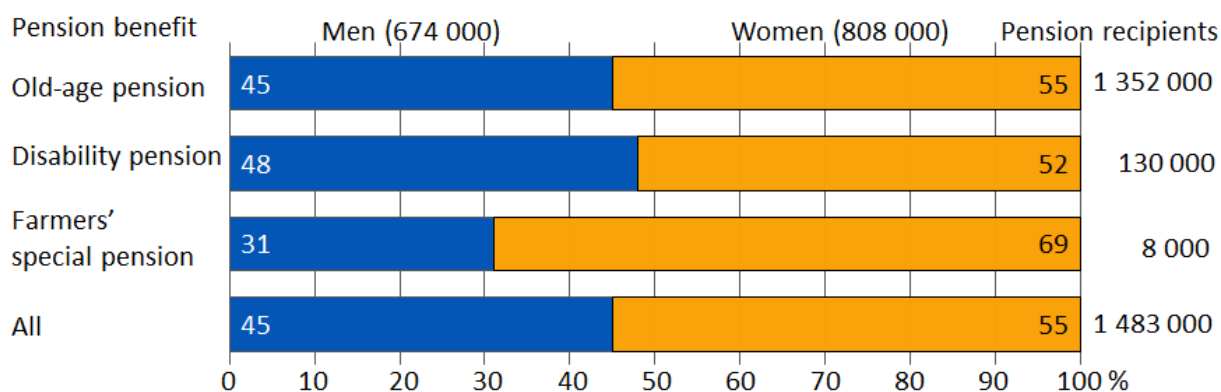


Earnings-related pension recipients in Finland 2020

Number of recipients of pensions in their own right rose compared to 2019

Recipients of an earnings-related pension in one's own right by pension benefit and gender at 31 Dec. 2020



Source: Finnish Centre for Pensions

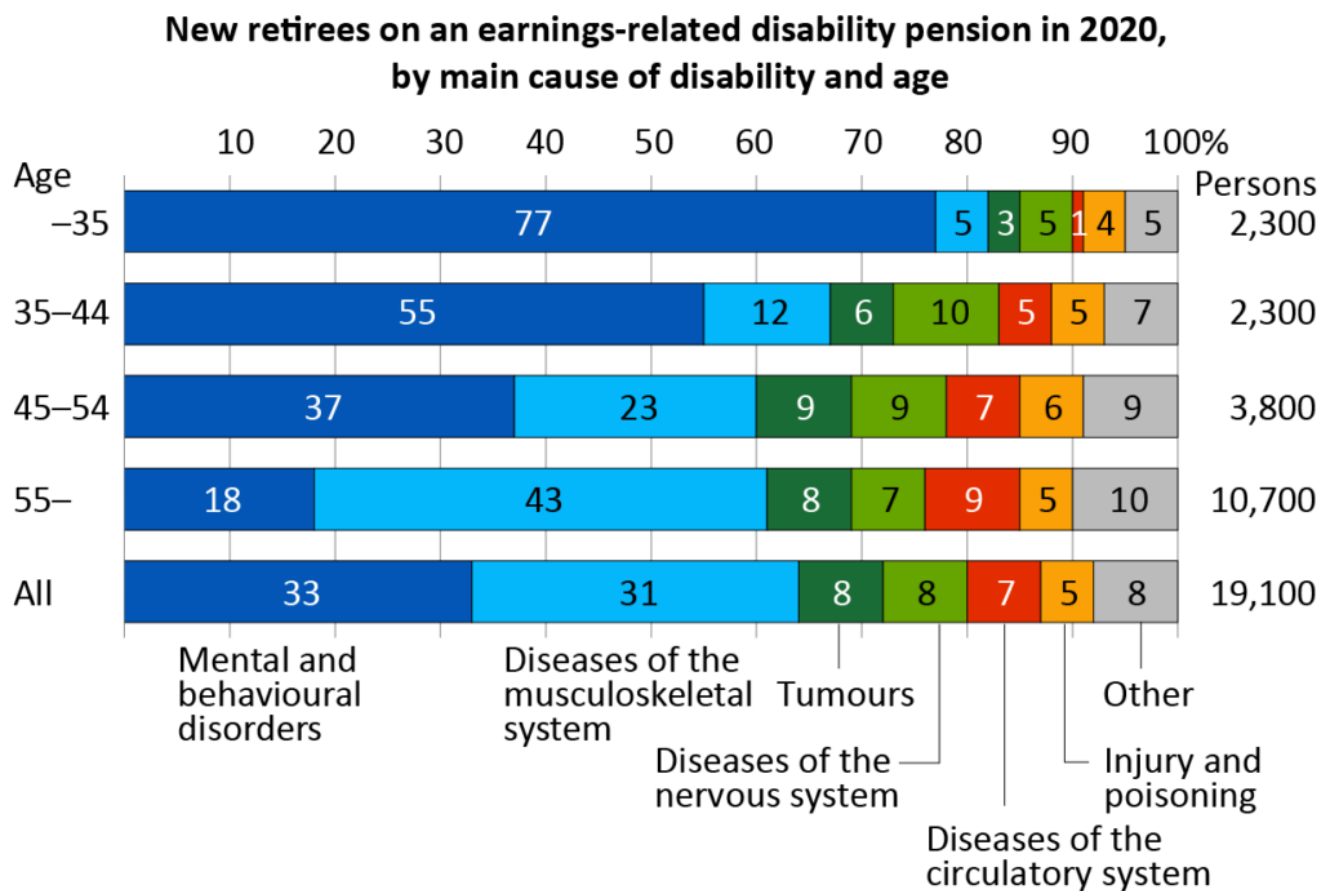
At year-end 2020, a total of 1,483,000 persons received an earnings-related pension in their own right. Of them, 808,000 (55%) were women and 674,000 (45%) men. Persons receiving pensions in their own right are persons receiving old-age, disability, unemployment, part-time pensions or special pensions for farmers.

The old-age pension was the most common pension benefit. A total of 91 per cent (or 1,352,000 persons) received an old-age pension. Of them, 741,000 were women and 611,000 men. Disability pensions were paid to 130,000 persons. A slight majority of them were women. Special pensions for farmers were paid to 8,000 persons, of whom nearly 70 per cent were women. Around 300 persons received a part-time pension.

In 2020, the total number of persons receiving a pension in their own right rose slightly compared to in 2019. When reviewed by pension benefit, the number of old-age pension recipients increased, but the number of other pension benefit decreased.

(Updated on 5 July 2021)

One in three new retirees on a disability pension retired due to mental and behavioural disorders



Source: Finnish Centre for Pensions

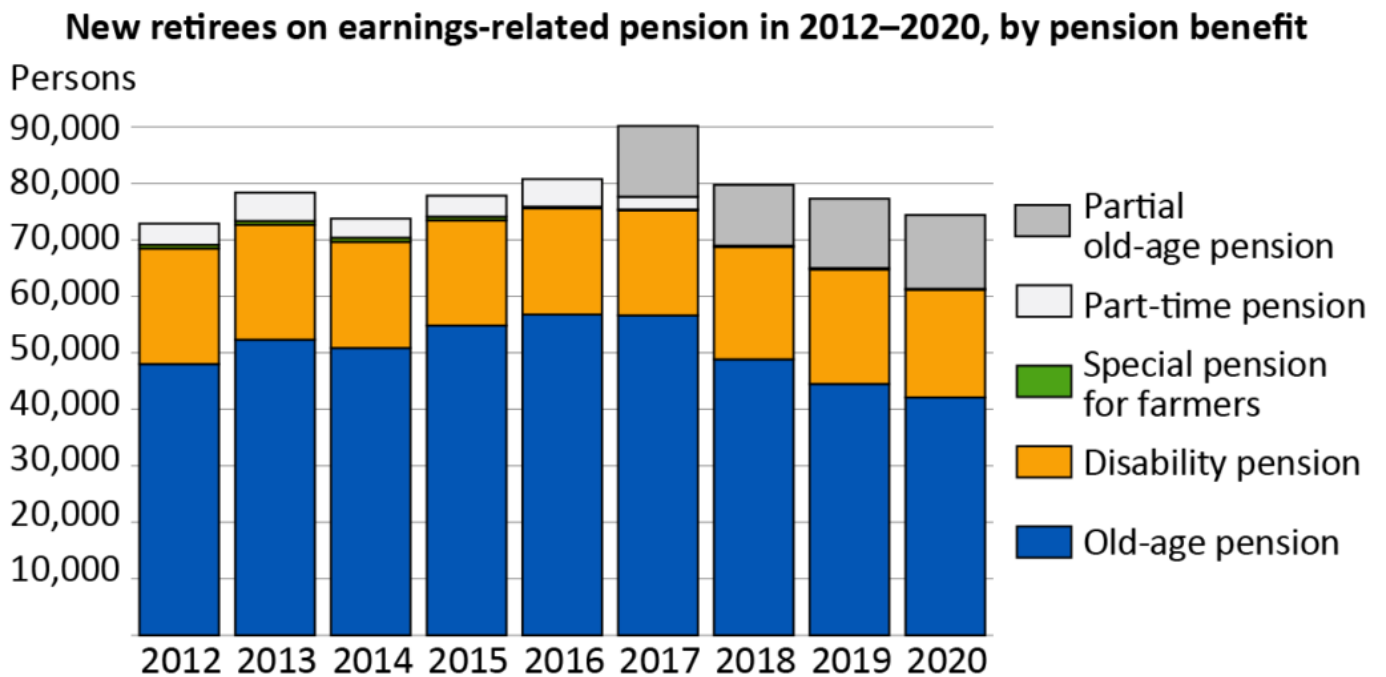
In 2020, 19,100 persons retired on a disability pension. This was 1,200 persons less than in 2019. As in 2019, the leading cause for retirement on a disability pension was mental and behavioural disorders. This was the diagnosis for one third of the new disability pension retirees. Musculoskeletal diseases was the second most common cause for retirement on a disability pension. The other main disease categories held much smaller shares.

The reasons underlying retirement on a disability pension varied clearly by age group. For those under 35, mental and behavioural disorders were the dominant cause (77%). For the 35-44-year-olds and the 45-54-year-olds, this was also the most common cause for disability. For those who had turned 55, on the other hand, musculoskeletal disorders was the main cause (43%) and mental and behavioural disorders the second most common cause (20%) for retirement on a disability pension.

In 2020, more than half (56%) of all new retirees on an earnings-related disability pension had turned 55 years. The share of 45-54-year-olds was around 20 per cent, and the share of 35-44-year-olds and those under 35 was an ample 10 per cent each.

(Updated on 22 April 2021)

61,000 new retirees on an earnings-related pension



Source: Finnish Centre for Pensions

In 2020, a total of 61,000 people retired on an earnings-related pension in Finland. Most of them (42,000) retired on an old-age pension. The number of new old-age pensioners continued to decrease, by 5% from the previous year.

19,100 people took up disability pension, which was 1,200 less than in 2019. Around 200 people retired on a special pension for farmers.

A total of 13,000 people took up a partial old-age pension. Those who have taken up 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 2020, a total of 21,000 people retired at the age of 63.

(Updated on 25 February 2021)

Quality description: Earnings-related pension recipients in Finland 2020

The statistics Earnings-related pension recipients 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 statistics Earnings-related pension recipients 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 pension recipients in Finland provides an overview of pensions paid within the Finnish earnings-related pension scheme.

In the private sector, earnings-related pensions are administered by earnings-related pension insurance companies, industry-wide pension funds and company pension funds. Keva administers most of the public sector pensions. The Finnish Centre for Pensions is the central body of the earnings-related pension scheme. It collects information required for the administration of earnings-related pensions for the purpose of handling the tasks prescribed to it by law.

Earnings-related pension recipients in Finland covers all statutory earnings-related pensions, as well as voluntary registered supplementary pensions financed by the employer. Voluntary non-registered supplementary pensions paid by the employer are not included in the figures of these statistics, nor voluntary pensions paid by the individuals themselves. In addition, the statistics do not include pensions from the national pension scheme and pensions paid based on the following acts:

- Occupational Accidents, Injuries and Diseases Act,
- Motor Liability Insurance Act,
- Act on Compensation for Military Accidents and Service-Related Illnesses,
- Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties, and
- Military Injuries Act.

The statistics contain figures on the number and average 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

(ICD-10). The regional classification for the earnings-related pension expenditure is based on the regions of Finland. 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.

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, as well as for 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.

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

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

A restricted version of the statistics Earnings-related pension recipients in Finland is released once a month. A more comprehensive Statistics on 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.

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 1981.

From the beginning, the statistics has covered the numbers of earnings-related pension recipients and new retirees, mean pensions, as well as the pension expenditure of earnings-related pensions. Over the years, the data content of the statistics has been extended.

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

In 1999, the concept of new retirees was changed. It no longer includes persons retiring on a part-time pension. They 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 retired on a partial old-age pension in 2020 are not considered new retirees.

As of the statistical year 2020, survivors' pensions (the surviving spouse's pension and orphan's pension) that amount to 0 euro are no longer included in figures of the annual statistics. In the monthly statistics, the change is made as of the beginning of the statistical year 2021. This change affects the number of recipients of survivors' pensions and the average pension level.

The amount of the paid survivors' pensions is affected by the surviving spouse's own earnings-related pension (or calculated accrued pension) and benefits paid based on motor liability and accident insurance. Taking them into consideration may lead to a survivors' pension of 0 euro.

Changes in earnings-related pension legislation must be considered when interpreting the statistics.

The statistics use applicable general standard categorizations, for example, by disease (ICD-10) and territory (region, country of residence and country group).

In cooperation with Kela, the Finnish Centre for Pensions produces Statistics on Pensioners in Finland each year. 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 the publication Earnings-related pensioners in Finland.

A description of the statistics has been presented on the website of the statistics.

For more information on the statistics, contact the statistical service of the Finnish Centre for Pensions.