

Overview of training organised by the Estonian Unemployment Insurance Fund

*How many unemployed find a job related to vocational
training?*

Overview of training organised by the Estonian Unemployment Insurance Fund

How many unemployed find a job related to vocational training?

Summary

Between 2018 and 2020, 28,000 unemployed people have completed the training providing professional skills through the Unemployment Insurance Fund. Within a year after completing the training, three quarters of the unemployed have returned to the labour market, and less than half have found a job related to what they learned in the training. The Unemployment Insurance Fund's wish is that the unemployed find a job, but whether the job is related to the knowledge acquired during the training is not directly considered. So far, the main focus has been on offering a wide range of training courses.

Main observations:

For your information

In the period 2018–2020, through the Unemployment Insurance Fund, the unemployed had participated in:

- 73,000 trainings, of which 65,087 were completed;
- 43,000 professional trainings, of which 41,096 were completed;

and professional trainings had

- the duration of up to 100 contact hours in case of 73% of trainings;
- among them, by far the most popular field was transport, and
- the total cost was 32.7 million euros, an average of 796 euros per training course, and 1,169 euros per participant.

The goals set for the trainings of the Unemployment Insurance Fund are general, and the effectiveness of the training that provides professional skills – the professional training – is not monitored more precisely from the point of view of getting a job. The Unemployment Insurance Fund offers a wide range of professional trainings, which should support the return of the unemployed to the labour market. So far, it has not been investigated where people start working after completing the training, and whether the job is related to the specialty (professional skills) learned. The Unemployment Insurance Fund only monitors whether the person has gone to work at all after the training. A more detailed overview of getting a job would provide an opportunity to better plan the training courses and align what is offered more closely with the needs of the labour market.

The training budget is planned for all trainings as a whole and does not always set specific preferences or target levels by specialties. This kind of budgeting makes it possible to flexibly use all the money, but there is no more precise distribution, which should be based on an analysis of where the money should be directed so that its use is effective. A more detailed overview of the incurred expenses still exists, but it is not readily available and is not used in the compilation of the budget. More detailed information about the use of money would allow us to specify training plans and also identify training quality problems.

The Unemployment Insurance Fund offers trainings through its cooperation partners, but does not evaluate the quality of these trainings, as it considers it sufficient if the partner has registered itself as a trainer in the register. According to the Adult Education Act

adopted in 2015, only the organisers of trainings to be a motor vehicle driver, to pass the Estonian language proficiency exam, to be security worker and locomotive driver need a licence. In other fields of training, there is no quality control similar to applying for a permit, and the applicant for training must be able to assess whether the training meets the requirements and is of high quality. As a provider of training opportunities and bearer of training costs, the Unemployment Insurance Fund only sees itself as a mediator. The Unemployment Insurance Fund, as the sponsor of the training, should ensure that only trainings that meet the quality criteria of the Unemployment Insurance Fund are offered (mediated) in a similar way to the trainings that are procured through the tender.

Response of the Estonian Unemployment Insurance Fund: The Unemployment Insurance Fund has explained that it had not yet been able to monitor the professional application related to the trainings, because the job title was not entered in the employment register, and the education key was not ready yet. Now, next year, the Unemployment Insurance Fund is planning to analyse the professional application after completing the professional training.

According to the Unemployment Insurance Fund, desks in the statistics and reporting module have been completed in 2022, thanks to which the training costs can be better monitored.

The Unemployment Insurance Fund responded that the Ministry of Education and Research should perform more effective supervision and quality control over the training offered on the open training market, in which the Unemployment Insurance Fund's customers participate.