



POCKET STATISTICS 2006

Finnish Centre for Pensions
ELÄKETURVAKESKUS



2006
POCKET STATISTICS
THE FINNISH CENTRE FOR PENSIONS

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* 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.

At the end of 2005 90 per cent of all 1.37 million pension recipients received a statutory earnings-related pension and 50 per cent a pension under the national pension scheme. More than 40 per cent of all drew a pension from both schemes.

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

In 2005 **total pension expenditures** amounted to 18 billion euros, of which the share of earnings-related pensions was more than 14 billion and the share of national pensions almost 3 billion euros. The share of optional pensions was only 0,2 billion euros.

The statutory earnings-related pension scheme is divided into the private and the public sector. The private sector employs three-fourths of the labour force and the public sector a third. Every sixth of the labour force in the private sector is a self-employed person.

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.

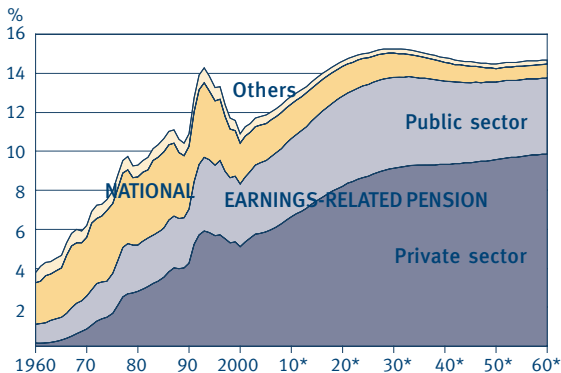
The Finnish Centre for Pensions is the liaison body for earnings-related pensions matters within the EU, as well as for the implementation of other agreements on social security.

■ PENSION EXPENDITURE, SOCIAL SECURITY EXPENDITURE AND GROSS DOMESTIC PRODUCT

	Pension expenditure	Social security expenditure	Gross Domestic Product	Pension expenditure/ social security expenditure	GDP
	mill. euros	mill. euros	mill. euros	%	%
1990	9 562	22 101	87 968	43.3	10.9
1995	12 606	30 200	95 251	41.7	13.2
2000	14 351	33 142	130 859	43.3	11.0
2001	15 179	34 831	136 472	43.6	11.1
2002	16 085	36 910	140 853	43.6	11.4
2003	16 735	38 716	143 807	43.2	11.6
2004*	17 327	40 574	149 725	42.7	11.6
2005*	17 983	42 310	155 320	42.5	11.6

Source: Ministry of Social Affairs and Health and Social Insurance Institution (Kela)

■ PENSION EXPENDITURE OF GROSS DOMESTIC PRODUCT

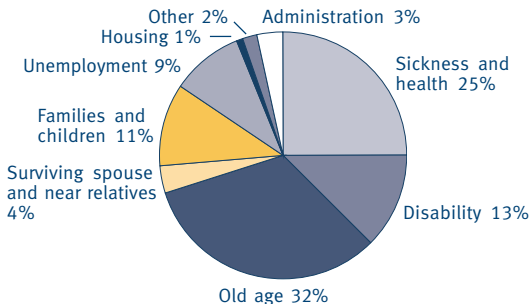


■ **SOCIAL SECURITY EXPENDITURE AS PER CENT OF GDP IN THE NORDIC COUNTRIES AS WELL AS IN CERTAIN EU COUNTRIES, %**

	1990	1995	2000	2002	2003*
Finland	25.1	31.4	25.3	26.2	26.9
Sweden	33.1	34.6	31.0	32.5	33.5
Denmark	28.2	31.9	28.9	30.2	30.9
Norway	26.2	26.7	24.6	26.2	27.7
Iceland	17.1	19.3	19.6	22.2	23.8
Estonia	14.4	13.2	13.4
France	27.4	30.3	29.3	30.2	30.9
Germany	25.4	28.2	29.3	29.9	30.2
Greece	22.9	22.3	26.3	26.4	26.3
Italy	24.7	24.8	25.2	26.1	26.4
Netherlands	31.1	30.9	27.4	27.6	28.1
Spain	19.9	22.1	19.6	19.6	19.7
United Kingdom	22.9	28.2	27.0	26.4	26.7

Source: Ministry of Social Affairs and Health and NOSOSCO

■ **SOCIAL SECURITY EXPENDITURE BY MAJOR ITEMS, 2005 *
42.3 billion euros**



Source: Ministry of Social Affairs and Health

POPULATION STRUCTURE DURING THE YEARS 1990-2030, %

Age	1990	2000	2004	2010*	2020*	2030*
0-14	19	18	17	16	16	16
15-64	67	67	67	66	61	58
65-	14	15	16	17	23	26
Population, 1,000 persons	4 998	5 181	5 237	5 310	5 412	5 443

Population residing in the country.

Source: Statistics Finland

POPULATION OVER 14 YEARS BY ACTIVITY DURING THE YEARS 1990 AND 2004

	1990		2004*	
	1,000 persons	%	1,000 persons	%
Labour force	2 473	61	2 583	60
- employed	2 332	58	2 284	53
- unemployed	141	4	299	7
Outside the lab. force	1 561	39	1 739	40
- students	329	8	402	9
- pensioners	1 040	26	1 152	27
- others	192	5	185	4
Total	4 034	100	4 322	100

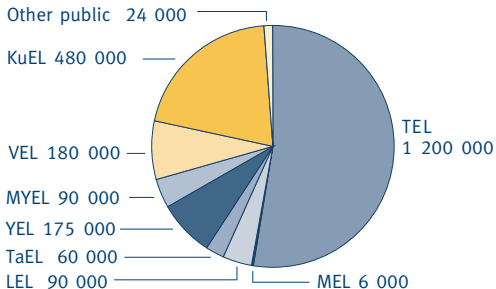
Source: Statistics Finland, Employment statistics

REMAINING AVERAGE LIFE TIME IN 2004, YEARS

Age	0	15	40	55	65	80
Males	75.3	60.8	37.1	24.1	16.5	7.3
Females	82.3	67.6	43.2	29.2	20.5	9.0

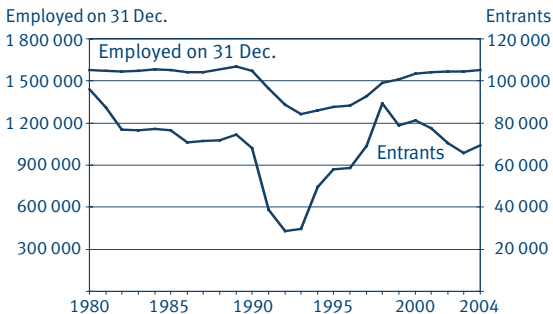
Source: Statistics Finland

■ **POPULATION INSURED FOR EARNINGS-RELATED PENSION BENEFITS, 31.12.2005***



Simultaneous coverage by several pension acts is possible.

■ **PERSONS EMPLOYED IN THE PRIVATE SECTOR AND PERSONS COVERED BY PRIVATE-SECTOR EARNINGS-RELATED PENSION PROVISION FOR THE FIRST TIME DURING THE YEAR (ENTRANTS)**



Includes all persons aged less than 66 years.

■ **PERSONS AGED 18 - 64 COVERED FOR PENSION BENEFITS**
31.12.2004

	Males	Females	All
Persons covered by social insurance ¹⁾	1 666 900	1 633 100	3 300 100
Persons covered for earnings-related pension benefits	1 585 100	1 534 400	3 119 600
- pension recipients	184 300	178 500	362 900
- do not receive a pension	1 400 800	1 355 900	2 756 700
- private sector	1 511 300	1 300 500	2 811 800
- public sector	585 600	944 400	1 530 100
- both sectors	511 600	710 400	1 222 000

¹⁾ Population aged 18 - 64 insured by the Social Insurance Institution (Kela). *Source: Kela*

■ **PERSONS AGED 18 - 64 COVERED FOR EARNINGS-RELATED PENSION BENEFITS IN 2004**

	Males	Females	All
Total	1 248 700	1 207 000	2 455 800
- In employment 31 Dec.	1 099 800	1 034 600	2 134 300
- not in employment 31 Dec.	149 000	172 500	321 400
Persons in employment 31 Dec. by sector			
- private sector	935 900	615 600	1 551 500
- public sector	186 800	446 300	633 100
- both sectors	22 900	27 300	50 300

■ **CONTRIBUTION-% IN 2006, PREMIUMS WRITTEN, PENSION EXPENDITURE AND PENSION ASSETS IN 2005, mill. euros ***

	Aver. contribution rate	Premiums written	Pens. expenditure	P.assets 31.12.2005
TEL	21.0	8 054	6 463	67 198
MEL	22.0	56	100	636
LEL	22.5	545	773	5 131
TaEL	20.3	126	26	360
YEL	19.7	592	758	160
MYEL	10.5	137	617	30
Private sector	.	9 510	8 737	73 515
VEL	24.1	1 462	2 940	7 337
KuEL	21.7	3 200	2 350	19 129

The contribution includes both 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', seamen's and state employees' pensions financed from the national budget or the contribution paid by the Unemployment Insurance Fund. The contribution rate for KuEL does not include the contribution levied on the basis of the pension expenditure.

The euro amounts for the private sector include both basic and registered supplementary pensions.

■ **INDICES FOR THE EARNINGS-RELATED PENSIONS**

	Halfway index ¹⁾		Earning-related pension index ²⁾		Wage coefficient	
		Change,%		Change,%		Change,%
2001	1 981	4.1	1 912	4.0		
2002	2 054	3.7	1 968	2.9		
2003	2 103	2.4	2 002	1.7		
2004	2 151	2.3	2 028	1.3	1.000	.
2005	2 191	1.9	2 047	0.9	1.028	2.8
2006	2 246	2.5	2 081	1.7	1.063	3.4

In 2001 - 2004 TEL-index for: ¹⁾persons of working age and ²⁾persons of retirement age.

■ TOTAL PENSION EXPENDITURE, 2005

18 billion euros

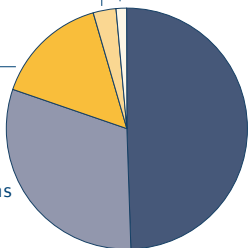
Optional pensions e0.2bn*

SOLITA pensions ¹⁾
e0.6bn*

National pensions
e2.8bn

Public-sector pensions
e5.6bn

Private-sector pensions
e8.9bn
(includes farmers' special pensions)



¹⁾ Pensions under the Employment Accidents Act, Motor Liability Insurance Act and Military Injuries Act.

■ EARNINGS-RELATED PENSION EXPENDITURE BY PENSION BENEFIT, 2005

14.4 billion euros

Special pensions for farmers e0.1bn

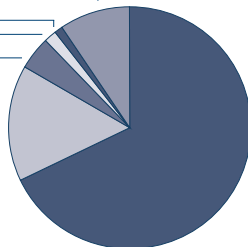
Part-time pensions
e0.2bn

Unemployment pensions
e0.6bn

Disability pensions —
e2.3bn

Survivors' pensions
e1.4bn

Old-age pensions
e9.8bn



In addition, optional pensions paid amounted to 0.2 billion euros.

■ ALL BENEFICIARIES BY PENSION BENEFIT

	Old-age pension	Disability pension	Unemployment pension	Survivors' pension	All 1)
1980	610 100	274 800	14 800	167 300	1 023 500
1985	661 000	261 300	54 000	195 500	1 081 900
1990	737 200	300 900	55 500	223 200	1 161 000
1995	804 100	309 500	39 100	260 200	1 219 700
2000	869 700	276 300	54 300	281 300	1 284 100
2005	940 000	269 400	50 900	287 500	1 356 300

1) The column All includes farmers' special pensions and also part-time pensions from 1990 onwards, benefits in old age in 1980, child care benefits in 1980 and 1985 and front veterans' benefits in 1980 - 1995.

■ ALL BENEFICIARIES BY PENSION BENEFIT AND SEX 31.12.2005

Pension benefit	Males	Females	All
Old-age pension	381 800	558 200	940 000
Disability pension	143 500	126 000	269 400
- until further notice	128 200	109 600	237 800
- cash rehab. benefit	10 900	11 600	22 500
- indiv. early ret. pen.	4 500	5 000	9 500
Unemployment pension	23 800	27 100	50 900
Special pen. for farmers	13 500	18 900	32 400
Part-time pension	15 100	17 400	32 500
Survivors' pension	46 200	241 200	287 500
- surviving spouses	33 400	228 400	261 800
- children	12 900	12 800	25 700
All beneficiaries	584 200	772 000	1 356 300

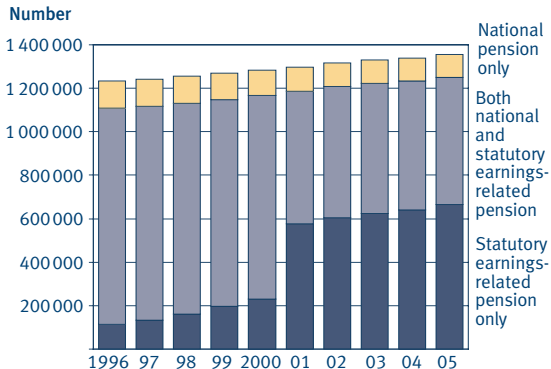
A person may simultaneously receive several different pension benefits.

■ ALL BENEFICIARIES BY PENSION SCHEME 31.12.2005

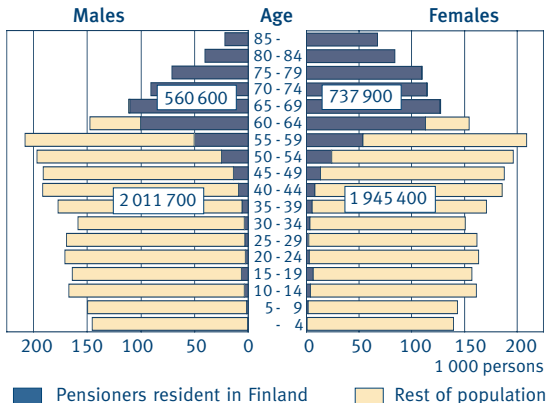
	Males	Females	All
Statutory earnings-related pension	544 100	707 500	1 251 600
- private sector	483 600	594 600	1 078 200
- public sector	194 200	338 700	532 800
- both sectors	133 700	225 700	359 500
National pension (Kela)	239 200	453 000	692 200
All beneficiaries	584 200	772 000	1 356 300
- earnings-related p. only	345 100	319 000	664 100
- national pension only	40 200	64 500	104 700
- both earnings-related and national pension	199 000	388 500	587 500

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

■ ALL PENSION RECIPIENTS BY PENSION COMPONENT



■ **AGE STRUCTURE OF THE WHOLE POPULATION ¹⁾ AND PENSION BENEFICIARIES 31.12.2005**



¹⁾ Population insured by the Social Insurance Institution. *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 ¹⁾
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

¹⁾ All persons over 16 years.

The number of pension beneficiaries does not include part-time pension beneficiaries.

■ **AVERAGE OVERALL PENSION OF BENEFICIARIES RESIDENT IN FINLAND DRAWING A PENSION IN THEIR OWN RIGHT**

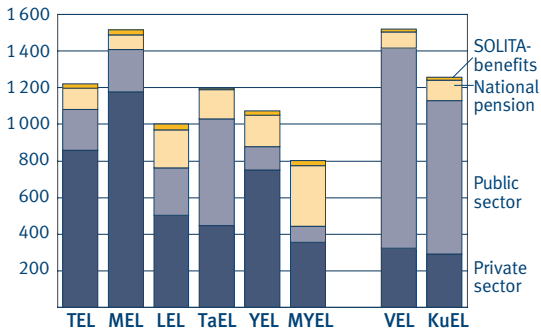
31.12.2005

	Males	Females	All
Average pension euros/month	1 326	1 030	1 160
- share of the earnings-related pension	1 150	808	957
- share of the nat.pension	145	206	179
- share of the SOLITA pen.	31	17	23
Number of pension beneficiaries	527 900	680 400	1 208 200

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 31.12.2005**

Euros/month



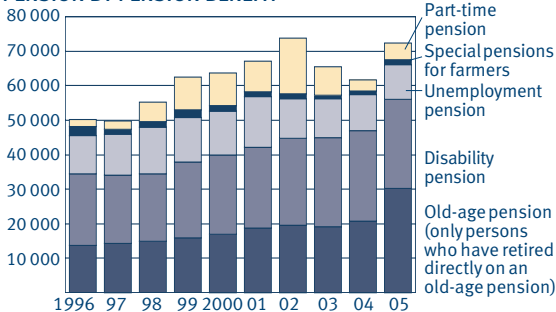
The graph does not include the recipients of a farmers' special pension or a part-time pension.

■ PENSION BENEFICIARIES RESIDING ABROAD AND AVERAGE OVERALL PENSION 31.12.2005

Country of residence	Old-age pension Number	Disability pension Number	Survivors' pension Number	All benef. Number	Overall pension e/month
Australia	762	69	122	885	236
Austria	72	18	12	100	456
Belgium	44	4	9	57	743
Brazil	22	2	1	25	1 084
Canada	860	25	104	942	264
Chile	20	-	7	26	488
Denmark	275	56	25	343	397
Estonia	163	53	58	265	750
France	253	26	22	304	1 429
Germany	1 258	149	131	1 516	245
Greece	18	10	9	35	697
Hungary	57	8	11	73	248
Israel	46	4	9	55	645
Italy	110	14	13	134	577
Morocco	22	9	5	30	2 420
Netherlands	97	11	16	122	506
Norway	279	175	46	491	350
Poland	92	12	16	117	278
Portugal	76	15	11	97	1 990
Russia	56	-	29	84	474
Spain	1 771	790	290	2 655	1 820
Sweden	35 345	10 384	2 585	46 725	180
Switzerland	210	27	21	251	795
United Kingdom	370	34	45	444	451
United States	997	20	75	1 068	446
All	43 878	12 046	3 863	57 763	297

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 HAVING RETIRED ON AN EARNINGS-RELATED PENSION BY PENSION BENEFIT IN 2005

Pension benefit	Males	Females	All	Average pension e/month	Mean age
Old-age pension ¹⁾	15 200	15 100	30 200	1 335	63.3
- early old-age	1 200	1 300	2 500	1 256	..
Disability pension	13 500	12 400	25 900	832	52.6
- until further notice	7 800	6 600	14 400	806	55.6
- cash rehab. benef.	5 400	5 400	10 800	825	47.9
- indiv. early ret.pen.	300	400	700	1 455	61.8
Unemployment pen.	4 800	5 300	10 100	1 026	60.5
Farmers' spec.pens.	700	700	1 400	602	..
All	34 000	33 100	67 100	1 081	58.6
Mean age	58.5	58.8	58.6		
Median age	60.3	60.1	60.2		
Expectancy: 25-year	59.0	59.3	59.1		
50-year	61.1	61.1	61.1		

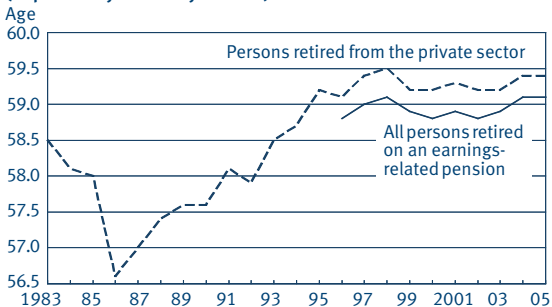
¹⁾ Includes only persons who have retired directly on an old-age pension.

■ **POPULATION HAVING RETIRED ON AN EARNINGS-RELATED PENSION BY AGE IN 2005**

All			55 - 64-year-olds		
Age	Number	Average pension e/month	Age	Number	Average pension e/month
-34	1 300	539	55	2 100	873
35-39	1 200	581	56	2 100	879
40-44	1 900	678	57	2 100	906
45-49	3 000	755	58	2 400	1 158
50-54	5 900	811	59	2 400	1 094
55-59	11 100	969	60	12 700	1 148
60-64	35 700	1 269	61	3 000	1 171
65-	7 000	966	62	3 100	1 142
All	67 100	1 081	63	11 400	1 453
			64	5 500	1 288
			All	46 800	1 198

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

■ **EXPECTED EFFECTIVE RETIREMENT AGE (I.E. EXPECTANCY) (expectancy for 25-year-old)**

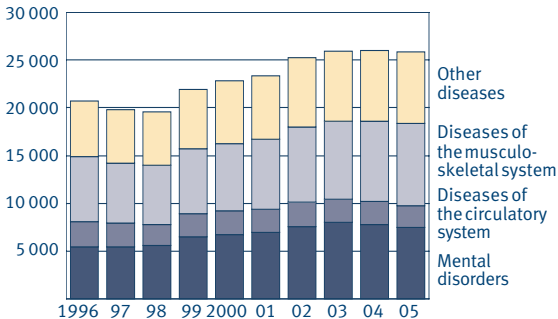


■ RECIPIENTS OF A DISABILITY PENSION AS AN EARNINGS-RELATED PENSION 31.12.2005 AND PERSONS HAVING RETIRED ON A DISABILITY PENSION IN 2005

Main disease category		Pensioners		Persons having retired	
		Number	%	Number	%
I	Infectious and parasitic diseases	900	0	100	0
II	Neoplasms	6 000	3	1 700	6
IV	Endocrine diseases etc.	4 300	2	500	2
V	Mental disorders	80 400	37	7 500	29
VI	Diseases of the nervous system	15 200	7	1 800	7
VII	Diseases of the eye	2 400	1	300	1
VIII	Diseases of the ear	1 200	1	100	0
IX	Diseases of the circulatory system	19 800	9	2 300	9
X	Diseases of the respiratory system	5 500	3	600	2
XI	Diseases of the digestive system	1 600	1	200	1
XII	Diseases of the skin	1 500	1	200	1
XIII	Diseases of the musculoskeletal system	64 100	29	8 600	33
XIV	Diseases of the genitourinary system	700	0	100	0
XVII	Congenital malformations	1 600	1	100	0
XIX	Injuries and poisoning	11 800	5	1 600	6
III, XV, XVI, XVIII		1 800	1	200	1
All		218 800	100	25 900	100

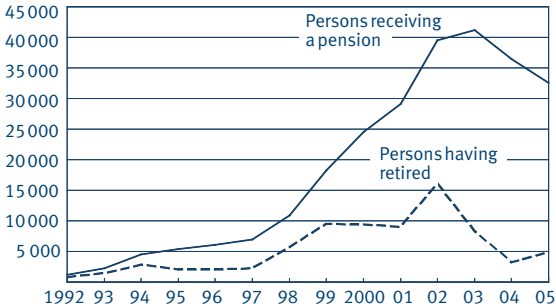
■ PERSONS HAVING RETIRED ON AN EARNINGS-RELATED DISABILITY PENSION BY MAIN DISEASE

Beneficiaries



■ PERSONS RECEIVING A PART-TIME PENSION AND PERSONS HAVING RETIRED ON A PART-TIME PENSION

Beneficiaries



TEL	Employees' Pensions Act
MEL	Seamen's Pensions Act
LEL	Temporary Employees' Pensions Act
TaEL	The Pension Act for Performing Artists and Certain Other Employee Groups
YEL	Self-Employed Persons' Pensions Act
MYEL	Farmers' Pensions Act
LUTUL	Act on Farmers' Early Retirement Aid
VEL	State Employees' Pensions Act
LYVEL	Act on temporary state employment
VPEL	State Survivors' Pensions Act
KuEL	Local Government Pensions Act
KiEL	Evangelical-Lutheran Church Pensions Act