# Estonia<sup>1</sup>

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For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-</u> <u>country tables</u> at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the <u>members</u> page on the Leave Network website.

## 1. Current leave and other employment-related policies to support parents

#### a. Maternity leave (*rasedus- ja sünnituspuhkus*) (responsibility of the Ministry of Social Affairs)

Length of leave (before and after birth)

 140 calendar days: between 30 and 70 days can be taken before the expected date of birth. If fewer than 30 days' leave are taken before the expected birth, leave is shortened accordingly (e.g. if the mother starts Maternity leave 20 days before the expected birth, overall leave is shortened by ten days to 130 instead of 140 days).

#### Payment and funding

- 100 per cent of average earnings, calculated based on employment in the previous calendar year, with no upper limit on payments. The minimum wage (€540 per month) is paid to mothers who had not worked during the previous calendar year but then worked prior to the birth of the child.
- Funded from health insurance contributions. All employers (and self-employed people) pay a payroll tax of 33 per cent for each employee; 13 per cent is for health insurance and 20 per cent for pension insurance.

<sup>&</sup>lt;sup>1</sup> Please cite as: Pall, K. (2019) 'Estonia country note,' in Koslowski, A., Blum, S., Dobrotić, I., Macht, A. and Moss, P. (eds.) *International Review of Leave Policies and Research 2019*. Available at:

 $http://www.leavenetwork.org/lp\_and\_r\_reports/.$ 

#### Flexibility in use

• None, except for when the leave can be started before birth.

#### *Eligibility (e.g. related to employment or family circumstances)*

- All employed mothers are eligible for Maternity leave, including workers with temporary contracts if the contract lasts more than one month.
- There are no conditions linked to length of service.
- Self-employed people qualify for maternity benefit on the same conditions as workers, even without taking up the leave (for which they are not eligible).
- There are no conditions linked to citizenship.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the mother.

None.

### b. Paternity leave (*isapuhkus – literally* '*father's leave'*) (responsibility of Ministry of Social Affairs)

Length of leave (before and after birth)

• 10 working days.

#### Payment and funding

- 100 per cent of earnings, calculated by the employer, with a ceiling of three times the employees' average earnings for the quarter prior to when the leave was used.
- Funded from general taxation.

#### Flexibility in use

- Can be taken during two months before or two months after the birth of a child.
- Can be taken in blocks, with a minimum of a day at a time.

#### *Eligibility (e.g. related to employment or family circumstances)*

- All employed fathers with permanent or temporary employment contracts. There are no conditions linked to length of service.
- Self-employed or unemployed fathers are not eligible.
- Same-sex partners cannot use this leave.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the mother

• None.

### c. Parental leave (*lapsehoolduspuhkus – literally* '*childcare leave'*) (responsibility of Ministry of Social Affairs)

#### Length of leave

• Until the child reaches three years of age. Leave is a family entitlement.

#### Payment and funding

- Two types of benefit are available to all families who legally reside in Estonia, whether or not the parents are eligible for Parental leave.
- Parental benefit (vanemahüvitis) is paid at 100 per cent of personal average earnings (calculated based on employment in the previous calendar year) for 435 days (i.e. 62 weeks): from after the end of Maternity leave, and with an upper limit of €3,319.80 per month (equivalent to three times average earnings). For parents who are not on leave and not working, the benefit is paid from the birth of the child until the child reaches 18 months of age. The minimum benefit paid to parents who worked in the previous calendar year is the minimum wage: €540 per month. For parents who were not working during the previous calendar year, the parental benefit is paid at a flat rate (benefit rate) of €500 per month.
- Childcare benefit (*lapsehooldustasu*) is a flat-rate payment of €38 per month, paid from the end of parental benefit payments until the child reaches three years of age and paid to both working and non-working parents (i.e. payment continues if a parent takes up employment).
- Both parental and childcare benefits are funded from general taxation.
- Pension credits for parents with children under three years of age (independent of Parental leave or employment). There are two types of pension credits for parents, available simultaneously. The state pays a social security contribution, calculated based on minimum wage, to the first pension pillar (public pay-as-you-go system) over three years. Also, the state pays contributions to the second pension pillar (public contributions-based system) over three years: the sum of this public pension contribution is four per cent of the average wage.

#### Flexibility in use

- Parental leave may be used in one part or in several parts at any time until a child is three years old.
- Being on leave while receiving the benefits is not compulsory. When a parent takes up employment after the birth of a child, the parental benefit is reduced if the income from employment exceeds 50 per cent of the benefit ceiling (€1,660). Income exceeding 50 per cent of the benefit ceiling is divided by two and deducted from the level of benefit. However, the maximum reduction of benefit is up to €500 (benefit rate).
- Parents cannot be on leave at the same time.

#### *Eligibility (e.g. related to employment or family circumstances)*

- All working parents are eligible for Parental leave.
- Self-employed and unemployed parents are not eligible for Parental leave.
- All parents are eligible for parental and childcare benefits. Also, a parent's spouse, a person in custody of the child, and adoptive parents have the right to parental and childcare benefits.
- Fathers are eligible for parental benefit when their child has reached 70 days of age.
- The actual caregiver of a child (i.e. if none of the abovementioned) is eligible for Parental leave if parents do not use the leave themselves. In the case of a non-parental caregiver, they are eligible for childcare benefit, but not parental benefit.
- Same sex couples are eligible if the child is adopted by the other parent.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the mother

• None.

#### d. Childcare leave or career breaks

• No statutory entitlement; see section (e) below, for supplementary annual holiday entitlement.

#### e. Other employment-related measures

#### Adoption leave (lapsendamispuhkus) and pay

• 70 days of adoption leave per child for parents adopting a child under ten years of age at 100 per cent of average earnings, with no upper limit. Adoptive parents are eligible for Parental leave for a child under the age of three years, and qualify for parental benefit and childcare benefit.

#### *Time off for the care of dependants*

- 14 calendar days per episode of illness. Leave can be taken by either parent to care for a sick child under the age of 12 years, with 80 per cent of earning replacement for up to 14 calendar days per illness episode.
- Parents with a handicapped child may take one day of leave per month with full earnings replacement.
- A parent with a child under 14 years of age can take ten working days of unpaid leave per year.
- Parents may take a supplementary period of holiday: three days per year for a parent raising one or two children under 14 years of age, and six days per year for a parent raising a child under three years of age, or three or more children under 14 years of age. There is a flat-rate payment, calculated based on the minimum wage, of €25.60 per day.
- 7 paid calendar days for illness of a family member.
- 5 working days per year to care for a relative with a severe disability. There is a flat-rate payment.
- All payments funded from general taxation.

#### Flexible working

• None.

#### Specific provision for (breast)feeding

• Breastfeeding mothers with a child under 18 months of age can take either one thirty-minute breastfeeding break every three hours or a one-hour break per day. The state compensates the breaks 100 per cent, except from mothers who receive parental benefit for raising a child. Funded from general taxation.

## 2. Relationship between leave policy and early childhood education and care policy

The maximum period of post-natal leave available in Estonia is 36 months: with half of the period paid at a high earnings-related rate and the other half at a low flat-rate. According to the Social Welfare Act, municipalities are obliged to provide a place in ECEC to all children (but there is no individual right to a place), starting from the age of 18 months (i.e. after the end of the higher paid leave period). However, not all municipalities are able to meet this obligation, and for children between 18 months and three years of age, the lack of places in ECEC is an issue. Many municipalities that are not able to provide an ECEC place pay a special childcare benefit to working parents who use a private licensed carer or centre. Levels of attendance at formal services for children under three years of age are below the average for the countries included in this review and for OECD countries; however, they are above average for children over three years. For actual attendance levels, see 'relationship between leave and ECEC entitlements' on the cross-country comparisons page.

## **3.** Changes in policy since April 2018 (including proposals currently under discussion)

Starting from 1 September 2019, the reference period used for calculating the parental benefit amount will change. Now the reference period is the calendar year (1 January – 31 December) prior to start of paying the benefit. From September 2019, the reference period will be from 21 months up to nine months before the birth of the child. Secondly, the childcare allowance will be abandoned. Children born after 1 September 2019 will not receive the childcare allowance.

Starting from 1 July 2020, all fathers will have a non-transferable right to receive Fathers' Additional Parental Benefit for 30 days. Paternity benefit will be abandoned. Employed fathers must take Parental leave in order to receive the benefit. Self-employed, unemployed, or nonactive fathers have no right to leave, but will receive the benefit.

Fathers can take this additional benefit at the same time as the mother receiving maternity benefit or parental benefit – or they may take their benefits separately. Fathers' additional 30-day benefit period is added to the total 435-day benefit period.

Parents can use parental benefit, including the fathers' additional benefit over three years.

Starting from 2022, Maternity and Parental leave will be merged into a single Parental leave and there will be a single parental benefit with non-transferable parts for the mother, for the father, and a shared part.

### 4. Uptake of leave

#### a. Maternity leave

There are no statistics on the uptake of Maternity leave.

#### **b.** Paternity leave

- 14 per cent of fathers took leave in 2006 and 2007 then in 2008, after payment was introduced, uptake of leave increased approximately four times, to 50 per cent.
- Since 2009, when the benefit for Paternity leave was abolished, there are no statistics on the uptake.
- In 2013, when Paternity leave payment was re-introduced, 38 per cent of fathers took leave; in 2014, about 41 per cent of the fathers took some leave; 46 per cent in 2015; and around 50 per cent of fathers took leave in 2016.
- Based on preliminary data of registration of births in 2017, around 53 per cent of fathers to leave, and in 2018, that rose again to 54 per cent of fathers.<sup>2</sup>

#### c. Parental leave

No official statistics about the uptake of leave are collected. In 2017, 9.9 per cent of the recipients of parental benefit were men (9.3 per cent in 2016, 7.5 per cent in 2015, 9 per cent 2014, and 7.4 per cent in 2013).<sup>3</sup>

From its introduction in 2004 until 2007, fathers' access to parental benefit was limited and they could take the benefit only after their child was six months old. The share of fathers using the benefit was very low: between one and two per cent from 2004 to 2006. In 2007, this restriction was removed and fathers could take up the parental benefit right after the end of Maternity leave (when the child is 70 days old); subsequently the uptake by fathers increased slightly and sat around six to nine per cent from then.

At the end of 2018, 10.6 per cent of parental benefit recipients were men, however, 62 per cent of them received income from employment at the same time. This indicates that many fathers, although receiving the benefit, may not be the primary caregivers. Due to the changes in legislation that enable them to receive 150 per cent of the average wage

<sup>&</sup>lt;sup>2</sup> Author's calculations using data from Statistics Estonia and Social Insurance Board.

<sup>&</sup>lt;sup>3</sup> Own calculations based on Social Insurance Board data.

plus parental benefit simultaneously, fathers' uptake of the benefit has increased, but they do continue working.

According to the Labour Force Survey (2010), 90.1 per cent of mothers and 5.4 per cent of fathers of children below eight years of age reported that they had taken Parental leave after the birth of their youngest child. Of those parents who reported taking leave: 35.2 per cent reported that they had taken two to three years; 27.5 per cent one and a half to two years; 23.2 per cent one to one and a half years; and 6.7 per cent took six months to one year. Only 7.4 per cent of parents were on leave for fewer than six months.<sup>4</sup>

#### d. Other employment-related measures

In 2016, 28 per cent of parents who received benefit for nursing a sick child under the age (i.e. care leave certificates) were men (in 2015 this was 27 per cent, and in 2014 this was 26 per cent).<sup>5</sup>

<sup>&</sup>lt;sup>4</sup> Statistics Estonia. Available at: http://pub.stat.ee/px-

web.2001/I\_Databas/Social\_life/09Labour\_market/13Work\_and\_family\_life/1 3Work\_and\_family\_life.asp

<sup>&</sup>lt;sup>5</sup> Estonian Health Insurance Fund, based on the calculations of Ministry of Social Affairs.