



TTA
TÖÖTURUAMET
ESTONIAN LABOUR MARKET BOARD

THROUGH HARDSHIP TO THE LABOUR MARKET



15th anniversary



The Labour Market Board was established on May 31, 1990. On August 1 the same year the Government of the Republic of Estonia approved the Statutes of the Labour Market Board. These laid the legal foundation for one of the first institutions in Estonia, aimed at solving the problems characteristic of the market economy. In November 1990 drafting legislation and the main principles of the labour market policy were launched; the Government drew up a list of the services provided by the Employment Services and the terms and conditions thereof.

In 1991 the Government of the Republic decided to begin registering the unemployed and job-seekers in the state and providing them with the required labour market services and paying unemployment benefits. The build-up of the network of the national Employment Services concerned several directions. First, the necessary infrastructure needed to be developed. The system needed people with the right calling and skills in order to prepare them for performing the new duties and to develop a labour market information system, find the premises and create working conditions for sub-units in counties.

Finnish, Swedish and German labour ministries have provided great help in developing the labour market institutions in Estonia. Ireland and Denmark have also been of valuable assistance. The network of the Employment Services was established on 5 May 1994 and by a regulation of the Government of the Republic the Employment Services, which were in the area of administration of county governments, were transferred to the area of government of the Ministry of Social Affairs. The first draft of the Social Protection of the Unemployed Act was prepared in the summer of 1991, but the act was finally adopted in October 1994.

On 11 December 1996 the Government of the Republic removed the Labour Market Board from the area of government of the Ministry of Social Affairs. The Board was to be reorganised in 1997. On 1 June 1999 the Government of the Republic brought the Labour Market Board back to the area of government of the Ministry of Social Affairs.

At present, the duties of the Employment Offices are to direct the development of the labour market, act as an intermediary for the parties to the labour market and promote employment — in addition, the Labour Market Board is the final beneficiary of measure 1.3, Equal Opportunities in the Labour Market, of the European Social Fund. It is important to provide people who have lost their job with social protection and grant them access to the labour market services and provide information about the situation in the labour market. The mission of the Labour Market Board is to support a competitive, effective and flexible labour market, to enhance filling jobs and to promote the development of the economy by providing employers and job-seekers with the labour market services.

Tiina Ormissin
Director

Labour Market Board

The Labour Market Board operates in the area of government of the Ministry of Social Affairs and the institution is funded out of the state budget. The labour market board has four departments and 16 Employment Offices.

LABOUR MARKET BOARD ●



Services and Social Protection Department



For the Services and Social Protection Department the year 2004 was full of new, exciting and effective activities, which largely continued in 2005 as well. It can be said that the year 2004 was a year of launching new initiatives. We will see the results of these initiatives in the coming years.

What were the most important activities in 2004? First, we should mention active participation in preparing the projects co-financed out of the European Social Fund. The Department initiated 7 projects in the first two application rounds and actively participated in preparing the project applications of all the Employment Offices. The projects initiated by the Department are aimed directly at the clients of the employment system (the central training project of the Labour Market Board, increasing the administrative capacity of the Tripartite Employment Councils (TEC)); some projects are also aimed directly at the clients, but contain many new and innovative activities (promotion of employment of people with disabilities, a pilot project of curators); some projects have been launched for creating the prerequisites and conditions for better and more effective provision of services (development of the information systems of the Labour Market Board, improvement of the availability of the Labour Market Help Yourself Information System in Estonia).

Adding the project application of all Employment Offices we find that the Labour Market Board is becoming a project organisation. Provision of the labour market services is increasingly taking place through various projects. This means that we can provide clients with services which they need for solving their specific problems. Organisationally it means that the work organisation of the Labour Market Board must take various projects into account.

Secondly, a remarkable achievement in 2004 was the implementation of the PHARE project for promotion of the employment of young people in three target regions: Ida-Viru County, Western Estonia (Saare and Hiiu Counties) and Southeastern Estonia (Põlva, Valga and Võru Counties). The project was most successful and received positive feedback in the reports of Estonian Progress 2014, a development plan drawn up by the Government of the Republic. The project was carried out by the Labour Market Board, BDA Estonia and many other partners. External experience was provided by Danish and Scottish experts. The project focused on promoting the employment of young people in the listed target regions and was a useful preparation for implementation of future ESF projects, because it was the first of its kind in terms of its substance and scope. The project fully achieved its results, sometimes even exceeding the prescribed performance levels. In addition to the direct goal of the project (reduction of the unemployment among young people

and promotion of employment) the project had another noticeable efficiency factor – the newly acquired knowledge and skills, which were beneficial to all the participants.

On the whole the year 2004 was a year of changes and learning. We realised that if we wanted to be efficient we would have to be very flexible, use an individual approach, not attempt to assume the duties of others, but rather cooperate and work for achieving the common goal and be there for others whenever our help is asked. This year it all must be applied in practice.

Patrick Rang
Services and Social Protection Department, Head of Department

International and Personnel Department



One of the prerequisites for achievement of the objectives of the Labour Market Board is skilled, dedicated and motivated civil servants. The measures of motivating civil servants and harmonising the workload have been considered an important issue which needs to be attended to in order to satisfy the changing and developing requirements of the public and private sectors.

Over the year, 253 officials of the labour market system participated in professional training courses, workshops and information days. A large portion of the officials participated in information system usage courses conducted on-site in the Employment Offices. In 2004 the national programme "Increasing employment and preventing long-term employment and exclusion of persons belonging in risk groups from the labour market" was of great assistance upon organising training. The programme's funds sufficed for 5 training projects, which allowed for educating 60 officials in customer service, 40 officials in project management, while on average 18 officials took part in business training (three modules) and 20 officials in labour market economics training. One training project was aimed at the implementation of a system of individual action plans of the unemployed. In the framework of the project respective training was conducted in each Employment Office and the project was topped with a handbook for simplifying further work being published.

Given the opening-up of the Structural Funds of the EU, a project titled "Increasing the Administrative Capacity of the Labour Market Board and the Employment Offices" has been launched for the development and effective implementation of the personnel policy in the framework of measure 1.3, Equal Opportunities in the Labour Market, stipulated in the Estonian National Development Plan for 2004-2006 with respect to introduction of the EU Structural Funds. The target group of the 29-month project is the officials working in the labour market system. The overall goal of the project is to increase the administrative capacity of the Labour Market Board and the Employment Offices through increasing the quality of the labour market services. In connection with improving the quality of the labour market services the specific objectives include increasing the professionalism and motivation of the personnel. To achieve this, strategies, policies (incl. the personnel policy) and principles supporting the management of the organisation will be developed and implemented and the groups of the officials of the labour market system will receive the required training.

In the framework of the aforementioned project a work motivation and satisfaction survey was carried out among the personnel at the end of 2004, covering various aspects of job satisfac-

tion and seeking assessments and positions regarding the organisation and its functionality. In parallel, the drafting of the principles of the personnel policy has been launched (recruitment and selection, remuneration). In 2004 the preparation of performance-related job descriptions for the officials of the Labour Market Board continued and drafting similar samples (e.g. a case manager) for the Employment Offices was commenced as well – these activities will continue in 2005.

In 2004 the preparations of the centralisation of the personnel work in the labour market system were started. An official whose duty is to ensure systematic and smooth organisation of the personnel work of the Employment Offices and monitoring the lawfulness and the technical correctness of the personnel documents was hired.

Estonia's accession to the European Union on 1 May 2004 brought about changes in the labour market system, too – the Labour Market Board became a full member of the EURES network. The EURES network unites the national labour market institutions of the Member States and comprises over 700 EURES advisers throughout Europe. For effective operation of the EURES network Estonia formed a EURES Bureau, which employs 6 EURES specialists: there is a EURES specialist in each larger Estonian town and 2 specialists in Tallinn and Tartu. In addition to the EURES specialists 22 consultants familiar with EURES have been chosen and trained from among the employment officials for supporting the mobility of the labour market. In addition to their principal job they have the duty to inform people about the EURES services. In 2004 the EURES system helped 541 people to start working in a foreign country, advised 5772 job-seekers and helped 167 companies hire employees. In the framework of the largest job intermediation project nearly 200 Estonians found a permanent job in the Irish food processing industry and 153 people participated in seasonal work.

Alice Lugna
International and Personnel Department, Head of Department

European Social Fund Department



Activities in 2004:

- Accreditation of the ESF final beneficiary by the Financial Control Department of the Ministry of Finance;
- A competition of experts;
- Notification of applicants about measure 1.3 of the National Development Plan as well as the EQUAL programme;
- Creation of ESF and EQUAL websites;
- The first application round of measure 1.3;
- The second application round of measure 1.3;
- The application round of EQUAL.

The European Social Fund Department is the final beneficiary of measure 1.3, Equal Opportunities in the Labour Market, of the National Development Plan. In addition, the Department implements the EQUAL initiative of the European Community. It is an international programme funded out of the European Social Fund, which aims at developing and testing new measures for reducing seclusion, discrimination and inequalities related to the labour market.

In the first half of the year the main duties of the Department were preparation of the implementation system, drafting the rules of procedure and their final approval. On May 25 the Labour Market Board was accredited by the Ministry of Finance for introduction of the Structural Funds.

The funds of the European Social Fund allocated to Estonia will be divided between the best ideas on a project basis. The projects will be evaluated by independent experts. The ESF Department organised a competition of experts for finding them. The most suitable people were selected and contracts were made with them.

Throughout the year measure 1.3 of the National Development Plan and the EQUAL programme were introduced to the public. A media usage and information acquisition survey was carried out among the potential project applicants for ensuring better movement of information. Very different training and notification events throughout Estonia were organised. The main emphasis was on the local authorities, non-profit associations and training institutions. The notification was successful. 36 different information days, training courses and meetings took place over the year. 27 different articles, notices, interviews and comments have been published in the media. In the second half of the year training courses were organised for project managers and accountants who had received funding. Over the year, 696 people received training.

The websites of measure 1.3 of the European Social Fund (www.tta.ee/esf) and the EQUAL programme, which are regularly updated, were created as well.

The ESF Department actively participated in developing and testing the information systems of the Structural Funds. Unfortunately, the preparation and high-quality launch of the information system of the Structural Funds took a while, as a result of which there is a lot of additional work upon processing project applications and due to this the speed of processing suffers.

The first application round was opened later than planned, because the adoption of the Structural Funds implementation acts of the Government of the Republic and the Ministry of Social Affairs was delayed. The first application round of measure 1.3 was declared in midsummer, which was a very bad time for the project submitters (it was difficult to obtain written confirmation from state agencies and local authorities, because it was a holiday season). In spite of the unsuitable time 72 projects were submitted in the first application round. 35 of them were declared compatible and 32 received funding. The second application round was in autumn. 72 projects were submitted in the second round: 40 projects were declared compatible and 34 received funding. The evaluation of the projects and making funding decisions was left for 2005.

The application round of EQUAL projects took place at the end of the year. 67 projects were submitted in the application round and 13 of them were funded.

All application rounds were very successful, because many very different projects were submitted. The technical inspection and evaluation of the projects went smoothly as well. Difficulties arose upon processing payment applications. The projects are funded on the basis of payment applications. Both the final beneficiary as well as the paying authority (the Ministry of Finance) have the right to request additional documents if the expenses are not too clear. The first payment applications of projects pose the most serious issue, because such reporting, funding and inspection is new to the officials as well as the implementers of the projects. Each new thing requires getting used to.

Katri Targama
European Social Fund Department, Head of Department

Administrative Department



The Administration Department of the Labour Market Board ensures the financial operation of the Labour Market Board and its sub-units.

The budget of the Labour Market Board in 2004 amounted to EEK 271.3 million, incl. EEK 74.2 million of foreign aid. EEK 45.8 million was allocated for providing active labour market services and EEK 88.6 million for unemployment benefits, while the social tax payable by the state in exceptional cases amounted to EEK 19.1 million. The budgeted operating expenses of the Board amounted to EEK 43.4 million. The improvement of the working conditions of the Employment Offices continued in 2004. Among other things, the Harju County Employment Office received new and larger rooms at Narva mnt 9 in Tallinn in the summer. At the end of 2004 the Labour Market Board moved from Luha 16 to newly renovated premises in the headquarters of the Ministry of Social Affairs at Gonsiori 29.

In order to service unemployed and disabled people better the Labour Market Board plans to bring customer service employees to the ground floor in all Employment Offices. The Tallinn Employment Office was located at the fourth floor and customer service premises were quite small, which was tiresome for the employees and customers. At the end of 2004 the Office made a new lease agreement with the landlord for acquiring additional premises and as from March 2005 the Tallinn Employment Office services its customers at newly renovated and modernised premises on the ground floor of the building.

In 2004 a building located at Keskpuiestee 8 in Kiviõli was sold and the Citizenship and Migration Board transferred a part of a building at Keskväljak 9 in Jõhvi – now the premises of the Ida-Viru Employment Office – from their balance sheet to ours.

In 2004 we started replacing the copying machines and other appliances with new ones in the Employment Offices. We will continue this in 2005.

At the end of 2004 a thorough inventory of the assets and employment record books was conducted in the Labour Market Board and in the Employment Offices and instruments of delivery and receipt of the property transferred by the Labour Market Board to the Employment Offices – a prerequisite for correct accounting of assets – were drawn up.

Leili Leit

Administrative Department, Acting Head of Department

Links

www.eures.ee

www.fta.ee/esf

www.fta.ee/equal

www.amet.ee

www.sm.ee

www.tootukassa.ee

www.aktiva.ee

<http://europa.eu.int/eures/>

Employment Offices

Harju County EO

Narva mnt9E/Hobujaama 12, Tallinn
10117
Phone: 665 4020

Hiiu County EO

Sadama 15, Kärdla 92412
Phone: 463 2144

Ida-Viru County EO

Keskväljak9, Jõhvi 41531
Phone: 337 1088

Jõgeva County EO

Suur 14, Jõgeva 48306
Phone: 772 2450

Järva County EO

Pärnu mnt. 67, Paide 72715
Phone: 385 1117

Lääne County EO

Endla 5, Haapsalu 90504
Phone: 473 5517

Lääne-Viru EO

Tallinna 12, Rakvere 44306
Phone: 322 3453

Põlva County EO

Kesk 16, Põlva 63308
Phone: 799 7803

Pärnu County EO

Ringi 12, Pärnu 80010
Phone: 444 1465

Rapla County EO

Tallinna mnt. 14, Rapla
79513
Phone: 485 7987

Saare County EO

Kitsas 3, Kuressaare 93814
Phone: 452 4060

Tallinn EO

Endla 4, Tallinn 10142
Phone: 626 3252

Tartu County EO

Riia mnt. 35, Tartu 50410
Phone: 742 7155

Valga County EO

Vabaduse 26, Valga 68204
Phone: 767 9788

Viljandi County EO

Jakobsoni 11, Viljandi 71020
Phone: 435 4644

Võru County EO

Jüri 54, Võru 65604
Phone: 782 1848