



# The ABCs of pensions for employees

## What are earnings-related pensions?

Pensions based on your earnings provide financial security when you grow old, if you become unemployed or if your spouse or parent dies.

These pensions are paid out by earnings-related pension providers. If your earnings-related pension is small, you may qualify for a national pension from Kela.

## How do I earn pension?

Your pension amount depends on how much you have earned from work and self-employment in your working life. From the age of 17, you earn 1.5% of your annual wages towards your pension.

You can also earn pension in some other situations: for example, if you are disabled, unemployed, studying for a degree, or on parental leave.

## How much do I get?

Your pension record lists all your employments, as well as any periods that you were self-employed or drawing a benefit for which you have earned pension. It also shows you how much pension you have earned up to date. Make sure you check your pension record regularly – for example, once a year. This is important because your future pension will be based on the information on your pension record.

You can check how much your future old-age pension will be using your pension provider's online service. You need individual identification tokens, for example your Finnish online banking codes, to log into the service.

You can also estimate your future pension by using the calculator on the Tyoelake.fi website. You don't need to log in to use the calculator.

If you have worked or lived in another country, you might qualify for a pension from that country.

## What is my retirement age?

The year you were born determines when you can retire. Your retirement age is the earliest possible age that you can retire on an old-age pension. When you reach the age when your pension insurance obligation ends, you no longer earn pension.

Your year of birth	Your retirement age	Age at which your insurance obligation ends
1957	63 yrs 9 mos	68 yrs
1958	64 yrs	69 yrs
1959	64 yrs 3 mos	69 yrs
1960	64 yrs 6 mos	69 yrs
1961	64 yrs 9 mos	69 yrs
1962–64	65 yrs	70 yrs
1965–	*)	70 yrs

\*) If you were born in 1965 or later, your retirement age is confirmed closer to your retirement age. It can only go up by a maximum of two months for each age group.

You can check your retirement age using one of the calculators at the Tyoelake.fi website.

## Earn more pension by working longer

The longer you work and the later you retire, the higher your pension will be. If you carry on working after you have reached your retirement age, your pension could go up considerably. If you retire late, your pension will grow in two ways. You will earn more pension for your work, and you will get an increment for late retirement. The increase is 0.4% for each month that you retire late.

*Example: If you were to retire when you reach your retirement age, your pension would be €1,800 per month. You decide to carry on working and retire two years after you reach your retirement age. You earn €3,000 a month. This means your pension will go up by €90. Your increment for late retirement is €181. When you retire, you will get a pension of around €2,071 per month.*

The earnings and pension shown here are gross amounts, meaning they are before tax. Your pension will also be reduced by the life expectancy coefficient.

## How do I claim my pension?

You can start drawing your pension at the earliest from the beginning of the month after you reach your retirement age. Use the same form to claim a pension from both the earnings-related pension system and Kela.

Make sure you claim your old-age pension about one month before you retire. Before you can get your old-age pension, you must resign from your job.

Go online to your pension provider's website and fill out your pension claim form. If your own pension provider doesn't have an online application service, you can claim your pension by filling out the paper form or by filling out and printing the online form.

If you live in Finland and want to claim a pension from abroad, or if you live abroad and want to claim a pension from Finland, go to the Tyoelake.fi website. There you will find instructions on how to claim the pension.

## Can I work when I have retired?

You can work while you draw an old-age pension. You can earn as much as you like. You get new pension for your work until the time when your insurance obligation ends. Remember to claim the pension you earn for your work in retirement when you reach the age when your insurance obligation ends, because it is not paid out automatically.

## How does the partial old-age pension work?

The partial old-age pension lets you draw part of your old-age pension early. If you start drawing a partial old-age pension before you reach your retirement age, your full old-age pension will be reduced permanently.

If you claim a partial old-age pension, you can choose to take out 25% or 50% of your accrued old-age pension. If you were born in 1964, you can start drawing part of your old-age pension when you turn 62. If you were born in 1965 or later, the qualifying age goes up gradually. If you get a partial old-age pension and also want to work, you can decide how much you want to work.

Use the partial old-age pension calculator on the Tyoelake.fi website to estimate how much your partial old-age pension would be and how it would affect your full old-age pension.

## Financial security in other life situations

If you become ill, disabled or injured and are unable to work, either partially or fully, contact your pension provider to find out if you qualify for vocational rehabilitation under the earnings-related pension system, or for a disability or years-of-service pension.

A survivors' pension provides financial security when a spouse or guardian passes away. Survivors' pensions include both the surviving spouse's pension and the orphan's pension.

Survivors' pensions are paid through various systems, such as the earnings-related pension system, the national pension system, and workers' compensation insurance.

### Tyoelake.fi

- This website offers basic information on pensions and how to claim them.
- Use the calculators to estimate your future pension amount.
- Log in to view your pension information: check your pension record, find your pension provider or claim a pension.

Tyoelake.fi



Finnish Centre for Pensions  
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