 025	762	263	74	26
2001/2002	907	673	234	74	26
2002/2003	1 145	852	293	74	26
2003/2004	959	669	290	70	30

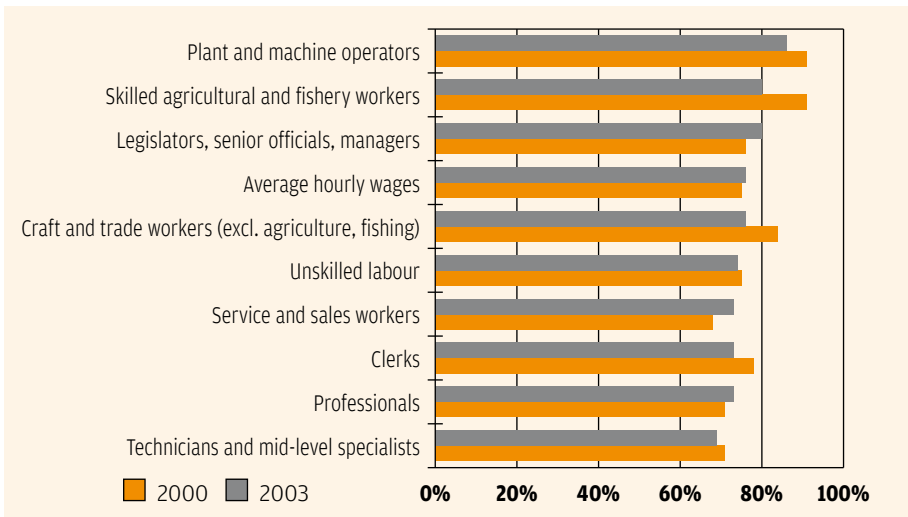
Source: Ministry of Education and Science

Material situation

Distribution of full-time workers by amount of gross wages, in October, %



Proportion of women's hourly wages of men's hourly wages, by occupation, %



Material dependence on spouse/partner, % of respondents

	Women	Men	Average
Am dependent	57	17	37
Am not dependent	40	71	56
Spouse/partner is my dependent	3	12	7
Total	100	100	100

Proportion of materially dependent persons¹ by age groups, % of those, who evaluated themselves as dependent

	Women	Men
Up to 20 years old	80	...
21-30 years old	65	6
31-40 years old	73	14
41-50 years old	59	17
Over 50 years old	23	26

1 - Respondents include only those living with a spouse or partner.

Source: Estonian Open Society Institute's gender equality monitoring survey, April 2003, 1 006 respondents.

Use of time

Average use of time in a day for everyday activities by population aged 15 and older (hours, minutes)

Main activity	All		Employed		Women compared to men (+ - hours: minutes)	
	Men	Women	Men	Women	All	Employed
Total time	24:00	24:00	24:00	24:00		
Personal activities	10:43	10:42	10:33	10:29	- 0:01	- 0:04
Paid work	4:16	3:01	5:38	4:48	- 1:15	- 0:50
Studying	0:28	0:23	0:04	0:06	- 0:05	+ 0:02
Household duties and family care	2:52	5:02	2:37	4:21	+ 2:10	+ 1:44
Volunteer work and meetings	0:20	0:17	0:19	0:15	- 0:03	- 0:04
Leisure time	5:20	4:34	4:47	4:00	- 0:46	- 0:47
Unspecified use of time	0:01	0:01	0:02	0:01	-	- 0:01

Source: Estonian Time Use Survey 1999-2000

Violence

Becoming a victim of violence¹, % of respondents

	Men	Women
Victims of violence in the last 12 months	15	20
Becoming a victim of physical and sexual ² violence by place of occurrence, %		
All places	100	100
at home	28	70
in a public place	69	30
at work	3	-
Informed the police of the last case of violence	14	10

1 - Physical, mental and sexual violence.

2 - Sexual violence only in the case of women.

Source: "Violence and women's health", Open Society Institute, 2003

HEALTH BEHAVIOUR

The World Health Organisation estimates that health depends 50% on lifestyle, 20% on genetic predispositions, 20% on the environment and 10% on medical care. This rule does not apply to every individual, but both the environment and the behaviour of individuals can be influenced to a certain extent. Thus the importance of changes in lifestyle and behaviour on people's health cannot be underestimated. According to this estimate, medical care has the smallest impact on the people's health.

Cardiovascular diseases are the main cause of death in developed countries. Compared to Western European and Nordic countries, the occurrence of these diseases at an early age, the resulting loss of capacity for work and the level of fatalities is higher in Estonia particularly among middle-aged people.

In 1995-2004, the activities aimed at preventing heart disorders were project-based and did not ensure sustainability. The national strategy for the prevention of cardiovascular diseases in 2005-2020 is aimed first of all at ensuring the strong and good health of the growing generation and the working-age population. The general objective of the strategy is to achieve a permanent decline in the number of people developing and dying of cardiovascular diseases at an early age. The strategy for the prevention of cardiovascular diseases is focused on creating conditions that would increase the proportion of physically active people, reduce unhealthy eating habits and the spread of smoking. On one hand, this means developing people's attitudes, beliefs and values and on the other hand, it means creating a health-supporting environment. In addition to activities directly aimed at reducing the spread of smoking, improving eating habits and increasing physical activity the "heart strategy" also focuses on collecting and analysing data on health behaviour and occurrence of diseases (incl. health behaviour studies).

Statistical overview

This overview has been prepared on the basis of the data from health behaviour surveys of Estonian adult population. The surveys are conducted every even year since 1990, with the National Institute for Health Development conducting the last study in 2004. The areas under investigation include self-assessment, the use of medical care, eating habits, physical activity, smoking and alcohol consumption as well as the respondents' attitudes towards health. For some areas, comparative data is presented for 2000-2004. Partly due to changes in methodology it has not been possible to present data from previous years.

With regard to people's assessment of their own health, the average assessment of health as being "good" and "quite good" has increased, indicating a positive development tendency. However, among men the proportion of those considering their health to be "poor" or "quite poor" has increased over these years. As regards women, the survey data do not indicate such a tendency.

Although 43% of men and 41% of women graded their health as “good” or “quite good” in 2004, almost a half of people aged 16-64 suffer from long-term health problems (51% of women and 46% of men). In everyday activities, health problems pose strong limitations to 8 percent and moderate limitations to 38 percent of the people.

Compared to 2000, the use of outpatient medical care (family doctor and specialist medical services) has grown among both men and women. At the same time, men seek medical care less often – according to data from 2004, 74% of women and 63% of men visited family doctors during the year. Over a half of the women and only a third of the men sought specialist medical care during the year. The number of people seeking dental care is constantly decreasing, probably due the high cost of these services and again, women seek dental care more frequently.

Almost a half of men and a fifth of women aged 16-64 in Estonia are everyday smokers. For both women and men, the proportion of smokers is the largest among people aged 35-44.

There are also big differences in the consumption of alcohol among women and men – while over 40% of men consume alcohol 2-3 times a week or more often, for women the same indicator remains under 10%. A tenth of women and a little over 7% of men did not consume any alcohol during the year.

Data received from the respondents regarding the consumption of illegal drugs show clearly that trying and consuming illegal drugs is most widespread among people aged 16-24, while the proportion of men aged 25-34 who have tried illegal drugs amounts to 25%.

Obesity, which is causing problems in developed countries, is also on the increase in Estonia. The proportion of obese people (body weight index over 30) has particularly grown among men; the trend is not as clearly evident among women. The proportions are quite similar by gender – according to research data from 2004, a little less than 15% of people aged 16-64 are obese.

The research data do not allow presenting clear positive or negative trends as regards exercise. A little over half of people aged 16-64 exercise regularly, which is somewhat less than in 2002. Women are more actively exercising – over 43% of women engage in exercise once a week or more often, while the relevant indicator for men is 42%. However, the proportion of those engaging in exercise over 4 times a week is a little higher among men.

Assessment of health status among people aged 16-64, %

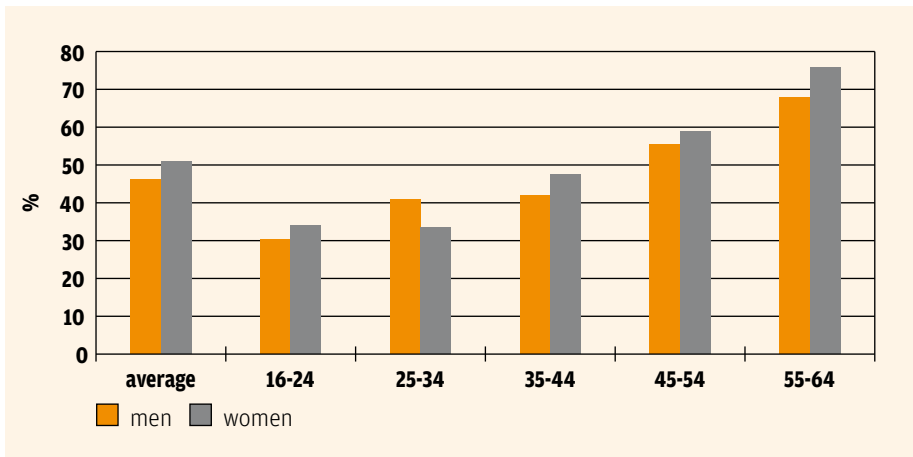
	Men			Women		
	2000	2002	2004	2000	2002	2004
Good and quite good	38.8	42.0	43.0	34.9	38.0	41.3
Average	52.1	47.0	45.2	53.1	52.1	47.9
Poor and quite poor	9.1	10.9	11.7	11.9	9.9	10.8

Proportion of people with long-term health problems among people aged 16-64, 2004¹, %

	Total	M	F
Proportion of people with long-term health problems	48.8	46.1	50.9
Proportion of people whose everyday activities have been limited in the last 6 months			
strongly limited	8.4	7.7	8.9
somewhat limited	37.9	36.7	38.8

1 - Asked for the first time in the 2004 health behaviour survey.

Proportion of people with long-term health problems by sex and age group, %



Use of medical care among people aged 16-64 (in the last 12 months), %

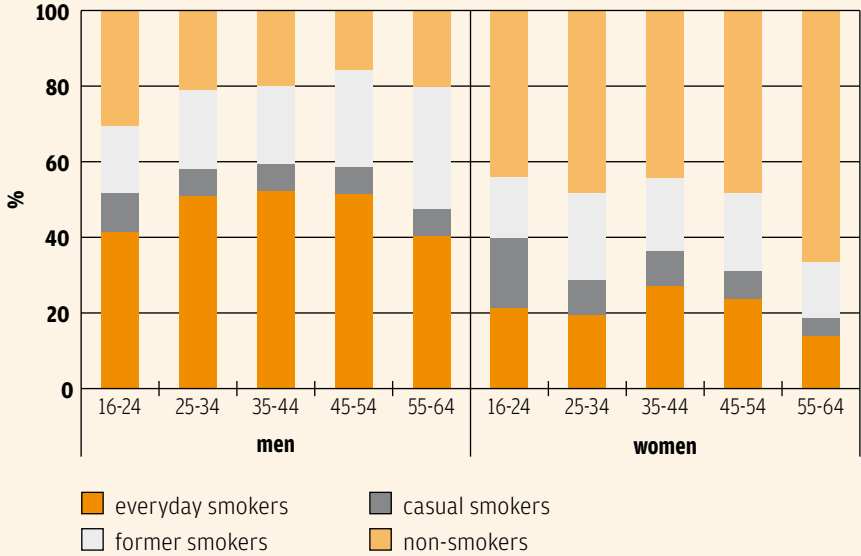
	Men			Women		
	2000	2002	2004	2000	2002	2004
Visited family doctors	50.3	56.9	63.0	60.4	65.9	74.3
Visited specialist doctors	19.3	33.0	33.8	32.3	50.7	53.4
Received hospital treatment ¹	12.8	10.3	10.4	17.0	13.3	11.4
Visited dentists	45.1	49.8	39.4	65.7	65.2	55.0

1 - In 2004, another 3.9% of men and 4.7% of women used the day-care service.

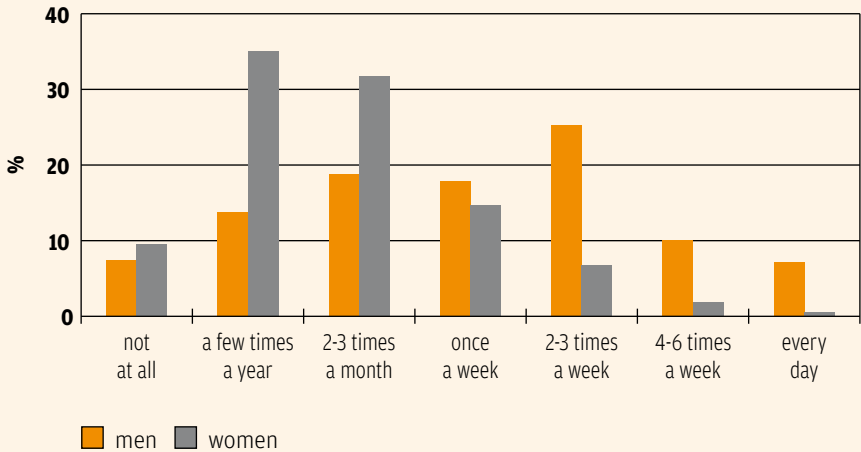
Proportion of smokers and former smokers among people aged 16-64, %

	Men			Women		
	2000	2002	2004	2000	2002	2004
Everyday smokers	45.0	43.9	47.7	20.0	17.5	21.1
Former smokers	35.1	37.2	30.6	29.0	32.2	28.4

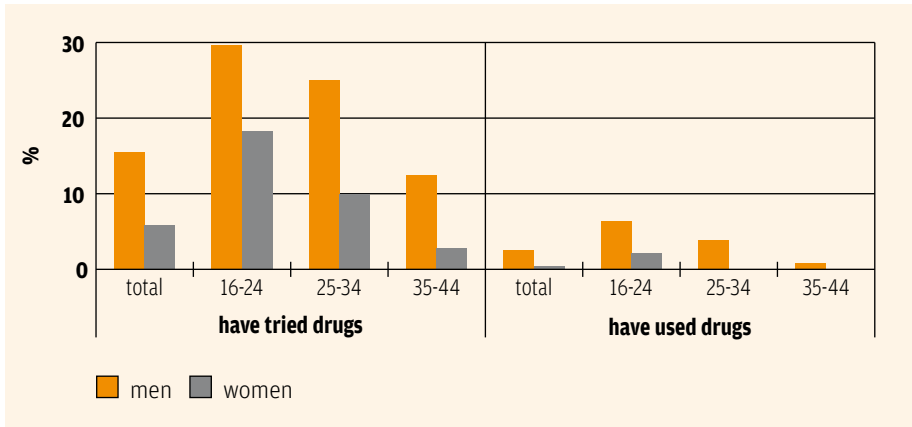
Smoking habits by sex and age, 2004, %



Frequency of alcohol consumption by sex (during the last year), 2004, %



Trying and using of illegal drugs, by sex and age, 2004, %



Proportion of obese people among people aged 16-64 (by body weight index¹), %

	Men			Women		
	2000	2002	2004	2000	2002	2004
BWI over 25	49.3	45.2	45.7	43.9	40.4	40.6
BWI over 30	11.9	11.8	13.7	15.3	14.4	14.9
Average BWI	...	...	25.3	...	...	24.8

1 - Body weight index (BWI) is calculated with the formula "body weight divided by height squared". BWI of 25-29.9 indicates moderate overweight, while BWI of over 30 indicates obesity.

Exercise among people aged 16-64 (at least for half an hour), %

	Men			Women		
	2000	2002	2004	2000	2002	2004
Every day	10.5	10.3	7.1	7.7	9.0	6.1
4-6 times a week	7.4	6.1	5.9	4.1	4.6	4.3
2-3 times a week	14.5	14.4	18.4	17.7	17.7	19.2
Once a week	8.3	12.9	11.2	9.0	13.4	13.6
2-3 times a month	12.3	13.5	9.4	12.8	13.0	10.6
Less or not at all	47.0	42.8	48.1	48.7	42.3	46.1

HEALTH CARE

Overview of legal acts

The provision of medical care is mainly regulated by the Health Services Organisation Act and the Health Insurance Act.

The Health Services Organisation Act¹ provides the organisation of and the requirements for the provision of health services, and the procedure for the management, financing and supervision of health care as well as the requirements for the registration of health care professionals. Health services are defined as the activities of health care professionals for the prevention, diagnosis or treatment of diseases, injuries or intoxication in order to reduce the malaise of persons, prevent the deterioration of their state of health or development of the diseases, and restore their health. Health care is financed mainly from funds designated for health insurance in the state budget via the Health Insurance Fund, as well as with direct allocations from the state budget, municipal and city budgets, by patients and from other sources.

The health insurance system is designed for compensating the insured persons for the cost of disease prevention and treatment, the cost of medicines and medical appliances and for paying benefits for temporary incapacity for work and other benefits. Health insurance is based on the following principles: the provision of services according to the needs of the insured persons, regional accessibility of treatment and the expedient use of health insurance funds. The Estonian health insurance system is based on the solidarity principle: in case of illness, the provision and scope of health services does not depend on the amount of social tax paid for the person in question. The Health Insurance Fund uses the social tax paid for the working population also for covering the costs of the services provided to non-working insured persons.

The compulsory health insurance applies in Estonia since 1 January 1992. Employers are obligated to pay social tax for employees, which includes 13% of gross wages for health insurance. Entrepreneurs (the sole proprietors) are obligated to pay the social tax on their business income themselves in accordance with the Social Tax Act. Insured persons are permanent residents of Estonia or persons living in Estonia under a temporary residence permit, the social tax for whom is paid by the employer or the state² or by themselves, as well as equivalent persons under the Health Insurance Act for whom social tax is not paid:

1 - This Act does not apply to the organisation of the provision of health services in the Defence Forces (except the registration of health care professionals and supervision of facilities, installations and equipment). This Act applies to the organisation of the provision of health services in prisons with the specifications resulting from the Imprisonment Act.

2 - The state pays social tax for the following persons: recipient of parental benefit; recipients of child care allowance; recipients of benefit for parents of families with seven and more children since 2005; persons who are paid caregiver's allowance pursuant to the Social Benefits for Disabled Persons Act until the persons attain pensionable age; employees with loss of capacity for work of 40% or more in certain cases; non-working accompanying spouses of diplomats and public servants serving in foreign missions of Estonia, until attaining pensionable age; conscripts in compulsory military service in the Defence Forces; non-working persons who have participated in the elimination of the effects of a nuclear disaster, nuclear test, or an accident at a nuclear power station, until attaining pensionable age; recipients of unemployment benefit; Estonian citizens or persons of Estonian nationality who have settled in Estonia from a foreign country and receive social benefits under the Social Welfare Act, and their spouses, children and parents. The Unemployment Insurance Fund pays the social tax for persons receiving unemployment insurance benefit.

- 1) pregnant women starting from the 12th week of pregnancy
- 2) children up to 19 years of age
- 3) recipients of state pension in Estonia
- 4) an insured's dependent spouse with less than five years until retirement age
- 5) students of up to 21 years of age acquiring basic education, students of up to 24 years of age acquiring general secondary education or vocational secondary education after basic education, students acquiring vocational secondary education after secondary education and permanent residents of Estonia acquiring university education in Estonian educational institutions established and operating under legal acts or in equivalent educational institutions abroad.

Uninsured persons have the right to emergency care. Emergency care means health services which are provided by health care professionals in situations where postponement of care or failure to provide care may cause the death or permanent damage to the health of the person requiring care.

The Health Insurance Fund finances outpatient and inpatient services provided to insured persons, and in certain cases also rehabilitative and nursing care and dental care services. Dental care is provided free of charge to children under 19 years of age. Free dental care services are included in the Estonian Health Insurance Fund's list of health services and are provided by health service providers with whom the Health Insurance Fund has concluded an agreement for financing treatment. Only emergency dental care is free for adults; generally, the Health Insurance Fund retrospectively compensates 150 EEK of the cost of dental care a year.

Benefit for temporary incapacity for work is financial compensation paid by the health insurance fund to an insured person on the basis of a certificate of incapacity for work in cases where the person does not receive income subject to individually registered social tax due to a temporary release from their duties. Since 1 October 2002, the benefits for incapacity for work are calculated on the basis of the insured person's income calculated on the basis of the social tax paid during the previous year. The percentage of the benefit paid of the average income per calendar day is 80% in case of illness (60% in case of hospital treatment until 1 Oct 2002), 100% in case of childbirth, occupational injury and caring for a sick child under 12 years of age at home (a child under 14 years of age until 1 Oct 2002). Benefits are paid for various periods - for up to 7 successive days in case of caring for a sick family member and quarantine, for up to 14 days in case of caring for a sick child, and generally for up to 182 days in case of illness and occupational accident. In case of certificates for sick leave, benefits are paid starting from the second day and in case of certificates for maternity leave and care leave, starting from the first day.

As regards medicinal products, the Health Insurance Fund compensates pharmacies a part of the price of medicinal products entered into the list of medicinal products. Since 1 January 2003, the Health Insurance Fund also pays the supplementary benefit for medicinal products, if an insured person has paid more than 6 000 EEK a calendar year on prescription medicines. The supplementary benefit for medicinal products helps to compensate the costs of medicinal products primarily to those insured persons, whose treatment plans

involve expensive medicinal products, who suffer from chronic diseases and therefore have to administer medicinal products for extended periods of time and in various combinations of different products. The cash expenditure incurred in relation to non-prescription medicinal products and non-subsidised prescription drugs is not taken into account when calculating the additional benefit for medicinal products.

The provision of ambulance services and the provision of emergency care to uninsured persons, as well as the formation, preservation and renewal of national security reserves of medicinal products and medical devices, expert evaluations ordered by a medical care quality commission, national health care programmes, health care related research and development, national investments under the Hospital Network Development Plan approved by the Government of the Republic and the preparedness to provide health care services in emergency situations is financed from the state budget via the Ministry of Social Affairs. The provision of health care services to imprisoned persons, the application of influencing medical agents on the basis of a court ruling, and forensic psychiatric examinations and forensic pathological examinations are financed from the state budget via the Ministry of Justice. The provision of health care services and other health care expenditure is financed from municipal budgets upon the relevant decision of the council of the local municipality.

Statistical overview

This section was prepared using the health care statistics³ collected by the Ministry of Social Affairs and data from the Health Protection Inspectorate, the Tuberculosis Registry and the Estonian Health Insurance Fund.

The main objectives of the Estonian health care reform launched in the 1990s were the reorganisation of the national funding system and the excessive hospital system, the reduction of the number of hospitals and hospital beds, the improvement of the quality and accessibility of primary services and the more efficient use of resources (incl. the introduction of the system of family doctors, or GPs). Reorganising the primary health care level was one of the main elements of the Estonian health care reform. The first changes were introduced in 1991, with re-specialisation courses in family medicine; teaching family medicine as an academic specialty was launched in the Faculty for Medicine of the University of Tartu in 1993. In the same year, the Ministry of Social Affairs recognised family medicine as a specialty and the first 25 family doctors received the relevant certificate. By the end of 2003, 803 family doctors were working in Estonia.

In 1998, new principles for financing the system of family medicine were introduced, according to which the majority of funding comes from capitation fees. The reform included the introduction of patient lists and the family doctors started operating as private proprietors under a contract with the Estonian Health Insurance Fund. By 2000, the transition to the system of family medicine had been completed in the whole of Estonia.

3 - The 2004 statistical data on health care services will be made available on the Ministry's website (at www.sm.ee under "Public health") at the end of 2005 and the health care statistics in a collection at the beginning of 2006. If no other reference to source materials has been provided, the data is collected and processed by the Ministry of Social Affairs.

An important change in health care management in recent years has been the preparation and gradual implementation of the Estonian Hospital Network Development Plan⁴. The hospital reform included joining the previously independent clinics of Tartu University into a single foundation - SA Tü Kliinikum. As a result of the health care reform in Tallinn, three institutions providing health care services were established: SA Põhja-Eesti Regionaalhaigla, AS Ida-Tallinna Keskhaigla and AS Lääne-Tallinna Keskhaigla. The number of hospitals was thus reduced from 68 in 2000 to 51 by the end of 2002.

The number of practicing doctors has remained unchanged in the recent years (2002-2003). As at the end of 2003, there were 31.7 doctors (including 5.9 family doctors) per every 10 000 inhabitants. The number of nursing specialists has grown somewhat, exceeding the all-time low of 2001 (62.8 nursing specialists per 10 000 inhabitants) by 2.4 nursing specialists per 10 000 inhabitants in 2003.

The Health Care Board's registry data shows that 60% of doctors, 47% of dentists and 43% of nursing specialists are older than 45. 10.4% of registered doctors, 9.8% of dentists and 5.5% of nursing specialists are 65 years old and older. 74% of doctors, 88% of dentists and 99% of nursing specialists are women.

An important change in health care services is a trend towards the increasing proportion of outpatient treatment. While the number of outpatient appointments a year has remained between 8 000 - 8 100 thousands (5.9-6.0 appointments per inhabitant), then the number of people who have received hospital treatment has decreased by over 19 000 since 2000 (in 2000, the average of 204.1 persons were hospitalised per every 1 000 inhabitants; in 2003 - 192.5). One factor affecting this is definitely the increased importance of the daily inpatient facilities operating at hospitals or outpatient medical care institutions.

Incidents of contracting infectious diseases and venereal diseases (viral hepatitis and syphilis) has continually decreased in the recent years. The number of HIV carriers started to grow notably in the second half of 2000 and peaked in 2001. The number of new registered HIV carriers started to decrease from 2002, with 743 new HIV carriers registered in 2004, which is about a half of the new cases registered in 2001. The number of people with AIDS has started growing, as the HIV carriers have reached the manifestation stage of the disease.

In recent years, slightly over 94 percent of the population has been covered by health insurance, which means that there are approximately 80 thousand uninsured persons in Estonia who have to pay for health care services themselves or receive only emergency care.

Health insurance expenditure has grown from year to year and amounted to 6.14 billion EEK in 2004, or 4.34% of GDP, which is higher than in two previous years.

4 - The Hospital Network Development Plan was established with a regulation of the Government of the Republic in 2003, and determines the list of regional, central, general, local and specialty hospitals for ensuring the uniform availability of health care services, and the investments for building, renovating and re-profiling the hospitals included in the list. The preparation of the development plan was organised by the Ministry of Social Affairs and it was established for 15 years.

The structure of the expenditure has changed somewhat across the years. The overall proportion of the costs of health care services in the Health Insurance Fund's expenditure has decreased (in 1995, costs of health care services formed 75%, in 2000, 71% and in 2004, 68% of the overall expenditure), primarily on account of medicinal products compensated to the insured persons, but also on account of childbirth benefits and – in the last two years – other benefits (benefit for dental care services and the additional benefit for medicinal products).

The proportion of spending on the compensation of medicinal products has ranged between 13-16% in recent years. 2004 brought a slight increase, as expenditure on the compensation of medicinal products grew by nearly 200 million EEK from 2003. There were several reasons – people were buying larger quantities of medicinal products in fear of a price increase before Estonia's accession to the European Union, and amendments to the Health Insurance Act were enforced in August 2004, establishing higher compensation rates for several groups of inhabitants.

The proportion of expenditure on benefits for temporary incapacity for work in overall expenditure has not changed significantly, amounting to 17-18% in recent years. The number of days the benefit for incapacity for work is paid for and the average benefit for one day of incapacity for work has increased.

The total health care expenditure has in recent years formed slightly over 5% of GDP (5.4% in 2004). The proportion of health insurance expenditure and local governments' expenditure in the overall health care expenditure has been on the decrease over the years, while the proportion of the state budget and the private sector is on the increase. In 2004, nearly 21% of the total health care expenditure was borne by households.

Health insurance coverage, at the end of the year

	2000	2001	2002	2003	2004
Number of insured persons	1 276 923	1 278 086	1 284 076	1 272 051	1 271 558
% of the population	93.4	93.9	94.7	94.2	94.5
incl. working insured persons	...	574 284	578 578	585 139	595 734
% of insured persons	...	44.9	45.0	46.0	46.9

Source: Health Insurance Fund

Independent health care institutions, at the end of the year

Type of institution	Number of institutions				
	1995	2000	2002	2003	2004
Total hospitals¹	83	68	51	50	51
regional hospital ²	..	..	3	3	3
central hospital ³	..	..	4	4	4
specialised hospital	18	11	5	5	6
general hospital	48	39	24	19	12
local hospital	..	..	..	..	5
rehabilitation hospital	..	..	2	3	3
nursing care hospital	8	12	13	16	18
other	9	6	-	-	-
Outpatient medical care institutions	300	540	625	697	711
general medical care institutions	...	367	439	476	479
incl. family doctor centres	...	292	435	469	471
Dental care institutions	181	364	384	426	433
Emergency care institutions⁴	...	7	7	7	7

1 - Since 2001, the number of hospitals also includes the Central Hospital for Prisons (type: general hospital).

2 - Regional hospitals: SA Tartu Ülikooli Kliinikum, SA Põhja-Eesti Regionaalhaigla and SA Tallinna Lastehaigla.

3 - Central hospitals: AS Ida-Tallinna Keskhaigla, AS Lääne Tallinna Keskhaigla, AS Ida-Viru Keskhaigla, SA Pärnu Haigla.

4 - In addition to independent emergency care institutions, emergency units also exist as subunits of other health care institutions (generally hospitals). At the end of 2003, the number of such emergency units was 18.

Practicing health care professionals¹, at the end of the year

	1995	2000	2001	2002	2003
Doctors²	4 832	4 477	4 354	4 268	4 277
incl. family doctors	104	448	557	701	803
Dentists²	929	1 034	1 108	1 077	1 127
Nursing specialists³ and other graduates of medical schools	11 416	10 095	9 942	9 985	10 268
incl. nursing specialists	9 948	8 661	8 547	8 716	8 815
Health care professionals per 10 000 inhabitants					
Doctors	33.9	32.8	32.0	31.5	31.7
incl. family doctors	0.7	3.3	4.1	5.2	5.9
Dentists	6.5	7.6	8.1	7.9	8.3
Nursing specialists and other graduates of medical schools	80.1	73.9	73.0	73.6	76.0
incl. nursing specialists	69.8	63.4	62.8	64.3	65.2

1 - Doctors, dentists, nurses and midwives, if they work in their profession and are registered in the Health Care Board. Health care professionals may offer health care services in the range of their acquired field of specialisation, for which they have been issued a certificate from the Health Care Board, verifying their registration as health care professionals.

2 - The number of practicing doctors and dentists includes interns. Since 2001, the data also includes the employees of the Central Hospital for Prisons.

3 - Incl. midwives.

Registered health care professionals¹ by sex and age, March 2005

	Doctors			Dentists			Nursing specialists			Total
	Total	M	F	Total	M	F	Total	M	F	
Total	5 049	1 296	3 753	1 304	162	1 142	10 136	107	10 029	16 489
20-24	43	12	31	44	7	37	424	13	411	511
25-29	286	77	209	148	26	122	1 123	22	1 101	1 557
30-34	445	129	316	155	15	140	1 596	24	1 572	2 196
35-39	551	161	390	174	28	146	1 367	12	1 355	2 092
40-44	728	168	560	172	29	143	1 265	7	1 258	2 165
45-49	776	197	579	143	23	120	1 193	7	1 186	2 112
50-54	660	167	493	102	12	90	1 145	7	1 138	1 907
55-59	507	117	390	102	9	93	878	5	873	1 487
60-64	525	122	403	137	4	133	587	5	582	1 249
65-69	380	88	292	92	5	87	483	5	478	955
70-74	108	35	73	23	3	20	71	-	71	202
75+	40	23	17	12	1	11	4	-	4	56
Proportion, %										
Total	100	100	100	100	100	100	100	100	100	100
20-24	0.9	0.9	0.8	3.4	4.3	3.2	4.2	12.1	4.1	3.1
25-29	5.7	5.9	5.6	11.3	16.0	10.7	11.1	20.6	11.0	9.4
30-34	8.8	10.0	8.4	11.9	9.3	12.3	15.7	22.4	15.7	13.3
35-39	10.9	12.4	10.4	13.3	17.3	12.8	13.5	11.2	13.5	12.7
40-44	14.4	13.0	14.9	13.2	17.9	12.5	12.5	6.5	12.5	13.1
45-49	15.4	15.2	15.4	11.0	14.2	10.5	11.8	6.5	11.8	12.8
50-54	13.1	12.9	13.1	7.8	7.4	7.9	11.3	6.5	11.3	11.6
55-59	10.0	9.0	10.4	7.8	5.6	8.1	8.7	4.7	8.7	9.0
60-64	10.4	9.4	10.7	10.5	2.5	11.6	5.8	4.7	5.8	7.6
65-69	7.5	6.8	7.8	7.1	3.1	7.6	4.8	4.7	4.8	5.8
70-74	2.1	2.7	1.9	1.8	1.9	1.8	0.7	-	0.7	1.2
75+	0.8	1.8	0.5	0.9	0.6	1.0	0.0	-	0.0	0.3

1 - This is different from the figures presented in the table of practicing health care professionals, as a part of the registered health care professionals do not work in health care institutions or work in foreign countries. According to reports, at least 85% of registered doctors, 86% of registered dentists and 87% of registered nursing specialists are actively practicing.

Source: Health Care Board, Register of Health Care Professionals

Average monthly wages of health care professionals by types of service providers, EEK

	Total	Hospital	Outpatient medical care		Dental care	Other ³
			General care	Specialised care		
2002 ¹ total	5 314	5 218	5 550	5 478	5 940	5 436
doctors	9 197	9 857	8 351	6 939	3 616	6 900
dentists	7 782	7 527	6 509	8 625	7 801	-
nurses	4 683	4 808	4 106	4 013	5 071	5 129
caring personnel ⁴	2 946	2 918	...	3 089	3 699	...
2003 ² total	5 888	5 736	6 685	5 940	6 120	6 553
doctors	10 689	11 354	10 097	7 850	9 068	8 485
dentists	8 475	9 078	7 906	11 061	8 172	-
nurses	5 096	5 239	4 624	4 377	4 111	5 880
caring personnel ⁴	3 195	3 174	...	2 902	4 590	...

1 - According to 910 health care institutions out of 1 222 (coverage 74.5%)

2 - According to 1,055 health care institutions out of 1 227 (coverage 86%)

3 - Institutions providing emergency, rehabilitation, diagnostics and blood supply services

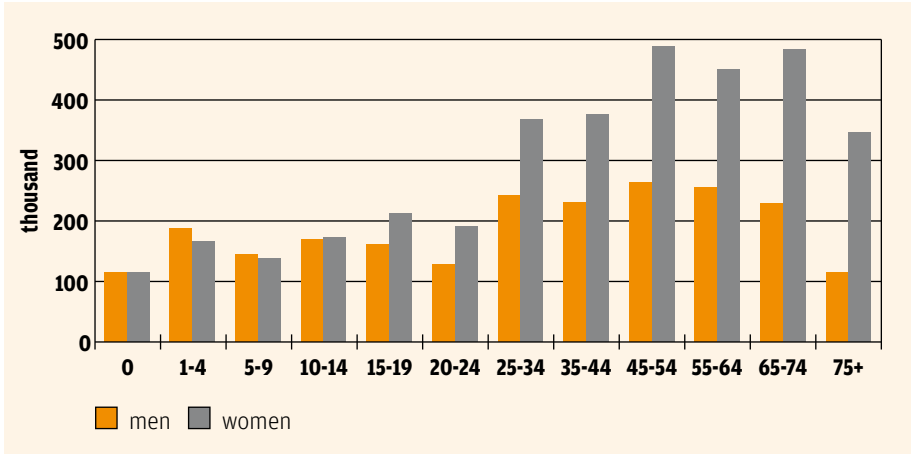
4 - Due to the very small numbers of caring personnel in institutions providing general medical care and other care data are not representative.

Outpatient medical care

	1995	1998	2000	2001	2002	2003
Number of receptions (thousand)						
Outpatient receptions by doctors	8 005	8 142	8 151	8 028	7 967	8 112
incl. receptions by family doctors	..	1 337	1 972	2 763	3 615	3 873
Home visits by doctors	689	651	503	399	292	223
incl. home visits by family doctors	..	170	197	237	248	209
Average number of visits per one family doctor position	..	4 879	4 963	5 252	4 918	5 053
receptions	..	4 330	4 512	4 837	4 602	4 795
home visits	..	549	451	415	316	258
Inhabitants per one family doctor position	..	4 467	3 127	2 383	1 727	1 673
Proportion of family doctor receptions ¹ in the overall number of outpatient receptions, %	..	16.4	24.2	34.4	45.4	47.7
Proportion of family doctor home visits ¹ in the overall number of home visits, %	..	26.1	39.2	59.5	85.0	93.5
Per 1 inhabitant a year						
Outpatient receptions by doctors	5.5	5.9	6.0	5.9	5.9	6.0
incl. outpatient receptions by family doctors	..	1.0	1.4	2.0	2.7	2.9
Home visits by doctors	0.5	0.5	0.4	0.3	0.2	0.2
incl. home visits by family doctors	..	0.1	0.1	0.2	0.2	0.2

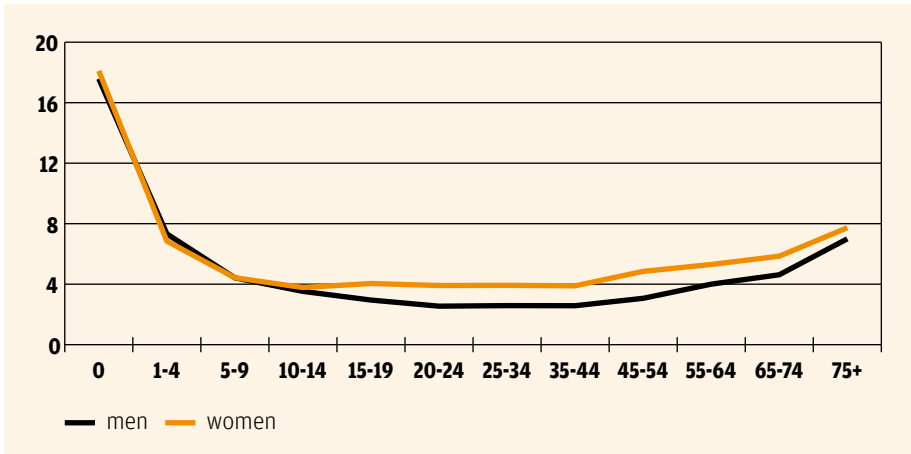
1 - The speed of transition to the system of family medicine on the primary health care level is, besides changes in the number of doctors, also characterised by an increase in the proportion of receptions and home visits by family doctors.

Number of outpatient receptions, by sex and age group, thousand, 2003



Source: Health Insurance Fund

Number of outpatient receptions per person, by sex and age group, 2003



Source: Health Insurance Fund

Emergency aid

	1995	1998	2000	2001	2002	2003
Number of persons who received emergency aid upon call (thousand)	277	225	232	242	239	233
accidents	31	28	35	39	39	37
illness	218	179	178	186	187	185
transportation of sick and prenatal persons	28	18	19	17	13	12
Number of persons who contacted emergency units themselves and received outpatient care (thousand)	49	61	54	45	29	21
Total number of persons who received aid per 1 000 inhabitants	227	205	209	211	197	188

Dental care

	1995	2000	2001	2002	2003
Total number of visits to dentists (thousand)	...	2 310	2 246	2 139	1 995
number of dental care appointments (thousand)	2 053	1 891	1 825	1 728	1 632
number of prostheses appointments (thousand)	...	298	291	281	237
number of orthodontist appointments (thousand)	...	121	130	130	126
Number of visits to dentists per one inhabitant	...	1.69	1.65	1.58	1.48
number of dental care appointments per one inhabitant	1.43	1.38	1.34	1.27	1.21

Treatment at hospitals and in day-care (incl. daily surgery)

	1995	2000	2001	2002	2003
Hospital					
Hospital beds (end of the year)	11 994	9 828	9 320	8 248	8 017
active care beds	9 528	7 600	7 082	6 118	5 950
Hospital beds per 10 000 inhabitants	84.2	71.9	68.5	60.8	59.3
active care beds per 10 000 inhabitants	60.8	55.6	52.0	45.1	44.0
Number of hospitalisations per year (thousand)	266.3	279.5	270.6	261.3	260.1
Number of hospitalisations per 1 000 inhabitants	185.4	204.1	198.3	192.3	192.5
Average number of bed days per patient	12.7	9.2	8.8	8.5	8.2
Day care (incl. daily surgery) departments¹					
Hospital beds (end of the year)	244	380	395	403	475
Hospital beds per 10 000 inhabitants	1.7	2.8	2.9	3.0	3.5
Number of hospitalisations per year (thousand)	6.2	21.0	24.9	29.5	29.5
Number of hospitalisations per 1 000 inhabitants	4.3	15.3	18.3	21.7	21.8

1 - Operating in hospitals or outpatient facilities. 51 facilities at the end of 2000, 49 in 2001, 43 in 2002 and 37 in 2003 were providing daily inpatient treatment. The decrease in the number of service providers is related to the decrease in the number of hospitals and the increase in the number of rehabilitation/nursing care service providers.

New cases of selected infectious and mainly sexually transmitted diseases

	Number of new cases						
	1995	1998	2000	2001	2002	2003	2004
Active tuberculosis	516	650	642	573	525	490	477
M	367	448	448	396	348	338	330
F	149	202	194	177	177	152	147
New cases of active tuberculosis per 100 000 inhabitants	35.9	46.9	46.9	42.0	38.6	36.2	35.4
Tick-borne viral encephalitis	175	387	272	215	90	237	182
Lyme disease	262	494	601	342	319	562	480
Viral hepatitis	487	1 986	1 070	1 090	676	542	469
acute hepatitis A	267	989	79	82	23	10	17
acute hepatitis B	154	495	437	449	244	173	127
acute hepatitis C	65	367	365	306	199	154	124
cases of hepatitis C and B per 100 000 inhabitants	15.2	62.2	58.6	55.3	32.6	24.2	18.6
Syphilis	1 034	1 050	587	418	287	234	184
Urogenital chlamydial diseases	5 348	3 916	3 805	4 283	4 114	2 972	2 691
HIV infection status	10	10	390	1 474	899	840	743
M	10	9	312	1 127	632	606	497
F	-	1	78	347	267	234	246
AIDS	4	4	3	2	4	10	27
M	4	4	3	2	4	7	17
F	-	-	-	-	-	3	10
Number of cases in outbreaks caused by microbiological food contamination per 100 000 inhabitants	2.5	0.9	9.9	6.3	9.3	-	0.7

Source: Tuberculosis Registry and the Health Protection Inspectorate.

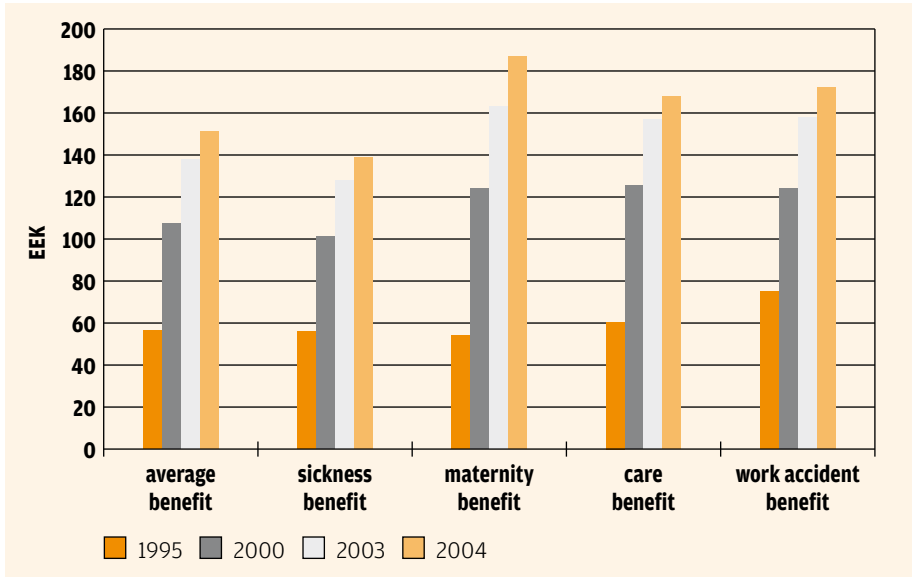
Number of days covered by the benefit for temporary incapacity for work¹

Indicator		1995	2000	2002	2003	2004
Number of days covered by the benefit for temporary incapacity for work (thousand)	Total	6 755	6 763	6 411	6 717	7 321
	sickness benefit days	4 882	4 819	4 504	4 733	5 222
	care benefit days	817	614	558	585	624
	occupational accident benefit days	84	157	172	146	119
	maternity benefit days	857	1 066	1 178	1 253	1 356
Number of days covered by the benefit for temporary incapacity for work per 1 employed person	Total	10.3	11.8	10.9	11.3	12.3
	sickness benefit days	7.7	8.4	7.7	8.0	8.8
	care benefit days	1.2	1.1	1.0	1.0	1.0
	occupational accident benefit days	0.1	0.3	0.3	0.2	0.2
Number of days of temporary incapacity for work per one certificate of temporary incapacity for work	sickness benefit	13.2	12.9	13.0	12.4	12.7
	care benefit	10.3	8.8	8.7	8.5	8.5
	occupational accident benefit	30.0	22.7	22.7	21.3	20.3
	maternity benefit	70.3	100.6	95.5	111.5	117.6

1 - Since no benefit is paid for the first day of sick-leave of an insured person, the number of workdays actually lost due to temporary incapacity for work is somewhat higher.

Source: Health Insurance Fund

Average benefits for temporary incapacity for work per one day of incapacity for work



Health insurance expenditure, million EEK

	1995	1998	2000	2002	2003	2004
Total health insurance benefits	1 967.3	3 560.7	4 050.8	4 647.9	5 292.2	6 137.0
Non-monetary benefits	1 587.1	2 899.0	3 325.0	3 828.6	4 368.3	5 035.0
medical treatment ¹	1 476.6	2 539.5	2 881.0	3 097.2	3 615.7	4 098.8
subsidised medicinal products	110.5	359.5	444.0	731.4	685.1	863.8
Cash benefits	380.2	661.7	725.8	819.3	991.4	1 174.4
Benefits for temporary incapacity for work	380.2	661.7	725.8	819.3	923.9	1 102.0
sickness benefit	271.4	455.8	488.1	529.8	604.2	723.5
care benefit	49.4	81.0	77.0	82.3	91.9	104.9
maternity benefit	46.3	100.4	132.3	182.0	204.7	253.2
occupational accident benefit	6.3	8.6	19.5	25.2	23.1	20.4
benefits on personal application	6.9	14.0	-	-	-	-
other benefits (transfer to easier work) ²	-	1.9	8.9	..	..	..
Other cash benefits ³	-	-	-	-	67.5	72.4
Percentage of health insurance benefits of GDP	4.57	4.56	4.36	3.98	4.16	4.34
Operating expenses of the Health Insurance Fund (million EEK)	21.6	33.3	46.9	82.9	86.6	80.1

1 - Expenditure on medical services, prevention of diseases, health promotion, long-term care, dental care services, benefits for auxiliary devices and costs related to foreign agreements.

2 - Included under sickness benefits since 2002.

3 - Benefit for dental care services for adults and supplementary benefit for medicinal products

Source: Health Insurance Fund

Health care financing from the state budget¹, million EEK

Functions	2000	2001	2002	2003
Health care expenditure	431.2	438.5	485.3	598.7
Medical services	87.5	91.2	95.1	76.1
incl. emergency medical aid to uninsured persons	72.0	77.1	76.3	69.3
Rehabilitative care (subsidised rehabilitation vouchers)	5.7	1.0	2.0	8.8
Long-term nursing care (home care for cancer patients)	0.3	0.3	-	-
Ancillary health care services	126.0	141.4	145.3	172.8
incl. support to emergency medical aid	122.5	139.5	144.6	169.0
Medical products, medicines and auxiliary aids for outpatients	49.5	53.3	52.4	75.6
incl. medicines and medical products	26.3	28.1	26.2	60.0
incl. medicines ²	23.8	20.6	18.0	34.0
Disease prevention and public health programme	23.5	31.4	34.6	59.9
Health care administration	62.1	76.5	101.8	175.9
Capital expenses	76.6	43.4	54.1	29.7
Functions related to health care	110.6	95.1	98.3	106.3
Teaching and training health care professionals	16.9	0.2	0.2	0.6
Health care related research and development	22.0	18.2	17.7	5.9
Food, hygiene and drinking water inspection	19.2	37.3	35.3	18.5
Environmental monitoring	19.1	0.1	0.1	7.2
Non-monetary benefits for coping with a disease or disability	11.8	7.1	8.0	7.3
Administration of health care related cash benefit system and the payment of benefits	21.7	32.3	37.0	41.1
Total expenditure on health care and related functions	541.8	533.6	583.6	675.3
Percentage of state budget health care expenditure				
of GDP	0.47	0.42	0.42	0.48
of the state budget	1.89	1.79	1.70	1.71

1 - This table is compiled on the basis of OECD classification of health care functions ICHA-HC, which is used for calculating the total health care expenditure. The methods were made more specific in 2003, when the health care expenditure in the administrative area of the Ministry of Foreign Affairs and the Ministry of Finance was included in the calculation of the health care expenditure for the state budget. The figures from previous years have been recalculated.

Total health care expenditure¹, million EEK

	2000	2001	2002	2003
Total health care expenditure	5 145.5	5 353.8	5 958.8	6 830.8
Percentage of total health care expenditure of GDP	5.54	5.13	5.10	5.36
Sources of financing, %	100	100	100	100
national health insurance	66.0	67.0	65.6	65.2
state budget	8.4	8.2	8.1	8.8
local government	2.0	2.6	2.6	1.5
private sector:	23.3	22.2	23.7	24.5
households	19.7	18.8	19.9	20.7
insurance	1.0	1.1	1.0	1.0
employers	2.6	2.3	2.8	2.7
foreign aid, loan	0.3	-	-	-

1 - Calculated using OECD methodology.

OLD AGE, DISABILITY/LOSS OF WORKING CAPACITY, SURVIVORS

This section is based on the State Pension Insurance Act, the Superannuated Pensions Act, the Funded Pensions Act and the Social Benefits for Disabled Persons Act and statistical data from the Social Insurance Board, AS Eesti Väärtpaberikeskus (Central Register of Securities) and the Financial Supervision Authority.

Overview of legal acts

In case of old age, incapacity for work and loss of provider, a person's income is ensured by the state pension insurance. The state pension is a monthly social insurance benefit in the case of old age, incapacity for work or loss of a provider which is based on the principle of solidarity and which is paid from the funds allocated for the expenditure of state pension insurance in the state budget. The types and extent of state pensions, the conditions and procedure for the eligibility and receiving of state pensions, the organisation of state pension insurance and the calculation of funds for state pension insurance is established in the State Pension Insurance Act applicable since 2000. Until 2000, the pensions were granted and paid in accordance with the State Allowances Act. The types of state pension are old-age pension¹, pension for incapacity for work, survivor's pension and national pension. Permanent residents of Estonia and aliens residing in Estonia on the basis of temporary residence permits have the right to receive all the above mentioned types of pensions (the conditions for receiving different types of pension differ).

Persons who have attained 63 years of age and whose length of pensionable service earned in Estonia is at least 15 years, have the right to receive an old-age pension. The age limit established by law is applicable for men since 2001, while for women it will start applying from 2016. In order to gradually making the pensionable age of men and women equal, the right of women born between the years 1944 and 1953 to receive an old-age pension arises, before attaining the provided age, at the following ages:

Year of birth	Age	Year of attaining pensionable age	Year of birth	Age	Year of attaining pensionable age
1944	58.5	2003	1949	61	2010
1945	59	2004	1950	61.5	2011/2012
1946	59.5	2005/2006	1951	62	2013
1947	60	2007	1952	62.5	2014/2015
1948	60.5	2008/2009	1953	63	2016

1 - An old-age pension consists of three components: the base amount, a component calculated on the basis of years of pensionable service and an insurance component. The amount of the component calculated on the basis of years of pensionable service equals the number of years of pensionable service multiplied by the value of a year of pensionable service and the amount of the insurance component equals the sum of the annual factors of an insured person (§ 12) multiplied by the value of a year of pensionable service. The years of pensionable service are calculated up to 31 December 1998. The years of pensionable service and the insurance component is calculated for insured persons, who in accordance with the Social Tax Act have paid social tax themselves or for whom there was/is an obligation to pay social tax after 1 January 1999. In order to calculate the annual factor of an insured person, the amounts of the state pension insurance part of individually registered social tax calculated for the insured person shall be totalled and divided by the average amount of the state pension insurance part of the individually registered social tax in the given calendar year. Since 1 April 2002, the state pensions calculated are indexed by an index the value of which is the arithmetic mean of the yearly increase of the consumer price index and the yearly increase in receipt of the pension insurance part of social tax.

Old-age pensions are granted for life and are also paid to working pensioners.

According to the State Pension Insurance Act, it is possible to receive an early-retirement pension since 2000 and a deferred old-age pension since 2002. A person who has earned the pension qualifying period required for eligibility for an old-age pension has the right to receive an early-retirement pension up to three years before attaining the pensionable age. A deferred old-age pension is an old-age pension which is granted at a later age than the pensionable age. A person has the right to receive a deferred old-age pension at any time after their right to receive an old-age pension arises. An early-retirement pension is calculated by reducing the pension by 0.4 per cent for every month and a period shorter than a month which remains until the person attains the pensionable age. A deferred old-age pension is calculated by increasing the pension by 0.9 per cent for every month which has passed after the person has attained the pensionable age.

The following persons have the right to receive a pension for incapacity for work: persons at least 16 years of age who have been declared permanently incapacitated for work² with 40 to 100% loss of capacity for work and who have – depending on their age – earned the pensionable period required by law for eligibility for a pension for incapacity for work. For instance, persons aged 60-62 applying for a pension for incapacity for work are required to have a pension qualifying period of at least 14 years, while there is no requirement for length of service for persons aged 16-20. Similarly, there is no requirement for length of service, if the permanent incapacity for work is caused by an occupational injury or disease identified on the basis of Estonian legal acts. Persons declared permanently incapacitated for work are granted a pension for incapacity for work until attaining pensionable age.

The extent of the loss of capacity for work (for the payment of the pension for incapacity for work) and the degree of severity of disability are determined by the medical examination commission operating at the Social Insurance Board. Until 2000, invalidity groups were determined for both working-age and retirement-age people. Since 1 April 2000, the percentage of loss of capacity for work is determined mainly for working-age people (in case of occupational accidents and diseases and violent crimes also for people aged under 16 and in retirement age).

2 – There are two degrees of permanent incapacity for work: total incapacity for work and partial incapacity for work. A loss of 100 per cent of the capacity for work corresponds to total incapacity for work and a loss of 10-90 per cent of the capacity for work corresponds to partial incapacity for work. Permanent incapacity for work, the time at which permanent incapacity for work arises and the reason for and duration of permanent incapacity for work shall be established by a medical examination for incapacity for work. A person may be declared permanently incapacitated for work for a period of six months, one year, two years, five years or until attainment of a pensionable age, but not for longer than five years. The duration of permanent incapacity for work is determined on the basis of the severity of the person's illness or injury, the functional condition of the organism and the rate of changes therein, subsequent forecasts and rehabilitation possibilities. Upon continued incapacity for work a re-examination is performed. The highest of the following old-age pensions shall be the basis for calculation of a pension for incapacity for work: the old-age pension of a person who is permanently incapacitated for work calculated on the basis of years of pensionable service and the sum of the annual factors or the old-age pension if the person has completed thirty years of pensionable service. A pension for incapacity for work is calculated on the basis of a percentage corresponding to the loss of capacity for work. If a pension calculated pursuant to the procedure provided above is less than the national pension rate, the pension for incapacity for work shall be paid at the national pension rate.

Upon the death of a provider, dependent family members have the right to receive a survivor's pension³. The right of the provider's children, parents and the widow or widower to receive a survivor's pension does not depend on whether they were the dependents of the provider. A survivor's pension is granted on the basis of the provider's pension qualifying period earned in Estonia (on the same grounds with the pension for incapacity for work). If the provider's death is caused by an occupational injury or disease, no requirement for length of service is set when granting a survivor's pension.

The following persons have the right to receive a national pension⁴: persons who have attained 63 years of age and who do not have the right to receive another type of pension and who have been permanent residents of Estonia or have resided in Estonia on the basis of a temporary residence permit for at least five years immediately before making a pension claim. Superannuated pensions are granted to workers and specialists in occupations, which involve a loss or reduction of professional capacity for work before attaining pensionable age, preventing continued working in the given field or position (e.g. police officers, investigators and chief investigators, fire fighters and employees of penal institutions, some mining and excavation workers; some categories of aviation workers etc.). Eligibility for and payment of superannuated pensions is governed by the Superannuated Pensions Act. Superannuated pensions are in the presence of conditions established in the above mentioned Act to persons with at least 15 years of pensionable length of service earned in Estonia.

As the state pension insurance system is not sustainable in the light of the rapid ageing of the population and the decrease of the working-age population, a compulsory funded pensions system was launched in 2002. This enables persons who have made contributions to the funds to receive extra income to the state pension insurance at retirement age. Joining the compulsory funded pensions system (pillar II) is voluntary for those born before 1983 and compulsory for those born in 1983 or later. Funded pension contributions consist of two parts: a 2% payment withheld from the employee's monthly gross wages and a payment made by the state on the social tax payable, amounting to 4% of the employee's monthly gross wages. The contribution to the state pension insurance funds (pillar I) is thereby reduced. Persons receiving parental benefits under the Parental Benefit Act are allocated another 1% of the benefit amount per every born child from the state budget in order to make payments to the pension fund. Additional contributions to the pension fund are made for every person during the parental benefit period starting after the benefit is granted.

The additional funded pension system (pillar III) is voluntary and contributions are made by the employees themselves. It is possible to determine the amount of payments, to increase or reduce the saved amount as possible and necessary, to temporarily suspend payments and to withdraw some of the monies before retiring. The additional funded pension contributions are exempt from income tax in the extent of 15% of the taxpayer's income in a given taxation period.

3 - A survivor's pension is calculated based on the old-age pension taken as basis for calculation at the following rates: to three or more family members - 100%, to two family members - 80%, and to one family member - 50%.

4 - The amount of pension is 100% of the national pension rate. Family members who have lost a provider are paid a national pension depending on the number of family members as follows: in case of three and more family members - 100% of the national pension rate; in case of two family members - 80% of the national pension rate; in case of one family member - 50% of the national pension rate.

The Social Benefits for Disabled Persons Act supports the independent coping and social integration of and equal opportunities for disabled people⁵ by partially compensating additional costs arising out of the disability. This Act establishes the types and amounts of social benefits and the procedure for the eligibility and disbursal. Social benefits for disabled persons are calculated on the basis of the rate of social benefits for disabled persons, which is established by the Parliament for every year by the state budget. Social benefits for disabled persons are granted and paid to permanent residents in Estonia or persons living in Estonia on the basis of a temporary residence permit in case of moderate, severe or profound disabilities for compensating additional expenses arising out of the disability and for activities established in the rehabilitation plan, but excluding activities financed from the health insurance funds and other state budget funds. The Social Benefits for Disabled Persons Act was partially enforced in 2000 and fully enforced in January 2001. The types of social benefits to disabled persons are the disabled child allowance, disabled adult allowance, care-giver's allowance, disabled parent allowance, education allowance, rehabilitation allowance and in-service training allowance. The procedure of paying the disabled adult care-giver's allowance was changed on 1 April 2005. Pursuant to an amendment to the Social Welfare Act, the funds for the disabled adult care-giver's allowance formerly paid via the Social Insurance Board were transferred to local governments. This reorganisation changed the place of payment of benefits to people caring for disabled persons and the local governments may now perform pre-assessments and decide to offer other services instead of the care-giver service, or offer both options simultaneously. The payment of the care-giver's allowance was changed in order to ensure better availability of assistance for disabled people and to expand the possibilities of local governments to organise the welfare of disabled people needing assistance.

Statistical overview

The State Pension Insurance Act enforced in 2000 considerably changed the basis for granting pensions and thus the number of recipients of pension by types of pension. Therefore the number of persons receiving pensions since 1 January 2001 by types of pension cannot be compared to previous years, but it does help in assessing the internal changes inherent in the pension reform. Disabled persons in pensionable age generally started receiving an old-age pension, and working-age disabled people started receiving a pension for incapacity for work. Therefore the number of old-age pensioners grew considerably during 2000 (by 13 thousand, or 4.6%) and the number of persons receiving a pension for incapacity for work decreased (by approximately 35%). Due to the changes among these two important pension types, the proportion of old-age pensioners grew by the beginning of 2001 to 79.7 percent of all the persons receiving a pension (75% at the beginning of 2000), while the proportion of persons receiving a pension for incapacity for work decreased from 17.6 percent to 11.6 percent. The number of persons receiving a pension for incapacity for work

5 - Disability is determined regardless of a person's age and the main criteria in determining the degree of severity are the extent of outside assistance and the amount of additional expenses arising out of the disability. Since 2002, a rehabilitation plan is prepared for every child and, if necessary, for adults before making the expert decision regarding the disability. The rehabilitation plan is used for providing state-financed rehabilitation services in order to ensure as high a level of independent coping for the disabled person as possible. (Statistical data on the provision of rehabilitation services is presented in the section "Social Welfare".)

started gradually growing again since 2001, reaching 59.2 thousand by the beginning of 2005 (15.5% of all persons receiving a pension). This growth has occurred mainly on account of persons with the lowest loss of capacity for work percentage (loss of capacity for work 40-70%). Since the beginning of 2001, the number of such pensioners has grown by 11.5 thousand. As a result of this, the proportion of pensioners with a 40-70% loss of capacity for work among all persons receiving a pension for incapacity for work had by the beginning of 2005 grown to 44.7 percent (34.5% at the beginning of 2001).

People started immediately making active use of the option of early-retirement pension established with the Pension Insurance Act. When in 2000, this option was used by 2 349 people, then at the beginning of 2005 the number of persons using the early-retirement option had grown to 9 437 persons, which is 3.2% of old-age pensioners. The growth of the number of early-retirement pensioners is presumably affected by the higher level of unemployment among the pre-retirement age group and smaller chances of finding employment as compared to other unemployed people.

The proportion of pension insurance expenditure in GDP has since 2000, when the State Pension Insurance Act replaced the State Allowances Act, remained between 6.5-7.0%. The actual pension payments have grown by more than 42%, or by 2.7 billion EEK over this period (in 2000, nearly 6.5 billion EEK was paid in pensions and in 2004 - 9.2 billion EEK). This has been affected mostly by the increase of the average old-age pension and the increase in the number of old-age pensioners.

By the end of 2004, 426.8 thousand people had joined the compulsory funded pensions system and 68.5 thousand people had joined the additional funded pensions system.

According to medical examination data, disability was determined for the first time for a little over 18 thousand persons in 2004. There is a slight increase from 2003, but no general trend can be pointed out. In recent years, 5-6 percent of the cases involve children aged up to 15 years, a little over 30 percent of the cases involve people aged up to 62 (working-age) and over 60 percent of the cases involve people aged over 63. Nearly half of them were diagnosed with a severe disability - meaning that they need outside assistance, instruction or supervision every day.

Social benefits for disabled persons are paid to the total of about 100 000 people. The number of persons receiving the disabled adult benefit and the caregiver's benefit for caring for disabled persons aged 16 and older has grown in recent years.

Average pension amounts, on 1 January¹, EEK

Type of pension	1995 ¹	1998 ¹	2000	2001	2002	2003	2004	2005
Old-age pension	670	1247	1551	1552	1620	1832	2072	2302
early-retirement old-age pension	-	-	-	1316	1328	1471	1657	1828
deferred old-age pension	-	-	-	-	-	1766	2061	2345
special state pension ²	-	-	...	...	...	5548	5903	6093
Superannuated pension³	501	827	1083	1118	1250	1430	1651	1887
Pension for incapacity for work⁴	536	902	1141	1057	1037	1111	1244	1367
I group; 100% loss of capacity for work	...	...	1381	1281	1310	1459	1664	1849
II group; 80-90% loss of capacity for work	...	...	1238	1160	1133	1194	1346	1499
III group; 40-70% loss of capacity for work	...	...	817	826	831	907	1004	1101
Survivor's pension								
per family receiving pension	685	1250	1280	1138	1078	1031	1001	1136
with one family member	...	...	853	836	808	812	751	920
with two family members	...	...	1670	1612	1514	1362	1374	1534
with three and more family members	...	...	2832	2662	2444	2109	2092	2128
per family member receiving pension	447	692	843	815	778	705	707	822
National pension								
per family receiving pension	375	630	800	954	945	1043	982	987
due to old age	-	-	...	947	936	965	984	1019
due to incapacity for work	-	-	...	978	907	860	837	832
families that have lost provider	-	-	...	619	1046	1164	1053	1072
per family member receiving pension	-	-	800	941	872	839	808	829

1 - Calculated on the basis of the sum of monthly pensions granted to pensioners and the number of registered pensions (excl. the data for 1995 and 1998 - annual means).

2 - Pensions granted from the state budget to police officers, State Audit Office employees, judiciaries, prosecutors and the Chancellor of Justice.

3 - Pensions granted to certain occupation groups on the basis of the Superannuated Pensions Act and pensions granted to regular members of the Defence Forces with sufficient length of service on the basis of the Defence Forces Act.

4 - Until 2000 (incl.) granted and paid according to invalidity group.

The base amount of pension, the value of a year of pensionable service and the national pension rate, EEK

Date of enforcement	Base amount of pension	Value of a year of pensionable service	National pension rate	State pension index ¹
01.04. 2000	410	26.24	800	-
01.04. 2001	410	27.40	800	-
01.01. 2002	410	27.85	800	-
01.04. 2002	444	30.19	867	1.084
01.07. 2002	444	31.69	867	
01.04. 2003	477	34.04	931	1.074
01.07. 2003	577	34.04	931	
01.04. 2004	664	37.31	990	1.063
01.04. 2005	708	39.31	1056	1.067
01.07. 2005	858	42.83	1156	

1 - Since 1 April 2002, the state pensions calculated are indexed by an index the value of which is the arithmetic mean of the yearly increase of the consumer price index and the yearly increase in receipt of the pension insurance part of social tax.

Average social tax for calculating the annual factor of the insured person, EEK

Year	Average amount of individually registered social tax ¹ , per year	Average wages calculated on the basis of social tax, per month
1999	14 891	3 760
2000	16 606	4 193
2001	18 445	4 658
2002	20 778 / 12 593 ¹	5 247
2003	13 977 ¹	5 824
2004	15 353 ¹	6 397

1 - Since 2002, the average amount of the pension insurance part of individually registered social tax is 20% (the average amount of social tax shown for 1999-2001 is 33%).

Number of persons receiving state pension, by type of pension, on 1 January

Type of pension	1995	1998	2000	2001	2002	2003	2004	2005
Total pension recipients¹	381 709	374 085	379 292	372 972	376 549	377 136	377 343	381 096
M	...	126 291	129 402	124 885	131 518	134 087	135 938	138 480
F	...	247 794	249 890	245 087	245 031	243 049	241 405	242 616
Recipients of old-age pension	302 099	286 198	284 327	297 363	298 490	296 836	294 063	294 736
old-age pensioners	302 091	286 188	284 305	297 315	298 432	295 920	293 032	293 606
receiving early-retirement pension	-	-	-	2 349	4 620	6 274	7 715	9 437
receiving deferred old-age pension	-	-	-	-	-	91	168	256
recipients of special state pension	8	10	22	48	58	916 ²	1 031	1 130
Recipients of superannuated pension	4 168	3 567	3 240	3 369	3 386	2 839	2 820	2 821
Recipients of pension for incapacity for work³	52 339	59 938	66 814	43 394	47 140	51 339	55 480	59 174
I group; 100% loss of capacity for work	6 860	7 163	7 496	4 449	5 449	6 644	7 538	7 830
II group; 80-90% loss of capacity for work	33 402	37 725	41 098	23 994	23 560	23 636	24 297	24 890
III group; 40-70% loss of capacity for work	8 392	10 573	13 468	14 951	18 131	21 059	23 645	26 454
disabled children	3 685	4 477	4 752	..	..	..	..	..
Recipients of survivor's pension								
families	15 810	15 267	15 318	15 712	14 017	8 183	7 924	9 312
with one family member	...	...	8 769	11 260	10 081	5 727	5 410	6 634
with two family members	...	...	3 827	3 224	2 855	1 863	1 932	2 061
with three and more family members	...	...	1 722	1 228	1 081	593	582	617

Cont. ►

► *Cont.*

Type of pension	1995	1998	2000	2001	2002	2003	2004	2005
family members	21 283	22 476	23 256	21 936	19 429	11 960	11 613	13 131
Recipients of national pension¹								
families	1 787	1 906	1 655	6 816	7 481	11 931	11 012	9 438
due to old age	-	-	...	3 490	3 221	3 024	3 382	3 182
due to incapacity for work	-	-	...	3 167	2 908	2 536	2 553	2 644
families that have lost provider	-	-	...	159	1 352	5 831	5 077	3 612
family members	-	-	1 655	6 910	8 104	14 162	13 367	11 234
Proportion of pensioners in population, %	26.4	26.9	27.6	27.3	27.7	27.8	27.9	28.3

1 - For all types of pensions, the number of persons receiving pension has been taken into account.

2 - The number of persons receiving special state pension increased with the introduction of special state pensions for police officers since 2002.

3 - Until 2000, invalidity groups were determined. Since 1 April 2000, the percentage of loss of capacity for work is determined.

4 - Persons receiving national pension due to age and incapacity for work; and in case of loss of provider the family members incapable of work to whom national pension has been granted. Due to an amendment to law in 2003, some of the recipients of survivor's pension started receiving national pension.

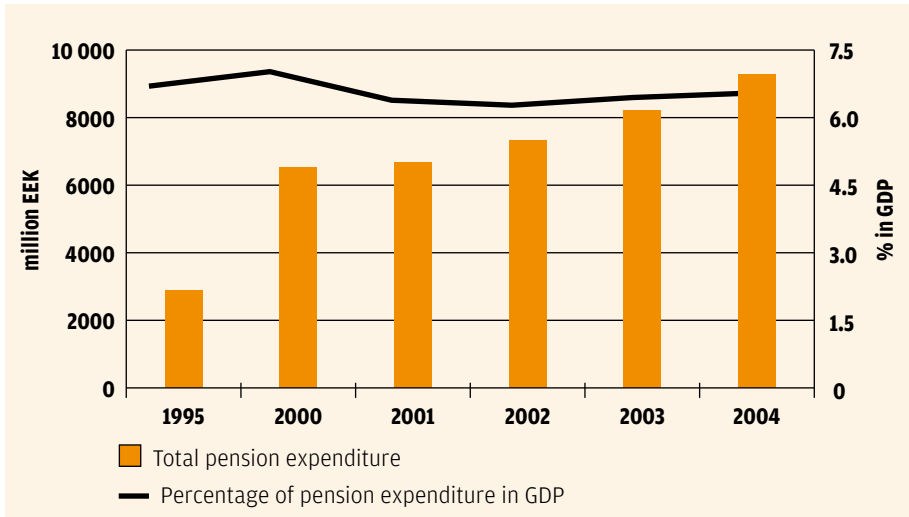
State pension insurance expenditure, million EEK

	1995	2000	2001	2002	2003	2004
Old-age pension	2 388.9	5 467.8	5 704.2	6 309.2	7 049.0	7 938.5
Pension for incapacity for work	340.5	663.3	578.4	655.9	794.6	931.6
Survivor's pension	107.7	229.4	206.0	156.0	102.8	122.1
Superannuated pension	19.3	36.9	43.8	44.4	48.6	56.9
National pension	7.2	67.3	77.3	105.7	141.1	125.8
Parliamentary pension, President's occupational pension ¹	2.0	9.1	11.5	14.4	18.1	24.4
Total pension expenditure	2 865.6	6 473.8	6 621.1	7 285.6	8 154.2	9 199.3
pensions funded from social tax	...	6 214.3	6 364.1	6 962.5	7 762.8	8 789.9
pensions and pension supplements funded from the state budget ²	...	259.5	257.0	323.1	391.4	409.5
Proportion of pension expenditure. %						
of GDP	6.65	6.97	6.34	6.23	6.40	6.50
of state budget	...	22.69	22.22	21.22	20.62	19.32

1 - These pensions are paid from the budgets of the Office of the President and the Parliament. These figures include old-age pensions to MPs (75% of the salary) and survivor's pensions to family members of MPs (30% of the salary per every family member incapable of work) and the President's occupational pension (75% of the salary). The parliamentary old-age pension is not paid to MPs during their time in office.

2 - Various pensions and pension supplements are funded from the state budget: national pension, pensions to various officials (judiciaries, prosecutors, State Audit Office employees, the Chancellor of Justice, members of the Defence Forces, police officers, members of Parliament, the President) as well as pension supplements paid on the basis of the length of services and other pension supplements (incl. to officials).

Pension expenditure and percentage of GDP



Funded pension contributions

Compulsory funded pension (pillar II)

	2002	2003	2004
Number of contributors, at the end of the year	209 610	353 176	426 792
M	91 939	157 679	193 847
F	117 671	195 497	232 945
Total contributions, million EEK	81.9	874.8	2 197.5 ¹
incl. the part withheld from employees' wages	27.3	291.6	734.2
the part received from social tax	54.6	583.2	1 457.1
the part received from parental benefits	-	-	2.3
Total volume of funds (closing balance) at the end of the year, million EEK	172.0	991.8	2 482.5

1 - The sum does not equal the total of different types of contributions due to correction entries made in the data communication system.

Source: AS Eesti Väärtpaberikeskus

Supplementary funded pension (pillar III)

Year	Number of contributors (contracts), at the end of the year	of which		Contributions received, million EEK	Amount insured, at the end of the year, million EEK
		M	F		
1998	348	...	...	1.3	15.4
1999	10 452	...	...	43.4	885.1
2000	24 430	...	...	111.3	2 123.5
2001	34 883	...	...	166.4	2 658.9
2002	46 732	21 515	25 216	235.8	3 685.7
2003	58 317	28 638	29 678	307.5	4 935.8
2004	68 469	33 887	34 581	339.3	6 244.1

Source: Financial Supervision Authority

Incapacity for work

New cases of permanent incapacity for work

Indicator	1995	1998	2000	2001	2002	2003	2004
New cases of disability, permanent incapacity for work¹	7 427	9 957	8 855	9 684	9 574	9 760	10 982
I group; 100% loss of capacity for work	988	1 398	1 179	1 305	1 461	1 490	1 500
II group; 80-90% loss of capacity for work	4 677	6 273	3 949	3 348	2 852	2 749	3 174
III group; 40-70% loss of capacity for work	1 762	2 286	3 507	4 741	4 839	5 079	5 773
10-30% loss of capacity for work ¹	..	..	220	290	422	442	535
Cases of temporary incapacity for work²	874	855	646	782	892	922	972

1 - Determined in case of occupational accidents and diseases, as in these cases the employer is also obligated to compensate a 10-30% loss of capacity for work.

2 - In case of long-term illness (121 to 182 days; in case of tuberculosis 178 to 240 days) when a medical examination commission has decided to extend the certificate of sick-leave.

Source: medical examination data

First cases of permanent incapacity for work, by sex and age, 2004

	under 16	16-24	25-29	30-44	45-54	55-59	60-62	63+ ²	Total
Total	9	1 253	439	2 463	4 189	2 019	421	189	10 982
M	5	728	270	1 342	2 056	1 112	416	164	6 093
F	4	525	169	1 121	2 133	907	5	25	4 889
incl. 100% incapacity for work	2	163	62	316	499	278	95	85	1 500
M	1	94	41	233	352	193	95	75	1 084
F	1	69	21	83	147	85	0	10	416
Cases of disability caused by injuries, poisonings and other external factors	0	118	84	372	419	151	36	17	1 197
M	0	92	70	299	308	109	35	13	926
F	0	26	14	73	111	42	1	4	271
proportion of all cases, %	0	9	19	15	10	7	9	9	11
cases caused by occupational injuries and diseases ¹	0	17	13	48	58	33	13	28	210
M	0	15	9	30	34	15	8	22	133
F	0	1	3	16	23	18	5	4	70
cases caused by injuries due to traffic accidents	0	13	8	37	14	7	4	0	83
M	0	11	5	28	11	4	4	0	63
F	0	2	3	9	3	3	0	0	20

1 - Including illness related to service in the police of defence forces or injuries sustained in fulfilling service duties.

2 - Since 1 April 2000, the percentage of loss of capacity for work is mainly determined only for working-age people (in case of occupational accidents and diseases also for those who have attained pensionable age).

Source: medical examination data

Results of re-examinations for incapacity for work

Year	Re-examinations performed	Determined incapable of work	Incl. the percentage of loss of capacity for work			Determined capable of work
			increased	unchanged	reduced	
Number of persons						
2000	23 633	23 435	3 587	14 835	5 013	198
2001	23 437	23 213	4 782	14 628	3 803	224
2002	27 419	27 321	5 451	18 276	3 594	98
2003	28 969	28 932	5 594	20 241	3 097	37
2004	29 439	29 407	4 997	21 426	2 984	32
%						
2000	100	99.2	15.2	62.8	21.2	0.8
2001	100	99.0	20.4	62.4	16.2	1.0
2002	100	99.6	19.9	66.7	13.1	0.4
2003	100	99.9	19.3	69.9	10.7	0.1
2004	100	99.9	17.0	72.8	10.1	0.1

Source: medical examination data

Disability

First-time determination of disability, by degree of severity¹ and age

Degree of severity and age	Number of persons				Proportion. %			
	2000 ²	2002	2003	2004	2000	2002	2003	2004
Total first cases of disability	45 433	19 899	17 237	18 045	100	100	100	100
under 16	3 134	996	1 015	1 027	6.9	5.0	5.9	5.7
16-62	28 984	6 124	5 577	5 855	63.8	30.8	32.3	32.4
63 and older	13 315	12 779	10 645	11 163	29.3	64.2	61.8	61.9
Profound disability	7 356	2 870	2 315	2 202	16.2	14.4	13.4	12.2
under 16	764	145	138	95	1.7	0.7	0.8	0.5
16-62	3 512	491	415	410	7.7	2.5	2.4	2.3
63 and older	3 080	2 234	1762	1 697	6.8	11.2	10.2	9.4
Severe disability	23 488	9 128	8 211	8 820	51.7	45.9	47.7	48.9
under 16	1 303	492	450	542	2.9	2.5	2.6	3.0
16-62	14 738	2 294	2 142	2 194	32.4	11.5	12.4	12.2
63 and older	7 447	6 342	5 619	6 084	16.4	31.9	32.6	33.7
Moderate disability	14 589	7 901	6 711	7 023	32.1	39.7	38.9	38.9
under 16	1 067	359	427	390	2.4	1.8	2.5	2.2
16-62	10 734	3 339	3 020	3 251	23.6	16.8	17.5	18.0
63 and older	2 788	4 203	3 264	3 382	6.1	21.1	18.9	18.7

1 - Since 2000, the degree of severity of disability is determined for the payment of social benefits to disabled persons.

2 - As the disabled adult allowance and the caregiver's allowance are paid since 2001, the degree of severity of disability was in 2000 and 2001 determined for both former invalidity pensioners and new disabled persons.

Source: medical examination data

First cases of disability by sex, age and type of disability, 2004

	under 16	16-24	25-29	30-44	45-54	55-59	60-62	63+	Total
Total first cases of disability	1 027	440	219	1 113	1 885	1 349	849	11 163	18 045
M	615	262	136	636	1 011	714	400	3 718	7 492
F	412	178	83	477	874	635	449	7 445	10 553
Psychic disorder	227	234	115	422	412	172	62	1 187	2 831
Speech impediment	23	1	1	3	5	9	5	34	81
Hearing impairment	33	20	2	17	30	23	11	139	275
Visual impairment	30	14	5	18	35	23	17	405	547
Moving disorder	180	74	50	350	752	612	411	5 149	7 578
Other	534	97	46	303	651	510	343	4 249	6 733
Cases caused by injuries, poisonings and other external factors	24	48	33	189	219	100	45	344	1 002
M	17	37	28	149	158	73	33	108	603
F	7	11	5	40	61	27	12	239	399
% of all cases	2	11	15	17	12	7	5	3	6

Source: medical examination data

Amounts of social benefits for disabled persons¹

Type of benefit	2000	2001	2002 - 2005
Disabled child allowance			
moderate disability	840	840	860
severe and profound disability	940	940	1020
Disabled adult allowance			
moderate disability	-	200	200
severe disability	-	420	420
profound disability	-	640	640
Caregiver's allowance (by the number of wards)			
to a non-working parent of a disabled child aged 3-16	300	300	300
to a non-working parent of a disabled child aged 16-18 and to a non-working caregiver or guardian of a disabled person aged 18 and older:			
severe disability	-	240	240
profound disability	-	400	400
Disabled parent's allowance²	300	300	300
Education allowance to non-working disabled students	100-400	100-400	100-400
Rehabilitation allowance (for persons aged 16-65)	-	up to 800 EEK a year	
In-service training allowance (lump sum)	-	up to 9600 EEK over 3 years	

1 - EEK per month, excl. rehabilitation allowance and further training allowance.

2 - Allowance per child.

Amounts of social benefits for disabled persons¹

Type of benefit	2000	2001	2002	2003	2004
Disabled child allowance	4 409	4 722	4 923	5 125	5 302
moderate disability	2 691	1 778	1 720	1 783	1 812
severe and profound disability	1 718	2 944	3 203	3 342	3 490
Disabled adult allowance	-	84 168	88 794	92 605	98 032
moderate disability	-	29 251	31 780	32 038	31 486
severe disability	-	41 427	43 947	48 038	52 945
profound disability	-	13 490	13 067	12 529	13 601
Caregiver's allowance (by the number of wards)	2 071	26 841	31 813	35 230	38 060
to a non-working parent of a disabled child aged 3-16	2 071 ²	2 194	2 157	2 024	1 975
to a non-working parent of a disabled child aged 16-18 and to a non-working caregiver or guardian of a disabled person aged 18 and older:	-	24 647	29 656	33 206	36 085
severe disability	-	15 979	20 566	24 381	26 738
profound disability	-	8 668	9 090	8 825	9 347
Disabled parent's allowance²	1 472	1 784	1 591	1 525	1 521
Education allowance to non-working disabled students	15	32	27	31	27
Rehabilitation allowance (for persons aged 16-65)	-	115	1 381	1 614	1 815
In-service training allowance (lump sum)		4	30	52	34

1 - EEK per month, excl. rehabilitation allowance and further training allowance.

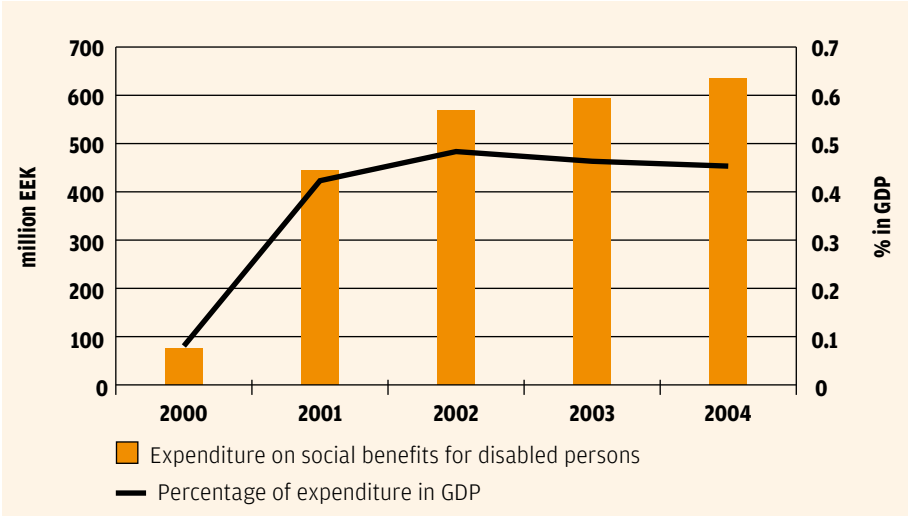
2 - Allowance per child.

Expenditure on social benefits for disabled persons, million EEK

Type of benefit	2000 ¹	2001	2002	2003	2004
Total	75.7	441.2	565.2	588.8	630.1
Disabled child allowance	46.9	50.0	57.2	59.7	62.8
Disabled adult allowance	-	318.4	396.8	408.0	436.6
Caregiver's allowance	7.0	63.8	104.6	114.2	124.0
Other allowances	21.8	9.0	6.6	6.9	6.7
Percentage of expenditure					
of GDP	0.08	0.42	0.48	0.46	0.45
of the state budget	0.27	1.48	1.65	1.49	1.32

1 - The Social Benefits for Disabled Persons Act entered into full force in the beginning of 2001.

Expenditure on social benefits for disabled persons, and percentage of GDP



SOCIAL WELFARE

This section is based on the Social Welfare Act and the statistical data on social welfare collected by the Ministry of Social Affairs.

Overview of legal acts

The purposes of social welfare are to provide assistance to persons or families in preventing, eliminating and relieving difficulties in coping, and to assist persons with special social needs in social security, development and integration into society. The principles of social welfare are the observance of human rights, the responsibility of persons for their own and their family members' ability to cope, the obligation to provide assistance if the potential for a person or family to cope is insufficient and the promotion of the ability of persons and families to cope.

The Social Welfare Act provides the organisational, economic and legal basis of social welfare, and regulates the relations relating to social welfare.

The following individuals have the right to receive social services, social benefits and other assistance: permanent residents of Estonia; aliens lawfully residing in Estonia and refugees on Estonian territory. Every person on Estonian territory has the right to receive emergency social assistance.

Social services and social benefits are financed from the state budget, local government budgets, funds of legal persons and natural persons who voluntarily engage in social welfare and other funds. The extent of state financing is specified by the state budget for the corresponding budget year. The following is financed from the state budget: expenditure relating to state social welfare management, state social programmes and projects, expenditure relating to the welfare of children, persons with special psychic needs and disabled people (rehabilitation services, partial compensation for prostheses and medical devices), expenditure relating to state social benefits, other expenses relating to performance of state social welfare duties and events. Local government social welfare expenditures not financed from the state budget are covered from the local government budget. Legal persons and natural persons who are voluntarily engaged in social welfare shall cover social welfare expenditure incurred by them from their own funds. At the same time, the state and rural municipality governments may enter into contracts for the provision of social welfare with legal persons and natural persons, and may allocate financial and material resources to them to cover expenditure relating to social welfare. Revenue received from various funds, endowments, non-profit activities, donations and sponsorships and the funds of persons applying for social services or other assistance may be used to finance social welfare.

A fee may be collected from a person for social services provided to the person or his or her family. The amount of the fee collected depends on the extent and cost of the service and the financial situation of the person and family receiving the service. The collection of a fee from a person for social services is decided by the institution which provides or pays for the service.

Rehabilitation plays an important role in improving the integration people with disabilities and special psychic needs into the society. Since 1 January 2005, the Social Welfare Act establishes the provision of rehabilitation services financed by the state more clearly. Disabled children and adults, adults with special psychic needs and adolescents with special behavioural needs are entitled to rehabilitation services financed by the state. Rehabilitation services are provided by institutions registered as rehabilitation institutions - these may be hospitals, welfare institutions and special centres with rehabilitation teams of specialists from various fields. These institutions provide various services, from physiotherapy to counselling by psychologists and social workers.

Children's welfare is organised on the levels of both the state and local governments. For the administration of child welfare and the creation of an environment favourable for child development, local governments shall support children and persons raising children, cooperate with family members, other persons and agencies concerned; if necessary, appoint support persons or support families for children or persons raising children; organise the guardianship of children and assist in arranging adoptions. A child may be separated from his or her home and family for the provision of social services and other assistance only upon the concurrent presence of the following circumstances: deficiencies in the care and raising of the child endanger the child's life, health or development; other measures applied with respect to the family and child have not been sufficient or their use is not possible. The subsequent residence, care and raising of a child separated from his or her home and family shall be arranged by the rural municipality government or city government. In most such cases, children are placed into the care of a welfare institution or into foster care. A local government shall, if necessary, provide assistance to a family from whom a child has been taken in order to help establish the prerequisite conditions for the child to return to the family.

Foster care is care for a person in a suitable family of which he or she is not a member. In the case of foster care, the local government enters into a written contract with the caregiver and assesses the conformity of the caregiver and his or her family members with the requirements established in the Social Welfare Act. Foster care is provided in the following cases: orphans and children left without parental care, whose parents are dead or declared missing by a court; a guardian has been appointed to the parents due to their restricted active legal capacity; the parents' parental rights have been revoked; a child has been taken from the parents without revoking their parental rights; the parents are in detention or a sentence in a penal institution.

The most important type of social benefit is the subsistence benefit paid by local governments from the state budget to families with low incomes. Pursuant to the Social Welfare Act, a person living alone or a family whose monthly net income, after the deduction of the fixed expenses connected with dwelling, is below the subsistence level has the right to receive a subsistence benefit. The Parliament establishes the subsistence level for a person living alone and for the first member of a family for each budgetary year by the state budget (until 2001, by a regulation of the Government of the Republic). The subsistence level of the second and each subsequent member of a family is 80% of the subsistence level of the first member of the family. The subsistence level for a person living alone and for the

first member of a family has remained unchanged since November 1997 (500 EEK a month). Since 2005, the subsistence level is 750 EEK. In addition to this, families consisting entirely of underage members receiving subsistence benefit are since this year paid an additional social benefit of 200 EEK a month.

Statistical overview

The content and organisation of collecting statistical data on the welfare domain changed significantly in 2003. In addition to web-based data collection there was a transition from institution-centred data collection to service-centred data collection. Therefore some statistical data is presented only for 2003 and 2004.

This section begins with information on institutions providing welfare services, the related personnel and wages. This is followed by overviews of three institutional welfare services: caring for orphans and children without parental care in welfare institutions, caring for adults in welfare institutions and welfare services for the persons with special psychic needs (the latter also includes the supporting services). This is followed by information about open care services, including the new issues of rehabilitation services for people with disabilities and special psychic needs, and night shelters for the homeless. The tables presented towards the end of this section provide information about the financing of welfare services and the expenditure on social insurance and welfare from the state budget.

The recent changes in the welfare domain are reflected clearly in the statistical data on the services provided to people with disabilities and special psychic needs. There has been a considerable increase in the number of the persons with special psychic needs who have provided open care services (assistance in everyday life, subsidised housing, living in a community, assistance in working). A considerable emphasis has been placed on making rehabilitation services available to an ever increasing number of clients. This has been facilitated by the increased amount of funding allocated for rehabilitation services from the state budget. The expenditure incurred in preparing rehabilitation plans for adults, providing services and paying rehabilitation subsidies amounted to 3.8 million EEK in 2002, 7.2 million EEK in 2003 and 17.3 million EEK in 2004. In addition to this, rehabilitation services provided to children were financed from the national children's welfare funds.

The provision of rehabilitation services and supporting services to people with special needs, the increased efficiency of social workers and child protection workers in working with problematic families with under-aged children, and the offered alternative options have halted the growth of the number of orphans and children left without parental care and the persons with special psychic needs living in welfare institutions.

The number of children in welfare institutions for children and young people has decreased in recent years. This is partly due to the fact that the statistical data for 2003-2004 do not include the SOS-children's and youth homes, and partly to a decrease in the number of pre-school and primary school aged children living in institutions. The number of children in foster care has remained relatively stable in recent years, while the number of new

children taken into foster care has decreased (487 in 2001; 344 in 2004). Most children are taken into foster care from biological families. Besides children, adults are taken into foster care, but compared to children, their proportion has been relatively small and decreasing in recent years. The number of foster families has also dropped.

The statistical data on revoking parental rights and separating children from families show a decrease in the number of children whose parents have lost their parental rights, and an increase in the number of children who have been separated from their families by court order. No definite trend can be pointed out with regard to adoptions, but the number of children put under guardianship has decreased in recent years.

There has been an increase in the provision of care home services and social housing services to elderly people needing outside assistance and to other people with special needs. The increased number of new small and comfortable care homes created by local governments or opened with their support enables to meet the needs of the elderly better. In recent years, there has been an increase in the number of both the institutions and the users of the service (at the end of 2001 the service was used by 3 276 people, while in 2004 - by 4 175 people). The number of people using the housing services has grown by over 50% since 2001 (at the end of 2001, the service was used by 2 233 people, while in 2004 - by 3 439 people).

The amount of the benefit paid from the subsistence benefit funds and the number of families receiving the benefit has significantly decreased in recent years. The influencing factors here are the overall rise in wages, the increased employment level and the subsistence level remaining unchanged. In 2001, the proportion of families receiving subsistence benefit in order to ensure the subsistence level (regardless of the number of times the benefit was received in the year) was 12.4%. But in 2004, they formed only 5.9% of all families (70.4 and 33.2 thousand families respectively). At the same time, there has been an increase in the amount of benefit per application (from 797 EEK in 2001 to 1 011 EEK in 2004) and in the proportion of families who received the benefit every month through the year of all families who received the benefit. While the number of families who received the benefit 12 times in 2001 was 18.3% of all families who received the benefit, then in 2004 the proportion of such families was 23.9% (at the same time the overall number of families receiving the benefit and the number of families receiving the benefit round the year has considerably decreased). The most common families to receive the benefit are families with a long-term unemployed member or an unemployed job-seeking member, as well as families with children (the latter often include an unemployed parent). In 2004, the families with a long-term unemployed member or an unemployed job-seeking member received the benefit 8.6 times on the average (the national average 6.5 times). In 2003, the proportion of student families decreased considerably from 2002. This significant decrease in the proportion of student families is due to the fact that according to the Amendment Act of the Social Welfare Act, since 5 September 2003 only married students receive benefit as a separate family.

The table "Expenditure on social insurance and welfare from the state budget" now includes the benefits and allowances paid by the Social Insurance Board, of which only pensions can be conventionally considered social insurance benefits. The benefits to families and

disabled people do not depend on the contributions made by the people themselves - these are rather intended as the state's support to cover certain additional expenses. The expenditure on benefits and allowances paid through the Social Insurance Board has grown in the last three years both in absolute value and as a proportion of GDP.

Social welfare expenditure has in the light of the rapid increase of GDP and the state budget decreased in the last three years, on account of the amounts paid for subsistence benefits. Expenditure on social services has grown from year to year, with the biggest increase in 2004 on account of the children's state welfare allocations.

Institutions providing and persons using welfare services

Type of service	Service providers, at end of the year		Service users, during the year	
	2003	2004	2003	2004
Institutional welfare services for orphans and children without parental care	37	38	1 835	1 860
Institutional welfare services for adults (excl. persons with special psychic needs)	108	112	5 404	5 997
Welfare services for the persons with special psychic needs	71	80	4 491	4 693
incl. 24 hour care services	24	25	2 413	2 443
Rehabilitation services for disabled people	31	39	6 599	9 543
Rehabilitation services for adults with special psychic needs	6	8	669	949
Day centre services	86	94	65 069	55 884
Housing services in the form of social housing, premises, support homes	83 ¹	85 ¹	3 697	3 907
Shelter services and rehabilitations service to ex-convicts	28	29	3 243	2 580
Night shelter services for the homeless	10	11	1 712	2 062

1 - The number of local municipalities where social housing was used. In 2003, social housing existed in 84 and in 2004 in 90 local municipalities.

Personnel in institutions providing welfare services¹, by age and position, at the end of the year

Position and age	2003			2004		
	Total	M	F	Total	M	F
Total employees	5 416	820	4 596	5 584	820	4 764
under 25	248	56	192	248	50	198
25-39	1 329	198	1 131	1 302	194	1 108
40-49	1 487	197	1 290	1 512	201	1 311
50-59	1 590	226	1 364	1 657	213	1 444
over 60	762	143	619	865	162	703
management, senior and mid-level specialists	673	127	546	646	120	526
under 25	12	2	10	9	2	7
25-39	160	24	136	138	23	115
40-49	200	40	160	210	41	169

Cont. ►

► *Cont.*

Position and age	2003			2004		
	Total	M	F	Total	M	F
50-59	211	40	171	196	32	164
over 60	90	21	69	93	22	71
persons involved in teaching and development ²	1 388	118	1 270	1 584	133	1 451
under 25	112	26	86	106	15	91
25-39	399	41	358	441	54	387
40-49	377	22	355	415	33	382
50-59	358	18	340	415	19	396
over 60	142	11	131	207	12	195
social workers	139	11	128	180	12	168
under 25	19	2	17	33	4	29
25-39	44	4	40	59	4	55
40-49	40	3	37	38	2	36
50-59	28	2	26	41	2	39
over 60	8	0	8	9	0	9
nurses	284	5	279	274	3	271
under 25	1	0	1	2	0	2
25-39	57	2	55	55	1	54
40-49	80	1	79	67	1	66
50-59	80	1	79	83	0	83
over 60	66	1	65	67	1	66
caring personnel	1 171	39	1 132	1 163	33	1 130
under 25	51	2	49	31	2	29
25-39	264	11	253	232	9	223
40-49	323	8	315	339	6	333
50-59	381	9	372	405	7	398
over 60	152	9	143	156	9	147
psychologists, physiotherapists, speech therapists, doctors, pedagogues	109	16	93	157	19	138
under 25	4	2	2	9	0	9
25-39	34	5	29	49	10	39
40-49	29	3	26	35	2	33
50-59	28	3	25	46	4	42
over 60	14	3	11	18	3	15
other personnel (maintenance, catering, cleaning and other staff)	1 652	504	1 148	1 580	500	1 080
under 25	49	22	27	58	27	31
25-39	371	111	260	328	93	235
40-49	438	120	318	408	116	292
50-59	504	153	351	471	149	322
over 60	290	98	192	315	115	200

1 - The table presents the number of employees of institutions specialising in the provision of welfare services. Certain services (e.g. rehabilitation services) are, however, provided by institutions with a different main field of activity (e.g. hospitals), the personnel of which is not included in the table.

2 - Minders, assistant minders, activity instructors.

The number of regular employees dealing with service users and their average monthly wages, by types of services, 2004

Employee	Number of employees, at the end of the year				Average monthly wages, EEK			
	Institutional welfare services to orphans and children without parental care	Institutional welfare services to adults (excl. persons with special psychic needs)	Welfare services to adults with special psychic needs	Shelter services and rehabilitation services to ex-convicts	Institutional welfare services to orphans and children without parental care	Institutional welfare services to adults (excl. persons with special psychic needs)	Welfare services to adults with special psychic needs	Shelter services and rehabilitation services to ex-convicts
Senior minder	26	-	-	-	5 623	-	-	-
Minder	156	1	8	81	4 492	2 800	3 961	5 646
Junior minder	208	-	-	-	4 736	-	-	-
Assistant minder	286	-	-	-	3 832	-	-	-
Care-giver, nurse	-	851	208	18	-	3 628	3 246	4 190
Activity therapist	1	2	10	1	2 797	4 354	5 088	8 533
Hobby instructors	18	3	44	1	3 568	3 678	3 150	5 000
Activity instructor	7	14	521	1	2 735	3 911	3 525	2 800
Nurse	42	119	112	6	4 252	4 382	4 192	4 631
Social worker	22	25	21	41	4 297	4 829	4 561	4 791

Users of institutional welfare services and their proportion of the population, at the end of the year

Institution/service	1995	2000	2001	2002	2003	2004
Welfare services for orphans and children without parental care (in children's and youth welfare institutions ¹)	1 470	1 715	1 814	1 881	1 539	1 549
Welfare services for adults (in general care homes ¹)	2 453	3 276	3 356	3 509	3 890	4 175
24 hour welfare services for adults with special psychic needs (in special care homes ¹)	2 508	2 509	2 469	2 457	2 228	2 227
Total	6 431	7 500	7 639	7 847	7 657	7 951
Proportion of the population, %	0.45	0.55	0.56	0.58	0.57	0.59

1 - Until 2002 (incl.) the terminology provided in brackets was used.

Provision of institutional welfare services to orphans and children without parental care

Institutions providing institutional welfare services to orphans and children without parental care and children using the services, at the end of the year

	1995	1998	2000	2001	2002	2003	2004
Total number of institutions	31	37	37	35	39	37	38
children's homes and family children's homes	24	27	31	28	30	28	29
residential educational institutions	7	7	4	1	1	2	3
youth homes	-	2	1	2	5	2	1
mixed type institutions	-	1	1	4	3	5	5
Total number of children	1 470	1 699	1 715	1 814	1 881	1 539	1 549
children's homes and family children's homes	1 081	1 231	1 332	1 441	1 520	987 ¹	1 020
residential educational institutions	389	409	330	108	108	60	65
youth homes	-	36	23	46	75	35	30
mixed type institutions	-	23	30	219	178	457 ¹	434

1 - The change in the number of children using the service is due to a change in the types of institutions.

Children using institutional welfare services for orphans and children without parental care by sex and age, and their proportion of the population by age group, at the end of the year

Year, sex	Total	Age group						
		0-2	3-6	7-14	15-17	18-24	25+	
Total	1998	1 699	110	186	861	324	196	22
	2000	1 715	111	145	831	384	208	36
	2001	1 814	96	156	814	429	272	47
	2002	1 881	100	160	821	474	260	66
	2003	1 539	81	150	627	487	192	2
	2004	1 549	81	155	608	492	211	2
M	1998	1 001	67	118	495	200	106	15
	2000	1 024	66	89	513	211	124	21
	2001	1 087	61	95	492	246	167	26
	2002	1 135	62	98	512	262	168	33
	2003	904	35	90	394	290	95	-
	2004	932	43	96	374	299	120	-
F	1998	698	43	68	366	124	90	7
	2000	691	45	56	318	173	84	15
	2001	727	35	61	322	183	105	21
	2002	746	38	62	309	212	92	33
	2003	635	46	60	233	197	97	2
	2004	617	38	59	234	193	91	2
Per 1000 persons in age group	1998	1.23	2.99	3.25	5.17	5.19	1.47	..
	2000	1.25	3.02	2.85	5.37	6.01	1.53	..
	2001	1.33	2.56	3.16	5.54	6.76	1.96	..
	2002	1.39	2.61	3.30	5.96	7.42	1.84	..
	2003	1.14	2.11	3.08	4.88	7.51	1.34	..

Movement of service users in children's and youth welfare institutions, during the year

	1997	1998	2000	2001	2002	2003	2004
New children arriving	413	428	352	396	416	286	326
Children leaving	379	376	310	326	362	296	311
to parents	121	128	93	74	87	44	39
to other welfare institutions	69	54	25	56	75	61	60
adopted	53	52	54	62	40	50	52
into foster care and guardianship	15	19	59	35	30	29	30
to work; independent life (since 2001)	43	45	25	78	101	92	120
other	79	78	54	21	29	20	10

Provision of institutional welfare services to adults (excl. persons with special psychic needs)

Institutions providing institutional welfare services to adults and their distribution by number of places, at the end of the year

By number of places	2001	2002	2003	2004
Total institutions	97	101	108	112
number of places:				
up to 10	9	10	8	8
11-20	36	36	39	35
21-30	17	20	22	28
31-40	15	12	11	11
41-50	7	12	14	14
51-100	6	5	7	8
101-150	5	4	5	5
151-200	1	1	1	2
351-400	1	1	1	1

Movement of adults in institutional welfare services, during the year

	1998	2000	2001	2002	2003	2004
Persons arriving	1 321	1 459	1 459	1 610	1 850	2 053
Persons leaving	1 153	1 352	1 385	1 466	1 514	1 822
into other care homes (same service)	52	82	84	83	86	139
independent life	224	258	226	265	289	371
deceased	829	956	1 021	1 065	1 098	1 289
other (assisted living)	48	56	54	53	41	23

Adults using institutional welfare services by sex and age, at the end of the year

Year, sex	Total service users	Age group							
		18-29	30-49	50-64	65-74	75+ ¹	75-79	80+	
Total	1998	3 013	35	123	398	646	1 811	...	...
	2000	3 276	45	176	492	719	1 844	...	...
	2001	3 356	39	189	541	691	1 896	...	...
	2002	3 509	39	169	554	778	1 969	...	...
	2003	3 890	40	190	602	830	2 228	907	1 321
	2004	4 175	42	200	646	933	2 354	755	1 599
M	1998	1 015	15	82	274	310	334	...	...
	2000	1 175	15	117	344	368	331	...	...
	2001	1 266	13	128	370	372	383	...	...
	2002	1 291	14	110	364	437	366	...	...
	2003	1 436	18	130	407	461	420	224	196
	2004	1 562	20	142	422	514	464	222	242
F	1998	1 998	20	41	124	336	1 477	...	...
	2000	2 101	30	59	148	351	1 513	...	...
	2001	2 090	28	61	171	319	1 513	...	...
	2002	2 218	25	59	190	341	1 603	...	...
	2003	2 454	22	60	195	369	1 808	683	1 125
	2004	2 163	22	58	224	419	1 890	533	1 357
Per 1000 persons in age group									
Total	1998	2.18	0.15	0.32	1.66	4.93	25.18	...	...
	2000	2.40	0.20	0.46	2.03	5.50	23.97	...	...
	2001	2.47	0.17	0.50	2.23	5.28	23.75	...	...
	2002	2.59	0.17	0.45	2.30	5.89	23.72	...	...
	2003	2.88	0.17	0.51	2.52	6.28	25.79	19.64	32.85
	2004	2.88	0.17	0.51	2.52	6.28	25.79	19.64	32.85
M	1998	1.60	0.13	0.45	2.60	6.48	18.41	...	...
	2000	1.86	0.13	0.64	3.24	7.54	17.18	...	...
	2001	2.02	0.11	0.70	3.49	7.57	19.01	...	...
	2002	2.07	0.12	0.61	3.45	8.84	16.96	...	...
	2003	2.31	0.15	0.72	3.87	9.29	18.46	16.42	21.52
	2004	2.31	0.15	0.72	3.87	9.29	18.46	16.42	21.52
F	1998	2.69	0.18	0.20	0.92	4.03	27.46	...	...
	2000	2.85	0.26	0.30	1.09	4.29	26.24	...	...
	2001	2.85	0.25	0.31	1.26	3.90	25.36	...	...
	2002	3.03	0.22	0.30	1.41	4.13	26.09	...	...
	2003	3.37	0.19	0.31	1.45	4.46	28.41	20.99	36.17
	2004	3.37	0.19	0.31	1.45	4.46	28.41	20.99	36.17

1 - Until 2003, data was collected on service users aged 75 and older in one age group, but since 2003 the data is differentiated between the age groups of 75-79 and 80 and older.

Welfare services for adults with special psychic needs

Welfare service for adults with special psychic needs, at the end of the year

	1995	1998	2000	2001	2002	2003	2004
Institutions providing welfare service to adults special psychic needs (until 2002 special care homes)	14	18	19	20	21	71	80
incl. institutions providing 24h care service	14	18	19	20	21	24	25
Adults with special psychic needs using welfare services ¹	2 508	2 596	2 509	2 469	2 457	4 118	4 247
incl. 24h care service	..	..	..	..	..	2 228	2 227

1 - The number of persons staying in special care homes until 2002. In recent years, the so-called institutional services have been supplemented by supporting services for adults with special psychic needs and data on that is presented since 2003.

Persons using welfare services for adults with special psychic needs by service type, during the year

	2003	2004
Persons using the services¹	4 491	4 693
Assistance in everyday life	1 525	1 668
Assisted living	565	562
Living in a community	28	32
Assisted working	516	548
24h care	2 130	2 074
24h care with enhanced support	94	171
24h care with enhanced supervision	189	198

1 - One person may simultaneously use several supporting services.

Persons using welfare services for adults with special psychic needs by sex and age, during the year

Sex	Year	Total service users	Age group			
			18-29	30-49	50-64	65 +
Total	2003	4 491	961	1 787	1 094	649
	2004	4 693	1 046	1 873	1 153	621
M	2003	2 361	546	975	578	262
	2004	2 490	602	1 021	605	262
F	2003	2 130	415	812	516	387
	2004	2 203	444	852	548	359
Per 1000 persons in age group						
Total	2003	4.20	4.09	4.75	4.56	2.99
	2004	...	...	...	...	...
M	2003	4.95	4.58	5.38	5.48	3.66
	2004	...	...	...	...	...
F	2003	3.60	3.58	4.16	3.83	2.67
	2004	...	...	...	...	...

Movement of persons using welfare services for adults with special psychic needs, during the year

	2003	2004
Persons arriving	849	891
from other welfare services	254	286
hospital	74	73
home	430	458
other	91	74
Persons leaving	626	737
to other welfare services	206	287
independent life	209	244
deceased	136	113
other	75	93

Open care services

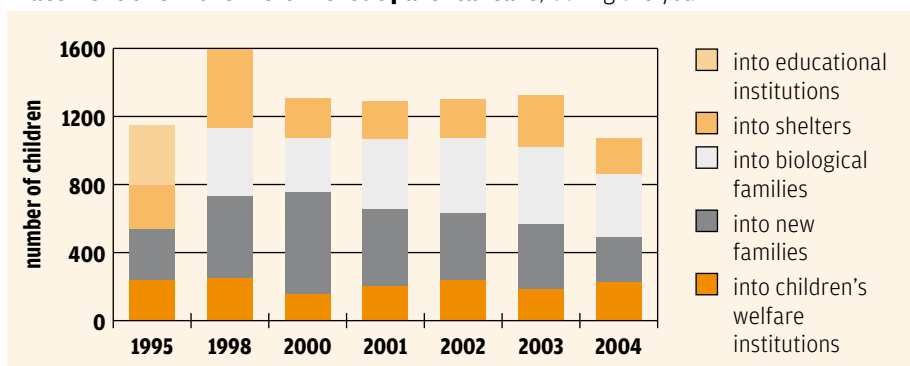
First registration of children left without parental care and the placement of registered children, during the year

	1995	1998	2000	2001	2002	2003	2004
Children registered during the year	1 134	1 671	1 227	1 255	1 249	1 276	1 092
M	617	905	659	703	703	685	602
F	517	766	568	552	546	591	490
Registered children placed¹	890	1 595	1 305	1 288	1 301	1 326	1 073
into children's welfare institutions	239	252	157	202	238	184	226
into new families	296 ²	479	597	455	392	381	266
into biological families	-	401	320	411	441	453	371
into shelters	260	463	231	220	230	308	210
into educational institutions, with total state financing	95	-	-	-	-	-	-

1 - The number of children placed is higher than the number of children registered due to children not placed in the previous year.

2 - Including children placed into biological families.

Placement of children left without parental care, during the year



Foster care

Persons in foster care, during the year

	1999	2000	2001	2002	2003	2004
Children (0-17) ¹	895	1 265	1 420	1 461	1 467	1 416
Adults (18+)	215	200	62	80	71	54
Persons in foster care, total	1 110	1 465	1 482	1 541	1 538	1 470
Proportion in population, %	0.08	0.11	0.11	0.11	0.11	0.11

1 - Since 2001, the age group of 0-17 also includes children aged up to 19 attending basic school, secondary school or vocational school until the end of academic year.

Foster families, at the end of the year

	2001	2002	2003	2004
Foster families, total	896	897	869	778
caring for children	849	852	838	753
caring for adults	47	45	31	25

Movement of children in foster care

	2001		2002		2003		2004	
	total	incl. with special needs	total	incl. with special needs	total	incl. with special needs	total	incl. with special needs
Children in foster care at the beginning of the year	933	20	1 032	23	1 064	23	1 072	21
M	462	15	517	13	545	17	533	15
F	471	5	515	10	519	6	539	6
Children placed in foster care during the year	487	10	429	9	403	8	344	5
M	243	5	210	5	196	6	163	3
F	244	5	219	4	207	2	181	2
from maternity hospitals	1	0	4	2	8	0	8	0
M	1	0	2	2	6	0	4	0
F	0	0	2	0	2	0	4	0
from shelters	39	1	25	0	32	1	24	0
M	18	0	14	0	18	1	11	0
F	21	1	11	0	14	0	13	0
from children's welfare institutions	46	0	25	1	29	0	16	0
M	31	0	15	1	15	0	9	0
F	15	0	10	0	14	0	7	0
from biological families	335	7	346	6	288	7	251	4
M	162	3	165	2	136	5	119	3
F	173	4	181	4	152	2	132	1

Cont. ►

► *Cont.*

	2001		2002		2003		2004	
	total	incl. with special needs	total	incl. with special needs	total	incl. with special needs	total	incl. with special needs
other	66	2	29	1	46	0	45	1
M	31	2	14	1	21	0	20	0
F	35	0	15	0	25	0	25	1
Children leaving foster care during the year	372	5	396	12	386	10	445	6
M	177	4	185	4	205	8	229	4
F	195	1	211	8	181	2	216	2
became of age	92	1	91	0	112	4	116	1
M	42	1	46	0	57	3	58	1
F	50	0	45	0	55	1	58	0
placed into children's welfare institutions	42	1	29	3	22	2	60	1
M	23	1	14	1	12	2	36	1
F	19	0	15	2	10	0	24	0
placed back into biological families	68	0	73	1	95	1	102	1
M	31	0	36	0	56	1	51	1
F	37	0	37	1	39	0	51	0
placed into other foster families	22	0	16	0	25	0	14	1
M	13	0	7	0	8	0	7	0
F	9	0	9	0	17	0	7	1
placed into guardianship or adopted	116	3	106	7	75	2	89	0
M	50	2	45	2	45	1	45	0
F	66	1	61	5	30	1	44	0
other	32	0	81	1	57	1	64	2
M	18	0	37	1	27	1	32	1
F	14	0	44	0	30	0	32	1
Children in foster care at the end of the year	1 048	25	1 065	20	1 081	21	971	20
M	528	16	542	14	536	15	467	14
F	520	9	523	6	545	6	504	6

Movement of adults in foster care

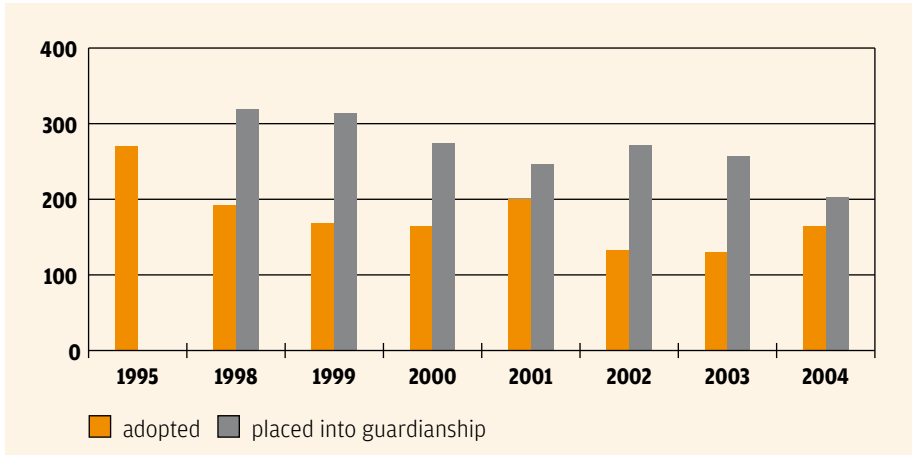
	2001		2002		2003		2004	
	total	incl. with special needs	total	incl. with special needs	total	incl. with special needs	total	incl. with special needs
Adults in foster care at the beginning of the year	43	22	47	7	50	9	35	7
M	22	12	19	3	21	4	17	4
F	21	10	28	4	29	5	18	3
Adults placed into foster care during the year	19	5	33	4	21	5	19	8
M	7	1	18	3	9	2	7	3
F	12	4	15	1	12	3	12	5
Adults leaving foster care during the year	12	2	29	3	39	9	28	6
M	5	1	14	3	15	3	14	4
F	7	1	15	0	24	6	14	2
Adults in foster care at the end of the year	50	25	51	8	32	5	26	9
M	24	12	23	3	15	3	10	3
F	26	13	28	5	17	2	16	6

Adoption and guardianship

Children adopted and placed into guardianship, during the year

	1999	2000	2001	2002	2003	2004
Adopted children, total	168	164	200	133	130	165
M	76	89	107	74	71	86
F	92	75	93	59	59	79
by parent's spouse	90	77	99	54	63	63
M	37	40	44	27	33	33
F	53	37	55	27	30	30
by new families in Estonia	41	60	81	46	52	74
M	16	33	50	29	27	37
F	25	27	31	17	25	37
children adopted by foreign citizens	37	27	20	33	15	28
M	23	16	13	18	11	16
F	14	11	7	15	4	12
Children placed in guardianship, total	314	275	247	272	257	203
M	155	129	134	142	115	113
F	159	146	113	130	142	90

Adopted children and children placed in guardianship, during the year



Children adopted and placed into guardianship by place, during the year

	1999	2000	2001	2002	2003	2004
Adopted children, total	168	164	200	133	130	165
Children placed into guardianship, total	314	275	247	272	257	203
From maternity hospitals						
adoption	13	15	22	13	10	13
guardianship	-	2	1	-	-	4
From shelters						
adoption	3	5	1	8	1	2
guardianship	4	3	4	2	2	2
From children's welfare institutions						
adoption	50	50	77	49	48	76
guardianship	11	24	15	14	2	3
From biological families						
adoption	97	84	99	56	64	63
guardianship	226	205	195	213	194	131
From foster care						
adoption	-	-	-	-	7	9
guardianship	-	-	-	-	41	42
Other						
adoption	5	10	1	5	-	2
guardianship	73	41	32	43	18	21

Children adopted and in guardianship, at the end of the year

	1999	2000	2001	2002	2003	2004
Children adopted	3 611	3 409	3 252	2 985	2 775	2 562
M	1 768	1 693	1 629	1 522	1 418	1 318
F	1 843	1 716	1 623	1 463	1 357	1 244
Children in guardianship	2 216	2 025	1 926	1 819	1 788	1 647
M	1 090	978	949	900	887	830
F	1 126	1 047	977	919	901	817

Revoked parental rights¹, during the year

	1998	1999	2000	2001	2002	2003	2004
Children, whose parents' parental rights were revoked	287	320	291	297	325	286	264
0-2	28	36	28	33	34	24	40
3-6	55	71	72	62	66	71	75
7-14	164	177	146	151	175	131	108
15-17	40	36	45	51	50	60	41

1 - Upon parental rights being revoked the child is placed into another family or a welfare institution and the parent loses his or her right to guardianship, while still being obligated to maintain the child.

Separation from family¹, during the year

	1998	1999	2000	2001	2002	2003	2004
Children separated from families by court decision	81	79	101	110	106	110	124
0-2	7	2	16	19	11	21	20
3-6	18	25	17	18	20	15	35
7-14	45	44	49	61	58	52	55
15-17	11	8	19	12	17	22	14

1 - Upon being separated from families, children are placed into another family or a welfare institution, while the parent retains the right of guardianship and the obligation to maintain the child.

Child protection specialists in county governments and local governments

	1998	1999	2000	2001	2002	2003	2004
Total	100	120	118	117	127	139	132
incl. with special professional qualification	75	86	99	83	92	91	91

Day centre service

	2000	2001	2002	2003	2004
Service providers , at the end of the year	62	79	85	86	94
for children	...	...	...	10	14
for adults	...	...	...	39	42
for children and adults	...	...	...	27	29
for disabled people	...	...	...	10	9
Clients during the year ¹	30 740	27 859	27 859	65 069 / 17 298	55 919 / 18 673
Employees at the end of the year ²	432	516	549	445 / 191	441 / 244

1 - Approximate number of clients. Since 2003, also the number of regular clients (after slash). Regular clients are members or persons registered in day centres, who visit the day centre at least once a week.

2 - Until 2002, all employees of institutions; since 2003, only main employees involved in providing services, plus volunteers (after slash).

Domestic care services¹, during the year

Age	Number of clients ²					
	1998	2000	2001	2002	2003	2004
Total	5 638	5 638	5 553	5 964	6 171	5 539
Proportion in population, %	0.41	0.41	0.41	0.44	0.46	0.41
incl.						
<17	243	150	149	148	128	119
18-24	63	48	53	57	51	62
25-49	312	302	287	331	342	297
50-64	715	635	638	729	681	573
65-79	2 147	2 368	2 315	2 479	2 519	2 100
80+	2 158	2 135	2 111	2 220	2 450	2 388
incl. with special needs	1 972	2 225	2 339	2 927	3 129	2 831
<17	33	20	20	26	36	33
18-24	27	29	31	39	40	25
25-49	189	223	194	248	246	214
50-64	427	432	419	485	471	375
65-79	840	968	991	1 294	1 352	1 171
80+	456	553	684	835	984	1 013
Domestic care service providers	688	747	732	737	709	697
with special education	...	...	...	120	118	148
completed further training	...	...	...	390	378	345
without special qualification	...	...	...	227	213	204

1 - Domestic care services are services provided to people at home, enabling people to cope in a familiar environment.

2 - The actual number of people receiving domestic care is somewhat higher, as domestic services are also provided by day centres and this is not reflected in the above table.

Housing services in the form of social housing and premises, in support homes¹, at the end of the year

	1999	2000	2001	2002	2003	2004
Number of places	1 402	1 577	1 700	2 055	2 553	2 727
adapted to people with special needs	80	115	89	137	141	125
Number of inhabitants²	1 448	1 682	1 891 ²	2 653	3 224	3 439
living alone	1 005	1 119	1 208	1 494	1 866	2 065
living as a family	443	563	683	1 159	1 358	1 374
Incl.						
people with special needs	245	340	372	718	803	953
people in pensionable age	970	1 057	1 220	1 037	1 459	1 467
Proportion in population, %	0.11	0.12	0.14	0.20	0.24	0.26

1 - Social housing or social premises mean dwellings in municipal ownership, for people needing social services.

Support homes - institutions providing daily or periodical 24h care to disabled people living at home

2 - The calculation of social housing was reorganised in 2002, retrospectively registering dwellings as social housing. Therefore the number of inhabitants on the 2001 timeline comparable with 2002 is 2233.

Rehabilitation services for people with disabilities and special psychic needs, during the year

	2003	2004
Institutions providing the services		
to disabled people	29	39
to adults with special psychic needs	6	8
People using the services, during the year		
disabled people	6 599	9 543
up to 17	3 952	3 913
18-64	2 139	4 413
65 and older	508	1 217
number of rehabilitation plans drawn up	3 249	6 385
adults with special psychic needs	669	949
up to 17	33	29
18-64	636	899
65 and older	0	21
number of rehabilitation plans drawn up	453	773

Prosthetic, orthopedic and other devices provided at a discount

Receivers of devices, during the year

Type of device	Receivers of devices, total ¹	of whom				People in pensionable age
		Children aged up to 18		Working-age people		
		total	incl. disabled	working	non-working	
Devices sold and rented, total						
2001	21 342	4 246	1 066	660	3 278	13 155
2002	21 965	4 421	1 630	736	3 001	13 537
2003	25 292	4 846	1 785	877	3 377	16 192
2004	26 369	5 097	1 748	889	2 929	17 454
incl. moving aids						
2001	5 274	468	143	54	1 227	3 525
2002	4 319	493	265	54	978	2 794
2003	5 126	517	295	70	1 105	3 434
2004	5 308	506	311	71	929	3 802
orthopedic and prosthetic devices						
2001	5 152	2 745	522	310	467	1 629
2002	5 577	2 744	665	301	555	1 977
2003	6 454	3 103	802	310	679	2 365
2004	6 737	3 329	757	403	476	2 529

Cont. ►

► *Cont.*

Type of device	Receivers of devices, total ¹	of whom				People in pensionable age
		Children aged up to 18		Working-age people		
		total	incl. disabled	working	non-working	
nursing and care devices						
2001	8 223	659	208	113	1 378	6 071
2002	9 083	833	453	157	1 250	6 843
2003	9 605	826	415	117	1 266	7 396
2004	11 241	920	450	104	1 212	9 005
seeing aids						
2001	782	159	83	41	164	418
2002	817	145	97	41	159	472
2003	797	152	105	41	206	398
2004	846	162	109	32	237	415
hearing aids						
2001	1 911	215	110	142	42	1 512
2002	1 898	206	150	183	59	1 450
2003	3 307	248	168	339	121	2 599
2004	2 237	180	121	279	75	1 703

1 - Every person is counted only once, regardless of the number of times devices are provided.

Cost of devices and state financing, thousand EEK

Type of device	Total cost of devices	of which covered by the state	
		total	incl. devices for children
Devices sold and rented, total			
2001	32 396	24 890	6 251
2002	33 938	25 981	6 551
2003	46 147	35 473	9 196
2004	42 485	31 693	8 681
incl. moving aids			
2001	5 192	4 209	927
2002	5 575	4 582	1 069
2003	8 191	7 090	1 850
2004	7 676	6 818	1 545
orthopedic and prosthetic devices			
2001	14 495	11 844	2 678
2002	14 807	12 010	3 142
2003	18 892	15 385	3 892
2004	16 020	12 753	3 978

Cont. ►

► *Cont.*

Type of device	Total cost of devices	of which covered by the state	
		total	incl. devices for children
nursing and care devices			
2001	6 488	3 698	974
2002	7 012	4 046	997
2003	8 521	4 814	1 227
2004	10 089	5 707	1 461
seeing aids			
2001	1 624	1 419	429
2002	1 639	1 433	321
2003	2 155	1 884	535
2004	1 913	1 601	360
hearing aids			
2001	4 597	3 720	1 243
2002	4 905	3 910	1 021
2003	8 388	6 300	1 692
2004	6 787	4 815	1 337

Shelter services and rehabilitation services to ex-convicts

	2003			2004		
Service providers , at the end of the year	28			29		
	Total	M	F	Total	M	F
Service users , during the year	3 243	2 037	1 206	2 580	1 732	848
Persons using the service, by age						
total under-aged people	1 798	1 055	743	1 354	834	520
0-6	471	241	230	339	196	143
7-14	872	555	317	592	388	204
15-17	455	259	196	423	250	173
total adults	1 445	982	463	1 226	898	328
18-24	244	151	93	202	134	68
25-49	948	650	298	682	508	174
50+	253	181	72	342	256	86
Persons using the services, by cause						
Release from penal institutions	698	647	51	559	510	49
under-aged people	3	1	2	12	11	1
adults	695	646	49	547	499	48
Homelessness ¹	595	336	259	365	217	148
under-aged people	292	163	129	127	67	60
adults	303	173	130	238	150	88
Vagrancy	368	256	112	302	222	80
under-aged people	327	230	97	265	200	65
adults	41	26	15	37	22	15

Cont. ►

► *Cont.*

	2003			2004		
	Total	M	F	Total	M	F
Domestic violence	326	95	231	254	96	158
under-aged people	180	94	86	174	93	81
adults	146	1	145	80	3	77
Domestic neglect	238	132	106	221	135	86
under-aged people	217	125	92	211	131	80
adults	21	7	14	10	4	6
Alcohol abuse by parents and other relatives	222	93	129	137	70	67
under-aged people	210	91	119	132	69	63
adults	12	2	10	5	1	4
Alcohol abuse	158	109	49	134	99	35
under-aged people	48	32	16	36	24	12
adults	110	77	33	98	75	23
Drug abuse	172	133	39	94	68	26
under-aged people	166	130	36	94	68	26
adults	6	3	3	-	-	-
Drug abuse by parents and other relatives	39	21	18	28	15	13
under-aged people	24	17	7	28	15	13
adults	15	4	11	-	-	-
Other violence	33	18	15	15	8	7
under-aged people	24	16	8	8	6	2
adults	9	2	7	7	2	5
Other/reason unknown	394	197	197	471	292	179
under-aged people	307	156	151	267	150	117
adults	87	41	46	204	142	62

1 - Excl. people released from penal institutions.

Services provided to people released from penal institutions

Type of service	Persons using the services, during the year		Average time of one person using the service	
	2003	2004	2003	2004
Accommodation, days	251	253	113	94
Rehabilitation, hours ¹	354	216	14	18
Support person service, hours ²	334	173	8	13
Psychological counseling, hours	300	220	6	6

1 - Activities to advance a person's coping abilities in specific studying, working or social environments.

2 - For assisting and directing persons released from penal institutions in everyday life, while considering their special needs.

Persons using the night shelter services for the homeless, by sex and age, during the year

	2003			2004		
	Total	homeless ¹	other persons in night shelters ²	Total	homeless ¹	other persons in night shelters ²
Total	1 712	1 582	130	2 062	1 700	362
M	1 404	1 311	93	1 711	1 403	308
F	308	271	37	351	297	54
By age						
under 18	-	-	-	19	9	10
18-24	108	84	24	79	45	34
25-49	999	939	60	1 057	855	202
50-64	517	486	31	810	711	99
65 and older	88	73	15	97	80	17
By length of stay						
up to 7 nights	460	398	62	580	333	247
8 -30 nights	321	256	65	443	364	79
31-90 nights	274	274	-	362	327	35
91-180 nights	313	312	1	335	334	1
181-270 nights	201	200	1	271	271	...
more than 270 nights	143	142	1	71	71	...

1 - Homeless person - a person, who has no legal relationship (ownership, lease agreement, permanent accommodation agreement) to any buildings, rooms or parts thereof that would qualify as housing and who has no source of income necessary for acquiring a place to live and no social skills to change his or her status in the given circumstances.

2 - Persons needing temporary night accommodation for various reasons (family conflicts, domestic violence etc.).

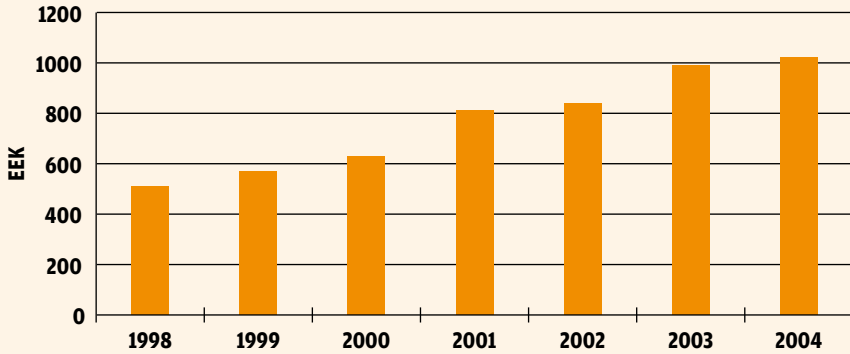
Subsistence benefit

The use of subsistence benefit funds, the number of satisfied applications and the average amount of benefit

Type of benefit	1998	2000	2001	2002	2003	2004
Subsistence benefit (to maintain subsistence level)						
number of satisfied applications a year, thousand	577.2	494.8	443.3	385.7	313.4	214.5
average amount of benefit per application, EEK	503	617	797	847	984	1 011
average number of satisfied applications a month, thousand	48.1	41.2	36.9	32.1	26.1	17.9
proportion of families receiving benefit (monthly average) of all families ¹ , %	7.8	7.2	6.5	5.7	4.6	3.2
Supplementary benefits						
number of satisfied application a year, thousand	317.1	29.2	3.8	48.4	37.3	33.5
average number of satisfied applications a month, thousand	26.4	2.4	0.3	4.0	3.1	2.8
average amount of benefit per application, EEK	381	343	279	440	454	545

1 - The calculation is based on the adjusted number of households from the Statistical Office's household budget survey.

Average benefit (for maintaining subsistence level) per application, EEK



Families receiving benefits from the subsistence benefit funds

Type of benefit	1998	2000	2001	2002	2003	2004
Families receiving subsistence benefit (to maintain subsistence level) ² , thousand	85.1	65.4	70.4	69.3	51.1	33.2
proportion of all families ¹	13.9	11.4	12.4	12.2	9.0	5.9
Families receiving supplementary benefits² , thousand	170.5	24.5	3.6	37.7	35.4	30.8
proportion of all families ¹	27.8	4.2	0.6	6.7	6.3	5.4

1 - The calculation is based on the adjusted number of households from the Statistical Office's household budget survey.

2 - The numbers of families cannot be added up, as one family may receive both benefits. This includes all families receiving benefits regardless of the number of times benefits are received.

Structure of families receiving subsistence benefit (to maintain subsistence level)¹, %

	1998	2000	2001	2002	2003	2004
Families receiving subsistence benefit						
with an unemployed person	..	60.6	59.1	56.6	61.4	72.4
recipient of unemployment benefit	30.5	27.9	31.5	26.5	26.1	27.8
long-term unemployed, non-working job-seeker	..	32.7	27.6	30.1	35.3	44.6
with children	49.3	45.9	38.3	34.1	38.7	43.4
pensioner`s	12.2	5.8	7.7	7.9	7.6	6.7
student`s	...	11.7	16.7	21.7	14.6	1.9
with a disabled person	7.3	5.8	5.8	5.7	6.3	6.4
Families with children receiving subsistence benefit, by number of children	100	100	100	100	100	100
with 1 child	51.3	54.0	56.7	58.5	54.9	52.7
with 2 children	30.5	29.8	29.0	27.7	27.7	28.3
with 3 and more children	18.2	16.2	14.3	13.8	17.4	19.0

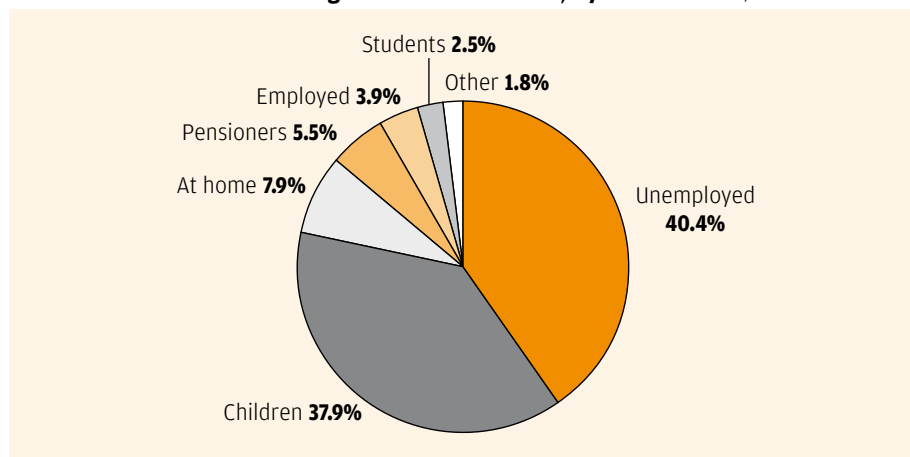
1 - Calculated on the basis of satisfied applications. One family may belong under several family types (e.g. a family with children and an unemployed person), and therefore the total of different family types does not equal 100%.

Members of families receiving subsistence benefit (to maintain subsistence level), by social status¹, %

	2000	2001	2002	2003	2004
Members of families receiving subsistence benefit, by social status	100	100	100	100	100
recipients of unemployment benefit, job-seekers, long-term unemployed	34.0	36.4	36.9	36.8	40.4
recipients of unemployment benefit	14.7	18.5	16.3	14.7	14.7
long-term unemployed, non-working job-seekers	19.3	17.9	20.6	22.1	25.7
children	38.4	33.6	30.9	34.9	37.9
persons at home	6.3	5.4	5.5	7.1	7.9
pensioners	4.6	6.3	6.6	6.2	5.5
employed	6.7	4.8	3.9	4.0	3.9
students	7.2	10.8	14.3	9.4	2.5
other	2.8	2.7	1.9	1.6	1.8

1 - Calculated on the basis of satisfied applications.

Members of families receiving subsistence benefit, by social status, 2004



Distribution of families receiving subsistence benefit (to maintain subsistence level), by the number of times benefit is received during the year, %

Year	Total	Distribution of families by the number of times benefit is received											
		1	2	3	4	5	6	7	8	9	10	11	12
1998	100	21.3	11.9	9.6	8.6	7.6	5.9	5.3	4.3	4.1	4.1	5.2	12.0
2000	100	19.9	12.4	9.8	7.8	6.3	5.6	4.6	4.3	4.3	4.5	5.4	15.2
2001	100	14.4	10.5	9.1	7.8	6.7	6.2	5.3	4.8	5.3	5.2	6.4	18.3
2002	100	16.2	11.4	16.1	7.1	6.0	7.8	4.2	3.8	3.8	4.1	5.3	14.2
2003	100	14.5	9.9	10.3	7.4	7.9	7.8	5.5	5.7	3.8	3.8	5.1	18.3
2004	100	17.1	9.4	7.8	7.4	6.4	5.5	4.4	4.1	4.1	4.1	5.7	23.9

Satisfaction of subsistence benefit applications (to maintain subsistence level) from citizens of countries, which have ratified the European Social Charter

	2001	2002	2003	2004
Number of satisfied applications	10	22	16	20
Number of families receiving benefits	3	4	2	4
Total subsistence benefits, thousand EEK	3.6	17.2	48.5	66.2

Expenditure and financing of welfare services¹, 2003-2004

Type of service	Number of persons using the service	Total expenditure, thousand EEK	financed by			
			person	local government	state	other sources
Institutional welfare services to orphans and children without parental care						
2003	1 767	99 697.8	547.7	4 202.9	91 434.9	3 512.3
2004	1 851	117 000.3	445.1	5 126.1	109 219.6	2 209.6
Institutional welfare services to children with severe or profound disability upon parents' application						
2003	132	7 833.7	703.5	581.4	5 376.7	1 172.2
2004	127	8 431.8	965.0	899.1	5 559.9	1 007.8
Institutional welfare services to adults (excl. with special psychic needs)						
2003	5 404	197 210.7	86 803.9	106 758.4	3 434.3	214.2
2004	5 997	219 965.5	104 487.7	111 268.8	3 397.3	811.7
Welfare services to adults with special psychic needs (incl. accommodation service)						
2003	5 072	140 025.2	32 233.6	5 804.4	100 959.5	1 027.7
2004	5 290	150 712.1	37 188.1	6 529.4	105 525.9	1 468.8
Rehabilitation services to adults with special psychic needs						
2003	669	4 938.8	-	-	4 938.8	-
2004	949	5 908.9	4.0	1.9	5 903.1	-
Provision of rehabilitation services to disabled people						
2003	6 599	7 763.1	427.3	2 463.9	4 737.7	134.2
2004	9 543	14 518.3	264.9	368.7	13 729.8	154.9
Prosthetic and other devices						
2003	25 292	46 147.5	10 674.5	..	35 473.0	..
2004	26 369	42 484.8	10 791.9	..	31 692.9	..
Shelter services and rehabilitation services to people released from penal institutions						
2003	3 243	27 841.5	168.8	23 290.2	2 480.4	1 902.0
2004	2 580	27 965.7	106.9	22 938.0	2 476.6	2 444.1
Housing services in the form of social housing, premises, support homes						
2003	3 697	30 985.4	3 136.7	25 031.9	689.9	2 126.9
2004	3 907	29 113.4	3 754.9	24 692.5	103.2	562.8
Day centre services						
2003	65 069	38 065.3	2 818.7	33 372.5	454.8	1 419.3
2004	55 976	44 484.3	3 273.9	39 410.2	442.9	1 357.3
Home services						
2003	6 171	33 740.8	746.6	32 873.1	121.1	-
2004	5 539	36 944.0	411.0	36 511.0	22.0	-

1 - Expenses directly related to the provision of services, and sources of financing.

Expenditure on social insurance and welfare from the state budget, million EEK

	1998	2000	2001	2002	2003	2004
Social insurance¹	6 507.9	8 119.0	8 663.9	9 565.5	10 451.4	12 722.5
State pension insurance	5 205.2	6 473.8	6 621.1	7 285.6	8 154.2	9 199.3
Social benefits for disabled people	-	75.7	441.2	565.2	588.8	630.1
Family allowances	1 158.9	1 317.0	1 317.2	1 395.4	1 382.1	2 106.0
incl. parental benefit	-	-	-	-	-	441.3
Other benefits and payments ²	90.4	74.7	79.6	88.7	94.8	112.5
Social tax paid from the state budget in special cases ³	-	108.5	122.2	141.5	145.2	141.8
Payment expenses on pensions and benefits	40.0	47.7	50.9	51.6	43.4	37.4
Percentage of social insurance expenditure						
of GDP	8.34	8.74	8.29	8.18	8.21	8.99
of the state budget ⁴	..	28.46	29.09	27.86	26.43	26.72
Administration expenses of the Social Insurance Board		79.6	76.7	80.6	77.4	90.8
Social welfare	666.9	568.0	656.2	672.7	650.6	561.9
Social benefits	425.5	318.3	354.4	347.9	325.1	235.0
benefits from the subsistence benefit funds	411.5	315.3	354.4	347.9	325.1	235.0
subsistence benefit	290.6	305.3	353.3	326.6	308.2	216.8
supplementary benefit	120.9	10.0	1.0	21.3	16.9	18.2
other benefits ⁵	14.0	3.0	-	-	-	-
Social services	241.4	249.7	246.6	258.5	266.6	282.0
incl. state welfare for people with special needs ⁶	94.5	96.8	89.7	98.8	101.2	105.5
institutional welfare services for adults ⁷	6.5	6.2	4.3	4.0	3.4	3.4
state welfare for children ⁸	75.5	88.6	102.2	105.7	105.7	121.4
operating expenses of vocational training centre for disabled people	9.9	11.4	11.1	13.1	14.1	14.5
partial compensation of the cost of prosthetic and other devices	23.5	23.2	25.2	26.2	35.7	31.7
national welfare programmes	23.7	12.6	10.0	6.4	2.4	1.8
other services	7.8	10.9	4.1	4.4	4.2	3.7
Other expenditure related to welfare	...	...	55.2	66.3	58.9	44.9
incl. investments into welfare institutions from the state budget and gambling tax ⁹	...	...	44.2	50.2	40.9	23.1
welfare projects financed from gambling tax	...	...	11.0	16.1	18.0	21.8
Percentage of social welfare expenditure						
of GDP	0.85	0.61	0.63	0.58	0.51	0.40
of the state budget ⁴	..	1.99	2.20	1.96	1.64	1.18

1 - Does not include health insurance and unemployment insurance (covered in sections "Health protection" and "Labour market").

2 - The preparation of rehabilitation plans and rehabilitation services for people with special needs, compensations related to occupational accidents and diseases, payment for days of caring for children, disabled persons and child-care leave, additional days off for parents of disabled children, paid breaks for feeding children, treatment in rehabilitation centres, funeral benefit, social benefit for Estonian citizens who have settled in Estonia from a foreign country or persons of Estonian nationality and compensations to victims of crime.

3 - Social tax is paid from the state budget via the Social Insurance Board for receivers or child-care allowance and parental benefit, persons taking care of disabled people, in certain cases also for dependents and people returning to Estonia.

4 - In 1998, the state budget did not include the social insurance and health insurance part and therefore these figures cannot be compared to subsequent years.

5 - Transport benefit for disabled people and benefit for the victims of the Chernobyl disaster, paid as a social insurance benefit since 2001.

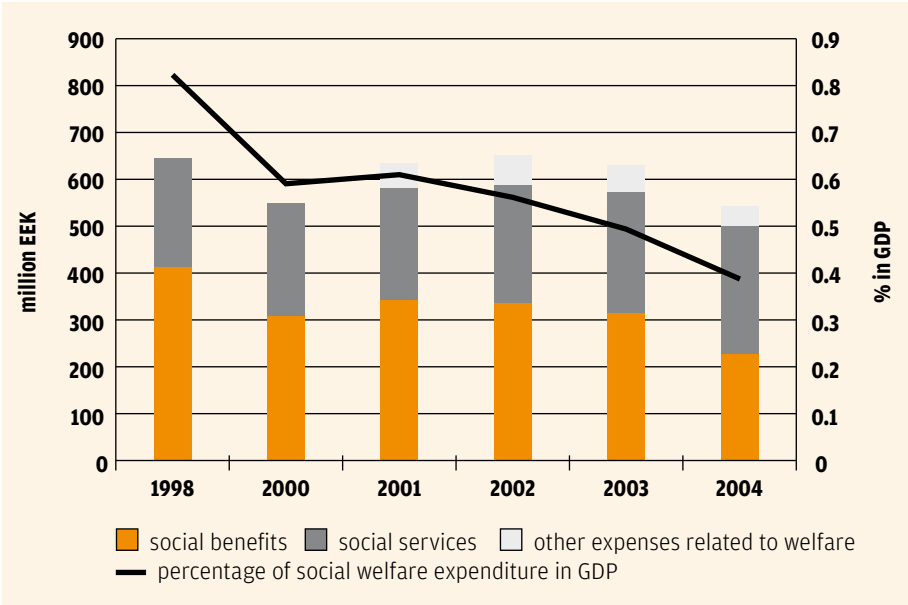
6 - Expenses of welfare institutions and open care services.

7 - The expenses of persons placed in general care homes before 1 January 1993 are covered from the state budget.

8 - For providing sustenance and rehabilitation services to orphans and children left without parental care in foster care and welfare institutions.

9 - In 2003 and 2004, only investments from the state budget.

Social welfare expenditure from the state budget and percentage of GDP



SOCIAL PROTECTION EXPENDITURE

The calculation of social protection expenditure is based on ESSPROS (European System of Social Protection Statistics) methodology. By the definition of ESSPROS, social protection is the aggregate of measures taken by the state, local governments or the private sector in order to facilitate the subsistence of a person or household in case of partial or total loss of income when certain predefined risks or needs occur (see functions presented in the table). Social protection expenditure includes monetary benefits paid to recipients of benefits in cash, and non-monetary benefits in the form of services and goods. Administration expenses and capital expenses are considered as social protection expenditure only if they are directly related to the payment of benefits or the provision of services. According to the ESSPROS methodology, a person's own financing in paying for services is not considered an social protection expenditure.

ESSPROS is based on functions, i.e. the purpose of paying benefits or providing services (illness, old age, unemployment etc). Thus the benefits paid under pension scheme are divided between the functions "old age", "disability" and "survivors", and the various welfare expenses between the functions "old age", "disability" and "family and children". The maternity benefit is included under the function "family and children", the subsistence benefit under "social exclusion" and the funeral benefit under "survivors".

The social protection expenditure includes expenses, which are regularly and in detail reported on the national or institutional level. Budget compliance reports from local governments do not allow for an adequate assessment of the total volume of social and health care services and benefits financed from the local governments' budgets. The local governments' expenses included in calculations cover main welfare services – institutional care, domestic services, housing services. As the social expenditure incurred by local governments is somewhat poorly presented, the actual total social protection expenditure and its proportion in GDP is somewhat higher than shown in the table.

Social protection expenditure¹

	2000	2001	2002	2003
Total expenditure , million EEK	13 358.32	14 176.55	15 404.58	17 107.98
Expenditure on social protection benefits	13 148.88	13 949.39	15 174.59	16 859.87
Sickness, health care	4 221.42	4 448.16	4 719.41	5 368.98
Disability, incapacity for work	869.26	1 146.25	1 355.03	1 571.59
Old age	5 704.45	5 927.96	6 617.02	7 420.69
Survivors	258.14	238.25	188.87	135.19
Family and children	1 568.39	1 598.60	1 725.63	1 681.68
Unemployment	167.82	189.65	166.03	304.89
Housing	93.33	84.60	96.22	103.57
Social exclusion	266.07	315.92	306.38	273.28
Administration expenses	209.44	227.15	230.00	248.11

Cont. ►

► *Cont.*

	2000	2001	2002	2003
Structure of social protection benefits, %				
Total	100	100	100	100
Sickness, health care	32.1	31.9	31.1	31.8
Disability, incapacity for work	6.6	8.2	8.9	9.3
Old age	43.4	42.5	43.6	44.0
Survivors	2.0	1.7	1.2	0.8
Family and children	11.9	11.5	11.4	10.0
Unemployment	1.3	1.4	1.1	1.8
Housing	0.7	0.6	0.6	0.6
Social exclusion	2.0	2.3	2.0	1.6
Percentage of GDP				
Total	14.4	13.6	13.2	13.4
Sickness, health care	4.5	4.3	4.0	4.2
Disability, incapacity for work	0.9	1.1	1.2	1.2
Old age	6.1	5.7	5.7	5.8
Survivors	0.3	0.2	0.2	0.1
Family and children	1.7	1.5	1.5	1.3
Unemployment	0.2	0.2	0.1	0.2
Housing	0.1	0.1	0.1	0.1
Social exclusion	0.3	0.3	0.3	0.2
Administration expenses	0.2	0.2	0.2	0.2

1 - In 2005, the Statistical Office recalculated the data from previous years and therefore the data differ somewhat from the figures presented in previous publications (expenses on children's day-care have not been included as a social protection expense).

Source: Statistical Office

Macroeconomic indicators used in calculations

	1995	1998	2000	2001	2002	2003	2004	2005
Population, on 1 January	1 448 075	1 393 074	1 372 071	1 366 959	1 361 242	1 356 045	1 351 069	1 346 500
Annual average population	1 436 634	1 386 156	1 369 515	1 364 101	1 358 644	1 353 557	...	...
GDP in current prices, million EEK	43 060.6	78 027.6	92 937.7	104 459.0	116 915.3	127 333.8	141 493.4	...
State budget (incl. additional budget), million EEK ¹	8 912.3	15 281.7	28 531.0	29 786.1	34 329.4	39 550.7	47 619.7	55 232.0

1 - In 1995. and 1998, the state budget did not include the social insurance and health insurance part and therefore these figures are not comparable to subsequent years.

