



REPUBLIC OF ESTONIA  
MINISTRY OF SOCIAL AFFAIRS

**National Report for the fourth review and appraisal cycle of the  
implementation of the Madrid International Plan of Action on Ageing and its  
Regional Implementation Strategy (MIPAA/RIS)**

**2018 – 2022**

**ESTONIA**

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## Part I: Executive summary

This is the Estonian Report for the fourth review and appraisal cycle of the implementation of the Madrid International Plan of Action on Ageing (MIPAA) and its Regional Implementation Strategy (RIS). The report provides information on measures taken to give effect to the commitments under the MIPAA and indicates challenges ahead.

Estonia is a country with an aging and declining population, where the average life expectancy has increased significantly in recent years, but healthy life expectancy has not shown a similar positive trend - although Estonians live longer on average than before, Estonians over the age of 65 need more likely to provide outside assistance in daily activities and self-care. These trends raise several issues, such as how to meet economic and labor market needs across the country, ensure the sustainability of the social protection system and support the continued growth of well-being.

Estonia is committed to the promotion of active and healthy ageing, combatting discrimination and enhancement of rights of elderly, sealed in the [Government Action Programme 2021-2023](#) and strategic documents. The full and equal exercise of human rights and fundamental freedoms is incorporated into the Constitution of the Republic of Estonia. Estonia does not have a unique law for elderly. Social rights are regulated in separate laws, namely Equal Treatment Act, Labour Market Services and Benefits Act, Employment Contracts Act, State Pension Insurance Act, Social Welfare Act, Local Government Organisation Act, Health Insurance Act, Health Services Organisation Act and Social Benefits for Disabled Persons Act.

In 2013 the Minister of Social Affairs approved the first [Active Ageing Development Plan 2013-2020](#) that aimed to promote age friendly society and to ensure the quality of life and equal opportunities for the older persons. The Plan was later incorporated into more comprehensive [Welfare Development Plan 2016-2023](#) which was the new strategic framework for employment, social security, welfare, gender equality and equal opportunities, approved by the Government. The Ministry of Social Affairs is currently preparing the new [Welfare Development Plan 2023-2030](#), where, for the first time, issues of active ageing, elderly wellbeing and equal opportunities will be addressed under separate sub-objective.

Estonian social policy is guided by the principles that employment is the best protection against poverty. The best place for people to live is their home, where all assistance must be provided as long as possible and living in institution should be the last option.

Estonia has built up a solid employment and social protection system and is modernizing it according to changed needs. Estonia has recently implemented a number of important reforms which significantly contribute to improving the quality of the peoples' life through whole life course. Estonia performs high in employment of older people, being one of the best in the European Union. Active participation in the labour market is supported by variety of employment services that are available to all retired jobseekers.

Although there is a high risk of poverty for pensioners in Estonia, Estonians are not actively preparing for retirement. The lack of readiness for a future pension as well as the voluntary nature of the second pension pillar launched a wide-ranging debate in Estonia. A modernized pension system, which, among other things, has made it possible for everyone to retire flexibly and, if they so wish, to combine retirement and employment. Estonia has also found possibilities to improve the financial coping of elderly by introducing regular and extraordinary rise of pensions, has taken steps to flexibly combine employment and retirement and make pensions more equal by gradually abolishing pensions on

favorable terms and for years of service. The changes support the principle that pursuing multiple careers over a lifetime has become common.

Long-term care remains a challenge in Estonia. Recently prepared reforms concentrate on finding sustainable finances for the provision of long-term care services, supporting long-term care workforce and informal carers. The long-term care reform can only be successful if local authorities are better supported, and health and social services are better linked. Therefore, Estonia has continuously supported local governments in the development and delivery of social services and initiated project to smoothly coordinate care for people who need support from both health and welfare sector. The establishment of a local government counseling unit and the introduction of activity license for care homes have increased the quality of social services.

The challenges ahead stem from the fact that aging and older people are still seen mostly as a matter and target group in the social and health fields. Both the state and local governments need more strategic approach, to better integrate the challenges concerning the well-being of the elderly into the policies of other areas, and there is room to improve analytical data necessary for the development of policy measures. Key challenges are also related with the pressure for the sustainability of public finances.

## General information

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### Name, reference, and date of adoption or status of preparation of national strategy, action plan or similar policy document on ageing

The strategic starting points of ageing in Estonia are divided between sectoral development plans.

Strategy/Development Plan	Date of adoption
National strategies	
<a href="#">Estonia 2035</a>	12.05.2021
<a href="#">Sustainable Estonia 21</a>	14.09.2005
Sectoral development plans	
<a href="#">Welfare Development Plan 2016-2023</a>	30.06.2016
<a href="#">National Health Plan 2020-2030*</a>	29.04.2021
<a href="#">National Development Plan of the Energy Sector until 2030</a>	20.10.2017
<a href="#">Internal Security Development Plan 2020-2030*</a>	03.06.2021
<a href="#">Development Plan for Transport and Mobility 2021–2035*</a>	10.06.2021
<a href="#">Development Plan for Coherent Estonia 2030</a>	18.11.2021
<a href="#">Education Development Plan 2021-2035</a>	12.05.2021
<a href="#">Digital Society Development Plan 2030*</a>	07.10.2021
Proposals for elaboration**	
<a href="#">Welfare Development Plan 2023-2030*</a>	01.04.2021

\*Currently available only in Estonian

\*\*Proposals for elaboration of development plan has been approved by the Government and the development plan is currently being elaborated.

## National ageing situation

Estonian population is **ageing and declining**. According to Statistics Estonia, 1,330,068 people lived in Estonia at the beginning of 2021. According to the calculation, the Estonian population will decline to 1.28 million people by 2050, whereas the percentage of older people (65+) in the population is estimated to rise to 27.9%. The share of people aged 65 and older in the population has increased to 20% during the period of 2000–2020 (please see Figure 1 in Annex).

**Life expectancy at birth** has extended; in 2019 the average was 78.8 years (Figure 2 in Annex). The expectancy of healthy life years has also extended in the longer perspective; in 2020, the average was 57.5 years (Figure 3 in Annex).

The **employment rate** of older people (55-64) is relatively high in Estonia in comparison with other EU states – 72% in Estonia with the EU's average being 59.6% in 2020 (Table 1 and Figure 4 in Annex). The employment rate of people aged 64-74 is highest among EU countries – 26% (EU-27 average 9,5%). However, the main reason for that is relatively low old-age pensions. The economic situation of older people is poorer compared to the working-age population, as their income mainly depends on the pension. In 2020, the average pension was 508 euros per month and the average old-age pension 519 euros per month, while the average monthly gross wage was 1448 euros.

In recent years, the **poverty risk** of the elderly has increased and has been one of the highest in Europe. 40.6% of elderly (65 year or over) and 71.8% elderly living alone lived in relative poverty in 2020 (Figure 6 in Annex).

Estonian social protection system is characterized by a low share of **social protection expenditure, expenditure of old-age pensions and expenditure on long-term care** in GDP compared to other EU countries. According to Eurostat, the social protection expenditure in Estonia was 16.4% of the GDP in 2018 (in EU-27 27.9% of the GDP). Estonian expenditure of old-age pensions is also one of the lowest in Europe – in Estonia 6.5% of the GDP and EU-27 average was 10.7% of GDP. Public spending on LTC - 0,9% of GDP - is lower than in many other EU and OECD Member States, leaving a big share of LTC to be financed by out-of-pocket payments of service users. Estonia spends approximately 0.9% of GDP on LTC, while for example Austria contributed 1.9%, Denmark and Finland 2.5% and the Netherlands 3.5% of GDP.

**Social activity and participation in leisure activities** are important components of active aging. According to national survey „[The coping of older people and the elderly](#)“, 65% of the elderly (50 years or over) practice their hobbies at home (eg reading, crafts). 12% of the elderly do activities outside the home. 32% of older people visit cultural events as much as they want, 29% visit less than they would like and 13% do not have such an opportunity. 40% of the elderly are ready to contribute to society. However, elderly themselves feel excluded from societal decision making: 46% do not agree that their peers are involved in decision making.

According to European Quality of Life Survey 2016, 5% of the elderly (65 years or over) participate in social activities of a club, society, or association at least once a week (total 12%). 34% of older people take part in sports or physical exercise at least once a week (total 54%). 28% of elderly feel themselves active and vigorous most or all the time (total 40%). Slightly more than half of the elderly are optimistic about their own future (total 73%).

**Active ageing index** considers different forms through which older persons contribute to society and economy. Active ageing index for Estonia was 37.9 points in 2018 (EU average 35.7)<sup>1</sup>. Index includes

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<sup>1</sup> UNECE / European Commission (2019) “2018 Active Ageing Index: Analytical Report”

four domains. Estonia has reached the highest score compared to EU average in employment - 44.5 (EU-28 31.1), while the scores of other domains have remained below EU average - participation in society 14.3 (EU-28 17.9), independent, healthy and secure living domain was 66.5 (EU-28 70.7) and capacity and enabling environment for active ageing 53.2 (EU-28 57.5).

The pandemic emerged coping difficulties and loneliness of the elderly. However, compared to other social groups, people over 65 years of age and pensioners reported having had less stress and mental pressure during past 30 days in April 2021 (13-15% of the named groups while the average in Estonia was 31%). In 2021, [Project C-19](#) was initiated to assess the economic impacts of pandemic on different population groups, including elderly, and the effectiveness of policies to mitigate them.

## Method

Estonian policy making is supported by **regular statistics and analyses**. Statistics Estonia collects and publishes data and population statistics on different areas of life. All main statistics (eg labour market, poverty, health, education etc) are published by most commonly used age-groups. Ministry of Social Affairs collects data on social services and other welfare measures provided by local governments. National Institute for Health Development collects and publishes [health data](#). The situation of the elderly is also monitored with SHARE surveys, which data is used in several [articles and publications](#). The Ministry of Social Affairs conducts special surveys in its competence.

The report uses **quantitative data** obtained from Statistics Estonia and Active Ageing Index. The data from the following studies: Eurofound Quality of Life Survey, Estonian Social Survey, Coping of Older People and the Elderly Survey (2015), Estonian Labour Force Survey, as well the strategic documents approved by the Government<sup>2</sup> were used for preparing the report.

In addition, several studies have been conducted in Estonia over the past 20 years, which address the situation of older people, and findings of which have also been used in policymaking. Most important of them are:

- Tulva, Taimi; Metsa, Tiiu; Ruusma, Kadri, (2002). [Family care in Estonia](#). Ministry of Social Affairs / Elderly Policy Committee.
- Ainsaar, Mare; Maripuu Lee, (2009). [Welfare of the elderly in Estonia 2007, comparison with families with children and a group of non-Estonians](#). Office of the Minister of Population.
- Linno, Tiina, (2009). [The coping of older people and the elderly](#). Ministry of Social Affairs / European Social Fund.
- Soo, Kadri; RAKE; Linno, Tiina, (2009). [People with disabilities and their family members care burden survey](#). Saar Poll OÜ, University of Tartu, Ministry of Social Affairs / European Social Fund.
- Rasu, Anneli, (2016). [Development of social services in counties 2016–2020](#). Analysis. County Development Centres / Ministry of Social Affairs / European Social Fund.
- Selgis, Kristiina; Lillelaid, Tõnu, (2016). [Sustainability analysis of the state old - age pension in 2016](#). Ministry of Social Affairs / Ministry of Finance. [Summary in English](#) is also available.
- Järve, Jüri; Priks, Kristo; Falkenberg, Signe; Falkenberg, Valeri; Kallate, Teet; Urban, Villu; Räpp, Artur, (2020). [Analysis of the accessibility of transport and the built environment](#). NGO Accessibility Forum / European Regional Development Fund.
- Vainu, Vaike, (2020/2021). [Survey of population activity restrictions and care needs](#). Turu-uuringute AS / Ministry of Social Affairs / European Social Fund.

Statistics Estonia special number of analytical collection [Social Trends](#) focused on ageing population and analysed the trends in labour market participation, material welfare, social welfare, health and social cohesion of elderly in Estonia.

Since 2003, the Analysis and Statistics Department of the Ministry of Social Affairs collects annual [data on various social welfare services](#) provided by local governments and the state. For the elderly, the most important of these are home care, personal assistant service, general care service provided outside the home, special care services, social transport service and adaptation of dwellings. [Estonian Social Insurance Board](#) collects data on various state provided services and benefits, such as old-age pensions, disability benefits, subsistence benefit and rehabilitation services<sup>3</sup>.

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<sup>2</sup> It is not possible to make references to the English versions. Therefore, reference where available, is made to English versions and the sources in Estonian language only, are marked accordingly in the report.



The Welfare Development Plan 2016-2023 establishes long-term goals in employment, labour relations, social protection, poverty reduction and promotion of equal opportunities. To assess the implementation of the Welfare Development Plan, several indicators, presented in the [Welfare Development Plan dashboard](#), are being monitored that also measure the situation of the elderly.

These are:

- Employment of older (55-64 years old) persons
- Absolute poverty rate in the age group 65 years and older
- Employment rate of 50–74-years old persons
- Ratio of non-employed pensioners to employed
- Relative poverty rate of the population aged 65 and over
- The ratio of the Estonian average gross old-age pension to the average gross salary
- Share of older people receiving independent living services compared to older people on 24-hour institutional care

Statistics Estonia together with Government Office have developed a web application [Tõetamm](#) (Tree of Truth) that compares results using 135 measurable indicators included in the government action plan (short-term goals), programme Estonia 2035 (medium-term goals) and the Estonian National Strategy on Sustainable Development „Sustainable Estonia 21“ (long-term goals).

## Part II: 20 Years of MIPAA/RIS. Main actions and progress in implementation of MIPAA/RIS and the 2017 Lisbon Ministerial Declaration

### Recognizing the potential of older persons

The potential of elderly people in employment, political participation and voluntary work is still less valued than it should be, and the advantages of elderly experiences and commitments are sometimes underestimated. Active Ageing Index shows lower participation in the society compared to the EU average. Elderly themselves report that their participation in the society is hindered, they feel less preferred compared to younger generations, but in more favourable conditions, they would be prepared to increase their contribution. There have been some policy initiatives in recent decades to increase the elderly participation, but more coordinated and systematic approach is needed. Estonia has taken some steps in this direction.

### Political participation

There is a widespread practice that government authorities **include stakeholders and the public into elaboration of the decisions concerning them** to ensure the best possible quality and legitimacy of those decisions. The Rules for Good Legislative Drafting and Technical Rules for Drafts of Legislative Acts prepared by the Government of the Republic set the obligation to assess the impact of changes in the legislation or strategic planning. Upon drafting legislation or development plans it is mandatory to carry out an impact assessment on the equality and non-discrimination. The [impact assessment questionnaire](#) provides guidelines on how to assess changes in the rights, coping and quality of life, opportunities to find work, and social inclusion of elderly. Drafts of all legislation and related documents from public authorities are presented in the [legislation drafting information system](#) (EIS).

There are various possibilities for elderly to be active in policy. The biggest stakeholder - [Estonian Union of Pensioners Associations](#), representing over 28 000 Estonian pensioners, is active in all regions of Estonia. There are also other elderly organisations active in Estonia, but the cooperation between them is rather scarce and the elderly's voice in policy development and public awareness is not as strong as it would be. Therefore, in 2019, the Ministry of Social Affairs initiated a two-year **strategic partnership** with elderly advocacy organisations. Two leading partners were tasked with development of training programmes for elderly advocacy organisation to raise their competences in cooperation and networking, policy development, advocacy and media relations. It is expected that elderly organisations themselves are ready to lead the cooperation networks and represent the opinion of the elderly more strongly and in a better coordinated manner. A new partnership will begin in 2022 to strengthen the cooperation network and increase the representation of elderly interests in policy design.

[Elderly Policy Committee](#) (EPC) has acted as a consultant advisory body for the Ministry of Social Affairs already since 1997. The Committee, consisting of representatives of the elderly advocacy organisations, service providers, experts, scientists and politicians has been advising the Ministry of Social Affairs, other government bodies and Estonian Association of Cities and Municipalities in elderly related matters, participate in the design of legislation, development plans and other strategic documents. As this several decades old form of cooperation had become obsolete, the revision and renewal of the tasks and organisation of the EPC was carried out and the new cooperation form, involving more experts and considering the regional aspect, will start working in 2022.

Local governments are encouraged to establish **elderly councils** as advisory bodies to them. Dissemination of good practices and advantages, elaboration of common principles and guidance materials for establishing and operation of such councils is given to a strategic partner in 2022-2023. Currently, there are approximately ten active elderly councils, but number is expected to increase to at least 25 by the end of 2023.

### Support to voluntary work

Regular involvement of volunteers in care significantly improves the quality of life of the elderly and people with special needs. Conscious cooperation between volunteers and social workers helps to alleviate people's loneliness, activate older people and increase their social inclusion; to notice those in need and prevent them from entering a care home, saving both the people in need and local governments finances.

Pilot project for testing **volunteering in welfare system** was launched in August 2018 to increase awareness about the possibilities of involving volunteers in helping people with special needs and the elderly. A large proportion of the volunteers involved in the project were middle-aged and older: 51% aged 55 and over, 28% aged 65 and over. The project showed that older people are happy to volunteer when they feel welcome. The volunteer was able to support in several ways, from a supportive conversation and social association to practical help with homework, essential services or social activities outside the home. Strong preconditions and volunteering models were created for the coordinated implementation of volunteers in welfare across Estonia. The state launched the project, continue with follow-up project until second half of 2023 and will gradually hand it over to local governments.

There are more and more older people who, in addition to their regular work, either volunteer to develop community life or continue to be active in retirement to improve the lives of many people in local communities. Therefore, Estonia has continued the tradition that minister of Social Protection organises a **reception of appraisal** for the elderly who have actively contributed to the promotion of local life and played a positive role in their communities. In 2020, elderly who contributed combating Covid-19 were recognised.

### Make Estonia fully accessible by 2035

Accessibility means that the entire population is involved in the living and information environment, and everyone is guaranteed equal opportunities to participate in society. The life curve of people and the fact that a large part of society is made up of children, the elderly, people with special needs and other groups who cannot take full advantage of our environment are often not considered in shaping Estonian society. An inaccessible living environment is the reason why older people, who often have age-related limitations in their daily activities, are more or less cut off or find it more difficult to participate in society. Lack of accessibility is particularly noticeable in public spaces but also exists in e-environments when consuming both public and private e-services. This is a problem that needs comprehensive solutions and requires the awareness of policy makers, representative organizations, the private sector and others.

From September 2019 to September 2021, a high-level **Accessibility Task Force** assembled to analyse the situation, map shortcomings and develop proposals and measures to support accessibility in public and private sectors. In its work, the task force was guided by the Estonian 2035 accessibility goals, the principles of inclusive design, the concept of lifecycle-based accessibility, the principle of the necessity

of accessibility and the knowledge that creating an accessible environment from the project alpha is no more expensive than creating inaccessible solutions. The [measures presented to the Government](#) cover the accessibility aspects for new environment to be created and improving the accessibility of the existing environment in the fields of housing, public buildings, road infrastructure, public transportation, audiovisual media, tourism, education, culture, sports, emergency number 112 and e-services. The Task Force emphasized, that it is also important to improve decision-makers and society as a whole awareness of accessibility and to achieve a physical and e-environment that complies with modern accessibility principles. In 2022, the proposals will be prioritised bearing in mind the Task Force vision to **make Estonia fully accessible by 2035**.

In December 2021, the Government approved a [draft act on the accessibility of products and services](#), which will facilitate the independent living of people with special needs. When developing and offering electronic products and services, businesses will also have to consider special needs, such as visual or hearing impairments or motor problems. Obligations are imposed on the business primarily on the basis of the needs of people with disabilities, but other people with reduced functional capabilities will also benefit from the new requirements. The draft act will pass the parliamentary reading and is expected to enter into force from 28 June 2022.

### **Awareness rising**

**Commissioner for Equal Opportunities** and her office advises and assists elderly who feel that they have been discriminated against in employment, receipt of services, education, or other circumstances that they cannot change themselves. The Commissioner is active in promoting rights of the elderly and raising public awareness about ageing and elderly. For example, a special web-page is created for [Ageing](#) and a **publication „Ise oled vana!“** about pension, employment, health, violence, assets, use of ICT, how to adapt with life changes etc was published in 2021 both in printed and web version. The Commissioner also continues to promote **badge „SIIA SAAB. Kõik on oodatud“** - a symbol of a bold, open and helpful environment. By using the badge, enterprises and authorities express that they value accessibility and create more equal opportunities for everyone, including in the recruitment.

With the implementation of **Diversity Agreement**, Estonia continues to be part of the European Diversity Platform, which brings together similar networks of agreements in 26 European countries. A diversity agreement is a voluntary agreement by which a company, non-governmental organization or public sector organization affirms that it respects the diversity of people and values the principle of equal treatment among its employees, partners and customers. The organizations that join the agreement form a community to share experiences and promote equal treatment in their own organizations and in society at large.

Civil society plays a key role in awareness raising. Special programme for elderly **“Prillitoos”** is aired each Sunday in Estonian Public Broadcasting with over 112 000 spectators. Since 2010, **“60+ festival”** brings together more than 5000 elderly all over Estonia. The festival, celebrating the international day of elderly, gives elderly the possibility to listen to lectures, participate in seminars and cultural events. **The “Age is a Value” campaign** for older people took place in 2019 with the aim to value older workers by both employers and the target group themselves. During the campaign, explanatory videos, commercials, TV and radio broadcasts and podcasts were aired and recommendations for both employees and employers were published in Estonian and Russian.

In 2010, the University of Tartu started a special free of charge programme for elderly - [University of the Dignified](#) - to prepare elderly flexibly react on the changes in the society. The wide programme, based on the principle of lifelong learning, invites all open-minded people aged 60 and older (in some cases 50 and older) to broaden their general knowledge, look at the future challenges and discuss on

challenges of the contemporary society with Estonian experts, politicians, opinion leaders. University of the Dignified gathers over 4300 elderly students and has been awarded the title “Educational activity of the year”. Similar programme is also available at University of Tallinn.

## Encouraging longer working life and ability to work

Estonia is at the forefront of Europe in terms of employment of the elderly. The high working life of older people refers, on the one hand, to a flexible pension system and, on the other hand, proves that the health of older people still allows them to continue working beyond retirement age. More than a quarter of people aged 65–70 work in Estonia, while in the European Union, on average, only one tenth of people work in this age group. The employment of people aged 55–64 is also high in Estonia, with 67.7% working in this age group in Estonia and 57.5% on average in the European Union.

The readiness of the elderly to continue working is high. 47% of working older people aged 50–74 and 36% of the unemployed are considering continuing to work when they reach retirement age, but only a quarter of both employed and unemployed people plan to stop working when they reach retirement age. Liquidation (32%) or dismissal (20%) are the most common reasons for retirement.

Stereotypes prevalent among employers play an important role in the decision to work (eg risk of illness and absence from work, low readiness to keep up with new circumstances, lower cognitive ability, etc.). At the same time, older people's greater commitment to their work and loyalty to their employer, experience and work ethic and reliability are often overlooked. In addition to health problems and lower performance, employers cite resistance to innovation and change and a lack of willingness to adapt to their work as disadvantages for older workers. In their responses, employers more often point out that older workers are less innovative, too comfortable to change their work habits, less flexible. People over the age of 50 earn on average one-fifth less than younger people (aged 25-49). People over the age of 50 are more than twice as likely to work as unskilled workers and less busy in management positions and professionals.

Despite the high rate of employment and the willingness to continue working, the problem is the low quality of working life in old age in Estonia. For example, life expectancy in Estonia is among the lowest in Europe and there are large gender differences. Getting older work is also a problem at an older age, as there is little participation in training at an older age and therefore skills and knowledge often no longer meet what is needed in the labor market.

## Prohibition of discrimination in the labor market

The **Equal Treatment Act** protects persons from unequal treatment due to their nationality (ethnic origin), skin color, age, disability, sexual orientation, religion or views. The Act establishes principles of equal treatment, tasks to implement and promote principles of equal treatment and regulation for resolution of discrimination disputes. According to the Equal Treatment Act, discrimination of persons on grounds of age is prohibited in recruitment, promotion and vocational education.

In the fields of employment, vocational education and social protection, dissimilar treatment is not considered as discrimination if it has reasonable legitimate objective and measures to achieve that are appropriate and necessary. For example, maximum age may be established if this is based on training requirement or need to work on the position for certain time before retirement. Age limits may be established for obtaining social protection measures. Upon promoting the principle of equal

treatment, employers must apply necessary measures to protect employees against discrimination, but the choice of the most suitable manner for doing so has been left for the employers to decide. The purpose of the Equal Treatment Act is to promote the principle of equal treatment, i.e. to change the attitudes prevalent in practice by using trainings and awareness-raising.

### Services and other support to remain competitive

Research shows that as people age, it is difficult to change jobs and find a new job, and therefore people need special attention and support to stay in and return to the labor market. The [Estonian Unemployment Insurance Fund](#) offers all **labor market services also to retirees** in order to enable older people to improve their skills and find a suitable application in the labor market. The services offered are: career information, job mediation, job search counselling (participation in a job search workshop or job clubs) and career counselling services to everyone. Jobseeker of retirement age can also receive labour market training, support for obtaining qualifications, work placement, business start-up subsidy, business support, adjustment of workspaces and working equipment and lending (free of charge) of the assistive equipment needed to carry out work.

In 2019, a project was launched to provide **labor market services to older middle-aged** (55 years and older) people in a new results-based way. The project involved older middle-aged people more in the labor market and contributed to their skills, activity and retention in the labor market. The project offered innovative solutions to improve skills and readiness for work through retraining, further training and counseling, and find and sustain a suitable employment. Enterprises, NGOs, educational institutions and state or local government agencies could apply for support for projects to help older people into employment.

Ministry of Social Affairs' strategic partner in elderly advocacy is tasked to **train employment mentors** who, in turn, will support elderly unemployed persons, prepare people over 50 years of age to (re)enter the labour market and improve digital literacy and digital competences of people 50 years and older. Training are planned to continue at least until 2023.

Measures are be developed to increase **employment flexibility** in terms of time and place of employment. As a result of the changes, it is hoped to bring people into the labor market who prefer more flexibility, less workload or who would also prefer to work, for example, remotely (for example at home). These changes will encourage part-time work for all and will certainly help older people as well.

### Support to employers

To reduce age discrimination in the labor market, efforts are also being made to improve the awareness and readiness and skills of employers.

At the same time with employment services to the pensioners, **motivating services** are offered to **employers**, such as wage subsidies, reimbursement of training costs, work placements, job adaptation, etc. Tax benefits are also offered to employers when hiring people with reduced working capacity.

There is a continuing need to **raise awareness on the benefits that support part-time work for older people**. For example, if, as a rule, employers also must pay social tax for a part-time employee at least at the set minimum per month, then pensioners are paid social tax on the salary actually paid, even if the social tax is below the set minimum. This exception supports part-time work for the elderly but is often not well known.

## Pension system supporting the continuation of working life

Over the past years, the debate on the future of the pension system has emerged sharply in Estonian society; the outcome of this debate will directly affect today's workers and the elderly of the future. In 2010 amendments were made to the State Pension Insurance Act to **raise the pensionable age** from 63 to 65 years. From 2027, the retirement age is linked to the average life expectancy of 65-year-olds. To increase the motivation of older people to work, the government implemented a pension reform, which, among other things, provided opportunities to encourage older people to work.

From 2021, a **flexible retirement age** was introduced. People can choose the most suitable time to retire, withdraw their pension in part, or suspend the payment of their pension if they wish. If a person wishes not to receive a pension for some time, his or her pension will be increased for this suspended period. A **flexible pension** is also paid when working. A flexible pension allows working pensioners to accrue a higher pension when they no longer want to work.

There were some types of pensions in the Estonian pension system that encourage leaving the labor market before reaching retirement age. One of these was, for example, an **early retirement pension**, which accrued up to three years before retirement age and was not paid in the event of employment. From 2021, the possibility of retiring early will gradually disappear, and from 2026 this type of pension will no longer be determined. Instead, it is possible to remain on a flexible retirement pension for up to five years before reaching retirement age.

Secondly, the payment of **pensions on favorable terms and for years of service** is outdated and not in line with the modern situation. According to the current regulations, those who have worked in certain occupations or professions (eg painters, welders) have the right to retire before the general retirement age. Entitlement to a pension at an earlier age is based solely on the presumption that workers in certain occupations or professions have worked in unhealthy or difficult working conditions or are presumed to have lost or reduced their capacity to work before retirement, but the actual health effects of those conditions are not assessed.

Making several careers in a lifetime has become quite common. Experience has shown that early retirees continue to work actively. In 2017, almost three-quarters of the recipients of pensions for years of service worked, and about half of the recipients of pensions on favorable terms. In the modern work environment, it cannot be considered fair that employees of some specialties start paying pensions significantly earlier than others, which is why the Ministry of Social Affairs drafted how to end the accumulation of the required length of service for a very long transitional pension. At the same time, in the interests of legal certainty, people will be able to acquire the missing length of service to receive a preferential pension or to adapt to the situation and prepare for a career change if necessary. The draft will be coordinated with the social partners and other stakeholders, and the changes will be implemented flexibly from 2030 and 2036.

It is important to ensure the well-being and ability to work of older people to **prevent and control work-related health problems** and accidents by ensuring a safe and healthy working environment. The Ministry of Social Affairs and the Labor Inspectorate have carried out various activities with the aim of making the working environment healthy and reducing the number of sick days in society caused by accidents at work and work-related illnesses.

## Ensuring ageing with dignity

Pursuant to the Constitution of the Republic of Estonia, every citizen is entitled to government assistance in the case of old age, incapacity for work, loss of provider, or need. The Constitution provides that everyone has the right to choose freely where to reside. Upon choosing a place of residence on equal grounds with others, the main restriction experienced by elderly people is ability to cope with daily activities and accessibility.

Upon developing welfare of elderly, the **state is guided by the principle that the services must support independent coping, working and living at home or home-like environment.**

### Financial coping

The main source of income for older people is their pension. However, the report indicates that the old age pension often does not guarantee sufficient income to elderly. In Estonia, the tax-free pension is 45% of the average salary. Although there are many retired people living in relative poverty, the poverty gap indicates that their poverty is not deep.

Social transfers, especially pensions, have the greatest impact on reducing at risk-of-poverty among older people. In 2019, transfers, including pensions reduced poverty risk among older people by approximately 40 percentage points. Without transfers (including pensions), 80.5% of the elderly would have lived in at risk-of-poverty.

In order to reduce the poverty risk, a **lump sum benefit** of 115 euros per year for pensioners living alone was introduced in 2017. **Annual indexations**, foreseen by the State Pension Insurance Act, have constantly raised Estonia's old-age pension. In recent years, Government decisions for **extraordinary increases in pensions** have created better opportunities for an individual to cope, including covering additional medical expenses or consuming necessary services. In addition, the adequacy of pensions and the financial sustainability of the **pension system is analysed** in every five years. Next analyse will be performed in 2022-2023.

### Support to develop and deliver high quality social services

Local governments, tasked with the obligation to provide majority of social services to enable independent living in a community and ensure people to cope, differ in their capabilities to provide minimum required services. Main problems with provision of social services are related to availability and quality of the services, as those vary across local governments because different local governments have different administrative capabilities due to their territory, revenues, population size, etc. Lower administrative capability of local governments cannot be justification for not providing services. Web application [minuomavalitsus.fin.ee](http://minuomavalitsus.fin.ee) gives an overview of the state of services and development possibilities and raises public awareness on local services.

Several projects and other measures have been initiated in recent years to support local governments in their tasks and address regional disparities. With the support of EU structural funds, in 2018-2022 a pilot program in five counties tests different **social transport** delivery models and makes proposals for suitable models which consider the specificities of the regions, are cost effective, connected to public transport etc. A **mentoring programme** to the North-East Estonian local municipalities was developed in December 2019 to encourage them to design and provide more social welfare services. Local governments, private and third sector service providers have had a possibility to apply for **funding to**



**develop social welfare services** for persons with disabilities and the elderly. There are altogether 45 projects being implemented in most regions in Estonia. The developed services are for example of support person service, personal assistance service, day-care centres, interval-care and home-care service, counselling services and support groups for people with care burden, integrated welfare services and other services that help do reduce care burden and enable labour market participation of carers.

Since 2019, the [social welfare unit](#) of the Social Insurance Board contributes to the implementation of welfare policies and to the coordination of cross-sectoral cooperation by providing strategic, operational and case-based counselling for local governments in performing their social welfare tasks. Since 2020, all general care homes must have an **activity licence** and they must fulfil the requirement for care workers qualification. The Chancellor of Justice under the OPCAT mandate and Social Insurance Board pay visits to general care homes to monitor the fulfilment of protection of human rights and quality requirements.

The Chancellor of Justice ensures that people in care homes are treated with dignity and that their fundamental rights are protected. The Chancellor of Justice [examines](#) whether people are treated with respect for their dignity, what the living conditions of the care home are and whether people's lives and health are not endangered in the care home and whether they receive necessary treatment. Social Insurance Board has noticed in its inspections that there is room to improve activities aimed at creating and maintaining brain alertness, a positive emotional state and other activities that could support active ageing.

### **Independent living in a secure home**

As the age increases, so does the number of events that involve rescuers, falling is frequent reason. More than half of those who fell were over the age of 70, often people who have coping difficulties. The Rescue Board has stated that home counseling and aids alone are not enough to ensure the well-being of people living in dangerous homes. Elderly would need to adjust their dwellings due to illness, disability or health problem. The most important concerns that need to be addressed in housing are moving up the stairs or steps, hygiene and moving around the room and go outside the building. There is a need for adaptation of housing to enable people to continue living in their own homes and to avoid being placed in institutional care. Investments to the living environment and support services for the elderly help to improve their and family members access to employment.

In order to improve the accessibility of living environment, The Centre of Disability Information and Assistive Technology in cooperation with the Union of Estonian Architects, the Estonian Design Centre and the Estonian Academy of Arts have prepared a **handbook** "[Kõiki kaasava elukeskkonna kavandamine ja loomine](#)" ("Planning and creating a living environment inclusive for everyone"). Centre of Disability Information and Assistive Technology (now under Estonian Social Insurance Board) launched an **advisory service for adaptation of living environments** (incl. preparation of dwelling adaptation plans).

Between 2017-2022, local governments were financially supported in **adaptation of homes** of persons with special needs for improvement of mobility and access to the building or dwelling, improvement of personal hygiene or improvement of kitchen facilities. In total, 2000 homes were adapted with the requirement that local governments adopt their own regulations and continue financing of adaptation of homes.

## Implementation of long-term care reform

The share of elderly and people with disabilities are expected to increase from 19,8% to 25,6% and from 11,9% to 17%, respectively, by 2040. Approximately 1/3 of people over 65 years of age report, that their everyday activities are limited due to health problems and they need for help in daily activities and self-care. In 2019, 3 500 men and 12 200 women did not work due to **care burden**, while approximately 65 000 people assisted or cared for their relatives. The decreasing and ageing population affects the future public expenditure on long-term care, which are expected to grow substantially in coming decades.

The organisation and financing of LTC is **fragmented between social and health care sector**, as well as between state and local municipalities. Estonia has a shortage long-term care service places, while the need is highest in home care. Although the aim is for a person to be able to live at home for as long as possible, the person is placed too lightly in institutional care, which is more expensive and may lead persons and their family members into poverty risk. The person's own contribution for financing long-term care services in institutions has steadily increased, but services provided at home are free of charge or with minor self-contribution. There is a clear need to increase the public funding of LTC and support local governments to increase the provision of home based LTC services and support workforce and informal carers.

Long-term care has been on the political agenda during recent years. A special high-level task force that was assembled at the Government Office from 2016 to 2017 developed [general policy guidelines](#) and solutions to decrease the care burden. First proposals<sup>4</sup> about reorganisation of LTC in Estonia were approved in 2018 and the preparations for elaboration of LTC financing schemes started at the beginning of 2019. The LTC concept together with financing scheme was approved by the Cabinet of Ministers in 2020. In 2021, policy proposals how to support informal carers were approved by the Cabinet of Ministers.

Measures in financing (including component-based remuneration of general care, sustainability of long-term care financing schemes) have been discussed in the Cabinet of Ministers and Ministry of Social Affairs has been tasked with further steps. By the end of 2023, the Ministry of Social Affairs will develop a support package for carers, including supportive trainings and services for carers, link the payment of financial support to the actual care burden of carers, create a pre-distribution of care burden levels and a standardized assessment tool.

Changes in long-term care cannot be implemented without preparatory and supportive activities in social welfare and health, as well as support to local governments. In 2017, Estonia started piloting a care coordination project in close cooperation between local governments, family practitioners and regional hospitals. The pilot project concluded that the most suitable solution for Estonia combines the importance of care coordinator functions and centrally agreed general principles with flexible tasks depending on local circumstances. This model is currently tested again before making changes into legislation. In parallel, Estonia also reviews its information systems and databases to identify dataset and data sources to support policy, planning and monitoring of delivery and outcomes.

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<sup>4</sup> The first proposals included introduction of day and weekly care for adults with excessive care needs; establishment of Dementia Competence Centre, adaptation or establishment of places in care homes according to the needs of people with dementia and establishment of care home for elderly with complex care needs; piloting of care-coordination and introduction of leave for caring and adult with disabilities.

## Support for people with dementia

People with dementia and those close to them face difficulties because home care services are not sufficiently developed, tend to be underfunded, and general care homes are generally reluctant to take on clients with dementia. In Estonia, dementia has been underdiagnosed and it is estimated that about 10 percent of actual cases have been identified. Supporting people with dementia is one of the activity lines of Estonia and additional funds have been allocated in recent years.

In September 2018, the **Dementia Competence Centre (DCC)**<sup>5</sup> in partnership of four expert organisations was founded to support Estonia in becoming dementia-friendly. The focus areas of the DCC are integration of service provision; training of service providers and stakeholders; supporting people with dementia and their families; coordinating academic research, communication and social awareness on dementia-related topics. DCC coordinates support groups and organizes memory cafés, provides education and training seminars on various topics regarding dementia in addition to counselling and consultation services. In 2019, the DCC established a phone-based dementia helpline 644 6440.

The Government has also allocated funds for **dementia-friendly environmental design in care homes**. Improvements in the security of persons diagnosed with dementia in receiving care services, increase of the capabilities of service providers to provide care services to persons with dementia, and encouragement of use of assistive technology for persons with dementia were financed. Various digital technologies, including GPS tracking, fall detectors and other monitoring systems, multi-sensory environments, and others were introduced.

## Need for innovations in social welfare

Estonian social welfare sector is not rich in innovations and use of new technologies, that could ease the everyday tasks of people working in care sector or informal carers. Fostering innovation in social welfare presents an opportunity to relieve major problems related to care coordination and caregiving, for example, lack of awareness and evidence-based knowledge and care skills, high caregiver burden, uneven availability of care services and insufficient support systems for informal caregivers. Therefore, some initiatives to boost innovations in social welfare have been undertaken in recent years. Since 2018, over 30 projects from service providers, state and local government organisations have been funded to **support developing ideas and testing the innovative services or products in social welfare**.

The green book "[Increasing the use of technology to support people's daily living and well-being at home](#)", adopted in 2020, provides guidance on technology-rich care. It is a roadmap with concrete proposals and lines for action to increase the use of new digital solutions and technological innovation in social welfare. The focus of the green book is on how the new technological solutions can support people to live the highest possible life quality and independently at home and how to support the introduction and sustainable implementation of new technologies. The green book serves as a decision-making supporting tool for all partners in their initiation of new solutions for providing social services to sustain the daily livelihood and wellbeing of the target group.

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<sup>5</sup> There are 4 strategic partners covering specific focus areas: NGO Living with Dementia (the Representation of people with dementia and their caregivers; leading partner), Viljandi Hospital (general healthcare provider), Tallinn Diocese Hospital (nursing care and hospice/end-of-life care provider), and Tartu Health Care College (R&D; academic institution).

## Supporting elderly health

Estonia has a solidarity-based health insurance scheme which adheres to the principles that services are provided according to the needs of the insured persons, that treatment must be equally available in all regions and that health insurance funds are to be used for their intended purpose (Elderly, who are entered in the lists of insured persons have equal rights and equal opportunities to receive health insurance benefits. Old-age pensioners and people over 63 years of age are entitled to yearly **dental care compensation** of 85 euros and **compensation for dentures** in every three years. Insured persons who pay at least 100 euros per calendar year for medicines purchased with discounted prescriptions will receive an **additional medicine benefit**.

## Part III: Healthy and Active Ageing in a Sustainable World

### Contribution of ageing-related policies to the implementation of the 2030 Agenda and its Sustainable Development Goals

Estonia has long-term experience in the field of sustainable development. Already in 1995, *Riigikogu* passed the **Sustainable Development Act** which laid the foundation for strategic planning for sustainable development and created preconditions for planning balanced development. In 2005, *Riigikogu* approved Estonian sustainable development strategy “**Sustainable Estonia 21**”, which identified four sustainable development goals: 1) viability of the cultural space, 2) increasing prosperity, 3) a cohesive society, and 4) ecological balance.

The global sustainable development goals (SDG) and objectives of the Estonian Sustainable Development Strategy are implemented through the sectoral development plans and programs prepared in compliance with the long-term strategy "Estonia 2035" (please see section “General information” of this report). The integration of SDGs into sectoral development plans is ensured by a strategic planning system. The Regulation of the Government of the Republic on the preparation of strategic development plans stipulates that all development plans and programs must consider global SDGs, thus helping to integrate them into sectoral strategies in a stronger and more systemised manner.

To monitor the implementation of the Agenda 2030, Estonia operates on the basis of sustainable development indicators agreed between the ministries, Statistics Estonia and stakeholders. A special web application [Tõetamm](#) (Tree of Truth) has been created to present the goals and governance principles of the country more clearly to the people and stakeholders.

Estonia has submitted its **reviews** on the implementation of the **2030 Agenda in 2016 and in 2020**. The reviews pointed emerging issues and policy responses regarding age-related policies, most challenging of them are related to health, financial coping and labour market participation.

The elderly population of Estonia is characterised by a higher proportion of women among the elderly, the main reason for which is the large difference in the life expectancy. Estonian women live on average almost nine years longer than men and healthy life years among men is 2.8 years lower than among women. The [Public Health Development Plan 2020–2030](#) sets the goal of increasing the average life expectancy and healthy life years. The focus of policies will be on the prevention of diseases and injuries and the early detection of diseases, that help to increase the quality of life of people, as a disease detected at an early stage is usually treatable, and the person retains activity and ability to work. Separate [mapping of measures related to SDGs](#) was also published together with the Public Health Development Plan.

The risk of poverty of women over 65 years of age is higher than of men. In 2019, 30,5% of men and 47,2% of women of older women lived in poverty risk with income less than 611 euros per month. The poverty risk increases significantly while living alone - 77,7% of single older men and 76,6% of single older women lived in poverty in 2019. In order to reduce the poverty risk, a **lump sum benefit** of 115 euros per year **for pensioners living alone** was introduced in 2017. Amendments to the Pension Insurance Act in 2018 made the pension system more flexible, linked the retirement age to the average life expectancy from 2027, and made the pension dependent on a person’s length of service in addition to the salary. The aim of the changes was to make pensions more solidary, responsive to population trends, and flexible enough for people to make their own choices regarding retirement.

The employment rate of elderly in Estonia is among the highest in European Union. Estonian employment policies are guided by the principle to boost labour market participation of all. People of retirement age are entitled to **labour market services** provided by [Unemployment Insurance Fund](#). The Unemployment Insurance Fund offers career information, job mediation, job search counselling (participation in a job search workshop or job clubs) and career counselling services to everyone. Jobseeker of retirement age can also receive labour market training, support for obtaining qualifications, work placement, business start-up subsidy, business support, adjustment of workspaces and working equipment and lending (free of charge) of the assistive equipment needed to carry out work.

Estonia's situation in **implementing the goals of sustainable development was assessed as good**. In 2020, Estonia ranked [10th](#) in the global sustainable development index table. The report concluded that Estonia's strengths are high-quality and accessible education, efficient health care management, high employment, and a large share of renewable energy in final energy consumption. The main tasks ahead are to achieve gender equality (although the pay gap in Estonia has decreased in recent years, it is still one of the highest in Europe), reduce the risk of poverty for women and people with disabilities. Health indicators, in particular mental health indicators, also need to be improved, and preventable deaths must be reduced. Estonia must also continue to contribute to promote innovative technological solutions. For example, the development of digital technology and e-governance in Estonia has contributed to economic development, good governance, transparency, resource efficiency, and human development.

### [Lessons learnt from managing the consequences and impacts for older people in emergency situations: the COVID-19 pandemic](#)

From March 12 to May 18, 2020, the government declared a state of emergency in Estonia due to the COVID-19 pandemic. The state of emergency affected particularly vulnerable groups, including elderly. For example, visiting of general care homes was prohibited and people living in general care homes were not allowed to leave the territory of the care home until the end of the emergency. Restrictions in care homes concerned the right to **respect for private and family life**, as residents of care homes were unable to meet their relatives for a long time. Wider public discussion about **human rights**, loneliness and helping people living alone emerged.

The provision of residential long-term care has continued starting from the first wave of pandemic, and new clients have been accepted under strict preventive conditions. Nursing care facilities continued to provide services to all their clients. However, the most emerging problems in residential care homes have been **shortage of employees, lack of knowledge and personal protective equipment**. The state has responded with several immediate measures.

In spring 2020, **infection expert teams** started working in general care homes, providing on-spot counselling on organisation of work in Covid-19 situation, use of personal protective equipment, cleaning and infection prevention. The state has also created a central reserve of personal protective equipment for all welfare institutions, including general care homes. A social welfare team was established at the Estonian Health Board, which tasks included elaboration of guidelines and alleviate case-by-case the lack of nurses in long-term care homes. Estonian Unemployment Insurance Fund started to provide short-term e-training courses for carers. In addition, voluntary webpage [www.vaab.ee](http://www.vaab.ee) gathers information on people who have completed training in medicine and are ready to help hospitals and general care homes during the pandemic. Since 2020, general care homes are

entitled to apply compensation for additional labour costs from the State funds for the reimbursement of additional labour costs related to Covid-19.

Residents and personnel of general care homes were given priority in the Estonian Covid-19 immunisation plan, followed by elderly living at home. Since December 2021, general care homes with high immunisation rate of employees and residents are entitled to financial support which may be used according to their needs. The measure aims to **encourage immunisation**.

Local governments are responsible for the organisation of welfare of the elderly. During the emergency, most Estonian local governments reported **being in contact** (mainly via phone) **with the elderly** in their region and reacting with services and assistance, if needed. The provision of home services continued, and local governments reported on the increasing need for these services. Social workers often provided elderly with food and medicines. In addition, volunteers (for example [www.kogukondaitab.ee](http://www.kogukondaitab.ee)) offered their assistance in delivering food and medicines.

Due to the changed patterns of assistance, **local governments needed financial support** to reorganise their service provision according to the new needs and target groups. This included the possibility to redesign the ongoing projects from 2018 and 2019 as well as apply for financing to new crisis alleviation measures, including different counselling (for example debt counselling, psychological counselling etc) services since August 2020. In addition, all local governments were provided with two sets of finances to extend the provision of social services to those most affected by the crisis.

**Helplines**, including new helpline 1247 **are in operation**. A phone-based dementia helpline 644 6440 advice cares of people with dementia also in the COVID-19 related questions. Dementia Competence Centre has elaborated [guidelines and recommendations](#) to carers and family members living with people with dementia. Several online activities have been initiated. For example, the Tallinn Central Library started a project for seniors to increase their digital skills. Library workers provide guidance for the elderly on how to better cope in digital world and established a [senior chat club](#) via Skype.

Covid-19 highlighted the **important long-lasting lesson**: lack of training and resources of the staff to **deal with the mental health problems** of the clients, but also of themselves and their co-workers, to notice them and to refer to the necessary specialist. Since June 2020, a professional **pastoral care service** and psychological counselling was established for clients and workers of general care homes. Additional finances are foreseen to expand the pastoral care for people receiving care services at their homes and continuation of pastoral care phonenumber.

In spring 2021, a **Mental Health Task Force** was established at the Ministry of Social Affairs, gathering the best experts and civil servants in Estonia. Regarding the accessibility of mental health services, supplementary social budget was made available to offer various mental health services, round-the-clock crisis assistance and counselling. Local governments have indicated the need to increase the provision of psychological aid, but the main challenge is the lack of specialists. Therefore, a **special funding was opened for local governments** to compensate salary of a community psychologist or provision of a wider range of mental health services through municipalities or primary health centers. Further steps include the establishment of new **mental health department** in the Ministry of Social Affairs in 2022 and the continuation of financing mental health services provided by local governments in forthcoming years.

## Conclusions and priorities for the future

The population of Estonia is ageing and in decline but at the same time, the life expectancy of residents has increased, and people stay healthy for longer. These trends raise a question about the social and economic development – which changes should be made in different policy areas to meet the needs of the economy and the labour market, as well as to ensure a growth in welfare and the sustainability of the social protection system.

It is important that the issues of older people are continuously represented in society and that members of the target group and their representative and advocacy groups are actively involved in social dialogue, relevant legislation, policies and measures, and provide appropriate counseling and training support, labor market services, community and social activities. Young people must also be increasingly involved in activities.

There are still many challenges ahead of Estonia to improve the wellbeing of current and future elderly. One of the biggest challenges is to make Estonia better **accessible**, both in physical and e-environment.

**Changing negative attitudes** of employers and employees is of crucial importance to break stereotypical thinking and the unequal treatment and exclusion of older workers from the labour market. Anti-age communication must increase tolerance in society and guide employers and employees to see older workers as a competitive and equal partner.

The objective of the welfare policy is to enable the elderly to cope independently in the home environment for as long as possible. **Preventive social work for the elderly** needs to become more active. Health education needs to be increased to reduce health risk risks as more than half of the life years lost in Estonia due to premature mortality and morbidity are due to risk factors or risk behaviour. It is necessary to stress more attention to the use of community resources in preventing and reducing social exclusion and increase older peoples' involvement in voluntary activities.

The ongoing **long-term care reform** aims to increase the financing of the system, make high-quality community-based services more accessible, improve the cooperation between social and health sectors and support informal caregivers. The task for forthcoming years is to develop community support services for older people who are no longer doing well in their usual home environment on their own, but whose need for help is not as great as the care home provides. Supporting the mental health of the elderly and preventing abuse in both homes and institutions needs also more attention.

**Technological solutions** empower the elderly by helping build new markets, delivering new products and services, supporting new work practices, and creating connected communities that respond to their needs. The introduction of assistive technologies is necessary both in people's homes and in service environments (eg care institutions). It is important that smart solutions become more accessible to people, including in terms of price.

Incomes and financial coping of the current elderly has been a concern. Estonian people need to be **better prepared for retirement**. To prevent the risk of poverty for future retirees, it is necessary to develop people's financial literacy, encourage them to save and channel money into voluntary pension funds and other investments.

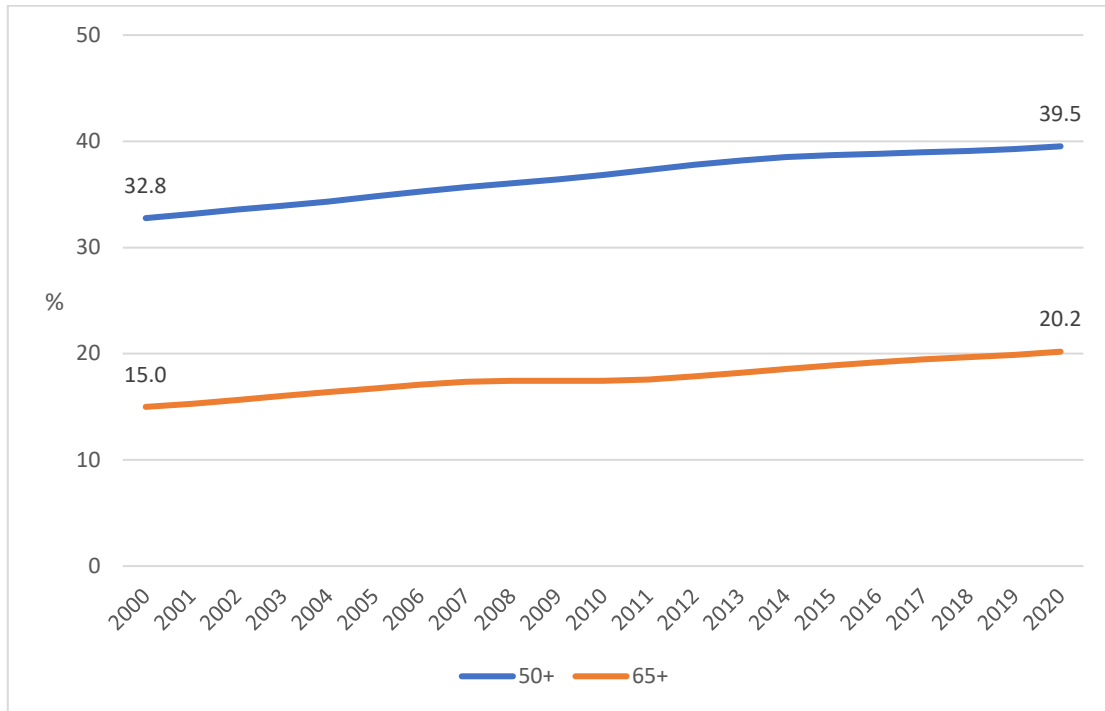
The well-being and participation of older people in society can be supported through **age-friendly policies** throughout the life course. Older people need to be more involved in policymaking and given the opportunity to have a say in decisions that affect them, to consider the principles of an age-friendly



environment in shaping local life, and to create opportunities for activating activities, including volunteering. The active participation of older people in society is supported by a strategic partnership, which creates an active network of elderly advocacy organizations. In the coming years, Estonia will develop the **principles of an age-friendly society, which** will be prepared with regard to the elderly, to address their problems and take into account the needs of society, local government and state policy-making and legislation.

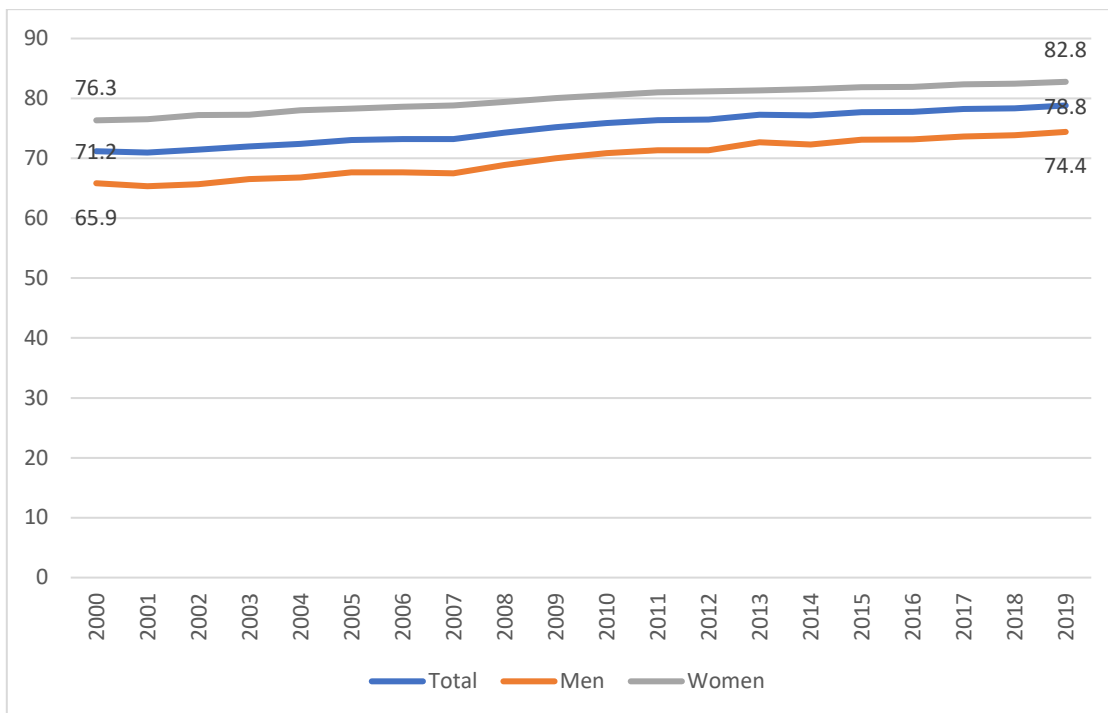
## Annex

**Figure 1.** The share of older people in the total population (%), 2000-2020



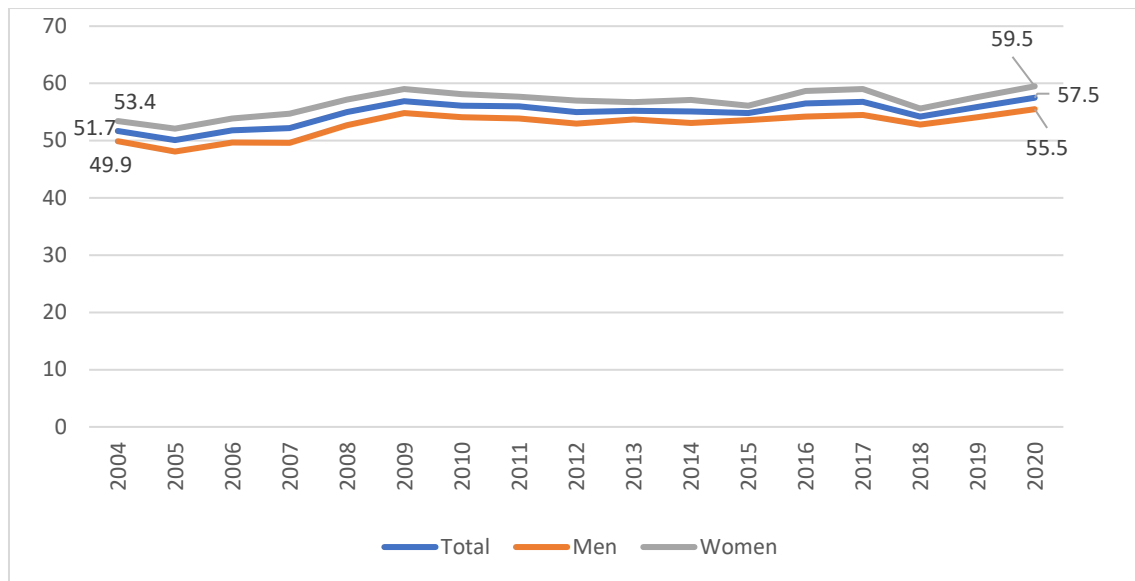
Source: Statistics Estonia

**Figure 2.** Life expectancy at birth (years), 2000-2019



Source: Statistics Estonia

**Figure 3.** Healthy life expectancy at birth (years), 2004-2020



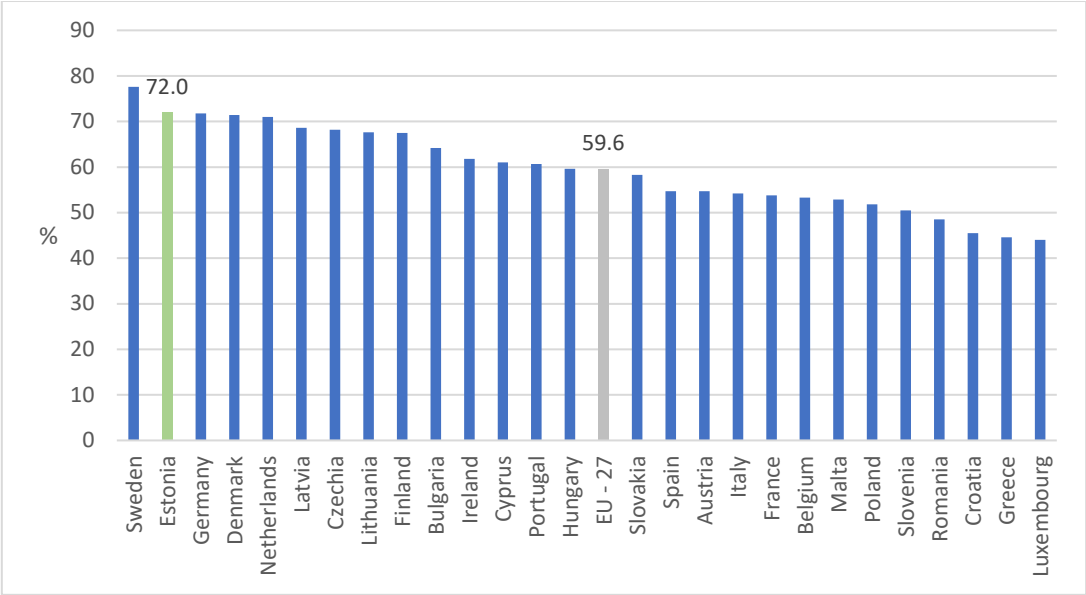
Source: Statistics Estonia

**Table 1.** Labour market indicators (aged 55-64 years), 2008-2020

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>55-64 total, thousand</b>	153,7	157,6	162,4	167,6	169,6	170,6	171,1	171,2	172,2	172,7	173,4	173,9	173,4
<i>incl. employed, thousand</i>	95,4	95,0	87,4	96,2	102,3	106,7	109,4	110,4	112,1	117,3	119,1	125,4	124,4
<i>unemployed, thousand</i>	4,1	9,8	17,0	12,6	7,9	6,9	6,3	7,1	9,8	7,1	6,8	5,3	8,9
<i>inactive, thousand</i>	54,2	52,8	58,0	58,8	59,4	57,0	55,4	53,7	50,3	48,3	47,5	43,2	40,1
<b>Employment rate, %</b>	62,1	60,3	53,8	57,4	60,3	62,5	64,0	64,5	65,1	67,9	68,7	72,1	71,8
<i>men</i>	64,4	59,3	51,9	56,9	58,8	61,3	65,1	63,1	63,5	66,3	65,5	69,2	68,5
<i>women</i>	60,3	61,1	55,3	57,8	61,5	63,6	63,0	65,6	66,4	69,2	71,3	74,6	74,6
<b>Unemployment rate, %</b>	4,1	9,3	16,3	11,6	7,2	6,0	5,4	6,0	8,1	5,7	5,4	4,0	6,7
<i>men</i>	5,3	11,9	19,3	14,8	9,4	8,2	5,8	6,9	9,5	7,5	7,0	5,1	7,8
<i>women</i>	3,1	7,3	14,0	9,0	5,4	4,4	5,1	5,4	6,9	4,3	4,2	3,2	5,7

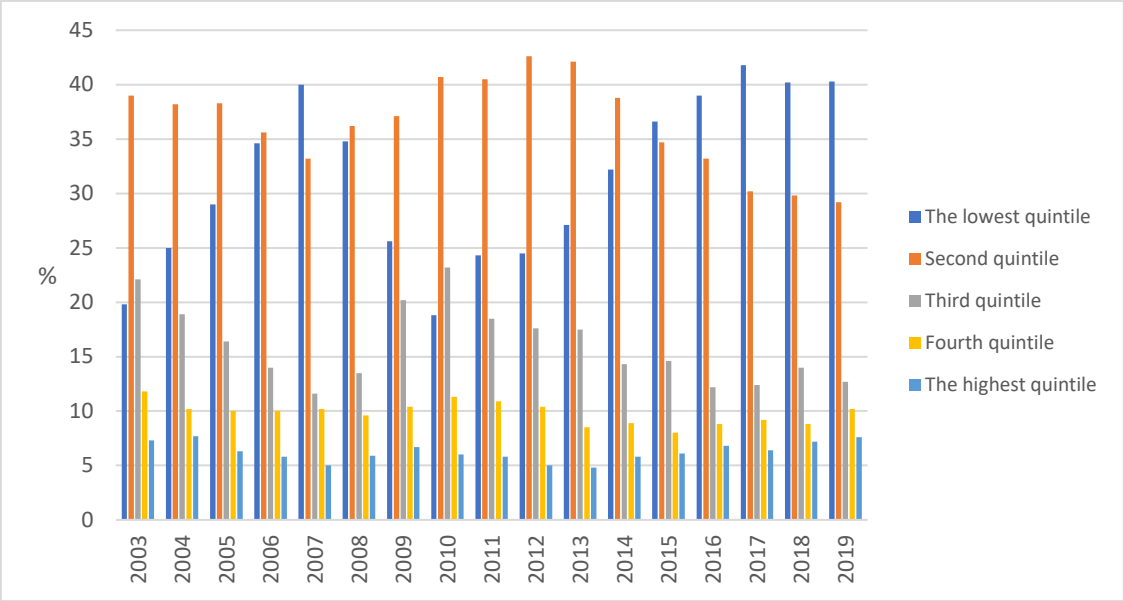
Source: Statistics Estonia

**Figure 4.** Employment rate of people aged 55-64 (%), 2020



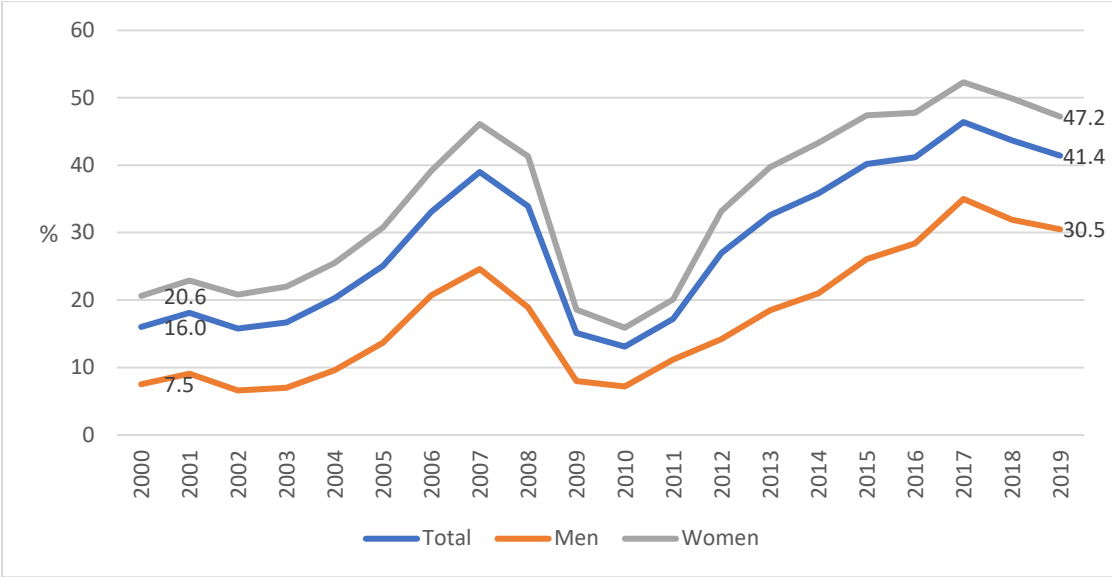
Source: Eurostat

**Figure 5.** The distribution of 65 years or over residents in income quintiles (%), 2003-2019



Source: Statistics Estonia

**Figure 6.** Relative poverty rate of elderly (65 years or over), (%), 2000-2019



Source: Statistics Estonia