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PROBLEMS AND PERSPECTIVES IN PENSION SYSTEM: CASE OF BALTIC STATES

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ABSTRACT

In all states of European Union reforms in pension system are being made, likewise in Latvia. Demographic and economic problems that are occurred forces pension reforms to be made. New developed pension reform includes different processes, like – formation of financial equilibrium between incomes and costs, limit performance in going early in pension, increasing of age of going in pension, rebalancing between men and women. Simultaneous formation of state and private pension systems could prevent some of the major drawback in system of pension that undermines the pension system of nowadays. Unfortunately the high social security contributions of state sector persons lacks of money, for deposit in private pension funds. Using method of logic synthesis, as the target authors nominated to examine problems of pension systems in the Baltic States, as well as similarities and divergences in problems and perspectives, with the status of private pension funds in accumulating pension system.

KEY WORDS: *labour market, pension system, pension funds, the Baltic States.*

JEL CODES: G230, H750, H550, J260, J320.

Introduction

Pension is most important income source within aging. Working for long years, human hopes he is going to enjoy worthy and economical independent life in time of pension, but unfortunately it does not happen so often. Receiving only pension from state, man receives only 50 % from previous income. But complementing it with accumulation of private pension fund, man can reach 70 – 80 % from previous income while being in labor market. Respectively, in order to receive higher income, it would be worth to invest in private pension funds. In conclusion of previously said it can be taken into account that the aim of pension system is to obtain adequate and sustainable pension.

The aim of the research is to study establishment of the pension system in the Baltic States, as well as show the problems in pension system existing in constitution. Identify possible actions in order to prevent existing problems. Summarize the number of people in age of pension, dividing it in the groups according to age, as well as measure the interest of young people in investing their funds in pension they will reach in aging, according to practice of Latvia.

Hypothesis of the article is that private pension funds could become a compulsory investment element in pension system. In the first part of research Estonia's, Lithuania's and Latvia's pension systems are overlooked. Problems existing in pension system nowadays in the Baltic States are being defined, for instance, aging

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of society and high unemployment rates. In the second part the structural allocation, according to age, in private pension funds are being analyzed and interest in new generation in investment in their pension funds are being overlooked, under the statutes of Republic of Latvia. Further the conclusions of analyze was made.

Research was made under the methods of quality and quantity – graphical analyses and comparison.

1. Challenges in existing pension system in the Baltic States

Since the end of 2009 economic systems of the Baltic States begun to recover after the rapid impact of the crisis. It is more common to behold positive tendencies after the downfall in each sector of economy. Along with the growth of activities in economic sector situation in labor market got better 2011 became the most successful of the Baltic States. There are positive changes in GDP – the growth of rate in GDP of Latvia is 5.5 %, in Estonia – for 7.6 % and in Lithuania – for 5.9 %. In 2011 more rapid growth in GDP was noted in Latvia. But not all sectors in economy grow as fast. It comes as – there are sectors in economy that will take years to recover in many states of the EU.

It is sure that positive tendencies can also been seen in the pension system, but under the demographic and economic circumstances, sustainability of it is endangered. That is why European Commission is developing reforms in pension system that anticipate in – limit performance in going early in pension, increasing of age of going in pension, rebalancing between men and women, adjustment people in aging period to the conditions of labor market, as well as supplementary support for the establishment of savings.

Speaking about the aging pensions, the meaning of significance can be measured. Firstly, aging pension is the main income source that is being guaranteed to people in aging, which is why it has essential role in every human's life. Reaching the age of pension the rest of life is being planned under this income. Unfortunately, youngsters are not keen on investing in their pensions and tax paying. Main part of them either supports illegal receiving of salaries, or goes for profit to foreign countries. For example, significant reduction of inhabitants can be seen in Latvia. In the time period between two censuses, the number of inhabitants decreased for 309 thousand or 13 % (Vegis, 2012).

Apart from the high rates of unemployment in the EU, the reduction of unemployment rates was seen in eight EU counties, including the Baltic States. The biggest fall in unemployment sector in 20 years was seen in Estonia. Comparing with 2010 the rate of unemployment fall for 4.4 % and compiled in 12.5 % in 2011, as well as the rate approached to the acceptable level. The rate of unemployment in Lithuania and Latvia was similar – 15.4 % from economically active residents (CSB 2012; Statistic Estonia, 2012: 95; Statistics Lithuania, 2012).

The highest rates in unemployment in the Baltic States are in the age of youngsters – ageing from 15 to 25. Under the system that pension system is based on principles of solidarity of generation, it means – employees provide aging residents with pensions. People in young age must be employed to ensure the pensions for aging people now and in the future.

It results that the main problem is aging society that impacts the pension system nowadays. Furthermore it can impact the stability of financial system, because it draws up big part from public expenditures. Under the growth of aging people, that will be guaranteed from aging society, knowing the high rates of unemployment the lack of funds in pension system could occur. In the existing pension system the balance on incomes and revenues should be in balance, in other words – between employed part society and number of aging people. That leads to the fact if people will go in pension age under the rules being in force nowadays state will not be able to ensure pensions from earned sums.

Unfortunately the planned pension system will not be able to disclose all existing problems. All innovations have their own plusses and minuses, let's try to analyze them. In this time period demographic and economic system could improve and this problem may lose its importance. But taking into account that average life span in Latvia for men is 67.3 and 77.7 for women, in Lithuania – 67.5 for men and 78.3 for women, in Estonia – 65.9 for men and 76.8 for women (Eurostat, 2011). While the pension age limit in Lithuania is 60 for women and 62 years and 6 month for men, in Latvia – 62 for women and men, in Estonia – 60.5 for

women and 63 for men. In comparison the middle life span and the pension aging it may be concluded that main part of men being residents of the Baltic States does not live till pension aging, and it sounds rather sad.

The restrictions of pre aging going in pension that is included in the new reform can be overview from different points of view. In the last ten years the tendency of pre aging going in pension grew in EU that is why the restrictions in pension system could have significant role. It could result in that the elder people would take part in labor market for longer period of time if it was motivated. But the working abilities and health conditions that specifies for each individual must be taken into account.

The balance in aging could give some impact. People will not receive their earned pension but they will be able to preserve their work. But the youngsters, under the unemployment rates within age category of young people, will not be able to gain work place that would free in situation when elder people would go into pension. That could promote departure in order to look for a job abroad.

Since regaining of independence several reforms in the Baltic States in pension system have occurred in Latvia, Estonia and Lithuania. Nowadays three pillar pension systems are in Latvia, Estonia and Lithuania. Latvia was first to introduce it, followed by Lithuania and Estonia. More similarities than differences are in the pension systems in the Baltic States. Pension systems of Latvia, Estonia and Lithuania will be overlooked further on.

Three pillar pension systems in Estonia are being in force since 2002. It is compiled by – I pillar state pensions, II pillar mandatory pension and III pillar supplementary pension. In 2012 social contributions draws up 33 %, from which 20 % are involved in budget of pension system and 13 % – in budget for special social security. From 20 % involved in budget of pension system, 18 % are diverted into pensions of nowadays and 2 % – in II pension level. Summing with 4 % of state it sums up 6 % per year that is diverted into second pension level. Since the world's economic crisis, payments in II pension level were stopped in time period from June of 2009 till the end of 2010. Although starting from 2010 people were able to make payments voluntarily. Since 2011 payments in the second pension level were divided by half summing up 1 % and 2 % from the state. In this year payments are being made in the level before the stopping. As well as 1 % of parenting benefit is being offset in one of the parent's second pension funds for each child. All capital saved up in second pension fund can be inherited. In order to receive I pension level that is guaranteed by the state one is needed to have minimum insurance record of 15 years. All information can be found in the website of CSD (Central Depository). Second pension level in Estonia are provided by 6 intuitions that offers 23 pension plans with four risk strategies – conservative, balanced, progressive and aggressive. But the third pension level is provided by 7 institutions that offers 13 different pension plans.

Latvia's pension system is the oldest and is being in force since 2001. It is being made from three pillar pension system – 1st trier mandatory stated non funded pension scheme, 2nd trier mandatory stated funded pension scheme and 3rd trier private voluntary pension scheme. The level of social contributions in 2012 is 35.09 %, from which 20 % sums up into budget of pension system and the rest – in other insurance budgets. Division between first and second level pensions in Latvia is similar to Estonia – 18 % sums up into pensions of nowadays and 2 % into second pension level, but no extra payments are being made in it. Minimum insurance record for aging pension is 10 years. Progress of levels can be seen in home pages of FCMC (Financial and Capital Market Commission) and ACBL (Association of Commercial Banks of Latvia). The second pension level in Latvia is provided by 9 institutions that provides 26 investment plans with three strategies – conservative, active and balanced. Third pension level is provided in 7 private pension funds – 6 public and 1 closed. Private pension funds provide 21 pension plans. Government under the influence of economic crisis overlooked the draft law in order to stop depositing in second pension fund, but it was not accepted, although the indexation of pension is stopped till 2013. In authors view the stopping of depositing was not possible due to that it could endanger the future of people in age 30 to 40 years. Mostly these residents do not have work experience before 1996 and that would lead to fact their pensions would be based on only capitals saved up in first and second pension level.

Three pillar pension systems in Lithuania is the youngest between the Baltic States, it is being in force since 2004. Pension levels are – I pillar statutory mandatory social insurance, II pillar quasi/mandatory fun-

ded pension scheme, III pillar voluntary funded pension scheme. Social contributions level in 2012 compiles 26.3 %. Deposit in second pension level in 2012 compile 1.5 %. Capital saved up in second pension level can be inherited. One must have minimum insurance record of 15 years to receive aging pension. Second and third pension level provides 9 institutions.

From the information above one can identify the main similarities and differences. From the overview of Latvia's and Estonia's the essences of pension systems are similar. First level is provided by the state, second – is provided by the state through fund manager and third – is voluntary saved up by recipient with mediation of private pension funds. But the pension system of Lithuania slightly differs from Latvia's and Estonia's; first level is provided by the state, second and third – is voluntary saved up by recipient with mediation of private pension funds. The second biggest difference is the distinction between levels of social contributions in first and second pension levels. In second pension level in Latvia 2 % are offset, in Lithuania – 1.5 %, and in Estonia – 6 %. As the third comes, as it had been said before, the age in which resident can go into aging pension differs in all states. As well as the minimum insurance record that provides one with aging pension differs, in Estonia and Lithuania it is similar and compiles 15 years, although in Latvia it is in minimum level of 10 years. As the fourth difference is that the capital saved up in the second pension level can be inherited, but it is not allowed in Latvia so far. One more similar feature is the relief on income tax that is being applied within investing in private pension funds. That means if one is making a deposit in private pension fund once a year one can fill in declaration and receive relief on income tax.

Several books, articles and publications are connected with the pension systems and their reforms. Problems and the results of reforms carried out in Estonia are being studied by many authors, including Leppik and Vork, Paas, Hinnosaar, Masso and Szirko. Leppik and Vork (2006) have deepened their publications with studying reforms made in pension system since 1990's and showing success of second pension level as it was in the beginning. Some authors also mention reforms carried out in pension system and have studied three pillar pension systems. T. Paas et al. (2004) have made comparison between pension systems levels within those being in force in Latvia, Estonia and Lithuania.

After economic downfall the main reforms in pension systems in Lithuania were made in 1995 and 2003. The latest reform in pension system in Lithuania will be carried out in 2012 and this issue is being researched by A. Bitinas (2011). In his publications he defined and evaluated occurring social changes that developed under the force of economic crisis, as well as evaluated the perspectives of new pension system.

In the scientific literature of Latvia in field of pension sphere there can be found qualitative works, including works from V. Voļskis (2004, 2011), I. Voronova (2011) and J. Jakubāne (2004). V. Voļskis (2011) researched the basic principles of the structure of the pension system, its importance and its place in social security system. This book gives opportunity to get acquainted with reformed pension system, as well as practical examples of pension calculation. In the article of I. Voronova analysis of many benchmarks of pension funds in Latvia can be overlooked. But in the article of J. Jakubāne one can get acquainted with the analysis and indexes of work of the pension funds that are being in force in Latvia.

Very pessimistic opinion of the future of pension system occurred in the society, for instance, according to Kļīlis in time period of five years there will be no pension system in Latvia. "In the future there will be renunciation of pension system, and the skip to the benefit of poverty will emerge, that is that people starting from some age limit will be said – "we doubt there will be any possibility for us to ensure pension for you", in that place only benefit of poverty will be ensured," says R. Kļīlis (2011).

But there also are one not so pessimistic opinion where D. Smirnovs does not agree with R. Kļīlis arguments and forecasts about the nearest future of pension system of Latvia. He is considering the possibility of economic growth realization and introduced the product in growth of the economy; he also considers the further development of pension system. He has also concluded that the main reasons of budget deficit are the growth of unemployment and reduction of minimum wage. But in 2007 there was surplus of budget when it was redirected to other needs of the state. Authors combined comments of the article "Why there will not be any pensions in Latvia?" (Smirnovs, 2011), in total they were 112 and under them made the conclusion of societies view to this situation. In overall readers are divided in – about one third of readers thinks that the ar-

ticle is good, fair and full with arguments, but rest of the readers does not support the opinion of D. Smirnovs and thinks that the pension system will be abolished and there will be no pensions or it does not exist even now and that relying on the state pension funding is no longer possible. Mainly supporters are in one thought with D. Smirnovs in the subject of growth in productivity of labor and not automatized but with attracting new labor forces that would facilitate the growth of social contributions.

In the nearest future the Saeima will evaluate the possibility of inheriting saved up interests in the second pension funds (Delfi, 2012).

2. Private pension funds as an instrument for improving of savings: case Latvia

Every economical active person deserves aging pension. This amount grows every year in Latvia but the extent of it shrunken in some of the cases failing to meet even half of the previous incomes. In 2011 the average paid in pension reached 178.18 LVL in month, in comparison with 2010 it grew for 2.30 LVL, from 175.88 LVL. In comparison with 2006 and 2003 the growth was even significant under fact that the average paid in pension in 2006 was 95.95 LVL but in 2003 it reached only 64.34 LVL (Latvijas Centrālais Depozitārijs, 2012). Despite these positive tendencies, in nowadays one must make additional provisions. One of the possible ways is private pension funds where people can make contributions in time of tears and after reaching age of 55 one can receive additional pension.

First licensed private pension funds emerged in Latvia in 1998. Under the unfavorable economic circumstances in that tie as well as the fact of distrust to commercial bank, the evolution of private pension funds was very slow. But in 2004 already four private pension funds had been in work – 3 opened and one closed pension fund. Those were – BAS “Opened pension fund of Parekss, BAS Opened pension fund Baltikums”, that was founded in 1998, JSC [Joint Stock Company] “Closed pension fund”, that was founded in 1999, and JSC “Unipension” – founded in 2000. These pension funds offered 9 pension plans.

Nowadays 7 private pension funds are working in Latvia – 6 opened and 1 closed pension funds. Those are – Nordea Latvia opened pension fund, Ge-Money opened pension fund, Swedbank opened pension fund, Citadele opened pension fund, Finasta opened pension fund, SEB opened pension fund and first closed pension fund that provides 21 pension plans. In general 198575 inhabitants have acceded to determined plan of pension funds in 2011 that is 3.8 % more comparing to last year. As well as total contributions in 2011 reached 18.3 million LVL, this made 15.9 % growth comparing with 2010. In the same time 6.6 million LVL were paid out in pensions under the reach of pension or death of the inhabitant. Under this fact we can conclude that work of pension funds are developing.

In view of the fact that in second pension level in 2011 was registered 1 156 743 inhabitants or 100 % of economical active inhabitants and 878.4 million LVL were saved up, including 17 % of them in private pension funds. Measures saved up in private pension funds at the end of 2011 draw up 120.4 million LVL, overreaching index of 2010 by 7 %.

In analysis of general information authors concluded that the biggest concurrent of Latvia's private pension funds are SEB opened pension fund (P1), Swedbank opened pension fund (P3) and Citadele opened pension fund (P3) (shown in figure 1). The largest in comparison within number of participants is SEB opened pension fund. Number of participants in this pension fund in 2011 was 73633 overreaching the number of 2010 by 1192.

SEB opened pension fund is being in lead for years. The amount of deposits in biggest private pension funds compiles 96.9 % of all members of private pension funds, meanwhile compiling 98.30 % of capital in field of private pension fund system. The second biggest private pension fund in Latvia is divided between Citadele opened pension fund and Swedbank opened pension fund. Till 2010 second place belonged to Citadele opened pension fund but since 2010 Swedbank opened pension fund has taken this place. In 2011 in Swedbank opened pension fund were registered 56 488 members, in Citadele opened pension fund – 50797 as well as 5795 members were in others funds.

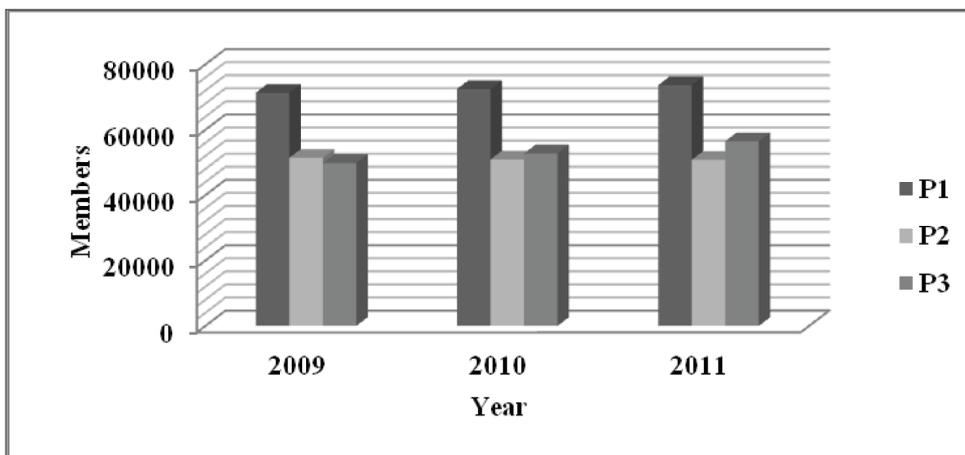


Figure 1. Members of biggest private pension funds
 Source: Association of Commercial Banks of Latvia

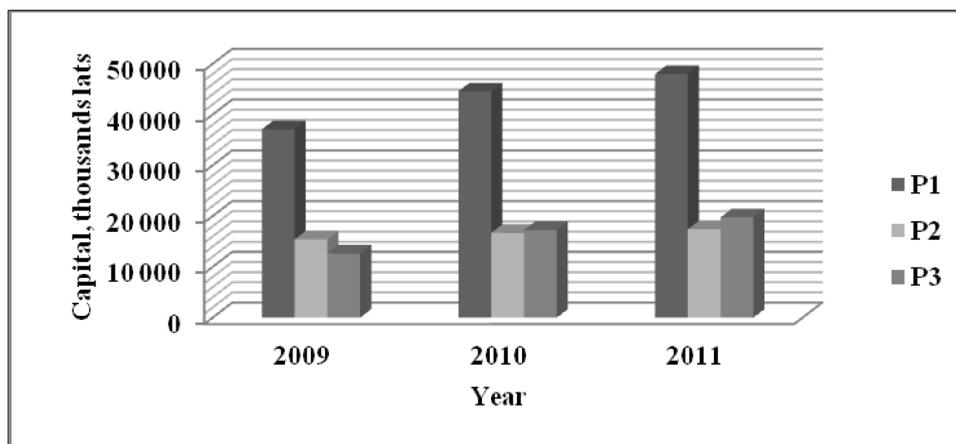


Figure 2. Saved up capital of private pension funds in 2011
 Source: Association of Commercial Banks of Latvia

In SEB opened pension fund together with Citadele opened pension fund and Swedbank opened pension fund in 2011 there was a capital in amount of 85737 thousand LVL (see figure 2), in comparison with 2010 there was growth in amount of 3390 thousand LVL or 7.07 %. Capitals saved up in Citadele opened pension fund and Swedbank opened pension fund are significantly lower. In 2011 saved up capital in Citadele opened pension fund was in amount of 17411 thousand lats making downfall of 716 thousand LVL in comparison with last period. Capital saved up in Swedbank opened pension fund in 2011 was in amount of 19751 thousand LVL making growth of 2475 thousand LVL in comparison with 2010.

Since the lack of publically available information, authors overlooked only age structure within Swedbank opened pension plan. In this pension plan there are 10 age groups; starting from group over 20 years and ending with the group of members over 61 (see figure3).

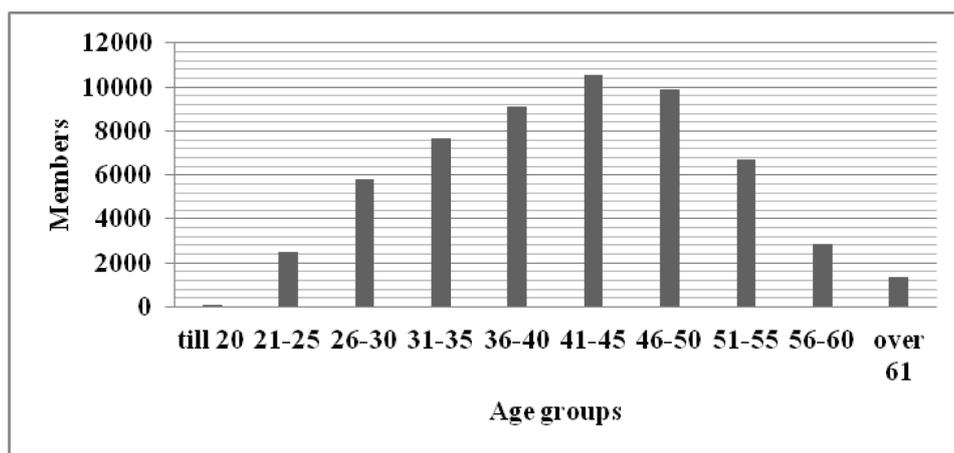


Figure 3. Structure of members by age groups in 2011

Source: Swedbank opened pension fund

The most active groups are those in the age from 31 to 50 years. The biggest group of member amount was in the age from 41 to 45 years, in the end of 2011 the member amount in this group's was 10564. It may be elucidated with the fact that members of this group has only 10 to 15 years till they legally can go into aging pension, that starts from age of 55. And this age period is the right moment to make bigger investments in order to serve in better gaining. In 2011 the second most active group was in the ages between 46 to 55 compiling 9887 members. But also inactive and not interested inhabitants are. In 2011 there were only 76 members in the age group to 21 year. That indicates of the fact that youngsters are still not interested or they have not got enough financial possibilities to make deposits. In the view of authors the slow development of private pension funds is due to financial problems of inhabitants, as well as ambiguity of members of the private pension fund system in ensuring stabilization. Inhabitants of Latvia in age period of 20 to 40 years are ones to be most hurt in situation nowadays, because in this time's solidatory pension system they need to pay tax to provide aging pensions to people in aging pension, as well as accumulate in new insurance system to provide aging pension to themselves.

Sure that members, capital saved up and incurred costs are the main things describing pension system. But it is also to analyze all features of pension system before investing in one of the pension plans. Important factor showing growth of investments is yield. In the study authors compared yields of second and third pension levels in biggest pension funds (see table 1).

Pension system funded by the state in Latvia offers pension plans with active and balanced strategy of investments, but voluntarily private pension scheme – with conservative, active and balanced strategies of investments. In 2011 the yield of second pension level varied from -3.12 % to 4.51 %.

Since its founding Citadele active pension plan of second level pension has showed the biggest yield in amount of 5.50 %. Pension plan with the highest yield in 2011 was "Swedbank" pension plan "Stability" ["Stabilitāte"]. Pension system funded by the state in Latvia in third level of pension offers pension plans with active and balanced strategy of investment, but voluntarily private scheme – with conservative, active and balanced strategies of investments. Choosing pension plans and strategies of investments pension funds offers two strategies. First strategy intends sticking to the plan of investment that has been intended in the beginning and do not make any significant changes. This pension fund is based on historically made strategy – average particular stock yield and lays one's account on maximum incomes. The second strategy is based on pursuance of changes in market and changing strategy of investments. It does not attain maximum of profit but in the case of losses it will not be big and will be merited in no time.

Table 1. Yield of plans of first and second pension pillars

| Funded pension scheme or second pillar | | | Private voluntary pension scheme or third pillar | | |
|--|----------|---------------------------|--|----------|---------------------------|
| Pension plans | Yield, % | | Pension plans | Yield, % | |
| | 2011 | From the begin of working | | 2011 | From the begin of working |
| Citadele opened pension fund | | | Citadele opened pension fund | | |
| Citadele Universal PP | 3.80% | 4.70% | Citadele Balanced | -2.75% | 5.72% |
| Citadele Active PP | 1.24% | 5.50% | Citadele Active | -4.35% | 5.18% |
| | | | Citadele Active USD | -3.06% | 4.49% |
| | | | Citadele Active EUR | -3.60% | 1.81% |
| SEB opened pension fund | | | SEB opened pension fund | | |
| SEB Latvian plan | 4.21% | 5.03% | SEB – Balanced | -2.18% | 3.70% |
| SEB balanced plan | 1.17% | 4.29% | SEB – Eiropension | -5.08% | 0.93% |
| SEB active plan | -0.60% | 4.10% | SEB – Active | -4.35% | 2.40% |
| SEB Eiropas plan | -3.12% | 3.73% | | | |
| Swedbank opened pension fund | | | Swedbank opened pension fund | | |
| Swedbank pension IP “Stability” | 4.51% | 3.80% | Swedbank pension plan Stability +25 | -0.95% | 2.40% |
| Swedbank pension IP “Dinamika” | 1.60% | 3.16% | Swedbank pension plan Dinamika +60 | -5.12% | 2.82% |
| | | | Swedbank pension plan Dinamika +100 | -12.99% | -9.38% |
| | | | Swedbank pension plan Dinamika +(USD) | -2.79% | 2.24% |

Source: Association of Commercial Banks of Latvia, Central Depository

In 2011 the yield of second pension level varied from -3.12 % to 4.51 %. Since its founding Citadele active pension plan of second level pension has showed the biggest yield in amount of 5.50 %. Pension plan with the highest yield in 2011 was “Swedbank” pension plan “Stability”. But the yield of third level pension in 2011 was negative varying from -12.99 % to -0.95 %. But since foundation the level of yield for pension level varies from -9.38% to 5.72%. Leading position in third level pension belongs to Citadele active pension fund’s pension plan with yield level of 5.72 %, 5.18 %, 4.49 % and 1.81 %.

Under the yield levels of second and third pension level it can be concluded that second pension plan has bigger level of yields. It can be based of successful experience on strategy of investments. Third pension level this far cannot satisfy accumulations, due to its investment plans are still in process of development. Authors are not capable in verify their hypothesis, due to the fact that third level pension this far cannot supply the aimed result.

Conclusions

Pension reforms are being made in all Baltic States. Lithuania is planning to divide solidarity pensions and other social securities, work out strategies for attracting new labor and enlarge the efficiency of accumulative system, including improving efficiency of adjustment of pension system and integration in state. Reform of pension system has already started in Lithuania, meanwhile Latvia and Estonia sticks to the strategy actions developed by European Union and have not still worked out their own.

Pension reform developed by European Union commission in order to preclude the problems in existing pension system, including elevation of age within one is possible to gain aging pension, as well as balancing in ages, deposits and costs within males and females, that is one of the crucial point in nowadays.

Pension system of Latvia is going through hard times, it is being ensured by several points. High unemployment rates between young people, making deficit in social budget, is the main point that does not allow

aging society to go into aging pension. Youngsters are not interested and cannot afford to pay deposits into pension funds; it can be based on the lack of perspectives. Under this circumstance stability pension will not be able to exist further and will be closed unless some important changes will be made. Prognosis shows that maybe solidarity pension will be able to transform into accrual pension system. According to authors thoughts one of the main arguments that could develop operation of pension system would be motivation of labor, for instance, possibilities of interest inheritance from capital in second pension level.

Notwithstanding that second pension levels are more profitable in Latvia; final conclusions of third pension level cannot be made. Strategies of profitability of investments in third pension level are being developed, that is why expected results have not been reached.

Accumulation life insurance companies are alternatives for private pension funds. Life insurance should be more detailed examined in order to determine and get more detailed view to pension systems position. In 2011 life insurance was the most popular insurance pattern, with and without accumulation possibilities, that in Latvia is provided by 7 life insurance enterprises. Under the pension system in Latvia authors examined existing problems and potential perspectives, considering private pension funds as an instrument of pension accumulation.

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PENSIJŪ SISTEMOS PROBLEMAS IR PERSPEKTYVOS: BALTIJOS ŠALIŪ ATVEJO ANALIZĒ

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Santrauka

Latvijoje, kaip ir kitose Europos Sąjungos šalyse, atliekama pensijų sistemas reforma, tai nulemia demografinės ir ekonominės problemas, su kuriomis susiduria šios šalys. Pensijos reforma apima įvairius procesus: pajamų ir išlaidų derinimas, ankstyvo išėjimo į pensiją ribojimas, pensinio amžiaus ilginimas, vyrų ir moterų pensinio amžiaus vienodinimas. Valstybinės ir privačios pensijų sistemas derinimas gali padėti išspręsti daugumą dabartinę pensijų sistemą kamuojančių problemų. Deja, dėl didelės valstybinio sektoriaus

dalies pensijų sistemoje trūksta pinigų pervesti į privačius pensijų fondus. Taikydami loginės sintezės metodą autoriai išsikėlė tikslą ištirti Baltijos šalių pensijų sistemos problemas ir perspektyvas, jų panašumus ir skirtumus, privačių pensijų fondų statusą bendroje pensijų sistemoje.

PAGRINDINIAI ŽODŽIAI: *darbo rinka, pensijų sistema, pensijų fondai, Baltijos šalys.*

JEL KLASIFIKACIJA: G230, H750, H550, J260, J320.