



Finnish pensioners' economic wellbeing

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- 2 How common is the risk for poverty in retirement?
- 3 Major challenges – what are they and who face them?



1

Economic wellbeing of pensioners in Finland – overview

Income, consumption, wealth, perceived economic welfare, relative position
and its development

On average, the economic wellbeing of Finnish pensioners is reasonably good. Yet 10-15% find it difficult to make ends meet.



Across a range of indicators, old-age pensioners in Finland are, on average, relatively well off. Their financial position has improved over recent decades.



Pensioners' economic wellbeing has improved, particularly since the early 2000s as cohorts that have benefited from the development of the earnings-related pension system and have full pension entitlements have retired on an old-age pension.



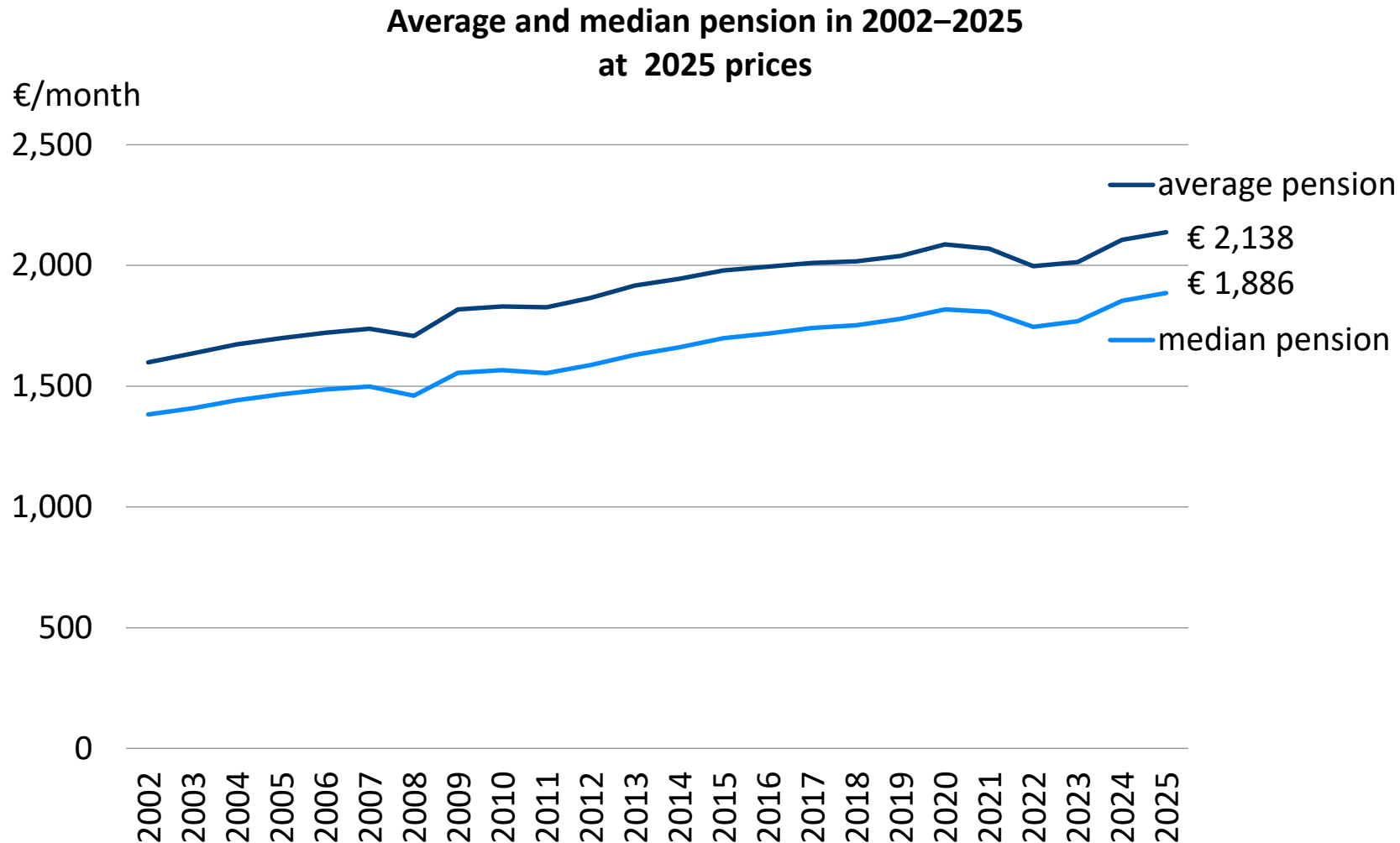
Across a range of indicators, an estimated 10–15% of pensioners struggle to make ends meet or are at a risk of doing so. Fewer than 5% experience severe financial hardship.



The same groups of pensioners tend to struggle financially: those in poor health, living in rented accommodation, living alone or on low incomes. These groups overlap to some extent.



Average pension increased in the early 2000s



Source: Finnish Centre for Pensions

The average pension increased in the early 2000s in particular.

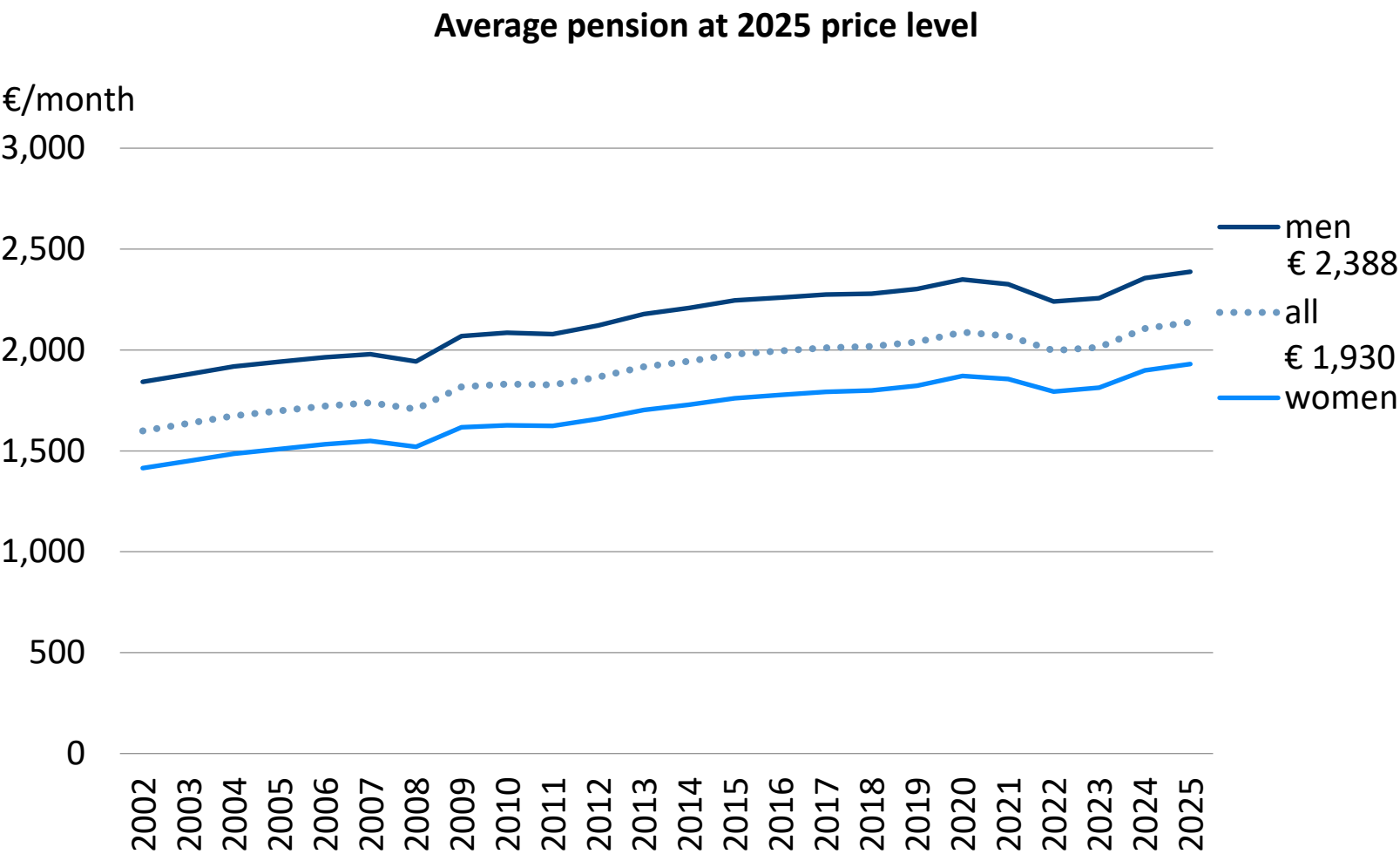
Since 2015, pension levels have remained fairly stable.

In 2025, the average pension was €2,138 per month and the median pension €1,886 per month.

(The decline in pension level between 2022 and 2023 was due to rising living costs).



Average pension higher for men than for women



Source: Finnish Centre for Pensions

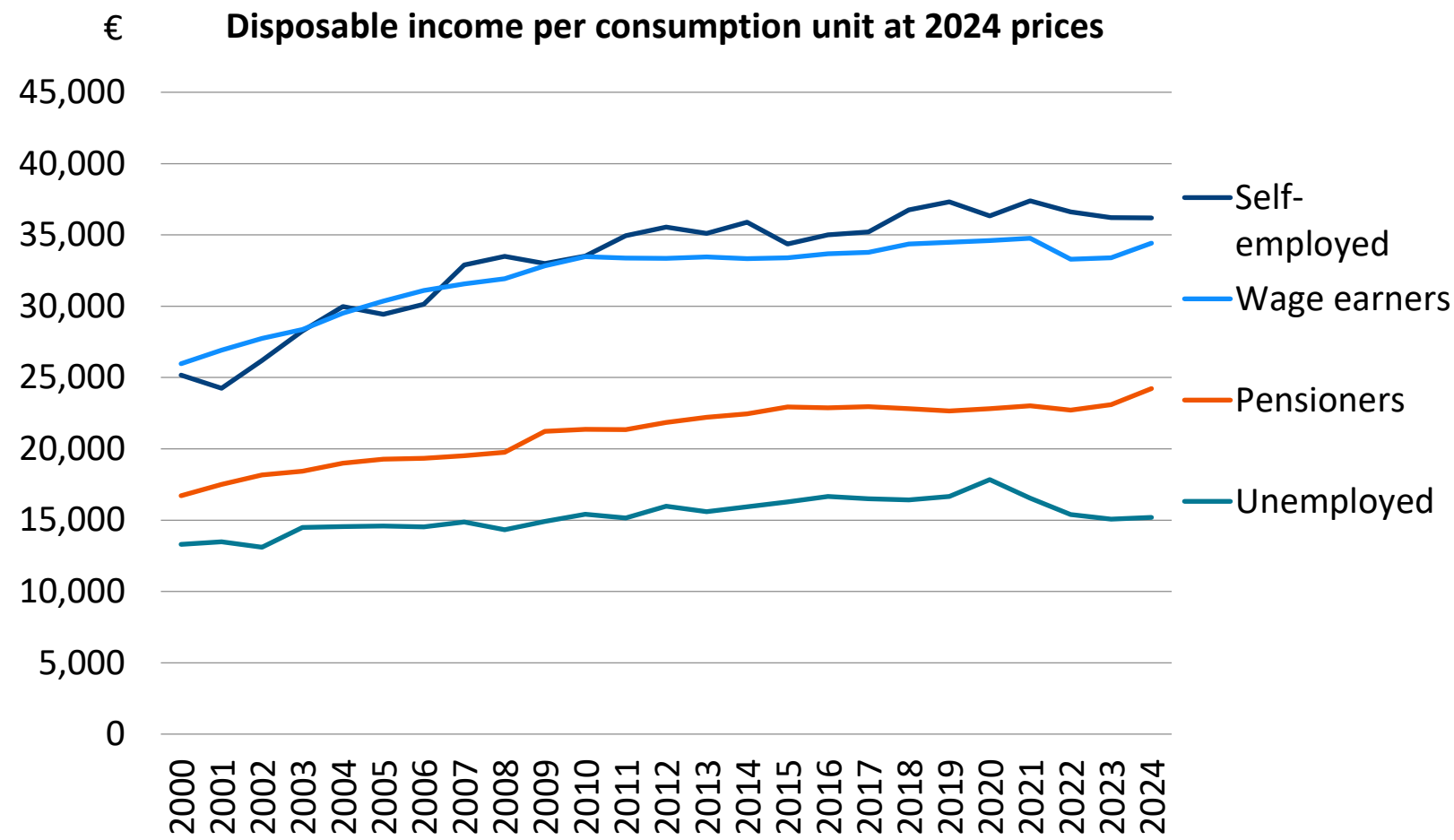
In 2025, the average monthly pension for men was €2,388 and for women €1,930.

Women’s average monthly pension was 81% of men’s average monthly pensions.

In the 2000s, the gap between men and women has narrowed by a few percentage points.



All income and other income recipients considered: Pensioners' income position compared to that of wage earners has remained stable



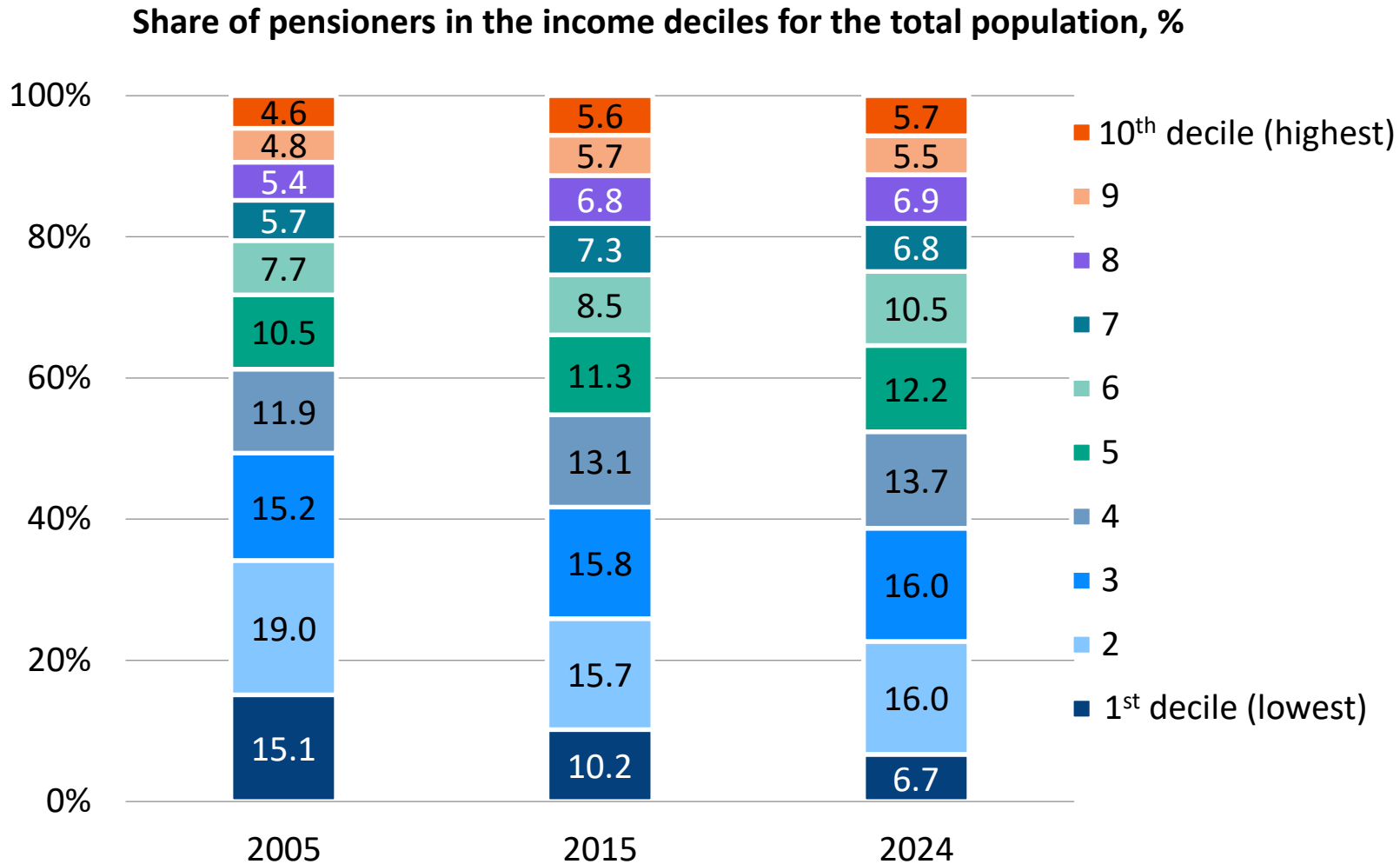
Source: Income distribution statistic, Statistics Finland

In 2024, pensioners' average disposable income was 70% of that of wage earners.

A pensioner's disposable income comprises their own pension, any other personal income, and the income of other household members. Tax is deducted from these amounts. Finally, the household's income is divided by the number of consumption units, allowing meaningful comparisons between households of different sizes.



Pensioners' relative position in the income distribution for the total population has improved



Source: Income distribution statistics, Statistics Finland

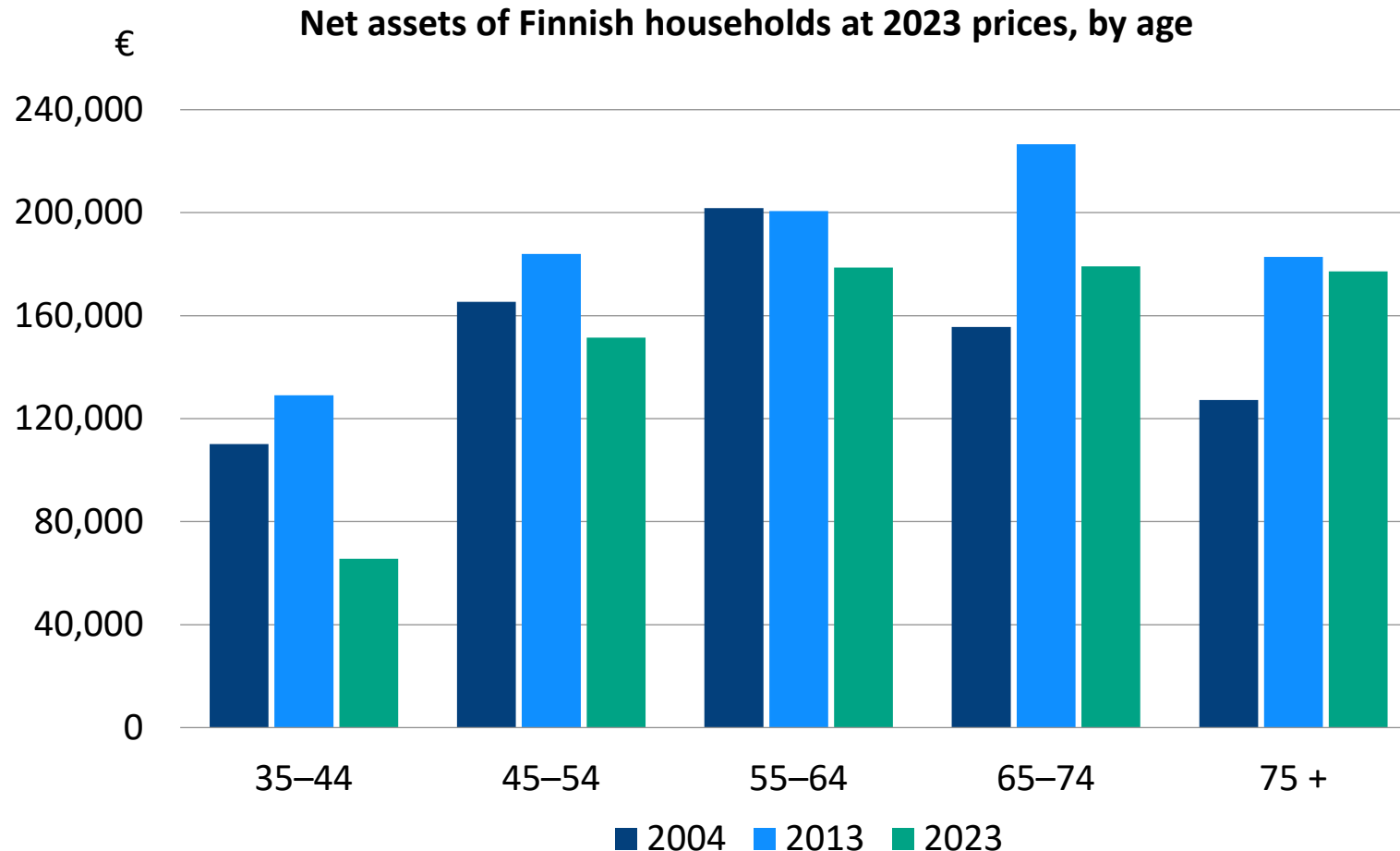
In 2024, nearly 70% of pensioners were in the second to sixth income deciles.

In each of the lowest and four highest deciles, the share was 6–7%.

Around one in twenty pensioners were in the highest income decile.



Assets: Pensioners' position in terms of wealth improved in the 2000s



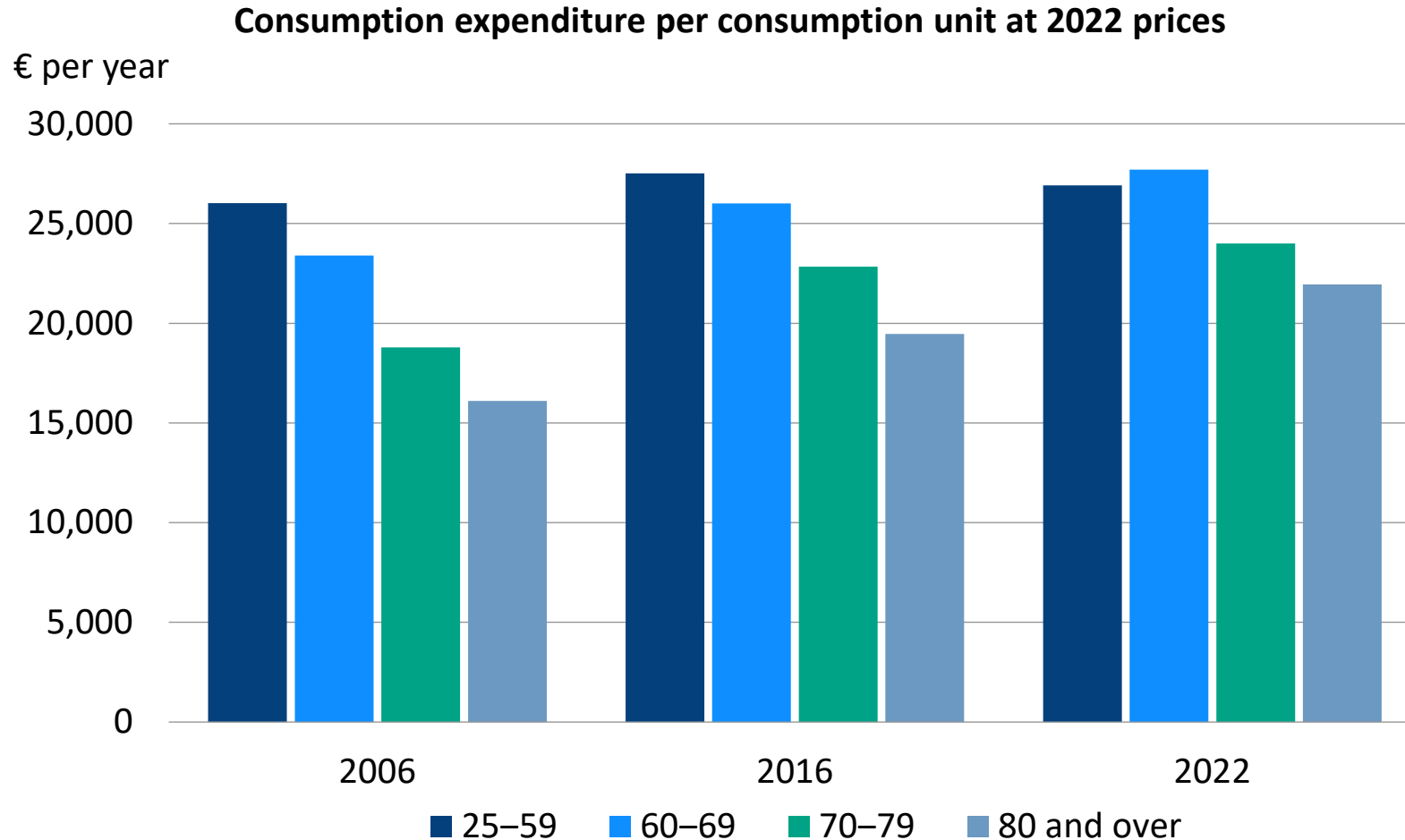
Source: Households' assets, Statistics Finland

The wealth of people of retirement age has risen as the baby-boom generations have retired.

Net household wealth in Finland is now highest among households aged over 54.



Consumption: Pensioner's position improved also when examined by consumption expenditure



Source: Ahonen and Tenhunen (2025) and Household Budget Survey, Statistics Finland

Differences in consumption expenditure between age groups have narrowed, and peak consumption has shifted to a later age.

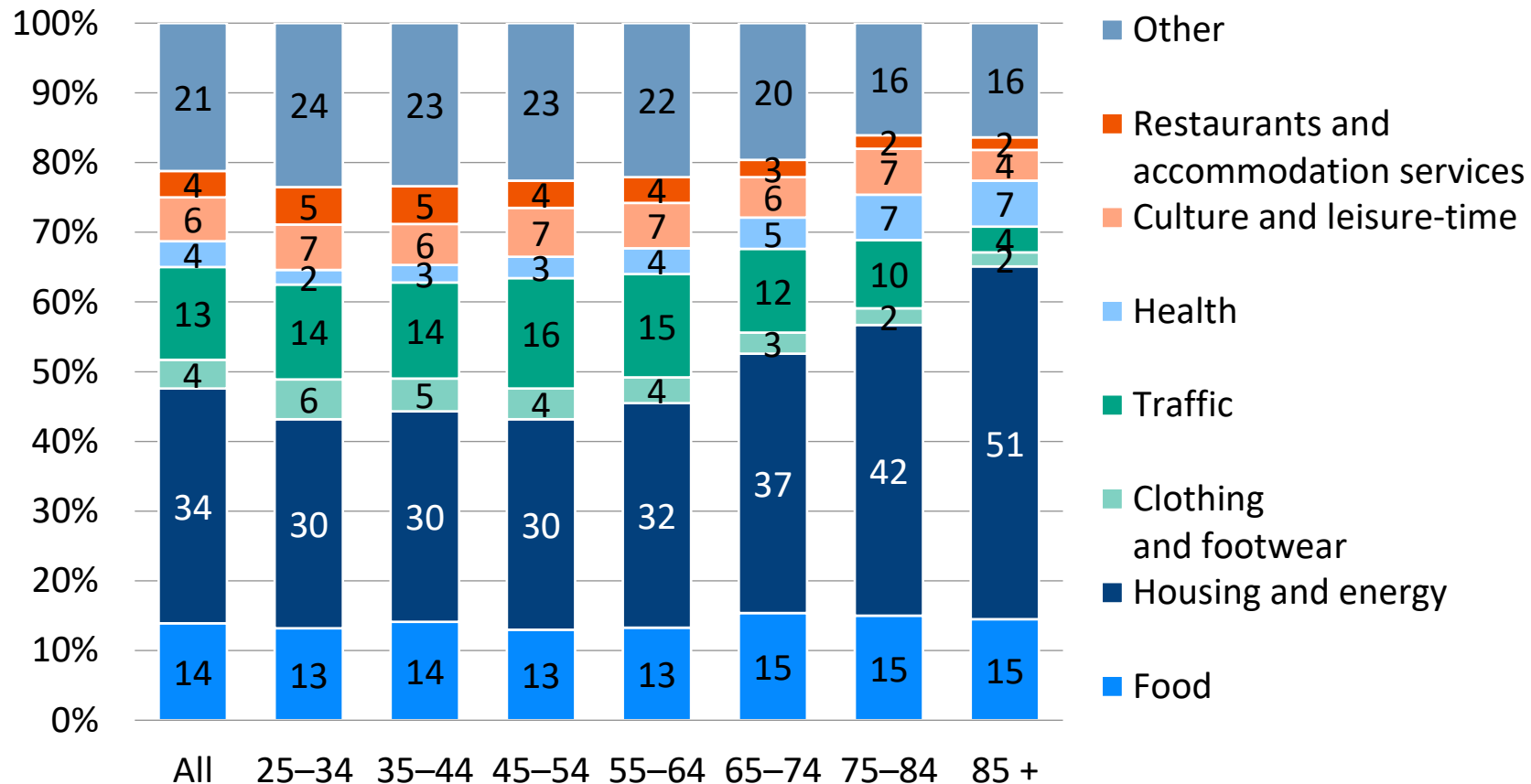
Total consumption expenditure increased in all age groups between 2006 and 2022.

The rise in consumption expenditure among people aged 70 and over is partly linked to an increase in the consumption rate (that is, the share of income spent on consumption).



Housing accounts for the largest share of household consumption expenditure, especially in retirement age

Structure of household consumption by household's age in 2022



Source: Households' consumption, Statistics Finland

As consumption expenditure has increased, the consumption patterns of people of retirement age have moved closer to those of working-age people.

Among people of retirement age, housing costs still account for a relatively large share of consumption expenditure, partly because living alone becomes more common with age.



Perceived wellbeing: On average, pensioners' financial satisfaction slightly higher than that of the rest of the population

Year	2013			2018			2022		
Grade	0–6	7–8	9–10	0–6	7–8	9–10	0–6	7–8	9–10
All	20	52	29	18	50	32	19	47	34
Self-employed persons	19	52	29	15	50	35	20	46	34
Employees	15	56	29	14	53	32	16	51	33
Students	28	43	30	24	43	33	25	41	34
Pensioners	18	51	32	15	50	36	15	46	40
Unemployed	48	39	13	52	33	15	46	37	17

Source: Ahonen (2025) and Households' consumption, Statistics Finland

Pensioners are slightly more satisfied with their financial situation than the population on average.

In 2022, 40% of pensioners rated their financial situation as very satisfactory.

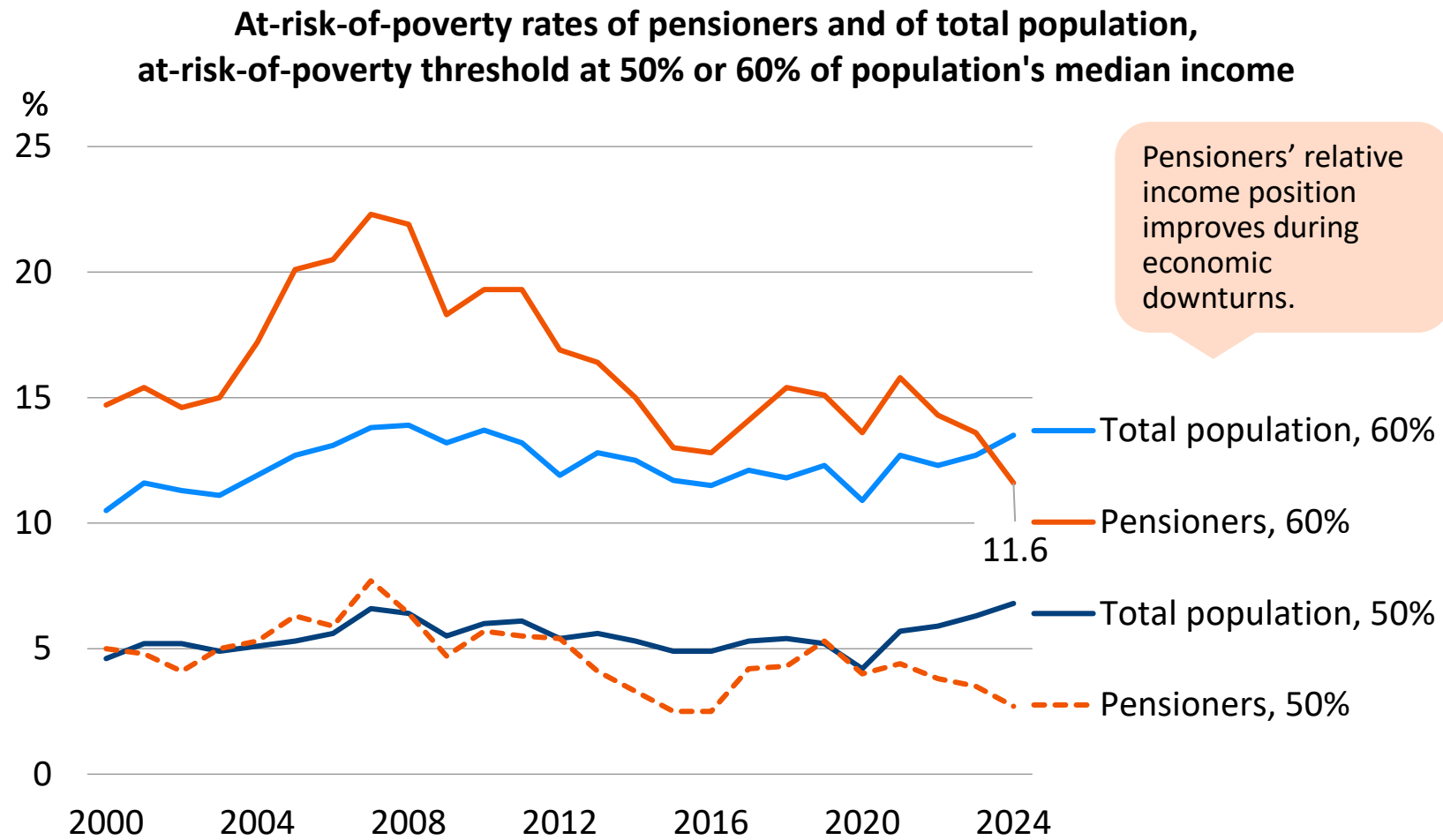
15% gave a score of 0–6.



2

How common is the risk for poverty in retirement?

At-risk-of-poverty rate of Finnish pensioners in 2024: 11.6%



Source: Statistics on living conditions, Statistics Finland

In 2024, 11.6% of pensioners (167,000 people) were at risk of poverty under the most commonly used measure.

2.7% of pensioners (38,000 people) had a disposable cash income below 50% of the median income for the population as a whole.

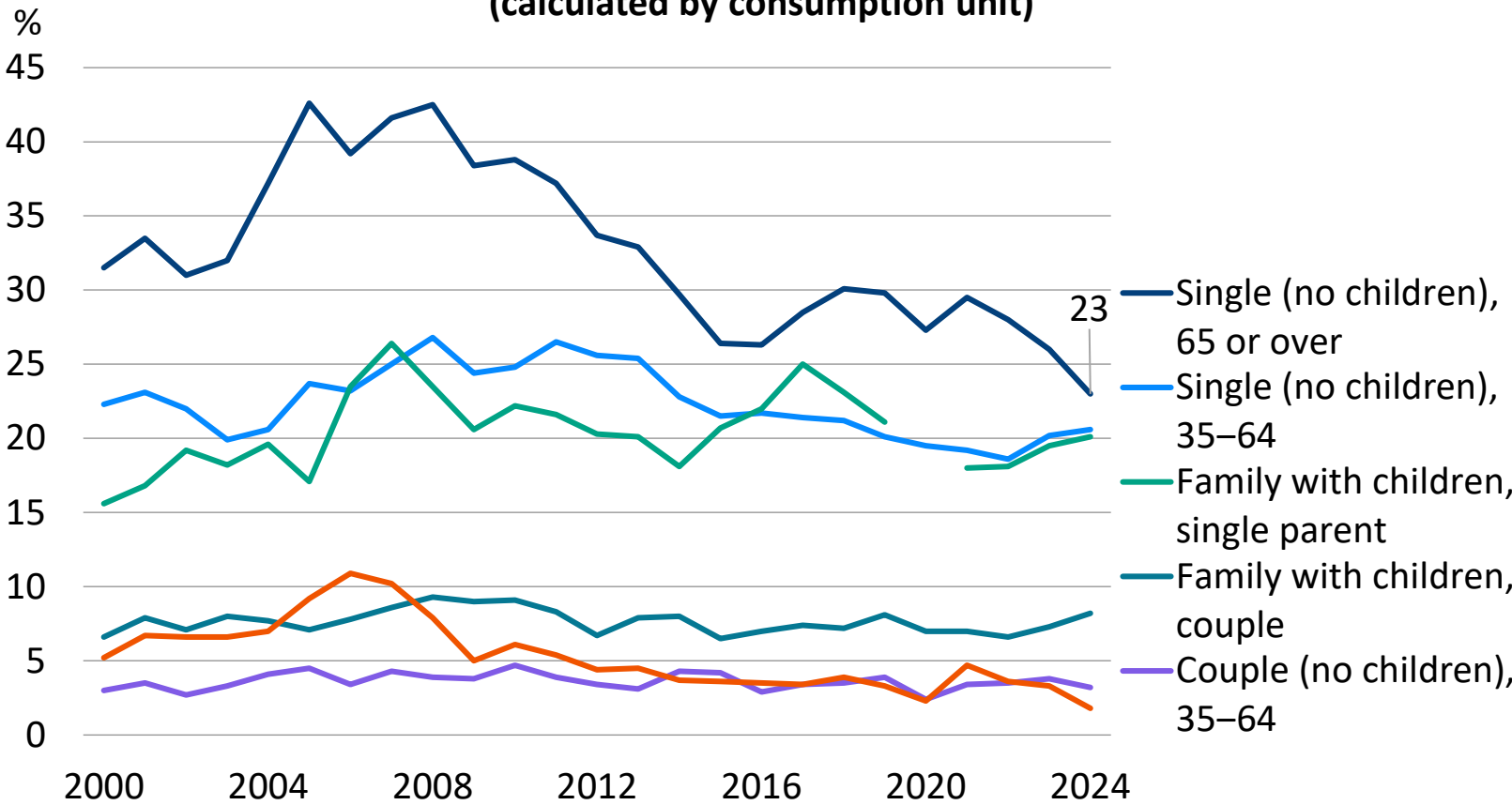
Pensioners' incomes are more often close to the 60% at-risk-of-poverty threshold than those of the rest of the population, making the at-risk-of-poverty rate sensitive to change.

A person is considered to be at risk of poverty if their household's disposable cash income is below 60% of the median equivalised income of the population.



At-risk-of-poverty rate for those aged 65 or over who live alone: 23%. Higher risk for those who live alone regardless of age

At-risk-of-poverty rate, at-risk-of-poverty threshold at 60% of population's median income (calculated by consumption unit)



Source: Statistics on living conditions, Statistics Finland

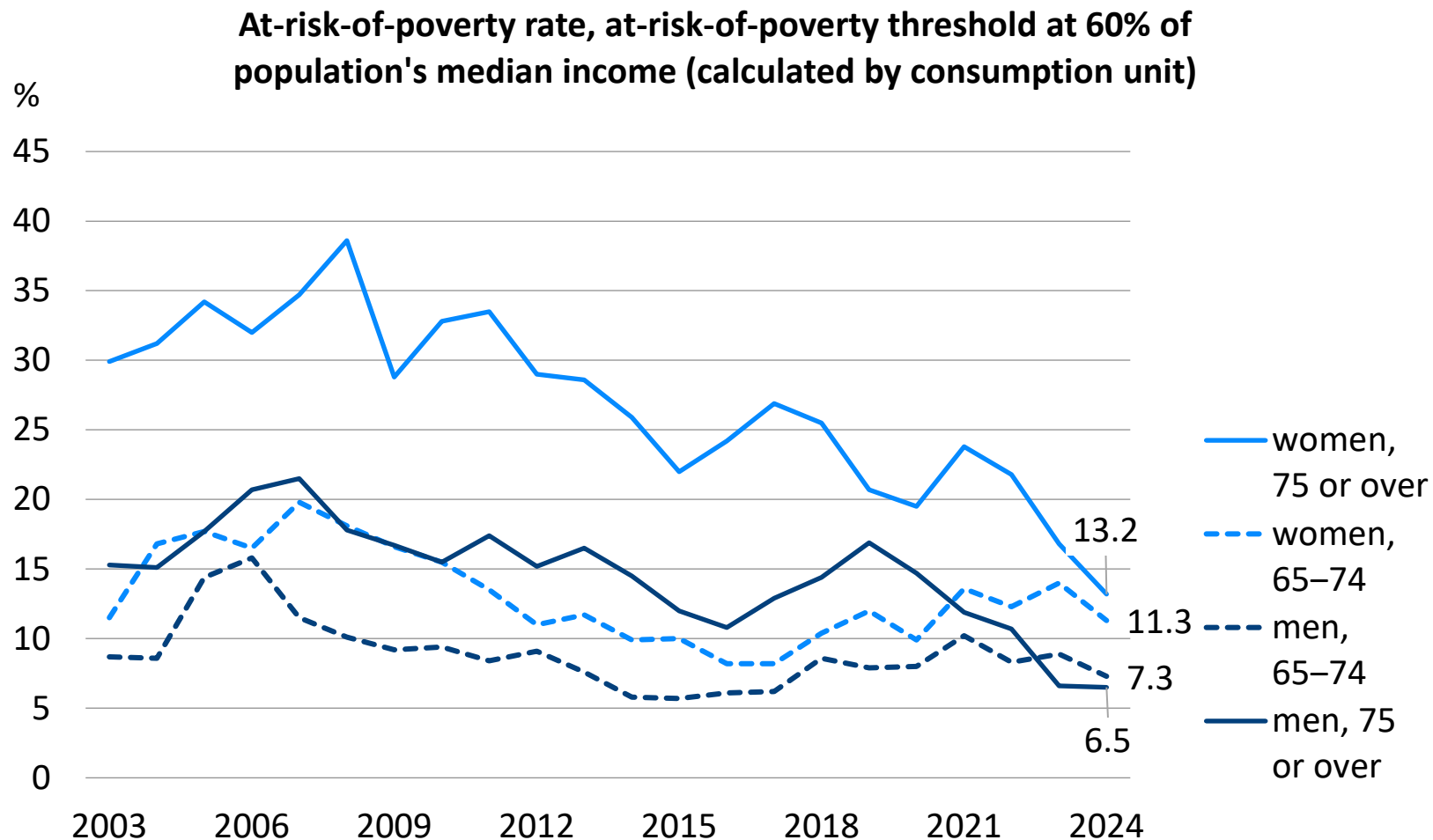
People living alone face a much higher risk of poverty than couples.

Compared with couples of the same age, people aged 65 or over who live alone have a fairly high risk of income poverty: 23%, compared with 2% among couples.

In 2024, the risk of income poverty among people aged 65 or over living alone was slightly higher than among people aged 35-64 living alone: 23% compared with 21%.



Gender gaps in at-risk-of-poverty narrowed, but the risk of poverty among women aged 75 or over remains high



Source: Eurostat

The at-risk-of-poverty rate among people aged 75 or over has fallen clearly in recent years.

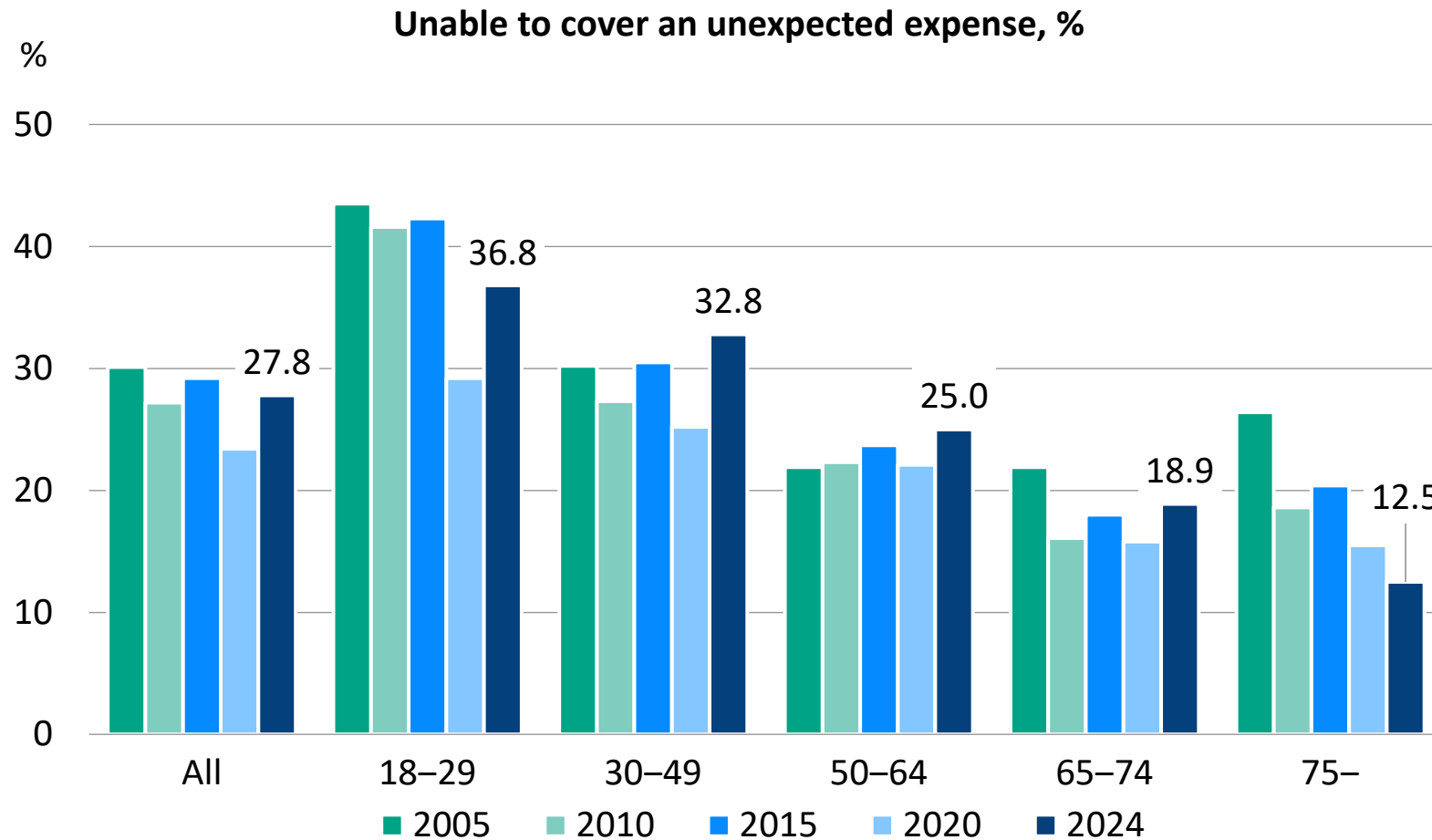
However, women aged 75 or over still have a higher at-risk-of-poverty rate than other people of retirement age.

In 2024, the at-risk-of-poverty rate was:

- 11.3% among women aged 65–74
- 7.3% among men aged 65–74
- 13.2% among women aged 75 or over
- 6.5% among men aged 75 or over



One fifth of 65–74-year-olds and more than one tenth of those aged 75 or older unable to cover unexpected expenses. These shares are slightly lower than in households on average.



Source: Statistics on living conditions, Statistics Finland

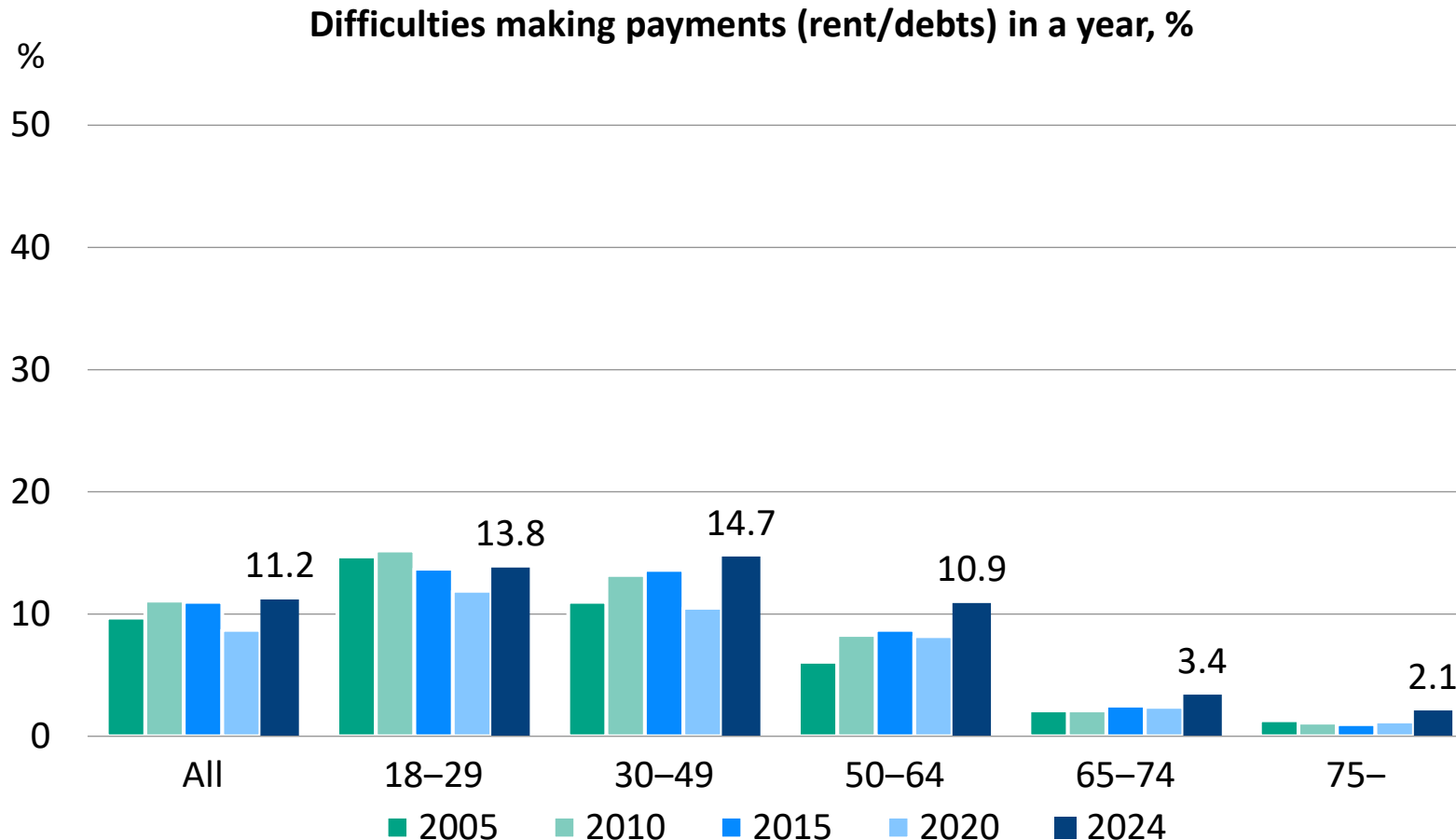
People aged 65 or over are slightly more likely than younger households to report that they could cover an unexpected expense.

The relative position of people aged 75 or over has improved over the period.

The expense threshold is based on the monthly at-risk-of-poverty threshold for a single-person household.



Around 3% of people aged 65–74 and 2% of those aged 75 or over have difficulties making payments. The share is lower than for households on average.



Source: Statistics on living conditions, Statistics Finland

People aged 65 or over have payment difficulties less often than younger people.

Household members are considered to have payment difficulties if, at least once during the year, they have had difficulty paying their rent, mortgage repayments, housing charges, hire-purchase instalments or other debts on time.

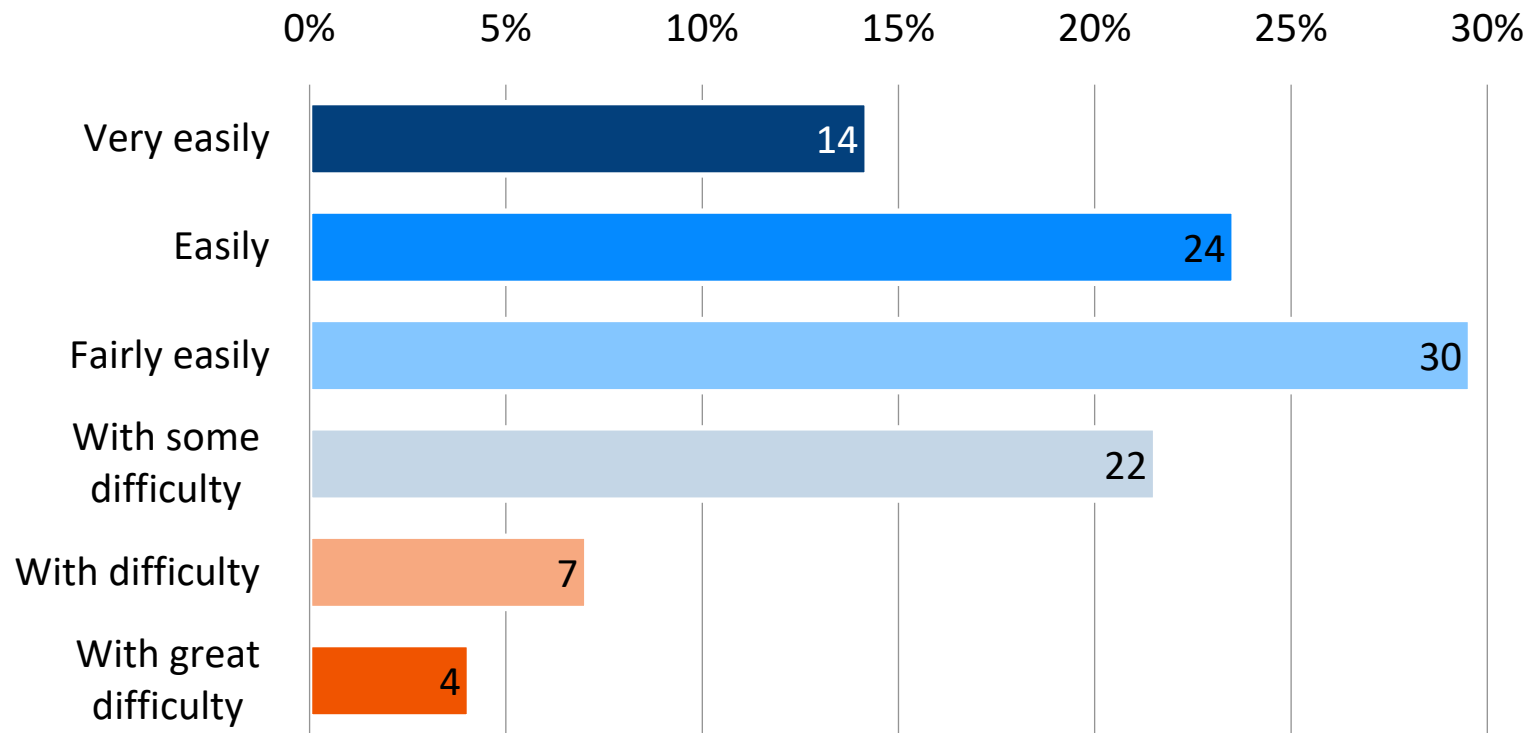


3

What major challenges do pensioners face, and who face them?

One in three pensioners experience some difficulty covering their expenses

Covering usual expenses (55–85-year-old pensioners)



Source: Palomäki et al. 2021, Finnish Centre for Pensions

Two in three were able to cover their usual expenses at least fairly easily.

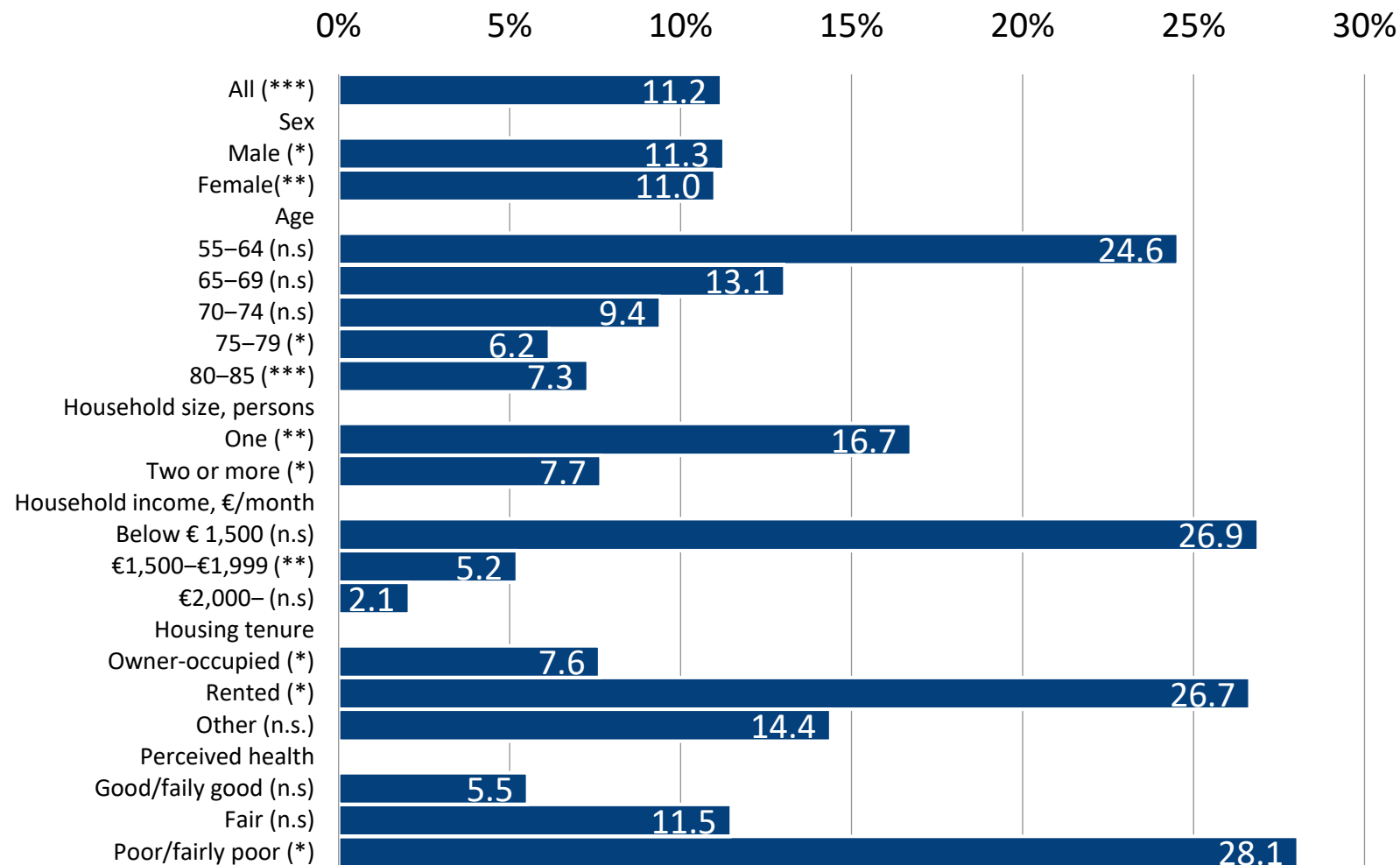
Just over one in five experienced some difficulty in covering their usual expenses.

Around one in ten experienced greater difficulty in covering their usual expenses.



Pensioners with health problems and below-average incomes struggled most to cover usual expenses

Difficulty or great difficulty covering usual expenses in 2020, %



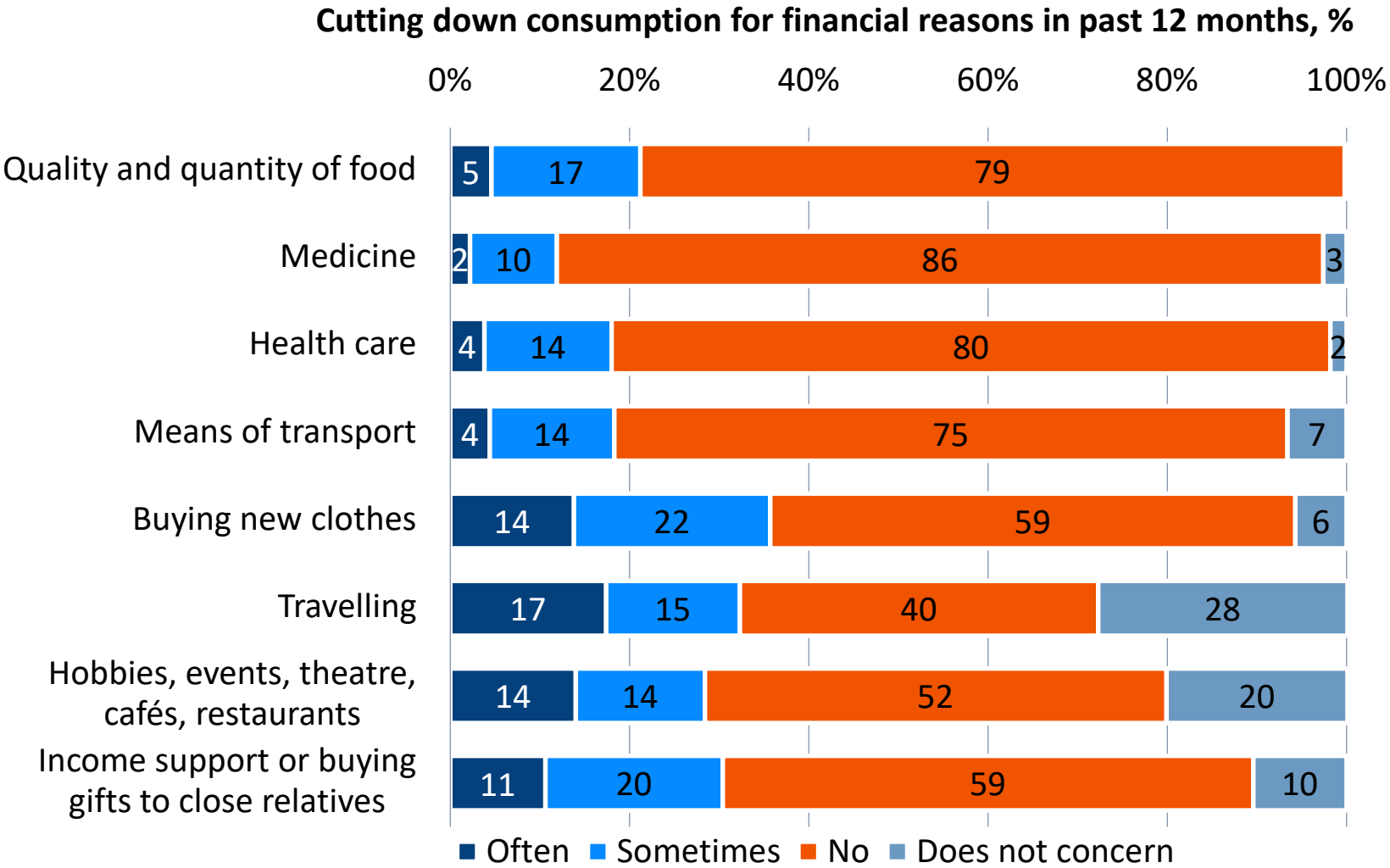
Source: Palomäki et al. 2021, Finnish Centre for Pensions

Difficulties were more common among pensioners in poor health, those in the lowest income third, renters, people living alone and those aged under 65.

The groups partly overlap: many younger pensioners receive a disability pension and tend to have poorer health and lower incomes.



Travel, clothes and hobbies were cut most; just over one in ten cut back on medicines



Source: Palomäki et al. 2021, Finnish Centre for Pensions

Among pensioners aged 55–85, cutbacks most often affected travel, clothes, hobbies and financial support for loved ones.

Financial pressures had led **12%** to forgo medicines and **18%** healthcare at least once.

2–5% had often cut back on essentials such as medicines, healthcare, food or transport, with some cutting back in more than one area.





Summary of difficulties to make ends meet

Around 10% of pensioners/persons of pensionable age struggle to make ends meet; just under 5% face serious difficulties

Struggling to make ends meet or at increased risk of doing so

- 11% of pensioners have some or great difficulties to cover their usual expenses.
- 11.6% of pensioners live below the at-risk-of-poverty threshold of 60% of median income.

Just under 5% experience great difficulties to make ends meet

- 2–5% have often cut back on essentials (medicines, health care, food, transportation), sometimes in several areas.
- 2–4% of 65-year-olds or older struggle with debt or rent payments.
- 2.7% of pensioners live on less than 50% of the national median income.

The same groups are most affected

- Those in poor health, living in rented accommodation, living alone, and those under-65-year-olds (many on disability pensions). These groups partly overlap.

More information on pensioners' economic wellbeing on our website:

[Findings from our research – Finnish Centre for Pensions](#)



Contact information

firstname.lastname@etk.fi



Susan Kuivalainen
Head of Department,
Research



Kati Ahonen
Economist



Juha Rantala
Economist



Liisa-Maria Palomäki
Senior Researcher



Ilari Ilmakunnas
Senior Researcher

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