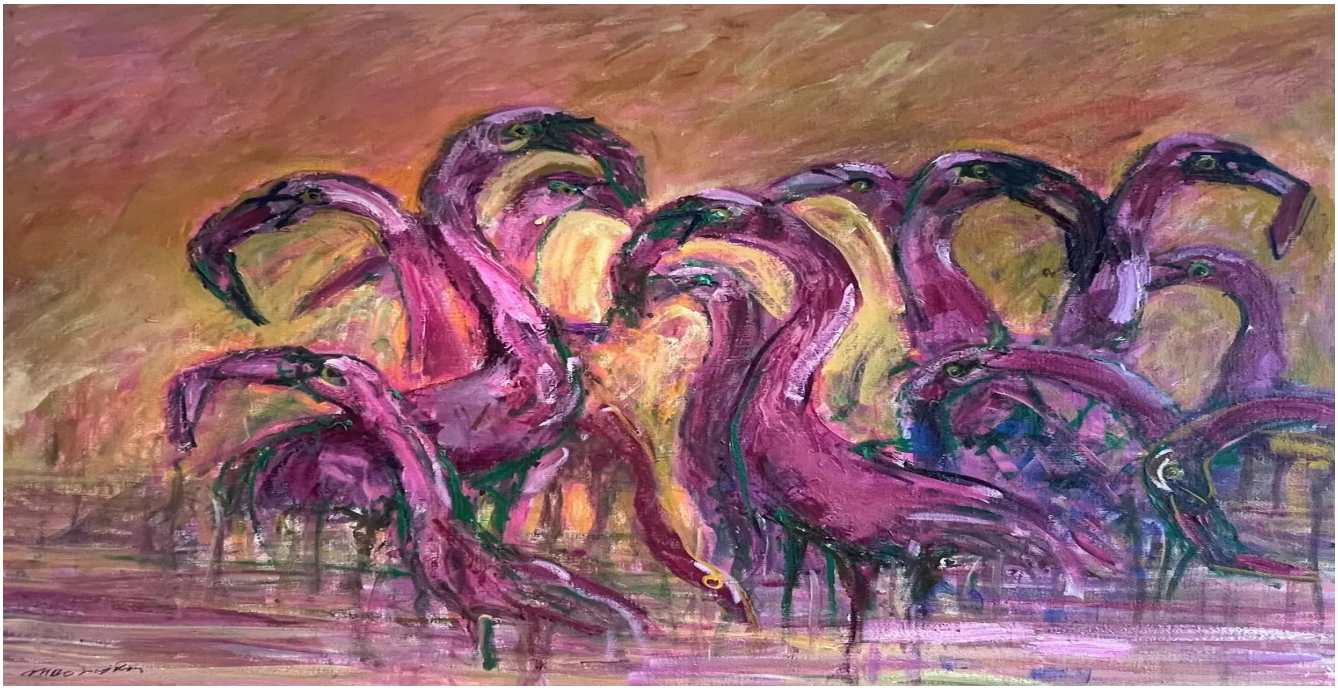
Social Protection



Marju Bormeister. Flamingos. Oil on canvas. 2021 (fragment of the work)

In the field of social protection, the reporting year was once again marked by applications showing that several local authorities do not cover the care costs of people living in care homes to the extent required by the Social Welfare Act. To ensure that a person in need of assistance does not fall into debt to the care home and risk losing their place, the shortfall must be covered by their family members. Unfortunately, family members cannot challenge the actions of the local authority. This can only be done by the people who themselves need a place in a care home.

The Chancellor was repeatedly contacted about subsistence benefit, and a number of complaints were also made about the activities of the Estonian Unemployment Insurance Fund. Applicants were dissatisfied with the procedure for registration as unemployed, the work of counsellors, financial benefits and the obligations imposed on unemployed people.

People also complained about delays in cross-border social security cases and about the calculation of the amounts of benefits awarded. For example, the Chancellor was contacted by a parent living in Estonia whose spouse had worked in Sweden and subsequently became unemployed there. Communication between the two countries took a long time, and as a result child allowance was not paid for eight months. A Chancellor’s adviser discussed the case with the Social Insurance Board. Since European Union rules allow family benefits to be granted on a provisional basis where it is not yet clear which Member State is responsible for paying them, the Board decided to make use of this possibility and pay the benefits to the family.

The Chancellor also examined whether local authority regulations governed the right of a child with an extreme need for assistance and support to receive childcare service in accordance with the Social Welfare Act. It emerged that the social welfare regulations of several local authorities restricted entitlement to childcare service more than the law permitted. The Chancellor pointed out that rural municipalities and cities must keep abreast of legislative amendments and amend their own legislation accordingly. Failure to do so may result in a local authority regulation being contrary to the law.

After sending out a circular, the Chancellor carried out spot checks to see whether rural municipalities and cities had amended their regulations. The local authorities subsequently contacted individually made the necessary amendments to their regulations. One local authority plans to do so in the near future.

In many cases, a problem with the Estonian Unemployment Insurance Fund, the Social Insurance Board or a local authority can be resolved before the Chancellor formally establishes that the authority has made an error. In other cases, however, written intervention by the Chancellor is necessary.

Conditions for Receiving Subsistence Benefit

The Chancellor submitted an opinion to the Social Affairs Committee of the Riigikogu on a proposed legislative amendment concerning the payment of subsistence benefit to conscripts. At the Chancellor’s request, the Social Affairs Committee clarified the Bill amending the Social Welfare Act and other Acts (732 SE).

The Chancellor was also repeatedly asked about the conditions for payment of subsistence benefit. Usually, the Chancellor limits herself to explaining that the most effective way for a person to protect their rights is to file a challenge. In some cases, however, the Chancellor considered it necessary to assess the lawfulness of the actions of a rural municipality or city.

For example, a resident of Pärnu contacted the Chancellor because Pärnu City Government had refused to pay her subsistence benefit after she had declined the social training service offered to them.

The law lays down a condition linking the payment of subsistence benefit to participation in a social service supporting independent coping. The Chancellor noted that this condition is not excessive. The Riigikogu has provided that rural municipalities and cities are not obliged to apply the condition, but have discretion to consider its application in each individual case. In doing so, local authorities must take into account whether the person has a good reason for refusing the social service.

The Chancellor found that, when deciding the application for benefit, the city had failed to take into account that the applicant had a child. Before making its decision, the city should have established how the decision would affect the child's well-being and treated the best interests of the child as a primary consideration. The city's decision did not explain why it had considered it necessary to refuse the subsistence benefit altogether, even though the law would also have allowed the benefit merely to be reduced. The Chancellor asked the city to reconsider its decision and analyse its impact on the child's best interests. Pärnu City Government followed the recommendation.

The Chancellor was also asked to assess a provision of the Social Welfare Act allowing a local authority to refuse to grant subsistence benefit or to reduce it if, in the authority's assessment, the person has made no effort to improve their own material situation or that of their family (§ 134(4)(8) of the Social Welfare Act).

The Chancellor found that, when assessed in the abstract, the provision cannot be considered unconstitutional. The provision seeks to emphasise personal responsibility, which is compatible with the Constitution. It is not excessive because a rural municipality or city can take the circumstances of the individual case into account when making its decision. A person will not be deprived of the basic necessities of life if the local authority relies on this provision to refuse to grant or to reduce subsistence benefit. Where necessary, the person is entitled to receive emergency social assistance from the rural municipality or city, ensuring at least food,

clothing and temporary accommodation. A rural municipality or city must also ensure accommodation for a person who, because of their socio-economic situation, is unable to secure housing appropriate to their own and their family’s needs.

Before making a decision, the law requires all relevant circumstances to be established and a carefully considered decision to be made in accordance with both the wording and the purpose of the law. The authority must consider the circumstances of the particular case, disregard irrelevant considerations, strike a balance between the different interests involved and comply with the other requirements laid down in the Administrative Procedure Act.

A resident of Tartu complained to the Chancellor that the city had decided not to pay him subsistence benefit. The complainant considered that the city should not have treated a loan as income and should have taken his actual living conditions into account.

Fee for a Care Home Place or Domestic Service

The law clearly provides that a person who needs a place in a care home does not have to bear the costs of their care. The person may be charged only for accommodation, catering and other costs. Nevertheless, some local authorities have sought to argue that care costs exceeding the limit set by the local authority must still be covered by the person themselves and their family.

The Chancellor has drawn the attention of local authorities to the provision which clearly states that the care costs included in the price of a care home place must be covered by the local authority of the person’s place of residence. Unfortunately, this has not been sufficient to prompt local authorities to revise the limits they have established. The Chancellor has therefore begun examining the regulations by which rural municipalities and cities have set limits on covering care costs.

The Chancellor proposed that Räpina Rural Municipality Council bring the limit on covering the costs of care workers and assistant care workers in care homes into conformity with the law. By Regulation No. 6 of 19 April 2023, Räpina Rural Municipality Council had set the limit at €540 per service recipient per month. Because the limit was so low, service recipients had to cover not only the accommodation and catering costs of the care home but also part of the care costs. The law, however, provides that care costs in a care home must be covered by the local authority.

Räpina Rural Municipality Council amended the regulation. From 1 July 2026, Räpina Rural Municipality covers care costs included in the price of a care home place up to €600 per month.

The Chancellor made a similar proposal to Peipsiääre Rural Municipality Government, which had set the limit on covering care costs at €550 per service recipient per month. According to information provided by the municipality, this limit currently makes it possible to cover the care costs of only one person living in a care home, and only if that person does not have extensive care needs. If the person's need for care were to increase, they would have to find a place in another care home where the care costs are lower.

At present, there are only two care homes in Estonia where Peipsiääre Rural Municipality Government could arrange a place for its residents regardless of the extent of a person's care needs. However, those two care homes may be too far away for residents of Peipsiääre, meaning that a person living there might no longer be able to maintain contact with their loved ones or remain a member of their community. Consequently, those care homes may not be genuinely accessible to Peipsiääre residents. As far as is known, no Peipsiääre residents currently live in either of those care homes. Even if a Peipsiääre resident wished to move to one of them, there would be no guarantee that the municipality could secure a place, since priority in both care homes is given to local residents.

The Chancellor was also contacted about the fee charged for domestic service. The City of Tartu decided to begin charging for domestic service, which had previously been provided free of charge to people in need of assistance. The person who contacted the Chancellor considered that the fee — the so-called co-payment — might be unaffordable for some people in need of assistance, causing them to give up the service and be left without help.

The Chancellor explained that the law allows a local authority to charge a fee for domestic service in an amount set by the authority itself. However, the fee must not be beyond a person's means and prevent them from receiving the service. This principle follows from the Social Welfare Act.

The City of Tartu informed the Chancellor that, in such circumstances, the fee can be reduced, or the person can be exempted from paying it. This has also been done on several occasions. The City Government confirmed to the Chancellor that it had added information to its website and information letter explaining how the domestic service fee may be reduced or

how a person may be exempted from paying it.

Social Transport for People Who Need It

During the reporting year, the Chancellor was informed of a case in which a person with a disability was refused social transport because they wished to travel home from a leisure activity on a weekday evening. The law requires a local authority to organise social transport for a person with a disability only if the person wishes to travel to work, an educational institution or to use public services.

The Chancellor had already written to the Social Affairs Committee of the Riigikogu on this issue and asked why the law restricts the provision of social transport services for persons with disabilities to certain destinations. The Social Affairs Committee discussed the issue at a meeting, together with shortcomings in the organisation of social transport more broadly. Committee members and other participants considered it necessary to find solutions to these issues, while recognising that cooperation between several authorities would be required.

A mother also contacted the Chancellor because the city had not provided an escort to help her child travel home from school. AS Tallinna Linnatransport, which transported the child home from school, was willing to continue doing so only if the child was accompanied by an escort. The transport company imposed this condition after the child’s behaviour on a journey home from school had put the bus driver in a dangerous situation.

In the Chancellor’s assessment, the Tallinn Welfare and Health Care Department had not acted lawfully because it had failed to find an escort for the child for four months or resolve the situation in another way. As a result, the child’s ability to attend school depended entirely on whether the mother was able to accompany the child on the journey home.

Although the Department was aware that a child or young person might behave unpredictably or dangerously while using social transport, it had no action plan for resolving such situations quickly. The Chancellor asked the Department to consider what should be done in future if the behaviour of a child with a disability endangers the bus driver, other passengers or the child themselves. The Department undertook to do so.

Some cases show that, with goodwill, it is possible to take swift action to improve a person's situation. For example, a person asked the Chancellor for help because there was neither running water nor sewerage at her mother's home. After a Chancellor's adviser contacted the rural municipality, municipal officials visited the home to assess the situation and advise those concerned. As the applicant's mother was a person with a disability, the municipality immediately arranged social transport to a day centre so that she could wash there.

Benefits Paid in Older Age

The state has introduced a social tax concession for employers who employ a person with reduced work ability. Under the concession, the state pays social tax on behalf of the employer on the employee's remuneration up to the amount of the minimum wage. A person who contacted the Chancellor was dissatisfied that the state allocated the entire pension insurance part of the social tax paid in this way — 20 per cent — to the first pension pillar, without making a contribution to the second pension pillar. The person considered that this resulted in unequal treatment of people with reduced work ability because the social tax paid by the state on their behalf did not increase their mandatory funded pension, or second-pillar pension, but only their state old-age pension, or first-pillar pension.

A Chancellor's adviser discussed the matter with officials of the Ministry of Finance. The Ministry was prepared to propose an amendment to the Social Tax Act. On 3 December 2025, the Riigikogu adopted the Act on Amendments to the Social Welfare Act and Other Acts (732 SE), which, among other things, amended the Social Tax Act to ensure equal treatment of employees with reduced work ability in the accrual of pension rights. The amendment to the Social Tax Act entered into force on 1 January 2026.

The Chancellor was also contacted by a person who considered that the Social Insurance Board had unnecessarily delayed granting him a national pension. Examination of the application revealed that the Population Register contained no information about the person's place of residence, but only an additional address, which is entered where a person's permanent or principal place of residence is elsewhere.

A recipient of a national pension must have lived in Estonia for at least five years immediately before applying for the pension. The Social Insurance Board was already preparing to refuse to grant the person a national pension, but at the request of a Chancellor's adviser, additional information was gathered about the applicant's place of residence. It was ultimately

established that the person had lived in Estonia for the required period, and a national pension could therefore be granted.

The Chancellor was also contacted about a change to the pension payment date that took effect in January 2025. The person considered that, when changing the payment date, the Social Insurance Board had failed to take the interests of pensioners into account.

The Chancellor agreed that changing the pension payment date could cause confusion and inconvenience, but found that the Social Insurance Board had not breached the principles of good administration. The change ensured that pensions were paid within the promised period. People were informed of the change almost three months in advance, giving pensioners, as well as their family members, sufficient time to make the necessary arrangements.

The Chancellor submitted an opinion to the Supreme Court (see also the supplementary opinion) in constitutional review case No. 5-25-67. The Court had to decide whether it was constitutional for the City of Tallinn not to pay the pension supplement to people receiving an old-age pension under the Old-Age Pensions under Favourable Conditions Act, while paying it to recipients of an old-age pension under the State Pension Insurance Act.

Unlike the Chancellor, the Supreme Court found that § 12(1)(1) of Tallinn City Council Regulation No. 26 of 7 October 2021, “Conditions and Procedure for Payment of Social Benefits”, did not violate the complainant’s right to equal treatment. The Court nevertheless agreed with the Chancellor that further disputes could be avoided if the City of Tallinn clarified the objectives and conditions of the pension supplement. The reasons for treating people differently should be clear and unambiguous to everyone.

Payment of Survivor’s Pension to Young People

The Chancellor was asked whether an amendment to the Family Benefits Act entering into force on 1 October 2026, under which a child who has lost a provider may, if studying, receive support until the age of 21 rather than 24, is constitutional.

The Chancellor found that there are no grounds under the Constitution for requiring the state to provide support following the loss of a provider until a young person reaches the age of 24. The Riigikogu is entitled to make the conditions for receiving support less favourable for people who have not yet begun to receive or apply for it.

A university student also contacted the Chancellor because the Social Insurance Board had not paid them survivor's pension from July to October 2025. When the pension was eventually paid, the amount was only half of what it should have been. The Social Insurance Board had explained that survivor's pension had not been paid for those months because the Estonian Education Information System contained no information about the student's studies.

A Chancellor's adviser asked the Social Insurance Board for an explanation. The Board explained that the lower amount had been paid because, during the months for which the student had not received the pension, a larger amount had been paid to the deceased parent's other children, who lived in a separate family.

Examination of the case revealed that the problem had originated in the information system: the Social Insurance Board's information system had failed automatically to update the data on the applicant's studies held in the Estonian Education Information System. The Board acknowledged to the Chancellor's adviser that this had been an error on its part and subsequently paid the applicant the outstanding amount of survivor's pension.

Assistance Provided to Persons with Disabilities and Reduced Work Ability

The Chancellor was asked whether the amendments to the Social Benefits for Disabled Persons Act entering into force on 1 February 2027 are compatible with the Constitution. Under the amendments, disabled child allowance will continue to be paid to young people who turn 16 on or after 1 February 2027. Young people who turn 16 before that date will receive disability allowance for a person of working age, the amount of which is considerably lower than disabled child allowance.

As the applicant's child, who was about to turn 16, might also be entitled to work ability allowance, which is substantially higher than disabled child allowance, his income would not be reduced as a result of receiving disability allowance for a person of working age. On the contrary, recipients of both work ability allowance and disability allowance for a person of working age are in a better position than young people who, from 1 February 2027, will receive only disabled child allowance. The applicant's child would therefore not lose any of their existing income as a result of the amendments.

The Chancellor nevertheless acknowledged that the amendments entering into force on 1 February 2027 could also result in some young people under the age of 18 receiving disability allowance for a person of working age but not work ability allowance. As such cases are unlikely to be widespread, the Chancellor considered it reasonable to assess the matter if and when such a situation arises.

The Study Allowances and Study Loans Act provides that if a borrower is established to have no work ability after taking out a study loan, the state assumes performance of the borrower's obligations. The Chancellor was contacted by a person whose study loan repayment obligation the Social Insurance Board had refused to assume. In making its decision, the Board had relied on the applicant's state of health as established almost ten years before the loan was taken out. At that time, the person had been assessed as having 80 per cent incapacity for work. In 2023, when the person took out the study loan, she had partial work ability.

A Chancellor's adviser asked the Social Insurance Board and the Ministry of Social Affairs to explain why the decision was not based on the person's work ability at the time when the study loan was taken out. As a result of the discussions, the Social Insurance Board changed its administrative practice. Since June 2026, the Board has based its decision on the person's work ability at the time when the study loan was taken out.

Assistance for Unemployed People

The Chancellor was asked whether it is appropriate that the law allows remuneration received during the final three months of employment to be excluded when calculating the amount of unemployment insurance benefit. In the Chancellor's assessment, the current rules for calculating unemployment insurance benefit cannot be regarded as manifestly unconstitutional. The rules help to ensure that the amount of benefit is not disproportionately affected by remuneration received during the months immediately preceding the application for benefit, which, depending on the circumstances, may be substantially lower or higher than the remuneration received during the preceding period.

The Chancellor also noted that, in some cases, it may be useful for a person to ask the Estonian Unemployment Insurance Fund to check whether the amount of benefit has been calculated on the basis of the most recent data. At the time when a person applies for unemployment insurance benefit, the unemployment insurance database may not yet contain

information on the unemployment insurance premiums paid on their remuneration during the final months of employment. A person may therefore contact the Estonian Unemployment Insurance Fund again later and ask for the amount of their benefit to be reviewed on the basis of updated data.

The Chancellor also had to examine whether the Estonian Unemployment Insurance Fund was entitled to refuse to grant a wage subsidy to an employer wishing to employ a prisoner in an open prison.

The Chancellor considered the actions of the Estonian Unemployment Insurance Fund lawful because the conditions for wage subsidy laid down by regulation do not allow a wage subsidy to be paid to an employer for employing a prisoner in an open prison. In the Chancellor's assessment, this condition is not contrary to either the law or the Constitution. The Riigikogu has considerable discretion in making socio-economic policy decisions. The Chancellor cannot conclude on the basis of the Constitution that the state must necessarily provide wage subsidy as a form of labour market support. Nor can the Chancellor conclude that prisoners must be entitled to such support.

During the reporting year, the Chancellor received a considerable number of complaints concerning the activities of the Estonian Unemployment Insurance Fund. Complaints repeatedly concerned refusals to register people as unemployed, the handling of cross-border unemployment insurance benefit cases and the work of counsellors. Some people had already taken steps to protect their rights, for example by filing a challenge or asking for a different counsellor. In other cases, the Chancellor explained what the law provided in the particular circumstances and how the person could most effectively protect their rights.

In cooperation with the Estonian Unemployment Insurance Fund, it was possible to resolve one person's concern about a delay in granting unemployment insurance benefit. The person complained that the Fund had delayed granting them unemployment insurance benefit. They had previously worked abroad and had submitted documents confirming this to the Fund.

A Chancellor's adviser asked the Estonian Unemployment Insurance Fund for an explanation. The Fund reassessed the applicant's situation and decided to pay them unemployment insurance benefit.

A concern raised by another person was also resolved quickly. While registered as unemployed, the person had undertaken temporary work but had received remuneration exceeding the statutory limit. As a result, the Estonian Unemployment Insurance Fund retroactively terminated their registration as unemployed and also planned to recover the unemployment insurance benefit paid during that period.

With the assistance of a Chancellor's adviser, it was established that, as a result of a misunderstanding, the employer had paid the person higher gross remuneration than had been agreed. The Estonian Unemployment Insurance Fund helped to find a way for the person to demonstrate that they had intended to receive only remuneration within the permitted limit for temporary work. The person then repaid the excess amount to the employer. The Estonian Unemployment Insurance Fund reconsidered its decision.

One person contacted the Chancellor because a family member had been unable to register as unemployed through the e-Töötukassa online portal. When submitting an application for registration as unemployed, a person must also select a time for the first counselling appointment in e-Töötukassa. The registration process could not be completed because the counselling appointment offered by the booking system did not suit the person.

The case revealed that people wishing to register as unemployed had no way of informing the Estonian Unemployment Insurance Fund that none of the times offered by the booking system suited them. After a Chancellor's adviser contacted the Fund, it decided to improve the e-Töötukassa system. When booking the first appointment, users are now shown information explaining what to do if they cannot find a suitable counselling time.

A person registered as unemployed asked the Chancellor for assistance because they considered that they had unfairly been denied degree study allowance. The Chancellor recommended that the Estonian Unemployment Insurance Fund apologise to the person and explain how they could resume their studies with the Fund's assistance. The Chancellor also found that, in similar cases in future, the Fund should establish the actual circumstances, take the person's wishes into account and apply the relevant legal provisions in accordance with their purpose.