



TTA
TÖÖTURUAMET
ESTONIAN LABOUR MARKET BOARD



OVERCOMING OBSTACLES TO LABOUR MARKET

Dear Reader,



Estonian economic developments of recent years have greatly contributed to an increased employment rate and reduced unemployment. However, the situation is still not satisfactory. We need further efforts to be competitive in the rapidly changing world and to have the skills and ability to make use of the opportunities given by membership in the European Union.

Growing competition and the continuing globalisation of the economy require a more efficient labour market policy and better cooperation between the different parties of the labour market. Training of competitive labour force according of employers' needs is especially important. Despite economic progress, the lack of qualified labour is still a problem in Estonia.

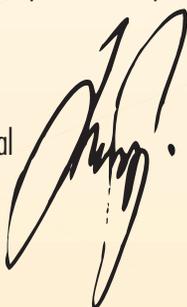
In addition to improving the competitiveness of the labour force, the Labour Market Board also considers it is important to greatly improve cooperation with employers and to enhance its role as an agent between the employer and the job seeker. One of the solutions is the launch of the national employment mediation portal (www.amet.ee), which enables the administration of vacant jobs as well as job seekers' data. The portal also gives information about the training courses available and provides primary vocational guidance. Now, the European dimension has been added to the portal – employment mediation via the EURES network covers the entire EU economic area.

The challenges and opportunities of the EU structural funds should not be underestimated. These help to improve the competitiveness of enterprises and the administrative capacity of the state, to develop infrastructures and human resources and to reduce social exclusion. The implementation of new experience for Estonia and the effectiveness of using the resources available to us largely depend on our willingness to cooperate on the national, local and corporate levels, and also on the availability of well-prepared, insightful project writers and implementers.

It is our common goal to seek solutions that guarantee the competitiveness of the Estonian economy and the welfare of its people. One of the steps on this way is the concept of labour market measures developed by the Ministry of Social Affairs, the implementation of which will greatly contribute to enhancing the employment rate in our country.

I look forward to pleasant cooperation in achieving our goals.

Mati Ilisson
Director General



Labour Market Board

The Labour Market Board is acting in the area of governance of the Ministry of Social Affairs and is financed from the state budget. The Labour Market Board has four departments and 16 subordinated employment services.

LABOUR MARKET BOARD



International and Personnel Department



The main activities of the International and Personnel Department in 2003 relate to preparations for accession to the European Union.

With the structural changes effected in April 2003, the former International and Information Department was reformed into the International and Personnel Department with the aim of paying more attention to training the personnel of the system. The chief specialist in personnel training who commenced work in April has developed a common training strategy for the labour market system, with the main focus on the further development of the internal training system and self-development opportunities based on the individual needs of the officials.

In July 2003, the Phare project "Support to the balanced development of employment services," which had lasted for one and a half years, was successfully completed. With the help of German and Swedish experts, the principles of providing employment services were developed further and most of the servants in our system participated in the professional training courses they needed. The computer stock of the labour market system was renewed and a self-service system was developed in the course of the project.

In the field of international cooperation, our close contacts with Latvia and Lithuania were maintained, largely in the form of exchange of experience on the regional level between the local labour market units of these countries. Contacts with Finland and Ireland were strengthened during the year in order to prepare the labour market offices of these countries for cooperation in supporting the free movement of European workers. The Irish national labour market department is the partner of the Estonian Labour Market Board within the bilateral cooperation programme for labour market offices initiated by the European Commission. The initial aim of the cooperation was to offer the candidate states all-round support in EU accession.

The first actual project with Ireland was cooperation in the field of job mediation: 90 persons were employed permanently and 153 seasonally, in the Irish food company of Kerry Foods. More than 700 people applied for seasonal work and 200 people put up their candidacy for permanent jobs, for which they first had to be interviewed by specialists of the Estonian labour

market system. The Irish government supported the employment in Ireland of all these job seekers – they were given work permits according to a simplified procedure and the local labour market official supervised their working conditions.

The Irish project was also the first challenge for the future advisers of the European Employment System, the EURES network. The EURES network promotes the free movement of workers in the EU and EEA contributes to the creation of a common European labour market, and sees as its goal to inform, advise and assist people who wish to work in a foreign state, as well as employers who wish to employ foreigners. In order to secure EURES networking in Estonia and meeting the goals that had been set, the future EURES advisor for Tallinn, Tartu, Pärnu and Narva were trained during 2003 and the basic principles for their further activities were defined.

Alice Lugna
Head of International and Personnel Department

European Social Fund Department



Goals 2003

- To create an ESF implementation unit (NDP measure: inclusive labour market)
- To draft and approve the procedural rules governing the correct use of the ESF

Creation of an implementation unit of the European Social Fund (ESF).

The unit was set up in 2003 in connection with the implementation of EU structural funds.

An implementation unit of the European Social Fund (ESF) in the Labour Market Board, formed of the European Social Fund Department and also involving the ESF, an economist, controller and accountant from the Administrative Department. A total of 13 officials of the Labour Market Board are involved in implementing the European Social Fund.

The funds for setting up the implementation unit were allocated under the programme “Increasing employment, prevention of long-term unemployment and avoidance of exclusion of risk groups from the labour market in 2003.”

The preparations were initiated by the International and Personnel Department. The creation of the unit was a process of cooperation with all the other TTA departments and advisors to the director general, who have greatly contributed to the creation process.

The first task of the department was to prepare the procedural rules regulating the correct use of the ESF. Drafting the rules commenced in April 2003 and is currently in the final phase.

In addition to the officials of the ESF implementation unit, nearly all the TTA officials have been involved in the drafting of the procedural rules. French experts extended their assistance and advice in the preparation of the procedural rules pertaining to project financing and control.

As the implementation of structural funds is a new experience for Estonia, and the use of the funds largely depends on adequately trained implementers, the ESF implementation unit initiated a collection of ideas and training of the potential project promoters in the (Inclusive labour market) measure. This activity served two purposes: to ensure a sufficient number of quality project applications in the first round of applications, and to test the readiness of the implementation unit to perform its functions. Also, communication with potential applicants helps to identify the problems in the entire implementation system and its legal framework.

Over 250 ideas were received, information days were nationwide, and training was provided in the field of project management and budgeting for the people who generated these ideas and wished to formalise these as project applications. An e-mail list of the idea generators was prepared in order to provide them with information regularly.

The ESF informational activities for all the potential groups of applicants have been carried out in the framework of various other events.

A network of ESF consultants of the employment system was also created. The Labour Market Board and the employment services have initiated the preparation of several large-scale project applications, developed a procedure for funding project initiatives, and are drafting the procedure for remunerating the officials involved in the projects to be implemented by the employment system.

The ESF implementation unit actively participated in the analysis stage of the development of the structural funds' information system. This has provided adequate assurance that the system is functional for implementing the processes crucial to us, and we can employ alternative methods in areas not covered by the system well in advance.

Katri Targama
Head of European Social Fund Department

Services and Social Protection Department



The Services and Social Protection Department is involved in the preparation of the national labour market policy and programmes, organises and analyses the provision of employment services and social protection of the unemployed. The department organises the implementation of the unemployment insurance system in employment offices, participates in the preparation of development strategies and the programmes and plans the required resources. The department's duties also include advising in labour market policy issues, keeping and developing the national register of job seekers and employment services, and developing the information system of labour market offices.

In our everyday work, we seek opportunities and resources for the local employment offices so they can provide employment local offices as flexibly, efficiently and effectively as possible. In addition to organising, analysing and controlling the provision of the labour market services established by law, we also provide project-based solutions by piloting various new measures. We have piloted various activities for risk groups (long-term unemployed, elderly unemployed, young unemployed, disabled people) on a project basis.

The department participates actively in the preparations for the implementation of the ESF, to ensure that the projects applied to deal with employment problems nationwide. It is important to ensure nationwide coverage of projects that help solve the region-specific problems. The department also intends to initiate several nationwide projects. The projects cover various surveys (sectoral surveys, labour demand surveys), national service provision projects, projects improving the availability of services, etc.

The department takes active part in the preparation of the concept of development of labour market measures, initiated by the Ministry of Social Affairs.

As a new initiative, the department has begun to improve cooperation with social partners and professional unions. Employment problems can be prevented and solved only by efficient cooperation and an operative exchange of information on the national, regional, and county levels. Neither the Labour Market Board nor the employment offices can reduce unemployment or increase the employment rate with their activities. But together with partners, we can work out effective solutions that help to increase employment and reduce unemployment.

Patrick Rang
Head of Services and Social Protection Department

Administrative Department

The Administrative Department of the Labour Market Board ensures the financial functioning of the Labour Market Board and its local employment offices.

The budget of the Board for 2003 totalled EEK 205.6 million. Operating costs amounted to EEK 35.4 million. Allocations for the provisions of employment services and for investments amounted to EEK 166.9 and EEK 3.3 million, respectively. The largest sums were paid to the unemployed – unemployment benefits and social tax on these benefits, totalling EEK 92.4 million. Trainers were paid EEK 46.5 million for conversion training of the unemployed.

Preparatory actions were launched to improve the income of budgetary agencies. As from 2004, the Labour Market Board is an obligated subject both in budgetary and accounting terms. This enables a more flexible redistribution of funds.

The European Social Fund Department was set up to involve the Labour Market Board in Europe-orientated activities. The officials of the department were provided with working conditions that ensure a successful implementation process.

The working conditions of the Labour Market Board and the local employment services were improved. The rooms of the Labour Market Board were repaired and new furniture was procured. New rooms were put into use in the local employment offices. The Valgamaa Employment Office moved to new rooms in the centre of the city of Valga. The Ida-Virumaa Employment Office moved to new rooms in Jõhvi, Kiviõli and Sillamäe. New rooms were put into use in cooperation with the local county governments. The rooms of the Raplamaa Employment Office were renovated and new rooms were provided for the Saaremaa Employment Office. The use of new rooms improved the customer service conditions. The rooms are larger and help to serve the unemployed in more diverse ways, encouraging a more personal approach. The conditions for servicing disabled people are constantly improving.

Margus Tilga
Head of Administrative Department



IT in Labour Market Board in 2003



The IT sphere in the Labour Market Board in 2003 may be characterised largely by three keywords – administrative capacity, integration, and the availability of public services.

Administrative capacity

A weak administrative capacity has been seen as the greatest shortcoming of the Estonian public sector upon integration into the EU structures. Consolidation of IT management and concentration of the area helps improve the overall administrative capacity of the Labour Market Board.

In December 2002, the “System analysis for drafting an IT strategy development plan for the Labour Market Board” was completed in cooperation with NetGroup OÜ. The analysis served as the main guidance in the operations carried out in 2003. The main activities concerning the general development of IT administration were the development of the domain structure and paying greater attention to the development of data security, in the course of which the rules for using the TTA wide area network were formulated. The activities included planning of the TTA common IT user support. As regards data security, regulative documents and rules were improved and parallel firewalls for SelvelS (self-service information system – job portal) were designed and implemented.

The creation of a remotely administered maintenance system will help save resources in the future and provide a uniform nationwide quality of maintenance. The common user support is one of the first stages in the implementation of the system. To offer remote administration to all the local employment services, changes in the domain structure were launched in the first order: the Labour Market Board and the Tallinn, Harju, and Ida-Virumaa Employment Services were connected to a single domain as pilots. At the end of the year, the IT maintenance and support agreements of all the local employment services were reviewed and the planning of a common help desk was commenced.

Integration

The main task in the field of integration is to improve the level of information exchange with various state institutions. The issues tackled included accession to the X-tee information systems data exchange layer – the connection of databases, the MISP server and security server. The Labour Market Board joined X-tee in January 2003 and then started to transfer its entire data exchange to X-tee. The first trial in this area was the data exchange between the SelvelS and the commercial register. The next tasks are the existing data exchanges with the Unemployment Insurance Fund and the Health Insurance Fund, and the future data exchanges with the Social Insurance Board and the Tax and Customs Board.

Also, cooperation with Enterprise Estonia was launched in November, in the course of which the Labour Market Board cooperates with the Aktiva enterprise information gate in order to improve the availability of enterprise information and enhance the knowledge of entrepreneurs. Important enterprise information is also transferred to the web site of the Labour Market Board.

Public services

In the field of public services, the job mediation portal (self-service information system) www.amet.ee, developed under a Phare project, was launched in December. The portal was developed in cooperation between the Labour Market Board and AS Eesti Ühispank Konsortium. The information system offers free services for both employers and job seekers. The self-service system (SelveIS) enables the administration of vacant jobs as well as job seekers' data. The system also provides information on training availabilities and primary vocational guidance –professional suitability tests, professional standards and informational materials. Self-service terminals were installed in all the local employment offices in the course of implementation of SelveIS.

The existing services information system was further developed so as to improve the level of servicing our customers. The training module was improved, data exchange was enhanced and inquiries were elaborated.

The portal www.tta.ee/eures, the part of the EURES European Job Mobility Portal introducing Estonia, was completed in 2003. EURES encourages the free movement of workers in EU/EEA countries.

The web site www.amet.ee was improved and maintained.

Constant cooperation with other departments is under way for the further development of the statistics information system.

Presentation equipment was procured to promote the public relations of the Labour Market Board and the local employment services.

The Labour Market Board was involved in international cooperation with Sweden in IT administration know-how, and German experts have visited Estonia.

For the IT department, the year 2003 was a busy and interesting year of defining the department's development strategy. The year may be called a success. We owe thanks for this to our cooperation partners and the team of our department.

Liivi Käär
Register Bureau

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