

Successful co-operation on official statistics: 30 years' experience in connecting administrative registers

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Introduction

In the late 1970s in Finland arose a public discussion on how many pensioners there are, and what their pension level is in general. On the individual basis pensions were often paid by several pension providers and each produced statistics only for their own needs. For this reason there were no statistics available concerning the amount of pension recipients and their overall pensions. This kind of information is both necessary for following the development of the pension system in time and for social security decision-making. Besides, lack of total statistics had turned out to be a concrete trouble in international co-operation.

The Pension system in Finland

In broad outline, the Finnish pension system consists mainly of two statutory pension schemes, the national pension scheme and the statutory earnings-related pension scheme. In addition the statutory pension provision includes pensions from military injuries insurance, motor liability and workers' compensation, i.e. so-called SOLITA pensions. The national pension scheme covers in principal all persons who are in permanent residence in Finland and the earnings-related pension scheme covers all employees and self-employed persons.

At the end of 2010, 94 per cent of all pension recipients received an earnings-related pension, and almost 50 per cent a pension under the national pension scheme. 41 per cent of all pension recipients drew a pension from both the national and the earnings-related pension schemes at the same time.

As mentioned, a person may receive pensions simultaneously from both different schemes and also pensions of different types. The changes to the acts on the earnings-related pension carried out in 2005 and the changes to the legislation on the national pension differentiated the earnings-related pensions and the national pensions even further. Due to different retirement ages and stipulations for the transition period,

situations where the person receives simultaneously pensions of different types from different pension schemes will become more common.

Defining the concepts

Over the past 30 years there has been a wide range of pension benefits coming into effect or expiring. In the beginning of statistics production (1978) there were roughly speaking five different types of pension benefits on own right (old-age, disability, unemployment, front-veterans and farmer's special pensions), and in addition survivor's pensions (spouse's and orphan's). At highest there were nine different pension benefits on own right between years 1987-1996 and since then the number of benefits is gradually approaching five again. In the national pension legislation and in the employment pension scheme there has been, and also still is, differences in age limits with certain pension benefits and qualifications for pension rights.

The age limits have changed almost continuously in the statutory earnings-related pension scheme. To mention one as most meaningful: Since 2005 in the statutory earnings-related pension scheme it is possible to retire on the old-age pension **flexibly** between the ages of 63 and 68. Moreover a person who has reached the age of 62 may retire on an **early** old-age pension, and vice versa, old-age retirement can also be **postponed** beyond the age of 68.

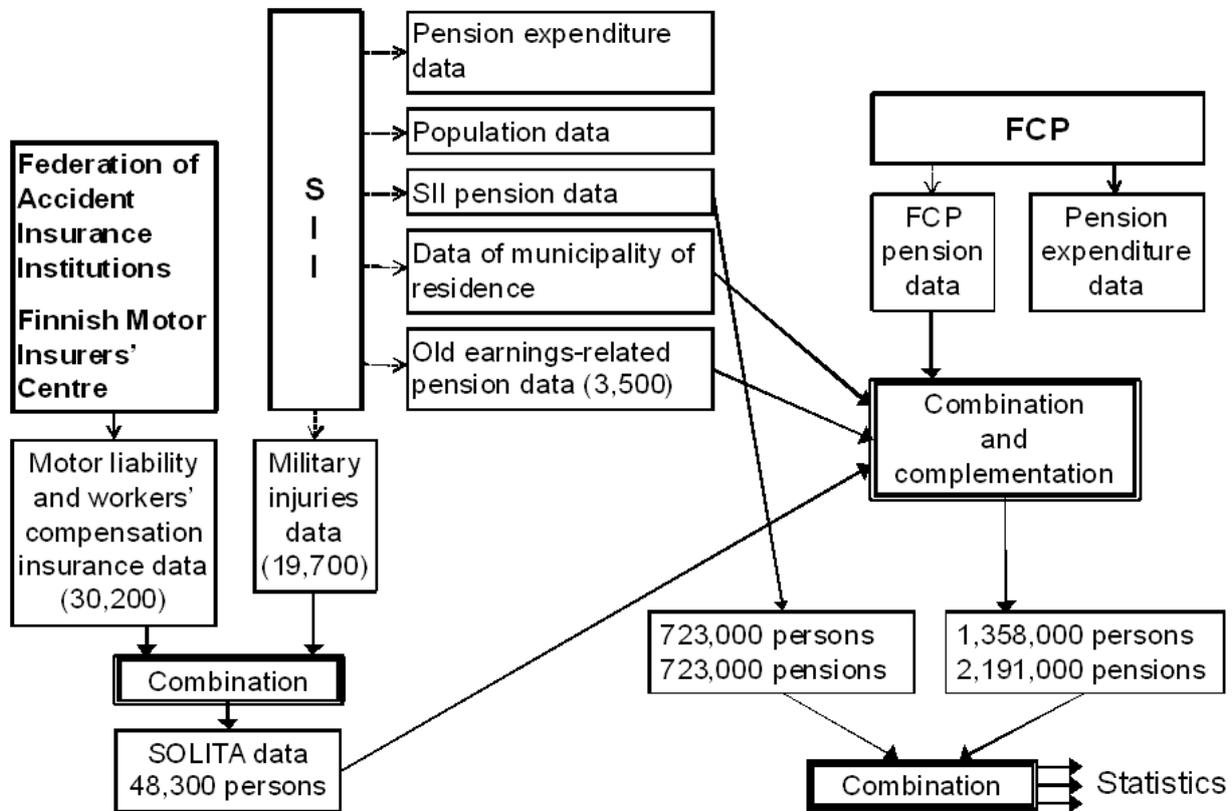
In the national pension scheme it is not possible to receive several pensions at the same time. The disability pension and the unemployment pension stop at the age of 65 when the entitlement to an old-age pension begins. However, a person who has reached the age of 62 may retire on an **early** old-age pension. A survivors' pension is not paid for the same period as the national pension. The size of the national pension is dependent on the pension recipient's own statutory earnings-related pension income and the continuous compensations that are comparable to this and their family status.

All of these and many others differences in pension benefits not mentioned give rise to prioritise statistical elements for different reasons. We must decide what the order of classification is when planning statistics tables. And last, but not least, the follow-up in the time series needs careful consideration when defining the components of new statistics after new legislation affecting pension laws.

Combining the data

The data of the statistics is based upon the pension registers of the Finnish Centre for Pensions (FCP) and the Social Insurance Institution (SII) as well as pension data under the Motor Liability Insurance Act and the Workers' Compensation Insurance Act forwarded by Federation for Accident Insurance Institutions and Finnish Motor Insurers' Centre. The data includes information on the numbers and average pensions of persons receiving a statutory earnings-related pension or a national pension, observed on the last day of the year, data on numbers for those having retired during the year as well as data on earnings-related and national pension expenditure.

Chart. Data collected in 2010



The pensions paid by the Social Insurance Institution include all benefits other than those payable as a sole front-veterans' supplement or child increase. The aforementioned monetary amounts are, however, included in the total pensions of those who receive an earnings-related pension. Besides the statutory pensions the statistics also include voluntary **registered** supplementary pension provision. So the earnings-related pensions include all other pensions except for **non-registered** supplementary pensions and voluntary pension provision paid by the individuals themselves.

This kind of statistical data (that includes both statutory-earned and registered supplementary pensions) is not available anywhere else. The statistics are almost exhaustive concerning the statutory pension provision, persons drawing only a SOLITA pension are not included in the statistical figures.

Forms of statistics

The Statistical Yearbook of Pensioners in Finland is published once a year and it comes out in the autumn of the year following the statistical year. It gives a comprehensive overall picture of the pensions paid by the Finnish earnings-related and national pension schemes. It includes three languages (Finnish, Swedish and English). It has been published since 1981 and in addition the municipal statistics since 1993.

Both statistical yearbooks are published in printed form as well as on the Internet on the web pages of the Finnish Centre for Pensions (www.etk.fi > In English > Publications > Statistics and statistical reports). They have also been a part of the Official Statistics of Finland since 2003. The statistics of the publications are produced from the data warehouse for joint statistics (pension recipients and pension expenditure) and from the statistical register for new pension recipients (new retirees).

Both organizations (FCP and SII) have nowadays their own statistical databases also on the Internet, where clients can easily create custom reports from the statistical data. Reports can be saved in many formats, e.g. Excel –files. Statistical databases can be found in the sections of statistics on both organizations' web pages.

REFERENCES

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