STATISTICAL
REPORT

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Effective retirement age in the Finnish earnings-related pension scheme

Finnish Centre for Pensions • Eläketurvakeskus

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Jari Kannisto

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ABSTRACT

One of the main aims of Finnish pension policy is to postpone effective retirement by 2–3 years. The achievement of this long-term objective is monitored through the expected effective retirement age (expectancy) for 25-year-olds. In contrast to the average and the median age, the expectancy is not affected by the age structure of the population. Thus it can be used to monitor the change over time in the effective retirement age. The expected effective retirement age has been calculated for those who have retired on an earnings-related pension for the years 1996–2005. As regards the private sector the analysis extends to 1983. For the group of all those who have retired on an earnings-related pension there are no big changes in the expectancy. Over the whole 10-year observation period the expectancy has varied between 58.8 and 59.1 years. In 2005 the expected effective retirement age was 59.1 years, the same as the year before. In the private sector the expectancy was 59.4 years, likewise the same as the year before, and in the public sector 59.2 years, which is 0.2 years higher than the year before. For men the expected effective retirement age is slightly lower than for women.

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ABSTRAKTI

Eläkepolitiikan yhdeksi keskeisimmistä tavoitteista on asetettu eläkkeelle siirtymisen myöhentäminen 2–3 vuodella. Tämän pitkän aikavälin tavoitteen toteutumista seurataan 25-vuotiaan eläkkeellesiirtymisiän odotteen avulla. Toisin kuin keskiarvoikään ja mediaani-ikään, odotteeseen ei vaikuta väestön ikärakenne. Näin ollen sen avulla voidaan tarkastella ajassa tapahtuvaa muutosta eläkkeellesiirtymisiässä. Eläkkeellesiirtymisiän odote on laskettu työeläkkeelle siirtyneistä vuosilta 1996–2005. Yksityisen sektorin osalta tarkastelu ulottuu vuoteen 1983. Kaikkien työeläkkeelle siirtyneiden joukossa ei odotteessa ole ollut suuria muutoksia. Koko kymmenen vuoden seuranta-aikana se on vaihdellut 58,8 ja 59,1 vuoden välillä. Vuonna 2005 eläkkeellesiirtymisiän odote oli 59,1 vuotta, sama kuin edellisenä vuonna. Yksityisellä sektorilla odote oli 59,4 vuotta, myöskin sama kuin edellisenä vuonna ja julkisella sektorilla 59,2 vuotta, joka on 0,2 vuotta edellisvuotista korkeampi. Miehillä eläkkeellesiirtymisiän odote on hieman alhaisempi kuin naisilla.

Tämä raportti on julkaistu suomenkielisenä Eläketurvakeskuksen *Tilastoraportti*-sarjassa numerolla 5/2006.

INTRODUCTION

The Finnish statutory pension system consists mainly of the national pension scheme and the earnings-related pension scheme as well as schemes established for certain risks. The national pension scheme covers everyone permanently resident in Finland. Special provision covers so-called SOLITA pensions from workers compensation insurance, motor liability insurance and military accidents insurance. The earnings-related pension scheme covers employees as well as self-employed persons and farmers. The earnings-related pension scheme is divided into the private and the public sector.

This report covers all persons who have retired on a statutory pension from the earnings-related pension scheme. Annually about 95 per cent of those who retire, retire on an earnings-related pension.

The report contains data on the main indicators which describe the effective retirement age in the earnings-related pension scheme. These indicators are average, median and expectancy for the effective retirement age. The indicators have been calculated for all those who retired on an earnings-related pension for the years 1996–2005. For the private sector the analysis extends to the year 1983.

The expected effective retirement age is calculated through the retirement risk. It achieves the objectives of an indicator which describes the effective retirement age since it reacts immediately to the retirement risk and in the right direction, and is independent of the age structure of the population.

The expected effective retirement age was introduced in Finland as an official indicator in June 2003. The previous publication is from 2004; *Finnish Centre for Pensions Working Papers 8: Effective retirement age in the earnings-related pension scheme in 1996–2003.*

In 2005 a working group was established to chart an Internordic calculation formula and data. The aim is to publish a joint report during 2006.

The contents of this report are the responsibility of Jari Kannisto, Development Manager, and inquiries and suggestions regarding the contents should be directed to him. Katariina Käkönen, Statistics Planner, has also been involved in the writing of the report.

Helsinki, May 2006

Finnish Centre for Pensions

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1 Effective retirement age and expected effective retirement age

The traditional ways of measuring effective retirement age, arithmetic mean and median, are not well suited to measuring changes over time. As the population ages, the average age of those who retire increases, even if the retirement risk in each age group does not change at all. For instance the average age of those who retire would increase over the next ten years by about one year even if the retirement risk remained unchanged. The reason for this is the age structure of the Finnish population. During this period the large age groups of the post-war baby-boomers will retire.

The Finnish Centre for Pensions has developed an indicator to measure the effective retirement age which reacts immediately and in the right direction to changes in the retirement risk. The age structure of the population does not affect the indicator.

This indicator is called expected effective retirement age (expectancy), and it describes the development in the age of retirement. The Finnish Centre for Pensions introduced this indicator in 2003. As regards the private sector the expected effective retirement age has been calculated from 1983 and as regards the whole earnings-related pension scheme from 1996.

The expectancy is calculated for both 25-year-olds and 50-year-olds. The expectancy for 25-year-olds is used as a general indicator, since it describes the whole population insured for earnings-related pension benefits which is already for the most part in active working life.

Of those who retire only slightly more than 10 per cent are aged less than 50 years. In this group the nature of the illnesses and handicaps is often such that continued work is no longer possible. One reason for calculating the expectancy for 50-year-olds is that the retirement intentions of persons who have reached the age of 50 can be influenced by pension policy.

In Norway the effective retirement age is calculated in a corresponding way on the basis of an indicator based on life expectancy. Its development started at about the same time as in Finland. Without knowing it both countries ended up with a formula which is based on the same principles. Also in Sweden the reports and surveys of the project "*Senior 2005*" have used the same mode of calculation, which is nowadays used as a permanent indicator when analysing the effective retirement age. In the formulae used in Norway and in Sweden there are minor differences in the details compared to the Finnish one, but the principle is the same.

Definition and calculation mode of the expected effective retirement age

The expected effective retirement age describes the average effective retirement age for insured persons of a specific age on the assumption that the age-specific retirement risk and mortality rate for each age group remain at the level of the year of observation.

The expected effective retirement age is calculated by first calculating the insured persons' mortality rate and retirement risk for each age group during the year of observation. Using these proportions it is possible to calculate how many of a group of insured of a certain size and of a certain age (for instance 100,000 25-year-olds) would retire within one year. The number of insured which remains at a one year higher age is obtained by subtracting from the original number those who have retired and the number of deceased calculated from the mortality rates. Continuing in this way age by age until the retirement age for an old-age pension, the calculated numbers of those retiring are obtained for each age group. The average age calculated from these assumed retirements is the expected effective retirement age.

The calculation formula for the expected effective retirement age:

The probability of retirement at age j is obtained from the formula:

$$A_j = e_j \prod_{k=m}^{j-1} (1 - e_k - y_k)$$

and the expected effective retirement age is the age average of figures Aj :

$$E_m = (\sum_{j=m}^{70} jA_j) / \sum_{j=m}^{70} A_j$$

e_j = retirement risk at age j
y_j = mortality risk at age j
m = chosen starting age

Until the end of 2004 the general retirement age in Finland was 65 years, to which age the calculation of the expectancy for 2004 and previous years is extended. From the beginning of 2005 the retirement age changed so that it is possible to retire on an old-age pension flexibly between the ages of 63 and 68 years. For this reason the upper age limit in the calculation formula for the expectancy has been raised to 70 years as of 2005. However, the time series have not been interrupted due to this, since it has been estimated that raising the termination age from 65 to 70 years will increase the expectancy by only about 0.1 years. In the calculations the number of insured aged over 65 has been estimated for 2005.

Requirements set for the expectancy

- The indicator reacts in a correct way to changes in the retirement risk. It decreases when the retirement risk increases in some age group younger than the retirement age and increases when the retirement risk decreases.

- The indicator reacts only to changes in the retirement risk. It must not be affected by population phenomena such as the age structure of the population.

- The indicator reacts immediately to changes in the retirement risk. Since the calculations are based on the number of new pensions (inflow), the indicator reacts immediately to changes in the retirement risk. If the calculations were made on the number of retired (stock), the changes would show in the results only slowly.

- The statistical data needed for the calculation of the indicator is available. The Finnish Centre for Pensions maintains a centralised register of all earnings-related pensions and persons insured for earnings-related pension benefits, which makes an analysis based on the retirement risk possible.

The expected effective retirement age meets these four basic criteria quite well. A further criterion could be for instance international comparability. However, obtaining comparable data is problematic. It is also not very useful to calculate the expectancy for a small core group, since the number of new pensions in each age group in the core population should reflect the probability of retirement. This criterion already requires such a large core population that for instance calculating the expectancy for the personnel of a single company is not useful.

2   Development of the expected effective retirement age

In 2005 the expected effective retirement age in the earnings-related pension scheme was 59.1 years, i.e. the same as the year before. The expectancy for 50-year-olds also stayed the same at 61.1 years. Through the 2005 pension reform everyone obtained the possibility of retiring on an old-age pension without any reduction already at the age of 63 instead of the previous 65 years. During its first year an estimated 11,000 persons made use of this opportunity offered by the reform at the age of 63 or 64 years. Without these retired persons the value of the expectancy in 2005 would have been 0.2 years higher.

Over the ten-year observation period, 1996–2005, the changes in the expected effective retirement age have been small. Small annual variations are observed in the expectancy for 25-year-olds, but there has been no clear trend over the observation period. The figure 59.1 years in 2005 is 0.3 years higher than the figure for 1996. On the other hand, the expectancy for 50-year-olds has risen more clearly. Over the same observation period it has increased

more than six months, i.e. from 60.4 to 61.1 years. The reason for this is especially the postponed retirement for persons who have reached the age of 60.

Also in the private sector the expectancy for 25-year-olds has varied only slightly in the last few years. In 2005 the expectancy for the private sector was also the same as the year before (59.4 years). At its lowest, 56.6 years, it was in 1986, as the legislation on flexible retirement age arrangements in the private sector (individual early retirement pension and early old-age pension) took effect. The expectancy for 50-year-olds seems also in the private sector to continue its slight increase, which started after the dive in 1986. Here there was also no change in 2005, instead the expectancy remained the same as in 2004, i.e. 61.4 years. The reason for this was also the same as for the whole earnings-related pension scheme, i.e. the exceptionally high number of persons aged 63–64 who retired on an old-age pension.

There is a slight difference between men and women, especially in the expectancy for 25-year-olds. Figure 4 on page 22 shows the expectancy for those who have retired on an earnings-related pension for all age groups from age 25. With age the situation changes so that the expectancy for women is higher up to the age of 50, after which it is lower than for men. The lower expectancy for young men is explained by the fact that in these age groups the disability pension risk for men is higher than for women. The difference is levelled out with age and at later ages the expectancy for women is also decreased by a lower retirement age than for men according to previous pension arrangements. Such arrangements were quite common before the Equal Treatment Act took effect.

Factors affecting the future

One of the main aims of Finnish pension policy is to postpone effective retirement by 2–3 years. The achievement of this long-term objective is monitored through the expected effective retirement age for 25-year-olds.

The expected effective retirement age is affected by many factors. Therefore it is difficult to evaluate when the objective has been achieved. The pension reform which took effect from the beginning of 2005 is expected to increase the effective retirement age. However, this has not yet happened during the first year of the reform. The reason for this was that in the first year of the reform in practice three age groups (those born in 1940–1942) became entitled to earlier retirement. In the future the expectancy is expected to increase, however, because the pension reform entails several measures which aim at postponing effective retirement. These include for instance financial incentives: more time in employment between the ages of 63 and 68 means a higher old-age pension due to the accelerated accrual rate of 4.5% a year.

Through the pension reform the unemployment pension will be phased out as a separate type of pension after the transition period. This is also estimated to have a postponing effect on

effective retirement in the future. The unemployment pension has for a long time been an important retirement pathway (see Figures 6 and 6a on page 27 and Table 3 on page 30).

An increasing effect on the expected effective retirement age is also achieved when those who take a part-time pension are not considered as retired. They are considered as retired only when they after the part-time pension retire on some other pension, most often an old-age pension. The part-time pension is a type of pension which presupposes employment. Therefore recipients of a part-time pension are considered as insured. The number of recipients of a part-time pension was at its highest at the end of 2003, more than 41,000. At the end of 2005 the number was 32,500. Two-thirds, i.e. 21,000 persons, had already reached the age of 60.

To evaluate the effect of the part-time pension Figure 5 on page 22 shows the results for the expectancy also when taking into account the recipients of a part-time pension half as retired and half as gainfully employed. The effect is about 0.2 years in the expectancy for both 25-year-olds and 50-year-olds calculated on the basis of the figures for 2005.

In the future a factor which also increases the expectancy will be the diminishing use of lower retirement ages in the public sector. Of those who retire from the public sector some people still have occupational retirement ages.

3   Concepts used

The effective retirement age is described by three indicators: **the expected effective retirement age**, **the median** and **the average age**. The formula for calculating the expected effective retirement age is explained above (page 10). The median age is the middle-most observation, i.e. fifty per cent of those retired are younger than this and fifty per cent are older. The average age is the arithmetic mean of the ages of the retired persons. When calculating the median and the average age, the age at the start of the pension is used.

The numbers presented describe the effective retirement age in different ways and are thus suitable for different purposes. Therefore it is justifiable to publish all three numbers also in the future. For instance international comparisons usually use the average. The average is also a number everyone knows and understands, and therefore is also often requested. On the other hand, since the distribution of the effective retirement age is very skew, the middle-most observation, i.e. the median, describes a very typical effective retirement age. The expectancy in its turn best describes the changes over time in the effective retirement age.

The persons having retired on an earnings-related pension during the year of statistics includes persons whose pension based on their own work history (other than part-time pensions) started during the year in question or whose entitlement to a pension started earlier but whose pension decision was issued only in the year of statistics. A further requirement is that the person has not received a pension based on his own work history (does not concern part-time

pensions) for at least two years. For the figures regarding each type of pension the requirement is that the person has not received a pension of that type for two years. In the figures regarding persons having retired on an old-age pension and all persons having retired on an earnings-related pension the requirement is that the person has not received a pension based on his own work history of any type (does not concern part-time pensions) for two years. Survivors' pensions are not included at all in the analysis. Furthermore, those who have retired on an old-age pension only include those who have retired directly on an old-age pension and those who have changed from a part-time pension to an old-age pension, but not those who have changed from some other type of pension to an old-age pension.

The analysis per sector is always carried out from the viewpoint of that sector, in other words, when considering retirement only the pensions of the sector in question are surveyed. For the whole earnings-related pension scheme the criterion is that the person has not received a pension from either sector for two years.

Insured persons within the earnings-related pension scheme are persons covered for pension benefits who do not receive any pension based on the person's own work history (excluding part-time pensions). When determining the insured population for the year of observation, the situation at the end of the previous year is used.

The Finnish pension system consists mainly of the national pension scheme and the earnings-related scheme as well as legislation for certain specific risks. The pensions paid from these schemes are considered so-called first-pillar pensions, that is, statutory social protection according to the classification of the EU. This statutory pension provision makes up the main part of Finnish people's pension provision. In Finland voluntary pensions play a fairly insignificant role.

The earnings-related pension scheme consists of the private and the public sector.

The private sector includes:
- the Employees' Pensions Act TEL
- the Temporary Employees' Pensions Act LEL
- the Pensions Act for Performing Artists and Certain Groups of Employees TaEL
- the Seamen's Pensions Act MEL
- the Self-Employed Persons' Pensions Act YEL
- the Farmers' Pensions Act MYEL
- the Act regarding special pensions for farmers, LUTUL

The public sector includes:
- the State Employees' Pensions Act VEL
- the Local Government Pensions Act KuEL

- the Evangelical-Lutheran Church Pensions Act KiEL
- Public-sector pensions also include state and local government pensions under the old legislation, pensions for the personnel of the Social Insurance Institution (*Kansaneläkelaitos Kela*) and of the Bank of Finland as well as pensions paid by the regional government of Åland. Public-sector pensions further include pensions for the Members of Parliament and for members of the Finnish Government.

Of the persons insured for earnings-related pension benefits about three-fourths works in the private sector and every third in the public sector.

This report covers the whole earnings-related pension scheme, i.e. both private and public-sector statutory earnings-related pensions. The statistics do not include pensions from the national pension scheme and pension paid from workers' compensation, motor liability and military accident insurance (the previously mentioned SOLITA pensions) or personal pensions.

I   Effective retirement age

Figure 1   Expected effective retirement age (i.e. expectancy) in 1996–2005
All persons retired on an earnings-related pension

Figure 1a   Expected effective retirement age (i.e. expectancy) in 1983–2005
Persons retired from the private sector

Figure 2 Expected effective retirement age (i.e. expectancy) by gender in 1996–2005

All persons retired on an earnings-related pension

Figure 2a Expected effective retirement age (i.e. expectancy) by gender in 1983–2005

Persons retired from the private sector

Figure 3   Expected effective retirement age (i.e. expectancy), average and median in 1996–2005

All persons retired on an earnings-related pension

Figure 3a Expected effective retirement age (i.e. expectancy), average and median in 1983–2005

Persons retired from the private sector

Figure 4   Expected effective retirement age (i.e. expectancy) by age in 2005
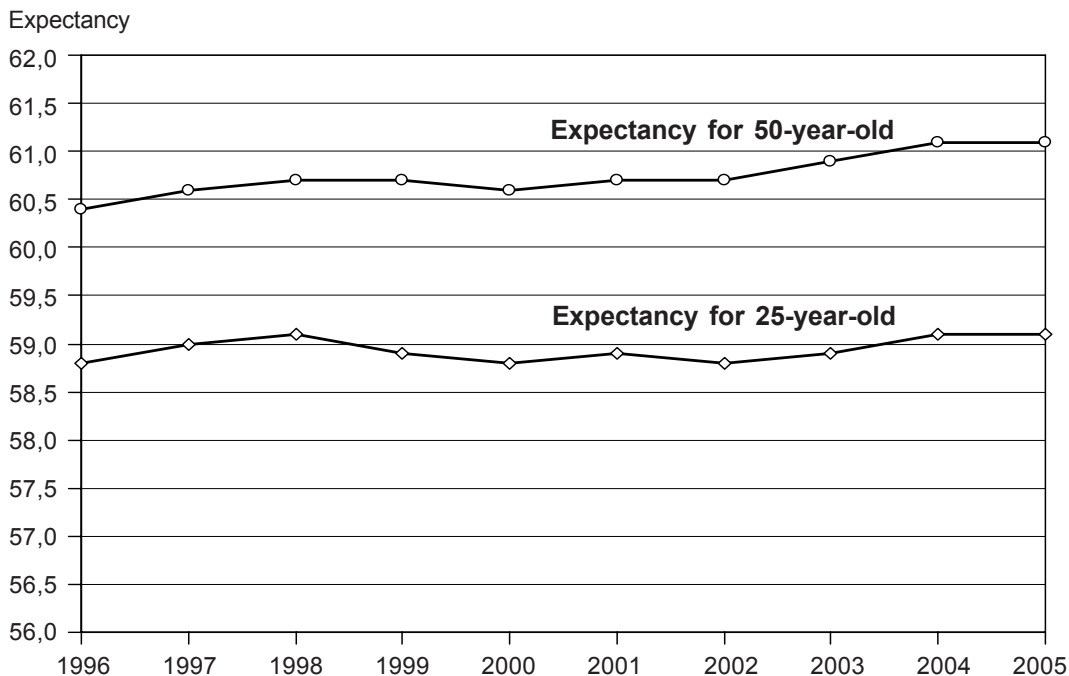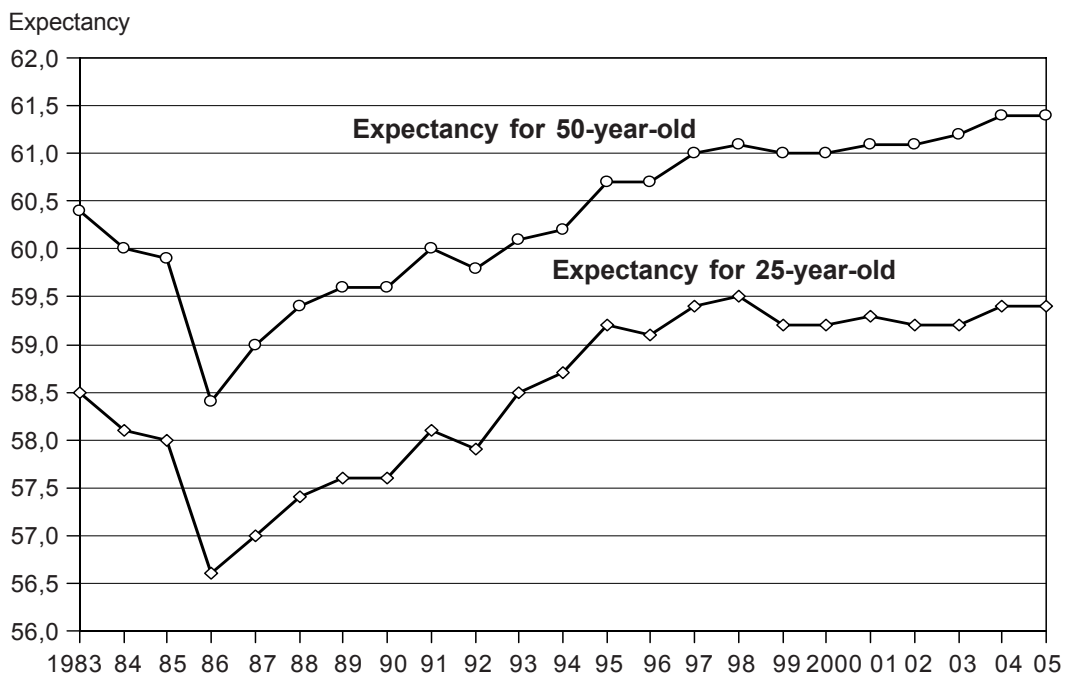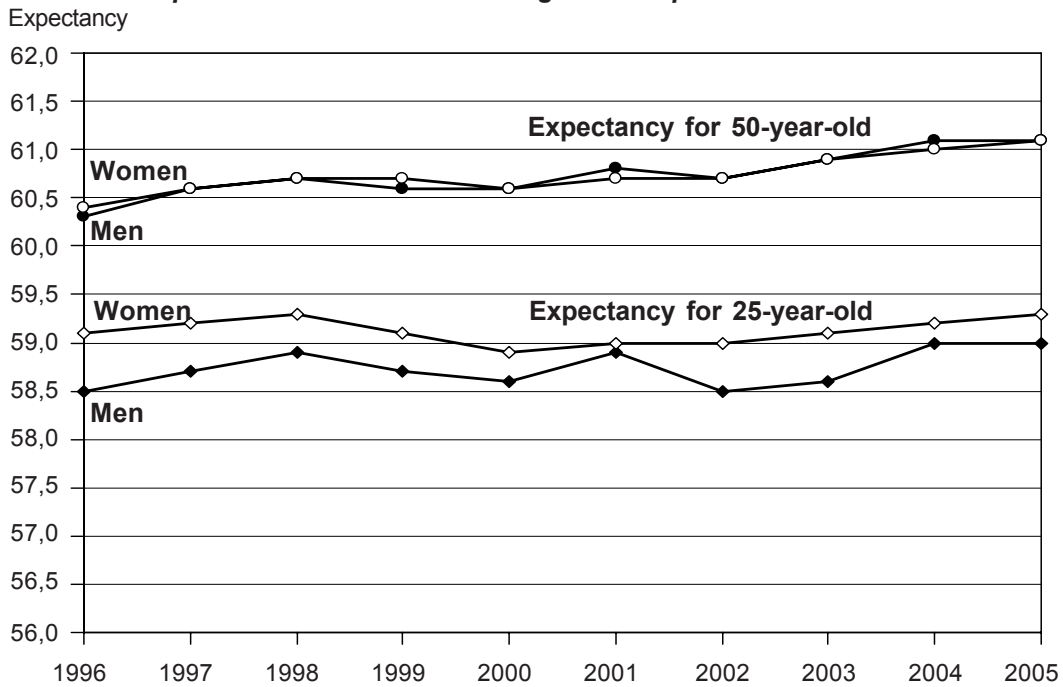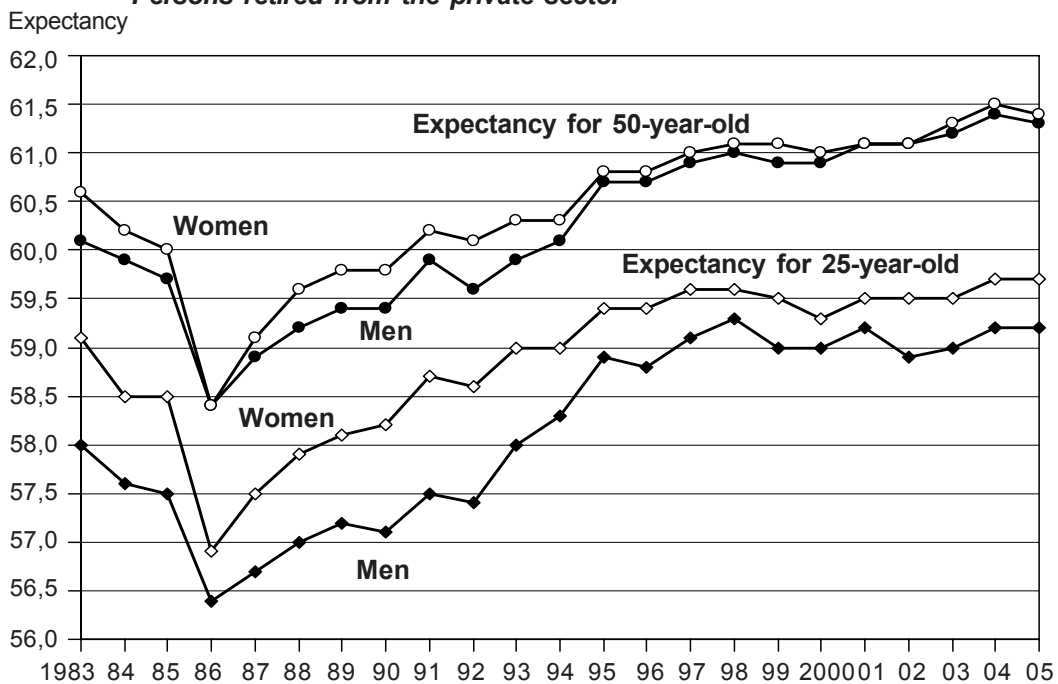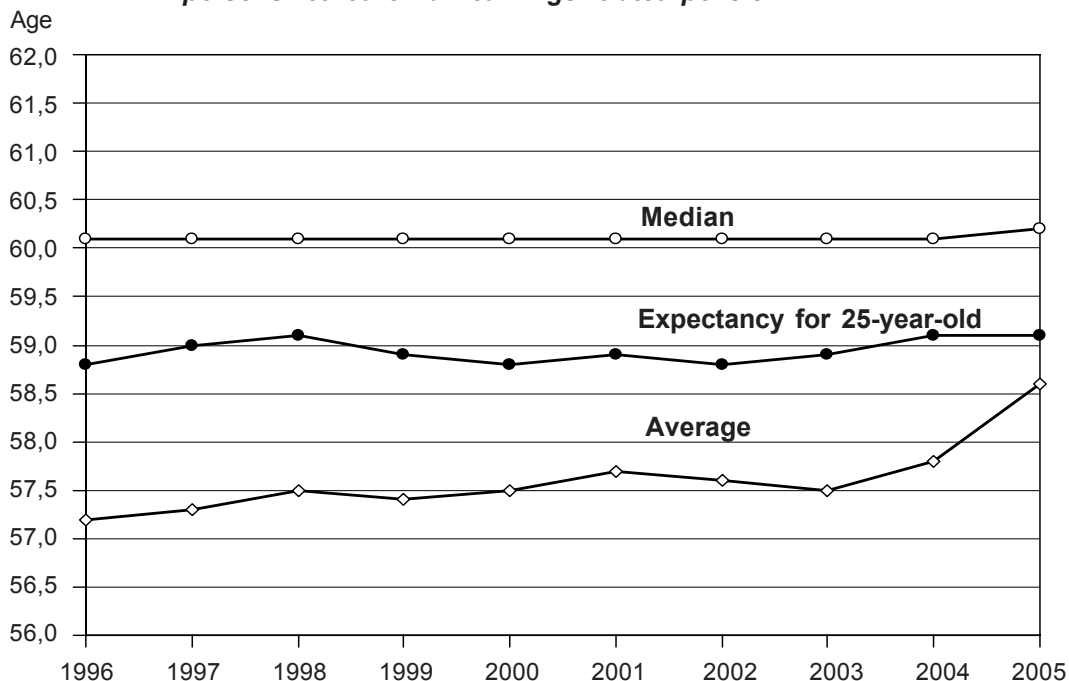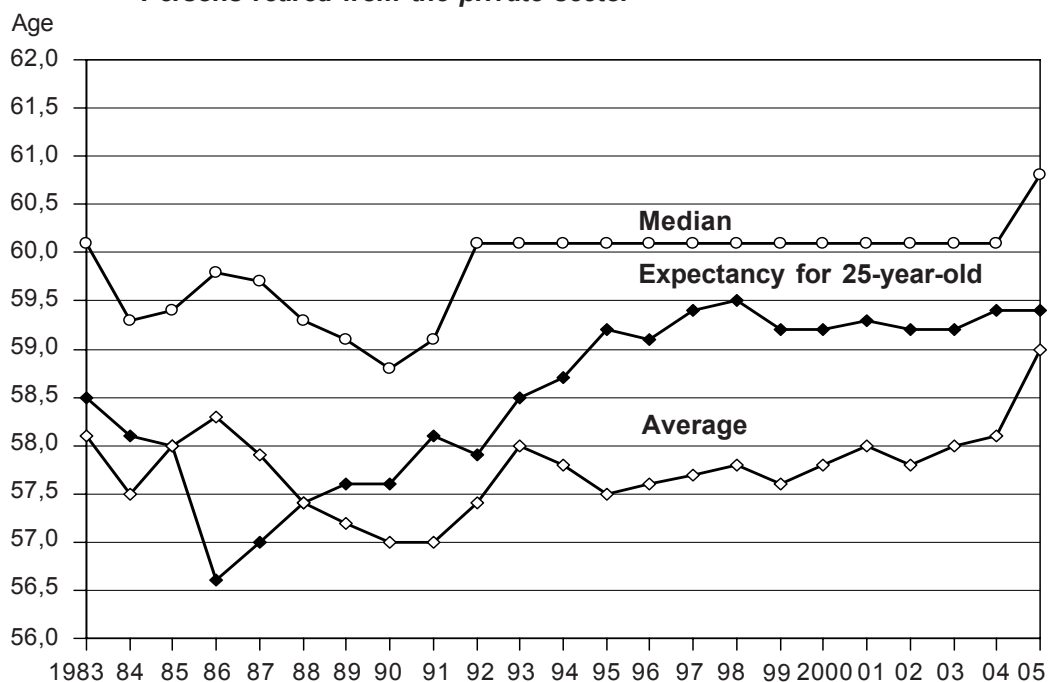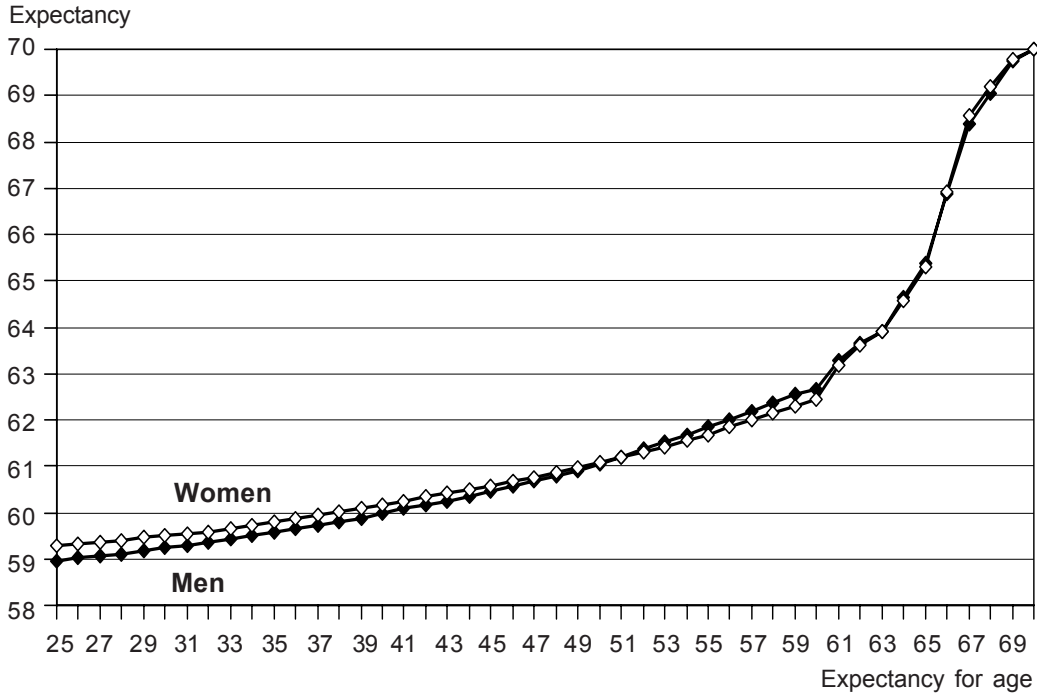*All persons retired on an earnings-related pension*

Figure 5   Effect of part-time pensions on the expected effective retirement age by age in 2005
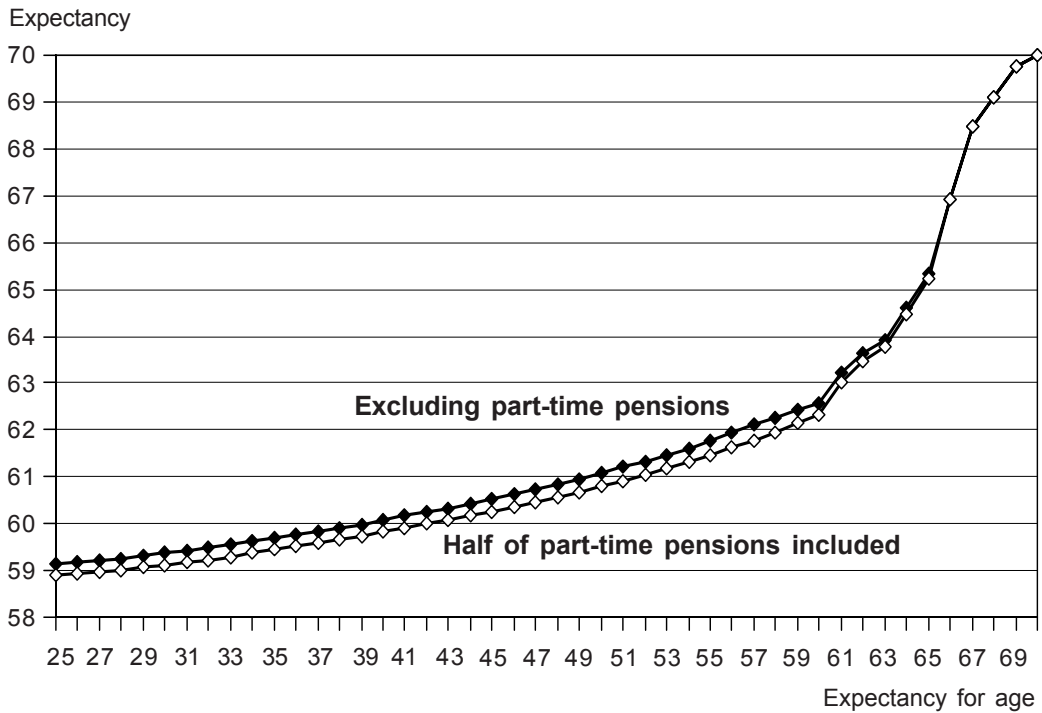*All persons retired on an earnings-related pension*

Table 1 Expected effective retirement age (i.e. expectancy) for 25-year-olds and for 50-year-olds

	Calculated from age 25			Calculated from age 50		
	Men	Women	Total	Men	Women	Total
All persons retired on an earnings-related pension						
1996	58,5	59,1	58,8	60,3	60,4	60,4
1997	58,7	59,2	59,0	60,6	60,6	60,6
1998	58,9	59,3	59,1	60,7	60,7	60,7
1999	58,7	59,1	58,9	60,6	60,7	60,7
2000	58,6	58,9	58,8	60,6	60,6	60,6
2001	58,9	59,0	58,9	60,8	60,7	60,7
2002	58,5	59,0	58,8	60,7	60,7	60,7
2003	58,6	59,1	58,9	60,9	60,9	60,9
2004	59,0	59,2	59,1	61,1	61,0	61,1
2005	59,0	59,3	59,1	61,1	61,1	61,1
Persons retired on a private-sector pension						
1983	58,0	59,1	58,5	60,1	60,6	60,4
1984	57,6	58,5	58,1	59,9	60,2	60,0
1985	57,5	58,5	58,0	59,7	60,0	59,9
1986	56,4	56,9	56,6	58,4	58,4	58,4
1987	56,7	57,5	57,0	58,9	59,1	59,0
1988	57,0	57,9	57,4	59,2	59,6	59,4
1989	57,2	58,1	57,6	59,4	59,8	59,6
1990	57,1	58,2	57,6	59,4	59,8	59,6
1991	57,5	58,7	58,1	59,9	60,2	60,0
1992	57,4	58,6	57,9	59,6	60,1	59,8
1993	58,0	59,0	58,5	59,9	60,3	60,1
1994	58,3	59,0	58,7	60,1	60,3	60,2
1995	58,9	59,4	59,2	60,7	60,8	60,7
1996	58,8	59,4	59,1	60,7	60,8	60,7
1997	59,1	59,6	59,4	60,9	61,0	61,0
1998	59,3	59,6	59,5	61,0	61,1	61,1
1999	59,0	59,5	59,2	60,9	61,1	61,0
2000	59,0	59,3	59,2	60,9	61,0	61,0
2001	59,2	59,5	59,3	61,1	61,1	61,1
2002	58,9	59,5	59,2	61,1	61,1	61,1
2003	59,0	59,5	59,2	61,2	61,3	61,2
2004	59,2	59,7	59,4	61,4	61,5	61,4
2005	59,2	59,7	59,4	61,3	61,4	61,4
Persons retired on a public-sector pension						
1996	59,1	59,3	59,2	60,8	60,6	60,7
1997	58,9	59,3	59,2	60,9	60,8	60,8
1998	59,0	59,3	59,2	61,0	60,9	60,9
1999	58,8	59,1	59,0	60,9	60,9	60,9
2000	58,2	58,8	58,6	60,4	60,6	60,5
2001	58,6	59,0	58,8	60,7	60,7	60,7
2002	58,2	59,0	58,6	60,5	60,7	60,6
2003	58,3	59,0	58,8	60,8	60,9	60,8
2004	58,9	59,1	59,0	61,1	61,0	61,0
2005	59,0	59,3	59,2	61,2	61,2	61,2

Table 2 Expected effective retirement age (i.e. expectancy), average and median

	Men			Women			Total		
	Expectancy	Average	Median	Expectancy	Average	Median	Expectancy	Average	Median
All persons retired on an earnings-related pension									
1996	58,5	56,6	60,1	59,1	57,9	60,1	58,8	57,2	60,1
1997	58,7	56,7	60,1	59,2	57,9	60,1	59,0	57,3	60,1
1998	58,9	57,1	60,1	59,3	57,9	60,1	59,1	57,5	60,1
1999	58,7	57,0	60,1	59,1	57,8	60,1	58,9	57,4	60,1
2000	58,6	57,1	60,1	58,9	57,9	60,1	58,8	57,5	60,1
2001	58,9	57,3	60,1	59,0	58,1	60,1	58,9	57,7	60,1
2002	58,5	57,1	60,1	59,0	58,1	60,1	58,8	57,6	60,1
2003	58,6	57,1	60,1	59,1	57,9	60,1	58,9	57,5	60,1
2004	59,0	57,5	60,1	59,2	58,2	60,1	59,1	57,8	60,1
2005	59,0	58,5	60,3	59,3	58,8	60,1	59,1	58,6	60,2
Persons retired on a private-sector pension									
1983	58,0	..	..	59,1	..	..	58,5	58,1	60,1
1984	57,6	..	..	58,5	..	..	58,1	57,5	59,3
1985	57,5	..	..	58,5	..	..	58,0	58,0	59,4
1986	56,4	..	..	56,9	..	..	56,6	58,3	59,8
1987	56,7	..	..	57,5	..	..	57,0	57,9	59,7
1988	57,0	..	..	57,9	..	..	57,4	57,4	59,3
1989	57,2	..	..	58,1	..	..	57,6	57,2	59,1
1990	57,1	..	..	58,2	..	..	57,6	57,0	58,8
1991	57,5	..	..	58,7	..	..	58,1	57,0	59,1
1992	57,4	..	..	58,6	..	..	57,9	57,4	60,1
1993	58,0	..	..	59,0	..	..	58,5	58,0	60,1
1994	58,3	..	..	59,0	..	..	58,7	57,8	60,1
1995	58,9	..	..	59,4	..	..	59,2	57,5	60,1
1996	58,8	57,0	60,1	59,4	58,2	60,1	59,1	57,6	60,1
1997	59,1	57,1	60,1	59,6	58,3	60,1	59,4	57,7	60,1
1998	59,3	57,4	60,1	59,6	58,2	60,1	59,5	57,8	60,1
1999	59,0	57,2	60,1	59,5	58,0	60,1	59,2	57,6	60,1
2000	59,0	57,4	60,1	59,3	58,2	60,1	59,2	57,8	60,1
2001	59,2	57,6	60,1	59,5	58,4	60,1	59,3	58,0	60,1
2002	58,9	57,4	60,1	59,5	58,4	60,1	59,2	57,8	60,1
2003	59,0	57,6	60,1	59,5	58,4	60,1	59,2	58,0	60,1
2004	59,2	57,8	60,1	59,7	58,5	60,1	59,4	58,1	60,1
2005	59,2	58,8	60,8	59,7	59,2	60,8	59,4	59,0	60,8
Persons retired on a public-sector pension									
1996	59,1	56,5	60,1	59,3	57,4	60,1	59,2	57,0	60,1
1997	58,9	56,3	60,1	59,3	57,3	60,1	59,2	56,9	60,1
1998	59,0	56,6	60,1	59,3	57,5	60,1	59,2	57,1	60,1
1999	58,8	56,6	60,1	59,1	57,3	60,1	59,0	57,0	60,1
2000	58,2	56,6	60,1	58,8	57,3	60,1	58,6	57,0	60,1
2001	58,6	57,1	60,1	59,0	57,8	60,1	58,8	57,5	60,1
2002	58,2	56,9	60,1	59,0	57,8	60,1	58,6	57,4	60,1
2003	58,3	56,8	60,1	59,0	57,5	60,1	58,8	57,2	60,1
2004	58,9	57,5	60,1	59,1	58,0	60,1	59,0	57,8	60,1
2005	59,0	58,2	60,1	59,3	58,5	60,1	59,2	58,4	60,1

The table uses the expectancy for 25-year-olds.

II   Persons retired on an earnings-related pension

Figure 6   Persons having retired on an earnings-related pension by age group in 2005
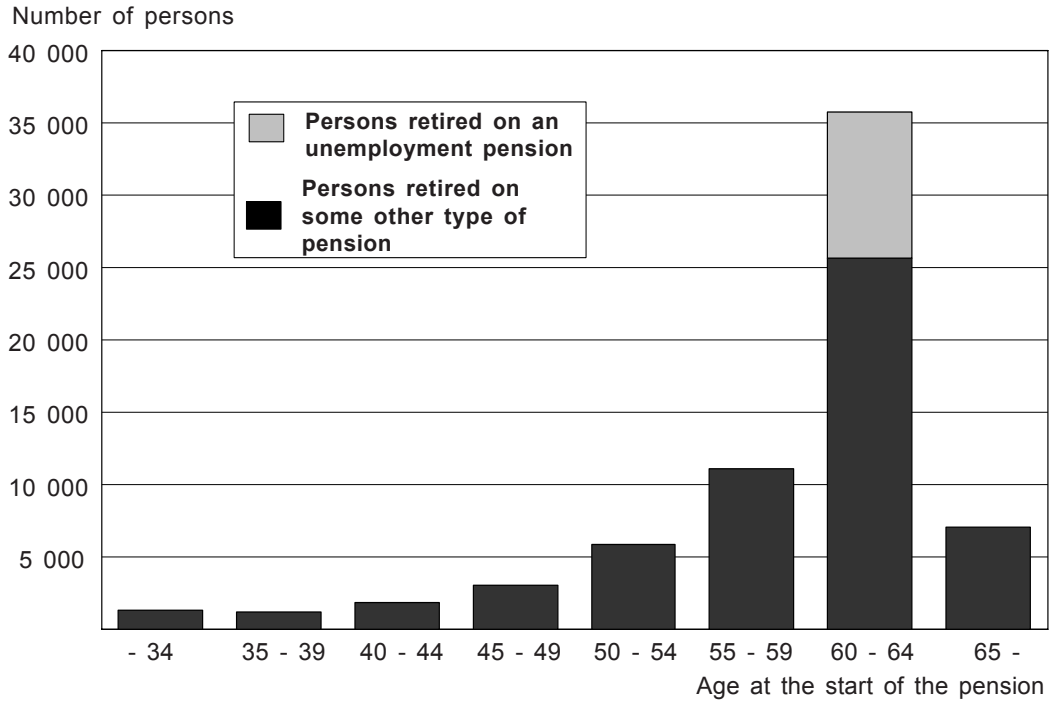
Number of persons

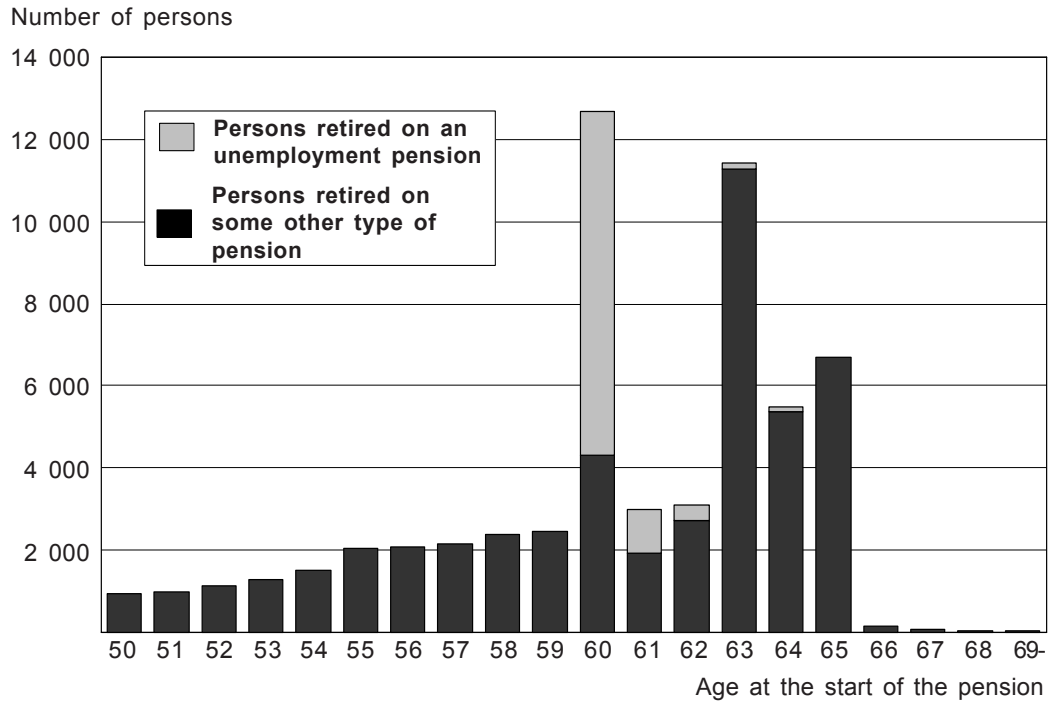**Figure 6a Persons having retired on an earnings-related pension in 2005 by age, *aged 50-69***

Number of persons

Figure 7 Persons having retired on an earnings-related pension in 2004 and 2005 by age, *aged 50–69*

Number of persons

Age at the end of the year of statistics

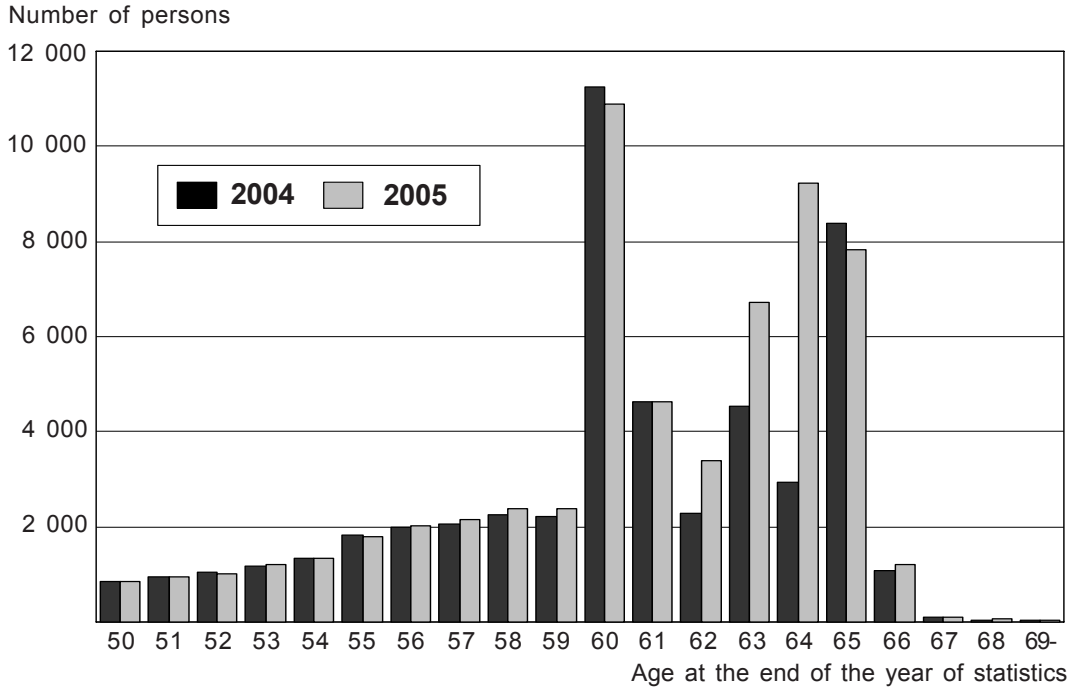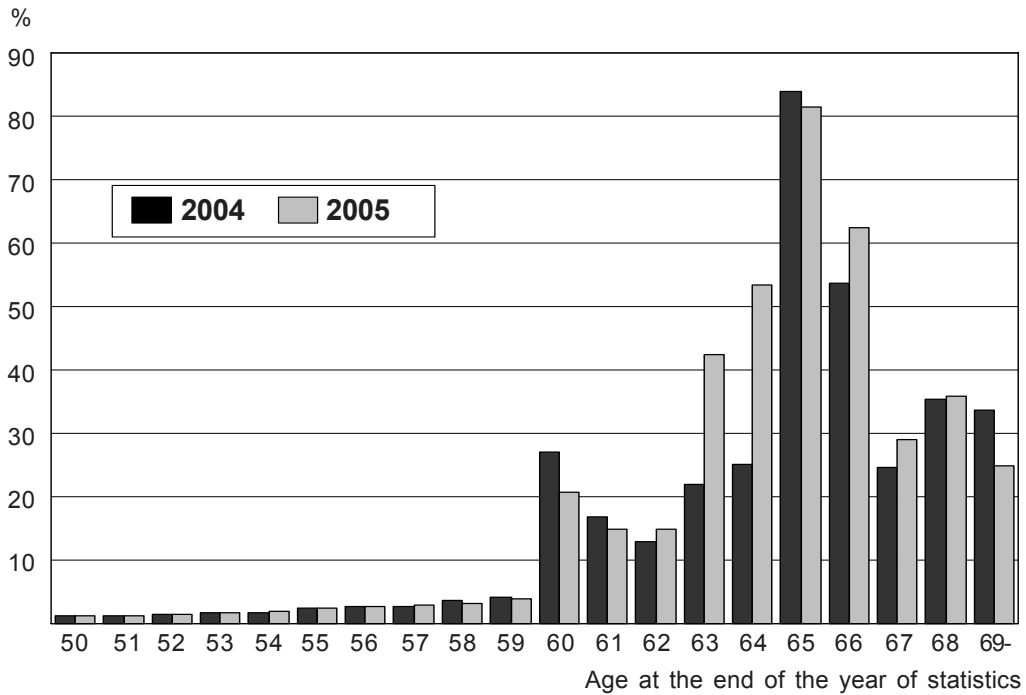**Figure 7a Share of persons having retired on an earnings-related pension in 2004 and 2005 of the insured by age,** *aged 50–69*

%

Age at the end of the year of statistics

The numbers of insured aged over 65 are estimates in charts 7a and 8b.

Figure 8a Share of persons having retired on an earnings-related pension in 2005 of the insured by gender and age, *aged 25–49*
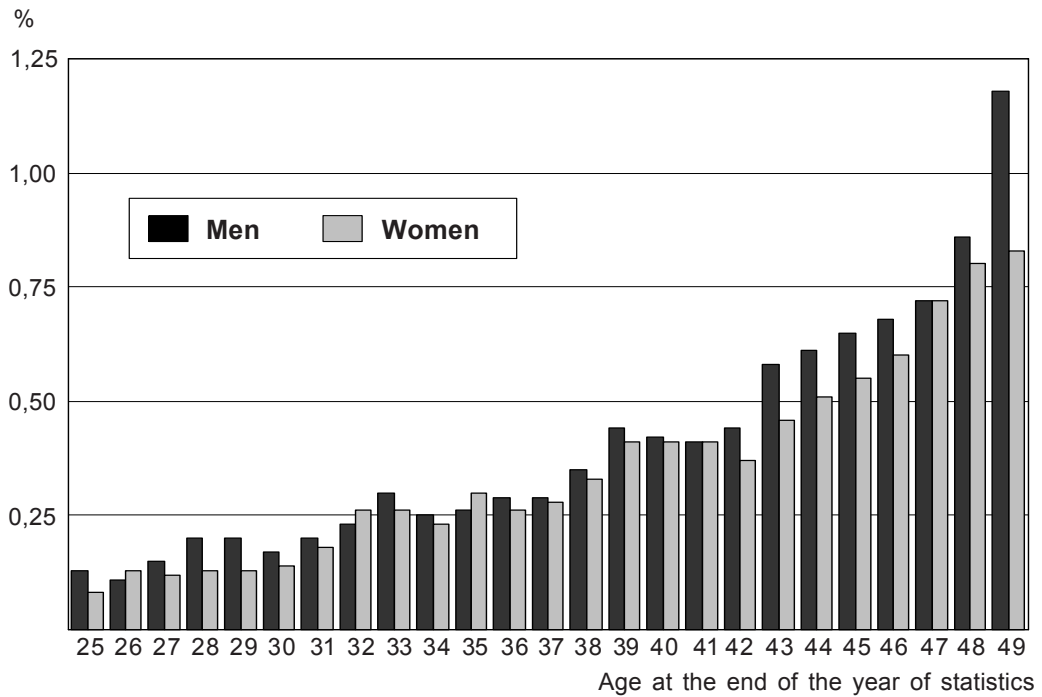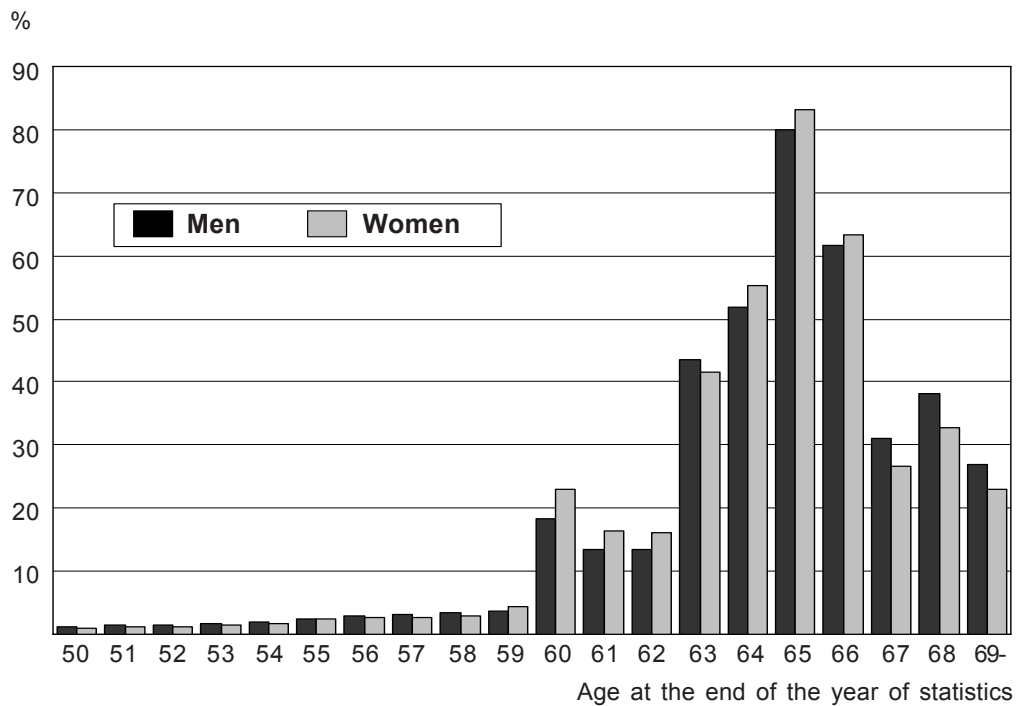

Figure 8b Share of persons having retired on an earnings-related pension in 2005 of the insured by gender and age, *aged 50–69*

**Note the different scales used in the graphs.**

Table 3 Persons retired on an earnings-related pension by pension benefit

	Old-age pension		Un-employ-ment pension	Disability pension		Special pensions for farmers	All persons having retired	Persons retired on a part-time pension
	Total	Early old-age pen.		Total	Indiv. early ret. pension			
All persons retired on an earnings-related pension								
1996	13 694	2 639	11 134	20 694	3 746	2 672	**47 606**	2 015
1997	14 252	2 780	11 786	19 835	2 934	1 574	**46 971**	2 298
1998	14 969	2 727	13 391	19 577	2 585	1 642	**49 198**	5 707
1999	15 969	2 895	12 835	21 891	2 843	2 286	**52 578**	9 547
2000	16 999	3 590	12 853	22 839	2 618	1 492	**53 667**	9 455
2001	18 769	4 114	14 784	23 325	2 686	1 263	**57 691**	8 995
2002	19 564	4 152	11 505	25 223	2 685	1 273	**57 211**	16 114
2003	19 106	4 208	11 278	25 885	2 255	1 004	**56 979**	8 232
2004	20 853	4 046	10 550	26 004	1 683	1 037	**58 154**	3 524
2005	30 217	2 467	10 091	25 853	698	1 362	**67 088**	4 869
Persons aged 55–64 (Age at the start of the pension)								
1996	8 317	2 639	11 134	9 510	3 746	2 672	**31 039**	2 015
1997	8 791	2 780	11 786	8 607	2 934	1 574	**30 271**	2 298
1998	9 211	2 727	13 391	8 298	2 585	1 642	**32 150**	5 707
1999	9 795	2 895	12 835	9 224	2 843	2 286	**33 726**	9 547
2000	10 226	3 590	12 853	9 587	2 618	1 492	**33 628**	9 455
2001	11 575	4 114	14 784	10 226	2 686	1 263	**37 386**	8 995
2002	11 752	4 152	11 505	11 540	2 685	1 273	**35 716**	16 114
2003	10 397	4 208	11 278	12 133	2 255	1 004	**34 520**	8 232
2004	11 573	4 046	10 550	12 705	1 683	1 037	**35 577**	3 254
2005	22 959	2 467	10 091	12 827	698	1 362	**46 807**	4 869
Persons retired on a private-sector pension								
1996	10 939	2 926	10 721	19 274	3 391	2 672	**43 293**	913
1997	11 028	3 028	11 441	18 289	2 663	1 574	**42 026**	975
1998	10 806	3 089	13 012	17 914	2 347	1 642	**43 114**	2 677
1999	11 510	3 224	12 622	20 187	2 584	2 286	**46 358**	5 505
2000	13 296	3 894	12 604	21 156	2 444	1 492	**48 263**	5 620
2001	14 556	4 480	14 520	21 576	2 493	1 263	**51 652**	5 644
2002	15 538	4 572	11 355	23 494	2 513	1 273	**51 439**	10 113
2003	16 566	4 195	11 143	24 037	2 075	1 004	**52 540**	5 544
2004	17 077	3 721	10 418	24 447	1 533	1 037	**52 780**	2 221
2005	27 875	1 611	9 739	23 870	577	1 362	**62 642**	3 040
Persons retired on a public-sector pension								
1996	7 861	822	4 136	9 123	1 910	.	**21 074**	1 109
1997	8 329	869	4 396	9 142	1 463	.	**21 814**	1 331
1998	8 914	808	5 225	9 669	1 323	.	**23 750**	3 052
1999	9 621	889	5 124	10 974	1 440	.	**25 659**	4 061
2000	9 901	1 159	5 459	11 685	1 248	.	**26 957**	3 857
2001	11 226	1 439	6 452	11 873	1 309	.	**29 468**	3 371
2002	11 837	1 517	5 335	13 201	1 384	.	**30 301**	6 048
2003	10 820	1 624	5 520	13 636	1 090	.	**29 897**	2 722
2004	12 569	1 763	5 194	13 829	899	.	**31 505**	1 041
2005	15 526	2 811	5 269	14 259	440	.	**34 966**	1 849

The old-age pensions include only persons who have retired directly on an old-age pension, not so-called continued pensions. Persons having retired on an earnings-related pension see Concepts used on page 13.
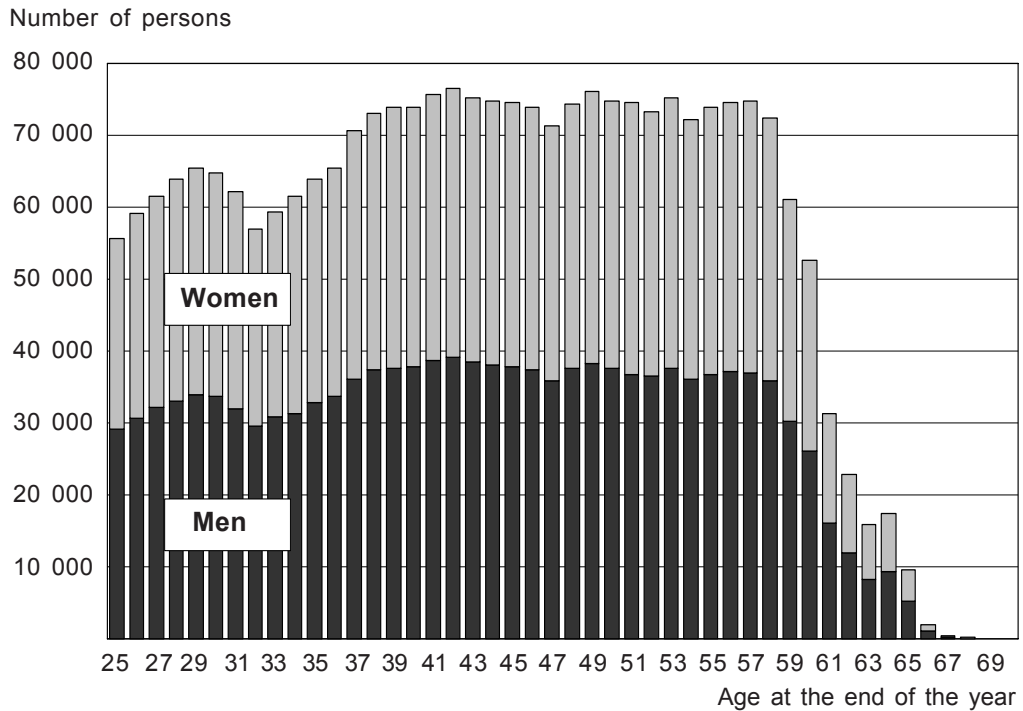
III   Persons insured
for earnings-related
pension benefits

Figure 9 Persons insured for earnings-related pension benefits by age group in 1996–2005

Number of persons
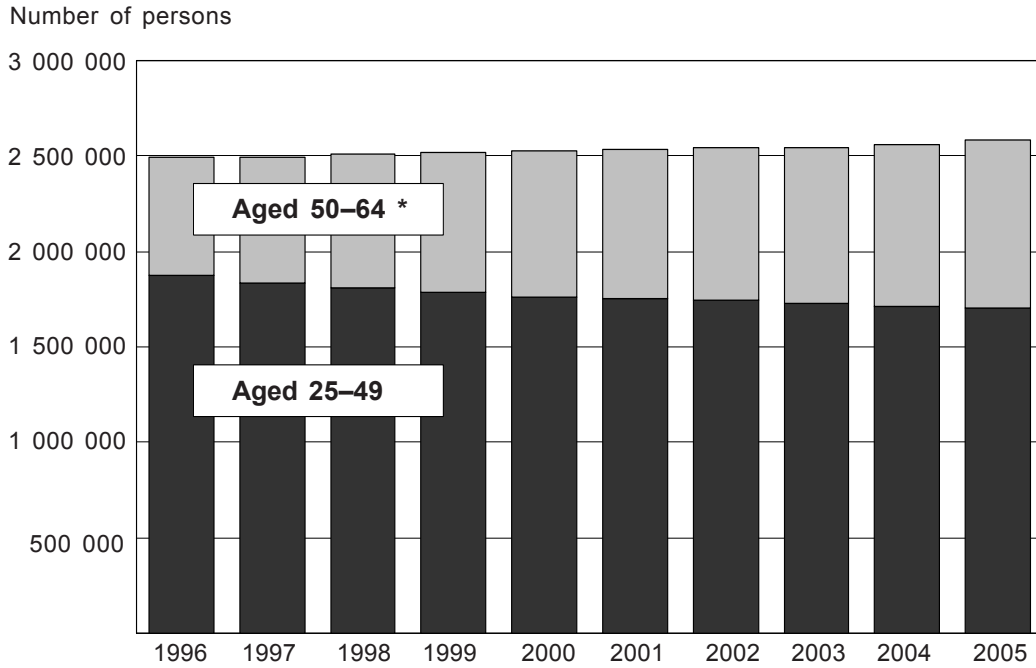
* In 2005 aged 50–69

Figure 10 Persons insured for earnings-related pension benefits by age in 2005

Number of persons

Age at the end of the year

The numbers of insured aged over 65 are estimates in charts 9 and 10.