

COUNTRY NOTE

Database on Social Expenditure ([Social Expenditure Database \(SOCX\) | OECD](#))
OECD - Social Policy Division - Directorate of Employment, Labour and Social Affairs

FINLAND

Nomenclature

KEL	The National Pension Act (old age, disability)
KIEL	The Evangelical-Lutheran church Pension Act
KVTEL	The Local Government Employees Pension Act
LEL	Private-sector temporary Employees Pension Act
MEL	The Seaman Pension Act
MYEL	The Farmers Pension Act
PEL	The Survivors Pension Act
TAEL	Private-sector Freelance Employees Pension Act
TEL	Private-sector Employees Pension Act
VEL	The State Employees Pension Act (old age, disability)
VPEL	The State Employees Survivors Pension Act
YEL	The self-employed Persons Pension Act

Monetary unit

Social spending is expressed in millions of Euros (EUR).

General notes

The individual country notes of the OECD tax-benefit model ([How do countries calculate tax liabilities and social benefit entitlements? | OECD](#)) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

Break in series

Data for 1993 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1992 and 1993) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set for to “missing” from 1993 onwards; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-92.

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Secretariat estimates

Unemployment compensation and “Early retirement for labour market reasons”: for the years 1980 to 1983, the series was extrapolated backwards to 1980 using the annual growth rate for 1984/85.

Sources

1980-92

Ministry of Social Affairs and Health (1996), *Social Security Database, 1980-1994*.

1993 onwards

Data provided by EUROSTAT (ESSPROS database), except for:

1980 onwards 4. Health: OECD Statistics ([OECD Health Statistics | OECD](#))

1980 onwards 6. ALMP: OECD Labour Market Policy database.

(See Table “Passage from ESSPROS to SOCX” next page).

Background information

European Social Statistics, Social Protection, ESSPROS qualitative information

[Qualitative information - Eurostat](#)

NOSOSCO, *Social Protection in the Nordic Countries* <http://nowbase.org/>

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area

(<http://ec.europa.eu/social/main.jsp?catId=815&langId=en>)

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 Passage from Esspros to SOCX (public / mandatory-voluntary private)
 Finland, in millions of Euro

	ESSPROS/SOCX	Code	1995	2000	2010	2015	2016	2017	2018	2019	2020	2021	
+	(1)	ESSPROS Social protection benefits	1100000	29,358	32,132	53,352	66,030	67,680	67,914	69,019	70,913	74,685	76,900
-	(2)	- ESSPROS Disability Economic integration of the handicapped	1121114	52	55	129	205	223	242	268	304	340	380
			1121122	0	0	0	0	0	0	0	0	0	0
			1122114	0	0	0	0	0	0	0	0	0	0
			1122122	0	0	0	0	0	0	0	0	0	0
-	(3)	- ESSPROS Sickness Benefits in kind	1111200	4,942	6,112	11,091	13,050	12,839	13,007	13,487	14,015	14,526	15,087
			1112200	0	0	0	0	0	0	0	0	0	0
-	(4)	- ESSPROS Unemployment Cash - Vocational training allowance	1161114	199	176	208	6	0	0	0	0	0	0
			1161121	0	0	0	0	0	0	0	0	0	0
			1162114	0	0	0	0	0	0	0	0	0	0
			1162121	0	0	0	0	0	0	0	0	0	0
		Benefits in kind	1161200	260	304	532	589	613	547	364	317	317	374
			1162200	0	0	0	0	0	0	0	0	0	0
+	(5)	SOCX / Health HEALTH Public benefits in kind	246.10.4.0.0.0	4,289	5,676	10,310	12,635	12,484	12,738	13,214	13,906	14,773	16,089
+	(6)	SOCX / EDU-EAG FAMILY Services Child care (pre-primary education)	-	-	-	-	-	-	-	-	-	-	-
+	(7)	SOCX / ALMP ACTIVE LABOUR MARKET PROGRAMMES	246.10.6.0.0.0	1,357	1,174	1,872	2,101	2,123	2,216	2,196	2,199	2,057	2,084
-	(8)	= SOCX MANDATORY PRIVATE SOCIAL EXPENDITURE	246.20.90.0.0.0	a	83	201	231	229	227	88	84	85	77
		SOCX / Health HEALTH Mandatory private insurance, benefits in kind (HF122. Compulsory private insurance schemes)	246.20.4.2.0.0	a	83	201	231	229	227	88	84	85	77
-	(9)	= SOCX VOLUNTARY PRIVATE SOCIAL EXPENDITURE	246.30.90.0.0.0	1,445	1,703	2,507	3,055	3,089	2,857	2,680	2,752	2,732	3,098
		ESSPROS Scheme 17 Additional Employment Pension Scheme (additional to TEL)		156	172	209	212	207	203	199	196	196	196
		ESSPROS Scheme 18 Voluntary Employment Pension Scheme		224	201	218	253	249	250	245	228	228	228
		ESSPROS Scheme 23 Salary during maternity leave		30	25	70	166	169	172	179	186	186	186
		ESSPROS Scheme 24 Salary during sick-leave (sick pay)		656	891	1,300	1,517	1,543	1,285	1,066	1,107	1,107	1,107
		ESSPROS Scheme 26 Sickness benefits provided by relief funds		2	2	2	4	3	9	4	0	0	0
+	(10)	SOCX / Health HEALTH Voluntary private insurance, benefits in kind	246.30.4.2.0.0	377	411	707	903	918	937	987	1,035	1,026	1,031
=	(11)	SOCX PUBLIC SOCIAL EXPENDITURE	246.10.90.0.0.0	28,485	31,043	51,776	64,763	66,443	67,152	68,617	70,664	74,626	77,164

Notes:

- (1) "ESSPROS / Social protection benefits" are Total ESSPROS expenditures (1000000) less Administration costs (1200000) and other expenditure (1400000, property income and other).
- (2) The ESSPROS data within "Disability / Economic integration of the handicapped" are not included in SOCX database to avoid double counting with SOCX "Active Labour Market Programmes / Measures for the disabled".
- (3) The ESSPROS data within "Sickness / Benefits in kind" are not included in SOCX database to avoid double counting with SOCX "Health / Benefits in kind".
- (4) The ESSPROS data within "Unemployment / Cash Vocational training allowance" "Unemployment / Benefits in kind" are not included in SOCX database to avoid any double counting with SOCX "Active Labour Market Programmes".
- (5) SOCX Health benefits in kind are from "OECD Health Data (www.oecd.org/health/healthdata)".
- (6) SOCX includes public spending on pre-primary education from OECD education database, unless such data are already included in "5.2.1. Day care services".
- (7) SOCX Active Labour Market Programmes are from "OECD database on labour market programmes".
- (8) Spending on some programmes recorded under the schemes below are categorised as Mandatory private in SOCX.
- (9) Spending on some programmes recorded under the schemes below are categorised as Voluntary private in SOCX. (9) Includes (10).
- (10) SOCX Private insurance Health benefits in kind are from "OECD Health Data (www.oecd.org/health/healthdata)".
- (11) = (1) - (2) - (3) - (4) + (5) + (6) + (7) - (8) - (9) + (10)

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FINLAND		
Code	Title of the programme	Description of the programme and attached notes
1. OLD AGE		
246.10.1.1.1.1	Standard retirement pension	The basic public pension is payable to those of 65 years and over who have been resident in Finland for at least 3 years. The payment rate is proportional to the statutory earnings-related pension "employment pension", and as this employment pension reaches a certain limit, no basic pension is paid at all.
246.10.1.1.1.2	Old age pension (KEL) (non means-tested)	See also 1.1.1.1. Pension reform in 1996 made entitlement to basic pension dependent on other pension income. At the beginning of 1997, the basic amount and the pension supplement were combined into one benefit (the guaranteed minimum pension).
246.10.1.1.1.19	Farmers change of generation pension	Payable to farmers and their spouses in the 55 - 64 age groups who retire and sell on their enterprise to a young farmer.
246.10.1.1.1.20	Farm closure compensation pension	Payable to farmers and their spouses in the 55 - 64 age group who give up farming.
246.10.1.1.1.21	War veteran's pension	Payable to those with a "front-veteran's badge", whose work capacity is reduced but who are not eligible for a standard disability pension.
246.10.1.1.2.1	Early retirement pension	Payable to claimants in the 60 - 64 age group: the payment rate is permanently reduced, depending on the age of the claimant at which the pension is first drawn. From 1993 onwards, early retirement pension payments are disaggregated between different schemes.
246.10.1.1.2.21	Part-time pension	Payable to claimants in the 58 - 64 age-group who reduce working hours for between 16 and 28 hours per week, with earnings between 35% and 70% of previous earnings. From 1993 onwards, part-time pensions payments are disaggregated between different schemes.
246.10.1.2.1.1	Accommodation for the elderly (Services provided by municipalities: health care and social services)	Accommodation for the elderly nursing homes, homes for the long-term ill, old people's homes, sheltered homes, service flats, collective housing, and housing where special care is provided. Services include care in geriatric wards.
246.10.1.2.1.2	Assistance for the elderly in carrying out daily tasks (health care and social services)	Home help services for the elderly provided by municipalities.
2. SURVIVORS		
246.10.2.1.1.1.	Survivor's pension	The income-tested surviving spouse's pension is payable to both widows and widowers, provided that the survivor had children by the deceased or that he/she was at least 50 at the time of the death. A child's pension is payable to children under the age of 18. From 1993 onwards, survivor's pension payments are disaggregated between different schemes.
246.10.2.1.1.2 to 246.10.2.1.1.18		Same definition as for 2.1.1.1.
246.10.2.2.1.1.	Funeral grant	Payable to the spouse or other estate beneficiary of a deceased member of the national old age, invalidity and unemployment pension schemes. From 1993 onwards, funeral grant payments are disaggregated between different schemes
246.10.2.2.1.2 to 246.10.2.2.1.7		Same definition as for 2.2.1.1.
246.10.2.1.2.4	Group life insurance	Introduced in 1977, the programme involves group life insurance, towards payment of a lump sum indemnity to the spouse and/or dependent children on the death of the employee. From 1993 onwards, group life insurance payments are disaggregated between different schemes under "Death Grant".

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3.	INCAPACITY RELATED BENEFITS	(Disability, Occupational injury and disease, Sickness)
246.10.3.1.1.1	Standard invalidity pension	Payable to someone who because of illness or injury is unable to carry out his/her work. A full disability pension is payable on the loss of work capacity for at least 60% (partial disability pension is paid when work capacity is reduced by at least 40%, employment pension only). From 1993 onwards, disability pension payments are disaggregated between different schemes.
246.10.3.1.1.19	Child care support for sick/disability	The child care allowance is payable to children under 16 with a disability or long-term illness.
246.10.3.1.2.1	Occupational injury pension	Accident insurance generally covers all employees as well as farmers, fishermen and reindeer herders and their family members. Insurance take up is <i>not</i> compulsory for other self-employed persons.
246.10.3.1.2.2	Occupational injury insurance (daily allowance, disability pension)	Compensation for reduced earnings for a long-term period when the claimant is unable to work as a result of an occupational accident or disease. For injured aged under 65 years 85% of income, after the age of 65 70%. In case of partial incapacity the pension is reduced in proportional.
246.10.3.1.3.1	Occupational injury insurance (daily allowance, paid sick leave)	The daily allowance is paid when a person is incapacitated for work for at least three consecutive days (not including the day of the accident). Benefit duration is one year at maximum. Daily allowance: equals to sick pay for the first 4 weeks, After 4 weeks it is the 360th part of income. Paid for a maximum of 1 year.
246.10.3.1.3.2	Occupational injury insurance (daily allowance, disability)	See 3.1.1.1
246.10.3.1.4.1	Rehabilitation allowance	Payable to working-age participants of a rehabilitation programme geared towards labour market integration. Until 1992.
246.10.3.1.4.2	Sickness Insurance (daily allowance) (non means-tested)	Sickness allowance is payable to all employed and self-employed persons (and students and housewives) of working-age because of illness, are not able to work for a maximum of 300 work days. The waiting period is seven workdays.
246.10.3.1.4.3	Sickness Insurance (daily allowance) (means-tested)	See 3.1.4.2.
246.10.3.1.4.4	Motor third party liability insurance (daily allowance)	Compensation of reduced earnings because of a road accident.
246.10.3.1.4.6	Paid sick leave (MYEL)	All employees receive the full wage for 28 to 56 days of illness as stipulated by collective agreements.
246.10.3.1.4.7	Paid sick leave (MATA)	See 3.1.4.6.
246.10.3.1.5.1	Contribution motor third party liability insurance indemnities	Motor third party liability insurance reimburses in full the costs of any necessary medical treatment.
246.10.3.1.5.2	Invalidity support - Disabled persons' allowance	Financial support for disabled persons of working age who are not in receipt of a disability pension.
246.10.3.1.5.3	Military injuries indemnities	Those who were injured or disabled in active military service are reimbursed for any medical charges, paid a daily allowance and an annuity of life. Survivors receive a funeral grant and a maintenance pension.
246.10.3.1.5.4	Individual early invalidity pension	Taxable payment to someone of at least age 58 (or 55) with a reduced work capacity but without entitlement to standard disability pension. From 1993 onwards, disability pension payments are disaggregated between different schemes under "Early retirement benefit due to reduced capacity to work".
246.10.3.1.5.5	Early retirement benefit due to reduced capacity to work (KEL)	A basic/guaranteed minimum pension/employment pension payment in line with the rules applicable to old age pensions.

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(non means-tested)		
246.30.3.1.4.1	Relief funds (daily allowance)	Relief funds make sickness payments to insured employees.
246.30.3.1.4.2	Sick pay (salary during sick-leave)	Includes both salary paid during the 9 first sick days (compulsory by law for the employer, varies according to earnings) but also that part of salary that most employers pay to employees in addition to sickness daily allowance in case of a sick leave (voluntary, and during this period the sickness daily allowance is paid to the employer). Both expenditures (estimates) cannot be split at the moment.
246.10.3.2.1.1	Accommodation for the disabled (Services provided by municipalities: health care and social services)	Accommodation for the disabled nursing homes, homes for the long-term ill, sheltered housing, service flats, collective housing, and occasionally hospital wards.
246.10.3.2.1.2	Assistance for the disabled in carrying out daily tasks (health care and social services)	See 1.2.1.2.
246.10.3.2.3.2	Services for the handicapped	Expenditure on institutions, family care, residences, work activities, day care and special education for the mentally handicapped. Until 1992.
246.10.3.2.3.3	Other benefits	Includes various compensation payments until 1991. Also covers reimbursement of the costs of medical treatment and rehabilitation through pension insurance.
4. HEALTH		
246.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Statistics</i>
246.10.4.2.0.0	Voluntary private expenditure on health	Expenditure on health incurred by private insurance funds (both private social insurance and all other private insurance funds). See <i>OECD Health Statistics</i> .
5. FAMILY		
246.10.5.1.1.1	Child allowance	Not taxable universal benefit, increasing with the number of children (in Euros, in 2003, per month: 1st child 90.00, 2nd child 110.50, 3rd child 131.00, 4th child 151.50, 5th and subsequent 172.001 child). Additional payment for lone parents (33.60 € per child per month in 2003).
246.10.5.1.1.2	Maternity and parent's allowance (SII)	Parental allowance is payable for 275 working days. For the first 105 days, it is paid to the mother (mother's allowance); for the next 170 days, it can be paid to either parent. Fathers are also eligible for a specific "father's allowance". Parental allowances are taxable.
246.10.5.1.3.1	Maintenance support	The purpose is to ensure financial support for a child of divorced or unmarried parents in cases where the non-custodial parent has failed to pay or denied support or where paternity cannot be established.
246.10.5.2.1.1	Child day care (Services provided by municipalities) (non means-tested)	Municipal day care centers and family day care schemes. Since 1990 parents who do not municipal day care services are entitled to a Home care allowance until their child is 3 years of age.
246.10.5.2.1.2. to 246.10.5.2.1.3.		Same definition as for 5.2.1.1.
246.10.5.2.2.1	Help at home	Means-tested home help for families in need of such assistance.
246.30.5.1.2.1	Salary during maternity leave	During maternity/parental leave employers continue wage payments for the statutory required level for which they get reimbursed. In line with the prevailing collective labour agreement, employers may choose to pay maternity/parental at full wage for a few months.
6. ACTIVE LABOUR MARKET PROGRAMMES		
See OECD Labour Market Policy database.		
7. UNEMPLOYMENT		
246.10.7.1.1.3	Basic and wage-related benefits	Before 1985, aggregated into "Basic daily unemployment allowance" and "Earnings adjusted daily allowance".
246.10.7.1.1.4	Passive labour market benefit	The labour market subsidy is payable to unemployed persons who do not fulfil the conditions for unemployment insurance scheme or who have received daily allowance for the maximum period. Eligibility extends to

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		persons between 17 and 64 years who have registered with the Employment and Economic Development Office as seeking full-time employment and who are fit and available for work. If the unemployed person has not met the previous-employment condition, payment of the labour market subsidy is conditional on completion of a five-month qualifying period. Allowance is also payable during participation in employment promotion measures. As a general rule, payment of the labour market subsidy is conditional on a means test. From the beginning of 2014, unemployed persons can earn up to certain small amount per month without suffering a reduction in their unemployment benefit. If the unemployed person lives with his or her parents, parental income, too, may reduce the amount of subsidy payable. Child supplement as in basic unemployment allowance.
246.10.7.1.1.6	Severance pay and education allowance	Included in the "Redundancy payments programme".
246.10.7.1.2.1 to 246.10.7.1.2.20	Early retirement for labour market reasons	Unemployment pension to an unemployed person born before 1950 who has reached the age of 60 and who has received unemployment allowance for the maximum period of 500 calendar days and been employed for 5 years during the last 15 years (in some cases 20 years). New unemployment pension are not awarded from the beginning of 2005 for persons born in 1950 or later. For persons born before 1950 the criteria is the age of 60 and being long-term and permanently unemployed.
8.	HOUSING	
246.10.8.2.1.1	Housing allowance (benefit to owner-occupier)	Income-tested non-taxable housing allowance; payment rate also depends on housing costs.
9.	OTHER SOCIAL POLICY AREAS	
246.10.9.1.2.1	Draftee's dependants allowance	Payment to the dependants of a person engaged in national service.
246.10.9.2.1.1	Rehabilitation of alcohol and drugs abusers (health care and social services)	Services for alcohol and drug addicts are arranged via the general social welfare and health care services: they are primarily non-institutional and are free of charge. Institutional care is financially supported by means of a sickness allowance or a rehabilitation allowance.
246.10.9.2.1.3	Other social services	This item includes the general costs of welfare offices. Until 1992.
246.10.9.2.2.4	Refugee welfare	Refugees and asylum seekers are entitled to receive accommodation, social and welfare services, interpretation, education and a subsistence allowance.