

A Preliminary Look at the Changing Patterns of Intergenerational Transfers and Life-Cycle Consumption in Finland 1990-2006

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Data Sources for the Time Series of Finnish NTAs

- No single integrated source for income, transfers and consumption
 - Have to be collected the data from bits and pieces with varying time coverage
 - missing years interpolated
- Income and Transfers: Income Distribution Statistics 1990-2006
 - Annual data of cross-section samples
- Private consumption: Household Expenditure Surveys 1990, 1994–96, 1998, 2001 ja 2006
 - Missing years interpolated
- Public Consumption: Various Administrative Sources
 - Education: Administrative 1993, 2004, HH-survey 1990, 2006
 - Health Care 1990-2004 HH-survey 2006
 - Social Services 1990-2004

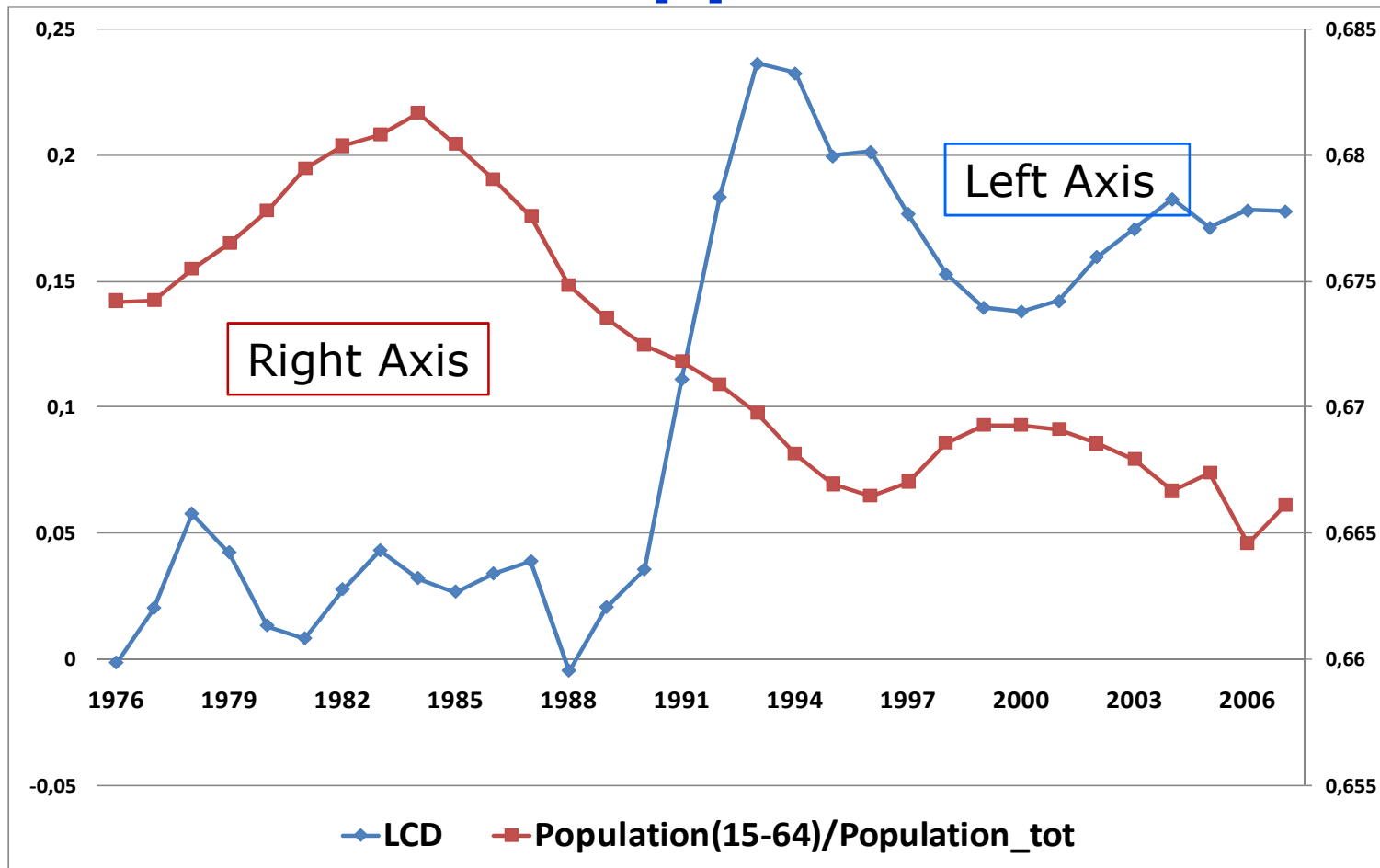
NTA flow account

$$\underbrace{c(\mathbf{x}) - y_1(x)}_{\text{Lifecycle deficit}} = \underbrace{y_a(x) - s(\mathbf{x})}_{\text{Asset reallocations}} + \underbrace{\tau_g^+(x) - \tau_g^-(x)}_{\text{Net public transfers}} + \underbrace{\tau_f^+(x) - \tau_f^-(x)}_{\text{Net private transfers}}$$

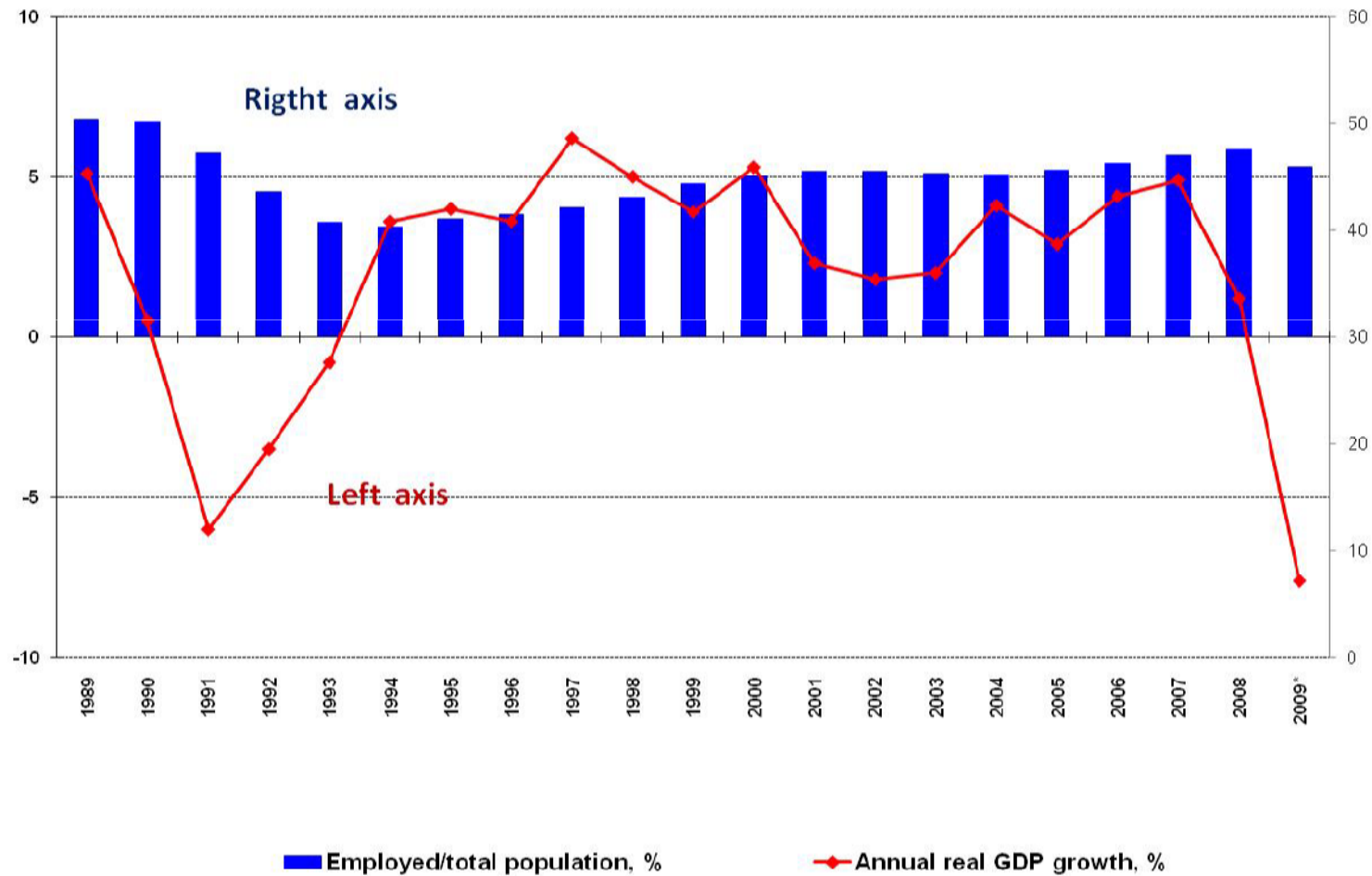
$\underbrace{\hspace{15em}}_{\text{Net transfers}}$

$\underbrace{\hspace{25em}}_{\text{Age reallocations}}$

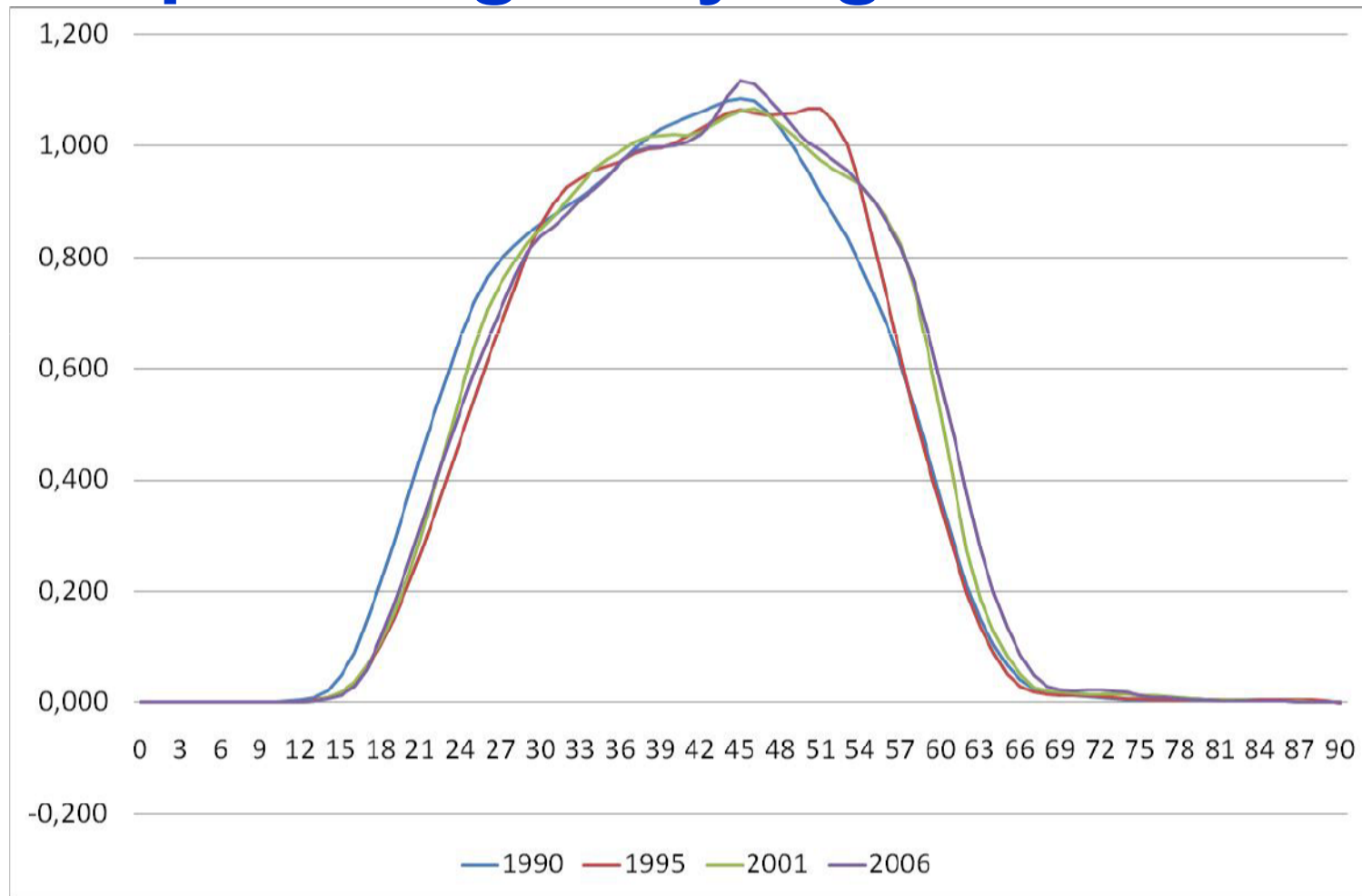
Normalized Life Cycle Deficit (LCD/Y_t) and Support Ratio



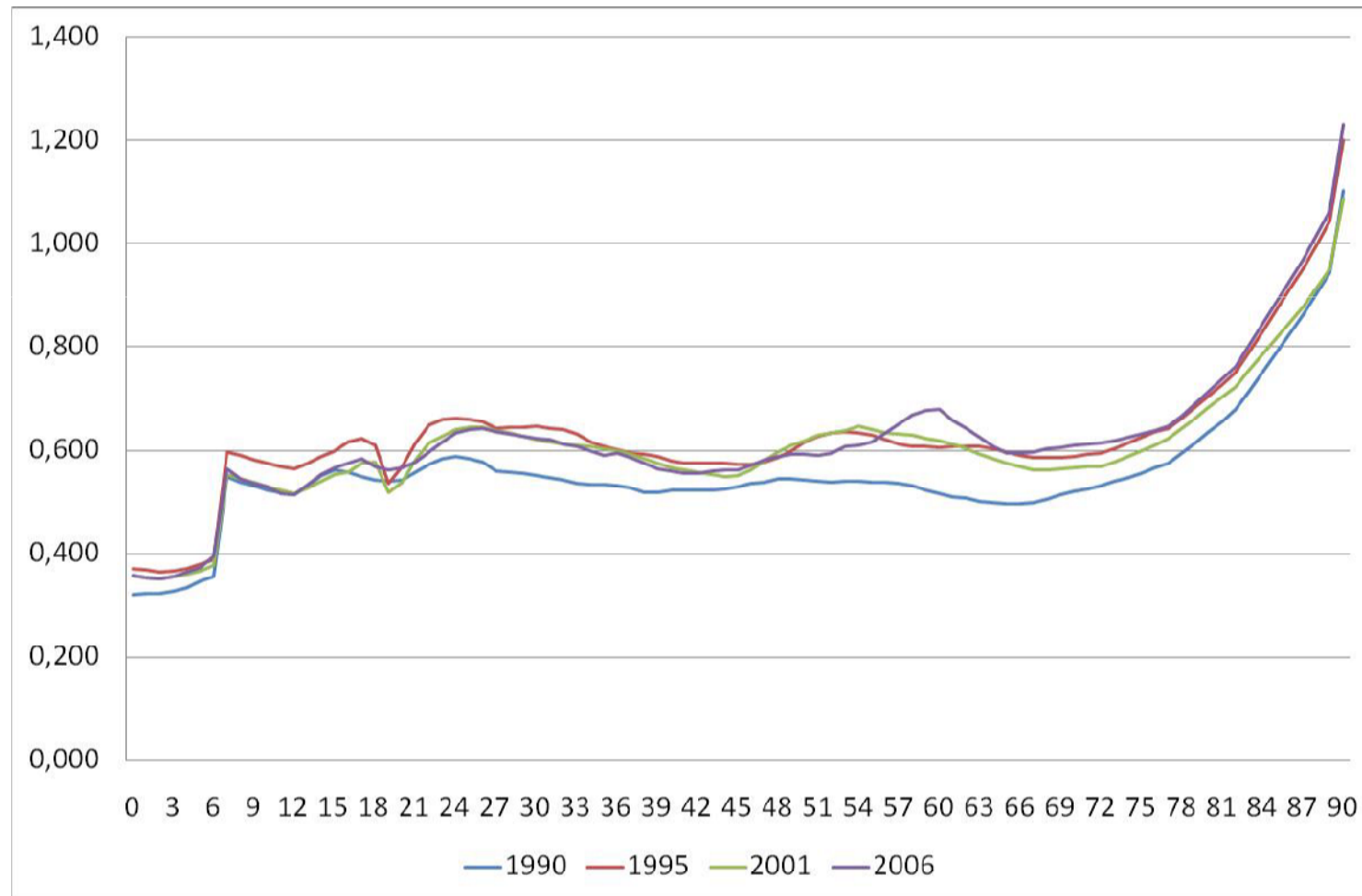
Real GDP growth (%) and number of employed (% tot. population)



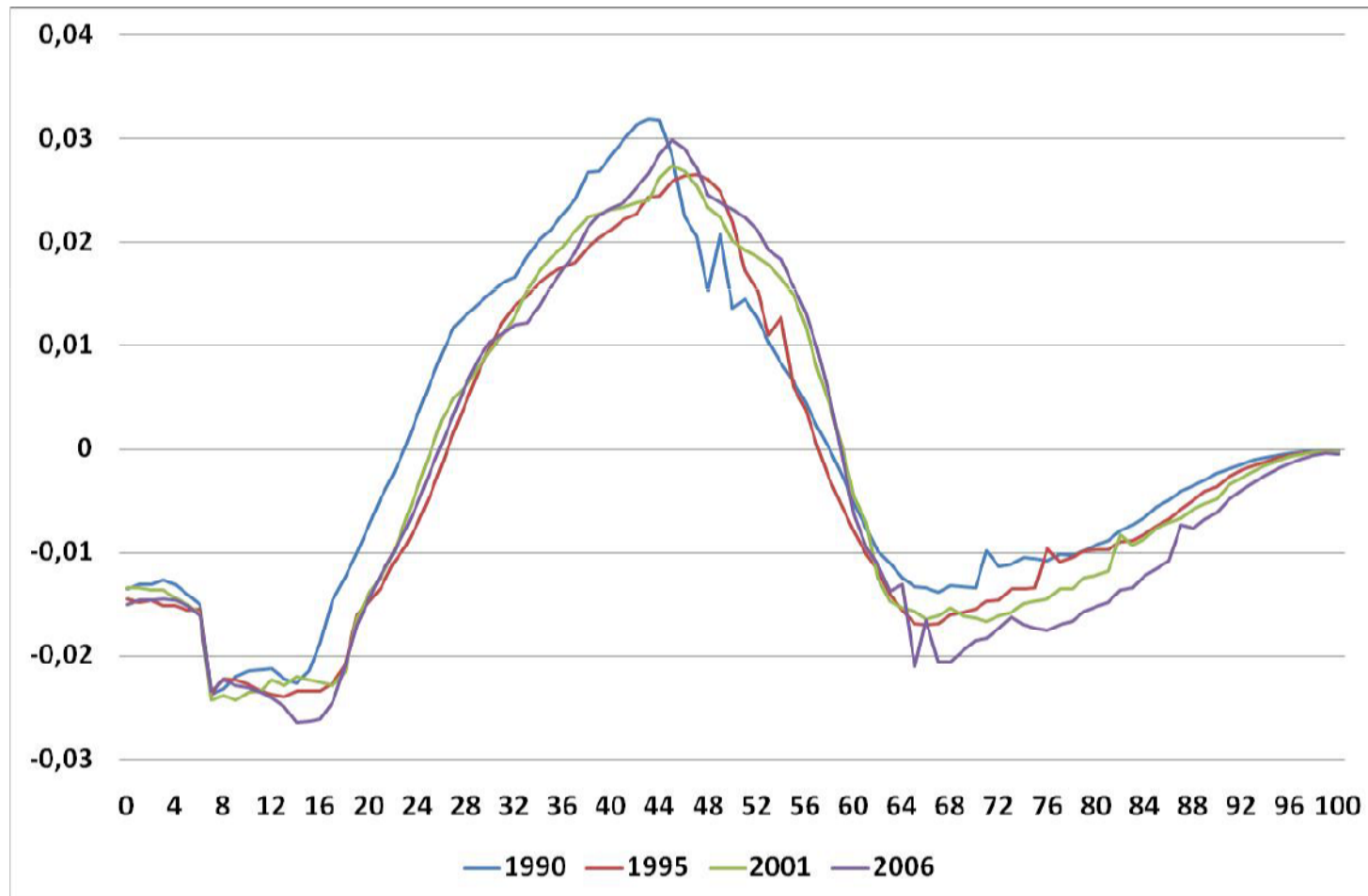
Normalized $[y_i(x)/y_i(30-49)]$ Per Capita Wages by Age in Finland



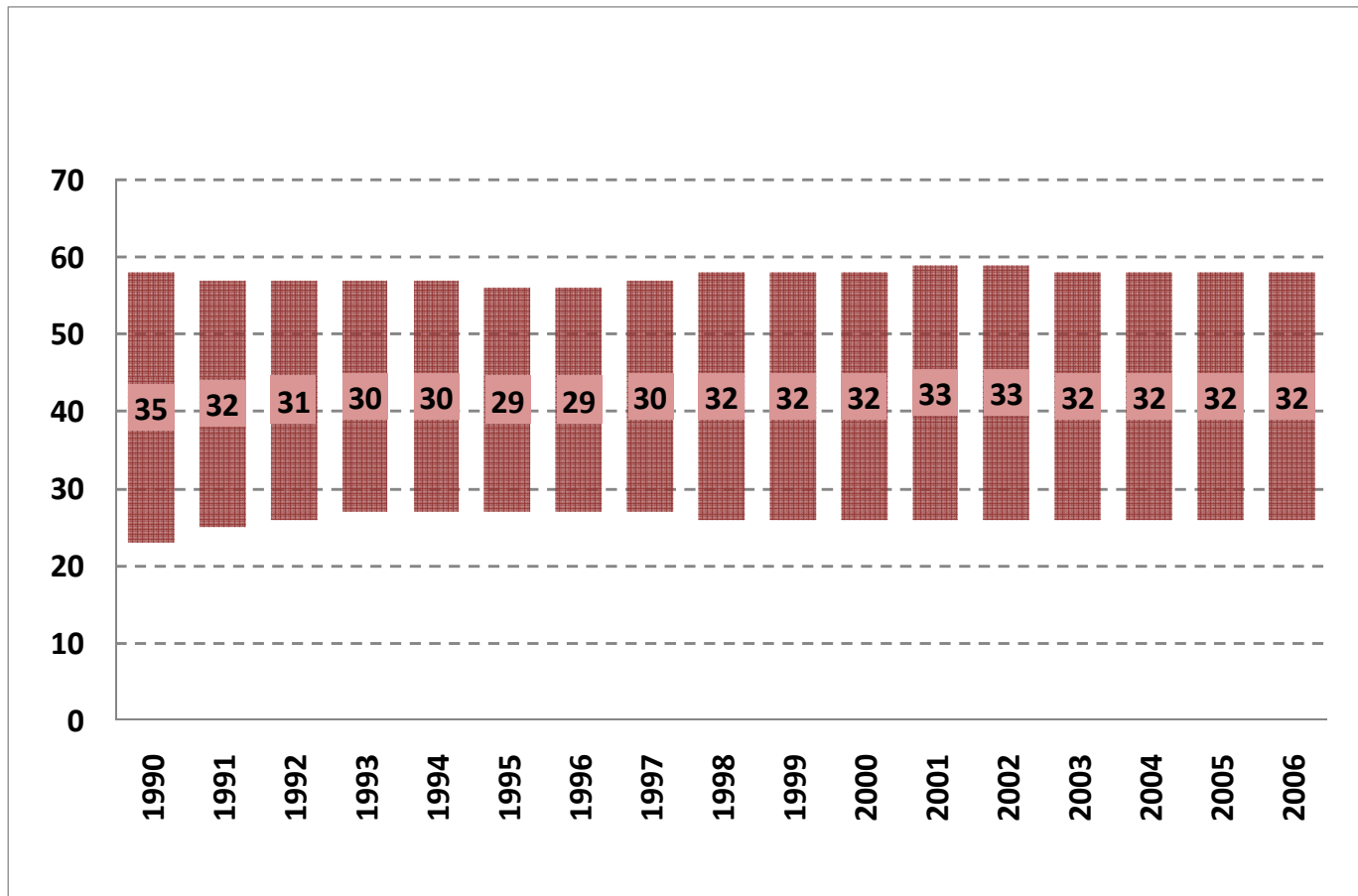
Normalized per capita Consumption $[c(x)/y_1(30-49)]$ by Age in Finland



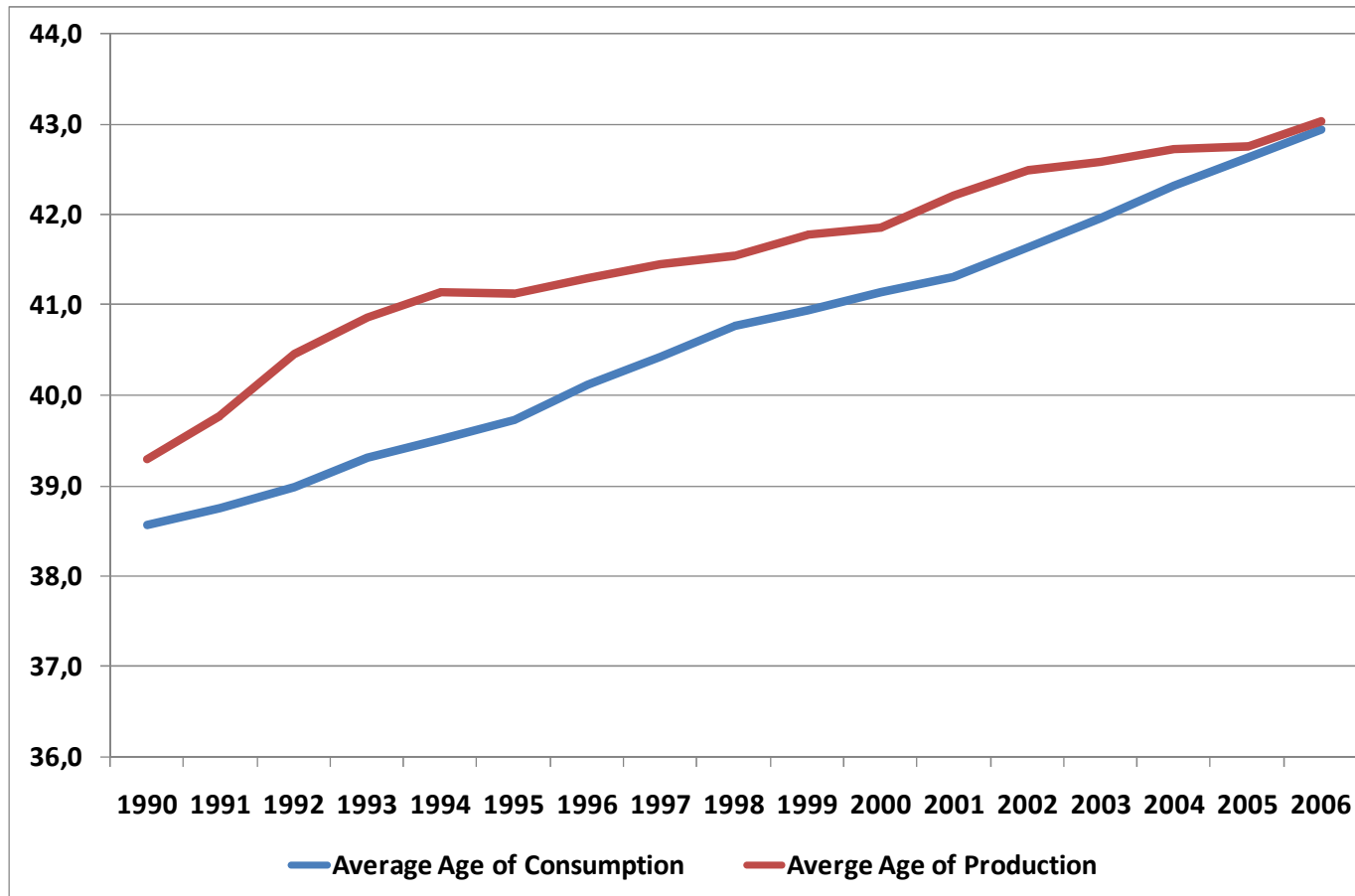
Normalized Total LCD by Age in Finland



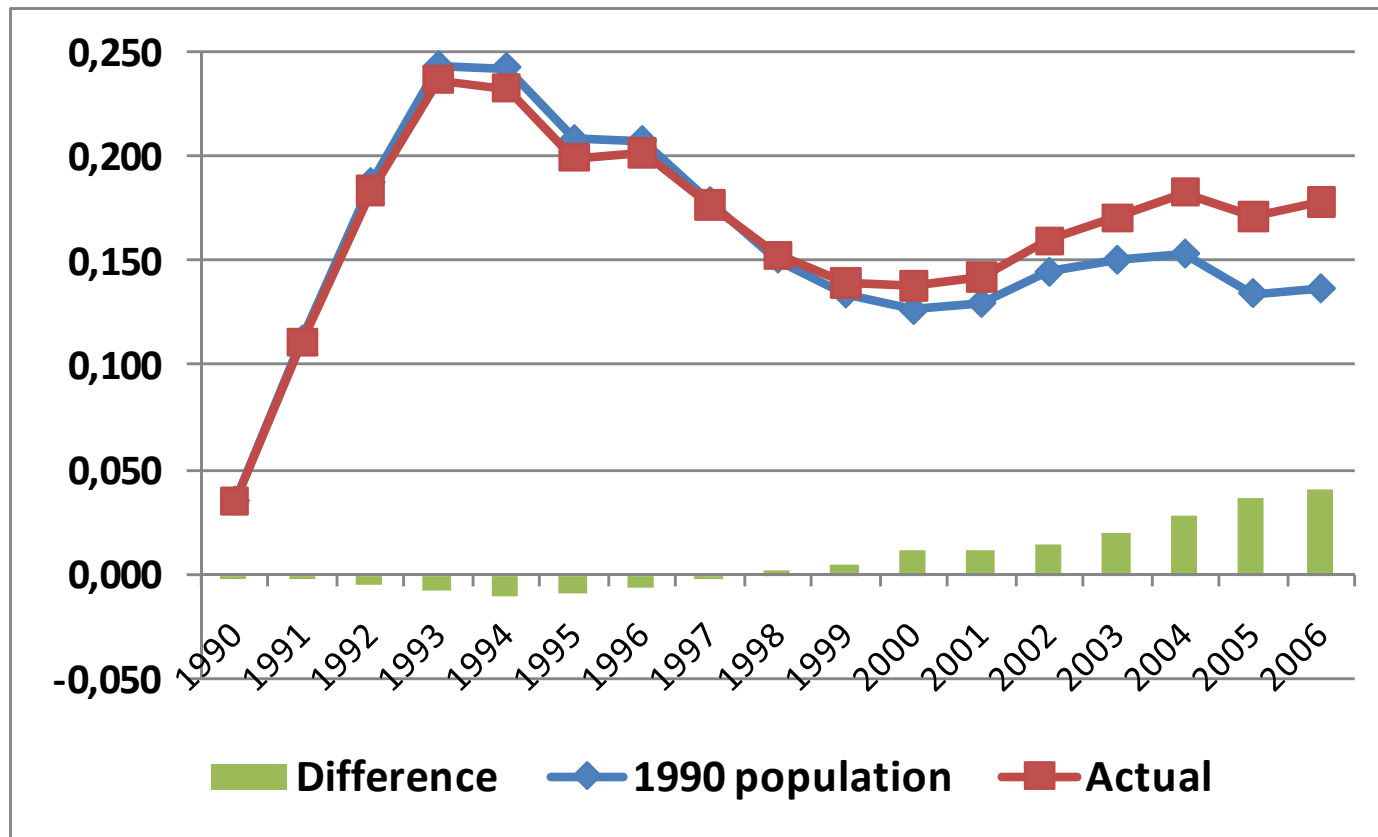
The Length of Life Cycle Surplus Years in 1990 -2006



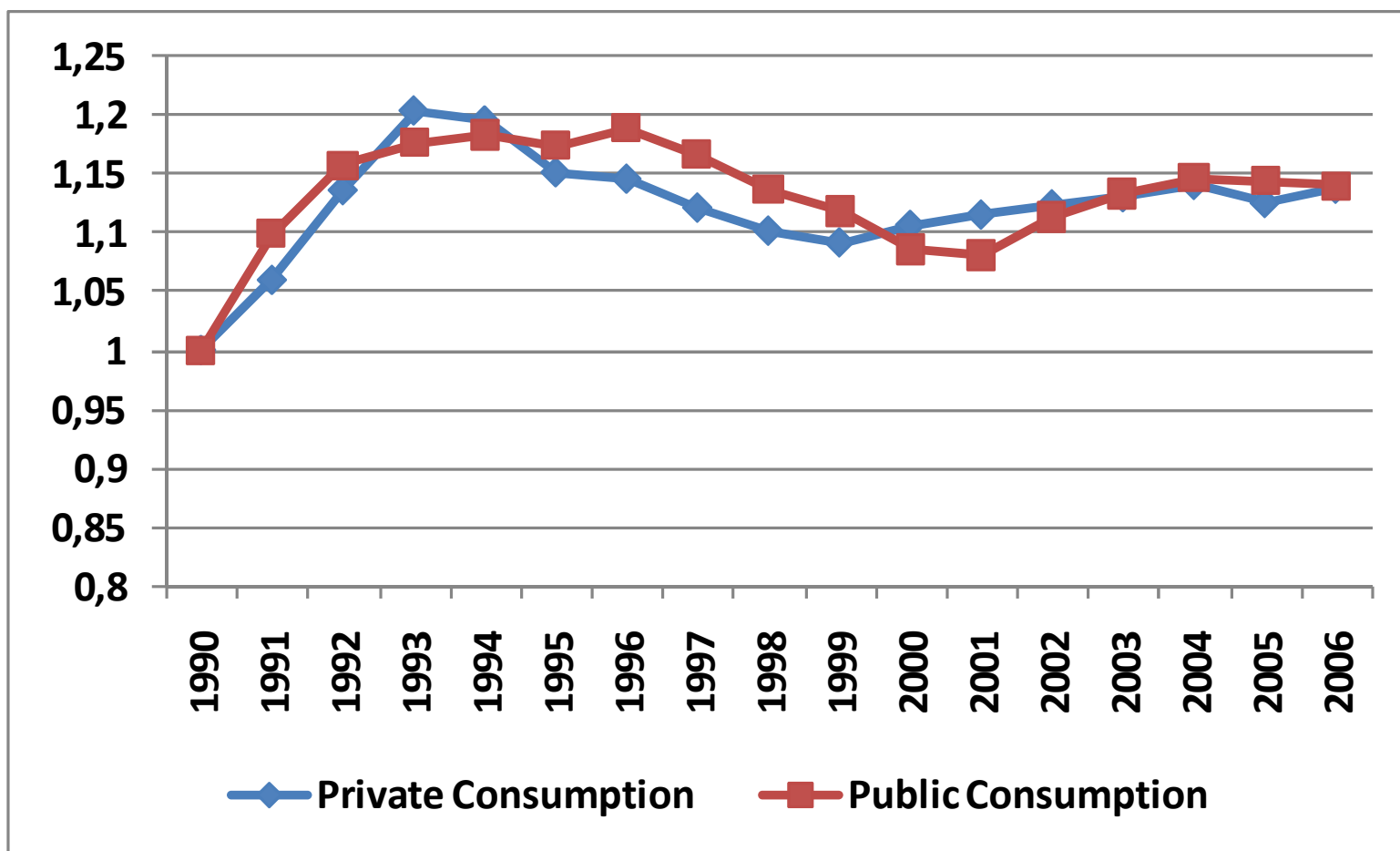
Average Age of Consumption and Production



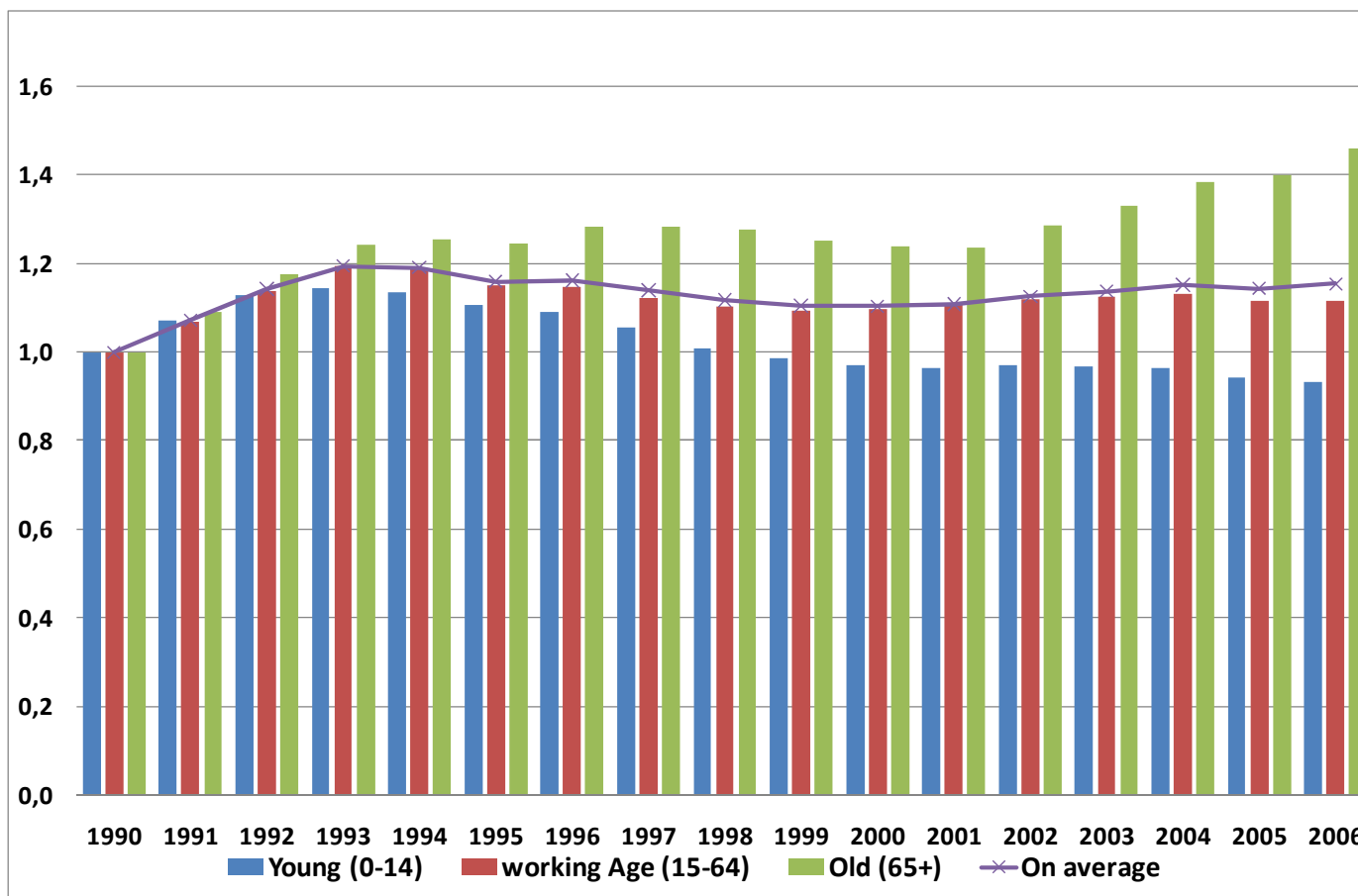
Impact of the Changing Age Structure on LCD



Index of Public and Private Consumption Relative to Wages



Total Consumption Relative to Wages in Broad Age Categories



Private and Public Components in Financing the Aggregate LCD

