

# Pension cover for the unemployed in 2018

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Unemployment allowance secures the income of a person of working age during periods of unemployment. If you become unemployed before reaching the retirement age for old-age pension, your future pension cover will be determined by your age. An employee born before 1958 who also receives additional days of unemployment allowance after the 500-day unemployment allowance period can apply for old-age pension already at the age of 62.

If you become unemployed, daily unemployment allowance will secure your income for at most 500 days, i.e. approximately two years. Someone who is elderly and becomes unemployed can receive the daily allowance for a longer period of time, for so-called additional days, until the age of 65 at the most.

A person born in 1955 or 1956 must be 60 years old in order to receive additional days of unemployment allowance once the 500-day period of compensation has been reached. The age limit for those born in 1957 or after is 61 years. In addition, the employee must have performed pension-insured work for at least five of the last 20 years. Self-employed persons are not entitled to additional days of unemployment allowance.

Visit the employment office no later than on the first day that your unemployment begins. You will receive unemployment allowance only if you have registered as a jobseeker.

More information about basic unemployment allowance is available from Kela at [www.kela.fi](#) and information about

earnings-related daily allowance is available from your unemployment fund or the Federation of Unemployment Funds in Finland ([www.tyj.fi](#)).

## An unemployed person receives accrued pension

People who become unemployed receive at least the pension they have accrued up until their employment ended, with the reduction of the life expectancy coefficient. Pension also accrues on the earnings-related daily allowance period until the minimum age limit for old-age pension is reached. You can follow the development of your pension in your electronic pension record.

National pension can supplement your pension cover if your earnings-related pension is roughly EUR 1,300 per month or less. This limit may be higher if you have accrued earnings-related pension over the age of 63 before 2017. When you know the esti-

## How to apply for old-age pension for the unemployed

The pension begins at the earliest at the beginning of the month following the month in which you turn 62.

Enter your birth year 1950–1957 and select the situation that applies to you from the timeline.

Year of birth

Continued unemployment allowance

Applying for pension

Retired



Check your situation according to your year of birth:

[varma.fi](#) > [Private customer](#) > [Applying for pension](#) > [How to apply for old-age pension for the unemployed](#).

mated amount of your earnings-related pension, find out from Kela whether you are also entitled to receive national pension.

## How to apply for pension

You can consider applying for old-age pension as early as at the age of 62, if

- you are an unemployed employee and were born before 1958 and
- you have received unemployment allowance for additional days also after the 500-day unemployment allowance period

Before applying for pension, you should find out the amount of old-age pension you have accrued at varma.fi. Only then should you decide whether to apply for pension or continue drawing unemployment allowance.

If you decide to apply for pension, take the following steps:

### 1. Fill in the old-age pension application one month before the start of your retirement

The fastest way to submit your application is to fill in the electronic old-age pension application form at varma.fi. Applications are also available at tyoelake.fi and from the Social Insurance Institution of Finland (Kela). One application is enough, even if you are applying for both earnings-related and national pension.

Choose the item “Old-age pension for persons 62 years or over who have received additional days of unemployment allowance” and indicate the starting date for your pension.

If you have worked or lived abroad, submit your application at the earliest six months before the start of your retirement. Also fill in Appendix U, Residence and Employment Abroad. You can send the appendix at the same time as you apply for pension on Varma’s eServices.

### 2. Inform the payer of the daily allowance of the month at the beginning of which you will retire

The unemployment fund or Kela can provide a certificate for additional days of unemployment allowance at the earliest during the month preceding the start of your retirement. If you receive earnings-related unemployment allowance, ask your unemployment fund to send you a certificate stating the additional days of unemployment allowance for your old-age pension application.

### 3. Send us a certificate from your unemployment fund immediately after you receive it

If you receive basic unemployment allowance from Kela, ask Kela to send the certificate to us.

N.B.! Be sure to submit your application in the first half of the month before your pension is due to begin, even if you have not yet received the certificate on the additional days of unemployment allowance. Old-age pension for the unemployed is not granted retroactively.

Because you accrue earnings-related pension on your earnings-related daily allowance, make sure you submit an application for daily allowance with your unemployment fund up to the day preceding the commencement of your pension as soon as possible. The unemployment fund will report your daily allowance data to the earnings-related pension companies’ joint register only once your daily allowance period has ended.

We will process your pension application at Varma if your earnings for the last two years were primarily insured with us. If you have worked not only in the private sector, but also in municipal or state employment, we will give you a decision on your total earnings-related pension.

Your pension will be paid into your account soon after you receive the decision. From then on, the pension will be in your account on the first banking day of each month.

## Apply for a tax card for pension income after you receive a decision

If we do not have a tax card for your pension, we will withhold 40% tax on your first pension instalment. Your pension decision will also include instructions on how to get a tax card for pension income. If we have withheld excess tax on your pension, we will refund the excess as soon as we have received the tax card for pension income from the tax office.

The employee pension card that entitles you to pensioner discounts will arrive at your home address around two weeks after the pension decision. When you retire, you can save your electronic employee pension card on your smart phone or tablet by logging in to our eServices.

## Your pension information on Varma’s website while working and during retirement

Varma is at your service in all issues concerning earnings-related pension at [www.varma.fi](http://www.varma.fi).

### Our online services for private customers consist of

- employment pension record
- pension estimates
- pension applications
- rehabilitation applications and services
- services for pensioners

When you apply for pension or rehabilitation, you can order documents containing decisions that concern you to be sent to your electronic archive.

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