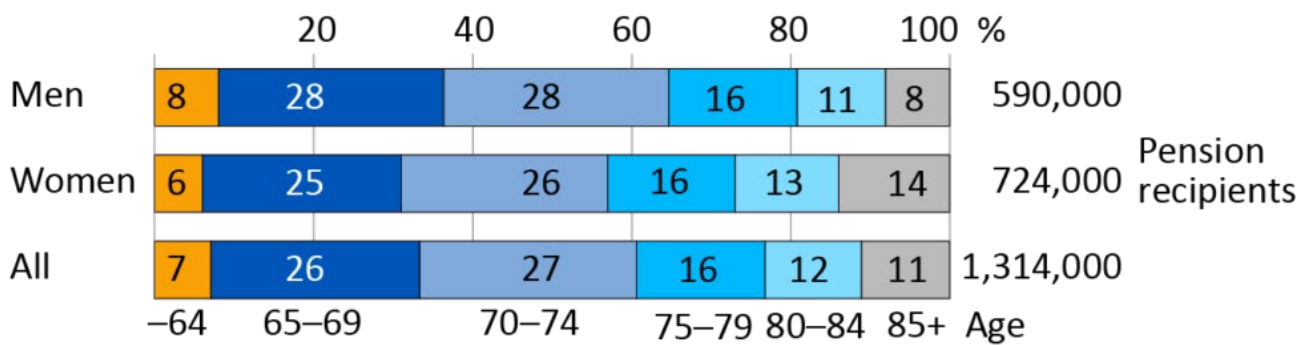# Earnings-related pension recipients in Finland 2019

Around 60 per cent of old-age pensioners aged under 75

The number of old-age pensioners under the earnings-related pension system at year-end 2019 stood at 1,314,000, of whom 590,000 were men and 724,000 women. These figures do not include recipients of a partial old-age pension.

The average age of old-age pensioners was 74.5 years, for men 73.6 years and for women 75.2 years.

Old-age pension recipients under the earnings-related pension system by age and gender at 31.12.2019

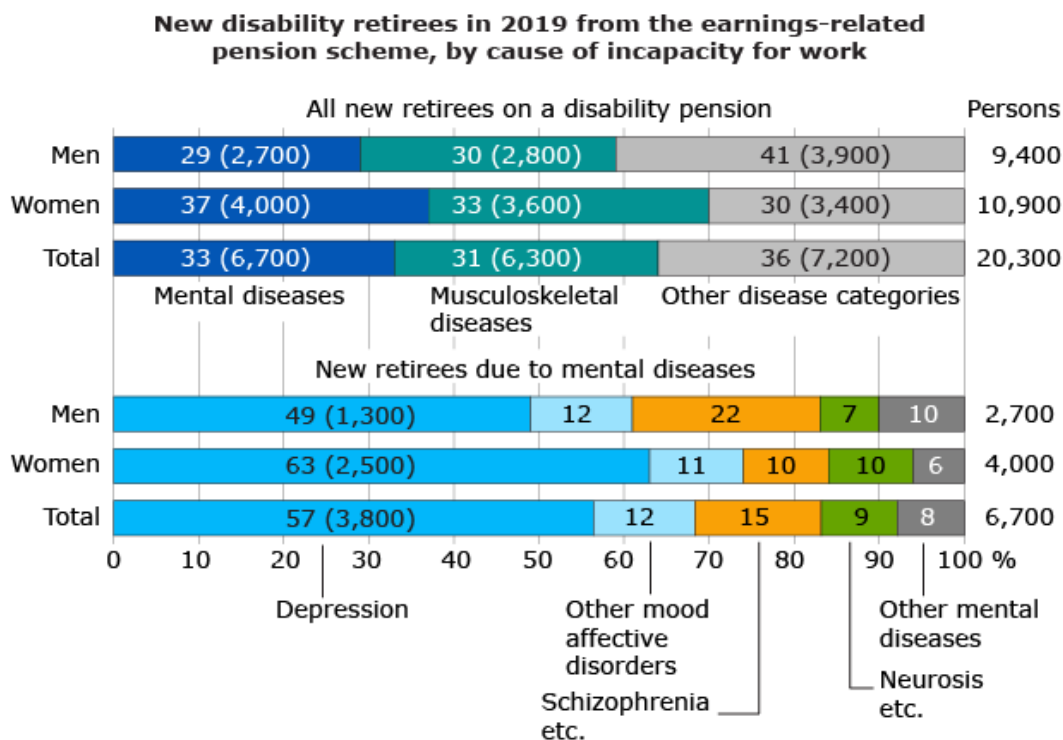|	−64	65–69	70–74	75–79	80–84	85+	Pension recipients
Men	8	28	28	16	11	8	590,000
Women	6	25	26	16	13	14	724,000
All	7	26	27	16	12	11	1,314,000

Graph does not include recipients of a partial old-age pension.

Source: Finnish Centre for Pensions

Seven per cent of all old-age pensioners were aged under 65. Around 60 per cent were aged under 75. The majority of old-age pension recipients were thus relatively young. Among men the proportion of those under 75 was 64% and among women 57%.

Around one in ten (11%) old-age pensioners were over 85. This figure was higher for women (14%) than for men (8%).

Mental disorders the most common reason for retirement on a disability pension

New disability retirees in 2019 from the earnings-related pension scheme, by cause of incapacity for work

All new retirees on a disability pension / Persons

	Mental diseases	Musculoskeletal diseases	Other disease categories	Persons
Men	29 (2,700)	30 (2,800)	41 (3,900)	9,400
Women	37 (4,000)	33 (3,600)	30 (3,400)	10,900
Total	33 (6,700)	31 (6,300)	36 (7,200)	20,300

New retirees due to mental diseases

	Depression	Schizophrenia etc.	Other mood affective disorders	Neurosis etc.	Other mental diseases	
Men	49 (1,300)	12	22	7	10	2,700
Women	63 (2,500)	11	10	10	6	4,000
Total	57 (3,800)	12	15	9	8	6,700

Source: Finnish Centre for Pensions

In 2019, around 20,300 persons retired on an earnings-related disability pension, slightly more than in 2018 (19,900). Of the new retirees, 10,900 were women (54%) and 9,400 men (46%).

The most common reason for retirement on a disability pension was mental and behavioural disorders (33% or 6,700 persons). The second most common cause were musculoskeletal diseases (31% or 6,300 persons). All other main disease categories counted for less than 10 per cent each.

Statistics on new retirees on a disability pension from the earnings-related pension system has been collected since 1996. In 2019, for the first time, mental disorders were the main reason for retirement on a disability pension. In previous years, musculoskeletal diseases were the main cause for retirement on a disability pension.

Of those retiring on a disability pension due to mental disorders, nearly three fifths (57% or 3,800 persons) were diagnosed with depression. Depression was clearly more common among women (2,500) than men (1,300). Of all mental disorders leading to retirement on a disability pension, depression was the cause for retirement for 63 per cent of the women and 49 per cent of the men.

At year-end 2019, a total of 134,000 persons were drawing an earnings-related disability pension. This was nearly 5,000 less than in 2018. Although mental and behavioural disorders passed musculoskeletal diseases as the most common cause for disability among new retirees on a disability pension only last year, it has been the most common cause for disability for a long time when looking at all retirees on a disability pension. This is because those who retire because of mental disorders tend to be younger than average, which means that they spend more time in retirement. In 2019, a total of 58,000 persons (43%) were drawing a disability pension because of mental disorders and 33,000 persons (25%) because of musculoskeletal diseases.

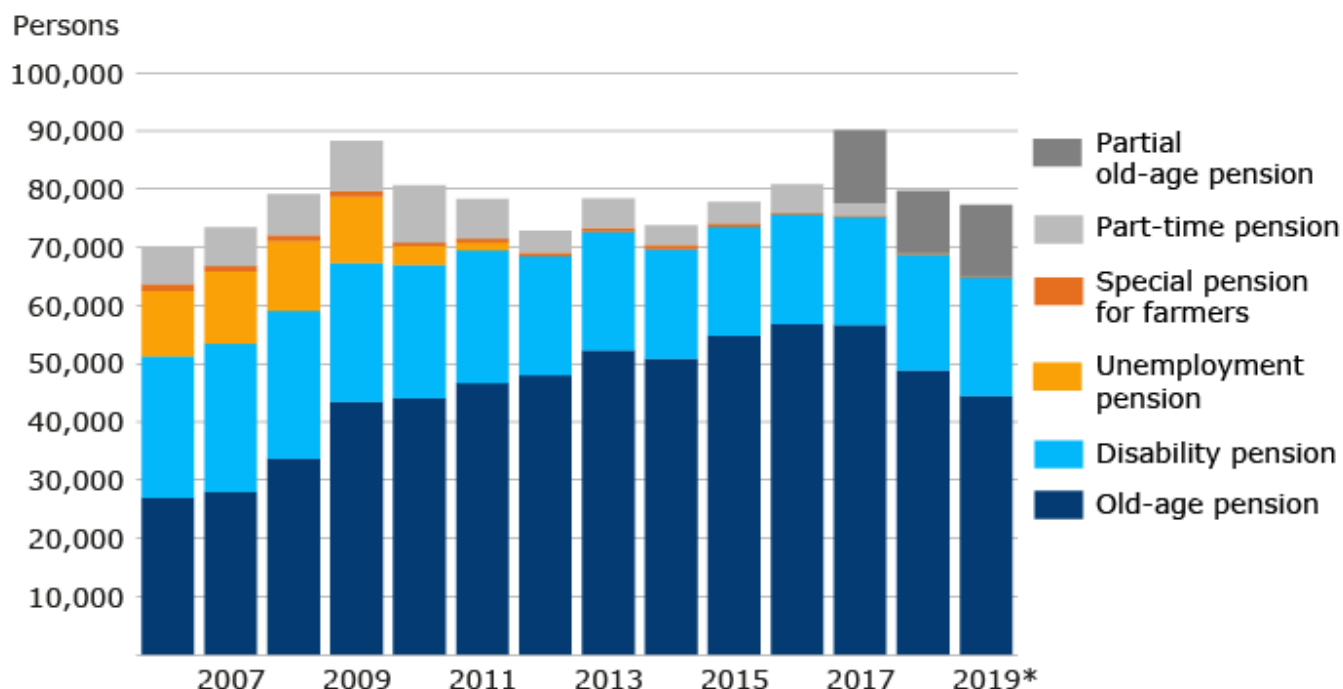# 65,000 new retirees on an earnings-related pension

In 2019, a total of 65,000 people retired on an earnings-related pension in Finland. Most of them (44,500) retired on an old-age pension. The number of new old-age pensioners decreased by 9% from the previous year.

20,300 people took up disability pension, which was 400 more than in 2018. 200 people retired on a special pension for farmers.

A total of 12,300 people selected a partial old-age pension. Those who have taken a partial old-age pension are not considered to have retired in the statistics of the Finnish Centre for Pensions.

The most common age to retire is 63 years. In 2019, a total of 22,300 people retired at the age of 63.

New retirees on earnings-related pension in 2006–2019, by pension benefit

Source: Finnish Centre for Pensions

Quality description: Pensioners in Finland 2019

The statistics Earnings-related pensioners in Finland is published by the Finnish Centre for Pensions.

The Act on the Finnish Centre for Pensions states that the responsibilities of the institution include, for example, the compiling of statistics in its field of operation. The production of the statistics at the Finnish Centre for Pensions is handled by the Planning Department.

The Earnings-related pensioners in Finland is financed by the Finnish Centre for Pensions.

Relevance of statistical information

Statutory pension security in Finland consists primarily of two pension schemes: the earnings-related pension scheme and the national pension scheme. The pensions of the former scheme are based on earnings, while the pensions of the latter scheme are residence-based. Earnings-related pensioners in Finland provides an overview of the pensions paid within the Finnish earnings-related pension scheme.

In the private sector, the earnings-related pension provision is administered by earnings-related pension insurance companies, industry-wide pension funds and company pension funds. The Finnish Centre for Pensions is the central body of the earnings-related pension scheme. One of its assignments is to collect the information required for the administration of earnings-related pension matters for the purpose of handling the tasks prescribed to it.

Earnings-related pensioners in Finland covers the whole statutory earnings-related pension provision, as well as voluntary registered supplementary pension provision financed by the employer. Voluntary non-registered supplementary pensions paid by the employer are not included in the figures of these statistics, nor voluntary pension provision paid by the individuals themselves. In addition, the statistics do not include pensions from the national pension scheme and pension from workers compensation, motor liability and military accident insurance, so-called SOLITA pensions.

The statistics contain figures on the number and median pensions of earnings-related pension recipients and new retirees on an earnings-related pension. The statistics also contain information on earnings-related pension expenditure and earnings-related pensions paid abroad.

The main classifier in the statistics is the division of the earnings-related pension scheme into the private and the public sector. In addition, the following classifications are used in the statistics: pension benefit, pension size, gender and age. Disability pensions are classified by disease category. The regional classification for the earnings-related pension expenditure is based on the Finnish regions (http://stat.fi/meta/luokitukset/maakunta/001-2015/index_en.html). Pension recipients abroad are classified by country of residence and country groups.

The concepts and definitions used in the statistics are presented on the website of the statistics.

Correctness and accuracy of data

The data of this statistical publication is based on data in the pension register (composite data). The register contains registered data from pension decisions. The data is used to form pension periods and pensions which are registered in the statistics register. This statistics register forms the basis for pension statistics.

The regional data presented in the statistics is based on Kela's population data. It is supplemented on the basis of the country of tax at source for pensions paid abroad, as reported by the pension providers.

Together with the earnings-related pension providers, the Register Services Department of the Finnish Centre for Pensions is responsible for the contents of the registers, the accessibility, scope, legality and accuracy of the data needed for the implementation of pension provision and the clarification of error conditions in the contents.

Arek Oy, a company jointly owned by the pension providers and the Finnish Centre for Pensions, is responsible for the information technology aspects of the registers.

Flaws detected in the statistics are immediately corrected on the website. In connection with the correction, information on the content and time of the correction is provided. If the error is substantial, a separate bulletin is issued.

Timeliness and promptness of published data

The more restricted statistics Earnings-related Pension Recipients in Finland is released once a month. The more comprehensive statistics Pensioners in Finland is released once a year during the first half of the year following the statistical year. The date of publication of the statistics is presented in the Release Calendar on the website of the Finnish Centre for Pensions at www.etk.fi/statistics, section 'Release Calendar'.

Coherence and comparability of data

This statistical publication has been produced since 1996. Its time series are mainly comparable from that date. As for the number of earnings-related pension recipients, the time series extends back to the year 1979.

From the beginning, the statistics has covered the numbers of earnings-related pension recipients and new retirees, the mean pensions, as well as the pension expenditure of the earnings-related pension scheme. Over the years, the data content of the statistics has been extended. Data on disability pension decisions in the earnings-related pension scheme was added in 2007.

In 2005—2013, the statistics was published under the name Pensioners and Insured in Finland. As of the statistical year 2014, the data is published in two different statistical publications: Earnings-related pensioners in Finland and Persons insured for an earnings-related pension in Finland.

In 1999, the concept of new retirees was changed. It no longer included persons retiring on a part-time pension. Persons receiving a part-time pension are included in the figures for new retirees when they start to receive some other pension that is based on their own working life, usually an old-age pension.

The partial old-age pension, introduced in 2017, is processed in the same way in the statistics as the part-time pension. That means that persons who have retired on a partial old-age pension in 2017 are not considered new retirees.

Changes in earnings-related pension legislation must be taken into account when interpreting the statistics.

The statistics use applicable general standard categorizations, e.g. by disease (ICD-10) and region (province, country or residence and country group).

In cooperation with Kela, the Finnish Centre for Pensions produces Statistics on Finnish Pensioners. It covers the pensions of both the earnings-related and the national pension schemes. The figures on recipients of an earnings-related pension, new retirees on an earnings-related pension and earnings-related pension expenditure in those statistics are consistent with the figures in these statistics.

Availability and clarity of data

The statistical data is released on the homepage of the statistics, in the statistical database of the Finnish Centre for Pensions and in publication Earnings-related pensioners in Finland.

A description of the statistics has been presented on the website of the Finnish Centre for Pensions, at www.etk.fi/statistics/earnings-related-pension-recipients/description.

The statistical service of the Finnish Centre for Pensions provides additional information about the statistics upon request per e-mail at tilastot(at)etk.fi.