

## Employment Fund's Board of Directors proposes an increase in unemployment insurance contributions

26.8.2025 12:50:00 EEST | Työllisyysrahasto | Other information disclosed according to the rules of the Exchange

### Stock Exchange Release Employment Fund August 26, 2025 at 12.50

At its meeting on 26 August 2025, Employment Fund's Board of Directors unanimously decided to propose to the Fund's Supervisory Board an increase in the total aggregate amount of unemployment insurance contributions by 0.6 percentage points for 2026.

The employer's average unemployment insurance contribution would be 0.92 percent of salary, which is 0.3 percentage points more than in 2025. The employer's average contribution includes a separate 0.02 percentage point common contribution that is used to finance the transition security. The employee's contribution would be 0.89 percent of salary, which is 0.3 percentage points more than in 2025.

According to the proposal, the employer's lower contribution would be 0.31 percent of the wage sum (up to a maximum of appr. EUR 2.5 million per year) and the higher contribution would be 1.23 percent of the wage sum (for the part that exceeds EUR 2.5 million).

In addition, the Board proposes that for the year 2026 the full transition security multiplier, that is used for determining the amount of transition security contribution, would be set to be 2.2, which is the same as in 2025.

An employee whose earnings level would be 4,000 euros per month would pay unemployment insurance contributions of 427.20 euros per year (35.60 euros per month) in 2026, which is 144 euros more than in 2025.

The proposition on unemployment insurance contributions is based on forecasts and calculations used by Employment Fund, which have also been used to draw up the Fund's budget for 2026. These have taken into account different alternatives for the development of the economy and employment, as well as the effects of the Government programme's entries and implemented legislative changes.

According to the forecasts used by Employment Fund, the economic situation in Finland has weakened and will remain challenging in 2025, but the situation will improve in 2026. The forecast environment contains high uncertainty. Employment Fund's basic forecast predicts that the unemployment rate will be approximately 9.4% in 2025 and will decrease to 8.9% in 2026.

The cost-reducing effect of the Government programme's entries and legislative changes implemented by the Government on the expenses under Employment Fund's financial responsibility is estimated to be around 700 million euros more in 2025 than in previous year and around 100 million euros more in 2026.

According to the basic forecast prepared by Employment Fund, the change in the Fund's net assets will be approximately EUR 740 million negative in 2025, and would increase to approximately EUR 5 million positive in 2026 at the proposed payment level. With the proposed payment level, the Fund's business cycle buffer would be clearly below the forecast maximum amount at the end of 2026.

Employment Fund has a EUR 600 million bond maturing in June 2027, which has been taken into account when preparing the estimate.

*"The weak employment development has continued longer than expected, but in 2026 the economy and employment are predicted to pick up, although the unemployment level will still remain high. In 2024 and 2025, the level of unemployment insurance contributions has been reduced despite the challenging economic and employment situation by using the funds accumulated in the Employment Fund's business cycle buffer. Despite the increase, the level of payments will remain low: compared to the level in 2023, the level in 2026 will be 1.2 percentage points lower",* says Employment Fund's Managing Director **Janne Metsämäki**.

*"This year, the business cycle buffer is forecast to decrease further by over 700 million euros due to reduced revenues resulting from the reductions in unemployment insurance contributions and a higher-than-expected unemployment rate, despite the expenditure-reducing effect of the legislative changes implemented by the Government. The outlook for next year, especially regarding the level of unemployment, remains weak. The expenditure-reducing effects of legislative changes are not expected to increase significantly next year. In addition, we take into account the upcoming bond maturity in 2027. As a result of these factors, we estimate that there is a need to increase the unemployment insurance contributions",* **Karo Nukarinen**, Employment Fund's Chief Financial Officer continues.

Employment Fund's business cycle buffer had net assets of EUR 838 million on 30 June 2025 (1,272 million on 31 December 2024). We estimate that the amount of net assets at the end of 2025 will be approximately EUR 530 million positive.

Employment Fund's Supervisory Board will make a final decision on the proposal regarding the level of unemployment insurance contributions to the Ministry of Social Affairs and Health on Thursday, August 28, 2025. The Finnish Parliament will confirm the final unemployment insurance contributions in autumn. The unemployment insurance contributions are specified by law every year.

Helsinki, 26 August 2025

Employment Fund

Karo Nukarinen

Chief Financial Officer

**Further information:**

Janne Metsämäki, Managing Director, +358 40 522 3614

Henrika Nybondas-Kangas, Chair of the Board of Directors, +358 50 357 4233

**Distribution:**

NASDAQ OMX Helsinki

Media

[www.tyollisyysrahasto.fi](http://www.tyollisyysrahasto.fi)

**About Työllisyysrahasto**

*The Employment Fund brings comfort in the changes of the working life. We collect the unemployment insurance contributions that are among other things financing the earnings-related unemployment benefits and urging forward the innovation of learning with the adult education allowance.*

**Attachments**

- [Download announcement as PDF.pdf](#)