



IMPROVING THE SKILLS OF
UNEMPLOYED PEOPLE

Work practice

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ESTONIA

The key challenge is to generate a positive impact within the context of low expenditure on active labour market policies and an economic recession. The practice achieved positive results especially when the service provision concerning the matching and suitability of the work experience was improved. The evaluation of the practice showed that its participants were more likely to be employed one year after entering the scheme.

Name of the PES	Eesti Töötukassa Estonian Unemployment Insurance Fund
When was the practice implemented?	2006-ongoing
Which organisation was involved in its implementation?	Work practice is carried out in private, public or third sector firms.
Which groups were targeted by the practice?	<ul style="list-style-type: none"> ▶ Jobseekers: <ul style="list-style-type: none"> • Registered unemployed people without relevant, or with outdated, work experience and knowledge. ▶ People seeking training: <ul style="list-style-type: none"> • Out of work: adults • Out of work: youth
What were the practice's main objectives?	Work practice is a labour market service aimed at improving the professional skills and knowledge of unemployed people who have limited or no work experience, by providing a short period of workplace training.
What activities were carried out?	<p>The main activities include individual guidance and coaching at the workplace and are aimed at providing updated skills, knowledge and practical work experience.</p> <p>The maximum duration of the work practice is four months but often the required practical skills and knowledge are obtained within a shorter period.</p> <p>During the work practice, the employer receives remuneration for the supervision of trainees. Remuneration is higher during the first month of the work practice and gradually decreases in the following months. The hourly rate of remuneration is equal to the minimum hourly wage and is paid at 100 % during the first month, 75 % during the second month and 50 % during the third and fourth months.</p>



<p>What resources and other relevant organisational aspects were involved?</p>	<p>Work practice is organised by employers. The contract between the employer and the Unemployment Insurance Fund (UIF, who is also delivering PES services) specifies the number of participants, content and duration of the work practice. Usually, UIF is responsible for finding employers willing to cooperate, but the initiative may also come from the employer or the candidate.</p> <p>Both the candidate participating in the work practice and their employer are required to report to UIF monthly. The participant is required to keep a training record book containing descriptions of performed duties and the employer's assessment on their performance. The employer tracks the participants' attendance. Staff in regional UIF offices are responsible for the management of the practice including contractual matters and monitoring.</p>
<p>What were the source(s) of funding?</p>	<p>National budget (tax revenue) European Social Fund</p>
<p>What were the outputs of the practice: people reached and products?</p>	<p>Work practice is supposed to increase the participants' employability. In 2010 around 3 800 individuals took part in the programme. In 2011 this number fell to 2 800, in line with the overall decline in unemployment. In 2017, 4 320 individuals entered the work practice measure.</p>
<p>What outcomes have been identified?</p>	<p>The UIF uses the share of participants who are employed six months after participation in the work practice as the main indicator:</p> <ul style="list-style-type: none"> ▶ 63 % of the participants who completed work practice between April 2010 and March 2011 were employed six months afterwards (target level 40 %); ▶ 64 % of the participants who completed work practice between April 2011 and March 2012 were employed six months afterwards (target level 45 %). <p>Most of the participants that found work (66 % – 77 % depending on the period in question) were taken on by the employer with whom they undertook the work practice.</p> <p>The evaluation results showed that 50 % – 57 % of participants were employed 4-5 months after the work practice.</p> <p>Cost-benefit analysis revealed that after two years, every euro invested in the work practice scheme had brought back EUR 1.9 to society.</p> <p>In 2017, the share of jobseekers back in employment within 6 months after finishing the work practice measure was 75.5 %.</p>
<p>What are the lessons learnt and success factors?</p>	<p>Work practice most often took place in the trade, customer services and beauty sectors.</p> <p>Participation increased monthly earnings of the participants by EUR 33 and 52 in two different periods. The evaluation concluded that the main reason why the participants in the second period were more successful was the change in the terms for service provision and not the improved economic situation. From August 2010, the UIF improved the match and suitability of work practice to the needs of the applicants. It was assumed that the applicant should in principle be able to continue working in the same company where the practice was organised.</p>



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