

OSKA study “Estonian Labour Market Today and Tomorrow 2018”

Key findings

According to the prognosis, in 2026 the number of employees will be about the same as in 2017

- Prognosis takes into account the slowdown in the decrease of the working age population, the extension of working life, the increasing share of people active in the labour market, and positive net migration.
- In 2017, the number of employees was the same as during the last economic boom when the number of employees was at its highest, even though in 2017 there were about 70,000 people less in the age of 15-74 than 10 years before that.
 - The number of employees and the employment rate has increased among the people over the age of 50.
- In the last years, the immigration to Estonia has been higher than emigration, thus the population has grown.
 - In addition, the Estonian citizens who have moved back to Estonia, mainly from Finland, have contributed to the population growth.

The number of jobs will increase in occupations related to technology and in the fields of health care and social services

- Until the year 2026, the number of jobs will increase in the field of information and communication technology.
- The demand for labour force in health care and social services is related to the ageing of the population.
- The increase of employment is expected in the fields of timber industry and manufacturing of electronics and electric appliances.
- Occupations such as subject teacher, educational support specialist at a school and kindergarten, nurse, caretaker, skilled worker in construction and driver of a motor vehicle need more employees to replace the people exiting the labour market due to the age.
- According to the prognosis, the number of employees will drop in the fields of public administration, retail trade, agriculture, apparel, textile and leather industry, and storage and transportation.

Half of the people entering the labour market should have a degree in higher education, every third person a vocational degree

- The number of young people who graduate from a higher educational or vocational education and training institution does not meet the labour force demand in the future.
- Instead the employers will have to find suitable employees among adults, including older age groups.
- Everyone should take part in lifelong learning and learn new skills to adapt to changes in the labour market.

- The number of people obtaining a degree in higher educational institution, which allows them to work as system analysts, software developers, engineers, and speech therapists, is not sufficient.
- There are not enough trained plumbers, carpenters, mechatronic engineers and machine operators, also harvester operators and plywood processing staff.
- There might not be enough work for young people who will train to become car mechanics, tailors, social workers, and bookkeepers.

Background

- OSKA study “Estonian Labour Market Today and Tomorrow 2018” gives an overview of the Estonian labour market and the labour force demand and training requirements until 2026.
- This is an annual study, which is conducted by the Estonian Qualifications Authority (*Kutsekoda*) together with the Ministry of Economic Affairs and Communications and Estonian Unemployment Insurance Fund (*Eesti Töötukassa*).
- The OSKA forecasting system produces projections of the need for labour force and skills in all fields of the Estonian economy by 2020 and compares these to the education and training offered by higher education institutions, VET institutions and continuing education courses.
- OSKA studies are coordinated by the Estonian Qualifications Authority (*Kutsekoda*) and funded by the European Social Fund.