



# POCKET STATISTICS 2007

Finnish Centre for Pensions  
ELÄKETURVAKESKUS



2007  
**POCKET STATISTICS**  
THE FINNISH CENTRE FOR PENSIONS

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\* Preliminary figure or estimate

Inquiries:

Katariina Käkönen

E-mail: [katariina.kakonen@etk.fi](mailto:katariina.kakonen@etk.fi)

Eläketurvakeskus (Finnish Centre for Pensions)

Statistical Department

FI-00065 ELÄKETURVAKESKUS

Tel: +358 10 7511

Internet: [www.etk.fi](http://www.etk.fi)

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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 2006 more than 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 under the special acts for farmers.

In 2006 **total pension expenditures** amounted to 18.6 billion euros, of which the share of earnings-related pensions was 15.1 billion and the share of national pensions 2.8 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 one-third. Annually the proportion of people working in both sectors is approximately 6%. 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.

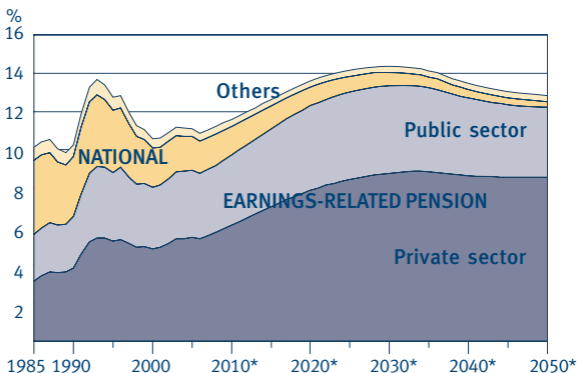
The Finnish Centre for Pensions is the liaison body for earnings-related pensions matters within the EU, as well as for the implementation of other agreements on social security.

## ■ PENSION EXPENDITURE, SOCIAL SECURITY EXPENDITURE AND GROSS DOMESTIC PRODUCT

	Pension expenditure	Social security expenditure	Gross Domestic Product	Pension expenditure/ social security expenditure	Pension expenditure/ GDP
	mill. €	mill. €	mill. €	%	%
1990	9 562	22 101	89 747	43.3	10.7
1995	12 606	30 200	95 916	41.7	13.1
2000	14 351	33 142	132 272	43.3	10.8
2001	15 179	34 831	139 868	43.6	10.9
2002	16 085	36 910	143 974	43.6	11.2
2003	16 735	38 716	145 938	43.2	11.5
2004	17 327	40 568	152 345	42.7	11.4
2005*	17 883	42 000	157 162	42.6	11.4
2006*	18 638	43 390	167 911	43.0	11.1

Source: Ministry of Social Affairs and Statistics Finland

## ■ PENSION EXPENDITURE OF GROSS DOMESTIC PRODUCT

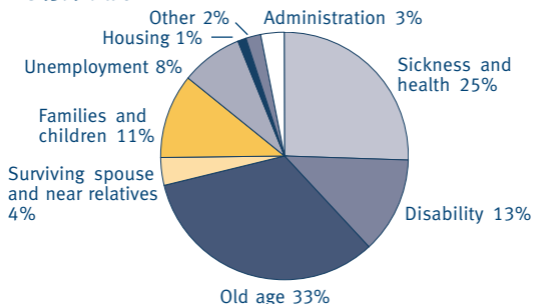


■ **SOCIAL SECURITY EXPENDITURE AS PER CENT OF GDP IN THE NORDIC COUNTRIES AS WELL AS IN CERTAIN EU COUNTRIES, %**

	1990	1995	2000	2003	2004*
Finland	25.1	31.5	25.1	26.5	26.7
Sweden	33.1	34.3	30.7	33.3	32.9
Denmark	28.2	31.9	28.9	30.7	30.7
Norway	26.2	26.7	24.6	27.5	26.3
Iceland	17.1	18.9	19.3	23.3	23.0
Estonia	..	..	14.0	12.9	13.4
France	27.4	30.3	29.5	30.9	31.2
Germany	25.4	28.2	29.2	30.2	29.5
Greece	22.9	22.3	25.7	26.0	26.0
Italy	24.7	24.2	24.7	25.8	26.1
Netherlands	31.1	30.6	26.4	28.3	28.5
Spain	19.9	21.6	19.7	19.9	20.0
United Kingdom	22.9	28.2	27.1	26.4	26.3

Source: Eurostat

■ **SOCIAL SECURITY EXPENDITURE BY MAJOR ITEMS, 2006 \*  
€43.4 billion**



Source: Ministry of Social Affairs and Health

## ■ POPULATION STRUCTURE DURING THE YEARS 1990-2030, %

Age	1990	2000	2006	2010*	2020*	2030*
0-14	19	18	17	16	16	16
15-64	67	67	67	66	61	58
65-	14	15	17	17	23	26
Population, 1,000 persons	4 998	5 181	5 277	5 310	5 412	5 443

Population residing in the country.

Source: Statistics Finland

## ■ POPULATION AGED 18 AND OVER BY ACTIVITY IN 2005\*

	Men 1,000 persons	Women 1,000 persons	All 1,000 persons	%
<b>Labour force</b>	<b>1 313</b>	<b>1 256</b>	<b>2 568</b>	<b>62</b>
- employed	1 164	1 123	2 288	55
- unemployed	148	133	281	7
<b>Outside the lab. force</b>	<b>696</b>	<b>887</b>	<b>1 584</b>	<b>38</b>
- students	111	127	238	6
- pensioners	509	660	1 169	28
- others	76	100	177	4
<b>Total</b>	<b>2 009</b>	<b>2 143</b>	<b>4 152</b>	<b>100</b>

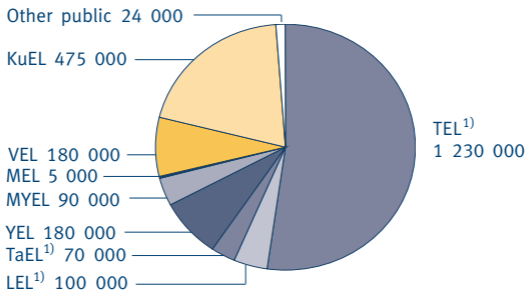
Source: Statistics Finland, Employment statistics

## ■ REMAINING AVERAGE LIFE TIME IN 2005, YEARS

Age	0	15	40	55	65	80
Males	75.5	61.0	37.2	24.3	16.7	7.4
Females	82.3	67.7	43.3	29.4	20.7	9.1

Source: Statistics Finland

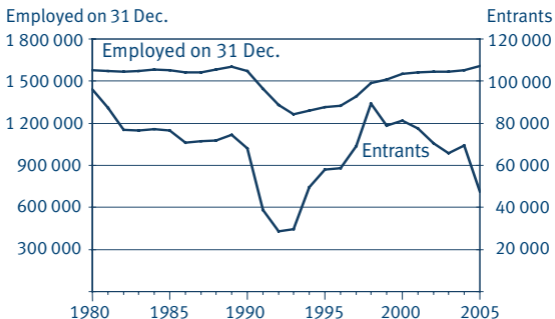
## POPULATION INSURED FOR EARNINGS-RELATED PENSION BENEFITS, 31.12.2006\*



<sup>1)</sup> From 1 Jan. 2007 TyEL.

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)



In 1980 - 2004 persons aged 14 - 64, in 2005 persons aged 18 - 67.

■ ALL INSURED PERSONS AGED 18 - 68 YEARS 31.12.2005

	Males	Females	All
Persons covered by social insurance <sup>1)</sup>	1 765 000	1 743 500	3 508 500
Persons covered for earnings-related pension benefits	1 739 500	1 699 000	3 438 500
- pension recipients	282 400	286 300	568 700
- do not receive a pension	1 457 100	1 412 700	2 869 800
- private sector	1 657 900	1 444 700	3 102 600
- public sector	640 000	1 040 100	1 680 100
- both sectors	558 800	786 300	1 345 200

<sup>1)</sup> Population aged 18 - 68 insured by the Social Insurance Institution (Kela). *Source: Kela*

■ PERSONS AGED 18 - 68 WORKING AS EMPLOYEES OR SELF-EMPLOYED PERSONS IN 2005

	Males	Females	All
<b>Total</b>	<b>1 328 600</b>	<b>1 287 200</b>	<b>2 615 800</b>
- In employment 31 Dec.	1 138 500	1 076 400	2 214 900
- not in employment 31 Dec.	190 100	210 700	400 900
<b>Persons in employment 31 Dec. by sector</b>			
- private sector	969 200	643 100	1 612 300
- public sector	193 900	462 800	656 700
- both sectors	24 600	29 500	54 100



■ **CONTRIBUTION-% IN 2007, PREMIUMS WRITTEN, PENSION EXPENDITURE AND PENSION ASSETS IN 2006, mill. € \***

	Average contribution rate	Premiums written	Pension expenditure	Pension assets 31.12.2006
TEL	.	8 253	6 823	72 220
LEL	.	581	794	5 545
TaEL	.	144	32	422
TyEL	21.1	.	.	.
MEL	22.0	55	107	701
YEL	19.6	612	802	146
MYEL	10.7	135	638	25
<b>Private sector</b>	.	<b>9 780</b>	<b>9 196</b>	<b>79 059</b>
VEL	24.8	1 494	3 056	10 306
KuEL	21.1	3 352	2 494	21 951

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', 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.

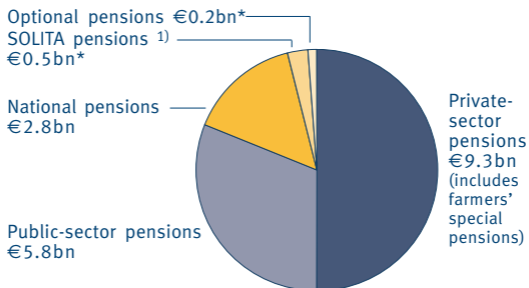
The euro amounts for the private sector include both basic and registered supplementary pensions.

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

	Fifty-fifty index		Earnings-related pension index		Wage coefficient	
		Change,%		Change,%		Change,%
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
2007	2 311	2.9	2 127	2.2	1.100	3.5

## TOTAL PENSION EXPENDITURE, 2006

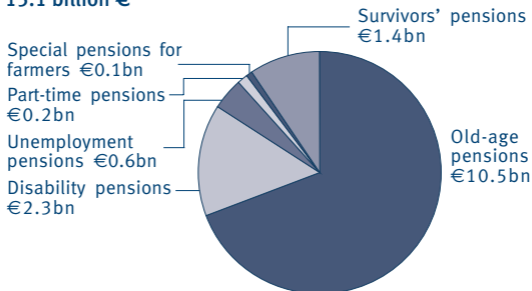
18.6 billion €



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

## EARNINGS-RELATED PENSION EXPENDITURE BY PENSION BENEFIT, 2006

15.1 billion €



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

## ■ ALL BENEFICIARIES BY PENSION BENEFIT

	Old-age pension	Disability pension	Unem-employment 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
2006	964 400	267 400	47 700	287 700	1 371 900

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 31.12.2006

Pension benefit	Males	Females	All
<b>Old-age pension</b>	<b>394 900</b>	<b>569 500</b>	<b>964 400</b>
<b>Disability pension</b>	<b>141 900</b>	<b>125 500</b>	<b>267 400</b>
- until further notice	128 400	110 600	239 100
- cash rehab. benefit	10 900	11 900	22 800
- indiv. early ret. pen.	2 700	3 200	5 900
<b>Unemployment pension</b>	<b>22 300</b>	<b>25 400</b>	<b>47 700</b>
<b>Special pen. for farmers</b>	<b>12 600</b>	<b>17 900</b>	<b>30 600</b>
<b>Part-time pension</b>	<b>14 100</b>	<b>16 500</b>	<b>30 600</b>
<b>Survivors' pension</b>	<b>47 000</b>	<b>240 700</b>	<b>287 700</b>
- surviving spouses	34 400	228 200	262 600
- children	12 600	12 500	25 100
<b>All beneficiaries</b>	<b>592 900</b>	<b>779 100</b>	<b>1 371 900</b>

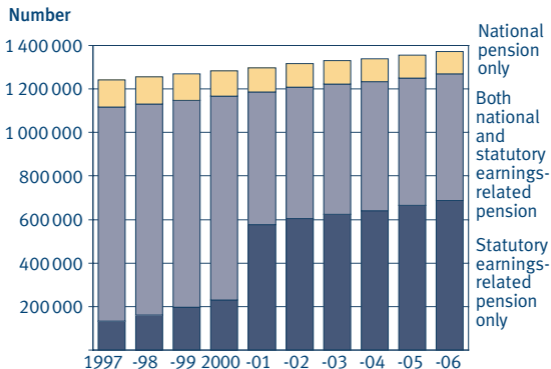
A person may simultaneously receive several different pension benefits.

## ■ ALL BENEFICIARIES BY PENSION SCHEME 31.12.2006

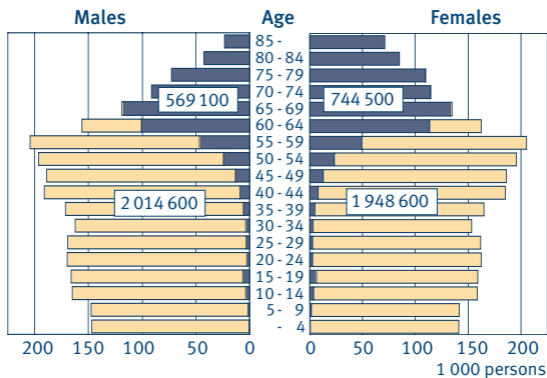
	Males	Females	All
<b>Statutory earnings-related pension</b>	<b>552 400</b>	<b>716 100</b>	<b>1 268 500</b>
- private sector	492 600	601 800	1 094 400
- public sector	200 100	351 500	551 600
- both sectors	140 300	237 300	377 600
<b>National pension (Kela)</b>	<b>237 300</b>	<b>447 800</b>	<b>685 000</b>
<b>All beneficiaries</b>	<b>592 900</b>	<b>779 100</b>	<b>1 371 900</b>
- earnings-related p. only	355 600	331 300	686 900
- national pension only	40 500	63 000	103 400
- both earnings-related and national pension	196 800	384 800	581 600

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

## ■ ALL PENSION RECIPIENTS BY PENSION COMPONENT



■ **AGE STRUCTURE OF THE WHOLE POPULATION <sup>1)</sup> AND PENSION BENEFICIARIES 31.12.2006**



■ Pensioners resident in Finland      ■ Rest of population

<sup>1)</sup> 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 <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
2006	0.4	1.7	3.6	8.4	19.2	57.9	28.5

<sup>1)</sup> 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**

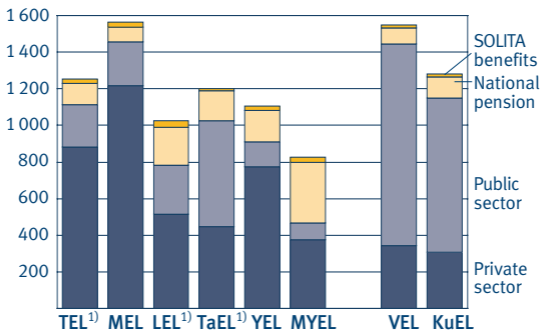
31.12.2006

	Males	Females	All
<b>Average pension €/month</b>	<b>1 361</b>	<b>1 063</b>	<b>1 194</b>
- share of the earnings-related pension	1 186	841	992
- share of the nat.pension	145	205	179
- share of the SOLITA pen.	30	17	23
Number of pension beneficiaries	537 500	688 900	1 226 300

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 31.12.2006**

€/month



<sup>1)</sup> From 1 Jan. 2007 TyEL.

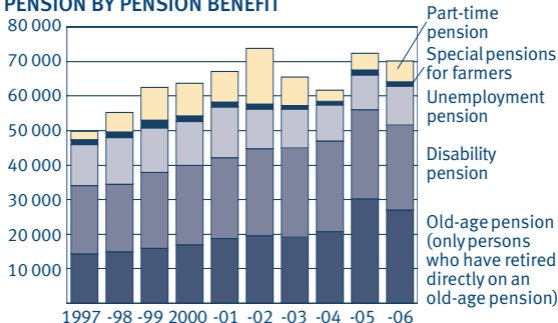
The graph does not include the recipients of a farmers' special pension or a part-time pension.

**■ PENSION BENEFICIARIES RESIDING ABROAD AND AVERAGE OVERALL PENSION 31.12.2006**

Country of residence	Old-age pension Number	Disability pension Number	Survivors' pension Number	All benef. Number	Overall pension €/month
Australia	827	54	126	933	239
Austria	91	19	11	119	498
Belgium	47	8	9	64	834
Canada	884	19	99	956	275
Chile	20	-	6	25	517
Czech Republic	21	-	4	25	319
Denmark	305	55	27	375	410
Estonia	199	63	59	312	794
France	273	27	27	326	1 400
Germany	1 361	149	141	1 622	240
Greece	21	11	6	36	745
Hungary	61	8	12	78	253
Israel	49	4	7	56	640
Italy	121	13	11	142	542
Morocco	26	11	5	35	2 736
Netherlands	114	12	18	141	503
Norway	308	172	48	515	371
Poland	114	14	18	143	256
Portugal	77	10	12	92	2 017
Russia	57	-	30	86	476
Spain	1 812	694	283	2 597	1 819
Sweden	36 321	9 560	2 612	46 860	179
Switzerland	256	30	27	305	707
United Kingdom	405	31	48	478	405
United States	1 007	20	72	1 076	468
<b>All</b>	<b>45 452</b>	<b>11 107</b>	<b>3 913</b>	<b>58 378</b>	<b>297</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 HAVING RETIRED ON AN EARNINGS-RELATED PENSION BY PENSION BENEFIT IN 2006

Pension benefit	Males	Females	All	Average pension €/month	Mean age
<b>Old-age pension <sup>1)</sup></b>	<b>13 100</b>	<b>14 000</b>	<b>27 100</b>	<b>1 455</b>	<b>63.1</b>
- early old-age	900	1 000	1 900	1 391	..
<b>Disability pension</b>	<b>12 500</b>	<b>11 900</b>	<b>24 400</b>	<b>856</b>	<b>52.3</b>
- until further notice	7 100	6 300	13 400	852	55.8
- cash rehab. benef.	5 300	5 500	10 800	854	47.9
- indiv. early ret.pen.	100	100	200	1 417	61.7
<b>Unemployment pen.</b>	<b>5 400</b>	<b>5 900</b>	<b>11 300</b>	<b>1 090</b>	<b>60.4</b>
<b>Farmers' spec.pens.</b>	<b>700</b>	<b>600</b>	<b>1 200</b>	<b>627</b>	<b>..</b>
<b>All</b>	<b>31 500</b>	<b>32 300</b>	<b>63 700</b>	<b>1 147</b>	<b>58.4</b>
Mean age	58.3	58.6	58.4		
Median age	60.1	60.1	60.1		
Expectancy: 25-year	59.4	59.6	59.5		
50-year	61.5	61.5	61.5		

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

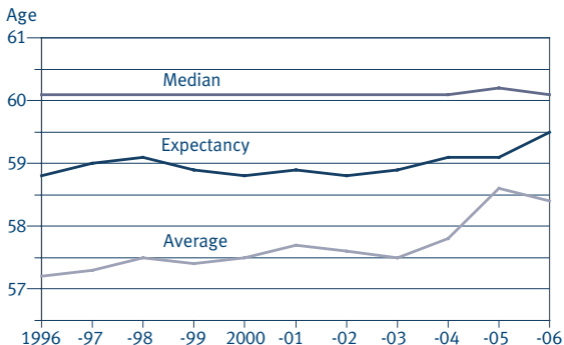


## ■ PERSONS HAVING RETIRED ON AN EARNINGS-RELATED PENSION BY AGE

Age	1996	2000	2005	2006	Average pension €/month
-34	1 000	1 200	1 300	1 300	570
35-39	900	1 200	1 200	1 200	636
40-44	1 700	1 800	1 900	1 800	671
45-49	3 300	3 200	3 000	2 900	804
50-54	4 500	6 200	5 900	5 400	843
55-59	10 000	8 700	11 100	10 200	1 005
60-62	17 200	19 700	18 800	21 100	1 216
63-64	3 800	5 200	16 900	13 300	1 549
65-	5 000	6 400	7 000	6 500	1 079
<b>All</b>	<b>47 600</b>	<b>53 700</b>	<b>67 100</b>	<b>63 700</b>	<b>1 147</b>

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

## ■ EFFECTIVE RETIREMENT AGE IN THE EARNINGS-RELATED PENSION SCHEME

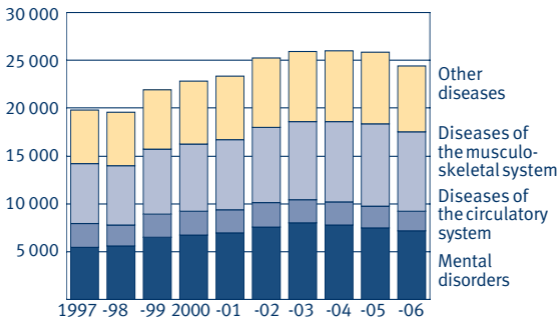


**■ RECIPIENTS OF A DISABILITY PENSION AS AN EARNINGS-RELATED PENSION 31.12.2006 AND PERSONS HAVING RETIRED ON A DISABILITY PENSION IN 2006**

Main disease category		Pensioners		Persons having retired	
		Number	%	Number	%
I	Infectious and parasitic diseases	900	0	100	0
II	Neoplasms	6 100	3	1 600	6
IV	Endocrine diseases etc.	4 200	2	400	2
V	Mental disorders	80 800	37	7 200	30
VI	Diseases of the nervous system	15 400	7	1 700	7
VII	Diseases of the eye	2 400	1	200	1
VIII	Diseases of the ear	1 100	0	100	1
IX	Diseases of the circulatory system	18 800	9	2 000	8
X	Diseases of the respiratory system	5 200	2	600	2
XI	Diseases of the digestive system	1 600	1	200	1
XII	Diseases of the skin	1 400	1	100	1
XIII	Diseases of the musculoskeletal system	63 000	29	8 300	34
XIV	Diseases of the genitourinary system	700	0	100	0
XVII	Congenital malformations	1 600	1	100	0
XIX	Injuries and poisoning	11 700	5	1 500	6
III, XV, XVI, XVIII		1 700	1	200	1
<b>All</b>		<b>216 600</b>	<b>100</b>	<b>24 400</b>	<b>100</b>

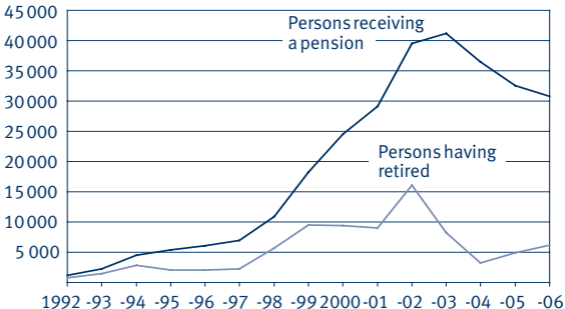
## ■ PERSONS HAVING RETIRED ON AN EARNINGS-RELATED DISABILITY PENSION BY MAIN DISEASE

Beneficiaries



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

Beneficiaries



<b>TyEL</b>	Employees Pensions Act
<b>MEL</b>	Seamen'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