

Tr@ck-in Public employment services tracking effectiveness in supporting rural NEETs



WP 2 - MAPPING Overview on rural NEETs - ESTONIA

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Preface

This report is an output of Track-IN | Public employment services tracking effectiveness in supporting rural NEETs whose aim is to deliver an evaluation model of the effectiveness of Public Employment Services (PES) tracking support types. The goal is to respond to the challenges of the mismatch between broadband policy package aims and the needs of NEETs in rural areas and contribute to a greater visibility of the constraints and needs that young people face in rural areas.

The Track-IN project comprises a comparative 6-country case study (Portugal, Italy, Estonia, Lithuania, Spain, and Bulgaria), approached by three studies. In Work package 2 (WP2) the propose is to map the best practices in tracking young people aged between 25-29 years old, living in rural areas, and who are currently in a NEET situation (not in employment, education, or training). Methodologically, WP2 includes a comparative case study of different PES tracking support types programs foreseeing several steps: mapping (identifying all rural PES across the beneficiary countries, using Eurostat Labour Force Survey (2018) collapsed by degree of urbanization to delimit the territorial research scope); Screening (through a short survey, to target rural PES tracking practices fitting the project); Data collection (including in-depth analysis of selected cases using a multi-informant approach (PES administrative data; program documentation analysis; interviews with PES managers; world-café sessions with NEETs).

This report is the result of the phase of WP2 – mapping - an overview on rural NEETS, outlining in detail the situation of rural NEETs aged between 25 and 29 years old, over the last decade (2011-2021) in each beneficiary partner country. The overview will include indicators on youth population, youth employment and unemployment, education, and NEETs distribution. The characterization of all indicators will adopt the degree of urbanization as a central criterion, enabling proportional comparisons between rural areas, towns and suburbs, and cities. These analyses are further collapsed into age subgroups and, when possible, in sex groups for greater detail.

The statistical procedures adopted across the different selected dimensions where: descriptive longitudinal analysis; using graphical displays (e.g., overlay line charts); and, whenever relevant, the calculation of proportional absolute and relative changes between 2011, 2015 and 2021, and finally 2011 and 2021. These time ranges were chosen to capture the indicators evolution before and after the economic and financial crisis which hit European countries in the beginning of the decade and, more recently, to capture the impact of COVID19 pandemic crises. All data was extracted from Eurostat public datasets.

Ana Sofia Ribeiro and Tatiana Ferreira (ICS-ULisboa)

Introduction

This report about youth statistics in Estonia proceeds in three parts. It starts with an introductory contextualisation with the most relevant information about Estonia.

Following this, a methodological note explains the database used and the statistical operations carried out, with a specific focus on young people, organized by degree of urbanization and concerning four main topics: population; employment and unemployment; education; and NEETs. The report concludes with a summary which highlights the main results.

Contextualization

State characterization

Estonia is a sovereign state in North Europe, located in the Baltic Sea region. The total area of its territory is **45.339 km²** and it borders Latvia to the south and Russia to the east, and the overseas neighbours are Finland and Sweden. The Republic of Estonia has been a member of the European Union and NATO since 2004. Estonia gained its independence on the **24th of February 1918** and restored its independence in 1991. Estonia is a parliamentary republic. The Riigikogu (parliament) is a legislative body whose 101 members are elected by citizens every four years in free general elections. The head of state is a president with limited power and who mostly performs a representative function and balancing role to the parliament. The Government of the Republic, appointed to office by the president, exercises the highest executive power, generally with the backing of the majority of the Parliament (Ministry of Finance of the Republic of Estonia, 2022).

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Figure 1-Map of Estonia, by regions



Source: <https://www.worldatlas.com/maps/estonia>

Population

In 2021, Estonia had an estimated population of 1,330.068, of which 20.5% were young people (273.627) (Noored, 2022). According to the Youth Work Act, the young people are aged 7-26 years (Youth Work Act, 2020). According to estimates, the natural increase

of the population in Estonia will remain moderately negative until 2035, due to the fact that the smaller generations born in the 1990s and later have reached the age of starting families (Republic of Estonia Government, 2022).

Economic situation in the last decade

Estonian economy is strongly integrated into the EU single market in both the product and service sectors, which is why we must actively work to ensure its even better functioning (Republic of Estonia Government, 2022). Flexibility and openness are the characteristics and pervasive principles of Estonia's economic policy. Estonia is an e-country with a favourable business climate and cost advantages that is also open to growth. Successive governments have adhered to the principles of Estonia's economic success: a balanced state budget, liberal trade and investment laws, and the goal of joining the eurozone, which Estonia did in January 2011. The currency in Estonia is now euro. Estonia became the OECD's 34th member country on the 9th of December 2010 (Ministry of Foreign Affairs, 2022). Estonia has made progress over the last decades in terms of improving the quality of life of its citizens. Estonia performs well across a number of well-being dimensions relative to other countries in the Better Life Index. Estonia outperforms the average in education, environmental quality, safety, and social connections. It underperforms average in income, health, civic engagement, and life satisfaction. These assessments are based on available selected data. In terms of employment, about 74% of people aged 15 to 64 in Estonia have a paid job, above the OECD employment average of 66% (OECD, 2022).

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Administrative structure of the country

The administrative division of the territory of Estonia is counties, rural municipalities, and cities (Territory of Estonia Administrative Division Act, 2022). There have been 15 cities and 64 **rural municipalities** in Estonia since the administrative reform in 2017, all of which have the same legal status. Irrespective of their size and name, local governments perform similar functions throughout Estonia and have to offer the same services to their residents (Ministry of Finance of the Republic of Estonia, 2022).

Youth policy

Youth policy, which is the responsibility of the Ministry of Education and Research, is a part of the wider field of youth (Haridus- ja Teadusministeeriumi põhimäärus, 2021). A youth is a person between the ages 7 and 26 (Youth Work Act, 2020). The scope of the youth policy mainly includes youth work as well as social, employment, health care, cultural, family, and crime prevention policies (Haridus-ja Teadusministeeriumi

põhimäärus, 2019). In order to implement the Youth Field Development Plan 2021-2035, a principle of viewing a young person as a whole has been adopted and value is placed on the formation and self-actualisation of young people and the national support for activities that reduce the rate of youth leaving formal education or their risk of becoming NEETs as well as its cost (Noortevaldkonn, 2021).

At the end of 2021, Estonia had 22.200 NEETs (15-29-year-olds) according to Statistics Estonia (Statistics Estonia, 2022a) – a 8.6% decrease from the end of 2020 (24.300). Women form the largest group among NEETs (11.500 or 51.8%). They mostly become a part of this group due to family responsibilities. At the same time, the most vulnerable group in regard to contributing to the increase of NEETs have been young men. According to statistics (Statistics Estonia, 2022a), the largest group within NEETs in 2020 were inactive youths (14.800 or 66.6%); 4.600 (20.7%) of those are caring for children and other family members at home, and 2.500 (11.3%) are inactive due to an illness or an injury.

The Youth Guarantee implementation plan of the European Union has been applied in Estonia since 2014. This document provides an overview of the statistics concerning Estonian NEETs, relevant policies, influencing factors for becoming a part of this group, and the effect of Covid-19 on young people. The document also describes the latest research on support programmes, their efficiency, as well as facilitating and hindering factors. Based on that, the most important challenges and recommendations for future periods are summarised.

Education system

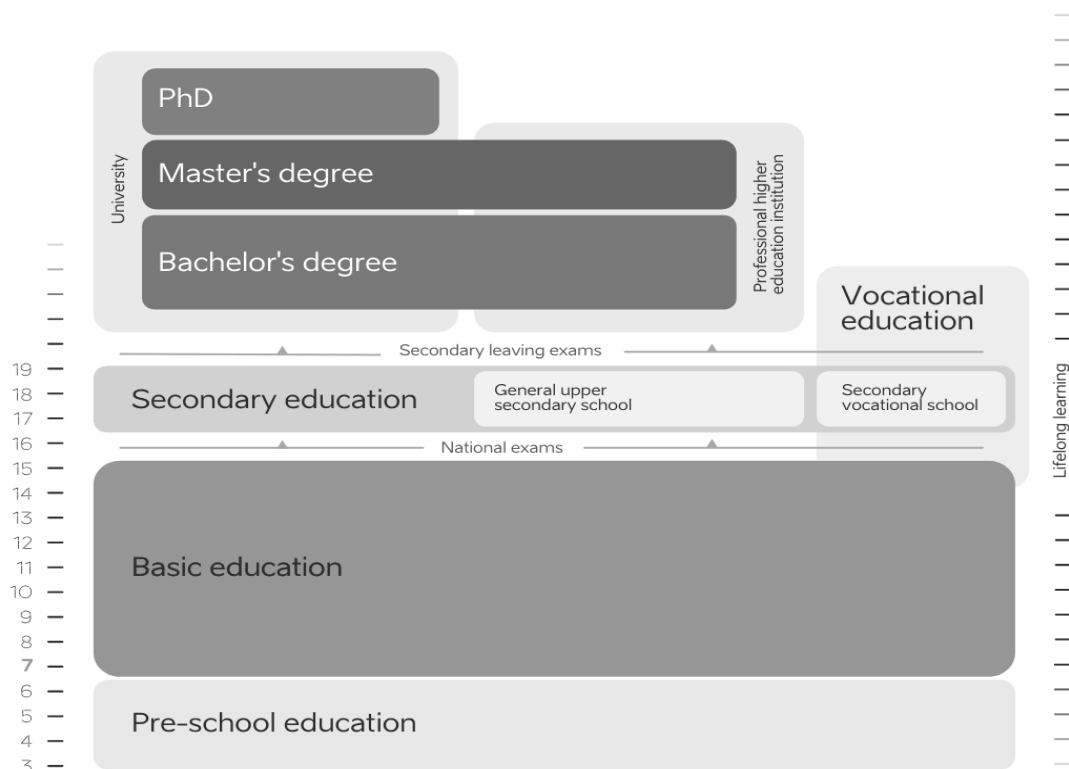
Local authorities are responsible for the maintenance of preschools, primary and basic schools and hobby schools, covering their operating expenses (renovation of buildings, acquisition of supplies and textbooks, etc.). Primary and basic schools, and in many cases also secondary schools, are institutions administered by local governments (see Figure 1). The salaries of municipal schoolteachers are paid from the local government budget using funds allocated from the state budget for supporting the performance of these functions (educational support). State upper secondary schools also operate in addition to municipal schools. Local authorities organise school transport for students (Ministry of Finance of the Republic of Estonia, 2022).

Estonia follows a comprehensive school system that is aimed to provide all students with the best education, regardless of their background. Schools in Estonia enjoy quite extended autonomy. The national curriculum leaves space for the school to develop their own curriculum. All schools can decide on their goals and the focus of studies. Principals can hire and fire teachers, decide on how to allocate the budget and evaluate the needs for teacher training. Teachers decide on the textbooks and teaching methods

that they consider appropriate and like to use in their lessons. In Estonia, education by law is for free, unless the parents decide otherwise and choose private schools for their children. Apart from free services, such as lunch, textbooks, school transport, students get supporting services if needed. The length of the study period consists of at least 175 teaching days (35 weeks) and four intervals of school breaks. According to the child's interests, the child may also be enrolled in a hobby school. Basic education is the minimum compulsory general education. All children who reach compulsory school age of seven by the 1st of October of the given year have to start school. Compulsory school attendance lasts until basic education is completed or the child reaches the minimum school leaving age of 17 (Ministry of Education and Research, 2022).

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Figure 2-Education system



Source: Ministry of Education and Research, 2022.

Labour market

According to the Human Capital Report, Estonia is a success story concerning successful human capital potential maximisation, ranking 15th globally. The Estonian labour market can be described by:

- highly skilled workforce
- 86% of adults speaking at least one foreign language

- low unionisation
- simple and straightforward labour legislation
- easy hiring processes (Estonian Invest Agency, 2022).

If you have a residence permit in Estonia based on temporary protection, international protection or other grounds, you can register as unemployed at an office of the Estonian Unemployment Insurance Fund. If you are registered as unemployed, you will have your own consultant at the Estonian Unemployment Insurance Fund, who you can meet at an agreed time and who will support you in your job search: mediating job offers and providing the help you need to find a job (Eesti Töötukassa, 2022). In 2021, the unemployment rate in Estonia was 6.2% (Statistics Estonia, 2022b).

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Social inclusion

Social services are regulated by the Social Welfare Act (2021). According to Estonian Welfare Development plan 2016-2023 (2016), the following general objectives have been set:

1. Correlation between the demand and supply of the workforce ensures a high level of employment, and high-quality working conditions support long-term participation in working life.
2. Supporting an activating, adequate, and sustainable social protection has increased the economic coping of people.
3. Efficient legal protection and high-quality personal assistance have improved people's opportunities to cope independently, live in a community, and participate in society.
4. Men and women have equal rights, obligations, opportunities, and responsibilities in all social sectors.

According to Statistics Estonia (2022c), 2.3% of the population of Estonia lived in absolute poverty and 20.7% lived at risk of poverty in 2019. Year on year, the at-risk-of-poverty rate has decreased most among the elderly and children, and it has increased most among young people. In 2021, 11.2 % of young people aged 15-29 were in the status of NEETs (Statistics Estonia, 2022a).

Covid-19 pandemic crisis

Coronavirus and the ensuing economic crisis have affected the labour market also in Estonia. In 2020, the unemployment rate of 20-64-year-olds had almost doubled to 7.3% (3.9% a year earlier). At the same time, youth unemployment increased sharply, 21.7% of young people aged 15-24 active on the labour market were unemployed in the third quarter of 2020. During the spring 2020 employment decreased in most areas of activity and partially recovered in the summer, except for the economic sectors directly related

to cross-border travel. Job opportunities for young people have suffered the most. (Rosenblad, et al., 2020). The virus crisis has accelerated several trends in the economy: 1) making value chains and work processes more risk-proof, 2) digitization and automation, and 3) the use of remote work and virtual channels (Arenguseire Keskus, 2020). Economists at Eesti Pank (Soosaar & Matsulevitš, 2022) have analysed that pandemic has affected different sectors very differently and has pushed people to change sector: in the health care, information, and communications sector the number of employees and the value added created are now greater but both, employment and value added remain lower than they were before the pandemic in the sectors like accommodation and food service, and also in manufacturing.

Methodological note

The Estonian national report uses information gathered by the ICS-ULisboa team (working package2 coordinator) of the **Track-IN** project via the Eurostat platform. The main data presented and analysed in this report are from the following Eurostat database:

- Population Statistics: [yth_demo_020];
- EU Labour Force Survey (EU-LFS): [lfst_r_pgauwsc]; [lfst_r_ergau]; [lfst_r_urgau]; [edat_lfs_9913]; [edat_lfse_30]; [edat_lfse_29]; [edat_lfse_34]; [trng_lfs_14];
- National database: Statistics Estonia [NH24]

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Selected indicators were extracted from the different databases according to two criteria:

Time range: the previous decade (2011-2021) to have a sufficiently long period of time to capture the main changes and continuities in young people's trajectories in education, training, and employment and to capture the impact of the economic and financial crisis that hit Europe in 2008 and the first impact of the pandemic crisis.

Age group: 25-29 years old (the target group) and other age groups (15-24; 25-29; 30-34 years old) to make a comparable analysis within age groups - according to available data in each indicator.

In addition to a descriptive analysis, and in order to compare the main data changes and continuities in different time periods, absolute and relative change were calculated by considering the 3 main time points that were selected, namely 2011, 2013 and 2021. Absolute change refers to the simple difference in the indicator over two periods in time and is expressed in percentage points (pp). Relative change expresses the change of a value of an indicator during an earlier period and is expressed in percentage terms.

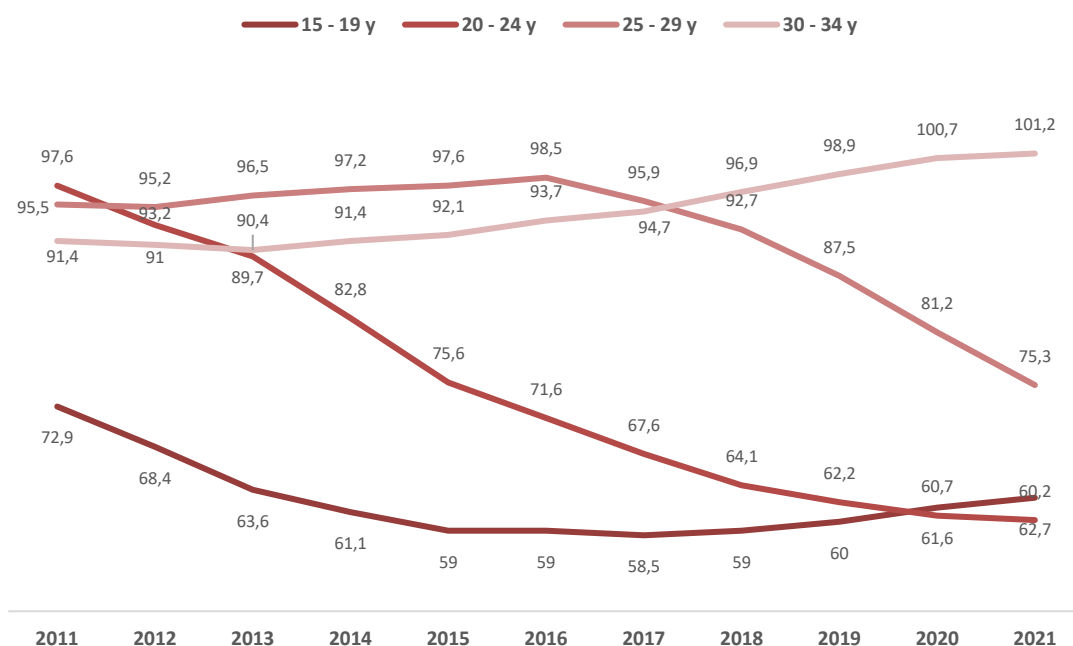
Data analysis

Youth population

Population of 15-64 years in Estonia was 832.500 in 2021, this was 58.000 less than in 2011 (890.400). Chart 1 summarises the evolution of the total youth population of Estonia aged 15-34 years old, between 2011 and 2021. According to the chart, the total youth population is declining. The biggest decreasing has been in the age group 20-24 years (97.600, in 2011; 60.200, in 2021). In 2011, 95.500 of the population in Estonia fitted into 25-29 age subgroups; that number had increased to 98.500 by 2016, and further declined to 75 300 in 2021. This trend is evident among both men (49.000, in 2011; 51.200, in 2016; 39.100, in 2021) and women (46.600, in 2011; 47.200, in 2016, 36.200, in 2021).

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Chart 1-Total population, 2011-2021, by age groups (thousands)

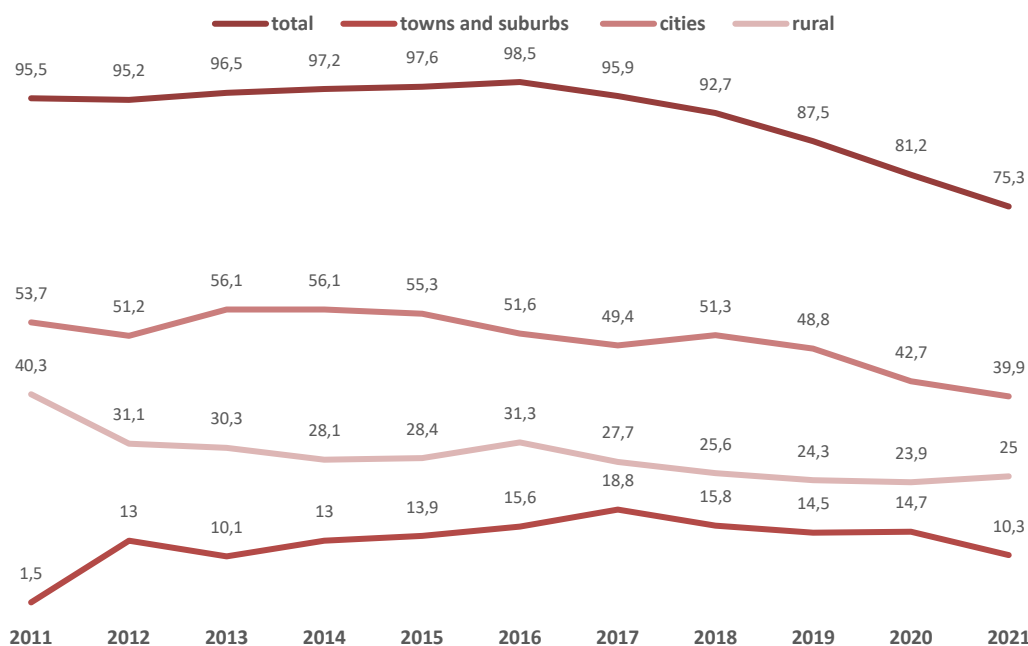


Source: Eurostat (lfsa_pgauws) – data extracted on 9.05.2022

With some variations, the trend is identical for Estonian rural areas as well as for the country's towns and suburbs. In cities the decreasing of the age group 25-29 has been continuous, from 53.700 in 2011 to 39.900 in 2021. In the rural areas the number of 25-29- years-olds has declined from 40.300 in 2011, to 28.400 in 2015, and decreasing again from 31.300 in 2016 to 25.000 in 2021 (chart 2). In the case of towns and suburbs, youth population aged 25-29 years old has evolved differently. There were 10.100 people in

this age group in 2013 and that number had come up in 2017 to 18.800. From 2018 that number has been decreasing again to 10.300, that is almost the same level as it was in 2013. Still, when comparing 2012 to 2021, the cities population aged 25-29 has decreased more than rural and town and suburbs areas population.

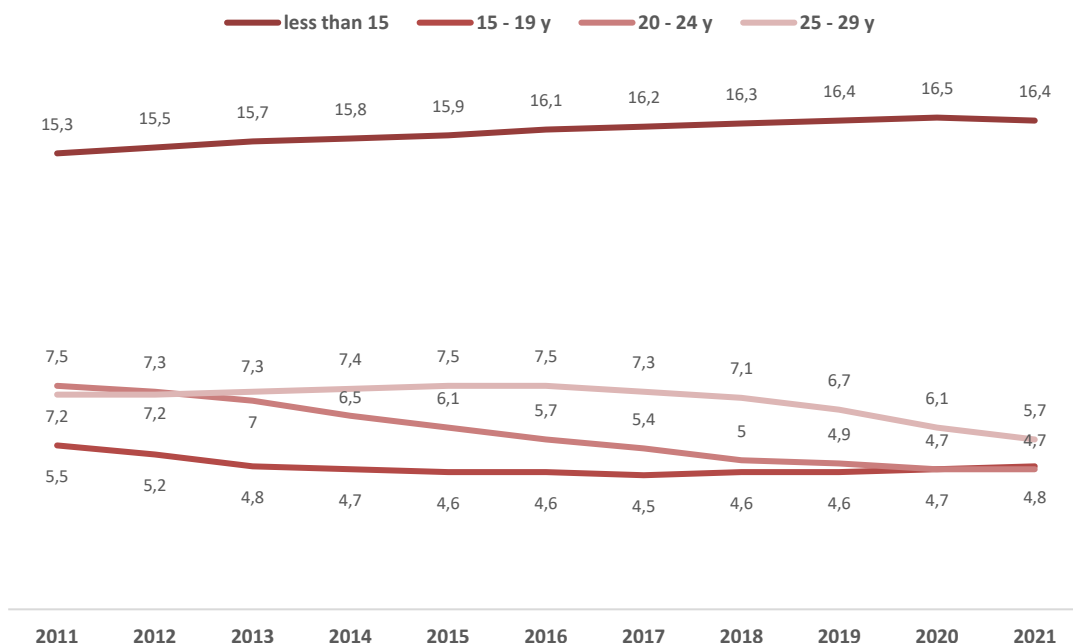
Chart 2-Youth population (25-29 Years), 2011-2021, by degree of urbanization (thousands)



Source: Eurostat [yth_demo_020] - data extracted on 9.05.2022

The ratio of children and young people 0-29 years from the total population was 31.6 % in 2021 and compared with 2011 (35.5%) it has decreased 1.9%. The age group younger than 15 years has had the smallest, but positive change (1.1%), but the ratio of 20-24 years has decreased by 2.8%. The percentage of the age group 25-29 years has decreased 1.5% since 2011 (chart 3).

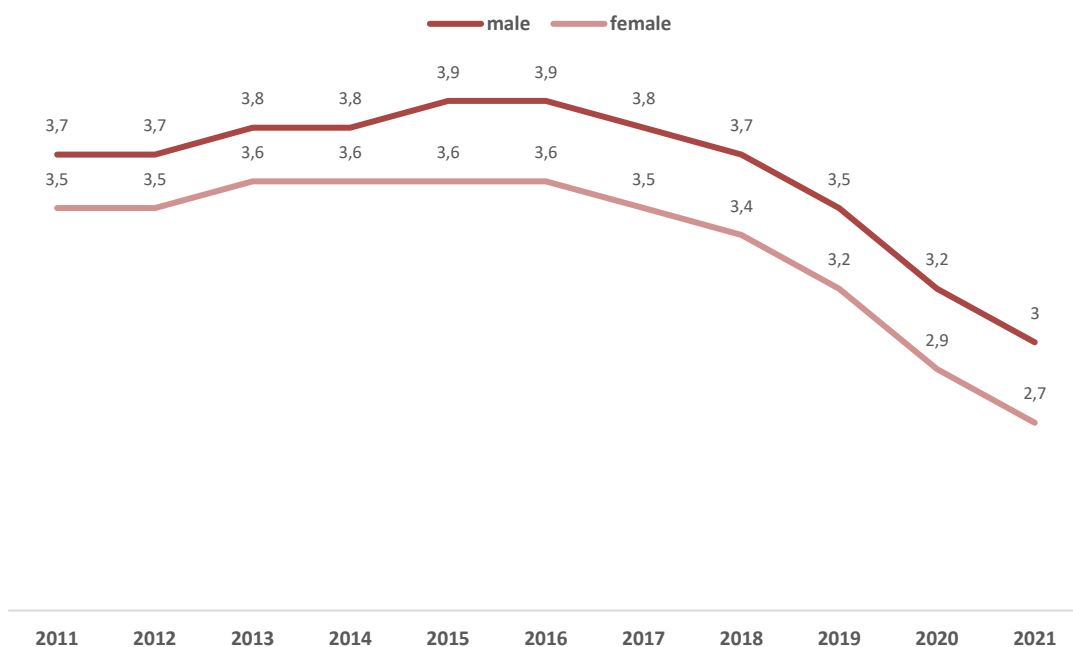
Chart 3-Ratio of children and young people 0-29 years from the total population (%)



Source: Eurostat [yth_demo_020] - data extracted on 9.05.2022

The decrease in comparison of gender has been similar in the 25-29 age group (Chart 4).

Chart 4-Ratio of age group 25-29 years, by gender (%)



Source: Eurostat [yth_demo_020] - data extracted on 9.05.2022

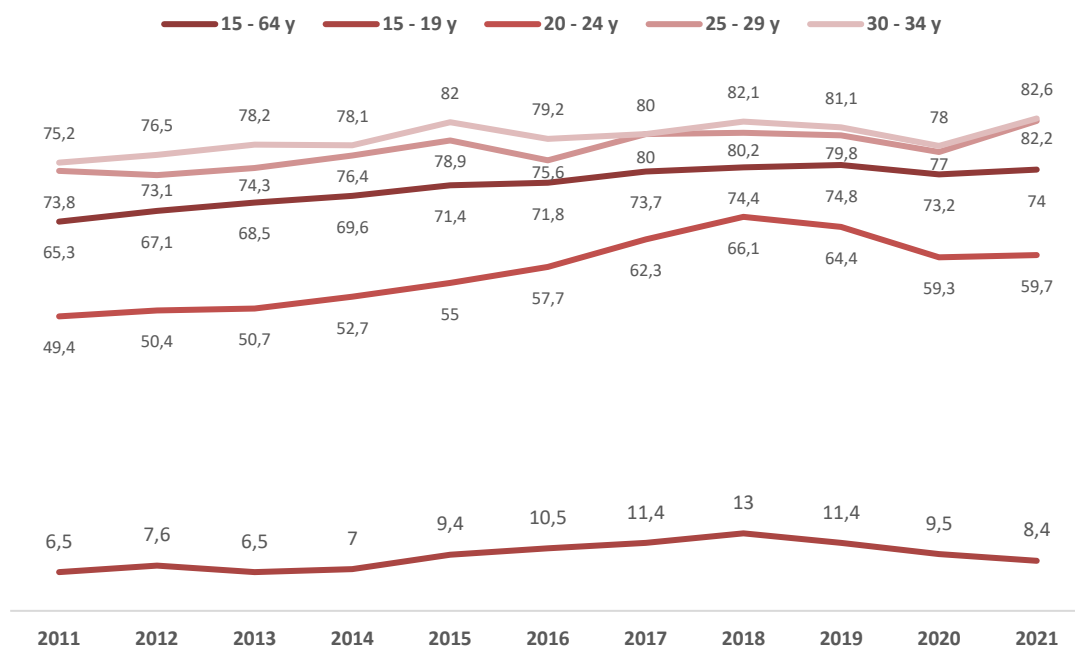
From 2011 to 2021, youth population most of the age groups continuously declined, except young people aged less than 15 years. While the number of young people in the rural areas and town and suburbs has changed little compared to 2011 and 2021, there has been a continuous decreasing in the cities.

Employment and unemployment

Youth employment

According to Chart 5, across the country, the employment rate in total 15-64 age group increased from 65.3 %, in 2011, to 74 % in 2021. In the age group 20-24 the increase of the employment has been the highest from 2011 (49.4%), reaching its highest rate in 2018 (66.1%). The employment rate after 2018 has decreased in the most of the age groups but the age 25-29 and 30-34 years has increased it most (82.2% and 82.6%) in 2021 compared to the full period 2011-2021.

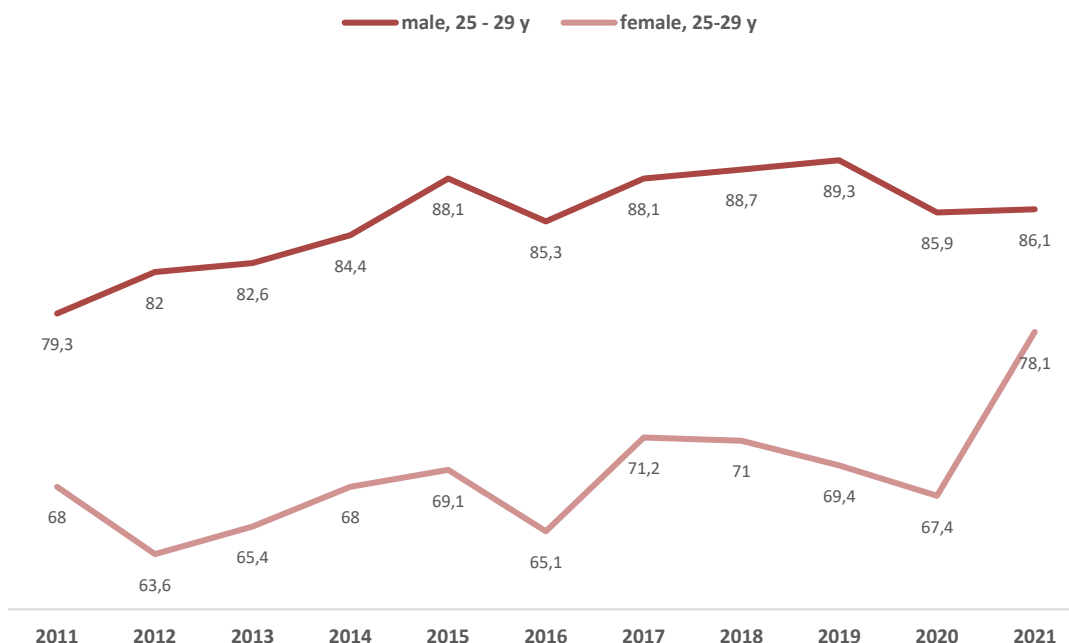
Chart 5-Employment, by age groups, 2011-2021 (%)



Source: Eurostat [lfst_r_ergau] – data extracted on 8.05.2022

The same employment rate change trend is evident also among both men (79.3%, in 2011; 89.3%, in 2019; 86.1%, in 2021). According to Chart 6 women's rate is lower than men's during the full period (68.0% in 2011; 78.1% in 2021) but it has higher decrease than men since 2020.

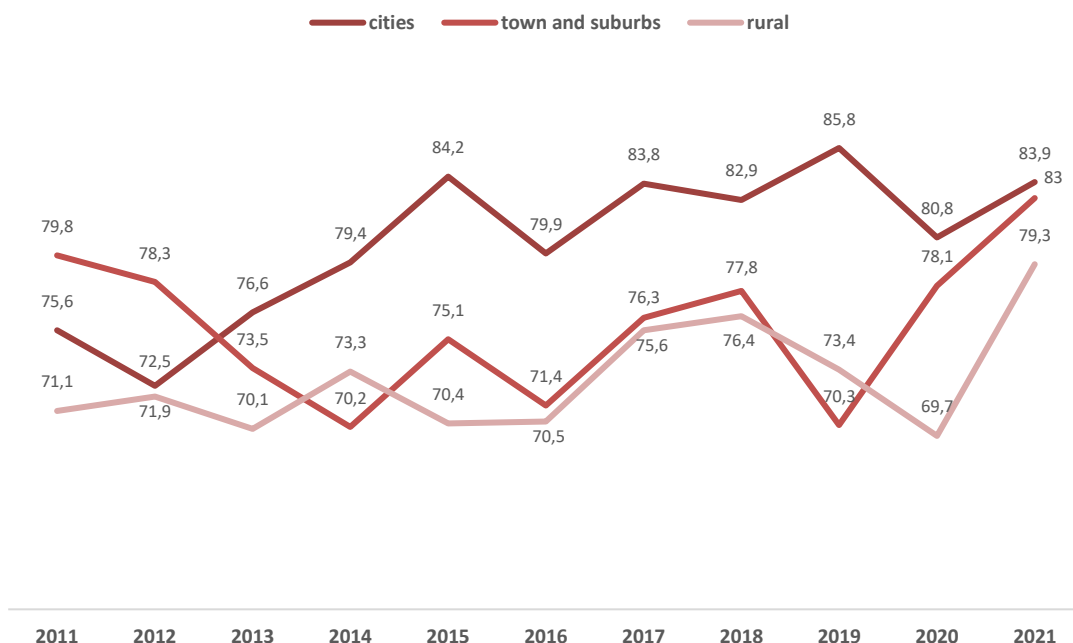
Chart 6-Employment (25- 29 Years), by gender (%).



Source: Eurostat [lfst_r_ergau] – data extracted on 8.05.2022

Comparing the data according to urbanization (Chart 7), the employment rate rocketed up from 2012 (72.5%) to 2015 (84.2%) in the cities and at the same time the employment rate in towns and suburbs decreased from 79.3%, in 2011, to 70.1%, in 2014. The same fast decrease in town and suburbs regions was from 2018 (77.8%) to 2019 (70.3%). Since 2019, the employment rate in rural and town and suburb areas increased at a higher level in previous periods, especially town and suburbs reached to the highest point of the whole decade (83%).

Chart 7-Employment (25- 29 Years), by age group and degree of urbanization (%).



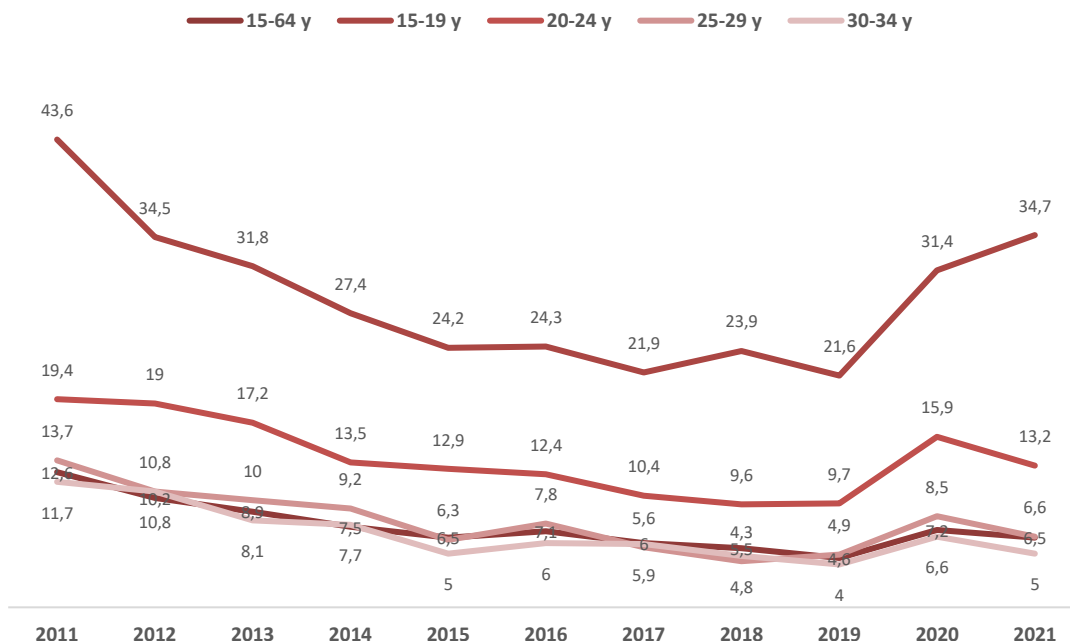
Source: Eurostat [lfst_r_ergau] – data extracted on 8.05.2022

Youth unemployment

Chart 8 reflects the total unemployment rate by age recovery in Estonia after the 2008 crisis and subsequent increase due to the CoVid-19 pandemic. While the generally unemployment rate continued to decrease, the unemployment rate of age group 15-19 increased. Usually this is the age group who should continue their studies and not to be active in the labour market yet.

Chart 9 shows that the unemployment level in the age group 25-29 has decreased since 2011. Although the unemployment level as a whole improved significantly in conjunction with the recovery of the economy after the crisis, during the period 2015-2016 male unemployment level change was from 5.6% to 8.1% and it recovered fast to the level 4.9% in 2017. Unemployment level has increased again since 2018 in female gender group and since 2019 in male gender group. After 2019 the unemployment rate decreased, the biggest recovery change was in the male group.

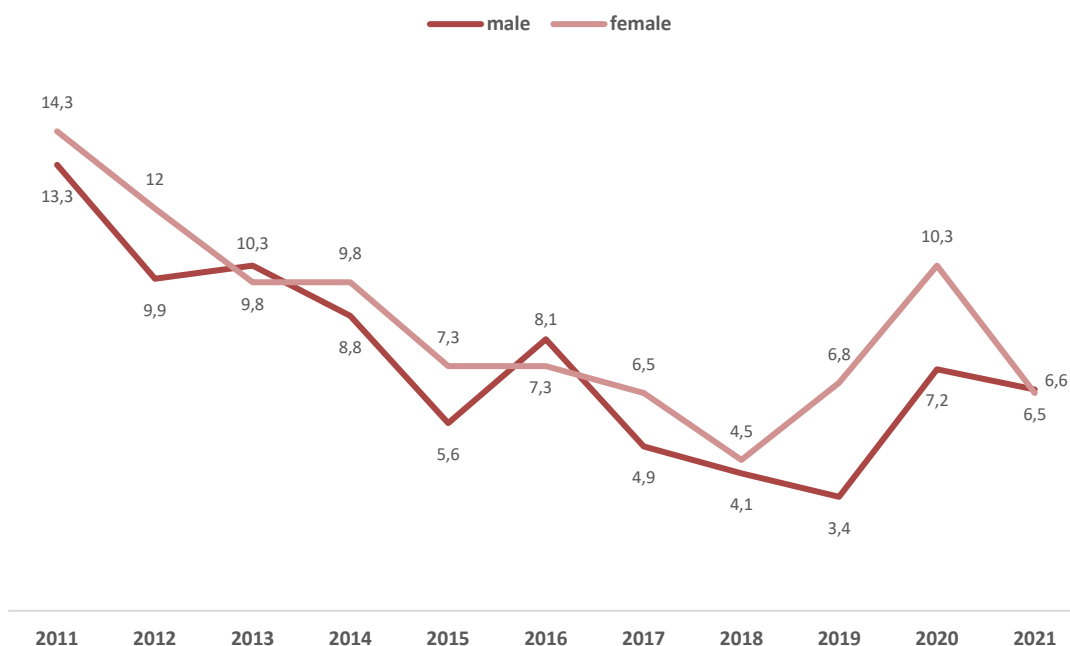
Chart 8-Unemployment, by age groups (%).



Source: Eurostat [lfst_r_urgau] - data extracted on 9.05.2022

In 2021 the unemployment rate in both gender group is the same. Possible reasons for the better labour market indicators in 2015 compared to the previous years are the impact of the employment register on employment, economic growth in 2014 and the planned work ability reform (Statistikaamet, 2016).

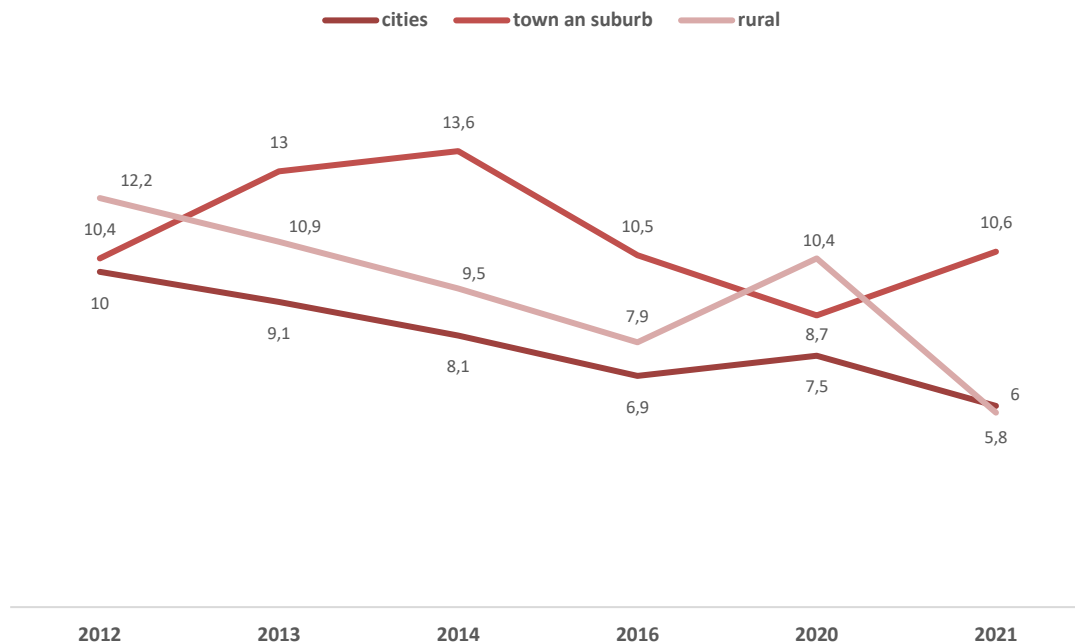
Chart 9-Unemployment (25-29 Years), by gender (%).



Source: Eurostat [lfst_r_urgau] - data extracted on 9.05.2022

Chart 10 highlights youth unemployment rates in Estonia, between 2012 to 2021, according to the urbanization level. The data about some region types is missing for some years (2015, 2017-2019). Youth unemployment trends about different degrees of urbanisation levels of the country can likewise vary.

Chart 10-Unemployment (25-29 Years), by age group and degree of urbanization (%).



Source: Eurostat [lfst_r_urgau] - data extracted on 9.05.2022

While unemployment rate in the cities and rural region has decreased after 2015, it was increasing in town and suburb areas. Since 2020 the unemployment rate change is different in each region, in the rural areas the rate decreased 4.6%, town and suburbs it increased from 8.7% to 10.6%, and the unemployment rate in cities decreased a bit less (1.5%).

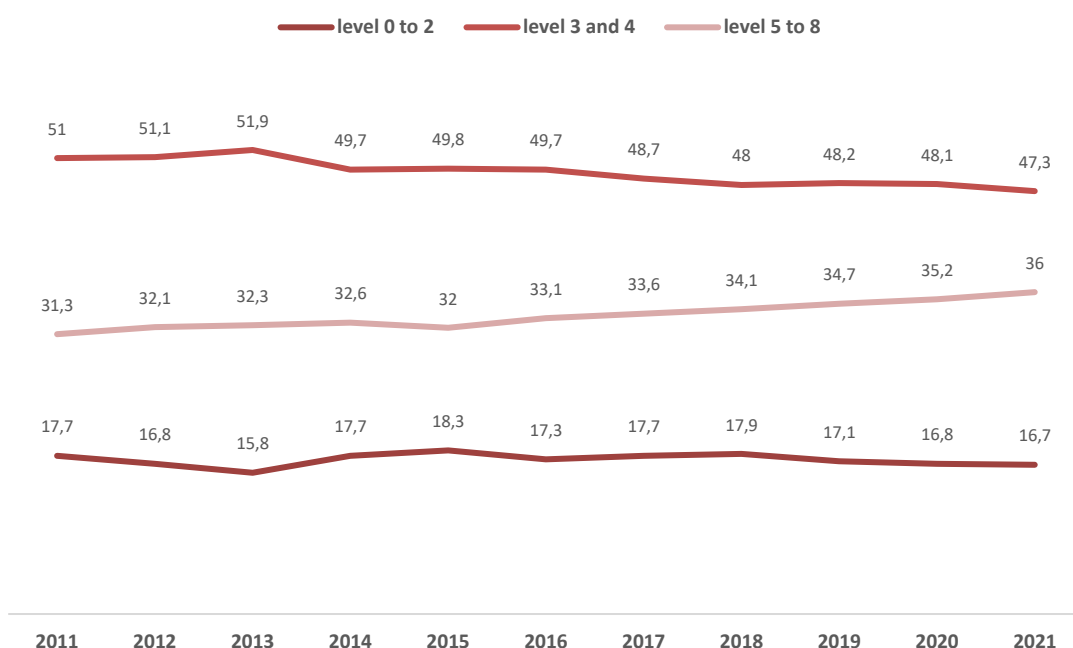
From 2011 to 2021, the employment rate in all age groups has increased. Employment rate of females aged 25-29 has been always lower than men during the whole period but increasing rapidly after 2020. After 2019 the employment rate in towns and suburbs and rural areas increased at a higher level in previous periods. Unemployment level in all youth age groups decreased since 2011 but started to increase again after 2019 as the impact of Covid-19 crisis. During the 2011-2021 period the changes in unemployment rate were different in the 25-29 years age group according to the urbanization level. In the towns and suburb areas it has been always higher as in the cities or rural areas. After 2020 the unemployment rate started to increase again in towns and suburb areas. At the same time this rate decreased in cities and rural areas, reaching the lowest level of the whole period.

Education

Young people by educational attainment level

Chart 11 describes the population in Estonia, aged 15 to 64 years old, by ISCED levels, between 2011 and 2021. Positive is the rate of higher education had increased 5.0%, at the same time lower-level education rate has decreased.

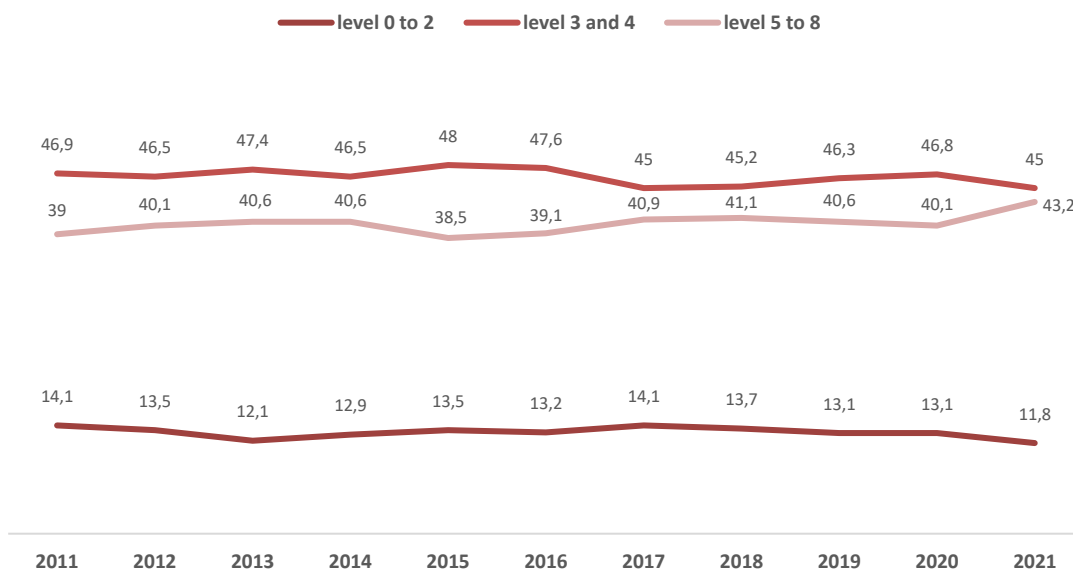
Chart 11-Educational attainment rate in general, age 15-64 (%).



Source: Eurostat [edat_lfs_9913] – data extracted on 8.05.2022

Comparing the changes in the age group 25-34 during the period 2011-2021 in Estonia (Chart 12) it is good to highlight that rate of people with lower education has decreased and higher level has increased.

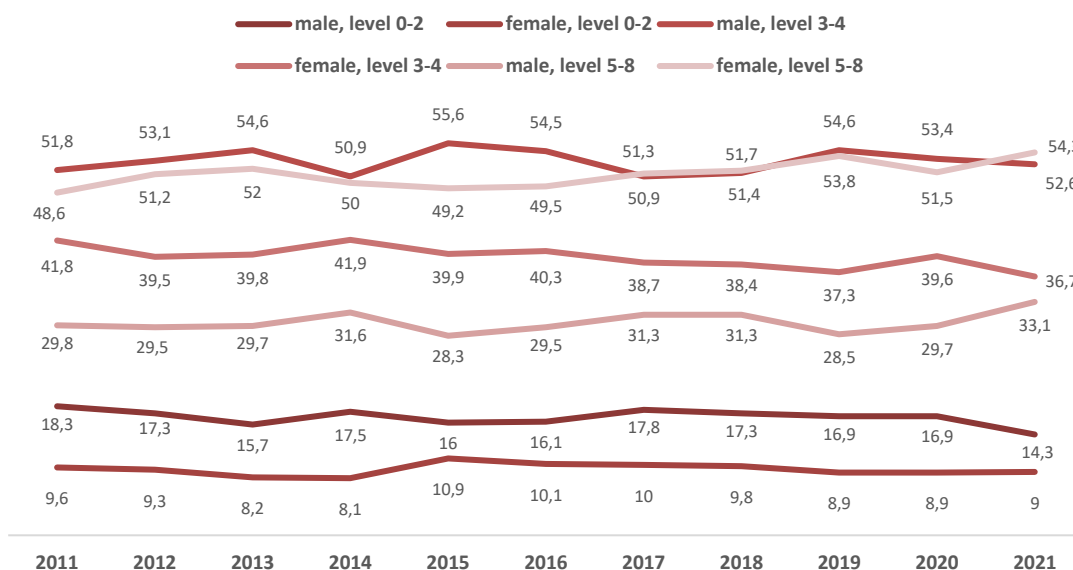
Chart 12-Educational attainment, 25-24 Years (%).



Source: Eurostat [edat_lfs_9913] – data extracted on 8.05.2022

Comparing educational attainment rate by gender in the age group 25-34 (Chart 13) the female in the level 5-8 and male in the level 3-4 has higher rate in this age group. Positive is the male lower (0-2) level decreasing at the same time level 5-8 is increasing since 2019. Female educational attainment is increasing also since 2020 to level 5-8 at the same time level of 3-4 is decreasing. This result confirms us that more people has decided to rise their educational level during the previous years.

Chart 13-Educational attainment, by gender in the age group 25 -34 years (%).



Source: Eurostat [edat_lfs_9913] – data extracted on 8.05.2022

Table 1 gives overview about the educational attainment level by urbanization. Higher rate of low (0-2) level education attainment is in rural regions, also in town and suburb areas. The higher level (5-8) education attainment rate is higher in the cities, and it has increased during the 2011 to 2021 8.9 pp. At the same time the town and suburb 24-35 age group higher level educational level has decreased from 53.5% to 32%. Educational level in rural areas has been mostly the same during the decade.

Table 1-Educational attainment (25-34 Years), by degree of urbanization (%)

Urbanization level/education level	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
cities, level 0-2	10.5	8.3	6.9	7.2	9	8.5	8.6	8.4	7.9	8.1	6.2
town and suburb, level 0-2	14.6	14.6	15.2	17.6	14.5	15.1	19.7	18.5	16.5	16.8	17.8
rural, level 0-2	18.3	20.8	19.3	21	21.2	20	20.6	20.7	20.8	19.4	18.2
cities, level 3-4	44.9	42.9	43.7	42.8	43.8	42.7	41.3	41.5	41.5	42	40.3
town and suburb, level 3-4	32.9	50.9	53.8	56	58.2	58.3	51.2	53.4	53.7	53.5	50.2
rural, level 3-4	50.2	50.2	51.2	49.3	50.9	51.1	48	47.2	51	51.5	50.5
cities, level 5-8	44.6	48.9	49.4	50.1	47.2	48.9	50.1	50.1	50.7	49.9	53.5
town and suburb, level 3-4	53.5	34.5	31	26.4	27.3	26.6	29.1	28.1	29.8	29.8	32
rural, level 5-8	31.5	29	29.5	29.7	27.9	28.9	31.4	32	28.3	29.1	31.3

Source: Eurostat [edat_lfs_9913] – data extracted on 8.05.2022

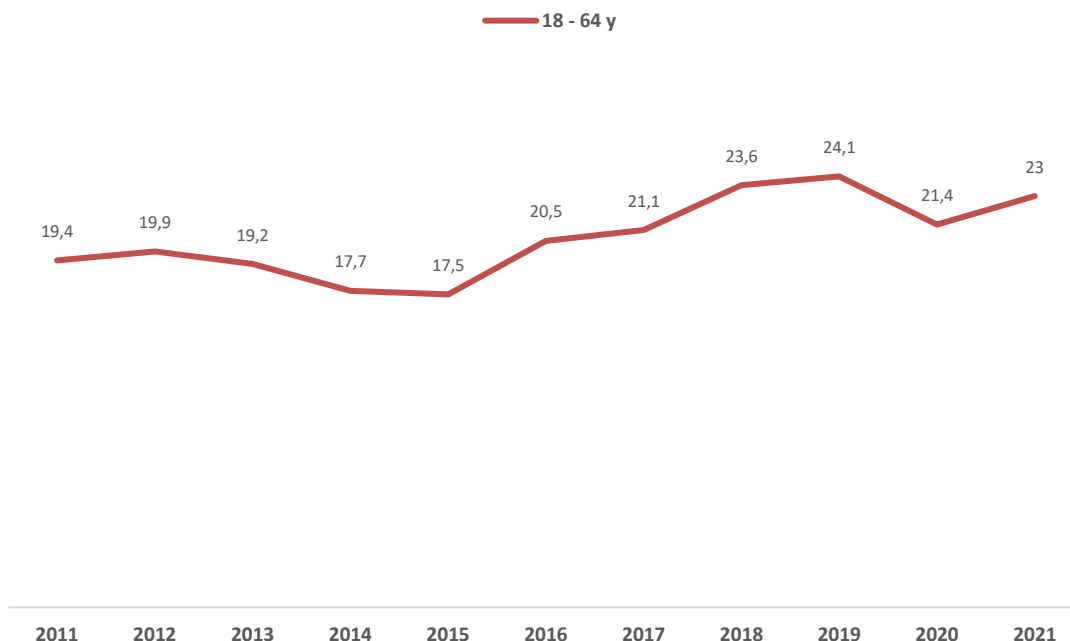
Participation rate in education and training

Participation rate in education and training last 4 weeks in the age group 18-64 is growing slowly (Chart 14). CoVid19 period gave a setback but thereafter it started decrease again.

Comparing different age groups participation in the education and training (Chart 15) the increase is in each age group, but the highest in the age group 30-34 years (14.8%, in 2011; 13%, in 2021).

As the age groups 20-34 and 30-34 participations decreased in 2020, possible that because of CoVid19, there were no changes in the age group 18-24.

Chart 14-Participation rate in education and training in the age group 18-64 (%).

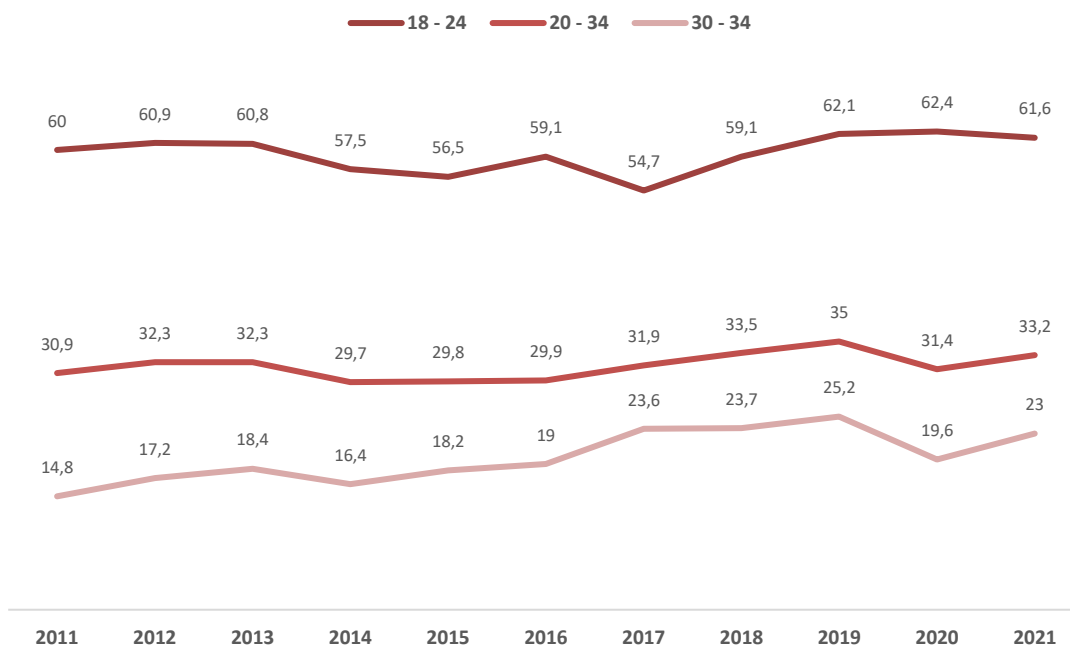


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Source: Eurostat [trng_lfs_14] - data extracted on 8 May 2022

The reason may be due to their age, they are already involved in various courses and trainings, and this age group is probably more likely to participate in digital courses as well.

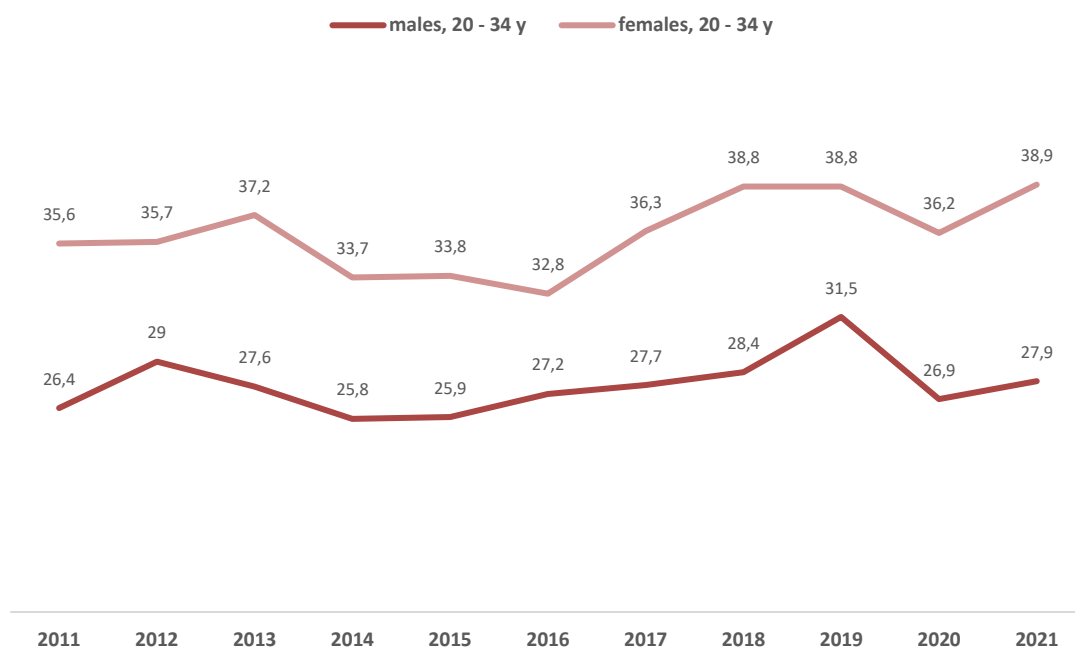
Chart 15-Participation rate by age subgroups (%).



Source: Eurostat [trng_lfs_14] - data extracted on 8 May 2022

Female participants have been more involved to education and training activities than male participants (Chart 16). Participation in the education and training has increased since 2015-2016, growing to the highest point in 2019 (female 38.8%; male 31.5%). The CoVid19 has the same impact as in the general statistics, but female participants recovered participation to the same level (38.9%) quickly after pandemic, but male participation fall back to the same level as it was in 2017 (27.7 %).

Chart 16-Participation rate, by gender in the age group 20-34 years (%).

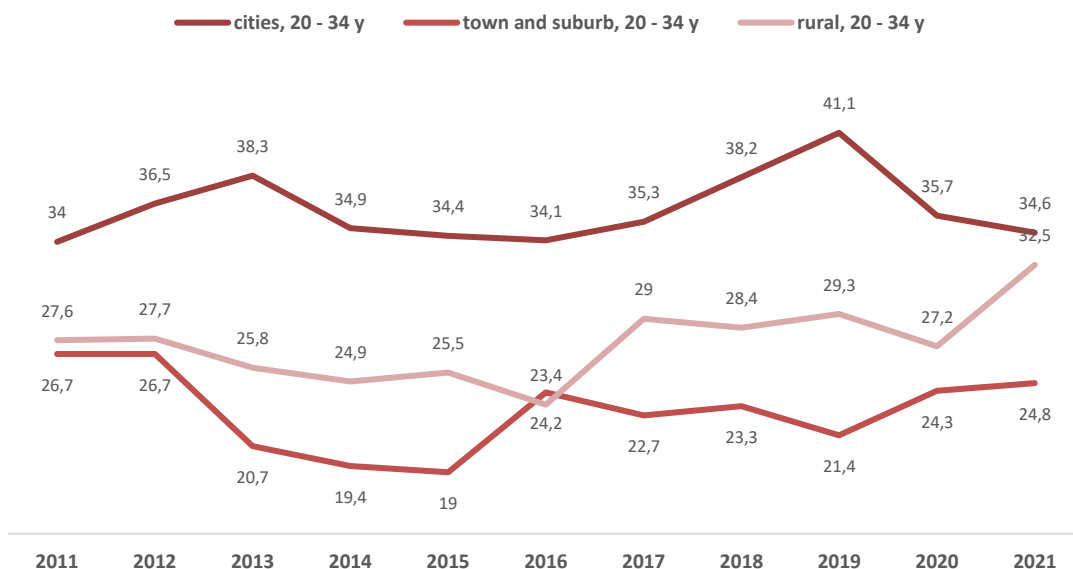


Source: Eurostat [trng_lfs_14] - data extracted on 8 May 2022

Participation in education and training has been more active in the cities, but participation in rural areas has increased rapidly during the last 6-7 years reaching almost to the same level on the participation in the cities (Chart 17).

After CoVid19 the participation recovered quickly in the rural areas, at the same time participation in the cities is still has the negative trend.

Chart 17-Participation rate, by degree of urbanization, age group 20-34 years (%).

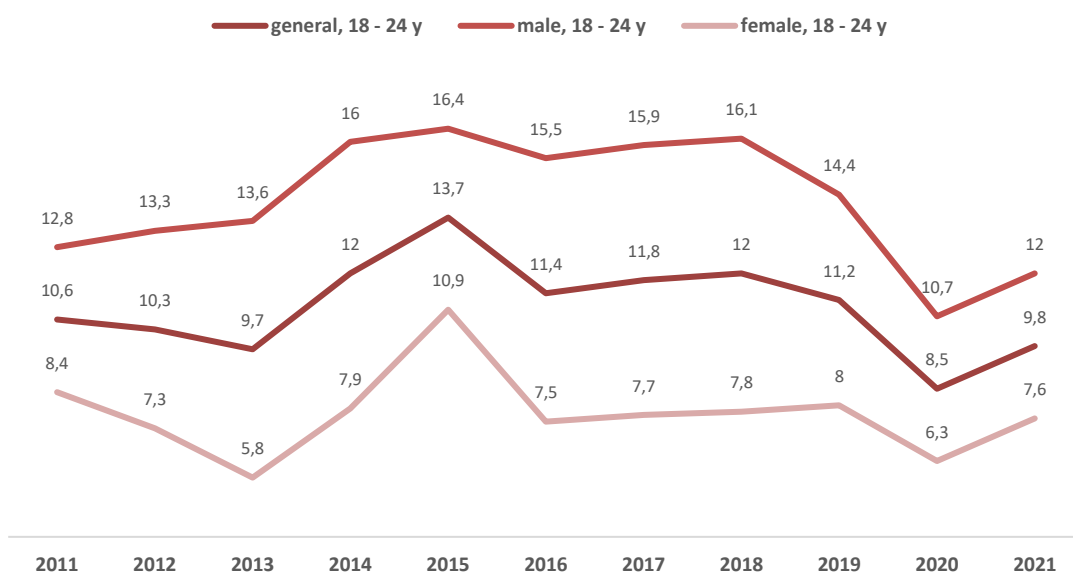


Source: Eurostat [trng_lfs_14] - data extracted on 8 May 2022

Early school leavers

Early school leavers rate has been in Estonia in the age group 18 – 24 years almost the same since 2011, decreasing from 10.8% to 9.8% from this population (Chart 18). During the years 2013-2015 the rate of early leavers was increasing rapidly but it has decreased after 2015 till 2020. In 2020 the increasing of early heaving has decreased again.

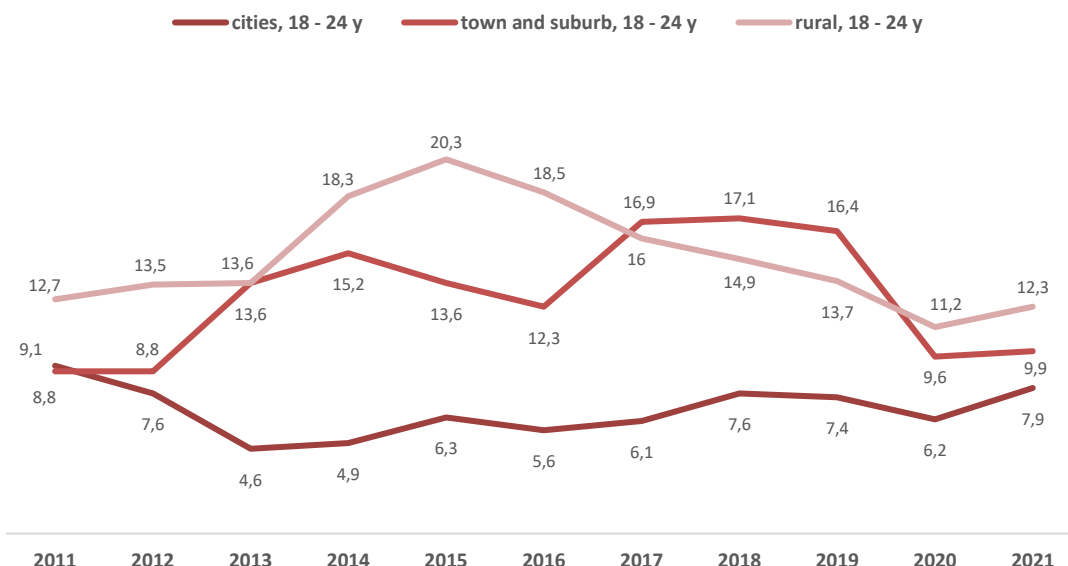
Chart 18-Early school leavers, by gender in the age group 18-24 years (%).



Source: Eurostat [edat_lfse_30] - data extracted on 8 May 2022

Rural areas have made the biggest change since 2015 in early leavers rate level, decreasing the level from 20.3%, in 2015, to 12.3%, in 2021. Town and suburb rate decreased significantly from 2019, from 17.1%, in 2018, to 9.9%, in 2021.

Chart 19-Early school leavers, by degree of urbanization in the age group 18-24 years (%).



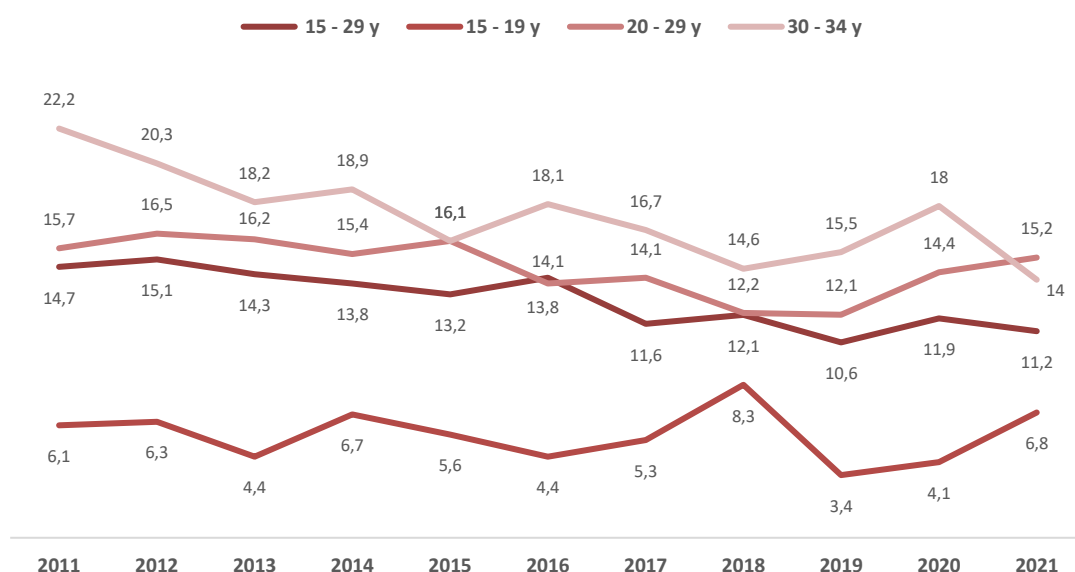
Source: Eurostat [edat_lfse_30] - data extracted on 8 May 2022

During the 2011-2021 the rate of people with lower education has mostly decreased and higher level has increased. Participation rate in education and training in the age group 18-64 has increased continuously. Statistics confirms that more people have decided to raise their educational level. Participation in education and training grew to the highest point in 2019, decreased because of the Covid-19 and reached the same pre-pandemic level in 2021. Participation has been more active in the cities, but participation in rural areas has increased rapidly during the last years reaching almost to the same level as the participation in the cities. Early school leavers rate in 2021 in the age group 18-24 years is almost the same as in 2011, even though there were several changes during the period. The same pattern is in the age group 18-24 according to the urbanization level. During the 2011-2021 the early leavers rate in rural areas has been the highest but after 2015 it has decreased every year.

NEETs

NEET-status rate has decreased generally (14.7%, in 2011; 11.2%, in 2021) but there are differences in the age groups. NEET-status of the age group 15-19 increased rapidly during the period 2016-2018, decreasing thereafter rapidly almost 5pp and starting to decrease again. Age group 20-29 arrived at their lower level in 2018 (12.2%) and has decreased again to 15.2% in 2021. Such rapidly evolving indicators may highlight the positive nature of public interventions, but also their low sustainability.

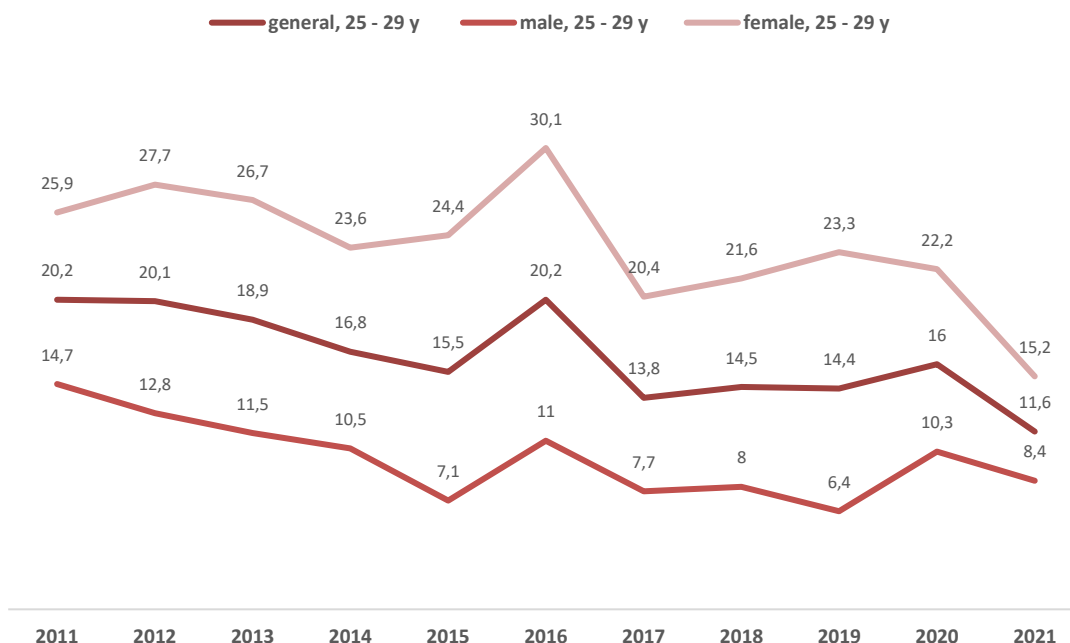
Chart 20-NEET rate, by age subgroups (%).



Source: Eurostat [edat_lfs_29] – data extracted on 8.05.2022

NEET-status rate has been higher in female group than male, but for all gender group the rate changes has been similar during the decade. In 2016 was the highest level of the NEET-rate and started to decrease until 2019. Thereafter the rate increased for a year and then started to decrease again. The highest decrease has been in female group during 2015 (30.1%) to 2021 (15.2%)

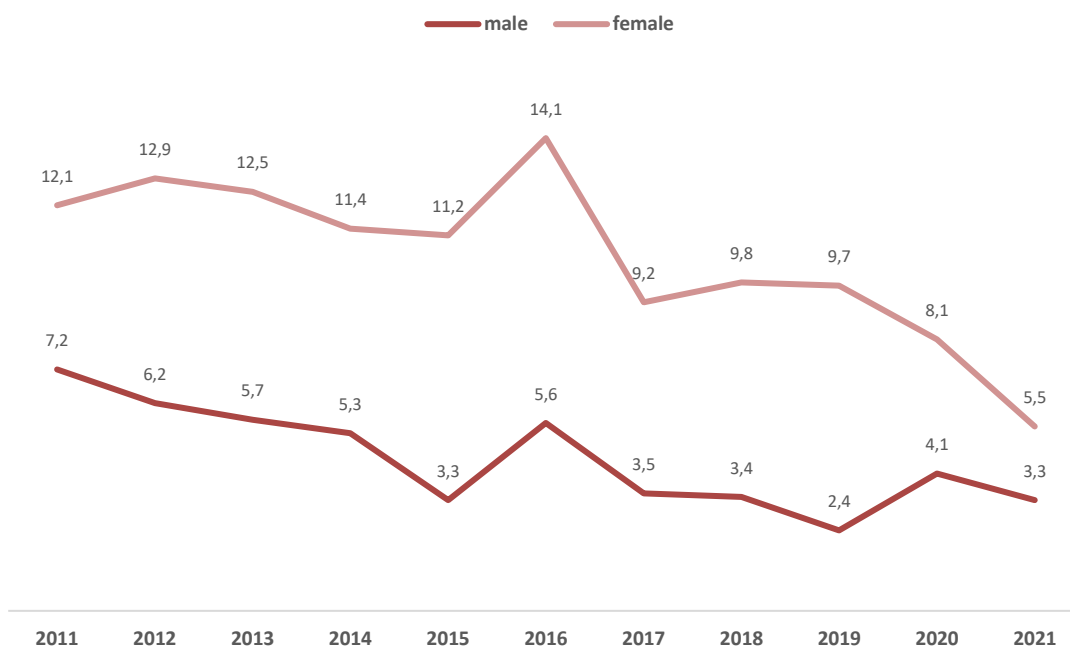
Chart 21-NEET rate share, by gender in the age group 25-29 years (%).



Source: Eurostat [edat_ifs_29] – data extracted on 8.05.2022

According to the Chart 22 generally there were 7200 men in NEET-status aged 25-29 years in 2011. The number has decreased to 3.300 in 2021. In women group there were 12.100 persons in the NEET status in 2011, it has decreased to 5.500 in 2021.

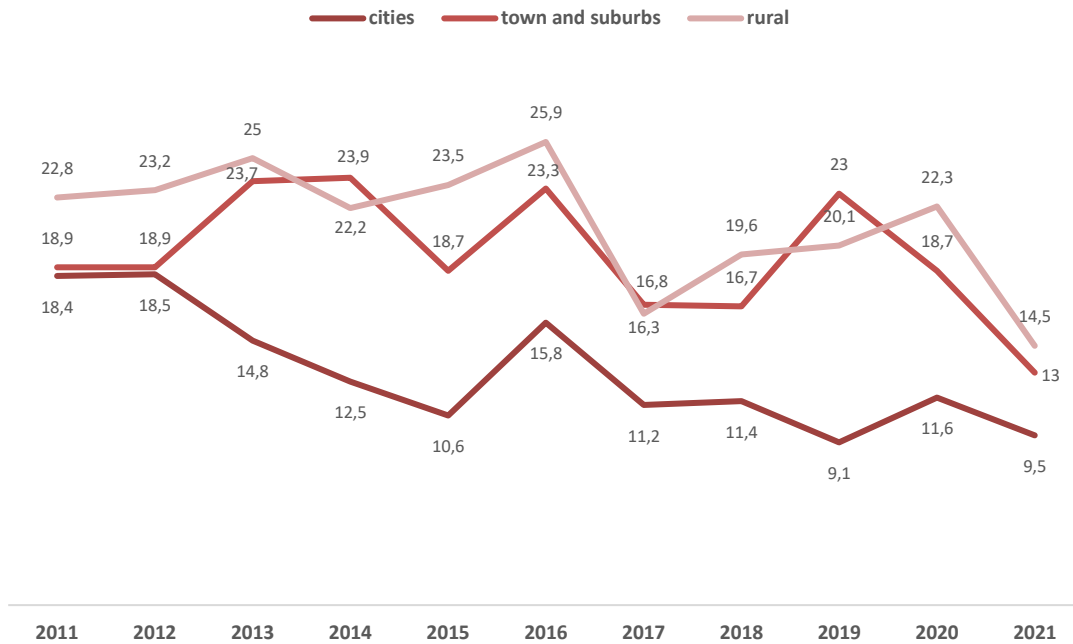
Chart 22-Total number of NEET youth aged 25-29 years (thousands)



Source: Eurostat [edat_ifs_29] – data extracted on 8.05.2022

Chart 22 highlight that the NEET rate in the cities has decreased during the whole period, rising shortly in 2016. In the town and suburb and rural areas the new increasing started in 2018, but in 2021 in all regions the NEET rate is lower than any other year during the decade. NEET rate in rural areas stay still in the highest (14.5%) than other regions.

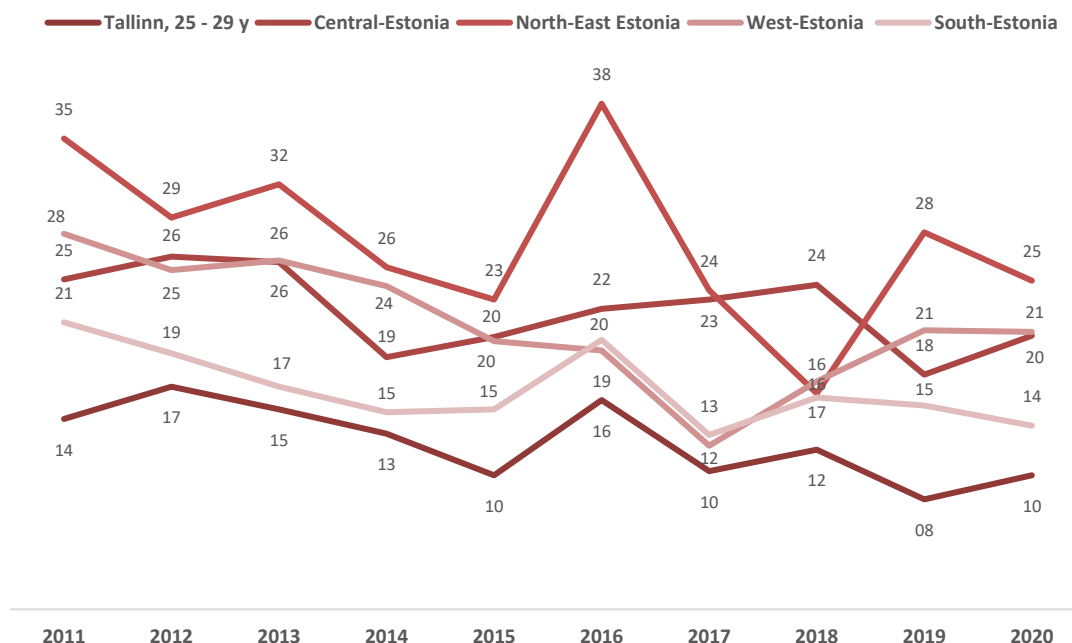
Chart 23-NEET rate share, by degree of urbanization in the age group 25- 29 years (%)



Source: Eurostat [edat_lfs_29] – data extracted on 8.05.2022

Comparing NEET rate share in the age group 25-29 years in different areas in Estonia then the Tallinn as the capital city region has the lowest rate and the highest rate is in the North-East Estonia, the highest level was in 2016 (38%). There are also very large statistical changes over the years, which can also mean instability and rapid changes in opportunities and support.

Chart 24-NEET rate, by the regions in Estonia in the age group 25-29 years (%).



Source: Eurostat [edat_lfs_29] – data extracted on 8.05.2022

During the 2011-2021, the rate of young people with NEET status has slowly decreased. In the 25-29 age group, changes have been significant, and the pattern has been the same for male and female. NEET-rate in rural areas remain still in the highest than other regions. Comparing the different regions of Estonia, it can be pointed out that during this period there have been very rapid changes in the North-East of Estonia. Unexpected changes in the local labour market and educational life, as well as political decisions regarding the provision of special support to the region can be behind the rapid changes.

Conclusions

Like many European countries, Estonia has a noticeably ageing demographic. The number of young people and the youth population ratio has been gradually decreasing over the past decade across main of the youth subgroups. Even the youth population decreasing trend is similar in all areas, still when comparing 2012 to 2021, the city's population aged 25-29 has decreased more than rural and town and suburbs areas population. Employment rate of young people has decreased over the period. Women's rate is lower than men's during the full period but it has higher decrease than men since 2020. The employment rate rocketed up from 2012 to 2015 and at the same time the employment rate in towns and suburbs decreased. Since 2019, the employment rate in rural and town and suburb areas increased at a higher level in previous periods, especially town and suburbs reached the highest point of the whole decade. Unemployment rate has been affected by Covid 19, but it has recovered quickly to the lower level.

Positive is the increase in the level of education and participation in training in the young people age groups, both the male and female groups. Early school leavers rate has decreased over the years, and it has rapidly changed in rural and town and suburbs areas.

NEET-status rate has been higher in female group then male, but for all gender groups the rate changes have been similar during the decade. Comparing NEET rate share in the age group 25-29 years in different areas in Estonia the Tallinn as the capital city region has the lowest rate and the highest rate is in the North-East Estonia.

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