OECD Review of Policies to Improve the Effectiveness of Resource Use in Schools

Country Background Report
Estonia

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List of acronyms

CEDEFOP – European Centre for the Development of Vocational Training
COFOG – Classification of the Functions of Government
EHIS – Estonian Education Information System
EIS - Examinations Information System (Eksamite Infosüsteem)
EKIS - Estonian Schools Information System (Eesti Koolide Infosüsteem)
EKKA - Estonian Higher Education Quality Agency
ERDF – European Regional Development Fund
ESA – European System of National and Regional Accounts
ESF – European Social Fund
EU – European Union
EVECP – Estonian Vocational Education Credit Points
GDP – Gross Domestic Product
HÕK – nursing curricula’s for basic school
IB – International Baccalaureate
KUTSE – The aim of the programme is to help young people complete their studies (vocational education)
LÕK – simplified curricula’s for basic school
NEET - Not in Education, Employment or Training
OECD - Organisation for Economic Co-operation and Development
PIAAC – Programme for the International Assessment of Adult Competencies
PISA – The Programme for International Student Assessment
R&D – Research and Development
RKAS - State Real Estate Ltd. (Riigi Kinnisvara AS)
RÕK - national curricula’s for basic schools and upper secondary schools
SAIS – electronic system for applicants (VET schools, universities and higher education institutions) who have graduated from Estonian educational institution
SEN – Special Educational Needs
TALIS – Teaching and Learning International Study
TULE – The aim of the programme is to help young people complete their studies (tertiary education)
TÔK - coping curricula’s for basic school

UOE – UNESCO/OECD/Eurostat

VET – Vocational Education and Training
Effectiveness of resource use is extremely important in all areas of life – resources are always limited and the needs always bigger than the means to satisfy them. The amount and effective use of resources in the field of education as well as elsewhere has a significant impact on the welfare of the population, for instance, being noticeable in the competitiveness of teachers’ salaries or the amount of social benefits. The field of education is not just influences by allocated financial resources; many other factors have an impact on the functioning and shaping of the education system – social, cultural and demographic and other factors shape the characteristics of the education system and its need for resources.

Changes in demographics, which in Estonia are mostly due to the decrease in the number of students because of decreasing birth rate, have led to the need to reorganise the general school network. Since the beginning of the 2000s the number of students in general education schools has decreased significantly. The network of general education schools, which was established to accommodate a much larger number of students, no longer conforms to current requirements. Upkeep of empty school buildings, mostly owned by municipalities, is very expensive and several municipalities have already been forced to close schools, or will do so in the near future. To assure availability of high quality upper secondary education all over country and to alleviate the financial burden of municipalities, the state has started the process of establishing state upper secondary schools in county centres. Expenditure per student varies greatly in different municipalities and the expenditure per student of general education schools is the largest in the municipalities with the smallest number of students. Several school managers and local communities have opposed the reorganisation of the network of general education schools. Due to this the number of general education schools and teaching positions have decreased at a slower rate than the number of students which has led to a situation where we now have less students per school and per teacher than we used to.

Just like other European countries, Estonia is facing the problem of an ageing population. This along with the need of the labour market has increased the need for adult trainings and in-service training. As the population ages and the profession of a teacher is becoming less popular among the youth, most teachers in kindergartens, general education schools and vocational educational institutions belong to the 50-59 age group. The proportion of teachers who are younger than 30 years of age in Estonian general education schools is lower than the average for the member states of the Organisation for the Economic Cooperation and Development (OECD). The average salary of teachers in general education schools has been increasing in over the last years and is now almost the average monthly gross salary in Estonia. The aim is to further increase the teachers’ salary, which in turn will hopefully contribute to increasing the popularity of teaching as a profession among young people.

In international terms of the expenditure per student of the general government of Estonia is relatively small. However, international comparisons carried out through tests that assess the students’ knowledge show that the amount of expenditure is not always in correlation with the output measuring the performance of education system. Although in Estonia, the expenditure per student is small compared to the member states of the EU and OECD, our students are hardworking and successful which means that in addition to resources there are many other important inputs that influence the performance of the education system, and that other inputs besides financial resources should be identified and analysed.

Although the volume of financial resources may not be in correlation with the performance of the school system, resources are extremely important. Motivated and professional teachers are another important resource of the school system, just like school buildings and teaching aids. Thus, if there are not enough financial resources that could be put into effective use, the provision of other abovementioned resources will be difficult.
Introduction

Estonia takes part in the OECD Review of Policies to Improve the Effectiveness of Resource Use in Schools and this document is the Country Background Report for Estonia. The background report focuses on pre-tertiary levels, i.e. pre-primary, general and vocational education.

Data of children in preschool institutions includes all children despite their age. General education includes all students acquiring general education, including students with special educational or behavioural needs and adults who acquire general education in upper secondary schools for adults or in evening schools providing secondary education. Vocational education includes all students acquiring a profession in vocational training not subject to compulsory education requirement (ISCED\textsuperscript{2 25}) or in only vocational training after basic education (ISCED 35), and students acquiring vocational upper secondary education in vocational education institutions (ISCED 35). Only students who have started to acquire a profession after completing secondary education are excluded from the survey (ISCED 45).

The Background Report for Estonia comprises six chapters and follows the structure developed by the OECD. All chapters starting from the Chapter 2 end with a summary of main challenges in the field addressed in the chapter.

Topics covered by the background report are extensive and several addressed issues are highly school-specific. To collect school-specific data, a questionnaire was developed for general education schools, which addressed the relations between the school and the community, the use of school buildings, the distribution of the working time of teachers and heads of school between various duties, and a number of other topics. The sample included regular general education schools. The questionnaire was sent to 104 general education schools (20.9% of regular general education schools) and a completed questionnaire was returned by 70 general education schools or 67.3% of potential respondents.

The schools in the sample were divided into seven groups: rural basic schools (less than 100 students), rural basic schools (more than 100 students), rural upper secondary schools (less than 200 students), rural upper secondary schools (more than 200 students), city basic schools, city upper secondary schools and state upper secondary schools.

The report also focuses on presenting the viewpoints and beliefs of the societies and associations among the stakeholders in the field of education. Focus group interviews were used to identify the viewpoints of stakeholders. 12 different stakeholders formed a focus group. The groups in the sample represented teachers, managers of schools, local governments, students, parents, employers and pre-school childcare institutions.

The data used originated primarily from Statistics Estonia and the Estonian Education Information System (EHIS).

The Country Background Report was composed mainly during 2014. Any changes made in education system after January 2015 are not included.

Limitations in the provision of data:
The main problem in providing financial data is that the education expenditure in Estonia have been submitted by educational levels – pre-primary, general (total cost, grades 1-12), vocational (total cost) and higher education, and other expenditure (ancillary services for education, education not defined by level, research and development, miscellaneous expenses). Due to this breakdown and the available source data, the costs could not

\textsuperscript{1} If it’s not noted differently in description of data or figure.
\textsuperscript{2} ISCED2011
be divided between ISCED levels 2 and 3 (lower and upper secondary) of general education as applicable in the Estonian system. The source data available to us do not enable separating the expenses on these two stages with sufficient precision.

The data of general government expenditure on education follows the methodology of The European System of National and Regional Accounts (ESA2010) and The Classification of the Functions of Government (COFOG).

Authors of this report like to thank all stakeholders, who gave input for the report. We also like to thank all the schools, who filled the questioner and we like to thank also all, who helped to write this report. Our gratitude also goes to OECD and especially for Paulo Santiago.
Chapter 1: The national context

Chapter 1 describes in brief the economic, social, demographic, political and cultural developments in Estonia, which give rise to challenges faced by the Estonian school system.

1.1 The economic and social context

Before the last financial crisis, the Estonian economy was growing very quickly. However, as in many other countries, financial crisis had quite broad impact to Estonian economy. The preceding growth had been impressive and the same can be said about the decline.

Figure 1. GDP at current prices per capita 2005-2014, €

Large decrease of exports was one of the reasons why GDP per capita dropped so heavily in 2009 (Figure 1). In addition, imports decreased in 2009 comparing to 2008 more than 33%.

3 Source: Statistics Estonia
Before financial crisis, prices raised year by year. First drop of consumer price index was in 2009. According to Statistics Estonia it was the first time since restoration of Estonian independence when consumer price index decreased.

Figure 3. Consumer price index 2005-2013, %

In 2013 the main sources of income for the state budget are receipts from various taxes, with the largest revenue coming from social tax (28% of budget revenues). Grants accounted for the largest proportion – 52% – of the expenditure in the state budget. Operating expenses accounted for 28% and expenditure on labour costs and administration were 15% of the total expenses. In general, Estonian governments have been pursuing a balanced policy thanks to which the state budget has been more or less balanced or in surplus. Reserves that had

4 Source: Bank of Estonia; Annual economic indicators for Estonia; http://statistika.eestipank.ee/?lng=en#listMenu/2053/treeMenu/MAJANDUSKOOND
5 Source: Statistics Estonia
6 Pensions (state pension, national and old-age pension, survivor’s pension, etc.); allowances and benefits (family allowance and child benefit, childbirth allowance, unemployment insurance, parental benefit, education allowance, etc.).
accumulated from budget surpluses enabled the Estonian government to avoid borrowing during the crisis. Because of that, the Estonian burden of debt was among the lowest in Europe. During the recession of 2009, a deficit of budget was very modest compared to the rest of Europe, just 1.7% of GDP.

**Figure 4. State budget 2005-2014**

State’s budgetary and economic policies aim to establish the preconditions for sustainable economic growth accompanied by an increase in the population’s welfare and an improvement of their living standard. Above all, Estonia focuses on ensuring a stable economic environment, allocating budget funds for increasing economic growth and employment. Despite the changed economic situation resulting from the global credit crisis, Estonia's budgetary policy remained steady and reliable, which helped the economy to overcome the crisis without considerably increasing government debt. Increasing economic flexibility, supporting the business environment and improving the effectiveness of the labour market have become key issues which continue to contribute to the sustainable development of the economy. The government maintains a conservative budgetary policy which means keeping the government sector’s budget structurally balanced. The rigorous fiscal policy ensures that the government debt remains on a low level which is one of the preconditions of ensuring the long-term sustainability of public finances. This in turn provides the public with assurance that the services and support provided the state are available any time.  

Also employment rate dropped during the financial crisis. Since 2011 the labour market situation has improved. The increase in the number of employed persons since 2011 has led to the rapid decline of the unemployment rate, although in the last years the growth of the employment rate has slowed down (Figure 5, Figure 6).

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7 *Source: Ministry of Finance; State Budget* [http://www.fin.ee/budgeting](http://www.fin.ee/budgeting)

8 *Source: Ministry of Finance: State Budget* [http://www.fin.ee/budgeting](http://www.fin.ee/budgeting)
The reduction of the working-age population is more and more beginning to slow down the increase the number of employed people. Therefore, over the following years we could for the first time witness a situation where employment drops regardless of the concurrent reduction in the unemployment rate. The unfavourable demographic developments, i.e. ageing of the population and emigration, make active participation on the labour market and the efficient use of labour more and more important.

The unemployment rate is significantly higher among young people having reached 32.9% by the peak of unemployment rate in 2010 (Figure 7). In 2010 compared to EU youth unemployment rate was very high in Estonia and in other Baltic countries. Fortunately Baltic countries recovered quite fast and youth unemployment

\[ \text{Unemployment rate} \]

\[ \text{Unemployed 12 months and longer} \]

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9 *Source*: Statistics Estonia; employed persons/working-age population (15-74 years old).

10 *Source*: Statistics Estonia; unemployed/working-age population (15-74 years old).
rate has decreased remarkably. In 2014 youth unemployment rate in Estonia was more than two times lower than in 2010 and lower than EU average.

Figure 7. Unemployment rate among 15-24 years old

Effects of the financial crisis on education

Financial crisis affected all spheres. Majority of changes were negative – unemployment rate among 15-24 year olds rise, also increased proportion of NEETs, general government expenditure on education and teachers’ salaries decreased. Study loan compensation for state officials was revoked. Financing system of teachers’ professional development was changed.

The general government expenditure on education dropped due to the financial crisis. In 2009, the education expenditure was 9.8% smaller than in 2008, and in 2010 the general government expenditure on education dropped even further. On the other hand, in 2009 the general government expenditure on education made up 6.9% of the country’s GDP which is considerably more than in the preceding years (Figure 8).

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11 Source: Statistics Estonia
12 NEET – More about NEETs in chapter 2.6.
13 According to the Classification of the Functions of Government (COFOG) in the framework of the European System of National Accounts (ESA 2010).
While the number of children in pre-school child care institutions increased in those years, the expenditure on pre-primary education during 2009-2011 decreased the most in comparison with 2008. Expenditure on general and tertiary education also decreased (Table 1).

Table 1. Change in the general government’s expenditure on education by level of education after the beginning of financial crisis

<table>
<thead>
<tr>
<th>Level of education</th>
<th>2008 expenditure, mil €</th>
<th>2009 change compared to 2008, %</th>
<th>2010 change compared to 2008, %</th>
<th>2011 change compared to 2008, %</th>
<th>2012 change compared to 2008, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-primary</td>
<td>208,7</td>
<td>-20,1</td>
<td>-22,0</td>
<td>-21,7</td>
<td>-10,4</td>
</tr>
<tr>
<td>General</td>
<td>471,6</td>
<td>-8,9</td>
<td>-18,2</td>
<td>-15,2</td>
<td>-13,4</td>
</tr>
<tr>
<td>Vocational</td>
<td>92,0</td>
<td>9,9</td>
<td>8,6</td>
<td>23,3</td>
<td>30,5</td>
</tr>
<tr>
<td>Tertiary</td>
<td>254,5</td>
<td>-20,6</td>
<td>-15,8</td>
<td>-2,8</td>
<td>14,3</td>
</tr>
<tr>
<td>Other education costs</td>
<td>77,0</td>
<td>57,3</td>
<td>45,7</td>
<td>40,8</td>
<td>37,3</td>
</tr>
</tbody>
</table>

Compared to 2008, the general government’s expenditure on vocational education and other education costs did not decrease. During this period (2009-2012), there was quite big proportion of investments in general government’s vocational education expenditure. Investments were made to renovate vocational institutions buildings and studying environment. These investments were almost in full financed by EU structural funds.

Among other things, the financial crisis affected the teachers’ salaries. During the crisis years, the average salary of teachers in pre-school institutions dropped (on the average, EUR 654 per month in 2008, EUR 610 in 2009, EUR 607 in 2010 and EUR 604 in 2011). Likewise, the average salary of teachers in municipally owned general education schools shrunk in 2009 and 2010. The average salary of teachers working in municipally owned and state owned general education schools started to increase again since 2011. One of the aims of Estonia’s Lifelong

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15 Proportion of investments in expenditure in 2009 19.2%: in 2010 31.2%; in 2011 36.5%; in 2012 39.8%.
Learning Strategy is to increase the average salary of teachers so that it would be 20% higher than the average salary of specialists who have acquired higher education\textsuperscript{16}.

**Figure 9. Teacher’s average gross salary per month 2005-2014, €\textsuperscript{17}**

<table>
<thead>
<tr>
<th>Year</th>
<th>Average gross salary in municipally owned schools</th>
<th>Average gross salary in state owned schools</th>
<th>Estonian average gross salary</th>
<th>Teacher’s minimum salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>555 €</td>
<td>501 €</td>
<td>516 €</td>
<td>365 €</td>
</tr>
<tr>
<td>2006</td>
<td>593 €</td>
<td>604 €</td>
<td>601 €</td>
<td>447 €</td>
</tr>
<tr>
<td>2007</td>
<td>719 €</td>
<td>682 €</td>
<td>725 €</td>
<td>528 €</td>
</tr>
<tr>
<td>2008</td>
<td>850 €</td>
<td>817 €</td>
<td>825 €</td>
<td>644 €</td>
</tr>
<tr>
<td>2009</td>
<td>810 €</td>
<td>837 €</td>
<td>784 €</td>
<td>670 €</td>
</tr>
<tr>
<td>2010</td>
<td>783 €</td>
<td>838 €</td>
<td>792 €</td>
<td>644 €</td>
</tr>
<tr>
<td>2011</td>
<td>797 €</td>
<td>861 €</td>
<td>839 €</td>
<td>644 €</td>
</tr>
<tr>
<td>2012</td>
<td>812 €</td>
<td>876 €</td>
<td>887 €</td>
<td>715 €</td>
</tr>
<tr>
<td>2013</td>
<td>930 €</td>
<td>941 €</td>
<td>948 €</td>
<td>800 €</td>
</tr>
<tr>
<td>2014</td>
<td>1 025 €</td>
<td>1 028 €</td>
<td>1 001 €</td>
<td></td>
</tr>
</tbody>
</table>

Although majority of changes were negative, but also one positive trend occurred. In vocational education, the general trend has been the reduction in the number of students year by year, but in 2009/2010 there was considerable growth (compared to the preceding school year, the number of vocational students increased by 4.1%) probably due to the fact that the people who lost their job during the financial crisis felt the need to retrain or acquire a new profession under the changed labour market circumstances. The number of vocational students grew in post-secondary vocational education.

**Family and labour market policies**

After childbirth or the end maternity leave, a parent\textsuperscript{18} who raises the child and is a permanent resident of Estonia or an alien residing in Estonia by virtue of a temporary residence permit is entitled to a parental benefit for the following 435 days. The parental benefit is calculated on the basis of the average salary in the preceding calendar year. The child’s father is entitled to the parental benefit once the child attains 70 days of age.

When the parental benefit payment period ends, the child is about 1.5 years old and if the parent who enjoyed parental leave wants to maintain his or her income he or she must return to employment which entails the need to enlist the child in a kindergarten - or failing that - find a child minder or a childcare establishment (the average duration of parental leave is shown in Annex 1). In view of these alternatives, 3-year-olds must have access to preschool services, but as the payment of parental benefit ends much earlier the parents of children younger than 3 years might also need preschool services. Hence, the applicable legislation requires the municipality to provide access to a preschool institution within its service area to all children aged 1.5–7 years.\textsuperscript{19}


\textsuperscript{17}Source: Teachers’ salaries data from EHIS (Estonian Education Information System); Estonia average salaries data based on Statistics Estonia. To determine the average monthly gross salary, the sum total of monthly gross salaries is divided by the average number of employees converted to full-time equivalents.

\textsuperscript{18}Including adoptive parent, step-parent, guardian and caregiver.

\textsuperscript{19}Source: Preschool Child Care Institution Act, https://www.riigiteataja.ee/en/eli/520122013003/consolide
The parents of young children who have returned to employment may work part time subject to the consent of the employer. However, this practice characteristic of Western Europe is not very common in Estonia. In 2012, 10.4% of the employed (5.8% of men and 14.9% of women) worked part-time\textsuperscript{20}. Usually, young people work part-time alongside their studies as do those who have attained retirement age or are close to that age. Although there are much more women than men among part-time employees, this does not automatically relate to raising a young child because normally the share of women is higher among (university) students as well as among people in retirement age.

1.2 Demographic Developments

Emigration began after Estonia restored its independence in 1991, during which mostly people who had moved to Estonia from other Soviet countries during Soviet times left the country. The number of emigrants was the largest in 1992 with over 43,000 people leaving in a year\textsuperscript{21}. After this, the proportion of emigration started significantly increase again in 2004 following Estonia’s accession to the European Union when it became easier to move between EU member states. According to Statistics Estonia, in 2010-2012 emigrants mostly moved to Finland, Great Britain, Germany and Russia. Here it should be noted that while the number of emigrants to Great Britain, Germany and Russia was around 200-300 every year, the number of people moving to Finland is remarkably higher – 3475 people left for Finland in 2010, 3597 in 2011 and 4883 in 2012\textsuperscript{22}.

Below there are two population pyramids – the first from 1993 and the second from 2013. The size of population has decreased significantly in 20 years (12.6%). Add to this the fact that the population of Estonia is ageing, just like in many other European countries.

**Figure 10. Estonian population pyramid at 1993\textsuperscript{23}**

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{population_pyramid_1993.png}
\caption{Estonian population pyramid at 1993 for male (blue) and female (red).}
\end{figure}

\textsuperscript{20} Source: Statistics Estonia „Statistical Yearbook of Estonia 2013”; Tallinn; 2013
\textsuperscript{21} Source: Statistics Estonia
\textsuperscript{22} Source: Statistics Estonia
\textsuperscript{23} Source: Statistics Estonia
Gender balance

The total population in Estonia includes more women than men (53% women and 47% men in 2013), but the population pyramid shows that the share of women is notably bigger among people aged 65 or more (Figure 11). Among people up to 40 years of age - who are more likely to be the ones acquiring general or vocational education or are more active in adult education - the men dominate: in the age group 0-40 there are 311 792 women and 329 619 men. There are gender-based differences in acquiring education. For instance, the pan-European trend is that among women the share of those with higher education is higher than among men, in Estonia this gap is wider than in most other European countries. Specifically, in the age group 30-34, 52.5% of women and 30.8% of men have higher education25. Furthermore, men are more likely to drop out than women, irrespective of the educational level. Gender based differences start after basic school. Among NEETs there are two times more boys than girls. After basic school bigger proportion of boys decide to go to VET school (36% of boys and 18% of girls in 2014) and because of that we have proportionally more girls than boys who acquire general upper secondary education. Although after acquiring vocational upper secondary education it’s possible to start studies in universities, then most of students in universities have graduated general upper secondary school.

The demographic trends in Estonia are characterised also by the decreasing birth rate which is particularly notable in comparison to the end of the 1980s. It is likely that the birth rate will keep dropping, for instance because the number of women in fertile age is declining annually. Plus, the current emigration trends indicate that young women in birth-giving age are leaving from Estonia.

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24 Source: Statistics Estonia
25 Source: Statistics Estonia – higher education and professional higher education
Population ageing and the notable cutback in the birth rate undoubtedly affects education – in the short-term, the demand for the services of pre-school childcare institutions has increased, but in the long run the number of students in the school system will keep dropping and the need for adult education and training will keep growing.

**Educational level of parents**

In 2014, preschool institutions accommodate children born in 2008-2012 and schools of general education provide education to children born in 1995-2007. The available statistics allows analysing the level of education of women who gave birth during these years. However, the data is limited in the sense that we do not know whether the women who gave birth during these years have continued their studies and improved their educational level after childbirth.

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26 Source: Statistics Estonia; There are two versions of birth prognosis (period 2015-2023). We have used here the first one, which is a bit more pessimistic, but difference between two versions is not very remarkable (it varies from 1 to 255 births for a year).

27 Source: Statistics Estonia
Up to 2002, most of the women giving birth had secondary education, followed by women with basic education. In 2003, the number of birth-giving women with higher education exceeded the number of those with basic education and since 2011 birth-giving women with higher education have been in majority (Figure 13).

On the one hand, the growth in the number of birth-giving women with higher education can be attributed the national parental benefit introduced in 2004 which allows the parent staying at home with the child to maintain - for a certain period after childbirth - his or her average income earned before childbirth. Study made by Praxis (about effect of national parental benefit) indicated that the introduction of parental benefit has encouraged women with higher income to give birth to their second or even third child.\(^{28}\)

Another reason why the number of birth-giving women with higher education has notably increased is purely statistical, as the number of women with higher education has also grown considerably. In 1995, 3355 individuals completed a curriculum for higher education and by 2000 the number of people graduating from institutions of higher education had reached 6048, whereas from 2005 onwards more than 11 000 individuals have graduated from such institutions annually. The share of people with higher education, including women, has increased in the society. Further, similarly to the rest of Europe, the age of women giving birth (for the first time) has risen in Estonia, which increases the odds that the birth-giver has managed to acquire higher education.\(^{29}\)

The report on Estonia’s results in PISA test 2012 highlights that the possibilities and abilities of parents to support their children in acquiring education may depend on their educational level. A little less than a half of the mothers of 15-year-old students in Estonia have acquired higher education whereas only 6% of mothers have basic education. The student’s mathematics score in the PISA test has strong correlation on mother’s educational level: the children of mothers with basic education and mothers with higher education scored an average of 489 points and 534 points, respectively. Although this difference is more than 40 points, which equals one school year’s worth of work, the differences were even greater in several OECD countries. Furthermore, it appeared that students whose mothers have general secondary education score better than those whose mothers have vocational education (524 and 508 points, respectively).\(^{30}\)

**Ethnic composition**

According to the most recent (2011) census in Estonia, there are 1 294 455 permanent residents in Estonia. The main ethnic group is Estonians who made up 69.7% of the population according to the 2011 census (the 2000 census yielded 67.9% and in 1989 the figure was 61.5%). In 2012, the share of Estonians among births was 72.4%.\(^{31}\) The next largest ethnic group is Russians who made up 25.2% of the population according to the 2011 census. In addition to Russians, the other three larger ethnic groups are Ukrainians (1.7%), Belarusians (a little under 1%) and Finns (0.6%), but their share in the population is very modest compared to Russians. Other ethnic groups account for 1.6% of the population, whereas 0.1% of the population could not define their ethnic nationality.

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http://dx.doi.org/10.1787/eag-2013-en
31 Source: Statistics Estonia
As for ethnic nationalities, among people aged 40 or less the share of Estonians increases to 73.3%. The share of ethnic groups other than the main ethnic group is the highest among people aged 50 and above.

Emigration during the Soviet era was minimal, because traveling was possible only inside of Soviet Union. After reestablishment of independence and the opening of borders, Estonia has become from a destination country into an originating country.

Compared to the early 1990s, immigration to Estonia has increased since 2000, but the immigration figures are still very low – on the average, 3482 immigrants per year according to the indicators for 2011-2013 while on average 6425 people moved away from Estonia during the same period. It is remarkable, that in 2014 the

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32 Based on census of population 2011 by Statistics Estonia.
33 Source: Statistics Estonia
emigration decreased by 30%. Mostly, immigrants have originated from the EU Member States whereas a considerable share of migrants still arrived from Russia and Ukraine.34

According to the 2011 census 85.2% of the citizens of Estonia have Estonian citizenship and 7% Russian citizenship. Estonian citizenship: 1) is acquired at birth if at least one parent has Estonian citizenship at the time of the birth of the child; 2) is obtained through naturalisation35; 3) is restored to the person who had lost Estonian citizenship as a minor. Estonian citizens may not simultaneously be citizens of another country. There is a significant amount (6.6%) of inhabitants whose citizenship has not been determined. A person with undetermined citizenship is a person who has lost an earlier citizenship due to the cessation of his or her country of citizenship (e.g. citizens of former Soviet countries and Yugoslavia) but has not realised his or her opportunity to become a citizen of a successor state.

Table 2. Inhabitants according ethnicity and citizenship36

<table>
<thead>
<tr>
<th>Citizenship</th>
<th>Estonians</th>
<th>Russians</th>
<th>Other Ethnicities</th>
<th>Ethnicity unknown</th>
<th>Sum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonian citizenship</td>
<td>899 431</td>
<td>175 888</td>
<td>26 296</td>
<td>1 003</td>
<td>1 102 618</td>
</tr>
<tr>
<td>Russian citizenship</td>
<td>699</td>
<td>79 387</td>
<td>10 292</td>
<td>132</td>
<td>90 510</td>
</tr>
<tr>
<td>Ukrainian citizenship</td>
<td>66</td>
<td>639</td>
<td>4 030</td>
<td>21</td>
<td>4 756</td>
</tr>
<tr>
<td>Latvian citizenship</td>
<td>37</td>
<td>658</td>
<td>1 053</td>
<td>14</td>
<td>1 762</td>
</tr>
<tr>
<td>Finland’s citizenship</td>
<td>83</td>
<td>14</td>
<td>1 403</td>
<td>19</td>
<td>1 519</td>
</tr>
<tr>
<td>Belarusian citizenship</td>
<td>9</td>
<td>154</td>
<td>1 315</td>
<td>10</td>
<td>1 488</td>
</tr>
<tr>
<td>Lithuanian citizenship</td>
<td>19</td>
<td>364</td>
<td>965</td>
<td>6</td>
<td>1 354</td>
</tr>
<tr>
<td>Citizenship of some other country</td>
<td>187</td>
<td>278</td>
<td>3 595</td>
<td>156</td>
<td>4 216</td>
</tr>
<tr>
<td>Undetermined citizenship</td>
<td>2 011</td>
<td>68 805</td>
<td>15 084</td>
<td>61</td>
<td>85 961</td>
</tr>
<tr>
<td>Unknown citizenship</td>
<td>5</td>
<td>48</td>
<td>5</td>
<td>213</td>
<td>271</td>
</tr>
<tr>
<td>Sum</td>
<td>902 547</td>
<td>326 235</td>
<td>64 038</td>
<td>1 635</td>
<td>1 294 455</td>
</tr>
</tbody>
</table>

Estonia has quite a large Russian-speaking community – also in the younger age group – who must have access to education just like everyone else. Therefore, Estonia has Russian-speaking kindergartens and provides the possibility of acquiring general education37 in schools where the language of instruction in Russian. Such schools are primarily located in Tallinn and Ida-Virumaa38 where most of the Russian population lives. In addition to Russian, general education can be acquired in English and in Finnish with this opportunity being available only in the two largest cities - Tallinn and Tartu.

1.3 Political context

Estonia is an independent and sovereign democratic republic wherein the supreme power of the state is vested in the people. Estonian political system is primarily comprised of the following institutions: 1) the people; 2) the Parliament (Riigikogu); 3) the President; 4) the Government. The supreme power of state is exercised by the people through the citizens right to vote.

34 Source: Statistics Estonia
35 Adults applying for Estonian citizenship need to meet a number of conditions, one of which is passing an Estonian language examination and the examination of awareness of the Constitution and Citizenship Act of the Republic of Estonia. In accordance with the Citizenship Act, those under the age of 15 can apply for citizenship through a simplified procedure.
36 Based on census of population 2011 by Statistics Estonia.
37 Basic education in Russian and general upper secondary education can be acquired 60% in Estonian and 40% in Russian or 100% in Estonian. In addition, some professions in VET schools are taught in Russian.
38 Ida-Virumaa is a county in northeast Estonia.
Legislative power is vested in the Parliament. The Parliament is comprised of one hundred and one members. Members of Parliament are elected in the course of free elections on the principle of proportionality. Members of Parliament are elected regularly after every 4 years. Elections are general, uniform and direct. Voting is confidential. Every Estonian citizen who has attained twenty-one years of age and has the right to vote may be a candidate for the Parliament.

Executive power is vested in the Government of the Republic but the Government also participates in exercising the legislative power. The government executes the domestic and foreign policies of the state and manages relations with other states; directs and co-ordinates the activities of government agencies; administers the implementation of laws, resolutions of the Parliament, and legislation of the President of the Republic; issues regulations and orders on the basis of and for the implementation of law; performs other duties which the Constitution and the laws vest in the Government of the Republic.

The President of the Republic is the Head of State, who represents executive power but stands apart from the Government. The President of the Republic represents the Republic in international relations; he or she also has some controlling and co-operational functions with regard to the Parliament and the Government of the Republic. The President has been vested with the right to proclaim laws passed in the Parliament. In case he or she refuses to proclaim a law passed by the Parliament, the law is sent back to the Parliament for additional discussions and decisions. In case the Parliament does not amend the law, the President has the right to appeal to the Supreme Court to declare the law unconstitutional. Thus, the Head of State has the power to impose a "postponing veto", which does not allow him or her to take a final decision with regard to proclaiming a law.

In 2014 there were 10 registered political parties in Estonia. Since regaining independence, the governments in Estonia have been replaced much more often than once every four years (Table 3).

Table 3. Duration of Estonian governments after restoration of independence

<table>
<thead>
<tr>
<th>Beginning</th>
<th>End</th>
<th>Duration in days</th>
<th>Prime minister</th>
<th>Parties in Coalition</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.10.1992</td>
<td>8.11.1994</td>
<td>749</td>
<td>Mart Laar</td>
<td>ISM, MÕ, ERSP</td>
</tr>
<tr>
<td>8.11.1994</td>
<td>17.04.1995</td>
<td>161</td>
<td>Andres Tarand</td>
<td>MÕ, ISM, ERSP, ELDLP, PP</td>
</tr>
<tr>
<td>17.04.1995</td>
<td>6.11.1995</td>
<td>205</td>
<td>Tiit Vähi</td>
<td>KMÜ, KE</td>
</tr>
<tr>
<td>6.11.1995</td>
<td>17.03.1997</td>
<td>498</td>
<td>Tiit Vähi</td>
<td>KMÜ</td>
</tr>
<tr>
<td>17.03.1997</td>
<td>25.03.1999</td>
<td>739</td>
<td>Mart Siimann</td>
<td>KMÜ, AP</td>
</tr>
<tr>
<td>25.03.1999</td>
<td>28.01.2002</td>
<td>1041</td>
<td>Mart Laar</td>
<td>IL, RE, MÕ</td>
</tr>
<tr>
<td>13.04.2005</td>
<td>5.04.2007</td>
<td>723</td>
<td>Andrus Ansip</td>
<td>RE, KE, ERL</td>
</tr>
<tr>
<td>5.04.2007</td>
<td>6.04.2011</td>
<td>1463</td>
<td>Andrus Ansip</td>
<td>RE, IRL, SDE</td>
</tr>
<tr>
<td>6.04.2011</td>
<td>26.03.2014</td>
<td>1115</td>
<td>Andrus Ansip</td>
<td>RE, IRL</td>
</tr>
<tr>
<td>26.03.2014</td>
<td>....</td>
<td>....</td>
<td>Taavi Rõivas</td>
<td>RE, SDE</td>
</tr>
</tbody>
</table>

The short lifespan of cabinets has characterised other East European transition countries too. In Estonia, the system has managed to remain stable regardless of the frequent cabinet reshuffles and has not endangered democracy. A quick look at the parties forming cabinets shows that the same names come up repeatedly – although several parties which were in coalition at the beginning of the 1990s have merged or changed their name. For example, the Social Democratic Party (SDE) was formed in 2004 as a result of renaming the Moderates (MÕ). The Pro Patria and Res Publica Union (IRL) combines the former coalition party Pro Patria Union (ISM) and the Res Publica Party (RP). The predecessor the Reform Party (RE) is the Estonian Liberal Democratic Party (ELDP) which was in coalition in 1994-1995.

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On the left-right political spectrum, the Estonian political parties are all quite in the middle and there are no far-left or far-right parties among the parties represented in the Parliament. Overall, extremist parties in Estonia are an exception rather than a rule. Furthermore, unlike in Latvia or Lithuania, for example, there are no communist parties in Estonia after the reestablishment of independence.

Since the reestablishment of independence in 1992, the minister responsible for education (the title has varied from the Minister of Education, the Minister of Culture and Education and the Minister of Education and Research) has changed 13 times and a total of 9 different individuals have held this office. Most ministers responsible for education have originated from the current Pro Patria and Res Publica Union (IRL) or its predecessor parties. The IRL is a centre-right conservative party and its main guiding values include social cohesion, culture and traditions. As a rule, the staff of the ministry does not change when the minister is replaced. However, the replacement of the minister certainly entails the replacement of minister’s advisers. Education is one of the priorities of the Republic of Estonia regardless of which party holds the minister’s position or which parties have currently formed the cabinet. There are certain fundamental principles which have been respected over time. One of the most important principles has been providing equal access to general education for all children and to achieve this objective relevant steps have been taken over the years, including, for example, financial support for school lunches and provision of free textbooks and workbooks for all students.

In international comparison, the Estonian government sector has financed education above average, whether compared to the other EU Member States or the OECD member countries. The share of Estonia’s general government expenditure on education in the country’s GDP has been over 6% over a long period. Proportionally, education expenditure have been ranked fourth or fifth in the state budget, being superseded only by expenditure on social security, economy and healthcare.

1.4 Public sector management

As already said, legislative power is vested by Parliament and executive power is vested by Government of Republic. On regional level, the interests of the state are represented by county governors. All issues concerning local life are decided and managed by local municipalities. The main function of a local government is to organise and manage local issues in accordance with the principle of subsidiarity, which means that functions have to be fulfilled on the lowest level of the public sector as possible.

According to the Constitution of the Republic of Estonia, functions may be placed at local governments only in accordance to the law, by mutual agreement or with contracts. The Local Government Organization Act §6 determines the responsibilities of local governments: social assistance and services, welfare services for the elderly, youth work, housing and utilities, the supply of water and sewerage, the provision of public services and amenities, waste management, spatial planning, public transportation within the rural municipality or city, and the maintenance of rural municipality roads and city streets unless such functions are assigned by law to other persons.

According to Estonian legislation the state budget and local governments budgets are separated and local authorities have their own independent budget. The biggest portion of income for local budgets comes from the state personal income tax. The local authorities receive 11.8% of resident’s total revenue. Local authority receives a fixed share, the rest goes to state budget. Subsidies from the state budget are the second largest source

Last update of the data in the end of 2014.
42 Source: Local Government Organisation Act
of income for the local government. Pursuant to the State Budget Act the financial resources allocated from the state budget for supporting the local budgets is the equalisation and support fund of local governments. Equalisation formula consists of the calculated expenditure need and accounting revenues. The deficit of the revenues to cover the expenditure need is compensated by the equalisation grant. The purpose of the equalisation fund is to balance excessive differences among the income bases of different local authorities and to provide also the weakest municipalities with a possibility to render adequate public services to its inhabitants. The purpose of support fund is to allocate support for specific tasks (for example the education grant). Grants allocated from support fund are earmarked.

Local government is represented by a council that is elected for four years during free elections. The council has the right to make decisions within the limits of the law and in the interests of local people on issues in local government’s area of competence. Local government has an independent budget and the right to levy and collect taxes. Most common local taxes are advertisement tax, road and street closure tax and parking charge.

The state and the local government are linked in terms of territory as the local government is based on the administrative division of the state’s territory. Bases for and procedure of the alteration of the administrative-territorial organisation of Estonia is laid down in the Territory of Estonia Administrative Division Act. Local government has the right to establish alliances and joint agencies with other local governments. Such cooperation will contribute to the development of rural municipalities and towns and enable a more effective representation and protection of joint interests in different levels of public authority.

Figure 16. Estonian counties

The territory of Estonia is divided into counties, rural municipalities and towns. There are 15 counties and 213 local government units in Estonia: 30 cities and 183 rural municipalities. In 2015 there is 213 municipalities in Estonia. Six year ago, in 2009, there were 13 municipalities more (226). In 1993 there were even more municipalities: 254. According to municipalities’ administrative capability index, capability of municipality depends on number of citizens in municipality and for being a capable, municipality needs more than 5000 citizens. In the beginning of 2015 there were 171 municipalities who had 5000 citizens or less, it basically means that 80% of Estonian municipalities are too small to be administratively capable.

Discussions over the need of administrative-territorial reform started already in the end of 1990s. So far reform has not been carried out, but some municipalities have joined. For example in 2013, 18 municipalities joined and formed 7 new municipalities. Two or more municipalities can join with one another and also towns and rural municipalities can join and form new municipality. Joining of municipalities is endorsed by state, because when municipalities join the new municipality will have more citizens and larger territory and thereby the new municipality is more capable to offer public services to citizens. There is also a financial support for municipalities which have joined.

National goals

Every country has national goals that are formed by national conditions and needs. For Estonia are also important EU goals and priorities. Reform program “Estonia 2020” takes into consideration both – national goals and EU goals and priorities.

“Estonia 2020” comprises 17 challenges divided into four fields:
- Educated population and cohesive society – the quality and availability of education and labour force supply, lifelong learning strategy;
- Competitive business environment – policy that supports the improvement of the long-term competitiveness of businesses, creative industry, international competitiveness of research and development and business-supporting infrastructure;
- Environmentally friendly economy and energy – energy savings and resource savings;
- Sustainable and adaptive state – sustainability of public finances, ability to react to changing circumstances and imbalances, tax policy supporting the development of the economy and modernisation of the government sector.

The Lifelong Learning Strategy is a document that guides the most important developments in the area of education. It is the basis on which the government will make its decisions for educational funding for the years 2014-2020 and for the development of programmes that support the achievement of necessary changes. The goals and measures of the Lifelong Learning Strategy are concordant with the national reform programme “Estonia 2020”, with the Estonian national strategy for sustainable development, “Sustainable Estonia 21”, and with the fulfilment of the education related goals of the “National Security Concept of the Republic of Estonia”.

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44 In 2015 January 1st
45 Source: Noorkõiv, R., Ristmäe, K., (2014); „Kohaliku omavalitsuse üksuste võimekuse indeks 2013: metoodika ja tulemused”; Konsultatsiooni- ja koolituskeskus Geomedia
46 January 1st
47 Source: Ministry of Interior: Local government in Estonia; [https://www.siseministeerium.ee/29950/](https://www.siseministeerium.ee/29950/)
48 Source: Ministry of Interior: Joining of local municipalities; [https://www.siseministeerium.ee/yhinemine (In Estonian)](https://www.siseministeerium.ee/yhinemine)
Five strategic goals have been established in Lifelong Learning Strategy50:

- Change in the approach to learning - Implementation of an approach to learning that supports each learner’s individual and social development, the acquisition of learning skills, creativity and entrepreneurship at all levels and in all types of education.
- Competent and motivated teachers and school leadership - The assessments of teachers and headmasters including their salaries are consistent with the qualification requirements for the job and the work-related performance.
- Concordance of lifelong learning opportunities with the needs of labour market - Lifelong learning opportunities and career services that are diverse, flexible and of good quality, resulting in an increase in the number of people with professional or vocational qualifications in different age groups, and an increase in overall participation in lifelong learning across Estonia.
- A digital focus in lifelong learning - Modern digital technology is used for learning and teaching effectively and efficiently. An improvement in the digital skills of the total population has been achieved and access to the new generation of digital infrastructure is ensured.
- Equal opportunities and increased participation in lifelong learning. Equal opportunities for lifelong learning have been created for every individual.

Recent significant reforms in education

- Free tertiary education - Since school year 2012/13, higher education is free of charge for those studying full-time and in Estonian.
- Need-based study allowance - A needs-based study allowance is designed to support students from financially disadvantaged backgrounds while obtaining higher education. It supports students in terms of success in their studies and completion of a study program with a nominal duration. The allowance can be applied for by students who started their studies from 1 July 2013. The right to receive the allowance is granted to students who study according to a study program of higher education either at a university, in an institution of professional higher education or at a vocational school. Need-based study allowance per month is 75-220 euros.
- Separation of national curricula for basic schools and upper secondary schools – In 2011 the national curriculum for basic school was separated from that for upper secondary school and now there are two separate national curricula. The basic school and the upper secondary school are different levels of education with different goals. The separation of basic school from upper secondary school is also important from the viewpoint that the school network needs organising.
- Russian-language schools’ transition to partial Estonian-language instruction - The language of instruction is to be Estonian for at least 60% of studies in all public schools, including those that once taught only in Russian. The remaining 40% of the curriculum can be taught in another language chosen by the school. The 60% of studies to be completed in Estonian must include five subjects stipulated by the government – Estonian literature, society studies, geography, music, and Estonian history. Additional subjects to be taught in Estonian may be chosen by individual schools, taking into consideration their field of study, the interests of the students, and the available resources. First students who learned at least 60% of the entire secondary school curriculum in Estonian graduated in spring 2014.

Chapter 2: The school system

Chapter 2 aims to provide an overview of the main characteristics of the Estonian school system – numbers of students and schools, the various educational levels, and the responsibilities and market mechanisms in the school system. The chapter is summed up by highlighting the problematic issues in this field.

2.1 Organisation of the school system

Pre-primary education and pre-school institutions

Preschool education is the set of knowledge, skills, experience and behavioural rules which provides the prerequisites for coping successfully in everyday life and at school. Preschool education is acquired at a preschool institution or at home.\(^{51}\)

There are three types of pre-school institutions – crèche (for children up to 3 years of age), preschool/kindergarten (for children up to 7 years of age) and preschool for children with special needs (for children with special needs up to 7 years of age).

Crèches are for up to three-year-olds, whereas in kindergartens there are more groups which are organised according to the age of children – younger (between 3 and 5 years of age), medium-aged (between 5 and 6 years of age), and older ones (between 6 and 7 years of age). If the preschool is a small one not having enough children to organise groups based on age, a mixed group can be formed to accommodate children of different ages. Preschools other than those for children with special needs may form integration groups as appropriate which include children with special needs together with other children. In addition, standard preschools may form special groups comprising children with special needs. The number of children in groups is regulated by the Preschool Child Care Institutions Act which allows up to 14 children in a crèche group, up to 20 children in a preschool group, and up to 18 children in a mixed group. On the proposal of the board of trustees of a child care institution the rural municipality or city government may increase the number of children in a crèche group by 2, in the preschool group by 4 and in a mixed group by 2. The special groups in preschool establishments are broken down into groups for children with physical disabilities, groups for children with sensory disabilities, groups for children with multiple disabilities, and groups for children with pervasive developmental disorders. In addition, further categories of special groups include remedial groups for children with specific developmental disorders and a development groups for children with mental disabilities. The number of children in special groups is also subject to the ceiling established on national level.\(^{52}\)

Compared to the end of the 1980s, the birth rate figures suffered a considerable cutback in the beginning of the 1990s. However, since 2002, the birth rate figures have started to improve again. The growing number of children attending preschools and the resulting demand for places in preschools has increased the number of preschool institutions. From 2005 to 2014, the number of preschool institutions has grown by 7.1% and the number of children in preschool institutions by 25.9% (Figure 17).

\(^{51}\) Source: Preschool Child Care Institution Act, §2 [https://www.riigiteataja.ee/en/eli/512012015002/consolide]

\(^{52}\) Source: Preschool Child Care Institution Act, §5-6 [https://www.riigiteataja.ee/en/eli/512012015002/consolide]
Preschool institutions are divided into municipal and private child care institutions (Figure 18). Private institutions have been established in addition to municipally owned preschool institutions, but their number has been modest. More than half of the privately owned preschool institutions are located in Harju County and Tartu County which have the highest demand for preschool places.

A rural municipality or city government shall, at the request of the parents, provide all children from eighteen months to seven years of age whose residence is in the territory of the given rural municipality or city and whose residence coincides with the residence of at least one parent the opportunity to attend a preschool institution in the catchment area. A rural municipality or city government may, with the parent’s consent, substitute the place of a child from eighteen months to three years of age in a preschool institution with childcare service.  

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53 Source: EHIS – Estonian Education Information System is a state register that holds data on education system. Data on educational institutions, students, teachers/lecturers, graduation certificates, textbooks and curricula is entered into the register. [http://www.ehis.ee/](http://www.ehis.ee/)

On average 97% of children have a place in municipally owned preschool institution (Figure 19).

**Figure 19. Number of children in preschool institutions by type of ownership**

<table>
<thead>
<tr>
<th>Year/14</th>
<th>Children in privately owned preschool institutions</th>
<th>Children in municipally owned preschool institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>2805</td>
<td>65879</td>
</tr>
<tr>
<td>2012/13</td>
<td>2572</td>
<td>64462</td>
</tr>
<tr>
<td>2011/12</td>
<td>2417</td>
<td>63790</td>
</tr>
<tr>
<td>2010/11</td>
<td>2179</td>
<td>62080</td>
</tr>
<tr>
<td>2009/10</td>
<td>1922</td>
<td>60882</td>
</tr>
<tr>
<td>2008/09</td>
<td>2091</td>
<td>60019</td>
</tr>
</tbody>
</table>

**General education**

Primary and lower secondary education is organized as a single structure system, beginning at the age of 7 and consisting of nine years of compulsory schooling. Secondary education is based on basic education and is divided into general secondary education, which is acquired in upper secondary schools (gymnasiums), and vocational secondary education, which is acquired in vocational schools. Upper secondary education is not compulsory, but the vast majority of the population participates.

All children are subject to the duty to attend school as soon as they have attained 7 years of age before 1 October of the current year and until they have acquired basic education or attained 17 years of age. School attendance may be postponed due to the child’s health condition and this duty can be fulfilled by educating at home. No students are relieved from compulsory school attendance due to their disability or low level of ability.\(^{56}\)

General education schools may provide full-time (stationary) or part-time study (non-stationary), or both. Full-time study is directed at students with compulsory school attendance for whom studying is the main activity and where the proportion of activities instructed by the school is larger than independent studies. Part-time study is directed at adult students where the proportion of independent studies is larger in comparison with full-time study. Persons aged 17 and above may acquire basic education in part-time study. Students with compulsory school attendance may acquire basic education in part-time study due to special education needs or other reasons that make acquiring education in full-time study complicated. Students in part-time study may take individual subjects and once every three years they have the right for a year-long study leave.\(^{57}\)

General secondary education can also be acquired at home. Home educating is provided at the request of a parent or due to the child’s health. Home educating for health reasons is organised by the school whose student list the student has been entered into. Home educating at the request of a parent is organised by the parent who is also responsible for meeting the study goals. In case of home educating at the request of a parent studies pursued

\(^{55}\) Source: Estonian Education Information System (Eesti Hariduse Infosüsteem, EHIS)

\(^{56}\) Source: Basic Schools and Upper Secondary Schools Act, §9; https://www.riigiteataja.ee/en/eli/525062014004/consolid

\(^{57}\) Source: Basic Schools and Upper Secondary Schools Act, §22; https://www.riigiteataja.ee/en/eli/525062014004/consolid
outside of the school are financed by parent. However, using textbooks, worksheets and workbooks needed for acquiring schools curricula are free for student.58

Hospitalised students will receive in-hospital teaching. They will receive instructed teaching for up to eight lessons per week starting from the first day of their admission to hospital. Organisation of studies in hospital will be flexible and will take into account the procedures the student needs to complete in the hospital, as well as his or her state of health. The teacher who provides in-hospital teaching will generally stay in the hospital for the entire day and will coordinate the organisation of schoolwork with the attending physician. It is the teacher’s duty to motivate and instruct the student. If the student spends more than 10 days in the hospital, the teacher will consult with the school whose list of students the hospitalised student belongs to.59

In 2011 the national curriculum for basic school was separated from that for upper secondary school and now there are two separate national curricula. The basic school and the upper secondary school are different levels of education with different goals. The aim of basic school is to ensure equal opportunities for all for compulsory school attendance and the readiness of students to continue studies in upper secondary school or vocational institutions. The function of upper secondary school is to create conditions where students acquire the knowledge, skills and values that allow for continuing their studies in an institution of higher education or vocational education institution without any impediments. The separation of basic school from upper secondary school is also important from the viewpoint that the school network needs organising.

In general education, the students at lower and upper secondary level have the possibility of acquiring preliminary vocational knowledge in the form of elective subjects amounting to 15-40 study weeks. A large share of students taking advantage of this form of education acquires vocational knowledge in music with other popular choices being hotel industry, tourism management and metalworking.

Figure 20. Number of students in primary, lower and general upper secondary education60

The number of schools soared in Estonia after the reestablishment of independence. In 1992, there were 691 general education schools, whereas by 1995 their number had grown to 742. As a result of the cutback in the birth rate, the number of students in general education schools has started to shrink year by year. By the school

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58 Source: Koduõppe ja haiglaõppe tingimused ja kord (Conditions and procedure for home educating and in-hospital teaching), §2-6; https://www.riigiteataja.ee/akt/103092013039
59 Source: Koduõppe ja haiglaõppe tingimused ja kord (Conditions and procedure for home educating and in-hospital teaching), §9; https://www.riigiteataja.ee/akt/103092013039
60 All students, including students in adult high schools and in schools for special needs. Source: EHIS, data also presented in Haridussilm, www.haridussilm.ee
year 2013/14, as compared to 2005/06, the number of students in general education schools had dropped 22.4 % and the number of such schools by 9.3 %.

Because of the rise of birth rate in the 2000s the rise of number of students is expected. But not all schools of general education are likely to enjoy this growth. As regards general education, the challenges faced by in ensuring the availability of student places are diametrically different: in about 15% of (primarily in Tartu and Tallinn and the surrounding rural municipalities), the number of students in pre-primary and basic education is expected to increase. Meanwhile, in the remaining 85% of the municipalities, the main task over the same period will be maintaining student places in basic education or reorganising the school network to meet the actual needs.61

The forms of ownership of general education schools: state, municipal and private. The majority of general education schools are municipally owned. General education school owned by state are mainly SEN schools or state general upper secondary schools (state gymnasiums). The number of municipal schools has dropped due to the cutback in the number of students, whereas the number of private schools has increased. Private schools are usually located in major cities where the total number of students has grown due to domestic migration trends.

Figure 21. General education schools by type of ownership62

<table>
<thead>
<tr>
<th>Year</th>
<th>Municipality</th>
<th>Private</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>479</td>
<td>47</td>
<td>30</td>
</tr>
<tr>
<td>2012/13</td>
<td>482</td>
<td>37</td>
<td>29</td>
</tr>
<tr>
<td>2011/12</td>
<td>491</td>
<td>36</td>
<td>29</td>
</tr>
<tr>
<td>2010/11</td>
<td>499</td>
<td>33</td>
<td>29</td>
</tr>
<tr>
<td>2009/10</td>
<td>513</td>
<td>33</td>
<td>29</td>
</tr>
<tr>
<td>2008/09</td>
<td>518</td>
<td>34</td>
<td>30</td>
</tr>
<tr>
<td>2007/08</td>
<td>529</td>
<td>29</td>
<td>31</td>
</tr>
<tr>
<td>2006/07</td>
<td>539</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td>2005/06</td>
<td>549</td>
<td>33</td>
<td>31</td>
</tr>
</tbody>
</table>

The forms of operation of basic schools and general upper secondary schools include the following63:

- A basic school;
- a preschool child care institution and a basic school that operate as a single institution, if that school is aimed for students with special educational needs, it may also be combined with an upper secondary school;
- a basic school where studies are pursued at stage I (classes 1-3) or at stages I and II (classes 1-3 and 4-6), whereby at stage II studies do not need to be pursued to the extent of all the grades of stage II;
- a lower secondary school where studies are pursued at stage III (classes 7-9);
- an general upper secondary school;
- an general upper secondary school where there may be basic school grades and where only non-stationary studies are pursued;

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61 Source: Ministry of Education and Research; „2012 Annual report”; Tartu 2012
62 All schools, including adult high schools and schools for special needs. Source: EHIS
• an upper secondary school and a vocational educational institution that operate as a single institution.

Table 4. Number of general education schools according operation forms in the school year 2013/14

<table>
<thead>
<tr>
<th>General education school according operation forms</th>
<th>Number of schools, in 2013/14 school year</th>
</tr>
</thead>
<tbody>
<tr>
<td>A preschool child care institution and a primary school (classes 1-3 or classes 1-6) that operate as a single institution</td>
<td>37</td>
</tr>
<tr>
<td>A basic school where studies are pursued at stage I or at stages I and II</td>
<td>36</td>
</tr>
<tr>
<td>A preschool child care institution and a basic school (classes 1-9) that operate as a single institution</td>
<td>14</td>
</tr>
<tr>
<td>Incl. preschool child care institutions and basic schools for students with special needs</td>
<td>2</td>
</tr>
<tr>
<td>Basic school</td>
<td>251</td>
</tr>
<tr>
<td>Incl. Basic school for students with special needs</td>
<td>36</td>
</tr>
<tr>
<td>Full cycle school (classes 1-12)</td>
<td>189</td>
</tr>
<tr>
<td>Incl. full cycle school for students with special needs</td>
<td>4</td>
</tr>
<tr>
<td>Upper secondary schools</td>
<td>13</td>
</tr>
</tbody>
</table>

In addition to schools presented in Table 4, there are also 16 adult high schools. In adult high schools studies are mainly pursued at lower and general upper secondary levels. Adult high schools are owned by municipalities. The number of adult high schools has remained stable during 2005/06-2013/14.

**Vocational education**

Until now there have been several ways of entering vocational education:

1) Persons who have not acquired basic education but who are past the age of compulsory school attendance (older than 17) can continue their studies in vocational educational institutions that do not require the completion of basic education and only provide education for acquiring a profession\(^{64}\). After or during acquiring vocational education it is possible to continue general education studies to acquire basic education. Certain less-complicated professions can be acquired without previously acquiring basic education.

2) After acquiring basic education it is possible to study in a vocational educational institution and acquire a profession\(^{65}\) or vocational secondary education\(^{66}\).

3) After acquiring general secondary education it is also possible to study in a vocational educational institution and acquire a profession\(^{67}\).

A new standard of vocational education entered into force on 1 September 2013\(^{68}\). As of 1 September 2017, new students will be admitted only for school curricula that have been harmonised with the new standard of vocational education. The curricula that were valid prior to the entry into force of the new standard will be closed by 31 August 2018 and students will be transferred to the curricula that have been brought into compliance with the new act. The new standard divides vocational education into levels from second to fifth\(^{69}\). The aim of the

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\(^{64}\) ISCED 25  
\(^{65}\) ISCED 35  
\(^{66}\) ISCED 35  
\(^{67}\) ISCED 45  
\(^{68}\) Küstseharidusstandard (Standard of vocational education); [https://www.riigiteataja.ee/akt/128082013013](https://www.riigiteataja.ee/akt/128082013013)  
\(^{69}\) Accords to European Qualification Framework
new approach is to ensure better reconciliation of work and education – new curricula will be prepared on the basis of professional standards and will be more practical, shorter and with a more flexible organisation of studies than current curricula. New output-based curricula will describe the content of studies as study outputs which will correspond to the competences required in the world of employment.

Compared to the school year 2007/08 the number of students in vocational education institutions decreased a little over 22% by the 2013/14 school year. This was mostly due to the decrease in the number of students graduating from basic school. After graduating from basic school on average 28% of graduates will attend a vocational educational institution70. The Lifelong Learning Strategy has set an objective to increase the proportion of students who attend a vocational educational institution after graduating from basic school to 35% by 202071.

**Figure 22. Number of students at vocational secondary level**72

As to form of ownership, there are three types of vocational schools: state, municipal and private. In addition, vocational education can be acquired in institutions of professional higher education. In school year 2013/14, acquiring vocational education was possible in 29 state-owned vocational schools, in 6 state-owned institutions of higher education, in 3 municipal vocational schools, in 8 private vocational schools and in one private institution of professional higher education.

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70 *Source*: EHIS – Estonian Education Information System; 2005-2014 average
71 *Source*: The Estonian Lifelong Learning Strategy 2020
72 *Source*: EHIS – Estonian Education Information System
The network of vocational schools administered by the state has undergone major changes since Estonia regained independence. Today, all state-owned vocational schools are within the government area of the Ministry of Education and Research. Previously, there were vocational schools in the government areas of the Ministry of Agriculture, the Ministry of Defence and the Ministry of the Interior. The number of state-owned vocational schools peaked in 1994 when all ministries together administered 77 vocational schools, including 63 administered by the Ministry of Education and Research, plus 4 state-owned institutions of professional higher education.

There are currently three municipal vocational schools in Estonia, including the Tartu Vocational Education Centre, which is the largest by far among the vocational establishments in Estonia. The lack of interest of municipalities in running vocational schools has been due to the low administrative capacity of municipalities as well as the limited possibilities of investing in and developing the schools.

The first private vocational schools in Estonia were established in 1994 and their number grew fast – reaching 26 by 2002. By school year 2013/14, the number of private vocational schools has dropped to 8. Mostly, the specialties available in private institutions of vocational education include IT, accommodation, catering and beauty services. Compared to state owned VET institutions, vocations taught in private schools are not so technical and do not require so much technological equipment. Over the years, students of private vocational schools have formed no more than 3% of the total number of vocational education students and ca 1.5% of state-financed places of state-commissioned education74.

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73 Source: EHIS – Estonian Education Information System

74 State-commissioned education means the number of student training places financed from the state budget which are formed by curricula groups in formal education and by courses in continuing education. Upon the formation of state-commissioned education, the actual expenses of completion of curricula shall be taken into account, therefore the reimbursement of study costs shall not be demanded from the pupils studying in student training places formed on the basis of state-commissioned education in any educational institution providing vocational training, regardless of its form of ownership.
Table 5. Distribution of students between different vocational education tracks

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper secondary vocational education</td>
<td>65.8%</td>
<td>64.8%</td>
<td>62.1%</td>
<td>60.3%</td>
<td>57.0%</td>
<td>54.1%</td>
<td>51.5%</td>
</tr>
<tr>
<td>Post-secondary non-tertiary education</td>
<td>31.5%</td>
<td>31.8%</td>
<td>34.3%</td>
<td>36.3%</td>
<td>39.2%</td>
<td>40.6%</td>
<td>43.1%</td>
</tr>
<tr>
<td>Vocational training based on compulsory education</td>
<td>1.5%</td>
<td>1.9%</td>
<td>2.1%</td>
<td>2.1%</td>
<td>2.4%</td>
<td>3.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Vocational training without compulsory education requirement</td>
<td>1.1%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.3%</td>
<td>1.4%</td>
<td>1.6%</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

Most of the vocational students enrol in vocational schools after graduating from the basic school with the intent to acquire a vocation as well as secondary education. Although students acquiring vocational secondary education form the majority in vocational schools, their share has decreased year by year – in 2008, their share was 65.8% and in 2014 it is 51.5% (Table 5). In addition to studies in vocational educational institutions, vocational educational institutions provide vocational training in prisons. General education can also be acquired in prison. Provision of education in prisons is organised by the municipalities of the prisons’ location. The state covers the expenditure of training in prisons.

2.2 Education environment

Education holds great importance in Estonian society. According to study which concentrated on people’s attitudes and beliefs through integration 90-95% of respondents depending their level of education said that education is important or very important. Also 73% from respondents said that they would like that they or their children would have tertiary education.

Figure 24 gives an overview of men and women aged 30 and above according to their level of education. These three age groups (30-49, 50-64 and 65 and older) were selected because it is possible to complete all existing levels of education by age 30. People who have acquired higher education form the largest group among people aged 30-49. People with lowest attained education level form the largest group among people aged 65 and older.

75 In school year 2013/14 there was also one student (formed 0,004% from all students in VET) in 5th level vocational training. Source: EHIS – Estonian Education Information System
77 Source: Based on census in 2011 by Statistics Estonia.
Importance of education can also be proved by data of salaries and employment. People with basic education have remarkably higher probability to be unemployed than people with education higher than basic education. If we analyse data of gross salaries, then it turns out that tertiary education is more valued. People who have academic degrees have 35-44% higher salaries than people with lower education. The same indicator in other countries, which participated in PIAAC, is even higher - between 44-47%.

General upper secondary and tertiary education are valued more in the society than vocational education. Student’s choices after graduating basic school or general upper secondary school are presented in chapter 2.6.

Similar to many other countries, private tutoring is a well-known phenomenon in Estonian education. Private tutoring occurs most often in difficult subjects like Mathematics, Physics and Chemistry. According to Praxis study, one reason why private tutoring is needed, is because not all students are able to keep up with the rhythm of work at schools. Private tutoring also compensates for irresponsibility on the side of the students.

Incompatibility of education and skills with the needs of the labour market is a problem in the European Union as a whole as well as in Estonia. An average of 30% employees in the EU are overqualified (i.e. holding a post that requires a lower level of education) and 17% of employees have better skills than required by their current job. In the EU as an average and in Estonia as well – the higher the acquired level of education, the higher the probability that the employee is overqualified for his or her job or has better skills than the job requires, or both. Good news for Estonia is that while CEDEFOP foresees that the number of employees who are overqualified for their job or have better skills will increase in most EU countries by 2020, in Estonia the number of such employees will decrease somewhat.

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78 Source: Statistics Estonia
79 Source: Anspal, S., Järve, J., Jürgenson, A., Masso, M., Seppo, I. (2014); „Oskuste kasulikkus tööturul. PIAAC uuringu temaatiline aruanne nr 1”; Tartu: Haridus- ja Teadusministeerium
81 CEDEFOP – European Centre for the Development of Vocational Training
Role of teachers in the society

Being a citizen in a democratic community requires knowledge, critical thinking skills and willingness. The development of these skills and attitudes is supported by the school with the teacher holding the key position. Today, being a teacher is a profession characterised by specific professional competencies. The teacher’s duty is to support the development of learners in view of the level of their previous education, abilities and needs and taking into account the objectives set in national curricula.

According to the TALIS survey only 13.7% of teachers in Estonian general education schools believe that the teacher’s profession is valued by the society. The average respective indicator for states who participated in TALIS survey is significantly higher – 30.9%. Only 11.8% of school heads believe that the profession of teaching is valued by the society (the average for participating countries was 44%). However 90% of teachers are satisfied with their job. The respective average for countries participating in the survey was 91.2%.83

One objective of Estonian Lifelong Learning Strategy is to change teachers’ image in society: wages must be more competitive and work organization must be such that working as a teacher or a school head would be highly valued in society, as an attractive choice for the best of the best. Salaries (look at teachers’ salaries from Figure 9) need to be raised to make teaching profession a more attractive choice especially for young people and male and to create competition for teaching position, which would allow only the best candidates to be chosen for the profession. Also a goal is to allow differentiation of teachers’ salaries based on the results of their performance. In assessing a teachers’ work, school leader play a key role. Their role is to discuss and apply the rules governing the period of worktime and compensation with the staff; to give teachers regular feedback on their contribution and competence; and support the teachers’ professional and individual development. Another goal of Lifelong Learning Strategy is also start programmes which will raise the popularity of the teaching profession.84

Although in some countries teachers are civil servants, in Estonia they are not. According to Estonian Civil Service Act civil servants are pointed to a positions, which involves the exercise of official authority85. Teachers in Estonia have contracts and when teacher corresponds to qualification requirements then contract is open-ended.

Media coverage of topics related to education

Education policy issues receive quite a lot media coverage especially when planning a legislative amendment or immediately after adopting it. Naturally, the overviews of the results of the PISA, PIAAC and TALIS studies and the related discussions have been addressed in the media.

The need to close schools and the related issues as well as issues related to the salaries of teachers have received extensive media coverage. On the one hand, addressing issues related to teachers’ salaries has allowed the Ministry of Education and Research to explain to the general public the principles of remunerating teachers, but on the other hand, this has further built up the pressure related to their salaries (the pressure to raise the minimum salary of teachers and allocate additional funds from the state budget towards their salaries).

It is positive that the media draws attention to issues in education as it generates public discussions and thus contributes to finding better solutions. However, there have been times when the media’s interpretation of issues has caused confusion. For example, in articles on teachers’ salary certain important definitions have been mixed

84 Source: The Estonian Lifelong Learning Strategy 2020
85 Source: Civil Service Act, §7; https://www.riigiteataja.ee/en/eli/509072014003/consolide
up – e.g. the number of teachers and the number of teaching posts. When calculating the average salary it is extremely important which of the abovementioned is used as a basis. Likewise, many times the media has managed to create an image that the state is the employer of all teachers and thus solely responsible for their remuneration. Yet this only applies to the teachers in state schools.

2.3 Objectives of the education system and student learning objectives

The objectives of the education system are fixed in national curricula’s. National standard-determining tests and examinations assess attainment of the learning outcomes. The national curricula set out the goals and objectives of studies, expected learning outcomes, assessment criteria and procedure, and requirements for the learning and teaching environment, organisation of teaching and education, graduation from school and school curriculum. On the basis of national curricula, the school will draw up a curriculum that is the underlying document for study in the school.

The main objective of learning activities in preschool institution is to ensure child’s multifaceted and consistent development. To achieve this object learning activities concentrate on child’s physical, mental, social and emotional development. Child’s development is assessed. Assessment is made by teacher of a preschool institution. Teacher observes child in daily activities, in playing activities and in guided activities. At least once a year teacher and parents have meeting to discuss child’s development.

The tasks of basic schools and upper secondary schools are set out in the Basic Schools and Upper Secondary Schools Act. General education schools support the mental, physical, ethical, social and emotional development of students. Conditions for the balanced development of the abilities and self-realisation of students and for the materialisation of their research-based worldview are created. The values arising from the ethical principles specified in the Constitution of the Republic of Estonia, the Universal Declaration of Human Rights, the Convention on the Rights of the Child and the fundamental documents of the European Union are considered important. The socialisation of the new generation is based on the traditions of Estonian culture, common European values, and the recognition of the main achievements of world culture and research. People who have acquired general education are able to integrate into society and contribute to the sustainable social, cultural, economic and ecologic development of Estonian society.

The school has both educating as well as edifying functions. The school helps students become creative and versatile personalities who are able to effectively realise themselves in various roles: in the family, at work and in public life. In basic schools, the main aspiration of teaching and educating is to ensure the age-specific cognitive, ethical, physical and social development of students and the development of a holistic worldview. The main aspiration of teaching and educating in upper secondary schools is that students find a field of activity that interests them and corresponds to their abilities in order to continue their studies in the field. The school supports the development of fundamental values. The school lays a foundation for self-management as a self-aware person, as a member of one’s family, nation and society, who takes a tolerant and open attitude to the world’s diversity and people. The school helps students reach clarity on their interests, proclivities and abilities and ensures readiness for continuing studies at the next educational level and for lifelong learning. Youths who graduate from a school have an understanding of their future roles in family, working life, society and the state.

86 From all teachers positions in general education schools 89.1% are in municipally owned schools, 5% in private schools and 5.9% in state owned schools.
87 National curricula for preschool institution, national curricula for basic school, national curricula for general upper secondary school, national curricula’s for vocational education.
88 Source: Koolieelse lasteasutuse riiklik õppekava, (National curricula for pre-primary schools) §3, §24; https://www.riigiteataja.ee/akt/13351772
89 Source: Basic Schools and Upper Secondary Schools Act, §3; https://www.riigiteataja.ee/en/eli/508012015002/consolide
and have developed a body of relevant knowledge, skills and attitudes that ensure the ability to operate productively in a particular area of activity or field. The purpose of the Estonian school system is to ensure the preservation and development of Estonian ethnic identity, language and culture. Therefore, the schooling and education provided in basic schools pay particular attention to teaching the Estonian language.

Curricula’s of vocational education are based on national curricula’s and vocational standards. The purpose of organisation of vocational training is to create the possibilities for the formation of such individuals who possess the knowledge, skills and attitudes or competencies, and the experience and social readiness for working, participating in social life and for lifelong learning.

2.4 Distribution of responsibilities within the school system

The Parliament adopts the laws regulating education, through which the main directions of education policy and the principles of school organization are defined. The Government approves the national curricula, decides upon the national credit remissions and works out the rules concerning the assessment of compulsory school education age.

The Ministry of Education and Research is responsible for the planning of education, research, youth and language related national policies and, in conjunction thereof, managing the fields of pre-primary, basic, general upper secondary, vocational secondary, higher, hobby and adult education, organizing research and development activities, youth work and special youth work, and compiling drafts of corresponding legal acts.

For fulfilling duties Ministry of Education and Research:

- plans, organises and develops educational, research, youth and language policy;
- devises national development plans in the fields of educational, research, youth and language policy and ensures their compatibility with nationwide and sectoral development plans; manages the funding and implementation of development plans and the evaluation of their outcomes;
- exercises national supervision over the schooling and education activities of educational establishments and monitors compliance with national curricula and other education standards;
- plans and develops national curricula and other education standards, and manages their drafting and accreditation.

In the area of government of the Ministry of Education and Research there are several state agencies, foundations and institutions which are managed by the Ministry strategically through definition of their goals and analysis of their results, also determining their budget, exercising supervision, etc.

In the area of government of the Ministry of Education and Research:

- Language Inspectorate - Carries out state supervision and applies state authority as foreseen by the law.
- National Archives – The main task is to ensure preservation and usability of society's written memory, documented cultural heritage for todays and future generations. On the other hand, the National Archives guarantees the protection of citizen’s basic rights and duties and the transparency of the democratic state through the holding and preservation of authentic documents.
- Estonian Youth Work Centre - Main objective is to develop and organise youth work in the framework of the national youth policy.
- Estonian Research Council - Was established to concentrate the funding of R&D and guarantee the better functioning of financing systems.
- Archimedes Foundation - Objective is to coordinate and implement different international and national programs and projects in the field of education and research and youth. Archimedes is the implementing
body of Erasmus+ and administer several national and international scholarship schemes for improving mobility, marketing Estonian higher education and research abroad.

- **Information Technology Foundation for Education** - The aims are to assist in preparation of the highly qualified IT specialists and to support information and communication technology-related education development in Estonia.
- **Innove Foundation** - The main objective of the Foundation is to coordinate the lifelong learning development activities and to implement the relevant projects and the EU structural aid in a targeted and efficient manner.
- **Sport Training and Information Foundation** – The main aim is to create opportunities to support and develop sport training and develop supporting system for sport activities.
- **Science Centre AHHAA Foundation** – The aim is to introduce science to everyone and encourage studying through the joy of discovery.
- **The Estonian Qualification Authority (trademark Kutsekoda)** – Develops a support structure for occupational qualifications system in order to increase the competitiveness of Estonian employees and promotes the development, assessment, recognition and comparison of their occupational competence.
- State owned general upper secondary schools, schools for special educational needs, vocational education schools, higher education institutions and research and development institutions.

The Ministry of Education and Research involves several advisory bodies and social partners in its work.

The county governments and their structures include the Departments of Education, which have to: execute national supervision over the activities of preschool institutions and schools; formulate the education development plans of the county, disseminate information on public financing, and to inform the Ministry of Education and Research; organize events for students and teachers of the counties; and advise the municipalities on educational issues.

Municipalities have to: organize and maintain pre-school institutions, primary schools, basic schools, gymnasiuums, libraries, cultural centres, museums, sport centres, and other local institutions in the municipally or town concerned if these are under the responsibility of the municipality; assess the number of children at compulsory education age; control how the requirements of compulsory education are met; assign positions to leaders of the municipal educational institutions; prepare and implement the regional education development plans; establish the supervisory bodies of schools and childcare institutions; organize and be responsible for medical services and catering.

### Pre-primary education

A rural municipality or city government shall, at the request of the parents, provide all children from eighteen months to seven years of age whose residence is in the territory of the given rural municipality or city and whose residence coincides with the residence of at least one parent the opportunity to attend a preschool institution in the catchment area. A rural municipality or city government may, with the parent’s consent, substitute the place of a child from eighteen months to three years of age in a preschool institution with childcare service.

All preschools are guided by the Preschool Child Care Institutions Act, the Local Government Organisation Act, other legislative instruments and its statutes. Private preschools are guided by the Preschool Child Care Institutions Act insofar as not otherwise provided for by the Private Schools Act. The duration of the school year is determined nationally. The owner of the preschool institution hires the head of the institution. The minimum

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90 For example - Education Management Council (advisory body comprising managers of counties’ departments of education); Estonian Education Forum, etc.
92 Except private preschools.
requirements for the number of staff at preschool institutions shall be approved by a regulation of the Minister of Education and Research, on the basis of which the head of each preschool institution shall appoint the staff of the preschool institution.

The head of a preschool institution shall form crèche groups and preschool groups as necessary and where possible on the basis of the Preschool Child Care Institutions Act. The division of children into age groups and the maximum number of children in groups are established nationally. In order to ensure the consistent development of a preschool institution, the latter shall prepare a development plan for the preschool institution in co-operation with the board of trustees and the teachers’ council. The curriculum of the preschool institution must comply with the national curriculum for preschool child care institutions. The criteria for including children with special needs applicable to preschool institutions are established nationally.

Each preschool must have its own budget. The budget of a private preschool must be separate from the accounts of its other institutions and businesses. The owner of the preschool child care institutions decides whether to close the institution.

**General education**

The rural municipality or the city will provide children subject to the duty to attend school who reside in the territory of the rural municipality or the city with the opportunity to perform the duty to attend school and acquire basic education in compliance with the national curriculum for basic schools. A rural municipality or city will provide persons who are 17 years of age or older, who have not acquired basic education and whose place of residence is located in the rural municipality or city with opportunities for the acquisition of basic education by way of non-stationary studies. The state and local authority will ensure the opportunity to acquire high-quality general secondary education that offers ample choices and is in compliance with the national curriculum for upper secondary schools, keeping the required number of general upper secondary schools in each county based on the number of students. The state will keep at least one general upper secondary school in each county.\(^\text{93}\)

Redaction of Basic Schools and Upper Secondary Schools Act, which set responsibility to state to ensure together with local municipalities opportunities for the acquisition of general upper secondary education and set responsibility to state to keep at least one upper secondary school in each county, came in force in 2013 September 1\(^\text{st}\). Since then state has started to create state gymnasiums into county centres.

A school is directed by a school head who, within the limits of his competence, assumes responsibility for teaching and education and other activities carried out in the school, the overall condition and development of the school, and the lawful and purposeful use of funds. The head of school hires and dismisses school staff. The rural municipality or city mayor or their authorised officer concludes the contract of employment with the head of a municipal school. The head of a state school is hired by the Minister of Education and Research and the head of a private school by a private business.

A school has a teachers’ council which, within the limits of its competence, undertakes to organise, analyse and assess teaching and education and make decisions necessary for managing the school. The teachers’ council comprises the teaching staff of the school. A representative of students appointed by the student council participates in the work of the teachers’ council. The Minister of Education and Research will establish the functions and the rules of procedure of the teachers’ council.

The board of trustees is a standing body whose function is to ensure the joint activities of the students, teaching staff, owner, parents of students, graduates and organisations supporting the school in guiding, planning and

\(^{93}\) Source: Basic Schools and Upper Secondary Schools Act, §7, §7\(^{1}\);
observing teaching and education, and creation of better opportunities for teaching and education. The board of trustees performs functions imposed on it by and on the basis of legislation and makes recommendations to the owner for better handling of school-related issues. The board of trustees of a basic school comprises the owner of the school, the teachers' council, representatives of parents, graduates and organisations supporting the school, whereby the representatives of parents, graduates and organisations supporting the school make up the majority of the members of the board of trustees. If a student council has been formed in a basic school, the board of trustees also includes the representative appointed by the student council94.

The teaching and school management on all educational levels are governed by the legislation95. The national curricula set out the goals and objectives of studies, expected learning outcomes, assessment criteria and procedure, and requirements for the learning and teaching environment, organisation of teaching and education, graduation from school and school curriculum.

The owner decides whether to close the school – i.e. the municipality in case of a municipal school, the state in case of a state school, and the owner of the school in case of a private school.

The duration of a school year and a lesson is determined by the Ministry of Education and Research. The maximum number of students in a basic school class is laid down by the law. The owner may establish a ceiling below the statutory maximum. Further, in exceptional circumstances the owner may, on a proposal from the head of school and subject to the approval of the board of trustees, increase the maximum number of students for one school year in a specific class, if all health protection and safety requirements are met. The number of students in a class or group is determined by the council of the private school given the limits set to educational establishments in the legislation.

Each school must have its own budget. The budget of a private school must be separate from the accounts of its other institutions and businesses. The head of school represents the school, acts in the name of the school and disposes of the budgetary funds of the school within the limits of competence granted under the Basic Schools and Upper Secondary Schools Act and the statutes of the school; establishes the principles of remuneration of the school, presenting them to the teachers and the board of trustees before approval so that they could express their opinion as well as to the owner of the school for approval; concludes employment contracts with teachers and other employees; approves the composition of the school employees pursuant to the procedure established by the owner of the school. The school head is hired by school owner. The governing bodies of a private school include the head of school and the council. The head of school oversees the overall condition and development of a private school and the intended and purposeful use of funds. Nationally established minimum wages apply to teachers of private schools as well.

**Vocational education**

The Vocational Educational Institutions Act provides the bases for the establishment, maintenance, transfer, reorganisation and closure of vocational educational institutions, the bases for the right to provide instruction, management, organisation of studies, state-commissioned education and financing, the rights and obligations of members of schools, and state supervision over the activities of schools. Private schools are subject to the Vocational Educational Institutions Act insofar as not otherwise provided for in the Private Schools Act.

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95 For example Preschool Child Care Institutions Act; [https://www.riigiteataja.ee/en/eli/520122013003/consolide](https://www.riigiteataja.ee/en/eli/520122013003/consolide)
A state school shall be established by the Minister of Education and Research. A municipal school shall be established by the rural municipality or city council and a private school shall by a private business. After the establishment of school the owner of a school shall apply for the right to provide instruction from the Minister of Education and Research on the conditions and pursuant to the procedure provided for in the Vocational Educational Institutions Act. If the school is established by the Minister of Education and Research, he or she shall make the decision on the grant of the right to provide instruction simultaneously with the decision to establish the school. The state shall ensure access to vocational training in all counties. The learning outcomes of vocational training, the functions of and requirements for the curricula and studies, the volume of studies, requirements for the commencement and completion of studies, structure and volume of the studies and specifications of joint curricula; the principles for amendment of curricula, and the principles for recognition of prior learning and professional experience are established on national level.

A school is managed by the head of school who within the limits of his competence is responsible for the overall condition and development of the school and for the lawful and purposeful use of funds. The head of school approves the school budget, the report on the execution of the budget and procurement plan, and disposes of the school’s budgetary means within the limits of authorisations granted by the Vocational Educational Institutions Act and the statutes of the school. The head of school approves the annual report of the school. Further, the head of school executes the highest administrative and disciplinary power at school within the limits of his competence, and represents the school within the limits of authorisations granted by national legislation and the statutes of the school. The head of school enters into contracts of employment with the employees of the school and forms a council pursuant to the procedure provided for in the statutes of the school. The head of school approves the curricula of the school and other documents and reports prescribed by legislation, the approval of which does not fall under the competence of the council.

Furthermore, vocational schools have a council and an advisory body whose functions are detailed in Section 5.7.

2.5 Market mechanism in the school system

A rural municipality or city government shall, at the request of the parents, provide all children from eighteen months to seven years of age whose residence is in the territory of the given rural municipality or city and whose residence coincides with the residence of at least one parent the opportunity to attend a preschool institution in the catchment area. According to Preschool Child Care Institution Act a rural municipality or city government may, with the parent’s consent, substitute the place of a child from eighteen months to three years of age in a preschool institution with childcare service. If parents wish, they can also choose private preschool institution for their child.

For every child in the age subject to compulsory school attendance, the municipality will provide a place in the school closest to the child’s home. The child is assigned to a school taking into account the distance between the address entered in the population register and the school, whether other children from the same family learn in the same school and the parent’s requests where possible. The school is required to admit all first graders assigned to that school according to their place of residence without any tests. The parents may choose another school for their child subject to vacancies. There are certain schools where municipalities will not assign students

99 Municipality where child’s place of residence is located.
to and who can thus form their classes based on tests\textsuperscript{100}. There are also general education school for students with special educational needs. If parents wish, they can also choose private general education school for their child.

Upper secondary schools will prepare rules and procedure for the admission of students into grade 10. Decentralised system allows students to apply to the upper secondary schools they prefer. Likewise, thanks to the creation of a market-type situation, upper secondary schools with decentralised admission are better at developing specifications, i.e. specialising on certain activities, thus making the educational landscape richer\textsuperscript{101}. Upon admission to upper secondary school, the school may assess the student’s knowledge and skills but admission requirements must be based on objective and previously published criteria. Students can choose between schools owned by local governments, state gymnasiums located in county centres or private schools.

Vocational education institutions have also rules and procedures for the admission of students. There are different requirements for attained education in different qualification levels (Requirements for commencing studies in Annex 11. New levels of vocational education). The requirements for the commencement of studies related to the relevant vocational, professional and occupational area or qualification level shall be established in the Vocational Education Standard and in the corresponding national curriculum or in case lack thereof, in the corresponding school curriculum. The conditions and procedure for admission at school and documents governing the organization of studies, including the statutes of school, curricula and rules for organization of studies and internal procedure rules shall be published on the school’s website. Student is free to choose vocational education institution irrespective of the school ownership.

The public funding of schools is addressed in Section 3.2.

### 2.6 Performance of the school system

#### The skills of 15-year-old students in Estonia\textsuperscript{102}

According to the results of the PISA 2012 survey, the students of basic schools in Estonia are among the best in the world. The results have improved compared to 2006 and 2009. In science, Estonian students share the 1\textsuperscript{st} and 2\textsuperscript{nd} ranking with Finnish students and hold the 6\textsuperscript{th} ranking in the world. In functional reading and mathematics, Estonia students were ranked 4\textsuperscript{th} in Europe and 11\textsuperscript{th} worldwide.

Although the results of students of Russian-language schools in Estonia are still below the results of students of Estonian-language schools, the scores of Russian-language schools have improved notably over the six-year period. Compared to 2006, the difference between the scores of Estonian- and Russian-language students has decreased in all categories: in reading, from 66 points to 36, in mathematics, from 40 points to 31, and in science, from 43 points to 36.

According to the results of the PISA 2012 survey, the reading skills of boys in Estonia are notably weaker compared to the reading skills of girls. The boys scored 44 points less which is comparable to one school year’s worth of work. On the other hand, in mathematics, the boys scored 5 points more than girls, on the average.

\textsuperscript{100} One of these is Miina Härma Gümnaasium in Tartu, a general education school teaching advance-level English and IB studies.

\textsuperscript{101} Source: Pöder, K., Veski, A., Kirss, L., Lauri, T.; „Eesti põhikooli- ja gümnaasiumivõrgu analüüs aastaks 2020”; Politika uuringute Keskus Praxis; Tallinn; 2014

In the European context, Estonia has the least 15-year-olds with weak skills, plus there is no educational stratification like in other countries – Estonian educational system is uniform and egalitarian. More than a third of students with a weak socio-economic background are among the smartest students. In addition, the results of boys and girls with a weak background are similar. The Estonian educational system is able to mitigate the backwardness due to the unfavourable domestic circumstances of students and the lack of home support.

Although we are among the best educational systems, there are considerable statistical differences between schools depending on their location. The mathematics score of big city schools (534 points) is higher than in rural schools (509 points) and small town schools (518 points). Comparing students according to their socio-economic background makes the difference smaller but still statistically relevant.

The first results of the PIAAC survey also confirms that the quality of education in Estonia is competitive in the world – the skills of young people with basic and secondary education are above average in Estonia, for young people with higher education the respective indicators are similar to the average of participating countries.103

**Output indicators**

The participation rates in pre-primary education and in general education are high. In 2012, the enrolment rate of 5-14-year-olds was 95% (OECD average 98%) whereas for 15-19-year-olds it was 86% (OECD average 83%). The enrolment rates of 15-19-year-olds are lower because after graduating from basic school which normally occurs at the age of 16 not all students continue studies immediately (and a few will not continue at all).

**Figure 25. Participation rate in preschool institutions 2012**

![Participation rate in preschool institutions 2012](image)

According to the data for 2012 the pre-primary education institutions accommodate one- and two-year-olds whereas the participation rate increases notably among three-year-olds (Figure 25).

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103 *Source:* Halapuu, V., Valk, A.; „Täiskasvanute oskused Eestis ja maailmas: PIAAC uuringu esmased tulemused“; Tartu; Haridus- ja Teadusministeerium; 2013
105 *Source:* Statistics Estonia, EHIS
Grade repetition is not very common (Figure 26). In exceptional cases and with the justified decision of the teachers’ council, a student may repeat a grade if he or she has been given “Insufficient” (mark 2) or “Weak” (mark 1) as an end-of-the-year assessment in three or more subjects. Upon making the decision, the teachers’ council will involve the student or his or her legal representative and will listen to his or her opinion. The decision of the teachers’ council must highlight the considerations that serve as a basis for the decision of making the student repeat a grade.107

Graduation from basic school is the first serious step in making a decision concerning one’s future career and upper secondary school and vocational educational institutions should be equally considered at this point. Upon graduating from basic school the student must be ready to make a choice, be able to compare different possibilities for making the right decision, and possess the skill to assess his or her abilities independently or with the help of experts. Students who study in full cycle schools (grades 1-12) can postpone making this decision.

106 Source: Statistics Estonia; number of students who repeat a grade as at the beginning of school year
107 Source: Põhikooli riiklik õppekava (National curricula for Basic schools); https://www.riigiteataja.ee/akt/129082014020
108 Only the choices of students who have acquired basic education in full-time study according to the national curriculum are considered. Source: EHIS
decision and continue studies in the already familiar school. After graduating from the basic school a large share of students continues studies in the same school or in the same municipality where they acquired basic education (Figure 28). If, after acquiring basic education, studies are continued to acquire general upper secondary education, the following phase of education lasts for 3 years (grades 10-12). It takes at least 3 years to acquire vocational upper secondary education on the basis of basic education. The nominal length of vocational training following basic education varies.

Figure 28. Student’s choices in autumn after graduating basic school

A student may discontinue studies in basic school once he or she has attained 17 years of age. Since upper secondary education is not compulsory student may discontinue studies regardless of age.

Figure 29. Student’s status after the end of nominal time for studies in upper secondary school

Majority of students will graduate general upper secondary school after the end on nominal time for studies (Figure 29). Proportion of students who did not graduate school has been 9-10% for a period 2005-2010.

109 Only the choices of students who have acquired basic education in full-time study according to the national curriculum are considered. Source: EHIS
110 Only the choices of students who have acquired basic education in full-time study according to the national curriculum are considered. Source: EHIS
In autumn, after graduating general upper secondary school, majority of students will start acquiring tertiary education. On Figure 30 there is only data for students who started their studies in Estonia. If student started studies in some other countries, then this student is allocated to group “will not continue studies”. Ministry of Education and Research does not have data how many students who did not started studies in Estonia, actually started studies in some other countries.

Early school leavers rate among the 18-24 age group has decreased in the EU as an average, and in Estonia as well (Figure 31). Early school leavers are young people who are not studying and who have acquired basic education or a lower level of education.

The dropout rate is high in vocational education and it is alarming that the share of dropouts has increased even further over the last years (Table 6). Dropping out is more common among male and among students who’s

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111 Source: EHIS
instruction language is Russian. The highest risk for dropping out is in first year of studies, after first year risk to drop out is going to decrease.

Table 6. Dropout rates in vocational education¹¹³

<table>
<thead>
<tr>
<th>Type of study</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vocational upper secondary education</td>
<td>14,7%</td>
<td>15,5%</td>
<td>17,9%</td>
<td>17,7%</td>
<td>18,1%</td>
</tr>
<tr>
<td>Vocational training based on compulsory education</td>
<td>23,6%</td>
<td>33,9%</td>
<td>27,2%</td>
<td>22,3%</td>
<td>24,2%</td>
</tr>
<tr>
<td>Vocational education and training without compulsory education requirement</td>
<td>47,8%</td>
<td>31,9%</td>
<td>42,7%</td>
<td>39,3%</td>
<td>34,7%</td>
</tr>
</tbody>
</table>

As a rule, the reasons for interrupting studies can be divided into four groups¹¹⁴:
1. Reasons related to the student (wrong occupational choice, health problems, laziness and lack of learning habits);
2. Reasons related to family (conflicting relations with parents, becoming a parent, death of a close one);
3. Reasons related to financial situation (shortage of money, taking up employment and the resulting lack of time);
4. Reasons related to school (conflicting relations with teachers, problems with schoolmates, incompetent behaviour of school staff, inappropriate teaching methods).

Besides the unemployed youth there are many young people who neither work nor study and who form the NEET group¹¹⁵. Reasons for becoming and consequences of being a NEET are very different. A report by Eurofound lists five different categories: 1) traditional unemployed – divided into short-term unemployed and long-term unemployed; 2) unavailable due to family responsibilities, long-term health issues or disability; 3) idle who do not voluntarily look for work or wish to acquire education and who are discouraged or engage in dangerous or asocial way of life; 4) opportunity seekers who actively seek work or training but avoid opportunities that in their opinion do not conform to their status, knowledge or skills; 5) volunteers who engage in travelling or other alternative activities.¹¹⁶

In 2012 the lowest NEET levels were recorded in Austria, Denmark, Luxembourg and in Netherlands, where NEET levels were lower than 7% among aged 15-24. EU average in 2012 was 12.8%, NEET level in Estonia is mildly lower than EU average.¹¹⁷

¹¹³ Source: EHIS
¹¹⁴ Source: Espenberb, K., Beilmann, M., Rahnu, M., Reincke, E., Themmas, E.; “Õpingute katkestamise põhjused kutsedüppes”; RAKE ja CPD OÜ; 2012
¹¹⁵ NEET – Not in education, employment or training.
¹¹⁶ Source: Eurofound; „NEETs – Young people not in employment, education or training: Characteristics, costs and policy responses in Europe“; Publications Office of the European Union; Luxembourg; 2012:24
In recent years, Estonia has started to develop targeted work experience programmes for disadvantaged young people, including those who have dropped out of apprenticeships and higher education. The TULE and KUTSE programmes aim to help these young people complete their qualifications. In addition, the ESF has been supporting projects involving work experience opportunities for young people.

2.7 Policy approaches to equity in education

The Basic Schools and Upper Secondary Schools Act provides that upon organisation of studies, the state, owners of schools and schools adhere to the following principle that general education of good quality is equally available to all persons regardless of their social and economic background, nationality, gender, place of residence or special educational needs. The rural municipality or the city will provide children subject to the duty to attend school who reside in the territory of the rural municipality or the city with the opportunity to perform the duty to attend school and acquire basic education in compliance with the national curriculum for basic schools. At least 80% of students whose basic school is their local school must not spend more than 60 minutes travelling to the school. The rural municipality or city will provide persons who are 17 years of age or older, who have not acquired basic education and whose place of residence is located in the rural municipality or city with opportunities for the acquisition of basic education by way of non-stationary studies. At the request of a parent, a rural municipality or a city will provide the child of a representative of a foreign country or international organisation accredited to the Republic of Estonia who resides in the rural municipality or city with opportunities for the acquisition of basic education in the school of residence.\(^{119}\)

The state and local authority will ensure the opportunity to acquire high-quality general upper secondary education that offers ample choices and is in compliance with the national curriculum for general upper

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\(^{118}\) Source: Eurofound; „Mapping youth transitions in Europe“; Publications Office of the European Union, Luxembourg; 2014

\(^{119}\) Source: Basic Schools and Upper Secondary Schools Act §6-7; https://www.riigiteataja.ee/en/eli/525062014005/consolidate
secondary schools, keeping the required number of general upper secondary schools in each county based on the number of students. The state will keep in 2020 at least one general upper secondary school in each county.\footnote{Source: Basic Schools and Upper Secondary Schools Act §7; \url{https://www.riigiteataja.ee/en/eli/525062014005/consolide}}

Additional support measures introduced by the state to ensure that every child has equal access to education are described in Section 4.4.

The parents’ possibilities of supporting their children in acquiring education can vary greatly. The general assumption is that the school should even out the differences in learning outcomes caused by social background by ensuring that students with weaker social background obtain a solid knowledge base. The less the learning outcomes depend on social background or place of residence, the more equitable are the opportunities of acquiring knowledge in the educational system. The PISA 2012 survey indicated that in Estonia the social background has a smaller effect on the learning outcomes of 15-year-olds than in most other countries. The results of the previous PISA survey yielded a similar trend. In Europe, according to the PISA 2012 results, the effect of social background on knowledge was smaller only in Norway, Iceland and Liechtenstein.\footnote{Source: Tire, G., Lepmann, T., Jukk, H., Puksand, H., Henno, I., Lindemann, K., Kitsing, M., Täht, K., Lorenz, B.; “PISA 2012 Eesti tulemused: Eesti 15-aastaste öpilaste teadmised ja oskused matemaatikas, funktsionaalses lugemises ja loodusteadustes”; Tallinn; 2013}

2.8 Main challenges

One of the main challenges is adjusting to the demographic changes. The temporary significant increase in birth rate (during 2000s) increased the demand for places in preschool child care institutions. To alleviate the shortage of nursery school places privately owned preschool child care institutions and day-care groups have been established in addition to municipal nursery schools. At the same time the number of students in general education has significantly decreased in comparison with the beginning of the 2000s and this has led to the need to reorganise the school network as the current network was largely established during the years when the birth rate was twice higher.

Incompatibility of education and skills with the needs of the labour market is a problem in the European Union as a whole as well as in Estonia. Therefore, it is essential to support students and provide career counselling. We are in a situation where higher education is greatly valued and vocational training has remained in background. It is important to describe to a larger audience the different opportunities of vocational training and raise awareness as to the point that continuing studies in a vocational education institution after graduating from basic school is a good choice. Every choice in the path towards education must be properly justified and thought through, supported by family and the school, as the dropout rate has been too high in vocational training.

While incomplete vocational training may reduce the chances of finding a well-paid job and impede self-realisation in an interesting field, decreasing the dropout rate is also important from the perspective of expenditure. The general government incurs expenses on the education of students, added to these are the expenses incurred by the student and his or her family. This means that it is important for both the state and individuals to reduce the dropout rate and the inefficient use of resources it causes. The early dropout rate has decreased and is lower than the EU member states’ average but it could be lower still.

According to the PISA survey in Estonia, the results of students in schools where the language of instruction is Russian are lower than those in the schools where the language of instruction is Estonian. Russian-language schools have improved their results compared to the previous PISA survey but the difference is still noticeable and it is important to find ways for reducing the gap between the results of students of schools with different
languages of instruction. Estonia also has a lot to learn from the results of the PIAAC survey and there are fields that must be improved. Compared to the average of participating countries the skills of young people with basic and secondary education are above average in Estonia, for young people with higher education the respective indicators are similar to the average of participating countries.

According to the TALIS survey, only 13.7% of teachers in Estonian general education schools believe that the teacher’s profession is valued by the society. However, 90% of teachers are satisfied with their work. Teacher training is not a popular choice among young people, which is why the proportion of teachers aged 30 and below is small. There have also been many misunderstandings when it comes to the teachers’ salary, and this could partially be due to frequent and often inaccurate media coverage.

Challenges presented by stakeholders:

- National curricula for general education is too large and concentrating on facts. The volume of compulsory subjects is too large while the proportion of elective subjects is too small. As an alternative, individual curricula could be applied to all students to take into consideration the abilities, needs and interests of all students, and increase the students’ opportunities by creating a personal schedule.
- State examinations cannot objectively assess the students’ abilities and knowledge. The evaluation system should be changed to comprise letter grades, or 6 or 10 points. Assessment of physical education, music and arts should be graded as “passed/not passed”.
- Career education should be encouraged in basic school and upper secondary school so that students could make better choices after graduation\textsuperscript{122}.

\textsuperscript{122} One of the goals of the Lifelong Learning Strategy is that 100% of basic school graduates will have completed career counselling by 2020.
Chapter 3: Governance of resource use in schools

Chapter 3 aims to provide an overview of the resources available in the school system, resource planning and the models employed. Plus, data on the sources of these resources. The chapter is summed up by a brief overview of issues of concern in these areas.

3.1 Level of resources and policy concerns

In 2013, the general government expenditure on education amounted to EUR 1125.4 million\(^\text{123}\). This includes all general government educational expenditure, including expenditure on higher and adult education as well as other educational expenditure (COFOG 095-098). Until the financial crisis, the general government expenditure on education grew consistently, but after the crisis, this expenditure category suffered cutbacks similarly to many other countries. During the years of financial crisis, the general government expenditure on pre-primary education, general education and higher education dropped (Table 1).

**Figure 33. General government expenditure on education 2005-2013\(^\text{124}\)**

European Union grants play an important role in the general government expenditure on education. EU support reaches education through the European Regional Development Fund and the European Social Fund. The European Social Fund (ESF) supports the funding of two measures – lifelong learning and development of human resources in research and development. The European Regional Development Fund (ERDF) also supports the funding of two measures – development of the education infrastructure and strengthening of the competitiveness of Estonian research and development through research programmes and modernising institutions of higher education and research.

\(^\text{123}\) All expenditure data is based on European System of National and Regional Accounts (ESA2010) and on Classification of the Functions of Government (COFOG) if it is not marked differently.

Table 7. European Union support for the projects of Structural Funds in the field of education, 2010-2012

<table>
<thead>
<tr>
<th>EU support for projects of structural funds, mil €</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion of support in the general government expenditure on education</td>
<td>7,7%</td>
<td>10,3%</td>
<td>10,4%</td>
</tr>
<tr>
<td>Proportion of support of GDP</td>
<td>0,50%</td>
<td>0,64%</td>
<td>0,65%</td>
</tr>
</tbody>
</table>

In 2012, the general government expenditure on pre-tertiary education levels\textsuperscript{125} amounted to EUR 666.7 million that accounted for 60.0\% of the general government expenditure on education in 2012. In the preceding years, the general government expenditure on pre-tertiary education levels have formed a somewhat larger share of total educational expenditure (Figure 34).

Figure 34. Proportion of pre-tertiary education expenditure in general government expenditure on education

The decrease in the share of expenditure on pre-tertiary levels is due to the growth in the general government expenditure on higher education over the recent years\textsuperscript{126}.

\textsuperscript{125} Pre-primary, primary, lower and upper secondary.

\textsuperscript{126} The share of expenditure on higher education in general government expenditure on education: 22.3\% in 2010, 24.2\% in 2011 and 26.2\% in 2012.
Most of the pre-tertiary expenditure is made up by expenditure on pre-primary (EUR 186.9 mil) and general education (primary education EUR 202.1 mil and lower and upper secondary education EUR 206 mil). Expenditure on vocational education at secondary level is smallest (EUR 71.6 mil). The distribution of expenditure has been similar in the preceding years.

In Estonia private sector expenditure on pre-tertiary levels of education is extremely small and compared to the other OECD member states Estonia is one of the countries where private sector expenditure on pre-tertiary levels of education are the smallest. However, the role of the private sector is significantly more important in terms of higher education – 19.6% in Estonia while in other OECD member states the respective indicator varies between 4.1 and 75.8%. Private sector expenditure on education is divided into household expenses (tuition fees, purchase of teaching aids, and other purchases), payments, and support of legal persons in private law to educational institutions or students (company scholarship, commissioned courses, etc.). In Estonia household

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127 Lower and upper secondary education does not involve here vocational education at secondary level, vocation education costs at secondary level are presented on this chart separately.

128 Source: OECD; „Education at Glance 2014: OECD Indicators“; OECD Publishing; 2014
expenses forms the majority of private sector expenditure, and of those the largest section is held by tuition fees. It’s important that the data presented here on the proportion of private sector expenditure is that of 2012 and that the role of private sector in expenditure on education is likely to be smaller in the coming years as the majority of private sector expenses was made up by tuition fees and higher education will be free for everyone as of the 2013/14 school year.

Table 8. Distribution of public and private expenditure on educational institutions, 2011

<table>
<thead>
<tr>
<th>Level of education</th>
<th>Public expenditure on educational institutions, %</th>
<th>Household expenditure, %</th>
<th>Expenditure of other private entities, %</th>
<th>All private sources, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-primary education</td>
<td>98.4</td>
<td>1.2</td>
<td>0.4</td>
<td>1.6</td>
</tr>
<tr>
<td>Primary, secondary and post-secondary non-tertiary education</td>
<td>98.9</td>
<td>0.9</td>
<td>0.2</td>
<td>1.1</td>
</tr>
<tr>
<td>Tertiary education</td>
<td>80.4</td>
<td>15.6</td>
<td>4.0</td>
<td>19.6</td>
</tr>
<tr>
<td>All levels</td>
<td>93.7</td>
<td>5.0</td>
<td>1.3</td>
<td>6.3</td>
</tr>
</tbody>
</table>

In 2014, educational support amounting to EUR 8.5 million (Table 9 distribution of educational support from state budget between private and municipal general education schools) was allocated from the state budget to private general education schools. The Ministry of Education and Research does not have an information about the total expenses of private schools.

As a rule, vocational training is financed nationally according to state-commissioned education based on the number of occupied student places during the nominal study period defined in the curriculum. The state-commissioned education request is submitted to private schools in fields where training is not available in state or municipal schools or is available in a small extent and where there is a demand on the labour market. In 2012, EUR 0.4 million (5.2% of total support to private and municipal VET schools from state budget) was allocated from the state budget to private vocational schools. The Ministry of Education and Research does not have information of the total expenses of private vocational schools.

129 Source: OECD; „Education at Glance 2014: OECD Indicators”; OECD Publishing; 2014
130 For curricula in the Estonian language and only if the curriculum is fully completed.
131 Source: OECD; „Education at Glance 2014: OECD Indicators”; OECD Publishing; 2014 - is based on UOE data collection on education statistics administered by OECD.
Both total and current annual spending per student are the highest in general education at lower and upper secondary level, and in vocational education at secondary level. The major difference in total and current spending per student in vocational education is due to the considerable investments in 2012.

The data available to Ministry of Education and Research are broken down by municipality hence making it impossible to determine the spending per students on school level. The method of presenting spending per student as indicated on Figure 38 is not used daily in Estonia - the spending per student is calculated per educational levels - pre-primary, general (grades 1-12), vocational (secondary and post secondary) and higher education.

The spending per student have grown over the recent years. The spending figures have grown year by year in the preceding period as well (except in 2009 and 2010 due to the financial crisis).

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132 Lower and upper secondary education does not include vocational education at secondary level, which is presented separately. At Figure are presented total costs per student without investments.
3.2 Sources of revenue

The financing of educational institutions depends primarily on their ownership. Most preschool institutions are administered by municipalities and hence financed primarily from the budgets of municipalities whereas the central government’s contribution towards financing pre-primary education has remained below 1%, on the average\textsuperscript{133}. Pursuant to the Preschool Child Care Institutions Act, the provision of pre-primary education is the responsibility of municipalities only.

In municipally owned preschool institutions, the parents cover the expenses related to the meals of children. Even operating costs, staff’s salary costs and the cost of teaching aids could be partly covered by parents – credited against the tuition fee. The contribution payable by parents is determined by the municipalities. This rate could be differentiated depending on the child's age or the financial situation of the family. There are municipalities where parents are not required to pay any tuition fee in preschool institutions. According to the Preschool Child Care Institutions Act, in the event of applying a tuition fee, the contribution payable by parents per one child may not exceed 20% of the nationally established minimum salary, i.e. in 2014, it must remain below EUR 71\textsuperscript{134} per month. This regulation applies only to municipally owned preschool institutions and because of that the tuition fee payable by parents in private institutions is usually higher. According to the data collected by the Estonian Education Information System (EHIS), in the school year 2012/13, the average tuition fee payable by parents in private preschool institutions amounted to EUR 145\textsuperscript{135} per month.

The forms of ownership of general education schools: state, municipal and private. The majority of general education schools are municipally owned. The expenses of the school are covered by the owner meaning that the expenses of state schools are covered from the budget of the Ministry of Education and Research, the expenses of municipal schools from municipalities’ budgets, and the expenses of private schools are covered by their owner. Since ensuring the provision of general education is a shared responsibility of the state and municipalities, the state has provided for an annual educational grant in the Basic Schools and Upper Secondary Schools Act. As the right to free general education extends to all students, municipal and private schools receive support for education from the state budget on the basis of uniform criteria towards the salaries and professional development of teachers and heads of school as well as expenses related to study materials (textbooks), support for school lunches and support for investments. Support is earmarked.

Support in educational grant is calculated per student\textsuperscript{136}:

- Support for school heads salaries 92 euros per student per year.
- Support for school heads and teachers professional training 12 euros per student per year\textsuperscript{137}.
- Support for study materials (textbooks) 57 euros per student per year.
- Support for school lunch 136.5 euros per student per year (0.78 euros per student per school day)
- Support for investments 19.7 euros per student per year.
- Support for teachers’ salaries – number of students x 1157 euros x additional coefficient\textsuperscript{138} (Additional information also in Annex 3. Calculation of state’s support for teachers’ salaries)

\textsuperscript{133} Central government’s support is for teachers’ professional development.
\textsuperscript{134} It’s only tuition fee, food is additional cost.
\textsuperscript{135} It’s only tuition fee, food is additional cost.
\textsuperscript{136} Figures for year 2015.
\textsuperscript{137} Earlier the support for professional training was calculated as 1% of support allocated for teachers’ and school heads’ salaries.
\textsuperscript{138} Which depends on estimated number of students in class, which depends on regional group/student teacher ratio.
The municipalities distribute the educational grant between their schools. Private schools receive support directly, without involving the municipalities.\(^{139}\)

**Table 9. Education grant from state budget to owners of general education schools**

<table>
<thead>
<tr>
<th>Educational support</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>To local governments, €</td>
<td>194 945 989</td>
<td>194 867 832</td>
<td>198 471 016</td>
<td>207 478 302</td>
<td>226 310 000</td>
</tr>
<tr>
<td>To private enterprises, €</td>
<td>5 977 724</td>
<td>6 248 074</td>
<td>6 750 607</td>
<td>8 477 990</td>
<td>10 834 648</td>
</tr>
<tr>
<td>Sum, €</td>
<td>200 923 713</td>
<td>201 115 906</td>
<td>205 221 623</td>
<td>215 956 292</td>
<td>237 144 648</td>
</tr>
</tbody>
</table>

Amount of educational support allocated from the state budget varies among municipalities because the number of students in municipalities is very different. In 2012, the educational support allocated from the state budget whereby the City of Tallinn having the greatest number of students received the largest portion (EUR 53.8 million) and some rural municipalities with very little students got EUR 100 000 or even less. Of course, the allocated amounts vary greatly but this is primarily due to the differences in the number of students.

In addition to support for education which comes from equalisation and support fund there are also grants, which are allocated according contracts signed by Ministry of Education and Research\(^{140}\) and local municipalities or private school owners.

With contracts are allocated grants for:
- *Keelelõimblus* (language immersion programme);
- For teaching Estonian for new immigrant students;
- For students who lived for a while in other countries and now have returned and need some help in Estonian language and for students whose mother tongue is Russian;
- Salary support for teachers teaching according IB diploma programme, for teachers working in prisons (three local governments);
- Additional teacher’s salaries support for Ida-Virumaa\(^{141}\) teachers;
- For student hostels costs of children from least privileged families;
- For cooperation of gifted students, teachers and school leaders.

There has been changes which components of support contain in education grant from equalisation and support fund and which grants are allocated with contracts between ministry and school owners. For example, until 2014 support for student hostels costs of children from least privileged families contained in education grant, but from 2015 it is allocated with contracts. Private schools get all of their support with contracts.

The owners of general education schools can also get support for specific purposes from other ministries. For example, Ministry of Defence supports schools who are giving state defence classes. State defence is not part of compulsory subjects, it is optional and because of that, Ministry of Defence has decided to support schools. Support is meant for buying teaching materials for this subject.

Local governments also account with each other. Other rural municipalities or cities participate in full in covering the operating expenses of a municipal school in proportion to the number of students enrolled in the school,\(^{139}\) Earlier also the grant meant for private school was allocated to municipality and municipality allocated it to private school.\(^{140}\) Or in certain circumstances also institutions under its administration.\(^{141}\) County in East-Estonia, where population of Russians is high.
whose place of residence, according to the population register, is located in the administrative territory of these rural municipalities or cities. Not later than by November 30 in the year preceding the budgetary year, the rural municipality or city government communicates the calculated cost of the operating expenses of a student place per student to the rural municipalities and cities participating in covering the operating expenses of municipal schools. The calculated cost of the operating expenses of a student place per student is obtained by dividing the amount of the operating expenses planned for the budgetary year of the municipal schools of the rural municipality or city by the number of students enrolled in the municipal schools located in the territory of the rural municipality or city. Invoices for participating in covering the operational expenses are submitted on a monthly basis to the extent of 1/12 of the cost of the operating expenses of a student place. If the cost of 1/12 of the operating expenses of a student place exceeds the limit of the operating expenses of a student place established by Government of the Republic, then it’s used the limit established by Government (except in the event of students who study in the classes of students with special educational needs). The limit was established by Government because operating expenses could be very different in different schools and one local government does not have to pay high operating expenses because the other local government’s school is not operated effectively. The limit of the operating expenses of a student place established by Government was in 2013 73 euros per month and in 2014 83 euros per month. If student studies in state owned school, then local governments do not participate in covering state schools’ operating expenses.

Private Schools Act stipulates that the rural municipality or a town shall cover the operational costs of a privately-owned general education school in proportion with the number of such students in said school whose place of residence according to the population register is in the administrative territory of this town or rural municipality. Operational costs are covered between local government and private school owner according same requirements and procedures as between two local governments (described above). Some local governments are against of obligation to cover operational costs of a privately owned general education schools and some of them have decided to go a step further and are not covering their share of operational costs of private schools. For solving this problem, the cultural commission of the Parliament started in the end of 2014 discussions about changing the financing system of privately owned general education schools.

**Figure 39. Distribution of general government expenditure on general education 2010-2012**

Taking into account the support from state budget, the cost distribution between the central government and municipalities is 59-41, i.e. the central government covers the larger portion of general government expenditure on general education.

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143 General education – primary, lower and general upper secondary.
Studying in state and municipal general education schools is free of charge. An owner of a private school can establish a tuition fee payable according to a contract between the student's representative and the school. The amount of the tuition fee may not be changed during the school year, and normally the tuition fee may not be raised by more than 10% between two school years.

State supports school lunch for basic school and upper secondary schools students. Support is 0.78 euros per student per day. If preparing lunch costs more, then parents or in some cases also school owner is paying the additional cost. The local municipalities of the place of residence must organise the transport of children to school and home. In many cases, students can enjoy free school bus rides or receive compensation for public transport tickets. The student hostels at municipal and private schools include nationally supported places for the children of families with coping difficulties. The state budget provides funds for compensating the travel fare concessions of students who are enrolled in daytime study in state upper secondary schools or state schools for children with special needs and whose permanent residence is not in the same settlement as the school. There is also support for accommodation costs for state upper secondary schools students, who do not live in the same municipality. Textbooks and workbooks are free for all students.

General government vocational education costs are covered mainly by state budget, whereas the portion financed by the municipalities is primarily used towards the operational expenses of the three municipally owned vocational schools. As a rule, vocational education institutions are financed nationally according to state-commissioned education based on the number of occupied student places during the nominal study period defined in the curriculum. Upon the formation of state-commissioned education, two primary objectives are used as a benchmark: the social need or the number of students who need training, and meeting the needs of the labour market or the demand of the labour market for positions. The main priority of the state is to create student places for further education for those who have acquired basic education and for youth who have not completed basic education. Another criterion for preparing the state-commissioned education request is the economic need, i.e. the preparation of necessary workforce. An analysis of the labour market needs is conducted in cooperation with various institutions and partners, the organisations and associations of employees and employers, and with the involvement of various ministries and executive agencies and, for the purposes of the regional perspective, the representatives of country governments. The state-commissioned education request is submitted to privately owned vocational schools based on the same criteria as in the case of state and municipal schools. But state-commissioned education request is submitted to private schools only in exceptional cases, for instance when the demand for specialists in a certain field exceeds the supply.

144 It is not determined in national curricula's which textbooks schools should use – schools can choose textbooks by themselves.
95% of all students in vocational training (including students in post-secondary vocational studies) study in state-commissioned places. The school shall be entitled to demand the reimbursement of study costs only from pupils not studying at student places financed on the basis of state-commissioned education. The maximum rate for reimbursement of study costs shall be the cost of the student place formed on the basis of state-commissioned education in the relevant curriculum group or relevant curriculum in the same calendar year. The rate for reimbursement of study costs shall be established by the council at least four months before the commencement of an school year. Upon establishment of the rate of reimbursement of study costs, the council may increase the rate by 10% in comparison with the previous school year but not more than the maximum rate for reimbursement of study costs. The majority of students in vocational training who pay tuition fees are students in vocational training who already have acquired secondary education. The proportion of students who pay tuition fees is relatively small in other types of vocational training (Table 10). The majority of students in vocational training who pay tuition fees study in privately owned vocational educational institutions and acquire a profession mostly in specialties related to beauty services.

Table 10. Students in vocational education at secondary level paying tuition fees

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Vocational upper secondary/35</td>
<td>218</td>
<td>184</td>
<td>163</td>
<td>95</td>
<td>49</td>
<td>27</td>
<td>17</td>
</tr>
<tr>
<td>Vocational education based on compulsory education/35</td>
<td>29</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>26</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>Vocational education without compulsory education</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>requirement/25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sum of students paying tuition fees</td>
<td>252</td>
<td>184</td>
<td>163</td>
<td>96</td>
<td>81</td>
<td>54</td>
<td>18</td>
</tr>
<tr>
<td>Total number of students</td>
<td>18 761</td>
<td>18 567</td>
<td>18 645</td>
<td>17 832</td>
<td>16 449</td>
<td>15 539</td>
<td>14 621</td>
</tr>
<tr>
<td>% of students paying tuition fees</td>
<td>1,34%</td>
<td>0,99%</td>
<td>0,87%</td>
<td>0,54%</td>
<td>0,49%</td>
<td>0,35%</td>
<td>0,12%</td>
</tr>
</tbody>
</table>

145 Source: Statistics Estonia, Ministry of Education and Research
146 Source: EHIS, data presented publicly in Haridussilm http://www.haridussilm.ee/
Just like for student in general education schools, there is also support from state budget for covering the expenses of school lunch in VET institutions. Support is the same as for general education, 0.78 euros per student per one lunch. But it’s only for students up to twenty years of age who have not completed secondary education and who study in full-time study according to initial training curricula. If state support does not cover all costs of school lunch, then parents have to cover the additional costs. After the students have attained twenty years of age, the allowance shall be prescribed until the end of the current school year.

### 3.3 Planning of resource use

One factor among others, which implicates planning of resource use, is the number of students in education system. The need for places in preschools has grown in many municipalities because in 2007-2010 the birth rate was notably higher than in the preceding years. Since the reestablishment of independence, the birth rate peaked in 2008 when the number of births exceeded the birth rate in 1998 by almost 4000. For large countries, the growth of the birth rate by 4000 children is unlikely to constitute considerable growth, but in Estonia, this was a notable increase, which entailed the need for additional places in preschools.

However, in the wider perspective - overlooking the short-term growth in the birth rate in the second half of the 2000s – the school system is facing a sharp drop in the number of students, which is likely to intensify regardless of the said short-term growth in the birth rate. Since school year 2005/2006 to 2013/14, the total number of students in general education has dropped by 22.4%, which means that the current school network needs to be optimised.

**Figure 41. Number of students in general education**

![Chart showing the number of students in primary, lower secondary, and upper secondary education from 2005/06 to 2013/14.](chart)

The drop in student numbers has varied by region. Since school year 2005/06 compared to school year 2013/14, the smallest drop in the number of students in general education occurred in Harju County and Tartu County. The two largest Estonian cities are located in these counties. Although the total number of students in general education has decreased in those counties, in school year 2013/14 the number of students in pre-primary education in these two counties is higher than in school year 2005/06. Since school year 2005/06, the biggest

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147 All students, including schools for special needs and adult high schools. *Source: EHIS, data presented publicly in HaridusSILM, [http://www.haridussilm.ee/](http://www.haridussilm.ee/)*
A drop in the number of students in general education has been suffered by Hiiumaa\(^{148}\) (46.1%) followed by Jõgeva County (39.4%) and Võru County (39.1%).

In terms of resource planning it is essential that the Ministry of Education and Research and local governments observe changes in the number of students and estimates. Likewise, in terms of expenditure it is important to observe the dynamics of the figures related to teachers’ positions. The Ministry of Education and Research also has to follow economic trends and estimates. Ministry of Education and Research negotiates about its budget with Ministry of Finance. Final decision is made by parliament.

Resources are planned by the Ministry of Education and Research in consultation with the Ministry of Finance. For example, in 2014, in connection with the cabinet reshuffle, it was decided that central government is going to allocate support also for the school meals of upper secondary school students. The task of the Ministry of Education and Research was to determine the amount of funds required for this change, and in consultation with the Ministry of Finance the necessary funds were allocated. Each planned amendment in education policy (if it requires additional resources) is accompanied by the assessment of an additional financial need that arises with the amendment. In adopting various decisions, representatives from all levels of the education administration consult the stakeholders.

To improve the effectiveness and efficiency of the education system the focus will be on reducing the dropout rate and improving support systems for students in order to improve the students’ performance and results. Goals set for the education system\(^{149}\) and strategies used for the achievement of these goals are described in the Lifelong Learning Strategy. Based on the survey designed for general education schools, majority of schools share their experience with other schools as regards the more efficient use of resources. Sharing of experience takes place primarily by means of communication between the heads of school. Chapter 6 outlines the management of monitoring resource use.

### 3.4 Implementation of policies to improve the effectiveness of resource use

Legislative drafts on education policy are developed by the Ministry of Education and Research. The drafting of new laws and envisaging amendments to the existing laws takes into account, among other things, the demographic changes and the emerging needs, which did not exist before. The Ministry participates in the first phase of legislative drafting, i.e. develops the concept, structure, scope of application, and initial text of the draft, and sets out the definitions. Every draft is accompanied by an explanatory memorandum where the authors of the draft explain why the law in question is necessary.

Involvement is very important when preparing a draft act and amendment of act, which is why the Ministry of Education and Research includes the representatives of different stakeholders in the preparation of drafts.

Main cooperation partners of the Ministry of Education and Research are:

- General education – Estonian Association of Heads of Schools, Estonian Teachers Association, Estonian Association of Student Unions, Association of Estonian Cities, Association of Municipalities of Estonia,

\(^{148}\) Hiiumaa is the second largest island in Estonia which is the smallest Estonian county both in terms of area and population.

\(^{149}\) For example: Reduce percentage of adults (in age group 25-64) with general education only (no vocational or professional education); reduce drop-out rate in all levels of education; optimization of the use of space in education institutions etc.
Estonian Educational Personnel Union, associations of different support specialists, Estonian Parents Association.


In addition to the abovementioned, cooperation partners may include county governments, municipalities, schools, pre-primary, etc.

If cooperation partners give negative feedback in relation to the draft act or amendment of act, the Ministry of Education and Research will conduct additional consultations to settle the dispute and find options for formulating the draft in a way that would be acceptable for all involved partners. There are many different cooperation partners and thus reaching a consensus may be difficult, as the interests of relevant parties may not coincide.

### 3.5 Main challenges

In Estonia, private sector expenditure on pre-tertiary levels of education is extremely small. On average, the share of private sources in primary, secondary and post-secondary non-tertiary education is 8.6% in OECD countries, for Estonia the same indicator is only 1.1%\(^\text{150}\).

Involvement is essential also in planning the amendments to legislation and while it may not always be easy, it is important to reach a compromise with all social partners when developing amendments of legislation.

State educational support to local governments is intended for specific purposes and the Ministry of Education and Research assumes that local governments and private schools will use the support as intended. The National Audit Office is conducting an audit to evaluate the activity of local governments in using the educational support and the sufficiency of the legal framework established by the state to ensure the use of support as intended by the state.

**Challenges presented by stakeholders:**

- The main objective of business is to make profit and in the situation where the decision to establish a private school (issue of education licence) does not involve the requirement to consider the existing school network or public interest, it is not acceptable that local governments have been made responsible for covering the operational costs of private companies. Thus §22\(^2\) of the Private School Act which calls local governments to participate in covering the operational costs of privately-owned general education schools in proportion with the number of such students in said school whose place of residence according to the population register is in the administrative territory of this town or rural municipality, should be repealed.\(^\text{151}\)
- Educational grant allocated to local governments from the state budget must include support for the student’s transport to school.
- Educational grant allocated to local governments should be general not for specific purposes.
- The work of kindergartens should be funded by the state.

\(^{150}\) Source: OECD (2014); „Education at a Glance 2014: OECD Indicators”; OECD Publishing

\(^{151}\) Discussions in Parliaments cultural commission how to change financing system of private general education schools are taking place.
Chapter 4: Resource distribution

Chapter 4 focuses on resource distribution within the school system. Distribution of resources is observed both by resource type and across different levels of education. In addition to financial resources, human resources (teachers and heads of education establishments), physical resources (school buildings) and programmes directed at specific student groups (students with special needs and those in an unfavourable condition) are also addressed.

4.1 Distribution of resources between levels of the education administration

In Estonia decentralisation is very common in the field of pre-primary education and general education. The state does not own any pre-primary child care institutions and most of these institutions are managed by municipalities. Therefore, general government pre-primary expenses are primarily financed from municipality budgets.

General education schools are also mostly managed by municipalities. In addition to covering the expenses of state schools, education support is also allocated from state budget to other school owner (local governments and private entities). Support allocated from the state budget on an equal footing to municipal and private schools. Support to owners of general education schools is earmarked. Purposes for which support can be used are described in Chapter 3.2.

Majority of vocational educational institutions are owned by the state. Vocational education institutions are financed nationally according to state-commissioned education. System is described in Chapter 3.2 and in Annex 4.

4.2 Distribution of financial resources across resource types

The majority of expenditure on education is made up by expenditure on human resources formed by expenditure on gross salary of employees including taxes and compensation paid as additional benefits (Figure 42). In 2012, investments exceeded personnel expenses only for vocational education. Operating costs include consumption of electricity, heat energy and rent paid for the use of buildings etc. Investments are expenses related to improving the condition of immovable or renovating the school’s inventory or equipment. Other expenses are all other costs that do not fall into abovementioned categories. In most cases, except for vocational education, operating costs formed the second largest expenditure item in 2012.
Figure 42. General government expenditure by level of education and by type of cost, 2012, mil €

Although the amount of expenses has grown with time, the distribution of expenditure on education by type of cost has remained more or less the same over the years. The proportion of investments has changed the most during the observed period, mainly influenced by the receipt pattern of European Union aid. Just like in Estonia, the investment level is high in other Middle European and Eastern European countries that restored or gained their independence in the 1990s. In addition to proceeds from taxes, the use of EU aid for financing investments is common in said European Union member states. The four figures below provide an overview of the distribution of expenditure by level of education and by type of cost in 2010-2012.

Figure 43. General government expenditure on pre-primary education by type of cost

Source: Statistics Estonia, Ministry of Education and Research
In terms of volume, general government expenditure on the lower and upper secondary education has been the most stable (Figure 45).

**Figure 44. General government expenditure on primary education, by type of cost**

<table>
<thead>
<tr>
<th>Year</th>
<th>Investments, mil €</th>
<th>Human Resources, mil €</th>
<th>Operating costs, mil €</th>
<th>Other costs, mil €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>23,8</td>
<td>127,0</td>
<td>50,3</td>
<td>0,9</td>
</tr>
<tr>
<td>2011</td>
<td>20,1</td>
<td>123,9</td>
<td>45,8</td>
<td>1,3</td>
</tr>
<tr>
<td>2010</td>
<td>15,2</td>
<td>118,3</td>
<td>43,0</td>
<td>1,1</td>
</tr>
</tbody>
</table>

**Figure 45. General government expenditure on lower and upper secondary education by type of cost**

<table>
<thead>
<tr>
<th>Year</th>
<th>Investments, mil €</th>
<th>Human Resources, mil €</th>
<th>Operating costs, mil €</th>
<th>Other costs, mil €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>22,6</td>
<td>127,4</td>
<td>49,3</td>
<td>6,6</td>
</tr>
<tr>
<td>2011</td>
<td>20,6</td>
<td>132,8</td>
<td>48,4</td>
<td>6,9</td>
</tr>
<tr>
<td>2010</td>
<td>17,3</td>
<td>135,9</td>
<td>48,8</td>
<td>5,9</td>
</tr>
</tbody>
</table>

**Figure 46. General government expenditure on vocational education at secondary level by type of cost**

<table>
<thead>
<tr>
<th>Year</th>
<th>Investments, mil €</th>
<th>Human Resources, mil €</th>
<th>Operating costs, mil €</th>
<th>Other costs, mil €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>28,7</td>
<td>24,0</td>
<td>13,9</td>
<td>5,0</td>
</tr>
<tr>
<td>2011</td>
<td>25,1</td>
<td>24,2</td>
<td>15,1</td>
<td>5,1</td>
</tr>
<tr>
<td>2010</td>
<td>20,0</td>
<td>24,7</td>
<td>14,1</td>
<td>5,2</td>
</tr>
</tbody>
</table>

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154 *Source:* Statistics Estonia, Ministry of Education and Research  
155 *Source:* Statistics Estonia  
156 *Source:* Statistics Estonia
4.3 Distribution of resources between levels and sectors of the school system

When looking at general government total expenditure on education it becomes clear that the biggest proportion is made up by expenditure on general education (sum of primary, lower and upper secondary costs), which in 2012 formed 37% (EUR 408.2 mil) of general governments expenditure on education. By volume, this was followed by expenditure on higher education, forming 26% (EUR 290.8 mil) of general governments expenditure on education. Pre-primary education expenses formed 17% (EUR 186.9 mil) and vocational education expenses (sum of vocational education at secondary level and post-secondary non-tertiary education) 11% (EUR 120.1 mil) of general governments expenditure on education. The smallest part of general governments expenditure on education was formed by other costs, the proportion of which in total expenditure was 9% (EUR 105.6 mil). Other costs among general government expenditure on education include education expenses that cannot be categorised by level, expenditure on education support services\textsuperscript{157}, research and development in the field of education, other education expenses\textsuperscript{158}.

The proportion of different levels of education and other educational expenses in general government expenditure on education has changed over the years. The proportion of other education expenses has increased while the proportion of general education expenses has decreased. This is partly because expenditure on free school lunches used to be included in general education expenses and is now categorised as expenditure on education support services, which is part of other education expenses. There has been a significant increase in general government expenditure on higher education, which has been linked to curriculum development projects (from 2004 to 2006), financed from the funds of the European Social Fund, launch of several doctoral school projects, projects for bringing foreign experts to Estonia, introduction of a new financing model of doctoral studies (in 2009), free higher education, made available from autumn 2013, and many other issues. Increase in the proportion of vocational education expenses in general government expenditure on education has mostly been due to a significantly larger amount of investments (e.g. investments in 2008: EUR 6.9 mil, and in 2012: EUR 47.9 mil). The proportion of pre-primary education expenses in general government expenditure on education has been the most stable.

\textsuperscript{157} Education support services include school lunches, school health services and expenses related to special student transport, free school milk, students accommodation. Education support services also include career and study counselling (incl. counselling in special education, psychology, speech therapy and social pedagogy).

\textsuperscript{158} General expenses of the Ministry of Education and Research and its sub-offices (except schools and research and development institutions). Municipality expenditure if it cannot be linked to a specific level of education and it relates to the administration of general education policy (education departments in city governments for example).
The following figure shows the distribution of general government expenditure on different levels of education by type of costs. In general government expenditure on higher education the proportion of human resources expenses was also the largest, followed in 2012 by investments and operating costs, and the smallest part was formed by other costs. Until 2010, human resources expenses formed the largest part also in general government expenditure on vocational education but due to cutbacks in the number of teachers and a significant increase in investments, in 2011-2012 the largest part of expenditure on vocational education was made up by investments. The distribution by type of costs of other education expenses differs notably from the distribution of costs on different levels of education, and this is due to the fact that the nature of other education expenses is much different, and there is a significantly larger proportion of expenses that cannot be categorised as investments, human resources expenses or operating costs.

**Figure 48. General government expenditure on education by type of cost 2012, mil €**

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159 General education includes primary education and lower and upper secondary education. Vocational education includes vocational education at secondary level and post-secondary non-tertiary education.
4.4 Distribution of resources across individual schools

While the financing of education is mostly carried out through the Ministry of Education and Research, other ministries – for example Ministry of Defence and Ministry of the Environment – participate in incurring several educational costs. Financing systems are described in more detail in Chapter 3.2.

State’s average annual education support (education grant from equalisation and support fund) has gradually increased over the years. Likewise, municipalities’ current expenditure on students has increased. Compared to 2006, state support per student had increased by 73.1% by 2012, and municipalities’ current expenditure per student had increased by 55.8%.

160 If the general education school is owned by municipality. There are two sections in the expenditure of municipally owned general education schools that are not covered with the help of the central government – other staff and running property costs. An amendment to the Basic Schools and Upper Secondary Schools Act will enter into force in 2015 pursuant to which the Ministry of Education and Research must ensure the provision of the service of special education teacher and psychologist to schools in at least every county, and will help incur the costs of service.
Figure 50. State’s educational support per student has increased year by year\textsuperscript{161}

In addition to the increasing education grant allocated by state, the proportion of education grant for covering municipalities’ expenditure on education has also increased. In 2006, state education grant covered, on average, 50% of all municipalities’ expenditure on education, whereas in 2012 the respective indicator had increased by 56%.

Figure 51. Local governments’ contribution to general education expenses\textsuperscript{162}

Municipalities have mostly reduced their contribution to the expenses on wages of teachers and heads of schools. This is mainly due to the fact that the state has increased the minimum wages of teachers. Compared to larger municipalities, smaller municipalities have to contribute to education more. One reason for this is that the current school network was established with a significantly larger number of students in mind and with the number of students dropping, maintenance and operation of current buildings in similar conditions is notably more expensive in smaller municipalities where it is more likely that the number of students is less than the capacity of school buildings. The entire building needs heating and maintenance, even if only a part of it is used due to

\textsuperscript{161} Education level – general education; expenditure without investments; average expenditure and support for municipalities.

\textsuperscript{162} The figure shows the proportion of municipalities’ expenditure on general education covered by education support allocated from state budget. Two kinds of data are provided – overview of all municipalities’ expenses and of expenses of five largest towns.
the lack of students, and a vast amount of resources is spent on the maintenance of school buildings that are not filled to capacity as well as on wages of support staff. The same applies to the wages of teachers – teacher who has full time position shall be paid at least minimum salary even if there are only a few students in the class. Because of this expenditure per student is significantly smaller in larger municipalities with more students in a class, and with increasing state support larger municipalities have been able to reduce the proportion of own contribution in covering expenses.

The following figure shows 5 municipalities where current expenditure per student is the lowest (Narva, Pärnu, Tartu, Viljandi and Kuressaare) and 5 municipalities with the highest current expenditure per student (Illuka rural municipality, Paide small city, Pajusi rural municipality, Ruhnu – a small island and Lavassaare rural municipality), as well as the number of students in these municipalities. It becomes evident that there is a relevant link between the number of students and current expenditure per student.

**Figure 52. Annual spending per student in local governments with highest (5) and lowest (5) number of students, 2012**

![Graph showing annual spending per student and number of students in local governments with highest and lowest number of students, 2012]

4.5 Distribution of school facilities and materials

In terms of general education, the density of Estonian school network is regulated with the Basic Schools and Upper Secondary Schools Act, and there are specifications as to basic schools and upper secondary schools. The rural municipality or the city will provide children subject to the duty to attend school who reside in the territory of the rural municipality or the city with the opportunity to perform the duty to attend school and acquire basic education. The law also stipulates that at least 80 per cent of the students for whom a basic school is the school of residence will not spend more than 60 minutes travelling to the school. The state and local authority will ensure the opportunity to acquire general secondary education, keeping the required number of upper secondary schools in each county based on the number of students. The target for 2020 is that state will keep at least one state gymnasium in each county. However, by a public law agreement, the Minister of Education and Research may transfer the management of an upper secondary school to a rural municipality or city or to a legal person in private law in accordance with the Administrative Cooperation Act.

On average, Estonian general education schools use two buildings for everyday studies and supporting activities. The majority of schools have one building which usually also includes sports facilities, often a gymnasium or a

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163 Level of education - general education.
164 Density of general education school network can be seen on a map [https://www.hm.ee/koolikaart/](https://www.hm.ee/koolikaart/)
sports hall. In general, the buildings are in order required for the management of schools but will need investments in the next five years.

Several investments have already been made. Both in 2007-2008 and in 2012, investments in kindergartens were significantly large; increase in investments in these years was due to the need for new kindergarten places. For example, in 2012 a total of 400 kindergarten places were created in the city of Tallinn alone, 51 new kindergarten groups were created in the country, and in 2013 the creation of new places continued. In 2005-2012, investments in general education amounted to 32.4-75.8 million euros for a year. General education schools have been renovated and new upper secondary state schools built at the expense of revenue of CO\textsuperscript{2} quota trading and through RKAS\textsuperscript{165}. Compared to 2005, the cost component of investments in vocational education\textsuperscript{166} had increased by 327.7\% by 2012. With the help of foreign aid, investments were made in 2004-2006 to improve the learning and everyday environment of vocational educational institutions. For example, training facilities were renovated in ten vocational educational institutions with funds allocated from the European Regional Development Fund (ERDF). The notable drop in investments in 2008 was due to the expiry of 2004-2006 EU funds while the funds of the new period\textsuperscript{167} had not yet been put into use. The majority of the 2009-2011 investments of vocational educational institutions to modernise the learning environment were financed from the funds of the new EU Structural Fund period.

In the 2013/14 school year, an average of 265 students studied in every general education school\textsuperscript{168}. As a comparison, five years earlier, in the 2008/09 school year, the respective indicator was 275. Decrease in the number of students in general education schools is because the number of students has decreased faster than that of schools. When we look at general education schools by type of ownership we will see that the average indicator for the number of students is the highest in state schools\textsuperscript{169}, and that the respective indicator for private schools is significantly below the average of state and municipal schools. Compared to the previous school year the number of private schools increased by 32.3\% in the 2013/14 school year while the number of students in private schools only increased by 10.8\%. This led to a significant drop in the average number of students in private schools compared to the previous school year.

\textsuperscript{165} Riigi Kinnisvara AS (State Real Estate Ltd.)
\textsuperscript{166} All vocational education, i.e. sum of vocational education at secondary level and post-secondary non-tertiary education.
\textsuperscript{167} Support from EU structural funds is allocated according to program periods.
\textsuperscript{168} SEN institutions and adult high schools are excluded.
\textsuperscript{169} One criteria for creating new state gymnasiums is that there will be at least 250 students. In school year 2013/14 there was 7 state’s general education schools (without SEN institutions) and 3 of 7 are new state gymnasiums, which were created according this criteria.
The number of students in schools for students with special educational needs is significantly smaller. In the 2013/14 school year an average of 81 students studied in one school for students with special educational needs. In these schools the average number of students varies greatly by type of ownership.

The average net floor area of the general education schools in Estonia\(^{172}\) is 3,918 m\(^2\) and the average number of students is 265, i.e. the average school area per student in Estonia was 15 m\(^2\). However, conditions vary, meaning that schools in rural areas have more area per student than schools in towns. In rural areas, the decrease of student’s numbers has been more precipitous and because of this, the use of buildings is more ineffective.

\(^{170}\) Source: EHIS – Estonian Education Information System, SEN schools and adult high schools are excluded.

\(^{171}\) Source: EHIS- Estonian Education Information System

\(^{172}\) Usable net floor area of schools includes the area used for teaching and supporting activities, including the area of sports facilities, boarding school facilities and ancillary buildings. Schools mostly use more than one building. This figure does not include data on schools for children with special educational needs and on adult high schools.
Irrespective of the above, health requirements for schools have been established in Estonia by a regulation of the Government of the Republic\(^{173}\), which includes requirements for the school’s territory, buildings, rooms, furnishings, internal climate and upkeep. This regulation also establishes the required height of a study room of at least 2.5 m, and an area of at least 2 m\(^2\) per basic school student. While the regulation establishes the area of a study room per student, the Ministry of Education and Research has drawn up additional recommended standards for the use of total area in schools. Although these standards have not been adopted yet, the optimal use of total area in schools is considered not to be more than 10 m\(^2\) per student\(^{174}\). Currently, only less than one third of general education schools comply with this requirement.

When looking at the data by type of institution it becomes clear that the area per student (38.7 m\(^2\)) is the largest in upper secondary schools with classes from lower secondary school\(^{175}\), and that the area per student is the smallest (Figure 55) in full cycle schools.

**Figure 55. Net area per student by type of education institution in 2014, m\(^2\)\(^{176}\)**

![Bar chart showing net area per student by type of education institution in 2014, m\(^2\)](chart)

Comparing the net areas of general education schools in towns and rural municipalities, it is evident that in towns the average net area per student is 11 m\(^2\) while the respective indicator is 23 m\(^2\) in rural municipalities. The difference in the sizes of net areas of general education schools in towns and rural municipalities is the largest in pre-primary institutions/basic schools where the net area per child is 9 m\(^2\) in towns and 30 m\(^2\) rural municipalities.

When looking at the data by counties it can be seen that the area per student is the smallest in counties where population density is higher. The number of students per school has decreased the most in counties which are located in remote areas, contributing thus to the decrease in efficiency.

\(^{173}\) Source: Tervisekaitseõnõuded koolidele (Health requirements for schools); [https://www.riigiteataja.ee/akt/128082013010](https://www.riigiteataja.ee/akt/128082013010)

\(^{174}\) In this number are sport facilities, boarding school facilities and ancillary buildings not included.

\(^{175}\) There are three upper secondary schools with some classes from lower secondary school and one of those schools is specialised to sport activities and has additional areas for those activities, which increases the average net floor area per student for those three schools.

\(^{176}\) Data does not include data for SEN-institutions and gymnasiuums for adults.
When looking at the data by the number of students in different types of general education schools it was clear that net area per student is the largest in basic schools in rural areas with no more than 100 students, and the net area per student is the smallest in towns (Figure 57).

**Figure 57. Net area per student by school size and location in 2014, m²**

<table>
<thead>
<tr>
<th>School Type</th>
<th>Net Area (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic school in countryside &lt;100 students</td>
<td>35</td>
</tr>
<tr>
<td>General upper secondary school in countryside &lt;200 students</td>
<td>29</td>
</tr>
<tr>
<td>Basic school in countryside &gt;100 students</td>
<td>18</td>
</tr>
<tr>
<td>General upper secondary school in countryside &gt;200 students</td>
<td>15</td>
</tr>
<tr>
<td>Basic school in town</td>
<td>13</td>
</tr>
<tr>
<td>General upper secondary school in town</td>
<td>12</td>
</tr>
</tbody>
</table>

In terms of arranging school network there are two important principles. First, basic school should be located close to students if possible. Second, in every county centre should be a strong state gymnasium with modern learning environment. The state has started establishing in county centres strong upper secondary schools providing modern learning facilities for students. In terms of closing schools, various reasons besides number

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177 Upper secondary school – data contains both full cycle schools and also schools with only upper secondary level. Basic schools – not only schools with classes 1-9, but also all schools there are only some classes of basic school (1-3, 1-4, 1-6 etc.).
of students are taken into account, such as financial considerations, length and organisation of the road to school, existence of and opportunities to use less restricting measures, the quality of education in the school that is about to be closed, as well as the school’s role in the local community and cultural life.

Therefore, besides financial considerations the following will be considered upon optimising the school network:

- Quality of learning and teaching;
- Availability of education and success in acquiring education;
- Safe and healthy learning environment;
- Safe road to school;
- Effectiveness of schools and the education system.

Thus, closing of a school cannot be justified by savings alone. The decision to close a school will be made by the owner of school. The problems lie mainly with general education schools in rural areas where the number of students has gradually decreased over the years, as a result of which used school buildings are now impractically big and their upkeep is inexpediencently expensive. When a decision is made to close a school, this is accompanied by expenditure though this may not always require financial resources. Accompanying expenditure is related to the transfer of students to the nearest general education school (transport expenses as well as longer time spent on travelling). In addition, a new purpose must be found to the now empty school building(s). Teachers employed by the closed school have to find new positions. Closing of a local school may lead to certain families moving away from this municipality, i.e. with the closing of a local school the region may lose its value for human environment. We do not have specific data on expenditure related to the closing of schools as said expenses differ case by case and, as already mentioned, all accompanying expenses cannot be calculated in terms of financial resources.

A long-term goal for the use of area in general education schools is to achieve the figure of 10 m² per student by 2020. Currently only less than a third of general education schools comply with this requirement. Over the next years another big challenge will be ensuring investments for the development of education infrastructure and centralisation of property management of the ministry and of the authorities in its area of, including transfer of services related to property and ensuring maintenance of property to Riigi Kinnisvara AS.

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179 In 2001 The Republic of Estonia established the company with the business name Riigi Kinnisvara AS (State Real Estate Ltd, hereinafter RKAS) with the objective to guarantee the saving and effective provision of the real estate service to the executors of state authority, [http://www.rkas.ee/en](http://www.rkas.ee/en)
From 2005 to 2013 78 general education schools were closed\(^1\), and so far the proportion of closed primary schools has been the largest. In addition to closing a school, the school’s subtype may be changed due to the small number of students (gymnasium becomes basic school, basic school becomes primary school), and schools may be merged within one local government. 31 general education schools were merged from 2005 to 2013.

Praxis Centre for Policy Studies has prepared to analyses of the school network, the first in 2005 and the second in 2014. The analysis of 2014 provides an estimate of the basic school and upper secondary school network by 2020. The aim of the estimate is to 1) help local governments who are also managers of schools plan their school network and if necessary, provide assistance in preparing decisions concerning the organisation of school network; 2) serve as a basis for planning the investments for the infrastructure of upper secondary schools and basic schools from the European structural funds\(^2\).

The analysis of 2014 also describes to what extent the current school network corresponds to the estimate given in the analysis of 2005. By the 2013/14 school year the changes in school network have not been taken place in the extent prescribed in the model and the number of upper secondary schools and basic schools is significantly larger than what would be reasonable considering the number of students.

Praxis conducted interviews with local government representatives and concluded that the main factors impeding the organisation of school network are as follows\(^3\):

1) **Economic factors** – closing of schools is accompanied by alternative expenses; while closing a school or a school level allows the local government to save on salary costs, it may not mean that other expenditure will decrease too (e.g. continuing upkeep of a former school building or costs related to reorganisation). Closing and reorganisation of schools brings new expenditure (transport of students, student accommodation, etc.). The interviews also revealed that the education grant allocated from the state budget is an important source of income for local governments and that in a small municipality the school is often a major employer, and this should be taken into consideration upon making decisions. It should be noted that although economic factors may often

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\(^1\) *Source:* EHIS – Estonian Education Information System

\(^2\) 41 new general education schools were established in the same period.

\(^3\) *Source:* Põder, K., Veski, A., Kirss, L., Lauri, T.; „Eesti põhikooli- ja gümnaasiumivõrgu analüüs aastaks 2020“; Praxis Centre for Policy Studies; Tallinn; 2014

\(^1\) *Source:* Põder, K., Veski, A., Kirss, L., Lauri, T.; „Eesti põhikooli- ja gümnaasiumivõrgu analüüs aastaks 2020“; Praxis Centre for Policy Studies; Tallinn; 2014

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impede the organisation of school network, the same factors are often the reasons behind reforms as local governments cannot maintain existing schools;

2) **Political factors** – preservation of school as a political promise;

3) **Social factors** – the social meaning of school in rural areas;

4) **Historical factors** – path dependency of human behaviour may not correspond to the actual local government borders, i.e. although it would be logical for rational considerations to close a school or a school level in a certain area and transfer the students into the closest settlement, we must admit that this may not be the preferred option due to differences between historic communities;

5) **Administrative factors** - need for an administrative reform prior to a school network reform. If schools are brought together under one owner it will be easier to find solutions and make decisions as well as to tackle transport issues as a whole;

6) **Factors related to school managers** – the development of schools is influenced by both very successful as well as less successful school managers;

7) **Infrastructural factors** – existing buildings do not conform to reform ideas;

8) **Other factors** – public policy is often not rational – the issue of school network is related to emotional factors (which may not have a rational justification) as well as other local characteristics or the lack of other means of education.

When preparing the estimate for the school network for 2020, the number of students, estimates population and the number of first grade students were used as a basis, as well as the Land Board’s data on the area of municipalities, data of the Ministry of the Interior on the population concentration in municipalities and the principles of shaping a good school network provided by the Ministry of Education and Research. The analysis of basic school and upper secondary school network for 2020 foresees important changes in the current school network – by 2020 the number of basic schools should be 352, i.e. 132 schools less than in the 2013/14 school year. In different counties the need for the optimisation of the school network is different – there are counties where the number of basic schools already corresponds to the estimate (Saare County, Tartu County, Valga County) and there are others where the school network is in need of important changes (Viljandi County, Lääne-Viru County, Lääne County). Relying on the calculation that 60% of basic school graduates continues their education in general upper secondary school, and viewing the upper secondary school network as covering the entire county, we could say that in 2020 44 general upper secondary schools would be enough to accommodate all students in that level of education. This figure is somewhat bigger, 58 upper secondary schools, if we separate towns from counties. In the school year of 2013/14 there were 194 upper secondary schools in the country, thus the estimated decrease would be significant and the change would influence all counties, and most of all the City of Tallinn.  

According to Praxis study, the actions of local governments in relation to school network are mostly characterised by a strategy of free development. Free development strategy uses case-based decision-making with no long-term strategic planning or an ideal objective for preferring a certain scenario – decisions related to school network are made at the moment when the management of schools begins to be too much for the municipality and the decision cannot be postponed any longer. Status quo strategy that aims to preserve the current school network for as long as possible., has been less popular. In larger cities, the decisions related to the reorganisation of the school network have been postponed thanks to the large number of students and larger income of municipalities.

Local governments, who made changes in their school network (have closed general upper secondary level) from 2010 to 2013, will be allocated additional support in 2014 by the state to cover the teachers’ labour costs. The abovementioned local governments may also use up to 5% of state support for the teachers’ labour costs for the

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remuneration of teachers in the upper secondary school level if the local government unit has made changes in their schools’ upper secondary school level from 2010 to 2013 or adopts a decision by 1 August 2014 to terminate the provision of education in their schools’ general upper secondary school level no later than on September 1st 2015. This includes local governments whose schools see the gradual termination of provision of education in the general upper secondary school level and will not admit new students to upper secondary school level as of 1 September 2015.\(^{186}\)

In addition, municipalities who have made changes in their school network can apply for investment support meant for improving the study environment of their basic schools. The total amount of investment support for basic schools for a period 2014-2020 is in total 132 mil euros.

4.6 Distribution of teacher resources

In the school year of 2013/14 a total of 7,869\(^{187}\) teachers worked in pre-school child care institutions, holding 7500 positions. The average age of teachers at pre-school childcare institutions is 45.1 years.

Table 11. Distribution of teachers in kindergartens by age group, school year of reference 2013/14\(^{188}\)

<table>
<thead>
<tr>
<th>Age group</th>
<th>Number of teachers in age group</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 and younger</td>
<td>1,051</td>
<td>13</td>
</tr>
<tr>
<td>30-39</td>
<td>1,434</td>
<td>18</td>
</tr>
<tr>
<td>40-49</td>
<td>2,240</td>
<td>28</td>
</tr>
<tr>
<td>50-59</td>
<td>2,301</td>
<td>29</td>
</tr>
<tr>
<td>60 and older</td>
<td>843</td>
<td>11</td>
</tr>
<tr>
<td>Sum</td>
<td>7,869</td>
<td>100</td>
</tr>
</tbody>
</table>

In the school year of 2013/14 a total of 14,226 teachers worked in general education schools, holding 11,739 positions. The average age of general education teachers as at the 2013/14 school year is 47.2 years. In case of both pre-school child care institutions and general education schools, the problem is the lack of young teachers, i.e. younger than 30.

Table 12. Distribution of general education teachers by age group, school year of reference 2013/14\(^{189}\)

<table>
<thead>
<tr>
<th>Age group</th>
<th>Number of teachers in age group</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 and younger</td>
<td>1,254</td>
<td>9</td>
</tr>
</tbody>
</table>

\(^{186}\) Source: 2014. aasta riigieelarve seaduses kohaliku omavalitsuse üksusele määratud tasandus- ja toetusfondi vahendite jaotus ning jaotamise ulatus, tingimused ja kord (Distribution of funds of equalisation and support fund allocated for local government with the 2014 State Budget Act, and the extent, terms and procedure of distribution); https://www.riigiteataja.ee/akt/102092014007

\(^{187}\) Teachers – pre-primary education teachers, music teachers, Estonian language teachers, swimming teachers, exercise teachers or teachers who teach students with special needs.

\(^{188}\) Source: EHIS

\(^{189}\) Source: EHIS

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According to TALIS survey, the teachers of Estonian general education schools are older than the average for participating countries and have comparing to TALIS average and comparing to other Northern-European countries a longer professional experience as teachers. The number of male teachers is significantly smaller in Estonian general education schools than in other countries participating in the survey – only 14% of teachers in Estonian general education schools are men. The average indicator for male teachers in TALIS survey was 32%.

**Table 13. Average length of teachers’ professional experience in North-Europe countries**

<table>
<thead>
<tr>
<th>Country</th>
<th>Average years of working experience as a teacher at this school</th>
<th>Average years of working experience as a teacher in total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>14</td>
<td>22</td>
</tr>
<tr>
<td>Average in TALIS countries</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>Denmark</td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td>Finland</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Iceland</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Norway</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Sweden</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>Latvia</td>
<td>16</td>
<td>22</td>
</tr>
<tr>
<td>UK</td>
<td>8</td>
<td>16</td>
</tr>
</tbody>
</table>

In the school year of 2013/14 a total of 2 129 teachers worked in vocational educational institutions, holding 1427 positions. The average age of teachers at vocational educational institutions as of the 2013/14 school year is 48.7 years.

**Table 14. Distribution of vocational education teachers by age group, school year of reference 2013/14**

<table>
<thead>
<tr>
<th>Age group</th>
<th>Number of teachers in age group</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 and younger</td>
<td>169</td>
<td>8</td>
</tr>
<tr>
<td>30-39</td>
<td>379</td>
<td>18</td>
</tr>
<tr>
<td>40-49</td>
<td>486</td>
<td>23</td>
</tr>
<tr>
<td>50-59</td>
<td>662</td>
<td>31</td>
</tr>
<tr>
<td>60 and older</td>
<td>433</td>
<td>20</td>
</tr>
<tr>
<td>sum</td>
<td>2129</td>
<td>100</td>
</tr>
</tbody>
</table>

**It is possible to become a teacher:**
1) Completing the curriculum of Bachelor’s level teacher training;

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190 According to United Nations geographical regions classification; [http://unstats.un.org/unsd/methods/m49/m49regin.htm](http://unstats.un.org/unsd/methods/m49/m49regin.htm)

191 Source: OECD, TALIS 2013 Database

192 Source: EHIS
2) Graduating from a specialised Bachelor’s studies and completing a Master’s level teacher training in addition;
3) Through the professional qualifications system, i.e. by proving one’s professional competence with a professional examination by a body that awards professions.

In order to commence work as a teacher at a basic school and upper secondary school, one has to have a Master’s degree or equal qualification and professional qualification as a teacher. The teacher of an elective subject at a general education school may have a Bachelor’s degree. The teacher at a pre-school childcare institution has to have higher education and pedagogical competence.

It is possible to become a vocational teacher by graduating from the Bachelor’s studies of vocational pedagogy. A pre-condition is that one has graduated from a vocational school, is a specialist/expert on the field. Workers from the labour market are no longer involved into vocational training; primarily in order to support the students in acquiring practical skills, the head of the school may hire a strong expert with vocational secondary education as a teacher, but teachers with such a level of education may constitute up to 20% of the whole teaching body of the school.

After graduating from teacher’s training, teachers are not assigned jobs, i.e. teachers are employees under employment contracts who are recruited similarly to other employees.

As already said, teacher training is not very popular choice among upper secondary graduates. Because of that there has been started some programs and initiatives to give value to studying to become a teacher.

Programmes and initiatives with the aim of creating interest towards the teaching profession:

**Beginner’s allowance for teachers**

Beginner’s allowance for teachers (hereinafter beginner’s allowance) is an allowance paid to a teacher who commences work in a school for the first time. The beginner’s allowance may be applied for by a person who:

- Has completed teacher training at a higher education level and commences work as a teacher in a school for the first time, except in a school located in Tallinn or Tartu, within 18 months as of completing the teacher training.
- Works as a teacher in a school with at least 0.5 workload, whereas the 0.5 workload also includes working at the same time as a vocational teacher in a vocational educational institution or as a teacher of general education subjects, except in a vocational educational institution in Tallinn or Tartu;
- Complies with the qualification requirements established for the position,
- Is proficient in Estonian at the C1 level provided for in the Language Act.

The Minister of Education and Research will establish the procedure for application, payment and recovery of the beginner’s allowance. The amount of the beginner’s allowance is provided in the annual State Budget Act. From September 2008 to October 2014, beginner’s allowance has been paid out to a total of 415 young teachers. The amount of beginner’s allowance is 12 783 euros and it’s reimbursed in three parts – at first year 50% of total sum, at second and at third year 25% of total sum.

**Teacher training scholarship**

The objective of the teacher training scholarship is to give value to studying to become a teacher and thereby acknowledge the teaching profession in Estonian society. The aim of the scholarship is to motivate students with talent for teaching to apply to teacher training specialities and to acquire the teacher’s profession. The amount of the scholarship is 160 euros per month.

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193 If divide this sum to three years then allowance per month will be 355 euros. State regulated minimum salary per month is also 355 euros.
**Noored Kooli (Youth to School)**

Noored Kooli educational programme has been called to life to create an environment for the development of a new generation of leaders, who bring on positive changes into Estonian education by operating in different fields of life. Every year, up to 25 capable and active university graduates are selected to the program and offered the unique challenge of developing their leadership skills in the classroom. The participants of the program will teach at schools for two years, where they directly impact the development of each of their students. At the same time, they pass a training in teaching and leadership skills, which supports their development into outstanding teachers and leaders. When the program ends in two years, the participants can choose freely whether they decide to continue working at school, continue their studies at university or begin working at some other field. However, on the basis of the experience at school, the graduates of Noored Kooli can contribute from different fields of life into wider and more systematic changes in education to enable a good education to every child in Estonia. While in institutions of higher education teacher training is not very popular, the Noored Kooli programme has been very popular and every year the number of young people who wish to join the programme is much bigger than the number of places in the programme.

**Tagasi Kooli (Back to School)**

Tagasi Kooli is a citizen initiative, the aim of which is to strengthen cooperation between Estonian schools and the rest of the society. Guest teachers – active citizens, parents, alumni, students and everyone willing to contribute to school life – are invited to give classes and share their experiences at school. The classes given by guest teachers mediate practical knowledge and experience from different fields of life to the teachers, thereby contributing to the diversification of education. For teachers, Tagasi Kooli creates important value in meeting the objectives of the new curriculum and extending the cooperation network with people, who wish to contribute to the development of the new generation. Also the President of the Republic of Estonia, Toomas Hendrik Ilves, is a supporter of the Tagasi Kooli initiative and has given a class to students within the initiative himself.

**Recruitment campaigns of universities**

Universities responsible for teacher training carry out recruitment campaigns to popularise the teaching profession and participate in career fairs.

### 4.7 Distribution of school leadership resources

The qualification requirements for heads of schools enacted by the Minister of Education and Research are the existence of higher education and leadership competences. The owner of the school declares the competition for filling a vacant position of the head of the school. The owner of the school will establish the procedure for organising a competition for filling a vacant position of the head of the school and submit the procedure to the board of trustees beforehand so that the board of trustees can express its opinion on it. An employment contract with the head of a municipal school will be concluded by the rural municipality or city mayor or an official authorised by the mayor. An employment contract with the head of a state school will be concluded by the Minister of Education and Research or an official authorised by the minister.\(^\text{194}\)

In Estonia the majority of heads of general education schools are women. The proportion of female heads of schools is above the average of the countries that participated in TALIS survey. In Estonia this indicator is 60% while the average of participating countries is 49%. Further, compared to the previous TALIS survey the proportion of female heads of schools has increased in Estonia (from 53% to 60%). 70% of school heads of VET schools are men (in 2013/14 school year).

Compared to the average of the countries that participated in TALIS survey, the proportion of people under the age of 40 is smaller and the proportion of people above 60 is larger in Estonia (Table 15). Also when compare Estonian data with other Northern European countries data then occurs that the highest proportion of school heads in age 60 years or more, is in Estonia.

Table 15. Age distribution of school heads in North-Europe countries\textsuperscript{195}

<table>
<thead>
<tr>
<th>Country</th>
<th>Under 40 years</th>
<th>40-49 years</th>
<th>50-59 years</th>
<th>60 years or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>5</td>
<td>29</td>
<td>43</td>
<td>22</td>
</tr>
<tr>
<td>Average in TALIS countries</td>
<td>8</td>
<td>30</td>
<td>47</td>
<td>15</td>
</tr>
<tr>
<td>Denmark</td>
<td>4</td>
<td>24</td>
<td>52</td>
<td>19</td>
</tr>
<tr>
<td>Finland</td>
<td>9</td>
<td>33</td>
<td>46</td>
<td>13</td>
</tr>
<tr>
<td>Iceland</td>
<td>7</td>
<td>36</td>
<td>41</td>
<td>16</td>
</tr>
<tr>
<td>Norway</td>
<td>4</td>
<td>40</td>
<td>36</td>
<td>21</td>
</tr>
<tr>
<td>Sweden</td>
<td>4</td>
<td>45</td>
<td>38</td>
<td>13</td>
</tr>
<tr>
<td>Latvia</td>
<td>4</td>
<td>27</td>
<td>52</td>
<td>17</td>
</tr>
<tr>
<td>UK</td>
<td>8</td>
<td>44</td>
<td>46</td>
<td>3</td>
</tr>
</tbody>
</table>

Estonian school heads have an average of 12.1 years of experience as school heads while the average for countries participating in TALIS was 8.9 years. 96.4\% of heads of school are satisfied with their work.\textsuperscript{196}

The following programmes\textsuperscript{197} directed at heads of schools will begin in the spring and autumn of 2015:

- School team development programme – Management training programme with the head of school and two other staff members as participants. The programme lasts 12 months, covers different topics related to school management, and each module is accompanied by homework which grows into a school development project during the programme. Six months after the end of the programme there is a follow-up meeting to observe how the implementation of the improving/development project.

- Offspring programme for school heads – Programme for future heads of schools. Open for participation for the school’s current employees (who are not yet school heads) as well as for people from other sectors who wish to become head of school. This development programme lasts 24 months and prepares the future head of school for future challenges. The programme consists of modules and their contents have been prepared considering the participants, i.e. if the participant comes from another sector he or she must complete a more thorough introduction to pedagogy and management of studies and education than those who have already worked as teachers or head teachers. During the programme the participant has a mentor and the programme includes field training at school. The participants will be selected as a result of a competition.

- Programme for novice heads of schools – A programme directed at implementing, designed to support novice heads of schools in their new role and enable them to shorten their introduction period and speed up commencement of work. Provides an overview of legislation necessary for heads of schools, financial

\textsuperscript{195} Source: OECD, TALIS 2013 Database

\textsuperscript{196} Source: OECD; „TALIS Country Country Profile: Estonia“; 2014

\textsuperscript{197} Planned in relation to Lifelong Learning Strategies objectives.
management, innovation in education, trends, etc. An additional bonus: establishes a cooperation network.

There are no state-level programmes, which would “tempt” heads of schools to go to work also at more remote rural areas, but it is possible that a specific rural municipality may offer to school head either cheaper accommodation or other benefits, if possible.

In addition to the school heads, schools also employ head teachers, who primarily handle matters regarding teaching and learning. Some of the main work assignments of head teachers are – assuring quality of studies, assuring that school and national curricula’s are followed, supervising teachers. Majority of head teachers are women (92% in general education schools, 83% in vocational education institutions, 99% in pre-primary institutions).

In school year 2013/14 2% of head teachers in pre-primary and general education schools are younger than 30. Majority of head teachers in general education schools are in age group 50-59. Majority (41%) of head teachers in preschools and in vocational education institutions are in age group 40-49. Proportion of head teachers in age group 60 and older is presented in Table 16.

### Table 16. Proportion of head teachers in age group 60 and older

<table>
<thead>
<tr>
<th>Type of school</th>
<th>Number</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>General education schools</td>
<td>70</td>
<td>13%</td>
</tr>
<tr>
<td>VET institutions</td>
<td>2</td>
<td>7%</td>
</tr>
<tr>
<td>Pre-primary institutions</td>
<td>31</td>
<td>9%</td>
</tr>
</tbody>
</table>

In larger schools there are, in addition to the school head and head teacher, also financial manager, who handles the matters of everyday management of the school.

### 4.8 Distribution across specific student groups

#### General education

A school will organise language and cultural teaching for students acquiring basic education whose native language is not the language of instruction or who communicate at home in a language different from the language of instruction, which is the native language of at least one parent, provided that no fewer than ten students with the same native language or with the same language of household communication request it. Coordinating the creation of the possibilities for language study, including procuring the materials necessary for language and cultural teaching, is organised by the Ministry of Education and Research.

A school may have boarding school facilities. Extracurricular activities ensuring the learning, living and education conditions that comply with the needs and interests of students as well as with the security and health protection requirements are organised in boarding school facilities. At the request of the owner of a school and with the approval of the governor of the county of location of the school, the Minister of Education and Research will designate a municipal or private school whose existing boarding school facilities or whose boarding school

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198 In 2013/14 school year. Source: EHIS
199 Source: EHIS – Estonian Education Information System
facilities to be formed contain state-supported places for the basic education-acquiring children of families who have difficulties coping.

The aforementioned school lunch and transportation support allocated from the state budget does not depend on the socio-economic situation of the student and is the same for all students.

**Students with educational special needs**

Students with special educational needs are students for whom, irrespective of the reason – from exceptional talent to profound learning disability – changes or adjustments must be made to the contents of study, study process, desired results or the study plan prepared by the teacher to use in class.

Rural municipality and city governments provide children with physical disabilities, speech disorders, sensory disabilities or mental disabilities or children, who need special support or special care (hereinafter children with special needs), with the opportunity to develop and grow in the preschool institution of their residence. Conditions are created for children with special needs to grow in integration groups together with other children. If it is impossible for an integration group to be formed in the preschool of residence, the rural municipality or city government forms groups for children with special needs or establish preschools for children with special needs.\(^{201}\)

Upon the organisation of the studies of a student with special educational needs, the principles of inclusive studies, according to which students with special educational needs usually study in an ordinary class of their school of residence, are followed. The principles of organisation of studies for students with special educational needs will be laid down in the school curriculum. The head of school appoints a person (hereinafter *special educational needs coordinator*) whose duty is to organise cooperation between support specialists, instructors of talented students and teachers for the purpose of supporting the teaching and development of a student with special educational needs. The special educational needs coordinator supports and instructs a teacher in identifying special educational needs and makes proposals to the teacher, parent and head of school regarding further educational work, application of measures offered by the school in support of the development of the student or conducting further investigations, thereby cooperating with teachers and support specialists. If the special educational needs of a student arise from their talent, the implementation of an individual curriculum and, where necessary, additional instruction by subject teachers or other specialists of the respective field will be ensured through educational programmes or other educational institutions. The results of the pedagogical-psychological assessment carried out for identification of special educational needs, additional observations and recommendations of teachers regarding the strengths and weaknesses of a student, recommendations of the support specialists of the school, test and examination results, and the recommendations of the counselling committee regarding organisation of studies and the measures applied to the student on the basis thereof will be documented in a child development observance chart drawn up for the purpose of observance of the development and coping of the student with special educational needs. The head of school will appoint the persons in charge of drawing up and filling in the individual development observance map. The persons liable for preparing the child development observance chart and filling it in will be appointed by the head of school.\(^{202}\)

If the school does not have the possibilities and conditions for carrying out teaching and learning that meets students’ special needs, the student who has a disability or who requires special assistance has the right to study at the nearest school which meets the conditions. If the school, where to the student with the special needs is forced to go to study, is located outside the municipality of the student’s residence, the rural municipality or city


of the student’s residence will be obliged to organise transportation or to compensate the transportation expenses of the student.

Figure 59. The number and proportion of students with special educational needs among the students in stationary studies of general education

Schools with specific teaching and studying facilities have students with educational special needs and behavioural special needs, who mostly have either a visual, speech and hearing impairment, mobility disability and related disability, intellectual disability, emotional and behavioural disorders or who require special treatment. Teaching students, who require special learning conditions, requires special conditions and therefore also more resources.

By type of ownership the number of state schools is the largest and the number of private schools the smallest among schools for students with special educational needs. The majority of students studying in schools for students with special needs studies in state schools. The Ministry of Education and Research considers it essential that the school network corresponds to the needs of students with special educational needs and their families. In 2014 renovation work is underway in three state schools for students with special educational needs, and preparations are made for the construction of a new building complex for one school.

Table 17. Distribution of SEN schools by type of owner

<table>
<thead>
<tr>
<th>SEN schools by type of owner</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private schools</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Municipally owned schools</td>
<td>14</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>State owned schools</td>
<td>26</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>24</td>
<td>23</td>
</tr>
</tbody>
</table>

203 Source: EHIS; The number of students with special educational needs includes students who study in schools for students with special educational needs; students studying in special class of a regular school; students in a regular class who study pursuant to a special curriculum; students receiving home educating pursuant to the national curricula of simplified studies, coping studies and nursery studies. The figures do not include data on students with special educational needs who receive regular education pursuant to the ordinary national curriculum.

204 Source: EHIS – Estonian Education Information System
For the purpose of better organisation of the studies of students with special educational needs, the following groups and classes may be formed in schools in order to create the required support services for students whom these cannot be ensured in an ordinary class:

1. Remedial instruction groups for students acquiring basic education for provision of special education or speech therapy assistance – the upper limit of the size of the group is 6 students;
2. Classes for students with behavioural problems acquiring basic education – the upper limit of the size of the class is 12 students;
3. Classes for students with severe somatic illnesses – the upper limit of the size of the class is 12 students;
4. Classes for students with a speech impairment, visual impairment, hearing impairment or physical/motor disability – the upper limit of the size of the class is 12 students;
5. Classes for students with specific learning difficulties acquiring basic education – the upper limit of the size of the class is 12 students;
6. Classes for students with mild learning difficulties acquiring basic education – the upper limit of the size of the class is 12 students;
7. Classes for students with emotional and behavioural disorders acquiring basic education – the upper limit of the size of the class is 8 students;
8. Classes for students with multiple disabilities acquiring basic education – the upper limit of the size of the class is 6 students;
9. Classes for students with moderate learning difficulties acquiring basic education – the upper limit of the size of the class is 6 students;
10. Classes for students acquiring basic education whom the counselling committee has, based on their specific educational needs, recommended studying in a small class, including students with autism spectrum disorders, activity and attention disorders or addiction disorders or students whose talent in combination with another special need results in the need to study in a small class – the upper limit of the size of the class is 4 students;
11. Classes for students with severe and profound learning difficulties acquiring basic education – the upper limit of the size of the class is 4 students;
12. Classes for students with educational problems acquiring basic education – the upper limit of the size of the class is 12 students.

By a recommendation of the counselling committee and with the approval of the student or, in the event the student has limited active legal capacity (because of his/her medical condition), a parent, one-to-one teaching is applied to the student who due to their health status requires constant supervision or assistance at school. Additionally it is possible to organise studying as home educating, in the case of which educating takes place at a student’s home or in another place outside the school premises agreed with a parent of the student. Home educating is applied to a student with special educational needs based on the student’s health status. The teaching of a hospitalised student acquiring basic or general secondary education is organised as in-hospital teaching. The Minister of Education and Research will establish the conditions of and procedure for home educating and in-hospital teaching.

Support for schools for students with special needs is allocated from the state budget regardless of whether these schools are state, municipally or privately owned. Support is allocated to all schools, also private schools, on the same principles. The allocation depends on the number of students and the severity of their disability.

New immigrant students are also considered as students with special educational needs and specifications can be applied to them in the organisation of studies and the curriculum. According to EHIS, the number of new

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207 New immigrant students are students who have arrived from foreign countries in the last three years.
immigrant students has been around 120-190 in the last five years. New immigrant students have mostly gathered in the schools of larger towns. Nearly 60% of students who have arrived in Estonia from other countries during the last three years come from Europe or America and it is noticeable that less than 20% of new immigrant families intend to stay in Estonia for a longer period. Prior to attending a general education school in Estonia the new immigrant students have mostly studied in English but also in Russian, German, Latvian or Finnish. More than half (57%) of new immigrant students have gathered in schools where the language of instruction is Estonian. One fourth studies in a Russian-language school and one fifth in an English-language school. Similarly to their peers, the studies of new immigrant students are carried out pursuant to national curricula, the only difference being that they have been determined as students with special educational needs to whom specifications could be applied in the curriculum and organisation of work. The schools use several differentiated class activities that are used in all school levels: the students have a support person in the teacher who helps with homework and observes in class to identify learning difficulties and provide necessary assistance; the teacher uses different teaching methods for teaching new immigrant students – certain tasks are given via a computer, the proportion of oral and written assignments depend on the needs of the student; a part of education in class is provided to the student in a different language than the rest of the class; the student’s study volume will be reduced, texts simplified and desired study results decreased. New immigrant students can learn Estonian pursuant to an individual curriculum (state funding for this for Estonian-language schools only) and if there are at least 10 new immigrant students of the same mother tongue in one school, the school will provide them with the opportunity to have classes for their mother tongue studies also.208

Vocational education

Students in vocational education can apply for two different types of study allowances – basic allowance and special allowance. The basis for disbursing basic allowance are the study results of the student and it can be applied for by students, who are in full-time study or on a full-time curriculum, where there are student training places formed on the basis of state commissioned education. A precondition is that the student cannot have been studying longer than the nominal period for studies. Study allowances are not paid for students on academic leave. Study allowance means are allocated to for 50 per cent of students on training places formed on the basis of state commissioned education. Allowance from the special allowance fund is paid to students, who are in a financially difficult situation and the procedure of using the fund is confirmed by the board of the educational institution.

For students studying full-time and in stationary study on a training place formed on the basis of state commissioned education, expenses of travelling to the educational institution and back to the permanent residence (round trip up to two times a month) will be compensated, also the expenses of travelling to and from the permanent residence for national holidays and school holidays. For students travelling to the educational institution and back to the permanent residence every day, the travelling expenses will be compensated considering one round trip in the extent of up to 40 kilometres in a day of study.

Students with special educational needs in vocational education

Vocational education has also been organised for students with special educational needs. The school along with the manager of school, the state and the municipality or town of the student will provide conditions for vocational training for the student with special needs, taking into account the wishes of the student, specific needs and potential for finding a suitable job. The school and the manager of school will implement necessary support systems and services (e.g. e-studies, using an assistant teacher in classrooms, socio-pedagogical support service,

208 Source: Kasemets, L., Asser, H., Hannust, T., Rahnu, L.; Uusimmigrantõpilaste õpiedukuse ja haridusvõimaluste uuring „Uusimmigrantõpilaste akadeemiline ja sotsiaalne toimetulek Eesti üldhariduskoolis”; Mindpark; 2013
special education support service, psychological counselling, speech therapist, use of sign language in during studies, etc.) to effectively involve the students with special needs in vocational training. Support systems and services and the principles of their implementation will be determined in the school’s rules for the organisation of studies. The school will notify and counsel students with special needs in relation to the existence and use of aids, as well as the support for their acquisition. Upon organising the physical environment of the educational institution the needs of the students with special needs will be taken into account: access of all students, including those in wheelchair to essential facilities; accosting conditions that support hearing; interior design to improve visual orientation; information of sufficient volume that can be easily found to find one’s way in school buildings. To improve the conditions for vocational training, the studies may be carried out outside the buildings of the educational institution. The educational institution may implement a module for students with special needs to prepare them for vocational training, improve social skills and encourage independent coping. When organising field training for students with special needs, special conditions required by the student will be taken into consideration. For students whose special needs arise from exceptional talent, stricter requirements are given upon field training, due to their special needs. Individual curriculum will be prepared for students with special needs on the basis of the school’s curriculum, taking into account the different needs of students, incl. their exceptional talent or capability of in acquiring a profession as well as recommendations given in the rehabilitation plan.

As required, the individual curriculum will determine the following:

1) Compared to the school’s curriculum, decreased or increased requirements for study contents and arising study results;
2) Specifications in organisation of work;
3) Shortening and lengthening of study period;
4) Need and principles for involving additional human resources;
5) Adjusted teaching aids to be used;
6) Necessary adjustment in space.

Generally, a separate study group will not be established for students with special needs. Separate study groups will be established if several students with special needs wish to study the same specialty and a separate group will improve the study conditions of students with special needs. If the group has at least four students who have studied in a nursing class in basic school, or four students who studied pursuant to a national coping curriculum in basic school, a separate study group will be established of said students. The maximum size of the group for students who studied pursuant to a simplified curriculum of basic school is 12 students.

There are no separate schools for students with special educational needs in vocational training and such students are involved in the work of regular vocational educational institutions.

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209Source: Erivajadusega isikute kutseõppeasutustes õppimise tingimused ja kord (Terms and procedure for studying in vocational educational institutions for persons with special needs); https://www.riigiteataja.ee/akt/115052014004
210Source: Erivajadusega isikute kutseõppeasutustes õppimise tingimused ja kord (Terms and procedure for studying in vocational educational institutions for persons with special needs); https://www.riigiteataja.ee/akt/115052014004
211Source: Erivajadusega isikute kutseõppeasutustes õppimise tingimused ja kord (Terms and procedure for studying in vocational educational institutions for persons with special needs); https://www.riigiteataja.ee/akt/115052014004
4.9 Main challenges

From the standpoint of resource utilisation, an important challenge is redesigning the school network so that it would meet today’s needs. The current general education school network has been initially created for a significantly larger student body. When we analyse the yearly expenses in general education per one student, then these indicators can differ a lot according to local governments. There are local governments where the yearly total expense per student is 1300 euros on the average, but there are also local governments where this indicator is 5000 euros and more. The expenses are higher per student mostly at those local governments, where the number of students is low and the expenses for the maintenance and personnel of a schoolhouse not filled to capacity and hiring personnel per one student are extremely high. Also the surface area indicators per one student are substantially different. There are general education schools were there are 12-15m² per one student, but there are also schools were the surface area per student is multiple. As for the use of resources, there are many small schools in Estonia, where expenses per student and surface area indicators per student are ineffectively high. Keeping up schoolhouses, where the number of students has decreased and which are not filled to capacity is expensive and as a result, many of such schoolhouses have depreciated. The results of the questionnaire prepared for schools showed that at many schools, also local societies or non-profit organisations use the school buildings, but usually they do not pay a fee for using the buildings or the fee is relatively symbolic.

Making a decision to close a school is a difficult one for the local government and is often postponed. If the owner of the school decides to close the school, this brings along other problems. It is highly probable that the students will have to begin travelling longer distances to school and the trip will take longer. Teachers having worked at the closed schools will have to find new jobs. In addition, a regional development challenge is that when a school at a small rural municipality is closed, it will have more extensive repercussions than it would seem at first glance, as in small rural areas, the school often binds the community and is a place for joint activities for local societies. In addition, closing a school at a rural municipality may cause the area to lose its attractiveness as a residential environment and families with school-aged children will move away. People leaving the area will probably decrease the number of taxpayers in the municipality, which in turn creates a difficult situation for the municipality, i.e. closing a school may indirectly cause other kinds of expenses.

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212 Source: EHIS
The main challenge regarding to the teaching body is that the teaching body is ageing, and the ratio of teacher’s under the age of 30 is low. The teaching occupation has lost its popularity in the society and teacher training is not a popular choice for young people at universities.

In general education, the number of students per one teacher position has decreased. There is a significant difference between the respective indicators at city and rural schools. Also, at rural schools, there are significantly less students per support staff position than at city schools. The close network of other staff at rural schools gives rise to a conclusion, that in addition to educating children, one task of the school is to keep local residents employed. Whereas larger schools enable servicing more students per position that smaller rural schools, maintaining small schools is relatively expensive also in this respect.

**Challenges set by stakeholders:**

- Many schoolhouses have fallen into depreciation. In 2008, the state investment aid was 15.5 million euros, in the following years, largely due to the global financial crisis, the investments decreased (e.g. in 2012 3 million euros). Investments have to be restored to the 2008 level.
- Reorganising the school network will bring along different economic and social impacts, the scope of which is difficult to thoroughly estimate. It is important to develop solutions based on the student’s wellbeing to solve the increasing transportation need of the students and also the increased need for student accommodation. In addition, as a result of the decreased number of upper secondary schools, upper secondary school students will begin studying at schools further and further away from home, which takes them away from their homes and disrupts their connections to their home-municipalities, also the young people will no longer be able to be involved at sports and cultural activities at their home-municipalities, as most of the free time of the young people will be spent on transportation between home and school.
- State funding for learning materials and boarding school facilities has to be increased.
- The state has to ensure a wide based and regionally equal access to education, which is based on a kindergarten and basic school, and an upper secondary school and a vocational educational institution, which both provide many options, being near to home.
- Although the salary of teachers has increased, further pay raises are necessary.
- Vocational education is not sufficiently funded, because of which schools are not able to hire speciality professionals to conduct speciality studies.

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213 The school network investments program for 2014-2020 foresees creating a supportive measure for local governments to support renovating school buildings and reducing facilities not required by the school. Maintaining the renovated buildings costs less and enables to contribute more resources into the content of the education.
Chapter 5: Resource utilisation
The fifth chapter covers the utilisation of resources after they have reached the corresponding level. The main keywords are the compliance of the resources to the students’ needs, the organisation of time of study, compliance of the teachers’ resources to the students’ needs, organisation of the school’s management, teaching and learning environment at school and the use of school buildings and materials.

5.1 Matching resources to individual student learning needs

At pre-school child care institutions, children are divided into groups based on age and, at special groups, based on disability. A more precise overview of the groups of pre-school child care institutions based on age and types of special groups has been presented under section 2.1.

Because of quite large Russian-speaking population, there are kindergartens and basic schools where instruction language is Russian. Nevertheless, there is remarkable number of children among children whose mother tongue is not Estonian but who have chosen to acquire education in Estonian or in Keelekümblus program (Table 18). Keelekümblus is a program, which helps to acquire Estonian as a second language. In this program, there are combined learning Estonian language and different subjects. It is a national program and it is financed by Ministry of Education and Research. Joining with program is possible for children in two last years (5-7 years old) in pre-primary institutions and for 1st graders and for 6th graders in general education schools. Joining with program is voluntary for students and for general education schools and for pre-primary institutions. Program was started in 2000, for the moment 45 pre-primary institutions, 35 general education schools and more than 6000 children and 1000 teachers are joined. In addition to Keelekümblus, Ministry of Education and Research also supports and finances professional trainings for teachers and informal activities for students in Russian language schools.

Table 18. Proportion of children whose mother tongue is not Estonian according instruction language in pre-primary institutions 2010-2014

<table>
<thead>
<tr>
<th>Instruction language</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonian</td>
<td>19%</td>
<td>18%</td>
<td>17%</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>Estonian (Keelekümblus)</td>
<td>12%</td>
<td>13%</td>
<td>14%</td>
<td>16%</td>
<td>19%</td>
</tr>
<tr>
<td>Russian</td>
<td>69%</td>
<td>70%</td>
<td>68%</td>
<td>67%</td>
<td>62%</td>
</tr>
<tr>
<td>Sum</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

At general education schools, students are divided into groups usually according to age. At a basic school, the maximum number of students in a class is 24, upon a reasoned decision of the board of trustees 26. If the total number of students of two or three classes in a basic school is 16 or less, a composite class may be made of these students. In case of students with educational special needs, students can be divided into groups according to their special needs. At upper secondary schools, study groups can also be formed based on the students’ choices to study certain elective courses (language courses for example). At small schools, study groups are formed primarily in physical education and art subjects also on the basis and across school levels.

Foremost into schools but also into groups can students be divided according to which instruction language they prefer in basic school. 18% of students whose mother tongue is not Estonian have chosen to learn in Estonian

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214 Data for children 5 year old or older. Excption is made in 1. September every year. Data is only for children whose mother tongue is Russian or Russian/Estonian. Children whose mother tongue is Russian or Russian/Estonian form 95% of children whose mother tongue is not Estonian. Children with other mother tongues usually go to preschools where instruction language is Estonian. Source: EHIS – Estonian Education Information System
according to Keelekümblus program, 8% have chosen to study in Estonian and 74% have chosen to study in Russian. In a last ten years, number of students who have decided to study according to Keelekümblus program has doubled. In a same period, number of students who have chosen school with Estonian instruction language has decreased (Figure 61). Specific reasons which has caused the decrease of students who have chosen basic school with Estonian instruction language, are unknown.

Figure 61. Number of students whose mother tongue is not Estonian and whose instruction language in basic school is Estonian or Estonian Keelekümblus program

Since 2011 instruction language in upper secondary schools is Estonian. The language in which studies are pursued amounts to no less than 60 per cent of the lowest permitted study workload laid down in the national curricula, is deemed the language of instruction of a school. This means that 40% study workload laid down in the national curricula can be taught in Russian or in some other language. Majority of students whose mother tongue is not Estonian, study in Upper secondary schools where 60% of subjects is taught in Estonian.

The provision of state education counselling service is used to support students with learning difficulties. As a rule, it is not allowed to require a student to repeat the grade in upper secondary school and it is more of a decreasing trend in basic schools. There are different programs to support the prevention of dropping out – bulling-free school, school without violence, moral education program, enterprising school, career counselling program etc.

Dropping out can also be reduced by helping students plan their educational decisions and by helping them to make reasoned choices. Career planning has been included into national curricula as a recurrent topic and elective subject. On 1 September 2014, Rajaleidja centres managed by the Innove foundation began operating in all counties and there career and study counselling services are provided. The target group of the centres includes children and young people of up to the age of 26, for whom the service is free. Also the Rajaleidja centres organise the work of counselling committees at the counties.

After graduating basic school students have to make their first big decision about their education track. They can choose between gymnasium (for acquiring general upper secondary education) and VET institution. Students with lower grade point average usually will continue their studies in VET institutions. Student decides with

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215 Source: EHIS
his/her parents which track to choose. Students who want to continue their studies in gymnasium or VET institution have usually entrance exam and/or entrance interview. Schools can also take into consideration students’ grade point average or students’ performance in national tests\textsuperscript{217}. There are also some gymnasium there are no entrance exams.

At VET schools, students are divided into groups according to their specialities (curricula’s). On speciality group can also be divided according instruction language (in most cases Estonian and Russian). In school year 2012/13 was also opened one study group for woodworkers\textsuperscript{218} with Latvian instruction language and other study group for logistics\textsuperscript{219} with English instruction language. Both groups where opened in Valgamaa Kutseõppekeskus (school is located very close to Latvian boarder in city Valga, which is twin city with Valka which is located other side of Estonian-Latvian boarder). Proportion of students who have chosen Russian to their instruction language has constantly decreased (Table 19).

| Table 19. Distribution of students in VET institutions according to instruction language\textsuperscript{220} |
|--------------------------------------------------|--|---|---|---|---|---|---|
| Estonian as instruction language, % of students   | 72,7%   | 74,4%   | 75,9%   | 76,1%   | 76,3%   | 76,5%   | 76,4%   |
| Russian as instruction language, % of students    | 27,3%   | 25,6%   | 24,1%   | 23,9%   | 23,7%   | 23,5%   | 23,4%   |
| Latvian as instruction language, % of students    |        |         |         |         |         | 0,1%    | 0,2%    |

An important objective in the area of vocational education is to reduce dropping out from school and developing support systems in vocational education. The current situation where less than 60\% of those having begun studies graduate is dissatisfaction. In order to improve the situation, it is necessary to:
- implement different measures supporting students at schools, which would help to prevent discontinuing studies;
- increase the awareness of basic school students and other potential vocational students about the study and career choices and their readiness for vocational studies;
- improve the preparation of students for continuing studies with regard to basic knowledge and key competences.

5.2 Organisation of student learning time

Pre-primary education

A pre-primary institution has an activity plan and a daily schedule, upon the preparation of which the national curriculum for pre-primary child care institutions and the cultural identity and traditions of the area where the pre-primary institution is located are taken into account.

The schooling and education is based on the daily schedule of the group, which – in accordance with the children’s age – specifies a daily rhythm, where daily activities, children’s play, free activities and schooling and education planned by the teacher alternate. In planning the schooling and education, the teacher considers the level of development, age and interests of the child. When the child grows and develops, the content of

\textsuperscript{217} Students’ performance in national tests in the end of 9\textsuperscript{th} grade.
\textsuperscript{218} Based on compulsory education.
\textsuperscript{219} Based on upper secondary education.
\textsuperscript{220} Data for students who acquire post-secondary non-tertiary education is not included. Source: EHIS
studies is usually based on the principle of from near to far, from single to general. When planning the schooling and education activities of the group, the objectives, topics, content and activities of studies of the period (week, month) will be presented. Planning the schooling and education of the group is flexible and enables the teacher to make changes, if necessary. For a child, whose home language is not Estonian, Estonian lessons will be provided. Estonian language training at a preschool institution or a group thereof where learning and teaching is not conducted in Estonian will begin at the age of three.221

A preschool institution shall issue a readiness for school card to children who have completed the curriculum of the preschool institution, describing the results of development of the child. The parent shall submit the readiness for school card to the school in which the child commences his or her compulsory school attendance.222

As the parents typically work from 8:00 to 17:00 or longer, the opening hours of preschool institutions are adjusted so that the parent could take the child to the institution before the start of the working day and pick up the child after the end of the working day, meaning that preschool institutions are usually open on business days from 7:00 to 18:00 or 19:00. Privately owned institutions may differ in this regard. An school year lasts from September 1 to August 31.

General education

Organising schooling in general education takes place according to the school curriculum. School curriculum is in accord with national curricula for basic schools or for general upper secondary schools. A school year lasts from September 1st to August 31st. A school year consists of quarters and school holidays. Quarters contains at least 175 school days in total. In the final year quarters contain at least 185 school days in total. One week comprises up to five school days. A lesson is a period prescribed for instructed studies in the daily schedule of a school or in the individual curriculum of a student. Instructed studies are studies pursued in the manner determined by the school, for example, a lecture, individual lesson, consultation, e-learning and a study visit aimed at the acquisition of knowledge and skills and taking place in a learning and teaching environment where both the student and the teacher participate. The calculated length of a lesson is 45 minutes. A lesson is followed by a recess. A lesson may be divided into multiple parts and up to two consecutive lessons may be taught without a recess. The length of a recess is at least ten minutes per lesson. In a basic school, activities relating to additional studies may be organised during the summer holiday, taking into account that a holiday of no less than ten consecutive weeks without any activities relating to studies and examinations is ensured for a student acquiring basic education. The Minister of Education and Research will establish school holidays. On the basis of a proposal of the head of the school and with the approval of the board of trustees, the owner of a school may establish school holidays different from those established by the Minister of Education and Research, taking into account that during the school year there are four school holidays with a total duration of at least 12 weeks, whereby the summer holiday lasts at least eight consecutive weeks.223

School holidays in school year 2014/15:

- Autumn holiday: October 18th, 2014 – October 26th, 2014
- Spring holiday: March 14th, 2015 – March 22nd, 2015
- Summer holiday: June 4th, 2015 – August 31st, 2015

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221 Source: Koolieelse lasteasutuse riiklik õppekava (National curricula for preschool child care institutions); https://www.riigiteataja.ee/akt/12970917?leiaKehtiv
222 Source: Preschool Child Care Institution Act; §16; https://www.riigiteataja.ee/en/eli/512012015002/consolide
The legislation provides that the school day begins at 8:00 or later. It is up to the school to decide whether the school day starts at 8:00, 8:15, 8:30, etc. As mentioned above, parents work until 17:00 or longer. Therefore, schools usually have long day groups after the lessons. Long day groups are designed for the students of grades 1 to 9 and these are formed on the request of the parents. The long day groups are designed to provide activity after the lessons, assist in doing the homework, and engage in various recreational activities. Students in long day groups must be provided an additional lunch at school which is paid for by the parent.

Students’ weekly workload by subjects is laid down in the school curriculum. In lessons, the maximum weekly workload of a basic school student is as follows:

- Grade 1 – 20;
- Grade 2 – 23;
- Grades 3 and 4 – 25;
- Grade 5 – 28;
- Grades 6 and 7 – 30;
- Grades 8 and 9 – 32.

There have been no recent changes in the organisation of the time of study of the students. The minimum permitted workload in an upper secondary school is 96 courses (72 in non-stationary studies). In upper secondary schools the workload of compulsory studies common for all students is 63 courses (for students who learn Estonian as a second language, 67 courses). A course corresponds to 35 lessons taught under one subject. Upon planning and implementing teaching and learning, it is made certain that students’ workload corresponds to their age and abilities, granting them time for resting and hobby activities.

In comparison to the average of OECD and EU member states, students in Estonia have less compulsory instruction hours per year (Figure 62).

**Figure 62. Compulsory instruction time, average hours per year, 2013**

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224 Source: Tervisekaitseasutused kooli päevakavale ja õppekorraldusele (Health requirements for schools daily routine and for studying arrangements), §8; [https://www.riigiteataja.ee/akt/122112013013](https://www.riigiteataja.ee/akt/122112013013)


Vocational education

In vocational education, studies are organised according to the curriculum and application plan of the curriculum. Studies in vocational education are the student’s activities in the learning and work environment for achieving the objectives and learning outcomes set in the curriculum and these take place as contact learning, in-service training, and independent work. Studies both in real and virtual learning environments and under the supervision of a teacher take place as contact learning, including as practical work. Studies in the working environment and under the supervision of a supervisor provided by the employer take place as practical work. Studies, in the course of which the student independently performs work and learning tasks with specific objectives, to which the teacher provides feedback, take place as independent work. In case of full-time study, independent work constitutes at least 15% and in case of part-time study at least 50% of the total volume of studies.

When organising studies in a non-stationary form of studies, the provisions regarding the volume of vocational education work practice and practical work of the relevant level are not applied, whereas the studies must ensure the achievement of the relevant learning outcomes.

A school year lasts from September 1 to August 31. For pupils a school year consists of at least 40 weeks of studies and at least eight weeks of holiday. In vocational education the study volume is calculated in Estonian vocational education credit points (EVECP). One credit point corresponds to 26 hours spent by a student on studies. The study volume for an school year shall be 60 credit points.

The EVECP is a framework. The school is entitled to adapt studies so that the objectives and learning outcomes set in the curriculum are achieved with a shorter or longer time than the average calculated study time.

Adapting the school curriculum. The school may adapt its curriculum according to the student target group. Upon adapting the curriculum, the school may change the content, selection and proportions of elective studies and work practice in the curriculum. If necessary, an individual curriculum is compiled for the students for implementing the curriculum.

5.3 Allocation of teacher resources to students

Teachers’ working time

Pursuant to the Working Time of Educational Staff Act, educational staff has a shortened working time. The duration of the shortened full working time is 7 hours per day, i.e. 35 hours in a time period of seven days.229 However, as a rule the time spent on teaching lessons is even less, because there has to be time for other activities related to the school and students.

Shortened working time has been stipulated for the following educational staff:
1. Pre-school child care institution’s teacher, speech therapist, special education teacher;
2. Basic and upper secondary school’s subject teacher, class teacher, speech therapist, special education teacher, educator and hobby group teacher;
3. Vocational education institution teacher;
4. Hobby school’s teacher, trainer, hobby education specialist, piano accompanist, concert master, ballet master, conductor and learning master.

The work of a class teacher includes carrying out class teacher lessons, carrying out parents’ meetings, evaluation interviews with students, visiting homes, handling students with learning difficulties and behavioural problems,

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229 Normal working time in Estonia is 40 hours in a period of seven days.
230 Source: Haridustöötajate tööaeg (Working time of educational staff); https://www.riigiteataja.ee/akt/127082013003
preparing and carrying out student events, Olympics and other similar events, communicating with other teachers and the management of the school with regard to problems related to managing the class and filling in class teacher documentation.

On the basis of a questionnaire sent to general education schools, teachers consider the most time consuming activities within their working time to be (in addition to carrying out contact lessons) preparing the contact lessons taking place on the following day, grading students’ homework and class work, and carrying out activities related to being a class teacher (teachers, who perform the tasks of a class teacher). According to TALIS, Estonian teachers spend 4 hours per week on grading their student’s work (the average of the participating countries was 5 hours), an average of 7 hours per week on preparing lessons (the average of participating countries was also 7 hours per week). As the least time consuming tasks the teachers considered filling in study information systems, supervising young colleagues, carrying out substitute lessons and communicating with the families of the students. Also according to TALIS, in Estonia mentoring young colleagues is below the average indicator of the participating countries (9.1% of Estonian teachers mentor a colleague, the average of the survey was 14.2%). According to the Estonian teachers having participated in the TALIS survey, their average time of teaching in front of a classroom in a week is 20.9 hours, which is higher than the average of the participating countries (19 hours per week), however, at the same time Estonian teachers estimate their total number of hours worked in a week to be lower than the average indicator of the participating countries – average number of total hours of Estonian teachers 36.1, average of the survey 38.3.

Table 20. Distribution of teachers of general educational schools according to workload in 2013/2014

<table>
<thead>
<tr>
<th>Workload</th>
<th>% of teachers</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;0.5</td>
<td>18.2</td>
</tr>
<tr>
<td>0.5-0.99</td>
<td>27.0</td>
</tr>
<tr>
<td>1.0</td>
<td>42.4</td>
</tr>
<tr>
<td>&gt;1.0</td>
<td>12.4</td>
</tr>
</tbody>
</table>

Teacher’s workload varies, there are teachers who are working with a workload of less than 0.5 positions and teachers working at more than one position (Table 20). Teachers of one subject are more likely to work with a smaller workload.

231 Source: OECD; „TALIS Country Profile: Estonia”; 2014
232 Source: OECD; „Country Profile: Estonia”; 2014
233 Source: EHIS – Estonian Education Information System)
The ratio of students to a position of a teacher differs according to levels of education. The lowest ratio between teacher positions and the number of children is at pre-school child care institutions. As a result of reorganising the vocational education schools network, the number of students per one teacher’s position has increased.

The highest average class size is in the upper secondary level (Table 21). The indicator of average class size in different counties varies significantly. As for the size of classes in the upper secondary level, Viljandi county stands out with an indicator significantly higher than other counties. The corresponding indicator in Viljandi county increased significantly as of 2012/13, when in comparison to the previous year, the number of students had decreased by 15.9% but the number of classes by 51.3% (from 39 classes to 19), as a result of which the

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234 The ratio presented in the figure is the average of all vocational education types. Source: EHIS

235 Source: EHIS; the data includes indicators of state and municipally owned general education schools, stationary studies (except for schools for students with educational special needs).
size of an average class in the upper secondary level increased significantly. The decrease of classes was related to formation of a state gymnasium and reorganisation of school network.

Table 21. Highest and lowest average of class size according to counties in 2013/14

<table>
<thead>
<tr>
<th>Level of education</th>
<th>Highest</th>
<th>Lowest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>22.0 (Harjumaa)</td>
<td>13.1 (Põlvamaa)</td>
</tr>
<tr>
<td>Lower secondary</td>
<td>21.3 (Harjumaa)</td>
<td>12.3 (Põlvamaa)</td>
</tr>
<tr>
<td>Upper secondary</td>
<td>42.6 (Viljandimaa)</td>
<td>17.0 (Järvamaa)</td>
</tr>
</tbody>
</table>

Minimum salary for basic school and gymnasium teachers’ is nationally determined. In 2015, minimum salary for basic school and gymnasium teachers’ for full-time work is 900 euros per month (teachers’ minimum salaries and average gross salaries from 2005 in Figure 9). From state budget support is allocated to school owners for teachers’ salaries. Owner of school must provide to teacher for full time work at least nationally determined minimum salary.

One aim of the Estonian Learning Strategy is that teachers’ average salary needs to be raised to the same level as that of the average wage of a specialist with a tertiary education degree in Estonia. Ministry of Education and Research in collaboration with Ministry of Finance and general education school owners will work out plan of activities which are needed for raise of teachers’ salaries. Schedule for doing these activities will be also set.

Figure 65. Teachers’ average salaries in comparison with average gross salaries of specialists with the tertiary education

The gross salaries of teachers can also be viewed as expense per students and also it is possible to analyse the ratio of the gross salaries of teachers of the GDP per capita (Figure 66).

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236 Source: EHIS
237 Source: Data for average gross salaries of specialists with the tertiary education is from Statistics Estonia; data for teachers’ average gross salaries’ from Public Sector Financial Statement and EHIS.
Figure 66. Teachers’ salaries to GDP per capita

Conditions on the professional development of a teacher

Pursuant to law, the teacher’s professional duty is to develop their professional skills and be familiar with education innovations.

Until the end of 2013, an attestation of teachers was used, the aim of which was to support the development and career options of teachers by periodically evaluating the teacher’s work performance and compliance to the requirements set on the ranking through the teacher’s self-evaluation and external evaluation. At the attestation, it was possible to acquire the ranking of a junior teacher, teacher, senior teacher or teacher-methodologist. One rank was issued to the teacher and it was valid at all educational institutions. The junior teacher and teacher rankings were awarded without a term, the senior teacher or teacher-methodologist rankings were awarded for five years. For example, for acquiring a senior teacher ranking, the teacher had to have pass 160 hours of subject, pedagogics or management courses and perform at educational events, conferences or in media in pedagogical or subject topics in the past five years.

The attestation was carried out by the head of the educational institution where the teacher worked, an attestation committee formed at the educational institution where the teacher work and an attestation committee formed by the Minister of Education and Research. The head of the educational institution, where the teacher worked, had the right to request from the attestation committee of the Minister of Education and Research to lower the ranking of a senior teacher or teacher-methodologist, if in the course of internal supervision, there had been repeated cases of written notices of deficiencies in the teacher work. If the evaluation committee of the Minister of Education satisfied the request of the head of the educational institution, the term of the ranking attributed to the teacher was deemed as expired.

In 2013, the attestation transferred to a system of professional qualifications. In 2013, the updated professional qualification standards for teachers were enforced. There are four levels: teacher (level 6), teacher (level 7), senior teacher (level 7), master teacher (level 8). It is possible to prove one’s pedagogical competence according to the competences described in the professional qualification standard. Also the competences described in the professional qualification standards are a basis for self-development. The general aim is competence based development. Pre-school teachers can at the moment apply for professional qualification and also attestation. Plan is to end pre-primary teacher’s attestation in a few years and then use only professional qualification.
Teacher (level 6) is awarded upon passing the initial training for a pre-school teacher (applied higher education or bachelor’s studies) or certification of the personal competency as compliant to the professional qualification standard by the body that awards professions. Teacher level 6 works at a pre-school child care institution. Teacher (level 6) is awarded without a term.

Teacher (level 7) is acquired upon passing basic training of a teacher (Master’s studies) or upon or certification of the personal competency as compliant to the professional qualification standard by the body that awards professions. Teacher (level 7) is awarded without a term.

Senior teacher (level 7) is awarded to a teacher, who in addition to conducting learning activities and creating supporting environment to student supports the development of other teachers and the organisation and develops methodology of the field in his/her own organisation.

Master teacher (level 8) is awarded to a teacher, who in addition to conducting learning activities participates in development and creative activities in and outside the organisation and operates in close cooperation with a university. Master teacher level 8 is awarded for five years. Both a senior teacher and a master teacher can re-apply for the level after the end of the five-year period.

It is possible to submit applications for a profession twice a year (by 5 April and 5 November). Applying for a profession takes place in two parts – proper submission of documents and evaluation (in the course of an interview). The evaluation is carried out by a 3-member committee.

The qualification requirements of a teacher at a vocational school have also been presented in the professional qualification standards of a teacher and vocational teacher. Thee professional standards have been enacted for vocational teachers – vocational teacher (level 5), vocational teacher (level 6) and vocational teacher (level 7).

- A level 5 vocational teacher mainly teaches by practical work methods that develop the students’ practical skills and work habits.
- A level 6 vocational teacher passes on theoretical knowledge and teaches practical working skills. In cooperation with companies and professional associations, develops professional training at the educational institutions.
- A level 7 vocational teacher passes on both theoretical knowledge and also teaches practical work skills. In cooperation with companies and professional associations, develops professional training at the educational institution and participates in developing the profession outside the educational institution. A level 7 vocational teacher supervises and methodically advices other colleagues and develops the reputation of vocational education.

In general education, the professional development of a beginning teacher is supported by an induction year. The aim of the induction year is to support the teacher adapting to the occupation and organisation, to continue developing the professional skills acquired in the teacher training curriculum, provide support in solving problems arising due to lack of experience and to give feedback to the institution carrying out teacher training about the teacher training. In order to achieve the aforementioned objective, the educational institution carrying out teacher training will prepare a support program for the induction year. The teacher passes the induction year support program at the educational institution carrying out teacher training of their choice. The teacher passes the induction year under the supervision of a mentor by working at a position at the educational institution, which complies with the teacher training they have passed. The mentor for the teacher undergoing the induction year will be appointed by the head of the educational institution, where the teacher is undergoing the induction year. The mentor has to have at least three years of experience in pedagogical work and has to have passed a training in supervision. During the induction year, the mentor will work as a partner of the teacher, supervise and advise him/her and give him/her regular feedback. The mentor will give the educational institution carrying out teacher
training feedback regarding the curriculum of the teacher training. The teacher undergoing the induction year will prepare an individual development chart, which reflects his/her activities during the first year of employment and self-analysis.

A teacher can develop their career on the basis of the professional qualification standards. In addition, the teacher can become the head of their subject section, manage a subject or speciality network or accept other challenges in accordance with their capabilities, up to becoming a member of the management of the educational institution or the head of an organisation. A teacher can perform very different roles – be a mentor to a young teacher, participate in developing the curriculum, train colleagues, prepare study materials etc.

The largest of recent changes in the working conditions has been transferring to the concept of full working time, which is based on the teaching occupation as a whole. The earlier approach that focussed on the contact lesson has been substituted with valuing the occupation as a whole, where the teacher has also other duties aside from contact lessons. These duties may differ significantly depending on the school type and the size of schools and therefore the management of the school is entitled to make decisions regarding their distribution.

Qualification requirements no longer include a required norm of training hours. At the moment, the framework requirements for teacher’s training include a requirement to pass at least 160 hours of work-related practical training within five years, but it is planned to waive this requirement and transfer from a volume based approach to substantial evaluation of competences and specification of the need for training on that basis.

According to TALIS 2013, 93% of Estonian teachers have undertaken professional development in the last 12 months (TALIS average 88.4%). The courses and workshops are most common forms for professional development. Estonian teachers undertake professional development most often in fields related to subjects and curricula’s which they teach. Also popular are courses which handle student’s evaluation and pedagogical competences. Compared to TALIS average it’s more common in Estonia that school offers teachers immaterial support for undertaking professional development: 82% of teachers said that they there able to do professional development activities during their working hours, 27% of teacher said that they got immaterial support for professional development activities which took place outside of their working hours. 69% of teachers who have undertaken professional development in the last 12 months said that they did not have to pay anything by themselves for taking part of professional development activities.238

According to TALIS 2013 collaboration of Estonian teachers’ is frequent regarding daily information sharing, but qualitative professional collaboration is not very common (for example 1/3 of teachers have never observed other colleges’ classes or given any feedback to colleges’ classes).239

In addition to carrying out contact lessons, the work of a teacher includes many other activities. The main activities taking place during working time in addition to carrying out contact lessons are: entering data to the study information system, advising students in matters related to studies, preparing contact lessons taking place on the following day, grading the homework and/or class work of the students, communicating with the families of the students, additional preparation of students for competitions/Olympics, supervising young colleagues, developing the subject syllabus, carrying out substitute lessons, performing the tasks of a class teacher, training and self-development. Carrying out contact lessons constitutes the largest part of the working time of teachers. In addition most time consuming activities include preparing the contact lessons taking place on the following day, carrying out activities related to being a class teacher, and grading the home work and/or class work of the students. As the least time consuming tasks the teachers considered filling in study information systems, supervising young colleagues and carrying out substitute lessons240.

238 Source; Übius, Ü., Kall, K., Loogma, K., Ümarik, M. (2014); „Rahvusvaheline vaade õpetamisele ja õppimisele: OECD rahvusvahelise õpetamise ja õppimise uuringu TALIS 2013 tulemused“; SA Innove; Tallinn
239 Source: Übius, Ü., Kall, K., Loogma, K., Ümarik, M. (2014); „Rahvusvaheline vaade õpetamisele ja õppimisele: OECD rahvusvahelise õpetamise ja õppimise uuringu TALIS 2013 tulemused“; SA Innove; Tallinn
240 On the basis of the survey prepared for general education schools.
Support staff

The staff of a pre-school child care institution includes, in addition to teachers, also health care workers, employees ensuring the management of the child care institution and employees assisting the teachers and support specialists (speech therapist and special education teachers).

The staff of general education schools is divided into class and subject teachers, support specialists, school level managing employees (heads of school, assistants of the head), school level administrative staff (e.g. secretaries, accountants), maintenance staff (e.g. cooks, repairmen). The owner of the school recruits administrative staff on the basis of the financial capacities and needs of the school. As support specialists, schools employ special education teachers, school psychologists, speech therapists and social pedagogues. Support specialists have a higher education in their field. Support specialists work also in vocational education institutions. Support specialists in VET institutions have the same qualification requirements as general education schools support specialists.

Special education teachers have higher education in special education. The duty of a special education teacher is to guide the development of a child with educational special needs. A special education teacher may give correctional lessons, provide speech therapy, teach at a coping school and opportunity class, and consult parents and teachers with regard to educational special needs.

A school psychologist is there for students, teachers and parents. A school psychologist is involved in the individual counselling of students, if the student has difficulty in learning; complicated relationships either at home, school or with friends; addiction problems; other problems. Together with the school psychologists, it is possible to better understand what is going on and to find more solutions, get personal support in complex situations, which may arise at school and in relationships. In his/her work, a school psychologist is guided by professional ethics, ensuring trustworthiness and confidentiality of personal information.

A speech therapist carries out speech therapy lessons and makes sure that a student is able to communicate their thoughts to other people in an understandable way either in writing or in speech. Also that the student would be able to understand what has been said or written by others. If there is no speech at all, the speech therapist will develop non-verbal communication.

The aim of the work of a social pedagogue is to support the social capacity and coping of students with adjustment, behavioural and learning problems, addiction problems, social exclusion and neglect problems and their parents. If necessary, the social pedagogue informs, counsels and supports students, teachers and parents. The duties of the social pedagogue include preventing and evaluating problems, counselling and consulting. A social pedagogue will specify and recommend to a student with educational special needs activities and learning options that support the development of his/her personality, helps the student acknowledge and analyse his/her problems to find a solution for these problems. Social educational help is usually based on individual work with a student, using the case work methods.
Table 22. Number of support stuff involved in student learning, school year of reference 2013/14

<table>
<thead>
<tr>
<th>Support staff involved in student learning</th>
<th>In general education schools</th>
<th>In VET schools</th>
<th>In pre-school child care institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special pedagogue</td>
<td>153</td>
<td>10</td>
<td>86</td>
</tr>
<tr>
<td>Psychologist</td>
<td>169</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Speech therapist</td>
<td>279</td>
<td>-</td>
<td>343</td>
</tr>
<tr>
<td>Social pedagogue</td>
<td>227</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>Sum of support staff</td>
<td>828</td>
<td>27</td>
<td>429</td>
</tr>
</tbody>
</table>

Both in total numbers and in relation to the number of educational institutions, most support specialists are employed by general education schools (Table 22).

Table 23. Number of support staff involved in student learning in different types of general education schools

<table>
<thead>
<tr>
<th>Type of general education school</th>
<th>Special pedagogue</th>
<th>Psychologist</th>
<th>Speech therapist</th>
<th>Social pedagogue</th>
</tr>
</thead>
<tbody>
<tr>
<td>General upper secondary school</td>
<td>-</td>
<td>5</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Upper secondary school which has also some lower secondary classes</td>
<td>1</td>
<td>5</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>A preschool child care institution and a basic school that operate as a single institution</td>
<td>26</td>
<td>10</td>
<td>61</td>
<td>20</td>
</tr>
<tr>
<td>Basic school</td>
<td>61</td>
<td>50</td>
<td>135</td>
<td>85</td>
</tr>
<tr>
<td>Gymnasium (classes 1-12)</td>
<td>68</td>
<td>106</td>
<td>116</td>
<td>121</td>
</tr>
</tbody>
</table>

Although most schools in Estonia are basic schools, most support specialists are employed at full cycle schools. Only speech therapists are employed more in basic schools than full cycle schools (Table 23).

5.4 Organisation of school leadership

The most important work duties of a head of school are being responsible for the general state of the school, the lawful and purposeful use of the financial means of the school and preparing the development plan of the school. In addition, the head of school communicates with both the owner of the school and the families of students, recruits and releases personnel, supervises schooling and education and also participates in trainings and self-development. There is no structure of school leader career.

On the basis of the questionnaire sent to general education schools, school heads evaluate as the most time consuming activities within their working time to be supervising schooling and education and preparing the development plan of the school. Less time consuming activities are considered to be recruiting and releasing personnel, and communicating with the owner of the school and the families of students.

241 Source: EHIS
242 Source: EHIS
School heads’ salary is determined by the school owner – in case of state school by state, in case of municipality owned school by municipality and in case of private school by private enterprise. Municipalities and private enterprises who are general education school owner get state support for school heads’ salaries.

Table 24. Average gross salaries per month for school leaders in public institutions

<table>
<thead>
<tr>
<th>Type of institution</th>
<th>Average gross salary, €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preschool child care institution</td>
<td>870</td>
</tr>
<tr>
<td>General education school</td>
<td>1140</td>
</tr>
</tbody>
</table>

5.5 Teaching and learning environment within schools

All schools and pre-school child care institutions have their own curriculum, which has to comply with the national curriculum enacted on the corresponding level of education. The curriculum is enacted by the head of the educational institution. For assessing students, general education schools use both internal assessments and external assessments. External assessments are implemented in case of national standard-determining tests, basic school final examinations and state examinations. The uniform assessment system used in vocational training, bases for assessment of the acquisition of learning outcomes, assessment methods and criteria and descriptions of marks will be established by a regulation of the Minister of Education and Research. Preschool child care institution and also general and vocational education schools have, in addition to the curriculum, a development plan, which enacts the main development directions and activity plan.

Internal evaluations are carried out at pre-school child care institutions, general education schools and also vocational education institutions. Internal evaluation is a continuous process, the objective of which is to ensure conditions supporting the development of the student and continuous development of the school. For that, the strengths and areas for improvement are specified, which is the basis for preparing the development plan of the school. In the course of the internal evaluation of the school, teaching and education, management and their efficiency are evaluated. Internal evaluation of the school is carried out at least once during the period of the school’s development plan. The procedure for internal evaluation of a school will be established by the head of school who will submit it to the board of trustees for obtaining its opinion beforehand.

The safety of the learning environment is extremely important and the following principles are the basis for ensuring it:

1. Any violence is unacceptable.
2. A person witnessing violence is obliged to interfere.
3. Every person is entitled to protect oneself or others, protection cannot exceed combating the threat.
4. Supervision over the students has to be organised throughout the school day.
5. Everyone’s rights and obligations are clear – the head of school is responsible for the school having specific rules, which ensure the safety for teachers, students and everyone else in the school. The teacher is responsible for professionally carrying out the learning process and developing a supportive and safe growing environment at the school. A parent is liable for raising a child and developing his/her values. The owner of the school is responsible for ensuring necessary resources and options for ensuring the safety for the school. The state is responsible for ensuring efficient legislation which sufficiently supports schools and also, if necessary, supervision, which enables those participating in the

243 Source: Ministry of Finance; year of reference 2012.
244 A development plan is prepared for at least three years.
development of a child to take clear responsibility for following professional ethics and for protecting a
developing personality in every way.

At the school, mutual agreements are made for everyday activities and the following agreements are included in
the school’s internal rules, curriculum and plan for the resolution of emergencies:
1. What is done to prevent situations that endanger safety.
2. Who and in which situations has to intervene and how.
3. Who manages solving cases at the school and who conducts follow-ups.
4. Who and when organises a discussion after the endangering situation, which enables participants to
receive helpful feedback for the future.
5. Who and when involves external specialists (police, child protective services, social worker).
6. Who notifies whom of the cases and their solutions.

According to the results of the PISA survey, nearly 80% of students said that they easily find friends at school,
feel as a part of the school and think that other students respect them. The better the students feel at school, the
better are their learning outcomes. 2/3 of the students said that they feel happy at school. The happiness of the
students at school does not significantly depend on their sex or the location of the school. The happiest students
are of higher social background and study at schools where Estonian is the language of instruction. 10% of

Students’ attitude towards school is positive – according to the results of the PISA survey, 91% of students think
that what they learn at school will later benefit them at work. 80% of students find that school has given them
the courage to make decisions and 85% of students think that the teacher helps them when they need additional

Schools consider it important to involve their community. According to the questionnaire sent to general
education schools, schools involve the community to their activities to a larger or smaller extent in order to
strengthen the bond between the school and their community. The main option for schools to communicate with
the community is through joint events. Joint events open to the community are organised on important dates or
before holidays. In addition, also joint maintenance work days are organised, during which students, school staff
and members of the community clean up the surroundings of the school or the local park together, for example.
Several schools organise family days, where there are athletic and fun activities for the whole family.

A particularly outstanding example of involving the community is from an Estonian small town, where the events
organised by the local school are open to the community and also the most important ones are broadcasted on a
large video screen at the central square of the town. Schools also organise trainings for parents and also for other
community members. In addition to joint events, several schools have also formed, in addition to the usual board
of trustees, a board of parents and/or alumni. Often schools introduce their activities to the community also
through the local newspaper or the communication portal Facebook.

In conclusion it can be said that all schools having participated in the survey consider good relations between
the school and the community important and wish to strengthen the bond between the school and the community
by organising different joint events.
5.6 Use of school facilities and materials

Use of school buildings according to the questionnaire

School buildings are widely used for extracurricular activities i.e. primarily on the evenings and on weekends the school buildings are used, for example, for organising sports trainings for adults or the handicraft hobby group of local elderly. 77% of the schools having participated enable using school buildings for organising activities not directly related to the school. When we compare the answers according to school groups, we can see a significant difference between all other schools and state upper secondary schools – while 82-90% of the schools in other school groups confirm that the buildings and rooms of their school are used also by local non-profit organisations, societies or other such associations, then the rooms of state secondary schools are used for extracurricular activities only in half of the cases. Probably the reason is that half of the studied state general upper secondary schools have been created only in the recent years and sports trainings for adults, societies and non-profit organisations have already found themselves suitable rooms before these schools were completed.

Most of the surveyed general education schools charge a smaller or larger fee for the use of the rooms, which is paid to the owner of the school. At several schools having replied, the use of rooms for extracurricular activities is also completely free. At schools, were a fee is charged for the use of school buildings, it is often that the use of the school building is free for local people, i.e. the residents of the same municipalities and the non-profit organisations or associations formed by them, but a fee is charged from associations outside the municipalities. Or a fee is charged only for the use of, for example, sporting facilities or a fee is charged only from sports schools and clubs, but is free for associations.

Use of equipment

The help of desktop computers and laptops is most used in carrying out contact lessons at general education schools. The questionnaire sent to general education schools revealed that also the use of TV-sets for showing e.g. educational videos is a quite usual practice\(^\text{248}\). As the questionnaire was sent to different school groups, which were formed on the basis of the geographical location of the schools, the number of children at the school and school type (basic school or upper secondary school), then there was also a small difference between the groups with regard to the use of devices – although the use of TV-sets is on the third place in all schools, they are used less in schools with a lower number of students that are located in rural areas.

In addition to the use of computers and TV-sets, the questionnaire included a question about the use of somewhat more specific devices – e-readers, tablets, smart phones. The use of e-readers is extremely rare, these are used in only three schools out of seventy. At 34% of the surveyed schools, tablets are used at contact lessons and at 31% smart phones are used. 21% of the surveyed schools also use projectors, 11% document cameras, 9% interactive whiteboards and 1% digital cameras.

Schools have widely implemented school web and also electronic information system for students and for their parents. One of these kind of systems is eKool. eKool is an online electronic study information system, which connects all parties related to teaching and education: heads of schools, teachers, class teachers, students and parents. The most important part of the system is the class journal, which includes grades entered by the teacher, descriptions of lesson content, homework, absences, students having been tardy, demerit marks given by teachers and times of tests. Both the student and his/her parents can enter eKool and in addition to the computer, eKool can also be used in mobile phones. The widespread implementation of eKool was preceded by a test period at pilot schools.

\(^\text{248}\) According to the results of the survey, TV-sets are used in 76% of the schools.
The Ministry of Education and Research has also developed an Education Cloud concept, which foresees creating a digital educational environment, the objective of which is to improve communication and cooperation between the parties of education. The Education Cloud environment would enable students and teachers and other parties to access educational databases and information systems, which support learning and teaching and administrative activities at schools. Through the Education Cloud it would be possible to easily access digital learning materials and several services based on modern IT solutions – for example the Estonian Education Information System (Eesti Hariduse Infosüsteem – EHIS), Examinations Information System (Eksamite Infosüsteem - EIS), Estonian Schools Information System (Eesti Koolide Infosüsteem - EKIS).

A great step in improving digital competences and enriching study materials was making an addition to the Basic Schools and Upper Secondary Schools Act, according to which publishers of educational literature have to make educational literature digitally available in a register provided by the state. In the autumn of 2014, the Ministry of Education and Research will begin creating an information system of educational materials as one of the e-services of the Education Cloud. The foreseen possibilities of the educational materials information system include a platform of providing and using digital educational materials, gathering information about other existing educational materials, a functionality for sharing experiences of using educational materials and commenting, central software solutions for creating digital educational materials and a lot more. Creating educational materials will take into account the needs of the students and additional modules will be created for students with a mother tongue other than Estonia, students with learning difficulties, talented students and students with more specific special needs.

Estonia and Finland have also concluded a cooperation contract for developing a joint education cloud or EduCloud, the aim of which is to increase the quality of the acquired education by increasing the selection of digital educational materials used at the area of education of both countries and thereby enriching the learning process with high-quality educational materials. The described cooperation model can also be extended to other countries. Spreading open educational materials and efficient use of technological possibilities are important objectives also in different initiations of the European Commission.

In addition to the aforementioned also programs such as Robootika, ProgeTiiger, TeadusTiiger are developed, the objective of which is to create interest among students towards engineering, design and technology and information and communication technology. The programs include development of educational materials, teacher training and obtaining necessary equipment for schools.

In cooperation with the University of Tartu and Wolfram consortium, the Ministry of Education and Research developed a computer based statistics program, the objective of which is to make learning mathematics at schools interesting and practical. A new curriculum and digital learning materials have been created for stage III of basic school and upper secondary school level. The innovative method was tested in 31 pilot schools. In the future, the computer based statistics program will be extended to other schools, considering the results of the pilot project.

5.7 Organisation of education governance

On the state level, the administration of education includes the Ministry of Education and Research, whose main task is to ensure the purposeful and efficient development of educational, research, youth and language policy and the high level and competitiveness of research and development activities.

The Ministry of Education and Research is responsible for the planning of education, research, youth and language related national policies and, in conjunction thereof, managing the fields of pre-primary, basic, general upper secondary, vocational secondary, higher, hobby and adult education, organising research and development activities, youth work and special youth work and language, and compiling drafts of corresponding legal acts.
At the Ministry of Education and Research, there are a total of 20 departments subordinate to four deputy secretary generals and one head of the school network.

**Figure 67. The Structure of Ministry of Education and Research**

The Ministry administrates 11 divisions, also state educational institutions, and research and development institutions. The Ministry does not manage the institutions under its administration directly, but does it strategically – specifies their development directions, sets objectives and analyses results, ensures their budget, exercises supervision etc. As of 5 March 2014, there are 270 employees working at the Ministry of Education and Research and the average length of employment of the employees at the organisation is six years. 85% of the employees have higher education – 5% have a Doctor’s degree or equal qualification, 35% have a Master’s degree or equal qualification. The employees of the Ministry are divided into officials (whose civil service order and the legal status of an official is based on the Civil Service Act\(^\text{249}\)) and employees under employment contracts. Officials work at positions, on which official authority is exercised.

All county governments have an education department and larger cities have their own education departments. The main tasks of the education departments of county and city governments is to specify the development

directions of the education area of the city or county, develop the system of educational system and to direct and coordinate the activities of educational institutions in their city or county. The county governor will establish a counselling committee entrusted with the function of making recommendations for the postponement of the duty to attend school, admission of a person below seven years of age to school, and organisation of the teaching and education of persons with special educational needs. Upon the consent of the county governor of location, the city government may form a counselling committee of the city. The task of municipality is also to ensure and monitor the performance of the duty to attend school. On county and municipality levels, the number of employees involved in administrating education may be very different and certainly also depends on the size of the corresponding unit and the number of schools within the unit.

In Estonia, the education departments of county governments usually have only an analytical and supervisory role. However at several counties, they have taken an active role in calling development plans into existence and encouraging the development of the school network. Mostly such country governments are in very good relations with unions of local governments. At the same time, there are local governments, who do not see this role and sometimes maybe do not want to take this role, as the Ministry often communicates directly with local governments in matters of the school network. At some counties, there is a clear division of work, so that the country government and the Ministry of Education and Research cooperate in reorganising the network of upper secondary schools and local governments and the Ministry in matters related to the network of basic schools. Regardless of county-level unions of local governments being completely aware of their role in developing the larger picture of the development of the county and therefore there would be a good basis for making agreements in matters related to the school network, then in reality their contribution tends to be limited to activities in informing and training (for example cooperation between subject networks of teachers, informing the parents and community etc.).

National curricula are prepared by the Ministry of Education and Research and on the basis of national curricula, the school will draw up a curriculum that is the underlying document of study in the school. The curriculum of a school will be established by the head of the school. The curriculum of the school and amendments thereto will be submitted to the board of trustees, student council and teachers’ council for the expression of an opinion before establishment. In addition to the school curriculum, each school (both general education schools and vocational schools) have articles statutes and a development plan. The statutes of a school stipulate, in addition to the general information of the school (name of the school, the location and places of operation), also the organisation of teaching and education in the school, the rights and duties of students, parents and school employees, and also the bases of management and administration.

The development plan of a school will be made for at least three years and it will lay down the goals, and objectives and directions of development of the school (including ensuring safety at the school), the in-service training of the students. In a school where the language of instruction is not Estonian also the measures implemented to ensure that the graduates of the basic school are able to continue their studies in educational institution where instruction language is Estonian. The development plan of a school also provides the activity plan of the school.

By every general education school, a teachers’ council and board of trustees are formed, their membership and main tasks have been described in section 2.4.

By vocational educational institutions, a council is formed, which is the highest collegial decision-making body of the school and the function of which is to organise the activities and plan the development of the school. The council includes the head of school, deputys of the head of school, heads of structural units of the school and

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employees responsible for broad groups of studies, representative of the student body and a trustee of the employees. The head of school manages the work of the council.

The council shall:
1) Discuss issues related to teaching and education and organisation of economic activities of the school;
2) Make proposals to the manager of school for amending the statutes of the school;
3) Coordinate the draft development plan of the school and submit it to the manager of school for approval;
4) Approve the annual report of the school;
5) Approve the rules for organisation of studies of the school;
6) Approve the work schedule of the school for the academic year, including the training schedule of the teaching and education employees;
7) Approve the budget of the school, report on the execution of the budget and procurement plan;
8) Approve the school’s internal assessment report;
9) Approve the curricula of the school;
10) Decide on issues related to public property given into the use of the school in the extent and pursuant to the procedure provided by legislation;
11) Approve the statutes of the student body of the school;
12) Form committees and working groups if necessary;
13) Resolve other issues within the limits of its competence on the basis of legislation and statutes of the school.

In addition, vocational education institutions also have an advisory body, which is a body of advisors connecting the school and society and the function of which is to advise the school and manager of school upon planning the development and organisation of teaching and education and economic activities. The advisory body will have at least seven members and it will be formed by the manager of school for five years. The representative of the advisory body will have the right to participate in the sessions of the council of the school. The procedure for formation and activity of the advisory body will be established by a regulation of the Minister of Education and Research.

The advisory body shall:
1) Make proposals to the school head and the council in issues related to the directions of development, activity, assets, budget, management and amendment of statutes of the school;
2) Provide assessment on the cooperation of the school with state authorities, municipalities and enterprises upon achievement of the objectives established in the school’s development programme;
3) Express an opinion on the application for the right to provide instruction in a new curriculum group;
4) provide assessment on the organisation of work practice at school, institutions and enterprises;
5) Appoint a representative into the membership of the committee formed for the conduct of competition organised to fill the vacant position of a head of school;
6) Express an opinion on the annual report of the school.

At both vocational educational institutions and general education schools, internal evaluations are carried out with the aim of ensuring the conditions supporting the development of students and the consistent development of the school. Internal evaluation of a school will be carried out at least once over the term of the development plan of the school. At general education schools the procedure for internal evaluation of a school will be established by the head of school who will submit it to the board of trustees for obtaining its opinion beforehand.

An overview of the qualification requirements enacted for heads of schools and teachers an overview has been given in sections 4.6 and 4.7.

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5.8 Main challenges

The main challenge is ensuring the compliance of the resources to the student’s needs – so that the students would have a good and modern environment at the school buildings; that students would be taught by motivated and knowledgeable teachers; that the curricula would be up to date and content-rich; that the school would be able to provide the best options also for a student with educational special needs; that the students would have necessary learning materials; that the students would be able to use support services, if necessary.

An important challenge is the use and future of school buildings. The questionnaire sent to general education schools revealed that majority of schools enable using the school buildings also for extracurricular objectives – e.g. for carrying out hobby groups and sports activities for adults. The fee received for the use of the rooms is usually very modest and often the residents of the rural municipality or city do not have to pay a fee. For schools, the student body of which has significantly decreased and which do not find use for a part of their school buildings, it is important to find ways to share the costs of keeping up the school building – for example with another institution or company. At the moment there are already several school buildings, which house in addition to the school also for example the institution of local government or local governments’ library or kindergarten.

In addition, solutions have to be found to the issue of schoolhouses that are completely empty. Closed schools and empty school buildings are mainly owned by local governments and therefore this is primarily the problem of local governments. One solution is – just as in case of partially empty school buildings – to attempt to rent out the building either to a private company or to create a municipal institution there. Another solution is to demolish the buildings, like the City of Tallinn has decided to do this in some cases of some school buildings.

In general education the number of students per one teacher’s position has constantly decreased, which is a negative trend with regard to efficient use of resources.

Challenges set by stakeholders:

- At general education schools, classes are too big and in case of too big classes, teacher are not able to provide individual approaches to each student. The limit to the class size should be 20 students (average size of a class has been presented in subsection 5.3\(^{255}\)).
- Many teachers use out of date teaching methods. Teachers should be more willing to prepare different learning materials themselves. Teachers lack the skill to perform, assert oneself and often they lack the motivation and time to implement new tools and methods. In teacher training and in-service training, more attention has to be turned to practical pedagogy and psychology, so that teachers would be ready to work successfully.
- The division of functions of the state and local government should be clearer in the Education Act\(^{256}\).
- The organisation of working time of the teachers should be reviewed.

\(^{255}\) Probably this refers to schools located at cities and regions near cities, where classes are bigger. The Basic Schools and Upper Secondary Schools Act provides upper limit for class sizes in basic school - 24 students. The results of the most recent PISA test show that the better results among Estonian students were achieved by students of city schools, regardless of the fact that usually city schools have larger classes than total schools, which indicates that class size does not affect the results of students in Estonia. In the comparison of OECD member states, Estonia is among the states where there are smaller classes.

\(^{256}\) Eesti Vabariigi Haridusseadus (Republic of Estonia Education Act); https://www.riigiteataja.ee/akt/120062014005
Chapter 6: Resource management

This chapter is concerned with how resources are managed at all levels of the school system. It addresses capacity building for resource management; the monitoring of resource use; transparency and reporting; and incentives for the effective use of resources.

6.1 Capacity building for resource management

Correct process management and increasing efficiency is the most important priority in every area. In order to evaluate the effectiveness of economic activities and to ensure the objectiveness of financing, it is necessary to understand the mechanism of both the accrual of income and expenses, and the use of corresponding resources. The financing principles of organisations in the public sector have to be understandable for both the user of the resource (schools) and the provider of the resource (ministry, municipality).

Managing teaching and education

As the important keywords in developing a school are learning, interesting and innovative organisation, the five objectives of the Lifelong learning strategy 2020 emphasise also the key role of competent and motivated teachers and heads of educational institutions. In a learning organisation, the motivation, i.e. the desire to work, competence, i.e. the skills and capability of doing the work, and leaning environment become more and more important. The role of the head of school is of defining importance here.

In the management of an educational institution, the efficient and anticipated functioning of the educational institution is very important. These expectations can only be met by a head with the necessary competence. By supporting the self-development of top-level managers, also the development of organisations as a whole is supported. In order for Estonian schools to be managed by competent and motivated school head, who are willing and capable of executing the objectives described in the education strategy, a competence model for a head of school has been prepared and in-service training for heads of schools is supported.

The work group for developing the competency model of a head of an educational institution and its implementation system, i.e. a self-analysis format and training framework requirements compliant to the competency model, was formed in the course of ESF programs Developing Vocational Education 2008-2013 and Raising teachers’ qualifications 2008-2014. The objective was to prepare a competency model, which would be in compliance with the professional standard system as the content of the professional standard is based on competences and the professional standard form is a well-developed framework for creating a competency model.

The competency model provides a framework for three possible implementations:
1. Self-evaluation of the heads of educational institutions for planning personal development;
2. Training a head of an educational institution;
3. Evaluating the work of a head of an educational institution.

Up to now, most problems have raised from the implementation of the competency model as both self-evaluation and self-training are voluntary and evaluating the work of heads of educational institutions would mean more efficient cooperation between the state and local government.
The work group reached the following conclusions with regard to the options of implementing the competency model:

1. The competency model is primarily aimed at self-evaluation so that the head of the school could plan his/her personal development.
2. Self-analysis on the basis of a competency model enables planning a personal development program, either through individual learning and/or trainings.
3. The technical solution for the self-analysis has to be attractive and supported with methodical material.
4. It is important to continue testing and adapting the competency model and the corresponding self-evaluation system.
5. The objective of the adaption period is both testing and improving, and also appreciating the self-analysis taking place through the leadership of those having participated in the project.

The competency model for heads of schools can be found on the homepage of SA Innove.

As professional development training, heads of schools have been able to participate for example at the training Systematic and Consistent Management of General Education Schools which included managing the development of the organisation, developing the learning environment, personnel management, resource management and self-management. By 2014, a training program titled Head of an Educational Institution in the Digital Age (Diigiajastu haridusjuht) was created, the aim of which is to offer heads of educational institutions support and knowledge in how to manage learning and teaching in the digital age and how to create a learning environment considering the modern demands.

In addition to the competency model and the resulting self-development, heads of schools are aided in resource management also by obligatory internal evaluation of a school, which is carried out internally. Internal evaluation is a part of the management of an educational institution, which helps to create a learning organisation and thereby ensure the best environment for students. Internal evaluation is a continuous process, the objective of which is to ensure conditions that support the development of students and continues development of the school. For that the teaching and education and management are analysed and their efficiency evaluated. Internal evaluation of a school is carried out at least once during the school’s development plan period, which is at least once in three years. A report on the internal evaluation is prepared.

The basis for organising an efficient internal evaluation at educational institutions is accepting the principles of the organisation, i.e. the objective of the evaluation is to support development. It is important that the evaluation process would involve teachers, students and other personnel and external stakeholders, primarily parents. The internal evaluation of educational institutions is ensured by the External Evaluation Department of the Ministry of Education and Research, who consults heads of schools in this field, if necessary. However, the methods used in the internal evaluation and the form of the report are chosen by the educational institution itself. The Ministry of Education and Research has prepared a recommended form for an internal evaluation report for a head of school, satisfaction questionnaires for specifying the satisfaction of parents, employees and students of educational institutions and other different instructions for carrying it out. In addition, educational institutions can use performance and result indicators about their own institution and in comparison to other educational institutions in their internal evaluation. Comparative data is available in the public educational statistics database HaridusSilm.

In case of general education schools, also learning outcomes are evaluated, the purpose of which is to give students, parents, schools, owners of schools and the state as objective and comparable feedback as possible on the attainment of the learning outcomes provided for in the national curricula and the effectiveness of teaching.

Source: The performance indicators of a educational institution have been enacted with a directive of the Minister of Education and Research "Koolieliseete lasteasutuste, põhikoolide, gümannasiumide ja kutseõppeasutuste tegevusnäitajad"; https://www.riigiteataja.ee/akt/13351594?leiaKehtiv
and learning in schools and provide the state with necessary information for making education policy decisions. External valuation of learning outcomes will take place through standard-determining tests, harmonised final examinations of basic school and state examinations, which are enacted by the Minister of Education and Research.

**Management of monetary funds**

At **preschool child care institution**, the circumstances related to funding and budget principles are stipulated with the Preschool Child Care Institutions Act and in case of the private preschool also in Private Schools Act. A preschool shall have its own budget, which is approved by the local government council. A preschool may have its own bank account. A preschool is financed from the state budget and rural municipality or city budget funds, by parents and out of donations. The school head is responsible for the purposeful and expedient use of its financial resources.259

At **general education schools**, the circumstances related to funding schools and the budget are stipulated with the Basic and Upper Secondary Schools Act and in case of private school also in Private Schools Act. Every school has their own budget, the lawful and purposeful use of which is the responsibility of the head of school. The budget revenue of a school comprises allocations from the state budget and a rural municipality or city, allocations from private entities, donations and revenue obtained from the school's extracurricular activities provided for in the statutes of the school.

The revenue and expenses of a budget of a municipal school are planned, within his/her competence, by the head of the school. The board of trustees of the municipal school gives an opinion on the draft budget of the municipal school pursuant to the procedure established in the legislation of the rural municipality or city government. The owner of the municipal school approves the budget of the school in accordance with the legislation of the rural municipality or city council or the rural municipality or city government.

The budget of a state school is drafted and the proposal made by the head of school, but it is approved by the Minister of Education and Research. The expenses of state schools are covered to the extent allocated to state schools under the expenses of the area of government of the Ministry of Education and Research in the annual State Budget Act.

Pursuant to the Basic and Upper Secondary Schools Act, schools are obliged to disclose on their website the curriculum, statutes, development plan, internal rules and internal rules of the student home. These documents also have to be available for examination at the school. The statutes of the school have to include circumstances related to the management and administration of the school.

At **vocational educational institutions**, the circumstances related to the funding and budget of schools are provided with the Vocational Educational Institutions Act. Every school has their own budget in which all the revenues, expenses and financing transactions of the school are reflected. Schools may be financed from the state budget, rural municipality budget or city budget, income received from economic activities, revenue and donations for specific purposes and other funds. Upon financing from the state budget, financing principles which among others include components for the provision of teaching and education, availability of vocational training and performance-based financing of schools will be applied and their application to municipal and private schools is established by a regulation of the Government of the Republic.

The expenses related to the provision of teaching and education at a vocational educational institution is covered by the entity submitting the request for state-commissioned education on the basis of student training places formed on the basis of state-commissioned education and the relevant curriculum within the nominal duration of curriculum. However, pursuant to the Vocational Educational Institutions Act, the school is entitled to demand

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the reimbursement of study costs on the conditions and pursuant to the procedure established by the council only
from students not studying at student places financed on the basis of state-commissioned education. The
maximum rate for reimbursement of study costs is the cost of the student place formed on the basis of state-
commissioned education in the relevant curriculum group or relevant curriculum in the same calendar year. The
rate for reimbursement of study costs is established by the council at least four months before the commencement
of a school year. Upon establishment of the rate of reimbursement of study costs, the council may increase the
rate by ten per cent in comparison with the previous school year but not more than the maximum rate for
reimbursement of study costs.

The budget of a vocational educational institution will be approved by the head of the school, also the report on
the execution of the budget and procurement plan, which in turn have to be approved also by the council. In
addition, the head of the school disposes of the budget funds of the school within the limits of authorisations
granted with the Vocational Educational Institutions Act and the statutes of the school.

6.2 Monitoring resource use

Pursuant to the Constitution of the Republic of Estonia, education is under the supervision of the state. In this
section, this supervision is described from two aspects:

1) supervision exercised over teaching and education;
2) supervision exercised over the expeditious and purposeful use of money.

Supervision is exercised both internally and externally and that on different levels and by different supervisory
institutions/units. Supervision is exercised by:

1) Chancellor of Justice – external – exercises supervision over the compliance of the legislative acts
created by the Ministry of Education and Research to the Constitution. Checks whether institutions
follow the principle of ensuring basic rights and freedoms and good administrative practices, also the
implementation of the principle of equality and equal treatment;
2) National Audit Office – external – audits economic activities, i.e. in the course of an audit evaluates the
internal audit, financial management, financial accounting and reports; lawfulness of economic
transactions and trustworthiness of information technology systems. However, the National Audit Office
does not audit the efficiency of the management, organisation and operations. National Audit Office
Audits are risk based;
3) Ministry of Finances – external – exercises supervision, audits, checks and evaluates the purposefulness
and compliance to law of granting and using funds and aids related to foreign aid and allocated for
specific purposes, but only to a certain level and the Ministry’s resources for this are limited;
4) Ministry of Education and Research – external – exercises state supervision over the teaching and
education provided at pre-school child-care institutions, general education and hobby schools and
vocational educational institutions;
5) At administrative agencies, including the Ministry of Education and Research and local governments,
supervision is exercised by the relevant structural unit, which is called a revision committee or internal
audit department. The lawfulness, purposefulness and efficiency of activities and the expediency of
using assets are audited. The corresponding structural unit exercises supervision only internally or with
regard to subdivisions.

In addition to the aforementioned, other supervisory proceedings are executed, for example, the projects financed
from the sources of funding of the European Union are audited by an auditor from an institution authorised by
the European Union, or records management, archival processing and document preservation are audited by the
State Archivist.
Supervision exercised over teaching and education

Supervision over teaching and education is exercised by the Chancellor of Justice, Ministry of Education and Research and relevant structural units (either a revision committee or internal audit department) of local governments.

Pursuant to the Constitution, the **Chancellor of Justice** is a sole and independent constitutional institution. The institution of the Chancellor of Justice is not a part of legislative, executive or judicial power, it is neither a political nor a law enforcement authority. The Chancellor of justice combines its functions as a supervisor of constitutionality and a general petition body. Everyone is entitled to turn to the Chancellor of Justice.

In 2013, the Chancellor of Justice handled a total of 60 proceedings related to educational and research law in the area of education. The problems, which the Chancellor of Justice handled in substantial proceeding, regarded primary, basic and higher education. A remarkable number of problems brought to the Chancellor of Justice were related to the provision of the service of pre-school child-care institutions. In case of the lack of places at kindergartens, the Chancellor of Justice recommended the petitioners to turn to court, as in case of not ensuring a place at a child-care institution, the local government is in violation of law and the court has coercive measures for ensuring the execution of the court decision. At the same time, at least two cases of a lack of a kindergarten place reached the State Court in 2012. In addition, in two cases the Chancellor of Justice took a standpoint in a matter regarding the amount of the place fee paid by a parent at a pre-school child-care institution.

In the area of general education, an important event in 2013 was passing the amendments to the Basic Schools and Upper Secondary Schools Act at the Parliament. Among other changes, the amendments included changing the conditions of passing state examinations in the upper secondary level, a possibility of increasing the number of students at a basic school class over the enacted limit and specifying the role of the state in ensuring the availability of support specialists. Most proceedings regarding basic education regarded the organisation of studies for children with educational special needs (weekly course load of students with severe and profound learning difficulties). There were fewer petitions regarding other issues in schooling (organising tests at school, the child’s place at a school upon returning from a foreign country, students’ travelling compensation, the availability of free high-quality basic education).

With regard to children with special needs, the Chancellor of Justice took a standpoint that the 20-hour weekly course load of students with severe and profound learning difficulties complies with the basic right of equality provided in the Constitution.

In 2012, the Chancellor of Justice evaluated the sufficient availability of general upper secondary education in Estonian, collection of personal data in schools and educational law.

The supervisory proceedings over constitutionality carried out by the Chancellor of Justice are public and available on the homepage of the Chancellor of Justice[^260].

**State supervision** over education is exercised by the **Ministry of Education and Research**, who represents the state in performing its duties. Therefore supervision over the teaching and education of pre-school child-care institutions, general education and hobby schools and vocational educational institutions is performed by officials of the Ministry of Education and Research or the county government when appointed by the Minister of Education and Research. The authority conducting state supervision checks how legislative acts regulating teaching and education are implemented. Upon discovering problems, the authority carrying out the supervision analyses their causes. State supervision over the teaching and education of educational institutions is organised by the External Evaluation Department of the Ministry of Education and Research.

The External Evaluation Department of the Ministry of Education and Research handles developing the quality system of educational institutions and implementing it in pre-primary, general, vocational and higher education. In addition, this department handles supervision and analysing its results in the area of government of the ministry. The objective of the external evaluation is to:

1) ensure an external evaluation system of education and youth work functioning in the area of government of the Ministry, including supervision;
2) adequate evaluations on the quality, lawfulness and purposefulness of education and youth work.

In order to meet the objectives, the External Evaluation Department develops the external evaluation system of education and youth work, plans and coordinates activities that support ensuring quality, organises development of legislation in the area of external evaluation, ensures the implementation of internal evaluation of educational institutions and related consultations, consults specialists in the area of education and youth work in its area of activity. In addition to the aforementioned, the department organises issuing the education licenses of educational institutions, organises the registration of curricula of vocational and hobby education, coordinates external evaluation of learning outcomes in the general education system, organises state supervision over the education of educational institutions, organises consultations for the internal evaluation of educational institutions etc.

State supervision is divided into thematic supervision and supervision over single issues, in addition supervisory control is exercised:

1) The objective of thematic supervision is to collect information and supervise the activity of an educational institution in some specific area, whereas the supervision is based on the objectives of the supervision. Until 1 September 2006, a complex supervision was carried out at pre-school child-care institutions and general education schools every six years. Since 1 September 2006, thematic supervision is exercised, within which data is collected and the activity of the educational institution supervised within a specific area. The Minister of Education and Research will establish the priorities of state supervision, the exercise of thematic supervision, the formalisation of the results thereof and the procedure for notification of the results by each school year before the end of the previous school year. The sample of educational institutions, where thematic state supervision is exercised, is determined by the external evaluation department of the Ministry of Education and Research, coordinating it with the county governments.

In the school year of 2012/13, the priority of thematic supervision at general education schools was supporting the student’s development at schools (organising the studies of students with special educational needs, ensuring safety at school, organising studies in Estonian at a in a Russian-medium school) and the correctness of data in the Estonian Education Information System. In the years 2010-2012, the qualification of teachers, organisation of attestation and enabling in-service training were supervised.

In vocational education, the priority of thematic supervision in the 2012/13 school year was organisation of studies (preparing, amending, enacting, executing the curriculum; implementing the regulation of organisation of studies, including considering earlier learning and work experience) and correctness of in the Estonian Education Information System (EHIS). In years 2010-2012, the organisation of practical training, supporting students with special needs and organising trainings for adults were supervised.

2) If necessary, supervision is exercised in single matters, the need to exercise supervision is decided by the Minister of Education and Research. Supervision in single matters begins from petitions and complaints issued to the county governor. Firstly, documents are checked and explanations asked for from the educational institution. After examining the explanations, a decision is made whether to submit a petition to the Minister of Education and Research to carry out supervision. If a petition is submitted, the Minister of Education and Research will decide whether carrying out supervision is purposeful. In addition, the Minister of Education and Research will appoint the person carrying out the supervision – either an official of the Ministry of Education and Research or the county government. However, it is also possible to submit a petition and a complaint directly to the Ministry, in case of which further action will be based on the same principles. Firstly, it will be specified
whether settling the problem requires carrying out supervisory activities on the spot. If supervision is necessary, it will be decided whether the supervision will be executed by the officials of the ministry or the country government, involving experts if necessary.

At general education schools, during the school year 2012/13, officials of the Ministry of Education and Research exercised supervision in single matters at two general education schools for students with special educational needs (in one municipal and one private school – the school did not meet the requirement regarding simplified state curriculum). In 2011/2012, the compliance of data submitted by one vocational education institution upon applying for an education license to the actual teaching and education carried out at the school was checked along with the performance of legislative acts regulating the activities of vocational education institutions.

The Ministry of Education and Research and the county governor can settle only petitions related to teaching and education. In case of a matter related to management and economic activities, it will be forwarded for the execution of supervision to the owner of the municipal or state educational institution and will be referred to as supervisory control.

3) In addition to the two aforementioned supervisions, also supervisory control is exercised, which is exercised by the owner of the educational institution. Therefore, at local governments the supervision is exercised by either the rural municipality or city government. At state educational institutions, the supervisory control will be exercised by an official of the Ministry of Education and Research on the proposal of the Ministry of Education and Research. In comparison to state supervision, which supervises only teaching and education, the competence of supervisory control is wider – the lawfulness and purposefulness of the management and activities of the educational institution are supervised.

In the school year 2012/13, supervisory control was carried out in one general education school with regard to the lawfulness of management and activities and purposefulness in ensuring the safety of students at the school and student boarding facilities. The supervisory control revealed that the head of the school had not organised education at the school in a way that would have ensured sufficient 24-hour supervision over the students.

In the school year of 2011/12 supervisory control was carried out at one vocational education institution, where compliance to legislative acts regulating the use of investments planned from the state budget, public procurements and the use of structural funds, concluded employment contracts and their annexes, and the organisation of studies of the school were audited.

The Minister of Education and Research has also enacted qualification requirements to officials executing supervision. An official executing supervision is entitled to:

1) visit a school in order to inspect teaching and education, informing the head of the school thereof in advance;
2) participate in the meetings of the teachers’ council, the board of trustees and parents;
3) access the documents of the school;
4) receive information from the school regarding the implementation of legislation;
5) make proposals to the head of the school and the owner of the school for improvement of the operations of the school and mandatory precepts for elimination of deficiencies in teaching and education;
6) make mandatory precepts to the head of the school and the owner of a private school for bringing the individual legal instruments regulating teaching and education and issued by them in conflict with an Act or other legislation issued on the basis of an Act into compliance with the Act or other legislation issued on the basis of an Act;
7) make a proposal to the county governor for exercising supervision over the lawfulness of an individual legal instrument of a rural municipality or city government or a rural municipality or city council in accordance with the Government of the Republic Act;
8) make a proposal to the person whose competence includes termination of an employment contract with the head of the school to terminate the employment contract with the head of the school who has committed an
indecent act, an offence related to office or a corruptive act or make a precept to terminate the employment contract with the head of the school who does not comply with the requirements for the position.

The results of state supervision will be set out in a statement. The statement will contain the time and place of drawing up the statement, brief details on the education institution, the supervisory body exercising supervision, the time of exercising state supervision, the names of the officials and experts who carried out state supervision, the results of state supervision, the time and description of offences, the precepts and proposals made, and the term of notification of complying with the precepts.

The following will be specified in a precept:
1) the name of the person or body whom the precept is aimed at;
2) the obligation to make precepts required for the termination of the offence;
3) the basis of the precept;
4) the deadline for complying with the precept.

The Minister of Education and Research or the county governor will approve the statement and it will be communicated to the head of the school and the owner of the school within 60 calendar days as of the commencement of state supervision. The head of the school or the owner of the school will be obliged to solve the problems specified in the statement within the set deadline. If the owner of the school fails to comply with the precept within the term specified in the precept, the supervisory board may impose a penalty pursuant to the procedure provided for in the Substitutive Enforcement and Penalty Payment Act. The maximum limit of the penalty payment is 640 euros.

The documents of external evaluation, including supervision reviews and documents regarding the organisation of work are published and available on the homepage of the Ministry of Education and Research.

At general education schools, supervision is exercised regularly in about 10% of the educational institutions per year, i.e. once in every ten years. Nevertheless, on case basis, supervision may be exercised also as needed. At vocational educational institutions, supervision is exercised only on case basis. However, as vocational educational institutions undergo accreditation, then also the use of resources are evaluated and these results are public and can be accessed on the webpage of EKKA Quality Assessment Council. The sample of educational institutions, were the supervision is exercised, is determined by the county governor who coordinates it with the Minister of Education and Research. The sample is prepared on the basis of the operative indicators of the educational institution and existing information about the efficiency of the educational institution. Emphasis is put on risk-based supervision.

Supervision exercised over expedient and purposeful use of funds

Supervision over the expedient and purposeful use of funds is exercised by the owner of the educational institution (Ministry of Education and Research, local government) and the National Audit Office. In case of private schools, depending on financial indicators, an audit is obligatory pursuant to the Authorised Public Accountants Act.

Owner of the educational institution, i.e. in case of municipal schools, the municipality, and in case of state schools, the Ministry of Education and Research, audit the finances of schools in the course of supervisory control. At both local governments and the Ministry of Education and Research, there is a corresponding unit to handle this, e.g. at the Ministry, it is the internal audit department, and at local governments, the revision committee and internal audit department.

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*Source*:


Internal audits are carried out at educational institutions both regularly and on need basis, depending on the decision of the owner of the educational institution.

The main task of the Internal Audit Department of the Ministry of Education and Research is to evaluate and analyse the functioning of the internal audit system of the ministry, the governmental institutions in its area of government and the state institutions administered by the ministry, the efficiency of the internal audit system and its compliance to legislation, carrying out audits related to the structural funds of the European Union and coordinating activities in the field of internal audit in the area of government of the Ministry.

To perform its duties, the Internal Audit Department:
- Coordinates activities related to internal audits of the governmental and state institutions and foundations in the area of government of the Ministry, including preparing regulative procedures and methodical instructions;
- Consults different management levels in identifying and evaluating risks, which may affect the Ministry, the efficiency of the activities and internal audit system of the governmental and state institutions in its area of government and on the basis of the risk evaluation, defines the priorities of its activities and prepares work plans;
- Analyses and evaluates the management and control measures implemented for the achievement of the objectives of the Ministry, governmental and state institutions and foundations in its area of government and their efficiency, economy and effectiveness and states an opinion about the sufficiency, reliability and necessity of these measures;
- Analyses and evaluates the organisation of work and compliance of activities to the objectives set, procedure rules enacted, valid laws and other legislative acts;
- Analyses the efficiency and lawfulness of the preparation of the budget, financial reporting and organisation of accounting;
- Analyses and evaluates the expediency, economy and lawfulness of the use of resources;
- Analyses and evaluates the organisation and lawfulness of using foreign aid, including management and control systems of subjects related to granting and using allocations from the EU structural funds and carries out project audits according to need;
- Coordinates auditing EU structural funds in the area of government of the ministry, including organising the preparation of the annual work plan of auditing EU structural funds.

The reports prepared as a result of the internal audits are internal documents and available only to the parties.

At local governments, an internal audit system is obligatory pursuant to the Local Government Organisation Act. Forming a revision committee is obligatory and its duty is to verify and assess the lawfulness, purposefulness and productivity of the activities of the local government unit and the purposeful use of rural municipality or city funds, and to verify and assess the compliance with the rural municipality or city budget.

The revision committee shall assess the productivity pursuant to the following criteria:
1) Economy, i.e. minimising the costs incurred in achieving the objectives;
2) Efficiency, i.e. the relationship between the results and the expenses made to achieve them;
3) Effectiveness, i.e. the actual impact of an activity compared to the intended impact.

The report of the revision committee will be published on the webpage of the local government unit.

In addition to the aforementioned, local governments are obliged to ensure an internal audit system through an internal audit, who shall be obliged to follow the provisions of the Auditors Activities Act.

The National Audit Office is an independent institution acting in the interests of and hired by the Estonian taxpayers whose function is to investigate how the state and local authorities have spent the taxpayer’s money and what they have given them for it. Thus, the National Audit Office is the auditor of the state that verifies whether public funds have been used successfully – economically, efficiently and effectively – and lawfully. The National Audit Office is not interested merely in the formal compliance of the activities with laws, but just as much the fact whether the laws and the government’s actions are sufficient to ensure purposeful and advisable use of funds and whether reports give an adequate picture of the spending and successfullness.

Based on the recommendations of the National Audit Office the Estonian Parliament and the Government can improve the functioning of the state and use the taxpayer’s money more responsibly. The National Audit Office also has the right to make proposals to the Government, ministers and local authorities to draft legislation or amend or modify legislation in force.

The independence of the National Audit Office is secured by the Constitution and the National Audit Office Act. No one can order the National Audit Office to perform mandatory audit functions. The National Audit Office decides on its own what, when and how to audit. The activities of the National Audit Office are annually audited by an auditor appointed by the Parliament. The National Audit Office is managed by the Auditor General who has extensive powers in managing the National Audit Office. The Auditor General is appointed to office by the Parliament based on a proposal of the President. The term of office of the Auditor General is not confined to only one.

The results of audits conducted by the National Audit Office are publicly available since 1990.

In the area of education, the National Audit Office has conducted different audits, for example in 2013 the management of investments to education was audited. The National Audit Office considered it important, because:

- Since 2007, more than 800 million euros of investments (15% of the governmental sector’s investments) have been directed into the area of education and research;
- Nearly 300 million euros have been invested into general education schools and vocational education institutions owned by the state;
- The Ministry of Education and Research is the largest owner of state owned buildings (approximately 40% of the surface area of buildings owned by the state).

The objective of this specific audit was to evaluate whether investments into education are planned in a systematic and transparent manner, whether the principles of economy and efficiency are followed, whether the organisation of management creates good prerequisites for ensuring the maintenance of the infrastructure of educational institutions in the longer perspective. The audit involved the organisation of the management of investments made into the buildings and equipment of state owned general education and vocational education institutions during the period of 2007-2013. The audit involved the Ministry of Education and Research, SA Innove, Ministry of Finance and State Real Estate Ltd. On the evaluation of the National Audit Office, the Ministry of Education and Research had no clear and agreed understanding of how many and at what locations educational institutions are required to provide education. The National Audit Office submitted corresponding proposals arising from the audit to the Minister of Education and Research.


In addition, the National Audit Office has audited the performance of performance contracts of higher education institutions, in-service training and retraining of adults, but these are not hereby covered as these are not in the focus of the report.

6.3 Transparency and reporting

**Transparency and reporting on the resources of the school system**

In 2005, the state register called Estonian Education Information System (EHIS\(^{266}\)) was founded with an objective of collecting information for organising the education system and managing it more expediently. In addition, the data in the register is used to prepare national education statistics. The responsible processor of the register is the Ministry of Education and Research and automatized data processing is used, the register data is preserved in a digital format.

The following subregisters belong to the constitution of the register:

1) Subregister of documents certifying education;
2) Subregister of teachers and faculty;
3) Subregister of students, university students and doctor-residents;
4) Subregister of educational institutions;
5) Subregister of curricula and education licences;
6) Subregister of educational literature.

The subregisters in turn include a lot of different data (~ 600 different information fields), from the number of computers and books and their authors, the number of seats in the cafeteria, to the surface area of pools and gyms at schools. The register includes information about all educational levels and hobby education.

The obligation, procedure and deadlines for submitting data to the register are provided by the regulation of the Government of the Republic. The submitter of the data – educational institution – is liable for the correctness of the data submitted to the register. Educational institutions can upload data to the register electronically, as an Excel or XML format file, pursuant to the provided instructions. Upon accidentally or wilfully submitting deficient or incorrect data to the register and discovering this, the submitter of the data is obliged to submit the corrections on the day of discovering or notifying of the error. The responsible processor of the register is obliged to make inquiries, if there is a suspicion that the data submitted to the register is incorrect and to ensure the entry of correct data to the register.

The data in the register is used daily in addition to the Ministry of Education and Research also by educational institutions, local governments, county governments, credit institutions, Social Insurance Board, Estonian Health Insurance Fund, Tallinn Social Welfare and Health Department, Ühendatud Piletid AS (ID tickets), Federation of Estonian Student Unions, users of the admissions information system (SAIS), Estonian Unemployment Insurance Fund, Citizenship and Migration Board, Defence Resources Agency. Submitting personified data to state institutions and credit institutions enables paying different benefits, issuing student loans and concluding health insurance, without the applicant having to get a certificate on paper from the educational institution.

Pursuant to the EHIS data, it is possible to get a quick and simple overview of the main indicators of general education schools, including for example the number of students per teacher, average number of students in a class, ratio of those repeating a grade to the total number of students etc.

\(^{266}\) Eesti Hariduse Infosüsteemi asutamine ja põhimäärus (Foundation and Statute Act of Estonian Education System); [https://www.riigiteataja.ee/akt/129122011185?leiaKehtiv](https://www.riigiteataja.ee/akt/129122011185?leiaKehtiv)
These indicators can be compared to the indicators of other schools belonging to the same group (rural municipality or small town schools, county centre schools, city schools, schools without a service region). The results of the comparison could be interesting primarily for parents, whose children are about to go to school or change schools.

Overviews of the main indicators of schools can be opened at the subregister of educational institutions in the public view of EHIS and these are available for everyone. More thorough reports of main indicators are available on the basis of user identification to heads of schools, local governments and county governments. They can compare data during freely chosen periods.

Since the school year of 2005/06, the annual national education statistics of Statistics Estonia is prepared on the basis of the data in this register. The educational institutions no longer have to fill in statistics forms on paper and thereby have become free of a time consuming additional task.

On the basis of the data of the register, necessary analyses for all areas of education are prepared at the Ministry of Education and Research.

In summary, EHIS is an extensive source of information, which is used for organising the education system and managing it more expediently at the Ministry of Education and Research and on the local government level, but it is also an important source of information for other state and private institutions, schools and parents.

**Transparency and reporting of monetary means**

The performance of the accounting and financial reporting obligation is organised in Estonia by the Ministry of Finance. The Minister of Finance establishes the report forms and the procedure of submitting them for state accounting entities (ministries, municipalities units, other legal persons in public law etc.) All state accounting entities prepare an annual report, on which basis the Ministry of Finance prepares a consolidated annual report of the state. The objective of submitting the consolidated annual report of the state is to enable the Parliament to exercise their supervisory function over the Government, to give the Government the possibility to explain their activities during the reporting year and to submit to the Parliament necessary information for making new budgetary decisions. The competence of the auditing of the consolidated annual report of the state (and separately the annual reports of state accounting entities) and the lawfulness of transactions has been stipulated in the State Budget Act and this is executed by the National Audit Office.

For state accounting entities, the Ministry of Finance has created a separate online platform *Saldoandmik* (Balance records)\(^{267}\), where state accounting entities enter their activity report (including essential financial indicators, performance of the development plan), balance sheet, income statement, cash flow statement, statement of changes in net assets, report on the execution of the budget and other annexes to the annual report.

From that platform, the public can access the following reports:
- Balance sheet (summary consolidated report);
- Income statement (summary consolidated report);
- Balance in detail (per every account)
- Income statement, in detail, with off-balance-sheet information (per every account);
- Cash flow statement (summary consolidated report);
- Movement of tangible fixed assets (per every cash flow code according to classes of tangible fixed assets);
- Loan obligations according to the remaining maturity (information is presented only about 12 months as of the end of the calendar year).

\(^{267}\) [https://saldo.fin.ee/partnerManagement.action](https://saldo.fin.ee/partnerManagement.action)
All reports are published increasingly as of the beginning of the calendar year and can be viewed in both PDF and Excel format.

Accounts of state general education schools and vocational educational institutions are kept at the Ministry of Education and Research and the accounting of municipal schools is organised by municipalities, but via the online platform Saldoandmik, it is possible to view the financial reporting of schools separately. It’s not possible to see data of a municipality school separately. Data for all general education schools of a municipality are presented jointly.

6.4 Incentives for the effective use of resources

On the Estonian national level, there are not many of such specific mechanisms and incentives. At the moment, one of the incentives is that if a local government is willing to make changes in the school network (closing an general upper secondary level), there are permitted differences for the use of the education support allocated from the state budget and additional support and also additional support is allocated for improvements of remaining basic school. The aforementioned has been discussed in more detail at section 4.5 of the report.

The Estonian education system does not foresee additional financial means issued according to learning outcomes, neither to schools or owners of schools.

As penalty mechanisms, it is possible to view the event of a head of school or owner of school being unable to eliminate deficiencies specified in the precept as a result of state supervision within the deadline. In such a case the supervisory board may impose a penalty pursuant to the procedure provided for in the Substitutive Enforcement and Penalty Payment Act. The maximum limit of the penalty payment is 640 euros. In extreme cases, the penalty may also be releasing the head of the school from office.

6.5 Main challenges

The main challenges regarding finances in the resource management in education is centralising different support services, i.e. centralising the divisions (including state general education schools, vocational educational institutions etc.), accounting, personnel accounting, IT expenses and procurement procedures under the governance of the Ministry of Education and Research. Centralisation began already in 2010, when the accounting of all state general education schools was centralised to the Ministry of Education and Research and it is planned to conclude the centralisation of all the divisions in the area of government by 2015, when also the accounting of state vocational educational institutions is centralised. After the accounting is centralised, it is planned that the accounting unit of the Ministry of Education and Research would employ a total of 77 accountants.

In 2013, also the centralisation of personnel accounting began – accounts on all personnel in the area of government of the Ministry of Education and Research will be kept at the ministry. The centralisation begun with general education schools and in 2015 will end with vocational educational institutions. After centralisation, 12 personnel accountants will be added to the Ministry of Education and Research. By centralising the support services in the area of government of the Ministry of Education and Research, the quality and efficiency of the support services will increase.

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268 This means bringing the competence necessary for organising procurements in the area of government into a single unit to carry out procurement procedures and consult other units in the area of government with regard to carrying out procurement procedures in the special e-environment.
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**Government regulations**


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Annexes

Annex 1. Most common length of parent leave in 2010 was 2-3 years\textsuperscript{269}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{chart.png}
\caption{\% of Parents whose length of parent leave was...}
\end{figure}

\textsuperscript{269} Source: Statistics Estonia
Annex 2. Abbreviations of Political Parties

ISM – Isamaa Liit (Pro Patria Union)
MÕ – Mõõdukad (Moderates)
ERSP – Eesti Rahvusliku Sõltumatu Partei (Estonian National Independence Party)
ELDP – Eesti Liberaaldemokraatlik Partei (Estonian Liberal Democratic Party)
PP – Parempoolsed (Right-wingers)
KMÜ – Koonderakond ja Maarahva Ühendus (Coalition Party and Rural Union)
KE – Keskerakond (Centre Party)
AP – Arengupartei (Development Party)
IL – Isamaaliit (Pro Patria Union)
RE – Reformierakond (Reform Party)
ERL – Eestimaa Rahvaliit (People’s Union of Estonia)
RP – Res Publica (Res Publica Party)
SDE – Sotsiaaldemokraatlik Erakond (Social Democratic Party)
IRL – Isamaa ja Res Publica Liit (Union of Pro Patria and Res Publica)
Annex 3. Calculation of state’s support for teachers’ salaries in 2015

<table>
<thead>
<tr>
<th>Regional group</th>
<th>Estimated number of students in one class</th>
<th>Base funding per student for implementing curricula’s, €</th>
<th>Additional support coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic school</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15,0</td>
<td>24</td>
<td>1157</td>
<td>1,00</td>
</tr>
<tr>
<td>14,9-7,8</td>
<td>21</td>
<td></td>
<td>1,01-1,94</td>
</tr>
<tr>
<td>7,7 or less</td>
<td>10</td>
<td></td>
<td>1,95 or more</td>
</tr>
<tr>
<td>Upper secondary school</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16,3</td>
<td>32</td>
<td>1157</td>
<td>1,00</td>
</tr>
<tr>
<td>15,4</td>
<td>30</td>
<td></td>
<td>1,06</td>
</tr>
<tr>
<td>14,6</td>
<td>28</td>
<td></td>
<td>1,12</td>
</tr>
<tr>
<td>Basic school</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8,4</td>
<td>12</td>
<td>1157</td>
<td>1,79</td>
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<tr>
<td>6,2</td>
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<td>4</td>
<td></td>
<td>3,58</td>
</tr>
<tr>
<td>1,1</td>
<td>1</td>
<td></td>
<td>14,30</td>
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<tr>
<td>Upper secondary school</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6,1</td>
<td>12</td>
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<td>2,66</td>
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<tr>
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<td>1157</td>
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<tr>
<td>extern</td>
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<td></td>
<td>0,31</td>
</tr>
<tr>
<td>one subject</td>
<td>245</td>
<td></td>
<td>0,06</td>
</tr>
<tr>
<td>Upper secondary school</td>
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<tr>
<td>ordinary</td>
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<td>1157</td>
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<td>extern</td>
<td>49</td>
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<tr>
<td>one subject</td>
<td>245</td>
<td></td>
<td>0,07</td>
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<tr>
<td>Basic school</td>
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<td></td>
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<tr>
<td>medical reasons</td>
<td>2,6</td>
<td>1157</td>
<td>5,78</td>
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<td>wish of parents</td>
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<td>0,53</td>
</tr>
<tr>
<td>Upper secondary school</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>medical reasons</td>
<td>2,6</td>
<td>1157</td>
<td>6,28</td>
</tr>
</tbody>
</table>

1. **All year round**, the actual number of filled state-commissioned places is monitored through EHIS.

2. **In May** – Schools submit to the Ministry of Education and Research an estimate how many and to which curricula they plan to admit new students within state-commissioned education in the autumn.

3. **In September** – After the final number of admitted students has become clear, planning the state-commissioned education of the new year begins. The planning is based on the **estimated need for labour force** prepared by the Ministry of Economy and Communications. The estimated need for labour force evaluates possible developments on the labour market and the need for new employees from the quantitative aspect – how many additional employees in different field, profession groups and education levels could be needed. Based on the estimated need for labour force, the Department of Analysis of the Ministry of Education and Research prepares an **estimation of the training needs**.

4. **In October** – Schools submit their reasoned applications (including new curricula) to the Ministry of Education and Research, who will give specific instructions to the schools (student places in which areas should be reduced or increased), if necessary. On the basis of the applications of the schools, a consolidated table is created, on the basis of which a committee formed by an order of the Minister forms the state-commissioned education.

**In forming the state-commissioned education, the following is observed:**

- Changes in the number of students according to areas and its compliance to the estimated need for labour force;
- Actual number of students at the school and its changes – this is the main factor influencing state-commissioned education and differs a lot according to areas. In the recent years there has been a constant decrease in the number of students (and state-commissioned education), especially with regard to basic school graduates. However dropping out has not decreased. If a school applies for an increase in the commission, but in the previous years there have been difficulties with assembling study groups or the dropping out rates are high, then usually the commission is not increased;
- Results of accreditation;
- Results of professional examinations;
- Information received from the employers and state institutions about the need for labour force and the level of graduates – in case of a school with weak indicators, terminating the teaching of a speciality may be considered;
- Duplication of curricula in different schools – as a rule, the objective is to not increase it, but rather reduce it. There is constant pressure from schools to open curricula, which are popular at other schools.
- Choices of students, i.e. the popularity of specialities, especially among basic school graduates. Sometimes it does not concur with the wishes of employers, however long-term experience has shown that not considering the wishes of students usually means that young people rather waive vocational education (either discontinue studying or go to a general upper secondary school), also statistics show that a student having gone to learn a speciality of not his/her choice (not first choice) very easily drops out;
- Financial means – as a specific limit is allocated from the state budget for the study costs in vocational education, which does not directly depend on the actual number of students, it is not possible to suddenly increase the state-commission, as there just are not funds for that. Therefore it has to be constantly calculated how many state-commissioned places fit into the limit, which could also mean that for example a significant increase in the order of more expensive specialities (forest management, music, dance) is not possible;
- To a certain extent, also ensuring the sustainability of schools, especially with regard to small schools, is observed.

5. **In November** – the state-commissioned education is sent for examination to schools and social partners. In case of feedback, adjustments are made, if possible.
Annex 5. Students with special educational needs according to organisation of studies and curriculum

<table>
<thead>
<tr>
<th>Type of study</th>
<th>Type of national curriculum</th>
<th>2007/08</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEN institution</td>
<td>RÕK</td>
<td>1562</td>
<td>1502</td>
<td>1373</td>
<td>1390</td>
<td>1455</td>
<td>1431</td>
<td>1419</td>
</tr>
<tr>
<td></td>
<td>LÕK</td>
<td>1482</td>
<td>1384</td>
<td>1334</td>
<td>1283</td>
<td>1225</td>
<td>1170</td>
<td>1112</td>
</tr>
<tr>
<td></td>
<td>TÕK</td>
<td>913</td>
<td>941</td>
<td>922</td>
<td>924</td>
<td>644</td>
<td>603</td>
<td>579</td>
</tr>
<tr>
<td></td>
<td>HÕK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>245</td>
<td>230</td>
<td>214</td>
</tr>
<tr>
<td>Sum</td>
<td></td>
<td>3957</td>
<td>3827</td>
<td>3629</td>
<td>3597</td>
<td>3569</td>
<td>3434</td>
<td>3324</td>
</tr>
<tr>
<td>Special class in ordinary school</td>
<td>RÕK</td>
<td>1233</td>
<td>1149</td>
<td>1020</td>
<td>967</td>
<td>1180</td>
<td>1408</td>
<td>1631</td>
</tr>
<tr>
<td></td>
<td>LÕK</td>
<td>223</td>
<td>303</td>
<td>319</td>
<td>311</td>
<td>318</td>
<td>348</td>
<td>424</td>
</tr>
<tr>
<td></td>
<td>TÕK</td>
<td>122</td>
<td>91</td>
<td>93</td>
<td>60</td>
<td>44</td>
<td>44</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>HÕK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>Sum</td>
<td></td>
<td>1578</td>
<td>1543</td>
<td>1432</td>
<td>1338</td>
<td>1556</td>
<td>1814</td>
<td>2100</td>
</tr>
<tr>
<td>Special curriculum in ordinary class</td>
<td>LÕK</td>
<td>360</td>
<td>419</td>
<td>397</td>
<td>403</td>
<td>408</td>
<td>442</td>
<td>428</td>
</tr>
<tr>
<td></td>
<td>TÕK</td>
<td>8</td>
<td>8</td>
<td>10</td>
<td>9</td>
<td>7</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Sum</td>
<td></td>
<td>368</td>
<td>427</td>
<td>407</td>
<td>412</td>
<td>415</td>
<td>447</td>
<td>434</td>
</tr>
<tr>
<td>Home educating (medical reasons)</td>
<td>LÕK</td>
<td>139</td>
<td>78</td>
<td>61</td>
<td>49</td>
<td>32</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>TÕK</td>
<td>38</td>
<td>37</td>
<td>37</td>
<td>29</td>
<td>10</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>HÕK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18</td>
<td>26</td>
<td>34</td>
</tr>
<tr>
<td>Sum</td>
<td></td>
<td>177</td>
<td>115</td>
<td>98</td>
<td>78</td>
<td>60</td>
<td>62</td>
<td>67</td>
</tr>
<tr>
<td>Home educating (parents wish)</td>
<td>LÕK</td>
<td>8</td>
<td>4</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>TÕK</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HÕK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Sum</td>
<td></td>
<td>10</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>4</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Total sum</td>
<td></td>
<td>6090</td>
<td>5916</td>
<td>5572</td>
<td>5433</td>
<td>5604</td>
<td>5762</td>
<td>5929</td>
</tr>
</tbody>
</table>

270 RÕK – national curricula’s for basic schools and upper secondary schools; LÕK – simplified curricula’s for basic school; TÕK – coping curricula’s for basic school; HÕK – nursing curricula’s for basic school; Source: EHIS

ISCO 0 - Armed forces occupations
ISCO 1 – Managers
ISCO 2 – Professionals
ISCO 3 - Technicians and associate professionals
ISCO 4 – Clerical support workers
ISCO 5 – Service and sales workers
ISCO 6 – Skilled agricultural, forestry and fishery workers.
ISCO 7 – Craft and relates trades workers
ISCO 8 – Plant and machine operators and assemblers
ISCO 9 – Elementary occupations

Annex 7. Structure of the income from main activities of local governments according to the quarterly reports on implementation of the 2012 budgets

Source: Sannik, K.; Kohalike omavalitsuste 2012. aasta eelarve täitmise põhitegevuse tulude, põhitegevuse kulude, investeerimistegevuse, finantseerimistegevuse ja likviidsete varade muutuse analüüs; Rahandusministeerium: Kohalike omavalitsuste finantsjuhtimise osakond; Tallinn; 2013
Annex 8. Unemployment rate, average rate for the years 2011-2013273

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“Estonia 2020” is a reform programme that describes the objectives established to improve competitiveness and activities needed to achieve these objectives. The two central objectives of “Estonia 2020” are increasing the productivity and employment in Estonia. The main focus in the coming years is on education and employment and the main objectives include integrating long-term and young unemployed people in the labour market and developing their skills.

While preparing “Estonia 2020”, the objectives and priority actions agreed between the European Union heads of government as well as European Commission recommendations to Estonia have been taken into account. The development plan serves as an important basis for targeting national investments as well as European Union funds.

Estonia has set two main objectives for the reform programme:

- To achieve strong growth of productivity.
- To restore the high employment rate observed before the financial crisis.

In addition to the preceding objectives, the programme includes 15 further objectives that are divided into four fields:

- Educated population and cohesive society: the quality and availability of education and skilled labour supply.
- Competitive business environment: policy that supports the improvement of long-term competitiveness of companies.
- Environmentally friendly economy and energy: energy and resource savings.
- Sustainable and adaptive state: sustainability of public finances and the ability to react to changing circumstances; additionally, tax policy supporting the development of the economy and modernisation of the government sector.

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274 National Reform Programme „Estonia 2020“
Annex 10. Short summary of The Lifelong Learning Strategy

The Lifelong Learning Strategy is a document that guides the most important developments in the area of education. It is the basis on which the government will make decisions for educational funding for the years 2014-2020 and for the development of the programmes that support the achievement of necessary changes. The goals and measures of the Lifelong Learning Strategy are concordant with the national reform programme “Estonia 2020”, with the Estonian national strategy for sustainable development, “Sustainable Estonia 21”, and with the fulfilment of the education-related goals of the “National Security Concept of the Republic of Estonia”.

The Strategy specifically addresses the most important obstacles the area of lifelong learning. It is critically important for society to remove these obstructions, because they impact in the achievement of the agreed goals. Several international tests have shown that education in Estonia is of a good quality: the skills of our students who have completed basic and secondary education are above average compared to their peers in other developed countries, whereas the results of our young people with higher education rank only as average. International comparisons, however, have also shown where our problems lie – there is a lack of resolve and creativity in using different skills in new context, the decline in age-related skills proficiency is too rapid, and older generations have lower information-processing skills and lack of the courage to use computers. Our formal education provides a good basis, but skills have to be actively used in daily activities as well as in work life, since the principle “use it or lose it” really does apply. We have to openly acknowledge that unused skills have no intrinsic value in themselves.

In addition to the formal education system (preschool child care institution, basic school, upper-secondary school, vocational institutions), lifelong learning also includes in-service education and retraining as well as non-formal and informal education in all its diversity. Opportunities for acquiring new knowledge and skills can be found in the workplace, through extracurricular activities and youth work, as well as by participating in the activities of civil society organisations or in a virtual space, where a person can learn either individually or with others. Various social networks, cultural institutions, military service, as well as the home environment, all play a role in developing and supporting the curiosity and motivation to learn, as well as in shaping study habits and value judgements.

The Estonian Lifelong Learning Strategy considers every individual as a learner – children as well as youth and adults. Learning must become an integral part of an individual’s active approach towards life, including among those who are older. Collectively, teachers are those professionals who guide learning processes and develop learning environments in kindergartens, general schools, vocational schools, higher education institutions, hobby schools, non-formal and informal education centres, in-service education centres, open youth centres, museums and other cultural institutions. The term school leadership includes the Heads of these learning institutions. The approach to learning includes an understanding of the nature of learning, its goals, methodology and the role of all the various parties involved in the learning process.

The general goal of drafting the Lifelong Learning Strategy is to provide all people in Estonia with learning opportunities that are tailored to their needs and capabilities throughout their whole lifespan, in order for them to maximize opportunities for dignified self-actualization within society, in their work as well as in their family life.

The Lifelong Learning System – 2020 is measured by the following key indicators:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Goal level 2020</th>
<th>Starting level 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate in lifelong learning among adults (% of 25-64-years old who stated that they had received education or training during the four weeks preceding the survey)</td>
<td>20%</td>
<td>12,9%</td>
</tr>
<tr>
<td>Percentage of adults (25-64) with general education only (no professional or vocational education)</td>
<td>Not over 25%</td>
<td>30,3%</td>
</tr>
<tr>
<td>Early school leavers (% of the population aged 18-24 with at most lower secondary education and not studying)</td>
<td>Below 9%</td>
<td>10,5%</td>
</tr>
<tr>
<td>Top achievers in basic skills in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reading</td>
<td>10%</td>
<td>8,4% (2012)</td>
</tr>
<tr>
<td>Mathematics</td>
<td>16%</td>
<td>14,6% (2012)</td>
</tr>
<tr>
<td>Science</td>
<td>14,4%</td>
<td>12,8% (2012)</td>
</tr>
<tr>
<td>Employment rate of recent graduates (20-34 years old graduates; one to three years after leaving education)</td>
<td>At least 82%</td>
<td>73,9% (2012)</td>
</tr>
<tr>
<td>Digital competencies (individuals aged 16-74 with computer skills, %)</td>
<td>80%</td>
<td>65% (2012)</td>
</tr>
<tr>
<td>Comparison of general education teachers’ salaries (ratio of salaries to earnings for full-time, full-year workers with tertiary education aged 25-64)</td>
<td>≥1,0</td>
<td>0,84 (2011)</td>
</tr>
<tr>
<td>Stakeholders’ satisfaction with lifelong learning</td>
<td>Satisfaction has increased</td>
<td></td>
</tr>
</tbody>
</table>
Annex 11. New levels of vocational education

<table>
<thead>
<tr>
<th>Level</th>
<th>Requirements for commencing studies</th>
<th>Type of study</th>
<th>Volume of studies</th>
<th>Practical work and field training</th>
<th>After graduating student will have vocational, professional and occupational training for professions that belong to the following main group of professions</th>
<th>After graduation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2nd level vocational training</td>
<td>Basic education not required</td>
<td>Pre-training</td>
<td>15-120</td>
<td>Practical work and field training at least 70% of study volume.</td>
<td>“Unskilled workers”</td>
<td>May acquire basic education pursuant to general procedure, simultaneously with studies in vocational training or after graduation.</td>
</tr>
<tr>
<td>3rd level vocational training</td>
<td>Basic education not required</td>
<td>Pre-training</td>
<td>15-120</td>
<td>Practical work and field training at least 50% of study volume.</td>
<td>“Operators of equipment and machinery”, “Skilled workers and artificers”, “Skilled workers in agriculture and fishery” or “Service and sales staff” in simpler occupations.</td>
<td>May acquire basic education pursuant to general procedure, simultaneously with studies in vocational training or after graduation. A person who has acquired basic education and completed 3rd level vocational training may continue acquiring secondary education in a vocational educational institution or upper secondary school.</td>
</tr>
<tr>
<td>4th level vocational training</td>
<td>Basic education required for pre-training. Persons who have not acquired basic education but Pre-training and continuing training</td>
<td>Pre-training: 15-150; curriculum group for music</td>
<td>Practical work and field training at least 50% of the volume of vocational training.</td>
<td>“Operators of equipment and machinery”, “Skilled workers and artificers”, “Skilled workers in agriculture and fishery”</td>
<td>May continue studies in continuing training of vocational training and, if he or she has</td>
<td></td>
</tr>
</tbody>
</table>

276 Source: Kutseharidusstandard (in Estonian); https://www.riigiteataja.ee/akt/128082013013
277 Volume of studies in the Estonian vocational education credit points, 1 credit point = 26 hours of student’s work to acquire knowledge and skills.
278 International Standard Classification for Occupations, 2008 (ISCO-08), also in Annex 6.
who are at least 22 years of age may commence studies in vocational secondary education if they have competences that correspond to basic education. 4th level pre-training may also be carried out on the basis of the curriculum for vocational secondary education. For continuing training, a profession of at least 4th level of qualifications, or of corresponding competences and basic education.

<table>
<thead>
<tr>
<th>5th level vocational training</th>
<th>Secondary education required for pre-training. For continuing training, a profession of at least 4th or 5th level of qualifications, or of corresponding competences and secondary education.</th>
<th>Pre-training and continuing training</th>
<th>Pre-training: 120-150, military and public defence curriculum: 60-150. Continuing training: 15-60</th>
<th>Practical work and field training at least 50% of the volume of vocational training.</th>
<th>Pre-training: “Midlevel specialists and technicians” or “Officials”. Continuing training: „Operators of equipment and machinery”, “Skilled workers and artificers”, “Skilled workers in agriculture and fishery”, “Service and sales staff” or “Officials” in more complicated occupations.</th>
<th>May continue in 5th level continuing training of vocational training.</th>
</tr>
</thead>
</table>

280 Students who have acquired vocational secondary education may also continue general education studies in VET school or in general upper secondary school if they will (max. 1 academic year; for preparation for continuing studies in tertiary education).