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Costs

Compared to many alternatives, Helsinki is a very cost-efficient city for running a business. A considerably wide array of high quality office premises is available at competitive costs. The total costs of employing highly educated professionals in Helsinki are lower than in most other European locations.

Salary costs and contributions

In the chart below is presented the yearly income of some professionals. In addition, the employer must pay approximately 25-30% of employer costs on top of these figures. For example the total cost of an electrical engineer would be approximately € 66,019 annually. The amount of contributions vary according to various factors such as yearly income, the employee's age, and dangerousness of the work.

Average yearly income of certain professionals*

Occupation	€
Production and operations manager (in business services enterprises)	74,016
Sales and marketing manager	66,756
Research and development manager	65,952
Electrical engineer	50,784
Chemist	47,208
Artistic specialist and commercial designer	26,424

Source: Statistics Finland

* ISCO-88 Classifications



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All costs presented in the table below amount to 25-30% employer cost. Please visit www.vero.fi for more information.

Contribution	Rate
Employer's social security contribution	General I Class 2.771% II Class 4.971% III Class 5.871%
Group life assurance (obligatory)	Varies between insurance offices
Accident insurance payment	0.3 - 7.5%
TYEL -pension insurance premium	Over 20% of wages (average 21.8%)
Unemployment insurance premium	1 - 4%

Sources: Vero.fi, Suomen Yrittäjät

Employer's social security contribution

The contribution is payable by the employer every month. It is determined according to the monthly amount of paid wages.

If a foreign company is permanently established in Finland, it is always obliged to pay this contribution.

Group life assurance (obligatory)

Rate varies between insurance offices.

Accident insurance payment

Employers should take out accident insurance for their employees from an insurance company.

TYEL-pension insurance premium

Employers are obliged to take out pension insurance for their employees. It is taken from a Finnish pension insurance company.

The premium includes the employee's share which the employer must withhold on every pay-day.



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Unemployment insurance premium

The premium is withheld and collected from wages, and it is payable to the same insurance company as the accident insurance payment.

The employee's share of the premium is withheld by the employer.

Source: Vero.fi

Occupancy costs

In addition to being an affordable place to open business, Helsinki's compact size and efficient traffic solutions offer companies an opportunity to save money in transportation costs. Reliable high-speed communications services are available for businesses at affordable prices everywhere in Helsinki.

City	Central Business District rents Class A Gross Rent* (USD)	Suburban / Out-of-town rents Class A Gross Rent* (USD)
Helsinki	40.87	20.43
Stockholm	57.44	28.72
Copenhagen	33.45	19.37
Oslo	38.18	24.36
Tallinn	29.87	18.55
Riga	37.72	25.15
Vilnius	27.51	22.95
St. Petersburg	71.28	46.93
Warsaw	59.45	36.44
Hamburg	42.44	26.72

Source: Colliers International / Global Office Real Estate Review 2009

* The average rent quoted per square foot per annum for a class A office building within the CBD plus additional costs such as property taxes, service charges or operating expenses



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Based on industrial end-users consuming 2 GWh per year and excluding VAT, the average price of 100 kWh of electricity was € 9.18 in the EU in 2007. Electricity prices ranged from € 4.43 in Latvia to € 13.87 in Italy. Prices were relatively low in the Baltic States as well as in Bulgaria, **Finland**, France and Poland (less than € 6.00 per 100 kWh). (Eurostat)

Electricity prices (€ / 100 kWh; including taxes)

	Household	Industry
Finland	11.60	6.89
Sweden	17.14	6.31
Denmark	25.79	10.74
Estonia	7.50	6.30

Source: Eurostat / Europe in figures - Eurostat yearbook 2008