

2011

FINNISH CENTRE FOR PENSIONS  
POCKET STATISTICS



**Finnish Centre for Pensions**  
ELÄKETURVAKESKUS

# 2011

## FINNISH CENTRE FOR PENSIONS POCKET STATISTICS

### CONTENTS

Social security .....	2
Pension expenditure .....	4
Pension contributions .....	5
Population .....	6
Persons insured for earnings- related pension benefits .....	7
Pension beneficiaries .....	8
Persons having retired .....	14
Part-time pensions .....	15
Disability pensions .....	16
Rehabilitation .....	17
Effective retirement age .....	18

*\*Preliminary figure or estimate*

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In broad outline, the **Finnish pension system** consists of the statutory earnings-related and the national pension scheme as well as certain acts enacted against specific risks. All employees, self-employed persons and farmers are covered under the statutory earnings-related pension scheme, and all permanent residents of Finland fall within the scope of the national pension scheme.

Of all 1.5 million pension beneficiaries at the end of 2010, 93 per cent received a statutory earnings-related pension, 48 per cent received a pension under the national pension scheme, while 40 per cent drew a pension from both schemes.

**The pension benefits** include old-age, disability, unemployment, part-time and survivors' pensions. Pensions are paid also under the special acts for farmers.

**The statutory earnings-related pension scheme** is divided into the private and the public sector. The private sector employs three quarters and the public sector one third of the labour force.

**The pension acts** which cover private-sector employees are TyEL and MEL. Self-employed persons have their own pension acts, YEL and MYEL. The main pension acts in the public sector are KuEL, VaEL and KiEL.

**The Finnish Centre for Pensions** is the statutory centre for the Finnish earnings-related pension scheme. Its functions pertain to the development of the scheme, maintenance of registers, advisory and supervisory activities, research, statistics and information.

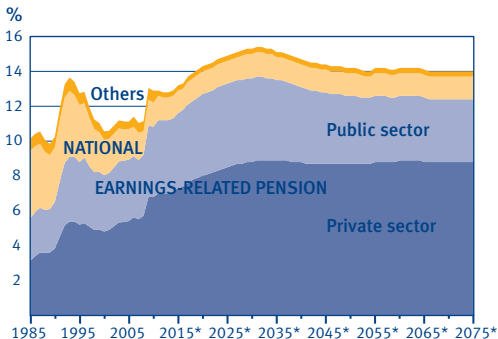
The Finnish Centre for Pensions is the liaison body for earnings-related pensions matters within the EU, as well as for the implementation of other agreements on social security.

## Pension expenditure, social security expenditure and gross domestic product

	Pension expenditure	Social security expenditure	Gross domestic product	Pension expenditure/ Social security expenditure	GDP
	€ million	€ million	€ million	%	%
1990	9 480	22 101	89 291	42.9	10.6
1995	12 534	30 200	95 986	41.5	13.1
2000	14 342	33 142	132 110	43.3	10.9
2005	18 140	42 001	157 307	43.2	11.5
2006	18 887	43 802	165 643	43.1	11.4
2007	19 847	45 615	179 702	43.5	11.0
2008*	20 580	48 572	184 649	42.4	11.1
2009*	22 347	52 427	171 193	42.6	13.1
2010*	23 241	54 985	180 295	42.3	12.9

Sources: Ministry of Social Affairs and Health, Statistics Finland

## Pension expenditure of gross domestic product

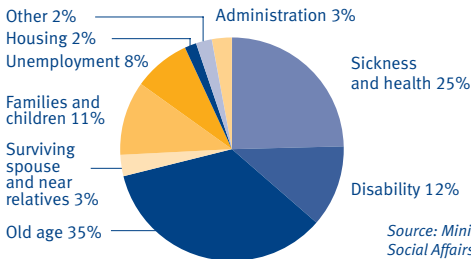


## Social security expenditure of GDP in the Nordic countries and in certain EU countries, %

	1990	1995	2000	2005	2008*
Finland	25.1	31.5	25.1	26.7	26.3
Sweden	33.1	33.6	29.9	31.1	29.4
Denmark	28.2	31.9	28.9	30.2	29.7
Norway	26.2	26.5	24.4	23.8	22.4
Iceland	17.1	18.9	19.2	21.6	22.0
Estonia	..	..	13.9	12.6	15.1
France	27.4	30.3	29.5	31.4	30.8
Germany	25.4	28.3	29.3	29.7	27.8
Greece	22.9	19.9	23.5	24.6	26.0
Italy	24.7	24.2	24.7	26.4	27.8
Netherlands	31.1	30.6	26.4	27.9	28.4
Spain	19.9	21.6	20.3	20.9	22.7
United Kingdom	22.9	27.7	26.4	26.3	23.7

Source: Eurostat

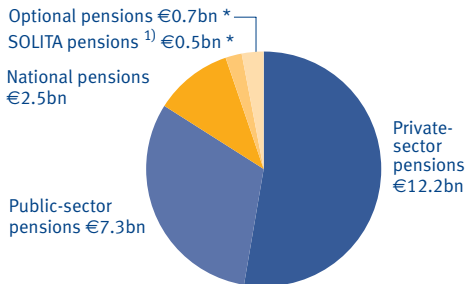
## Social security expenditure by major items, 2010 \* €55.0bn



Source: Ministry of Social Affairs and Health

## Total pension expenditure, 2010

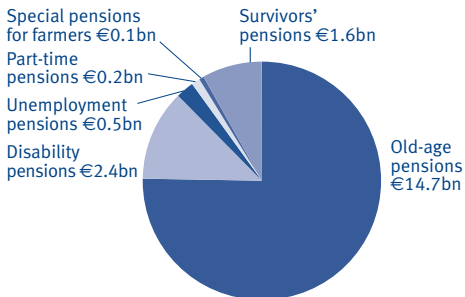
€23.2bn



<sup>1)</sup> Pensions under the Employment Accidents Act, the Motor Liability Insurance Act, the Military Injuries Act and the Act concerning Injuries Sustained in Military Service.

## Earnings-related pension expenditure by pension benefit, 2010

€19.5bn



In addition, optional pensions paid amounted to €0.7bn.

## Contribution rate in 2011, premiums written, pension expenditure and pension assets in 2010, € million

	Average contribution rate	Premiums written	Pension expenditure	Pension assets 31 Dec.2010
TyEL	22.1	10 364	10 490	92 112
MEL	22.2	53	149	780
YEL	20.4	774	810	127
MYEL	11.0	160	764	36
<b>Private sector</b>	<b>.</b>	<b>11 351</b>	<b>12 213</b>	<b>93 055</b>
VaEL	24.9	1 655	3 671	13 937
KuEL	28.7	4 187	3 349	28 779

The contribution includes both the employer's and the employee's share of the contribution. The contribution percentages and premiums written do not include the share of self-employed persons', seafarers' and state employees' pensions financed from the national budget or the contribution paid by the Unemployment Insurance Fund. As for KuEL, the contribution percentages and premiums written also include payment components based on pension expenditure. The euro amounts for the private sector include both basic and registered supplementary pensions.

## Indices for earnings-related pensions

	Fifty-fifty index		Earnings-related pension index		Wage coefficient	
		Change, %		Change, %		Change, %
<b>2005</b>	2 191	1.9	2 047	0.9	1.028	2.8
<b>2006</b>	2 246	2.5	2 081	1.7	1.063	3.4
<b>2007</b>	2 311	2.9	2 127	2.2	1.100	3.5
<b>2008</b>	2 363	2.3	2 178	2.4	1.124	2.2
<b>2009</b>	2 494	5.5	2 286	5.0	1.192	6.0
<b>2010</b>	2 538	1.8	2 292	0.3	1.231	3.3
<b>2011</b>	2 578	1.6	2 323	1.4	1.253	1.8

## Population structure in 1990–2030, %

Age	1990	2000	2010	2011*	2020*	2030*
0–14	19	18	17	16	17	16
15–64	67	67	66	65	60	58
65–	13	15	18	18	23	26
Population, 1,000 persons	4 998	5 181	5 375	5 404	5 636	5 850

Population residing in the country.

Source: Statistics Finland

## Population aged 18 and over by activity in 2009

	Males 1,000 persons	Females 1,000 persons	All 1,000 persons	%
<b>Labour force</b>	<b>1 314</b>	<b>1 275</b>	<b>2 589</b>	<b>61</b>
- employed	1 135	1 155	2 290	54
- unemployed	180	120	299	7
<b>Outside the labour force</b>	<b>755</b>	<b>919</b>	<b>1 674</b>	<b>39</b>
- students	112	118	230	5
- pensioners	557	703	1 260	30
- others	86	98	184	4
<b>Total</b>	<b>2 069</b>	<b>2 194</b>	<b>4 263</b>	<b>100</b>

Source: Statistics Finland

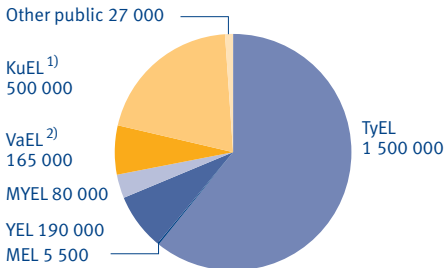
## Remaining average lifetime in 2009, years

	0yrs	15yrs	40yrs	55yrs	65yrs	80yrs
<b>Males</b>	76.5	61.8	38.1	24.9	17.2	7.6
<b>Females</b>	83.1	68.5	44.0	30.0	21.2	9.4

Source: Statistics Finland



## Population insured for earnings-related pension benefits, 31 Dec. 2010\*

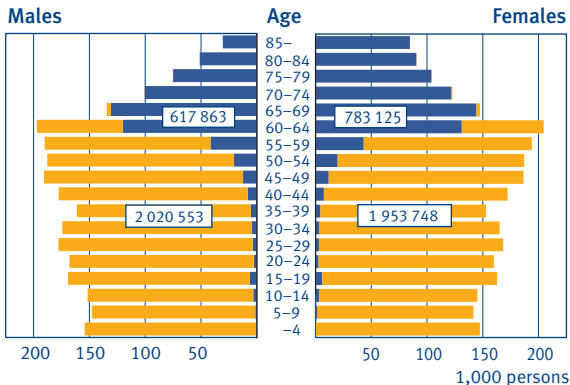


- 1) Includes 20,000 elected officials, carers for close relatives, private care-providers etc. covered by the Local Government Pensions Act KuEL.
- 2) Includes 8,000 elected officials, consultants etc. covered by the State Employees Pensions Act VaEL.

## All insured persons aged 18–68 years 31 Dec. 2009\*

	Males 1,000 persons	Females 1,000 persons	All 1,000 persons
<b>Persons covered for earnings-related pension benefits</b>	<b>1 824</b>	<b>1 780</b>	<b>3 604</b>
- pension beneficiaries	300	304	604
- do not receive a pension	1 525	1 476	3 001

## Age structure of the whole population<sup>1)</sup> and pension beneficiaries 31 Dec. 2010



■ Pension beneficiaries resident in Finland ■ Rest of the population

<sup>1)</sup> Population insured by the Social Insurance Institution (Kela). *Source: Kela*

## Proportion of population residing in Finland drawing a pension in their own right, %

Age	16-19	20-34	35-44	45-54	55-59	60-64	All <sup>1)</sup>
1985	0.9	1.9	3.7	10.5	35.6	63.0	25.2
1990	0.8	1.8	4.1	10.4	36.8	76.0	27.3
1995	0.8	1.7	3.9	9.3	31.3	79.0	27.6
2000	0.6	1.6	3.5	8.8	21.7	72.8	27.4
2005	0.4	1.7	3.6	8.5	19.4	61.9	28.2
2010	0.6	1.9	3.6	7.6	17.8	55.5	29.9

<sup>1)</sup> All persons over 16 years of age.

The numbers of pension beneficiaries do not include part-time pension beneficiaries.

## All beneficiaries by pension benefit

	Old-age pension	Disability pension	Unemployment pension	Survivors' pension	All <sup>1)</sup>
<b>1980</b>	610 095	274 751	14 797	167 277	1 023 513
<b>1985</b>	661 013	261 277	54 033	195 503	1 081 889
<b>1990</b>	737 154	300 932	55 486	223 211	1 160 983
<b>1995</b>	804 061	309 504	39 147	260 165	1 219 747
<b>2000</b>	869 672	276 269	54 291	281 273	1 284 145
<b>2005</b>	940 037	269 428	50 933	287 454	1 356 286
<b>2010</b>	1 093 267	267 248	33 938	285 678	1 463 835

1) The column "All" includes special pensions for farmers and also part-time pensions as of 1990, old-age assistances in 1980, child disability allowances in 1980 and 1985 and front veterans' benefits in 1980–1995.

## All beneficiaries by pension benefit and gender 31 Dec. 2010

Pension benefit	Males	Females	All
<b>Old-age pension</b>	<b>462 881</b>	<b>630 386</b>	<b>1 093 267</b>
<b>Disability pension</b>	<b>139 850</b>	<b>127 398</b>	<b>267 248</b>
- until further notice	129 139	114 766	243 905
- cash rehab. benefit	10 737	12 645	23 382
- indiv. early ret. pension	13	70	83
<b>Unemployment pension</b>	<b>14 119</b>	<b>19 819</b>	<b>33 938</b>
<b>Special pen. for farmers</b>	<b>9 701</b>	<b>14 629</b>	<b>24 330</b>
<b>Part-time pension</b>	<b>12 381</b>	<b>16 383</b>	<b>28 764</b>
<b>Survivors' pension</b>	<b>49 178</b>	<b>236 500</b>	<b>285 678</b>
- surviving spouses	37 985	225 191	263 176
- children	11 193	11 310	22 503
<b>All beneficiaries</b>	<b>642 963</b>	<b>820 872</b>	<b>1 463 835</b>

A person may receive several different pension benefits simultaneously.

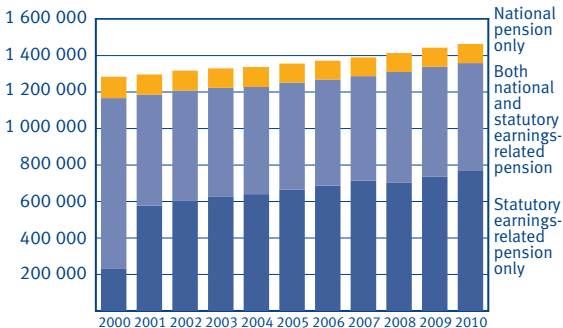
## All beneficiaries by pension scheme 31 Dec. 2010

	Males	Females	All
<b>Statutory earnings-related pension</b>	<b>599 437</b>	<b>758 983</b>	<b>1 358 420</b>
- private sector	542 077	640 238	1 182 315
- public sector	228 859	408 388	637 247
- both sectors	171 499	289 643	461 142
<b>National pension (Kela)</b>	<b>245 640</b>	<b>450 909</b>	<b>696 549</b>
<b>All beneficiaries</b>	<b>642 963</b>	<b>820 872</b>	<b>1 463 835</b>
- earnings-related p. only	397 323	369 963	767 286
- national pension only	43 526	61 889	105 415
- both earnings-related and national pension	202 114	389 020	591 134

A person may receive a pension under several pension acts simultaneously.

## All pension beneficiaries by pension component

### Persons



## Persons receiving a pension in their own right by region, 31 Dec. 2010

Region	Males	Females	All	Population share <sup>1)</sup> %
Uusimaa	117 254	155 639	272 893	23.2
Itä-Uusimaa	9 816	11 816	21 632	28.5
Varsinais-Suomi	51 951	66 465	118 416	30.7
Satakunta	29 627	36 667	66 294	35.0
Kanta-Häme	20 238	25 616	45 854	32.0
Pirkanmaa	51 743	66 708	118 451	29.4
Päijät-Häme	24 070	31 171	55 241	32.9
Kymenlaakso	24 659	29 886	54 545	35.6
South Karelia	17 998	21 968	39 966	35.3
Etelä-Savo	22 956	27 574	50 530	38.4
Pohjois-Savo	32 701	39 322	72 023	34.9
North Karelia	22 145	25 995	48 140	34.6
Central Finland	32 045	39 039	71 084	31.6
South Ostrobothnia	24 033	29 748	53 781	34.1
Ostrobothnia	20 260	24 622	44 882	31.0
Central Ostrobothnia	7 853	9 501	17 354	31.8
North Ostrobothnia	40 803	47 259	88 062	28.5
Kainuu	12 001	13 599	25 600	37.2
Lapland	24 535	27 165	51 700	33.8
Åland	2 991	3 319	6 310	27.4
<b>Whole country</b>	<b>589 679</b>	<b>733 079</b>	<b>1 322 758</b>	<b>29.9</b>

<sup>1)</sup>All persons over 16 years of age.

The numbers of pension beneficiaries do not include part-time pension beneficiaries.

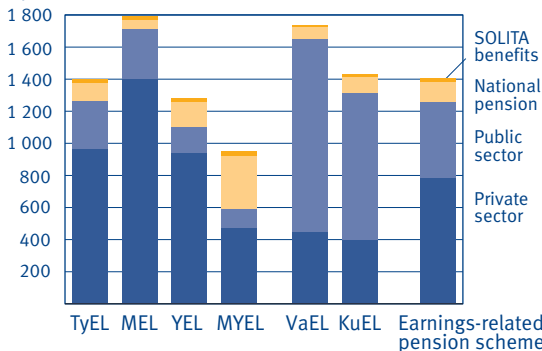
## Average overall pension of beneficiaries resident in Finland drawing a pension in their own right, 31 Dec. 2010

	Males	Females	All
<b>Average pension €/month</b>	<b>1 561</b>	<b>1 217</b>	<b>1 370</b>
- share of the earnings-related pension	1 416	1 028	1 201
- share of the national pen.	119	170	148
- share of the SOLITA pen.	25	19	22
<b>Number of pension beneficiaries</b>	<b>589 679</b>	<b>733 079</b>	<b>1 322 758</b>

The numbers do not include persons drawing a part-time pension.

## Average overall pension of beneficiaries drawing a pension in their own right by pension act 31 Dec. 2010

€/month



The graph does not include the recipients of a special pension for farmers or a part-time pension.

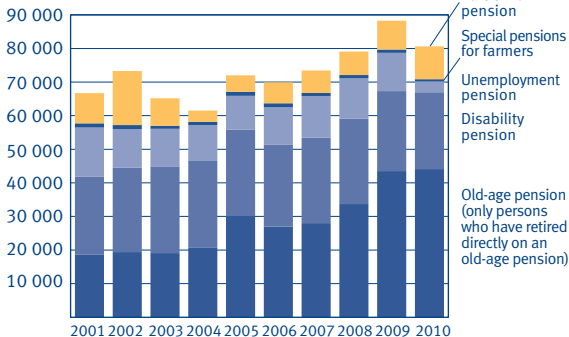
## Pension beneficiaries residing abroad and average overall pension, 31 Dec. 2010

Country of residence	Old-age pension Persons	Disability pension Persons	Survivors' pension Persons	All benef. Persons	Overall pension €/month
Australia	1 721	30	135	1 789	261
Austria	145	18	10	171	576
Belgium	65	5	12	82	805
Canada	947	12	108	1 013	310
Chile	30	1	5	35	804
Czech Republic	34	4	4	42	383
Denmark	353	47	31	416	479
Estonia	413	82	104	584	780
France	413	24	39	459	1 575
Germany	2 015	130	153	2 263	268
Greece	36	7	7	48	600
Hungary	101	13	19	130	369
Israel	53	4	7	60	688
Italy	173	12	18	198	608
Japan	22	-	3	25	966
Morocco	39	4	4	42	3 436
Netherlands	161	11	16	185	486
Norway	458	191	67	694	379
Poland	214	21	30	257	299
Portugal	92	4	12	105	1 985
Russia	68	3	36	106	459
Spain	2 090	503	294	2 669	1 928
Sweden	40 582	6 661	2 646	48 111	191
Switzerland	405	32	30	458	692
Thailand	36	15	9	60	1 526
United Kingdom	562	22	44	621	437
United States	1 113	12	84	1 180	575
<b>All</b>	<b>53 109</b>	<b>7 961</b>	<b>4 128</b>	<b>62 847</b>	<b>326</b>

The country-specific figures are from countries to which a pension was paid to at least 25 persons. The figure in the row "All" includes all pensions paid abroad.

## Persons having retired on an earnings-related pension by pension benefit

Persons



## Persons having retired on an earnings-related pension by pension benefit in 2010

Pension benefit	Males	Females	All	Average pension €/month	Mean age
<b>Old-age pension</b>	21 780	22 332	44 112	1 687	63.5
- early old-age	1 342	1 190	2 532	1 384	..
<b>Disability pension <sup>1)</sup></b>	11 576	11 322	22 898	964	52.0
- until further notice	6 328	6 025	12 353	981	56.6
- cash rehab. benef.	5 248	5 293	10 541	945	46.7
<b>Unemployment pension</b>	1 679	1 574	3 253	1 345	60.9
<b>Special pension for farmers</b>	295	318	613	969	..
<b>All</b>	35 265	35 476	70 741	1 432	59.6

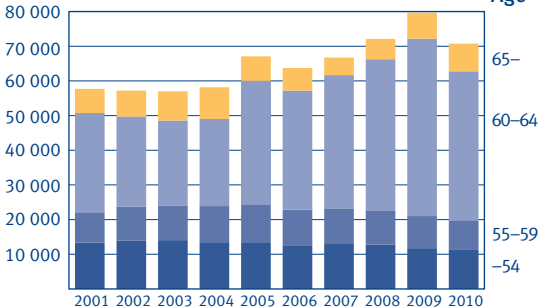
<sup>1)</sup> Incl. 4 persons who have retired on an individual early retirement pension



## Persons having retired on an earnings-related pension by age

Persons

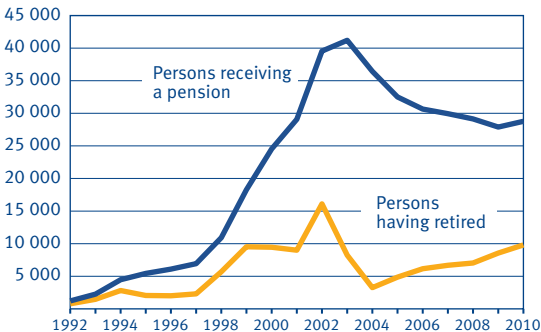
Age



The graph does not include persons drawing a part-time pension.

## Persons receiving a part-time pension and persons having retired on a part-time pension

Persons

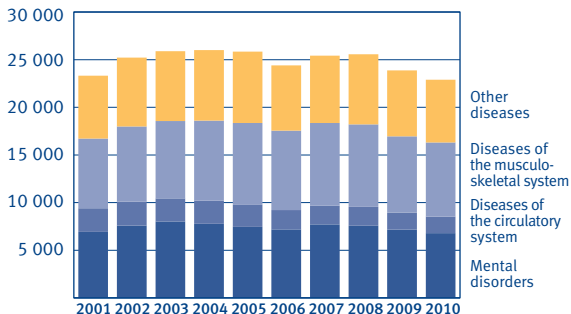


## Recipients of a disability pension as an earnings-related pension 31 Dec. 2010 and persons having retired on a disability pension in 2010

Main disease category		Pension recipients		Persons having retired	
		Persons	%	Persons	%
I	Infectious and parasitic diseases	705	0	52	0
II	Neoplasms	5 733	3	1 499	7
IV	Endocrine diseases etc.	3 826	2	388	2
V	Mental disorders	81 142	38	6 790	30
VI	Diseases of the nervous system	16 423	8	1 688	7
VII	Diseases of the eye	2 263	1	208	1
VIII	Diseases of the ear	936	0	106	1
IX	Diseases of the circulatory system	15 960	8	1 740	8
X	Diseases of the respiratory system	4 046	2	400	2
XI	Diseases of the digestive system	1 594	1	221	1
XII	Diseases of the skin	1 194	1	136	1
XIII	Diseases of the musculoskeletal system	61 954	29	7 783	34
XIV	Diseases of the genitourinary system	662	0	89	0
XVII	Congenital malformations	1 362	1	115	1
XIX	Injuries and poisoning	11 705	6	1 530	7
	III, XV, XVI, XVIII	1 536	1	153	1
<b>All</b>		<b>211 041</b>	<b>100</b>	<b>22 898</b>	<b>100</b>

## Persons having retired on an earnings-related disability pension by main disease

### Persons



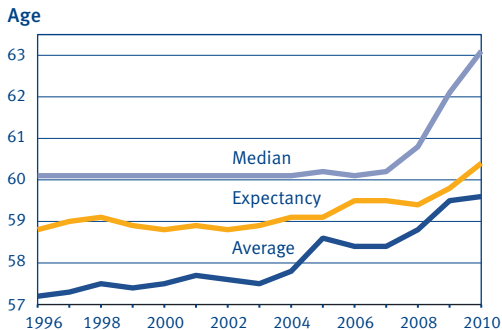
## Persons having received rehabilitation under the earnings-related pension scheme and rehabilitation costs

	Males	Females	All	Costs € million
1995	795	514	1 309	6.3
2000	2 359	2 258	4 617	20.9
2005	3 349	3 485	6 834	39.9
2006	3 572	3 837	7 409	44.3
2007	3 656	4 299	7 955	49.0
2008	3 819	4 702	8 521	53.6
2009	4 040	5 041	9 081	63.3
2010	4 372	5 343	9 715	70.1

## Effective retirement age in the earnings-related pension scheme in 2010

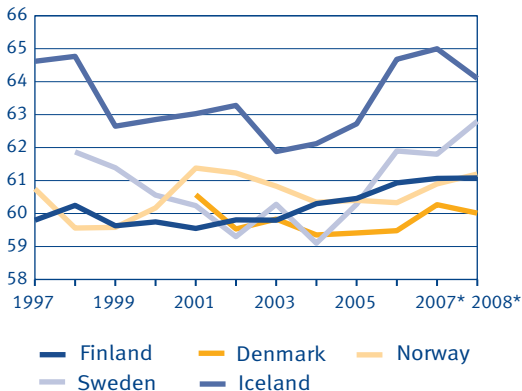
	Males	Females	All
Expectancy			
- at the age of 25	60.3	60.4	60.4
- at the age of 50	62.3	62.4	62.3
Average age	59.5	59.8	59.6
Median age	63.1	63.1	63.1

## Effective retirement age in the earnings-related pension scheme



## Expected effective retirement age in the Nordic countries<sup>1)</sup>

### Age



1) The Nordic calculation mode differs from the national one.

## Calculated time in retirement in the Nordic countries in 2008, years

	Males	Females
Finland	20.5	24.3
Denmark	19.8	24.2
Iceland	17.3	22.0
Norway	19.3	25.2
Sweden	20.0	24.3

## EARNINGS-RELATED PENSION ACTS

<b>TyEL</b>	Employees Pensions Act
<b>MEL</b>	Seafarer's Pensions Act
<b>YEL</b>	Self-Employed Persons' Pensions Act
<b>MYEL</b>	Farmers' Pensions Act
<b>LUTUL</b>	Act on Farmers' Early Retirement Aid
<b>VaEL</b>	State Employees' Pensions Act
<b>KuEL</b>	Local Government Pensions Act
<b>KiEL</b>	Evangelical-Lutheran Church Pensions Act

# STATISTICAL PUBLICATIONS OF THE FINNISH CENTRE FOR PENSIONS

- **Statistical yearbook of pensioners in Finland**  
*(Finnish Centre for Pensions  
& Social Insurance Institution)*
- **Pensioners and insured in Finland**
- **Pocket Statistics / Fickstatistik /  
Taskutilasto**
- **Effective retirement age in the Finnish  
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