

## Estonia

Exchange rate: US\$1.00 = 0.83 euro (€).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1924.

**Current laws:** 1992 (old-age pensions), 1992 (pensions), 1999 (disability social benefits), 2000 (funeral benefit), 2001 (individual accounts), 2004 (individual accounts), 2004 (investments), and 2014 (work ability allowance).

**Type of program:** Universal, social insurance, mandatory individual account, and social assistance system.

#### Coverage

**Universal, social insurance, and social assistance:** Permanent residents of Estonia; noncitizens residing temporarily in Estonia; and legal refugees.

**Mandatory individual account:** Persons born after December 31, 1982, who are covered by social insurance, including self-employed persons.

Voluntary coverage for persons born after December 31, 1941 and before January 1, 1983.

#### Source of Funds

##### Insured person

*Universal and social assistance:* None.

*Social insurance:* None.

*Mandatory individual account:* 2% of covered earnings plus an administrative fee.

The minimum monthly earnings used to calculate contributions are €470.

There are no maximum earnings used to calculate contributions.

##### Self-employed person

*Universal and social assistance:* None.

*Social insurance:* 16% of covered declared earnings.

The minimum monthly earnings used to calculate contributions are €470.

The maximum monthly earnings used to calculate contributions are €1,650.

*Mandatory individual account:* 4% of covered declared earnings plus an administrative fee.

The minimum monthly earnings used to calculate contributions are €470.

The maximum monthly earnings used to calculate contributions are €1,650.

#### Employer

*Universal and social assistance:* None.

*Social insurance:* 16% of gross covered payroll.

The minimum monthly earnings used to calculate contributions are €470.

There are no maximum earnings used to calculate contributions.

*Mandatory individual account:* 4% of gross covered payroll.

The minimum monthly earnings used to calculate contributions are €470.

There are no maximum earnings used to calculate contributions.

#### Government

*Universal and social assistance:* The total cost. Local governments pay the total cost of the funeral grant.

*Social insurance:* Pays contributions for some categories of insured persons; contributes as an employer.

*Mandatory individual account:* None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension (vanaduspension, social insurance):** Age 63 and six months (gradually rising by three months a year until reaching age 65 in 2026) with at least 15 years of service.

Employment may continue.

Retirement is possible up to 10 years before the normal retirement age with at least 20 years of service, including at least 10 years of work in especially hazardous occupations; up to five years before the normal retirement age with at least 25 years of service, including at least 12 years and six months in especially hazardous occupations; up to five years before the normal retirement age with at least 15 years of service and time spent raising children (depending on the number of children or whether a child was disabled) or if the insured was involved in the Chernobyl disaster clean-up.

**Early pension:** Retirement is possible up to three years before the normal retirement age with at least 15 years of service.

Employment must cease up to the normal retirement age.

**Deferred pension:** The pension may be deferred. There is no age limit.

**Old-age pension (kogumispension, mandatory individual account):** Age 63 (gradually rising by three months a

year until reaching age 65 in 2026) with at least 15 years of service, receiving the social insurance old-age pension, and first contributed to the individual account at least five years before the date of retirement.

**National old-age pension (rahvapension, social assistance, means tested):** Age 63 (gradually rising by three months a year until reaching age 65 in 2026), with at least five years of residence. Must not qualify for a social insurance old-age pension or be receiving a pension from any other country.

Pension supplement (pensionilisad): Paid if the insured raised a child for at least eight years, has at least a 40% assessed loss of earning capacity as a result of a nuclear test or accident, is a World War II veteran, or performed certain other military service.

**Work ability allowance (töövõimetoetus, universal, earnings tested):** Must be aged 16 to the normal retirement age, be assessed with no work ability, and not be receiving a pension or certain other benefits.

Partial work ability allowance: Must be aged 16 to the normal retirement age, be assessed with a partial work ability, not be receiving a pension or certain other benefits, and be working, seeking work, studying, raising a child younger than age 3, caring for a family member with a severe disability, receiving certain support for artistic work, receiving certain types of institutional care, or participating in compulsory military service.

Earnings test: The allowance (for no or partial work ability) is subject to recovery if the insured's monthly earnings exceed 90 times the daily work ability allowance.

The daily work ability allowance is €11.82 (€12.72 as of April 1, 2018).

The Unemployment Insurance Fund assesses work ability.

The work ability allowance ceases at the normal retirement age.

**Disability pension (töövõimetuspension, social insurance):** Must be aged 25 to 62 with one to 14 years of service, depending on the insured's age, and have a 40% to 99% (partial disability) or 100% (total disability) assessed loss of earning capacity. There is no minimum qualifying period if the disability is the result of a work injury or occupational disease.

The disability pension is being phased out and replaced by the work ability allowance. If the insured's disability was assessed or reassessed before January 1, 2017, the disability pension is paid until the next scheduled reassessment (scheduled every six months to five years). No new disability pensions have been awarded since July 1, 2016.

A medical expert assesses the loss of earning capacity.

The disability pension ceases at the normal retirement age and is replaced by the social insurance old-age pension.

**National disability pension (rahvapension, social assistance, means tested):** Must have at least a 40% assessed loss of earning capacity, not qualify for a social insurance disability pension, and not be receiving a pension from any other country.

Employment may continue.

Pension supplement (pensionilisad): Paid if the insured raised a child for at least eight years, has at least a 40% assessed loss of earning capacity as a result of a nuclear test or accident, is a World War II veteran, performed certain other military service, or was a specified World War II prisoner of war.

The national disability pension is being phased out and replaced by the work ability allowance. If the insured's disability was assessed or reassessed before January 1, 2017, the disability pension is paid until the next scheduled reassessment (scheduled every six months to five years). No new national disability pensions have been awarded since July 1, 2016.

**Disability social benefit (universal):** Paid to persons assessed with a moderate, severe, or profound disability that results in additional expenses.

Eligible persons include children with disabilities younger than age 16, parents with disabilities raising a child younger than age 16 (age 19 if a student), persons with disabilities of working age (age 16 to the normal retirement age), and persons with disabilities who have reached the normal retirement age.

**Survivor pension (toitjakaotuspension, social insurance):** The deceased had at least 15 years of service if he or she had reached the normal retirement age; had one to 14 years of service, depending on the deceased's age, if aged 25 to the normal retirement age; or was incapable of gainful activity if younger than age 25. There is no minimum qualifying period if the death was the result of a work injury or occupational disease.

An eligible spouse must meet one of the following conditions: be at least 12 weeks pregnant at the time of death; be nonworking and raising the deceased's child younger than age 3; be permanently disabled and married to the deceased for at least a year; be divorced and permanently incapable of work before the divorce, or if the incapacity began in the year immediately after the divorce, married to the deceased for at least 25 years and reached the normal retirement age within three years after the divorce; or have reached the normal retirement age.

Other eligible survivors include children, stepchildren, siblings, and grandchildren younger than age 18 (age 24 if a full-time student; no limit if disabled); parents or step-parents of pensionable age or with a disability; or a nonemployed guardian raising the deceased's children.

The widower(er)'s pension ceases 12 months after remarriage.

**Survivor benefit (kogumispension, mandatory individual account):** Paid to survivors named by the deceased; to the deceased's spouse and children if there are no named survivors.

**National survivor pension (rahvapension, social assistance, means tested):** Paid when the family breadwinner dies and he or she was not receiving or entitled to receive a social insurance pension. The survivor must not receive a pension from any other country.

**Funeral grant (social assistance, means tested):** Paid to the person who organizes the funeral if his or her family received a subsistence benefit at least once during the month in which or the month before the benefit is claimed. See Family Allowances.

### Old-Age Benefits

**Old-age pension (vanaduspension, social insurance):** The monthly pension consists of a basic flat-rate component, a length-of-service component, and an insurance component.

*Basic flat-rate component:* €161.90 (€175.439 as of April 2018) a month is paid.

*Length-of-service component:* The insured's years of service up to December 31, 1998, multiplied by the value of a year of pensionable service is paid.

*Insurance component:* The insured's accumulated annual pension coefficients earned since January 1, 1999, multiplied by the value of a year of pensionable service is paid.

An annual pension coefficient is calculated by dividing the insured's contributions for a calendar year by the national average contribution amount for that year.

The value of a year of pensionable service is €5.767 (€6.161 as of April 1, 2018).

The minimum monthly old-age pension is the monthly national pension rate.

The monthly national pension rate is €175.94 (€189.31 as of April 1, 2018).

There is no maximum old-age pension.

*Early pension:* The pension is reduced by 0.4% for each month it is claimed before the normal retirement age.

*Deferred pension:* The pension is increased by 0.9% for each month of deferral after the normal retirement age.

*Benefit adjustment:* Benefits are adjusted annually in April based on changes in the consumer price index and the annual increase in social tax contributions.

**Old-age pension (kogumispension, mandatory individual account):** The value of the pension varies depending on the insured's total contributions plus accrued interest. At retirement, the insured must purchase a life annuity or make programmed withdrawals if the monthly pension is less than 25% of the monthly national pension rate.

The monthly national pension rate is €175.94 (€189.31 as of April 1, 2018).

**National old-age pension (rahvapension, social assistance, means tested):** The monthly national pension rate is paid.

The monthly national pension rate is €175.94 (€189.31 as of April 1, 2018).

*Pension supplement (pensionilisad):* A supplement equal to the value of a year of pensionable service is paid for each child raised for at least eight years; 10% of the monthly national pension rate is paid to other eligible persons.

The value of a year of pensionable service is €5.767 (€6.161 as of April 1, 2018).

*Benefit adjustment:* Benefits are adjusted annually by the Estonian parliament.

### Permanent Disability Benefits

**Work ability allowance (töövõimetoetus, universal, earnings tested):** 100% of the daily work ability allowance, multiplied by the number of calendar days in the month, is paid.

*Partial work ability allowance:* 57% of the daily work ability allowance, multiplied by the number of calendar days in the month, is paid.

*Earnings test:* The allowance (for no or partial work ability) is reduced by €1 for every €2 of monthly earnings exceeding 90 times the daily work ability allowance.

The daily work ability allowance is €11.82 (€12.72 as of April 1, 2018).

*Benefit adjustment:* Benefits are adjusted annually in April based on changes in the consumer price index and the annual increase in social tax contributions.

**Disability pension (töövõimetuspension, social insurance):** The monthly pension is either the old-age pension or the sum of a flat-rate amount of €175.94 (€189.31 as of April 1, 2018) and a length-of-service component based on 30 years of service multiplied by the assessed loss of earning capacity, whichever is greater.

The pension is paid for at least six months up to the normal retirement age, depending on the assessed loss of earning capacity.

The minimum monthly disability pension is the monthly national pension rate.

The monthly national pension rate is €175.94 (€189.31 as of April 1, 2018).

There is no maximum disability pension.

The disability pension is being phased out and replaced by the work ability allowance. If the insured's disability was assessed or reassessed before January 1, 2017, the disability pension is paid until the next scheduled reassessment

(scheduled every six months to five years). No new disability pensions have been awarded since July 1, 2016.

Benefit adjustment: Benefits are adjusted annually in April based on changes in the consumer price index and the annual increase in social tax contributions.

**National disability pension (rahvapension, social assistance, means tested):** A percentage of the monthly national pension rate is paid depending on the assessed degree of disability.

The monthly national pension rate is €175.94 (€189.31 as of April 1, 2018).

Pension supplement (pensionilisad): A supplement equal to the value of a year of pensionable service is paid for each child raised for at least eight years; 10% of the monthly national pension rate is paid to persons incapable of work as a result of a nuclear test or accident, World War II veterans, and military personnel; 20% to certain World War II prisoners of war.

Benefit adjustment: Benefits are adjusted annually by the Estonian parliament.

**Disability social benefit (universal):** The monthly benefit has several components.

*Disabled child allowance (puudega lapse toetus):* 270% (for a moderate disability) or 315% (for a severe or profound disability) of the social benefit rate is paid.

*Disabled person of working age allowance (puudega tööealise inimese toetus):* At least 65% (for a moderate disability) up to 210% (for a profound disability) of the social benefit rate is paid.

*Disabled parent's allowance (puudega vanema toetus):* 75% of the social benefit rate is paid.

*Disabled pensioner's allowance:* 50% (for a moderate disability), 105% (for a severe disability), or 160% (for a profound disability) of the social benefit rate is paid.

Additional allowances may be paid to assist disabled persons with expenses related to education (from 25% to 100% of the social benefit rate), employment support (up to 10 times the social benefit rate for up to three years), rehabilitation (up to 200% of the social benefit rate), or in-service training (up to 24 times the social benefit rate for one year).

The social benefit rate is €25.57 (2018).

### Survivor Benefits

**Survivor pension (toitjakaotuspension, social insurance):** 50% of the reference pension is paid for one survivor, 80% for two, and 100% for three or more. The pension is split equally among all eligible survivors. Full orphans receive the survivor pension for both parents.

The reference pension is either the old-age pension the deceased received or was entitled to receive, or the sum of the flat-rate amount of €175.94 (€189.31 as of April 1, 2018) and a length-of-service component based on 30 years of coverage, whichever is greater.

**Survivor benefit (kogumispension, mandatory individual account):** If the insured dies before retirement, designated survivors receive the accumulated value of the individual account. If the insured dies after retirement, designated survivors may receive a periodic benefit for at least five years.

**National survivor pension (rahvapension, social assistance, means tested):** 50% of the monthly national pension rate is paid for one survivor, 80% for two, and 100% for three or more; or 100% to a widow(er) of a veteran of the Estonian War of Independence. The pension is split equally among all eligible survivors.

The monthly national pension rate is €175.94 (€189.31 as of April 1, 2018).

Benefit adjustment: Benefits are adjusted annually by the Estonian parliament.

**Funeral grant (social assistance, means tested):** A lump sum of €250 is paid.

### Administrative Organization

#### Universal, social insurance, and social assistance

Ministry of Social Affairs (<http://www.sm.ee/>) is responsible for general management and supervision.

Social Insurance Board (<http://www.sotsiaalkindlustusamet.ee/>) is responsible for overall planning and coordination.

Estonian Unemployment Insurance Fund (<https://www.tootukassa.ee/>) administers the work ability allowance (since July 1, 2016).

Tax and Customs Office (<https://www.emta.ee/>) collects contributions.

Local governments pay the funeral grant.

#### Mandatory individual account

Ministry of Finance (<http://www.fi.ee/>) supervises the Financial Supervisory Authority and the Registrar of the Estonian Central Register of Securities.

Financial Supervisory Authority (<http://www.fi.ee/>) supervises financial services providers, including pension management companies and life insurance companies.

Registrar of the Estonian Central Register of Securities (<https://nasdaqsd.com/>) sets up a pension account for each insured person.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1924.

**Current laws:** 2000 (health insurance fund), implemented in 2001; 2002 (health organization); and 2002 (health insurance).

**Type of program:** Social insurance system.

### Coverage

**Cash sickness, maternity, and adoption benefits:**

Employed and self-employed persons, pensioners, and persons receiving the child care allowance (see Family Allowances).

**Cash paternity benefit:** Employed person.

**Medical benefits:** Persons with an employment or service contract; self-employed persons; public-sector workers; military personnel; persons receiving certain benefits; caregivers; persons younger than age 19; and students.

Voluntary coverage for persons who were previously insured for at least 12 months in the last two years and for persons receiving a pension from another country.

### Source of Funds

**Insured person:** None; €149 a month for the voluntarily insured (medical benefits only).

**Self-employed person:** 13% of covered declared earnings. The minimum monthly earnings used to calculate contributions are €470.

The maximum monthly earnings used to calculate contributions are €1,650.

The self-employed person's contributions also finance work injury benefits.

**Employer:** 13% of covered payroll.

The minimum monthly earnings used to calculate contributions are €470.

There are no maximum earnings used to calculate contributions.

The employer's contributions also finance work injury benefits.

**Government:** Pays contributions for some categories of insured persons; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit:** Must be a current member of the Health Insurance Fund, regardless of the length of service.

A doctor must certify the incapacity for work from the fourth day of incapacity.

**Cash maternity benefit (sünnitushüvitis):** Must be a current member of the Health Insurance Fund and working immediately before the expected date of childbirth.

**Cash paternity benefit (isapuhkuse tasu):** Must be a current member of the Health Insurance Fund and working as a permanent employee.

**Cash adoption allowance (lapsendamishüvitis):** Paid for the adoption of a child younger than age 10 to a parent working immediately before the adoption leave began. Must be a current member of the Health Insurance Fund.

**Cash parental benefit (vanemahüvitis):** See Family Allowances.

**Childbirth or adoption grant (sünnitoetus or lapsendamistoetus):** See Family Allowances.

**Multiple birth allowance (mitmike toetus):** See Family Allowances.

**Medical benefits:** Must be a current member of the Health Insurance Fund.

Must have at least 14 days of employment for workers with an employment or service contract exceeding one month, self-employed persons, and civil servants; three months for persons with other types of contracts. There is no minimum qualifying period for persons for whom the government pays the total contribution (see source of funds under Old Age, Disability, and Survivors).

### Sickness and Maternity Benefits

**Sickness benefit:** 70% of the reference wage is paid from the ninth day of sickness for temporary sick leave from employment, hospitalization, outpatient treatment, or periods of quarantine; 80% for caring for a sick family member at home or a child with a disability who is younger than age 16; and 100% from the day after the disability began until recovery or certification of permanent disability for an occupational disease or a work injury. (The employer pays 70% of the insured's average wages in the last six months from the fourth day to the eighth day of incapacity.) The benefit is paid for up to 182 calendar days for each period of sickness; up to 240 calendar days for tuberculosis.

The reference wage is the insured's average gross daily wage in the previous calendar year. There is no maximum reference wage.

Benefits also include wage compensation for a temporary transfer to another job as a result of the incapacity. The benefit is the difference between earnings before and after the job transfer. The benefit is paid from the transfer day for up to 60 calendar days.

**Maternity benefit (sünnitushüvitis):** 100% of the reference wage is paid for up to 140 calendar days.

The reference wage is the insured's average gross daily wage in the previous calendar year. There is no maximum reference wage.

The minimum monthly maternity benefit is the legal monthly minimum wage if the insured did not work during the previous calendar year.

The legal monthly minimum wage is €500.

**Paternity benefit (isapuhkuse tasu):** 100% of the reference wage is paid for up to 10 working days. The paternity leave period must be taken during the period from two months before the expected date of childbirth to two months after the date of childbirth.

The reference wage is the insured's earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are three times the national average monthly income for the previous quarter.

**Adoption allowance (lapsendamishüvitis):** 100% of the reference wage is paid for up to 70 calendar days.

The reference wage is the insured's average gross daily wage in the previous calendar year. There is no maximum reference wage.

Benefits also include wage compensation for a temporary transfer to another job as a result of pregnancy. The benefit is the difference between earnings before and after the job transfer. The benefit is paid from the transfer day until the start of maternity (or adoption) leave.

**Parental benefit (vanemahüvitis):** See Family allowances.

**Childbirth or adoption grant (sünnitoetus or lapsendamistoetus):** See Family Allowances.

**Multiple birth allowance (mitmike toetus):** See Family Allowances.

### **Workers' Medical Benefits**

National and local health care institutions provide medical benefits.

The duration of the benefits is unlimited as long as the insured is covered; after coverage ceases, the insured continues to qualify for new benefits for up to two months.

Pharmaceutical products must be approved by the Ministry of Social Affairs, based on the diagnosis, and according to a schedule in law.

**Cost sharing:** The insured pays €2.50 for each prescription and 0%, 10%, 25% or 50% of the remaining cost for certain prescribed medicine according to a schedule in the law. If the price of a product exceeds the reference price (or price agreement), the insured pays the difference. If annual costs of approved medicines exceed €300, 90% of the cost above €300 is reimbursed; if annual prescription costs are from €100 to €300, 50% of the cost above €100 is reimbursed. No or lower (10%) copayments for medicines children and pensioners.

No copayment is required for certain specialized outpatient care, such as for pregnancy or for a child younger than age 2.

The insured receives temporary prosthesis after amputation and certain other appliances.

Pensioners receive cash benefits for dental prostheses every three years.

The Health Insurance Fund may authorize planned medical treatment abroad in special cases.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

Children younger than age 19 receive free dental care.

### **Administrative Organization**

Ministry of Social Affairs (<http://www.sm.ee/>) is responsible for general management, supervision, and planning.

Health Insurance Fund (<https://www.haigekassa.ee/>) coordinates health insurance and administers benefits.

Doctors, polyclinics, and hospitals provide medical benefits.

Tax and Customs Office (<https://www.emta.ee/>) collects contributions.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1924.

**Current laws:** 1956 (civil code), 1999 (occupational safety and health), 2001 (pension insurance), 2001 (obligations), and 2002 (health insurance).

**Type of program:** Universal and social insurance system.

Note: There is no specific program for work injuries and occupational diseases. Cash and medical benefits are provided through the Sickness and Maternity and Old Age, Disability, and Survivor programs. Under the civil code, additional benefits are provided by employers.

#### **Coverage**

Employed and self-employed persons who are permanent residents of Estonia.

#### **Source of Funds**

**Insured person:** See source of funds under Sickness and Maternity and Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Sickness and Maternity and Old Age, Disability, and Survivors.

**Employer:** See source of funds under Sickness and Maternity and Old Age, Disability, and Survivors.

**Government:** See source of funds under Sickness and Maternity and Old Age, Disability, and Survivors; pays the total cost for employees whose employer is insolvent.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

### **Temporary Disability Benefits**

**Sickness benefit (social insurance):** See Sickness and Maternity.

### **Permanent Disability Benefits**

**Work ability allowance (töövõimetoetus, universal, earnings tested):** See Old Age, Disability, and Survivors.

**Disability pension (töövõimetuspension, social insurance):** See Old Age, Disability, and Survivors.

**Compensation benefit:** Paid for an assessed loss of earning capacity of at least 10% but less than 40%. The benefit is the insured's average gross earnings in the 12 months before the work injury occurred or occupational disease began multiplied by the assessed loss of earning capacity minus the amount of any pension paid by the government.

### **Workers' Medical Benefits**

National and local medical institutions provide medical benefits.

Medical rehabilitation is provided. Local authorities are responsible for providing social rehabilitation (including special transportation for persons with disabilities, necessary adaptation of the person's home, and personal assistance).

If the medical commission certifies the need for additional expenses, the employer must meet the cost of prostheses and aids, prescribed medicine, travel expenses to and treatment in a sanatorium, and expenses for auxiliary care.

### **Survivor Benefits**

**Survivor pension:** See Old Age, Disability, and Survivors.

### **Administrative Organization**

Ministry of Social Affairs (<http://www.sm.ee/>) is responsible for general management and supervision.

Health Insurance Fund (<https://www.haigekassa.ee/>) coordinates health insurance and administers benefits.

Doctors, polyclinics, and hospitals provide medical benefits.

Social Insurance Board (<http://www.sotsiaalkindlustusamet.ee/>) administers permanent disability benefits.

Tax and Customs Office (<https://www.emta.ee/>) collects contributions.

## **Unemployment**

---

### **Regulatory Framework**

**First law:** 1991.

**Current laws:** 2001 (unemployment insurance) and 2005 (labor market services).

**Type of program:** Social insurance and social assistance system.

### **Coverage**

Permanent residents of Estonia, noncitizens residing in Estonia with a temporary residence permit, and legal refugees.

### **Source of Funds**

#### **Insured person**

*Social insurance:* 1.6% of gross earnings.

*Social assistance:* None.

#### **Self-employed person**

*Social insurance:* None.

*Social assistance:* None.

#### **Employer**

*Social insurance:* 0.8% of gross payroll.

*Social assistance:* None.

#### **Government**

*Social insurance:* None; contributes as an employer.

*Social assistance:* The total cost.

### **Qualifying Conditions**

**Unemployment benefit (social insurance):** Must be aged 16 to the normal retirement age (except for early pensioners), capable of gainful activity, registered as unemployed with an employment office of the Estonian Unemployment Insurance Fund, and involuntarily unemployed with at least 12 months of insured work in the 36 months before registering as unemployed.

The benefit is suspended if the insured does not register with an employment office of the Estonian Unemployment Insurance Fund at least once every 30 calendar days or refuses a suitable job offer.

**Unemployment allowance (social assistance, income tested):** Must be aged 16 to the normal retirement age (except for early pensioners), capable of gainful activity, registered as unemployed with an employment office of the Estonian Unemployment Insurance Fund, have at least 180 calendar days of employment in the 12 months before registering as unemployed. Employment periods include full-time education, military service, raising a child younger

than age 7, treatment in a hospital, caring for a sick person, or periods of disability or detention.

Income test: Daily personal income must be less than the value of the daily unemployment allowance.

The daily unemployment allowance is €5.31.

### Unemployment Benefits

**Unemployment benefit (social insurance):** 50% of reference earnings is paid for the first 100 calendar days; thereafter, 40% of reference earnings. The benefit is paid for 180 calendar days with up to 56 months of coverage; for 270 calendar days with 56 to 110 months of coverage; or for 360 calendar days with at least 111 months of coverage. The benefit is paid after a waiting period of seven calendar days.

Reference earnings are the insured's average daily earnings in the first nine of the last 12 months.

The maximum daily earnings used to calculate contributions are three times the national average daily income for the previous calendar year.

The minimum unemployment benefit is 50% of the legal national minimum wage.

The legal monthly minimum wage is €500.

The maximum daily unemployment benefit is €46.65 for the first 100 days; thereafter, €37.32.

**Unemployment allowance (social assistance, income tested):** €5.31 a day is paid for up to 270 calendar days; 210 calendar days for unemployed persons who are dismissed by their employer for a breach of duties, loss of confidence, or indecent act. The benefit is paid after a waiting period of seven calendar days (60 calendar days from the date of registration as unemployed for recently graduated students).

The unemployment allowance may be extended up to the normal retirement age (except for early pensioners) if there are less than 180 calendar days until the beneficiary reaches the normal retirement age (except for early pensioners).

### Administrative Organization

Estonian Unemployment Insurance Fund (<https://www.tootukassa.ee/>), under the supervision of the Ministry of Social Affairs (<http://www.sm.ee/>) registers the unemployed and pays benefits.

Tax and Customs Office (<https://www.emta.ee/>) collects contributions.

### Family Allowances

#### Regulatory Framework

**First law:** 1922.

**Current laws:** 2001 (family benefits), 2003 (parental benefits), and 2017 (family benefits).

**Type of program:** Universal and social assistance system.

### Coverage

Permanent residents of Estonia and noncitizens temporarily residing in Estonia.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### Qualifying Conditions

**Child allowance (lapsetoetus, universal):** Paid for each child up to age 16 (age 19 if a full-time student).

**Single parent's child allowance (üksikvanema lapse toetus, universal):** Paid to a child whose father has not been registered on a birth certificate or for whom one parent is declared absent.

**Large family allowance (lasterikka pere toetus, universal):** Paid to a family with at least three children receiving the child allowance.

**Child care allowance (lapsehooldustasu, universal):** Paid to a parent (or guardian) raising one or more children younger than age 3.

**Conscript's child allowance (ajateenija või asendusteenistuja lapse toetus, universal):** Paid for one or more children of conscripted military personnel until the end of military service.

**Guardianship allowance (eestkostetava lapse toetus, universal):** Paid for one or more children up to age 18 (19 if still a student) cared for by a guardian or foster parent.

**Parental benefit (vanemahüvitis, universal):** Paid to either parent after the end of the maternity or adoption benefit period (from birth for mothers who are not entitled to maternity leave).

**Childbirth or adoption grant (sünnitoetus or lapsendamistoetus, universal):** Paid for the birth or adoption of a child.

**Multiple birth allowance (mitmike toetus, universal):** Paid to parents for each set of triplets or larger multiple births younger than age 18 months. (The allowance was introduced in March 2018).

**Subsistence benefit (toimetulekutoetus, social assistance, income tested):** Paid to persons suffering from material deprivation and assessed as living below the subsistence level.

The subsistence level is the income necessary for minimum daily subsistence in a period of one month and varies depending on the number of people in a family.



### **Family Allowance Benefits**

**Child allowance (lapsetoetus, universal):** €55 a month is paid for each of the first two eligible children; €100 a month for each subsequent child.

**Single parent's child allowance (üksikvanema lapse toetus, universal):** €19.18 a month is paid.

**Large family allowance (lasterikka pere toetus, universal):** €300 a month is paid to a family with three to six eligible children; €400 a month to a family with seven or more children.

**Child care allowance (lapsehooldustasu, universal):** €38.35 a month (50% of the child care allowance rate) is paid for each eligible child up to age 3; €19.18 a month (25% of the child care allowance rate) for each child aged 3 to 8. An additional €19.18 a month (25% of the child care allowance rate) for each child aged 3 to 8 if the family has three or more children. If someone other than the child's parent receives the allowance, €38.36 (50% of the child care allowance rate) a month for each child is paid, up to a maximum of €115.08 a month.

The child care allowance rate is €76.70.

**Conscript's child allowance (ajateenija või asendusteenistuja lapse toetus, universal):** €50 a month is paid for each eligible child.

**Guardianship allowance (eestkostetava lapse toetus, universal):** €240 a month is paid for each eligible child.

**Parental benefit (vanemahüvitis, universal):** 100% of the insured's average income in the last year is paid for

435 days (until the child reaches age 18 months if the mother did not qualify for a maternity benefit).

The minimum monthly parental benefit is €470.

The maximum monthly parental benefit is €3,089.55.

**Childbirth or adoption grant (sünnitoetus or lapsendamistoetus, universal):** A lump sum of €320 is paid for each eligible child (including an adopted child); €1,000 each for multiple births of three or more children.

**Multiple birth allowance (mitmike toetus, universal):** €1,000 a month is paid for each set of eligible triplets or larger multiple births. (The allowance was introduced in March 2018).

**Subsistence benefit (toimetulekutoetus, social assistance, income tested):** €140 a month is paid for a person living alone; €112 a month for the second and each subsequent adult family member; €168 a month for each child. An additional €15 a month is paid if all family members are minors.

### **Administrative Organization**

Ministry of Social Affairs (<http://www.sm.ee/>) is responsible for general management and supervision.

Social Insurance Board (<http://www.sotsiaalkindlustusamet.ee/>) coordinates and administers benefits.

Local governments pay the subsistence benefit.