

Overview of definitions, AW-figures, and households used in calculation of Life situations

National Average Worker (AW) figures used in calculations

Households	Baseline	Childbirth	Unemployment, insured	Unemployment, non-insured	Sickness absence	Old-age pension at 65	Old-age pension at 67	Disability pension	Social assistance
Single with 1 child at age below 5.	50, 75, 100, 125								0
Single without children.	50, 75, 100, 125		50, 75, 100, 125	50, 75, 100, 125	50, 75, 100, 125	50, 75, 100, 125	50, 75, 100, 125	50, 75, 100, 125	0
Couple with 2 children, age 5 and 8.	50/75, 75/100, 100/125		50/75, 75/100, 100/125						0/0
Couple without children.	50/75, 75/100, 100/125		50/75, 75/100, 100/125						0/0
Single with newborn child.		50, 75, 100, 125							
Couple with newborn child.		50/75, 75/100, 100/125							
Couple with 2 children, age 5 and 8 before having newborn child.		50/75, 75/100, 100/125							

Note: The figures represent AW-figures. The figure "100" represent the average level of income expressed as "AW100". In the same way, the figure of "50" represent "AW50" meaning "50 per cent of average level of income".

For couples, the level of income is a combination of two individual incomes i.e., "50/75" meaning a combined income of "AW50 and AW75", representing a low level of income.

In social assistance no income besides the social benefit is expected in calculation.

Definitions

Baseline:	Income (from labourmarket) and tax for selected levels of income as percentage of national AW
Childbirth:	Benefit and tax in the event of childbirth. Individual with lowest income receive benefits in the event of childbirth.
Unemployment, insured:	Benefit and tax in the event of unemployment for insured employee. Individual with lowest income receive unemployment benefits.
Unemployment, non-insured:	Benefit and tax in the event of unemployment for un-insured employee. Individual receiving benefit is 30 years of age.
Sickness absence:	Benefit and tax in the event of sickness absence.
Old-age pension at 65:	Benefit and tax in the event of old-age pension at age of 65. Individuals have been at the labour market for 40 years.
Old-age pension at 67:	Benefit and tax in the event of old-age pension at age of 67. Individuals have been at the labour market for 40 years.
Disability pension:	Benefit and tax in the event of receiving disability pension at the age of 50 due to full loss of workability. Individuals have been at the labour market for 25 years.
Social assistance:	Benefit and tax in the event of financial social assistance. Individuals receive financial social assistance in every instance. Rental costs is calculated based on household in capital area.

Notes:

In all social benefits situations, equalized compensationrate is calculated against households with regular income from labour market.

In the event of childbirth, equalized compensationrate is calculated against households with regular income from labour market and change in size due to newborn child.

In all situations housing benefits is calculated based on household in the capital area.

When calculating situations with households for couples, the individual with lowest level of income receive benefits.