

Incentives for initial and continuous VET learners in Estonia

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Thessaloniki, 15.10.2009

Initial VET

- 28 300 IVET students in Estonia
- 27 300 of them are studying on study places financed by the state
- Stipend for good study results – for 50% of students
- Transportation allocation – 2 trips per month are covered
- Loans for students after upper-secondary education
- Free school lunch for students after basic school

Initial VET (2)

- New initiative – 20% of stipend money can be delivered to the students who need the financial support
- It is the reaction to the current economic situation and gives VET colleges a possibility to support students in a poor financial situation
- 80% of stipend money will be delivered as earlier for good study results
- Change to the Act was made in september 2009

Incentives for adult learners – study leave

- In 01.07.2009 a new Employment Contracts Act was legitimized
- The main change – if earlier the study leave was only allowed in case of distance, evening or part time studies, then now it is also granted for full time students
- The amendment also affects the number of calendar days for study leave and payments for these days

Incentives for adult learners – study leave (2)

- An employee has the right to receive 30 calendar days of study leave per year
- In case of formal and work-related training an employee must retain the average salary for 20 calendar days
- For people participating in popular adult education, study leave is unpaid
- For graduation from formal education the new law establishes the possibility to receive 15 additional days with minimum salary

Tax deduction for individuals

- Tax deduction allows individuals to deduct the cost of training from their income tax payment
- Tax deduction is eligible for all individuals who have an income and who have paid for their own training or for training of close relatives
- Tax deduction is possible by these training courses that have been provided either by state educational institutions or private institutions that have been granted a training permit by the MoER

Continuous training and retraining courses (CVET)

- A shared responsibility between 3 ministries:
 - Ministry of Economy and Communications is responsible for training of employees in companies, whose training is cofinanced by state by application of companies
 - Ministry of Social Affairs is responsible for unemployed and those in riskgroups
 - Ministry of Education and Research is responsible for individuals who themselves want to improve their competitiveness and whose training is financed via training institutions

CVET (2)

- Since autumn 2007 MoER has trained individuals by ESF project “Continuous training for working adults” - over 24 000 adults used over 60 million kroons for this purpose. Now a new ESF program has been introduced.
- MoSA and Estonian Unemployment Insurance Fund selects trainers and courses by public procurement for training unemployed people but their ability to double or triple the amount of courses in current labour market situation is not satisfactory

The results of CVET in last years

- Participation rate in lifelong learning in Estonia (by Eurostat):
 - 2005 – 5,9%
 - 2006 – 6,5%
 - 2007 – 7,0%
 - 2008 – 9,8% (EU average - 9,6%)
 - 2010 first half – 10,8%
- The number of adult CVET learners in VET colleges is already overcoming the number of initial students

New initiative - vouchers

- Ministry of Economics and Communications and Foundation Enterprise Estonia initiated a voucher system since June 2009 for small-sized (up to 9 people) enterprises and sole proprietors, who can apply to have their training reimbursed up to 100% in the sum no more than 15 000 kroons (950 EUR) once a year. The training providers have to be approved by the ministry.

New initiative – vouchers (2)

- Ministry of Social Affairs is introducing a voucher system for unemployed people. Just now the pilot phase of this project (within ESF scheme) begins. A voucher in the sum no more than 15 000 kroons is focused to unemployed people with medium and higher qualifications, who need more individualized training that they cannot get in organized courses for unemployed people.

**THANK YOU FOR YOUR
ATTENTION!**

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