

RESEARCH

REPORTS

RECOMMENDATIONS

SABINA TRANKMANN

THE CARE SECTOR IN ESTONIA

CHALLENGES OF ORGANISING AND COLLECTIVE BARGAINING

INSTITUTE OF
PUBLIC AFFAIRS

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Social Policy Programme

This report is one in a series presenting the findings of research carried out in Bulgaria, Czechia, Croatia, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Serbia, Slovakia and Slovenia as part of the project CEE CAW ‘Challenges for Organising and Collective Bargaining in Care, Administration and Waste collection sectors in Central and Eastern European Countries’, which was led by the Institute of Public Affairs (Warsaw). The other partners were the: Bulgarian Academy of Sciences (Sofia), Central European Labour Studies Institute (Bratislava), Lithuanian Centre of Social Sciences (Vilnius), and Centre for Democracy Foundation (Belgrade).



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1. Methodological preface

The methods used were documentary analysis of public sources and interviews with industry representatives. The documentary analysis included a review of publicly available databases, publications, legislation relevant to the sector, and strategic documents.

While seeking out sector representatives for interviews, it was taken into account the fact that the trade union movement is weakly developed in Estonia and therefore it is not possible to find a sufficient number of trade unionists from all sectors. People active in the field who are in one way or another involved in employee representation or otherwise well acquainted with the specificities of the field were interviewed. Altogether 3 interviews for the care sector were conducted – with a representative of the care workers trade union, a representative of the social and care workers association, and a representative of the Estonian Trade Union Confederation.

It is also necessary to emphasise that pre-primary education, i.e. nursery schools and kindergartens, are part of the education system in Estonia and are therefore not related to the welfare sector, so we do not discuss the staff of nursery schools and kindergartens in detail in this analysis. However, to clarify the situation we conducted one additional interview with a representative of the education sector – one of the deputy mayors for education in the local municipality – to give a perspective of the primary education sector.

2. General characteristics of the sector

In 2015, 6% of all Estonian workers worked in health and social care. Since 2015 the number of employees has increased to a small extent, but compared to developed countries, the share of workers in the sector in Estonia is significantly smaller.

The 2016 Social Work Labour Force and Skills Needs Survey (hereafter OSKA2016) says that there were then around 10,000 people working in the social sector (45 workers per habitant), of which 3,400 are activity supervisors or care workers. By 2021, it was projected that the sector's workforce

would have increased by at least 1,000 people, with more than two-thirds of them becoming activity supervisors and care workers¹.

OSKA2016 predicted an increase in the number of people employed, and this has happened - according to OSKA2021², the number of employees in the sector as of 2021 was close to 15,700 (this number does not include informal carers, i.e. caregivers). The expectation for the workforce will be 3,000 new employees in the next ten years, but in the near future, it will be increasingly difficult to increase the workforce. Although legislation regulates the need for suitable working conditions and necessary training for employees, at the same time, the requirements established by the law for the language skills and training of employees, which are understandable and necessary, are gradually increasing, but meeting these requirements makes it even more difficult to find a workforce in the sector.

As of 2023, there were 560 preschool childcare institutions in Estonia, which had enrolled just over 68,000 children. Pre-primary education, i.e. nursery schools and kindergartens, is part of the education system in Estonia and thus, the work of preschool childcare institutions is subject to laws in the field of education.

3. Major problems and challenges in the sector

The main challenges related to long-term care (LTC) in Estonia relate to access, adequacy and quality; working conditions; and financial sustainability. The organisation of LTC is split between two systems – the local system and the state system. Local government is responsible for organising local welfare services and benefits, while the state is responsible for organising state-level benefits, rehabilitation services, and special care services for people with special mental needs.

In terms of financing, fragmentation arises from the separation of funding streams between the state and local government. Long-term health care services, such as residential and home-based nursing care, are financed at

1 Jõers-Türn K, Leoma R. Tulevikuvaade tööjõu- ja oskuste vajadusele: Sotsiaaltöö valdkond. Kutsekoda SA; 2016.

2 Pihl K, Krusell S. Social Work: A 2021 study. Tallinn: OSKA Kutsekoda; 2022.

the state level by the Estonian Health Insurance Fund (EHIF). In turn, long-term social care services, such as helping with daily activities in the home or social welfare institutions, are financed primarily through local government taxes with limited equalisation payments from the state for lower-income municipalities³.

Due to an ageing population and the rise in living standards, it can be expected that the provision of health services will increase, and thus the number of people staying in care will increase. At the same time, the question of how to finance the sector in the future needs to be resolved, as the public purse is under increasing pressure due to the ageing population.

According to the opinion of the representative of the care workers union interviewed, 7,000–8,000 more care workers will be needed by 2035, but this will not be met with the existing wage conditions. Consequently, the system is unsustainable in its current form.

More than half of the healthcare workers are specialists – nursing specialists, general practitioners, social workers, dentists, etc. Auxiliary nurses mainly have either professional higher education or vocational education, while top specialists predominantly have a higher education, many with doctoral degrees.

One in four people in the sector is a service provider, especially a caregiver. With these, as with other health professionals, we can expect a labour shortage in the future.

Despite the fact that the shortage of long-term care workers in Estonia is increasing annually⁴, the prioritisation of the field has not yet been particularly noticeable. The social sector is characterised by lower wages than the average income in Estonia, which makes filling and keeping positions filled a big challenge. With this problem, Estonia is no different from other European Union countries. The COVID-19 pandemic and the related critical situation in social care further highlighted the importance of having sufficient staff to

³ Eurocarers.org, Estonian country profile

⁴ Pihl K, Krusell S. Social Work: A 2021 study. Tallinn: OSKA Kutsekoda; 2022.

ensure the quality and availability of services, as in situations where staff and recipients fell ill and/or had to undergo quarantine⁵.

According to the Ministry of Social Affairs, in 2016 there were approximately 7,000 care workers (in home and general care) in Estonia, of whom only a little more than 10%, i.e. 750 employees, had a professional certificate or complied with the standards. In general care, all carers must meet the requirements, but there are no requirements for auxiliary carers, and there is no data on compliance⁶. As of 2020, completion of an educational program is mandatory for a care worker before starting work – either the curriculum of formal education in the relevant vocational training or the in-service training curriculum. Although there is a great need for care workers, according to statistics in the field of education, admissions to care worker curricula in vocational education have decreased – while 367 students were admitted in the 2018/19 academic year, only 249 students were admitted in 2020/21⁷. According to the OSKA2021 report, the need for care workers significantly exceeds the training offer – at the level of vocational training, the need for care workers is twice as high as the supply, while at the level of higher education in social work, the training supply is balanced with demand⁸. The need for labour in the field of care is also not reduced by the relatively high average age of carers, which is why people move from work to retirement or physically easier work, especially as wages are not conducive to staying in the workplace at all costs. The European Commission's analysis⁹ shows that, in addition to traditional care-related skills, social problem-solving skills and technical expertise are

5 Kurmiste A., Lydo Z., Kaldama K., Pat-Ah Ji. Toomla A., Tarto L., Green Forest K., Kaasik-Aaslav L., Purge P. Long-term care the practice of securing a workforce providing services in other countries and recommendations for Estonia. Tallinn: Praxis Centre for Policy Studies, Haap Consulting; 2022.

6 Jõers-Türn K, Leoma R. Future view of labour and skills needs: The field of social work. Kutsekoda SA; 2016.

7 Jõers-Türn K, Leoma R. Future view of labour and skills needs: The field of social work. Kutsekoda SA; 2016.

8 Pihl K, Krusell S. Social Work: A 2021 study. Tallinn: OSKA Kutsekoda; 2022.

9 Euroopa Komisjon. Long-term care report: trends, challenges and opportunities in an ageing society. Volume II, Country profiles. Publications Office of the European Union; 2021. <https://data.europa.eu/doi/10.2767/183997>

important for long-term care. Motivation, professional ethics and empathy of employees are also very necessary¹⁰.

The field of care benefits from different EU projects, but it is a national responsibility to ensure the sustainable provision of social welfare services even when project grants come to an end. However, financial resources are limited in the sector. Public long-term care services are financed by both health insurance and social protection, so the need for labour affects both the health and social care systems. In Estonia, only 0.7% of gross domestic product (GDP) is spent on long-term care, while according to the Organisation for Economic Co-operation and Development (OECD) in 2018, member states spent an average of 1.5% of GDP¹¹.

According to the European Quality of Life Survey (2016), at least **100,000 people** in Estonia provide regular **informal care**. [This accounts for 12% of the working-age population and 7.7% of the total Estonian population](#)¹²

As of 2022, nearly 8,000 people worked as preschool education teachers in Estonia, and nearly 16,000 people were working in assisting positions in preschool education¹³.

4. Characteristics of social dialogue organisations in the sector

As in other areas, the share of social dialogue in the field of care and welfare in Estonia is modest due to the unpopularity of the trade union movement and workers' representative organisations. The inefficiency is exacerbated by the separation between the health and social spheres. The different and segregated funding of the fields and the very clear organisational (establishment-based) and professional separation do not encourage coordination

10 Spasova S, Baeten R, Ghailani D, Pena-Casas R, Vanhercke B. Challenges in long-term care in Europe. A study of national policies. European Social Policy Network (ESPN). European Commission; 2018.

11 Masso M, Boat-Ahi G, Kiissel A, Purge P. Long-term care funding challenges and Solutions. Study. Tallinn: Development Monitoring Centre; 2021.

12 Eurocarers.org, Estonian country profile

13 Estonian Department of Statistics – stat.ee

between these areas. The separation of areas is also expressed in the parallel provision of home and community services (home nursing and personal care and home services) and institutional care (general care home and nursing hospital) with similar content.

Of the representative organisations, there is a trade union of social workers (SOTSAÜ) in Estonia, which was founded in 2021. The trade union has less than a hundred members, which means that its influence in negotiations with employers is low. The aim is to reach 500 members and conclude a collective agreement that would extend to all care workers but reaching 500 members is taking a long time. The right to conclude a collective agreement arises when a trade union has more than 500 members.

In part, employees in the welfare sector are represented by the Estonian Social Work Association. The goal of this association is to bring together people who perform social work and value it to promote a culture of social well-being and social work, and to formulate social policies. The role of the organisation in protecting the rights of social workers, according to the parties, is not very strong.

4.1. Challenges of organising employees

There are no legal or organisational obstacles that prevent care workers from organising themselves. Rather, the low level of organisation is due to the generally low popularity of trade unions. The representatives interviewed repeatedly pointed out that it is difficult for welfare workers to organise themselves because the field is fragmented. Further, it was highlighted that low-paid workers are not motivated to join representative organisations and that those in unstable (often short-term or temporary) employment are reluctant to make efforts to improve their working conditions and in case of problems with one employer rather go down the path of easier resistance by choosing another employer. It was also noted that it is difficult to motivate low-paid workers to pay union membership fees. In the framework of the 2022 project “Don’t Gig Up, Never!¹⁴”, when the author interviewed workers in the welfare sector doing platform work, their knowledge of the trade union movement was close to zero.

14 <https://www.dontgigup.eu>

Moreover, as a result of the interviews done for this report, it turns out that many employees do not want to be associated with trade unions, as they are afraid of the hostile attitude of employers. Arguably, the reproachful attitude of employers towards trade unions and their members is felt.

According to these interviews, the trade union movement in Estonia is also limited by the organisation of the payment of subsidies: operating grants are paid to start-up non-profit associations, but trade unions are not specifically supported, even though trade unions are NGOs. In Estonia, a trade union cannot receive any such financial support. Therefore, it is very difficult to start, as there are no funds to introduce the union, not only because of not receiving financial support but also because there are few members and therefore, very little income from membership fees.

4.2. Good practices for organising employees

As a good practice in Estonia, one can single out the creation of a social workers' union in 2021, which, despite the small number of members, still strives to unite employees in the field of welfare and has set itself the goal of concluding a collective agreement.

4.3. Characteristics of employer representation

Employers in the field of welfare are partly represented by the Estonian Social Work Association, which is a voluntary association of persons, professionally related to and valuing social work in the Republic of Estonia as well as non-profit associations operating in the field of social work. They aim to promote the culture of social work and to formulate social policy. The members of the association are mostly social workers themselves, but membership numbers are very low.

5. Collective bargaining and other forms of social dialogue in the sector – characteristics

The level of collective agreement coverage in the care sector is very low. The dominant level of collective bargaining is the company level. In 2023, a collective agreement for the healthcare sector was concluded after lengthy discussions. During discussions, the wages of workers in the care sector

were initially excluded from the agreement, but during further negotiations, the collective agreement was extended to include the salaries of care and welfare workers working in medical institutions. The negotiations were led and organised by the Ministry of Social Affairs and took place under the leadership of the Minister of Social Affairs. Since social workers do not have a very strong representation, their interests were mainly defended by the Confederation of Trade Unions and the Ministry of Social Affairs.

Representatives of the Association of Estonian Cities and Municipalities (who were invited as interested parties, not representing anybody directly), the owners of care homes and the trade union representing social workers, SOTSAÜ, participated in seeking an agreement on the minimum wage for care workers.

However, no collective agreement was reached for care workers who work in nursing homes and local authorities who are not part of the medical system.

The Estonian Education Personnel Union (EHL) is the largest representative organisation and trade union for kindergarten, recreational school, general education, and vocational education teachers and other educational workers in Estonia. At the moment the negotiations are in the finishing stages of the conclusion of an education agreement, which describes the working conditions and salary of teachers, but first an agreement will be concluded for school teachers, and then the negotiations will move on to pre-school education.

5.1. Content analysis of collective agreements

Previously, the salaries of carers in nursing homes fluctuated between EUR 725 and EUR 1,300, but as a result of the care reform and the negotiations that accompanied it, led mostly by the Ministry of Social Affairs, the sector is expected to catch up with the minimum wage of EUR 1,160 per month for care workers in hospitals.

5.2. Other forms of social dialogue

There are no other significant forms of social dialogue.

5.3. Impact of European sectoral social dialogue

The impact of European sectoral social dialogue is quite low because the low representation of workers in the welfare sector in trade unions and the low level of confidence in the possibilities for change are not conducive to the creation of organisations that are strong enough to learn from Europe's partners.

6. Conclusions and recommendations

The field of care is an extremely important area for the quality of life of the population and the general well-being of society, the success of which, however, largely depends on the sufficient number of low-paid and highly overloaded carers in the labour market. With an ageing population, the need for care workers is constantly increasing. The high workload of employees in the field and the low motivation associated with low wages give a clear warning sign for the future.

It is in this sector that there is a huge need for organised representation of workers. The sector needs strong leaders and representative persons who can connect workers and represent their interests with dignity in negotiations with both employers and the state.

At the same time, such employee representation currently depends on the enthusiasm of individuals. Stronger training of workers' representatives could help, for example, by enabling them to learn from the experience of foreign colleagues, as well as providing packages of subsidies aimed at the creation and development of trade unions.

About the Author

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