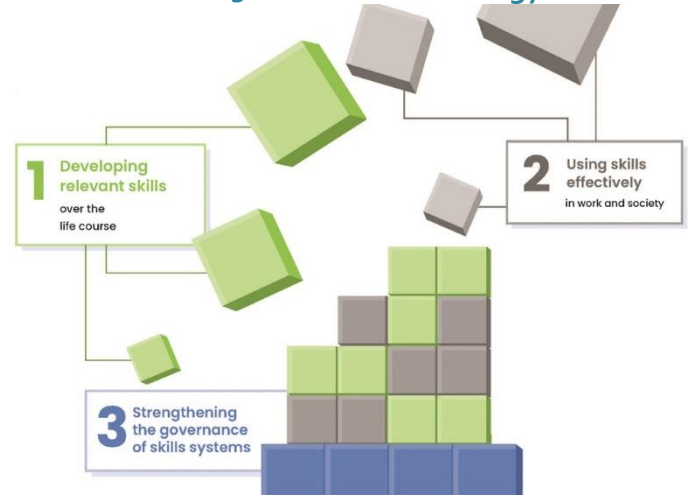




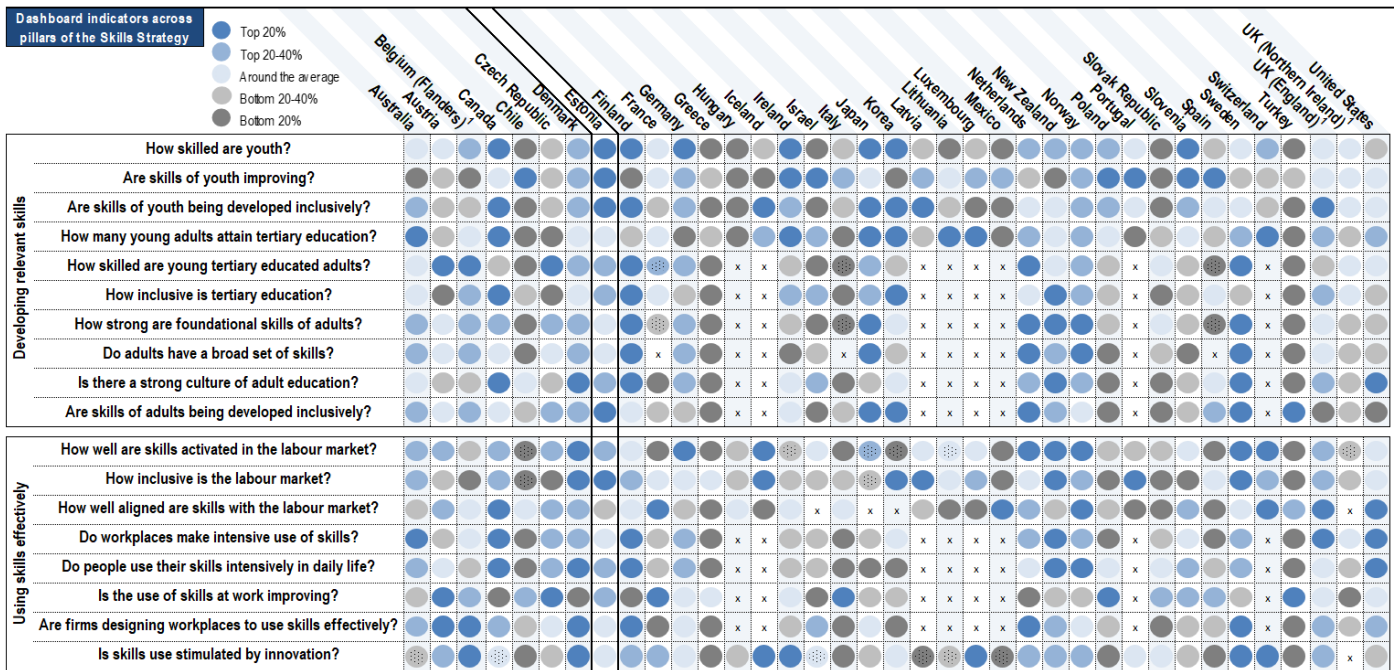
### 2019 OECD Skills Strategy: Estonia

Since its launch in 2012, the OECD Skills Strategy has provided countries with a strategic and comprehensive approach to assessing their skills challenges and opportunities. The 2019 OECD Skills Strategy incorporates lessons learned from applying the OECD Skills Strategy framework in eleven countries, including new evidence about the implications of so-called megatrends, such as globalisation, digitalisation, population ageing or migration. It also accounts for new evidence about skills policies that work under the proper governance arrangements, including effective co-ordination and accountability mechanisms, efficient funding from different sources and information systems. This document describes the main findings for Estonia.

### The 2019 OECD Skills Strategy



### OECD Skills Strategy Dashboard: summary indicators of skills performance



Notes: Indicators are selected, aggregated and normalised in a way to ensure that a higher value and being among the “Top 20%” reflects better performance. Colours in the dashboard represent the quintile position of the country in the ranking, with dark grey indicating performance at the bottom, and dark blue indicating performance at the top of the ranking. The “x” indicates insufficient or no available data for the underlying indicators, and dotted circles indicate missing data for at least one underlying indicator. Only OECD sources have been used (see OECD (2019) for overview).

1. For Belgium (Flanders), United Kingdom (England and Northern Ireland), a combination of regional (PISA and PIAAC) and national data have been used. Note on Israel: The statistical data for Israel are supplied by and are under the responsibility of relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

### Estonia’s skills performance

The Skills Strategy Dashboard provides a snapshot of Estonia’s comparative skills performance. Estonia is a top performer in developing skills of youth and a strong performer in developing the skills of adults. Average PISA scores in 2015 were high and they have seen one of the

largest improvements across the OECD between 2012 and 2015. Average PIAAC scores for math and reading in 2012 were above the OECD average and Estonia ranks in the top 40% for the strength of its learning culture. Estonia is also generally successful at activating skills of the workforce

with employment and labour force participation rates steadily above the OECD average in the past 10 years. Despite this success, there continue to be areas in which Estonia could improve. There is evidence of significant skills imbalances in the labour market. In the Skills Strategy Dashboard, Estonia ranks in the bottom 40% of OECD countries for the alignment between skills supply and labour market demand. The OECD Skills for Jobs database indicates that there is a shortage of cognitive and other transversal skills, whereas there is a surplus of technical skills. Labour shortages have also been identified in sectors such as science, technology and engineering and in managerial positions, whereas sectors such as manufacturing are facing a surplus. Some of these imbalances could be resolved by expanding the tertiary attainment rate, which is currently only around the OECD average.

Estonia could also improve the intensity of skills use. The Skills Strategy Dashboard shows that Estonia performs only around average for the adoption of high-performance workplace practices, which are found to stimulate skills use in the workplace. Similarly, Estonia performs only around average in the strength of its innovation system, which is

crucial to stimulate the use of skills. The European Commission Education and Training Monitor identifies weak links between business and science and low private investment in R&D as two of the key bottlenecks to the expansion of Estonia's innovation capacity.

Estonia has taken important steps to deal with many of these challenges. For example, legislation was passed in 2015 to launch a system for labour market monitoring and forecasting skill demands. Financial support for the collaboration between research institutions and firms in applied research has stepped up in 2015, especially in key areas defined in the smart specialisation strategy. The government also launched a lifelong learning strategy (The Estonian Lifelong Learning Strategy 2020) to 'provide all people in Estonia with learning opportunities that are tailored to their needs and capabilities throughout their whole lifespan'.

Still, Estonia could benefit from a renewal of its strategic vision for the future to ensure that all of its people have the skills to respond to the challenges and opportunities of a complex and rapidly changing world. A whole-of government approach is needed to achieve this aim.

### Key recommendations for improving the performance of countries' skills system

#### Developing relevant skills over the life course: Making skills systems responsive

- Making each stage of learning a foundation for success in the next
- Enabling policies to support learning in adulthood
- Supporting teachers to become lifelong learners
- Financing adult learning
- Harnessing the power of technology as a tool for learning

#### Using skills effectively in work and society: Making the most of everyone's potential

- Make full use of everyone's skills
- Making the most of migrants' skills
- Activating skills to build more inclusive and cohesive societies
- Making intensive use of skills in work
- Aligning skills with the needs of the economy and society
- Aligning skills policies with industrial and innovation policies

#### Strengthening the governance of skills systems: Tackling increased complexity

- Promoting co-ordination, co-operation and collaboration across the whole of government
- Engaging stakeholders throughout the policy cycle
- Building integrated information systems
- Aligning and co-ordinating financing arrangements

### Further reading

OECD (2019), *OECD Skills Strategy 2019: Skills to shape a better future*, OECD Publishing, Paris, [//doi.org/10.1787/9789264313835-en](https://doi.org/10.1787/9789264313835-en).

OECD (2019), *OECD Skills Outlook 2019: Thriving in a Digital World*, OECD Publishing, Paris, <https://doi.org/10.1787/df80bc12-en>.

OECD (2017), *OECD Economic Surveys: Estonia 2017*, OECD Publishing, Paris, <https://doi.org/10.1787/22212302>.

OECD (forthcoming), *Strengthening the Governance of Skills Systems*, OECD Publishing, Paris.

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