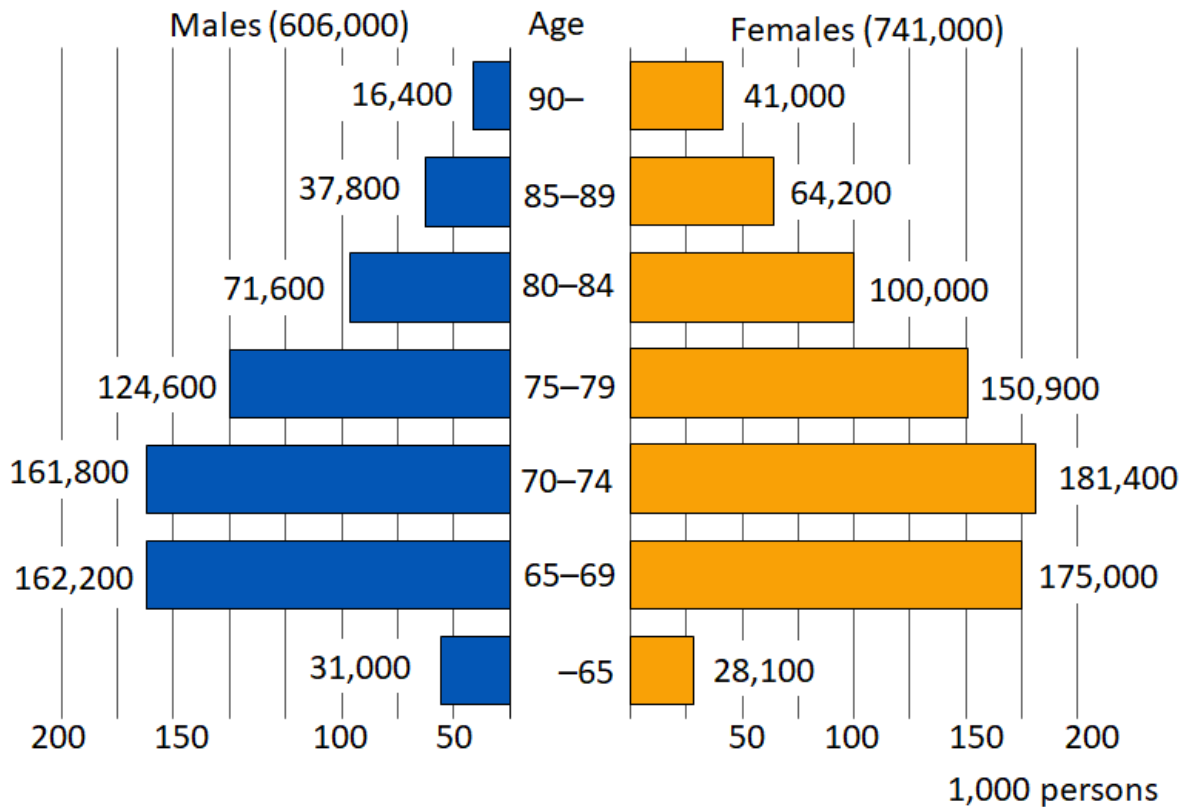


Earnings-related Pension Recipients in Finland

Just under one third of old-age pensioners under age 70

Recipients of the earnings-related old-age pension by age and gender at 31 Dec. 2022



Excludes recipients of a partial old-age pension.

Source: Finnish Centre for Pensions

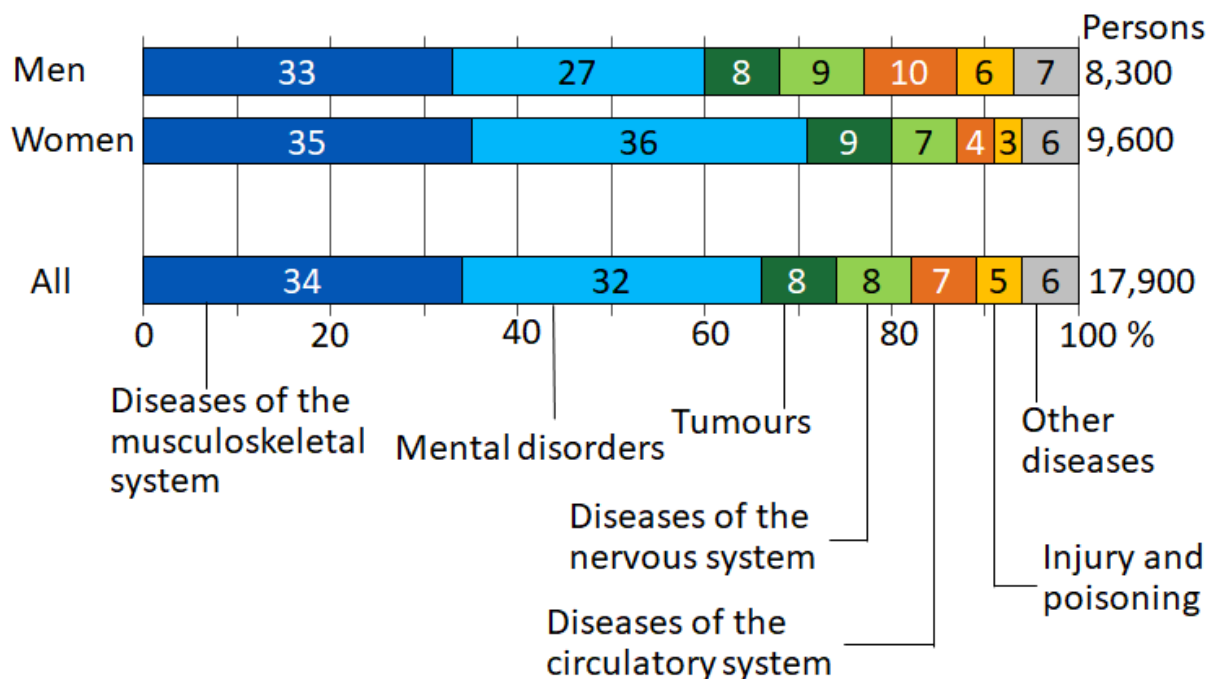
At year-end 2022, a total of 1,346,000 persons received an earnings-related pension in their own right. Of them, 55 per cent were women and 45 per cent men. There were just under 14,000 more old-age pensioners at year-end 2022 compared to year-end 2021. The figures do not include partial old-age pension recipients.

One quarter of old-age pensioners were 80 years or older. Among women, around 28 per cent had turned 80 while the same rate for men was 21 per cent. The shares of women (47%) and men (45%) among old-age pensioners aged 70-79 years were nearly equally large. The shares among the 65-69-year-olds was around 25 per cent for both women and men. The shares of under-65-year-olds was 4-5 per cent for both genders.

(Updated on 29 June 2023)

Musculoskeletal diseases the most common reason for retirement on a disability pension

New retirees on an earnings-related disability pension in 2022, by main disease category and gender



Source: Finnish Centre for Pensions

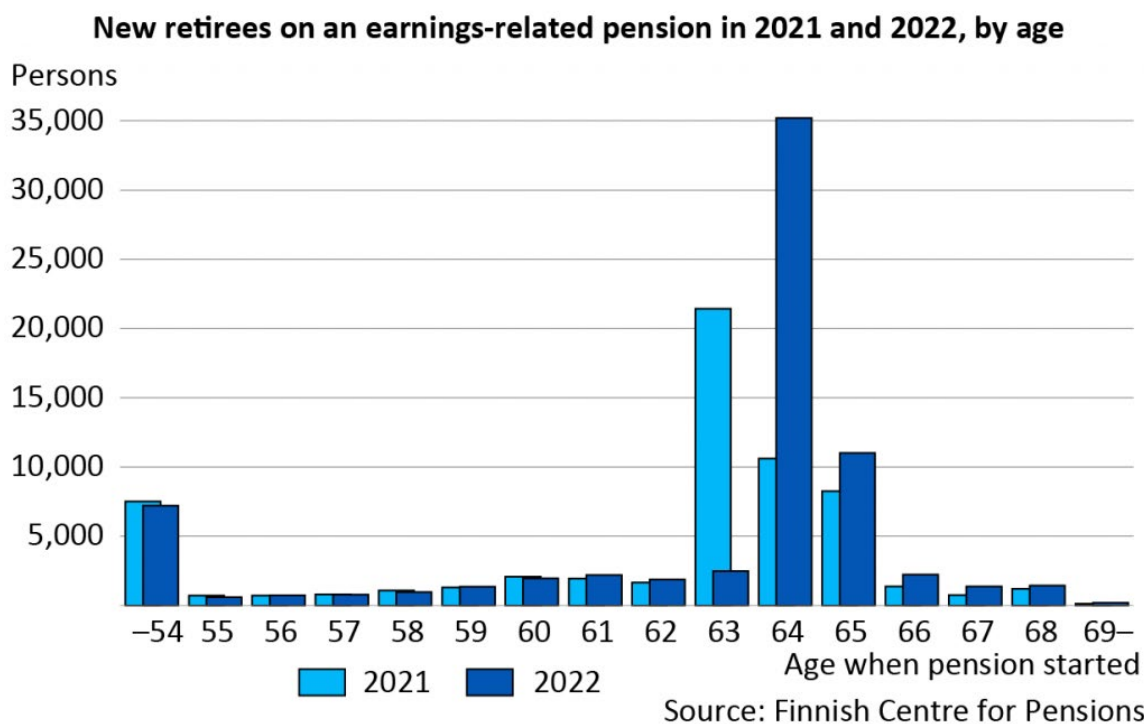
In 2022, a total of 17,900 persons retired on an earnings-related disability pension. The number of new pensioners increased slightly from 2021, when it was 17,500. The main causes of disability were musculoskeletal diseases (34%) as well as mental and behavioural disorders (32%).

Musculoskeletal diseases became the largest main disease category for disability in 2022. In the previous three years, mental and behavioural disorders ranked first. The change is particularly observable in the growth of the number of new disability pension recipients among the over-60-year-olds due to musculoskeletal diseases. In 2022, the number of new pensioners in this age group was one fifth higher than in 2021.

In 2022, around 54 per cent of the new disability pension recipients were women and 46 per cent men. Around one third of the men and women retired due to musculoskeletal diseases in 2022. As for mental and behavioural disorders, there was a clear gap between the sexes: 36 per cent of the women and 27 per cent of the men retired due to mental and behavioural disorders. Compared to 2021, the number of new disability pensioners in the main disease category of musculoskeletal diseases increased for both men and women. As for the disease category of mental and behavioural disorders, the volumes decreased for both sexes.

(Updated on 9 March 2023)

71,500 new retirees on an earnings-related pension in 2022



In 2022, around 71,500 persons retired on an earnings-related pension. This was an increase of 10,000 compared to in 2021. It was almost exclusively the number of new retirees on an old-age pension that increased. In 2022, a total of 54,000 insured persons retired on an old-age pension.

Around 17,900 persons retired on a disability pension. This was two per cent more than in 2021. The increase can be considered minor as, following the 2017 pension reform, disability pensions have been granted to persons who have turned 63 years. The number of new retirees on a disability pension has gone up each year.

Exceptionally many – 35,000 insured persons – took out a partial old-age pension. The number of new partial old-age pensions had already stabilized at around 13,000 new retirees per year, but the exceptional index development encouraged people to retire already in 2022. The earnings-related pension index that raises pensions increased exceptionally much compared to the wage coefficient which is used to increase earnings throughout working life to the level of the year in which the pension starts. Retirees on a partial old-age pension are not considered new retirees in the statistics of the Finnish Centre for Pensions.

The most common age at which people retired rose from 63 to 64 years in 2022. That year, more than 35,000 persons retired on an earnings-related pension at age 64, the eligibility age for the old-age pension. It was reached by those born in 1958. The retirement age has now risen by one year, from 63 to 64 years, following the 2017 pension reform.

(Updated on 14 Feb 2023)

Latest release:

- [Earnings-related pension recipients in Finland \(Julkari\)](#)

Description

Earnings-related pension recipients in Finland

Producer: Finnish Centre for Pensions

Website: [Earnings-related pension recipients](#)

Subject area: Social security

Part of the Official Statistics of Finland (OSF): Yes

Description

The statistics offers a general overview of all earnings-related pension recipients in Finland.

Data content

The statistics includes central data on all earnings-related pension recipients, new retirees on an earnings-related pension and the earnings-related pension expenditure in Finland.

Categorizations

private and public sector, pension benefit, gender and age, pension amount, disease classification ICD-10; regional classification: municipality, province, country of residence

Methods of data collection and source

The data on earnings-related pension recipients, new retirees and earnings-related pension expenditure are based on the pension register.

The regional data presented in the statistics are based on the population data of the Social Insurance Institution of Finland, supplemented with data on earnings-related pensions taxable at source and paid abroad, as reported by the pension providers.

Update frequency

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.

Time of completion or release

The monthly statistics is released by the middle of the following month and the annual statistics in the autumn of the year following the statistical year. For a more detailed schedule, consult the Release Calendar.

Time series

The statistics has been produced since 1996. In 2005-2013, the statistics was published under the name Pensioners and Insured in Finland.

The Quality Description of the statistics (section “Coherence and comparability of data”) includes more detailed information on the comparability of the time series.

Key words

Social insurance, pension, earnings-related pension, old-age pension, disability pension, disability pension, unemployment pension, farmers’ special pension, part-time pension, partial old-age pension, retirement

Concepts and definitions

Concepts and definitions

Age

In the tables on persons having retired on an earnings-related pension, the age used is the age at the start of the pension. In other tables it is the age at the end of the statistical year.

The average age is the arithmetic mean of the ages. For recipients of an earnings-related pension the age is calculated from the age at the end of the statistical year, and for persons who have retired on an earnings-related pension, from the age when the pension starts.

The median age is the age for the middle-most observation in the data.

Disability pension incidence rate

The share of new retirees on a disability pension in one year as per mille of the pension-insured population.

Age-standardisation and non-age standardisation is used when calculating the incidence rate. The standard population used in age standardisation is the number of insured persons in 2012 or the most recent statistical year. Standardisation is used to remove the effects of changes in the population’s age structure on the incidence rate.

The age used in the statistics is the person’s age at the end of the statistical year.

Disability pensions include ordinary disability pensions: years-of-service pensions as of the year 2018 and individual early pensions up to the year 2012.

Before 2018, disability pensions were granted only to person under age 63. That is why the incidence rates have been specified by age groups. In the long run, however, the most comparable age group is the 25–62-year-olds. Since the retirement age for the old-age pension continues to rise, disability pensions are granted to increasingly older persons. That is why the age classification used in the statistics must be amended in the future.

Domicile, country of residence, county

The domicile of a person is seen to be the domicile on the last day of the year. For pensions paid abroad, the country of residence is the country of residence on the last day of the statistical year.

Countries of residence are categorized according to the country categorization valid at the end of the statistical year. Counties are classified according to the regional classification in force at the end of the statistical year.

Earnings-related pension expenditure

Earnings-related pension expenditure includes all statutory pensions from the private and public sector paid during the statistical year, as well as voluntary, registered supplementary pensions paid by the employer, but not pensions paid by the municipalities according to the old local government regulations.

Main cause of incapacity

By main cause of incapacity to work is meant the main disease which is the basis of the pension. Although the reason for the disability may sometimes be a significant secondary disease in addition to the main disease, statistics are based solely on the classification of main diseases.

Since 1996, the diagnoses and the corresponding codes are based on the ICD 10 classification of diseases. Disability pensions granted before 1996 are based on the previous ICD 9 classification. The classification is primarily carried out according to the new classification of diseases. The codes according to the old classification have been as closely as possible placed in the correct category in the new classification (see Appendix 1).

New retiree on an earnings-related pension

New retirees receiving a pension based on their own work history are persons whose pension based on their own working career (old-age, disability or special farmer's pension) has begun during the statistical year. A further requirement is that the new retiree has not received any pension of the aforementioned types for at least two years.

A scheme-based review is always carried out for the scheme in question. If a person has retired from another sector already prior to the statistical year, and is retiring from another sector during the statistical year, he or she is only registered in the latter sector for the statistical year, no longer in the figure of all who have retired. In other words, a person is only entered in figures relating to the whole earnings-related pension scheme in the statistical year during which the first pension begins. The scheme-specific figures of the tables can thus not be added together.

Persons having retired on an old-age pension are persons whose old-age pension started in the statistical year and who have not received a pension of any type in their own right for at least two years. As regards disability pensions and special pensions for farmers, the precondition is that the persons have not received a pension of this type for two years. As regards the different types of disability pension, the precondition is that the persons have not received a disability pension of any type for two years.

Persons retiring on a part-time pension are not considered as all persons having retired on an earnings-related pension. Persons receiving a part-time pension are not included in the figures until the year when their pension is converted to some other pension based on their own work history, 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 are not considered new retirees.

Pension benefit

The pension benefits in the earnings-related pension scheme are old-age, disability, special farmer's, part-time, partial old-age and survivors' pensions. More detailed information about pension types relating to the statistical year (for example basis for granting and age limits) has been presented in the figures for each statistical year in chapter 1.3 Pension benefits.

Pension sector

The tables in the publication include statistical figures covering the whole earnings-related pension scheme as well as figures by pension sector for the private and the public sector. More detailed information about the sectors is presented in the figures for each statistical year in chapter 1.1. General.

Recipients of an earnings-related pension are always included in the sector from which he or she receives at least one pension under survey. If a person receives a pension from both sectors, he or she is included in the figures for both sectors, but only once in the figures for the whole earnings-related pension scheme.

Persons who have retired on an earnings-related pension are registered in the sector-specific numbers, if retirement from the sector in question occurs in the statistical year. A person is registered in the numbers for the whole earnings-related pension scheme only once, in the statistical year during which the first pension begins.

A person insured for earnings-related pension benefits is always included in the figures of the sector in which said person works (and/or receives a pension). If a person is working (and/or receiving a pension) from both sectors, he or she is registered in the figures of both sectors.

Recipient of an earnings-related pension

Persons receiving a pension based on their own work history are those receiving old-age, disability, unemployment, special farmer's, part-time or partial old-age pension during the last days of the statistical year. All recipients of earnings-related pension includes the aforementioned as well as recipients of survivors' pensions. The earnings-related pension may be paid simultaneously with several different pension acts and types of pensions.

Size of the earnings-related pension

All monetary amounts given in the statistics are gross monthly pensions. Pension integration may have the effect of reducing an earnings-related pension if a person receives a pension under acts covering specific risks (Motor Liability Insurance Act, Occupational Accidents, Injuries and Diseases Act, Act on Compensation for Military Accidents and Service-Related Illnesses, Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties, Military Injuries Act). The reduction is made to the accrued earnings-related pension. These benefits may be so high that only a small amount or no earnings-related pension is paid out.

The earnings-related pensions of pension recipients and persons who have retired on earnings-related pensions include the euro amounts from both sectors of all pensions based on their work history and which were in payment at the end of the statistical year: old-age, disability, unemployment and farmers' special pensions. The pensions include the euro amounts of both basic pensions and registered supplementary pensions. If the pensions of new retirees in the statistical year have ended before the end of the statistical year, the pensions include the amounts of all earnings-related pensions in payment when the pension ended.

Recipients of part-time pensions do not simultaneously receive other earnings-related pensions based on their work history. Therefore, the earnings-related pensions of those who receive and those who have retired on a part-time pension include the euro amounts of the part-time pension only.

In addition to the above, the total earnings-related pension includes any survivors' pension that the pension recipients may receive. The total earnings-related pension is not calculated for those who have retired on an earnings-related pension.

The average earnings-related and total earnings-related pensions are arithmetic means. Tables 5 and 16 also show the median pension. The median pension is the pension observed at the mid-point of the material, i.e. half of the pension recipients receive a pension that is lower than the median and half receive a pension that is higher.

Social security agreement

An agreement between two countries that regulates the social security of individuals who are mobile between these countries.

Finland has bilateral social security agreements with Australia, Canada, Chile, China, India, Israel, Québec, South Korea and the U.S.A.

Unpaid period

Period for which a person receives a social security benefit for which pension accrues. Unpaid periods are, for instance, periods of parental allowances, periods of sickness allowance and unemployment allowance.

Quality description: Earnings-related pension recipients in Finland 2022

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.