

Living Profiles of Older Persons and Social Policies on Ageing in Korea

Korea Institute for Health and Social Affairs

Foreword

The last several decades have witnessed rapid demographic change in Korea. Declining fertility has had a major impact on the structural aging of populations and has also reduced mortality rates, which were formerly higher for children and middle-aged persons and are now higher for older persons.

As a result, the proportion of the population under 14 years of age is decreasing, while that of the population 65 years of age and over is increasing. The proportion of the total population aged 65 and over was 3.1 in 1970, compared with 6.8 in 1999. Moreover, that proportion is expected to be 7.1 in 2000 and 14.3 in 2022.

Korea is now on the verge of becoming an aging society and the speed of the aging rate is unprecedentedly fast. It is expected that it will only take 22 years for Korea to move from being an aging society to an aged society. The speed of aging in Korea is much faster than when compared to other countries.

More significantly, the trend in family dynamics is leaning toward more nuclearization. Along with rapid population aging, the fact that a significant and increasing proportion of the Korean elderly are living apart from their children indicates the increasing social need to care for the elderly. The increasing interest in social policy concerning aging is not only a result of population aging but also of the weakening of the care-giving role of the family.

There is an urgent need to establish a social infrastructure that can adequately respond to population aging. The Korean government is subsequently becoming increasingly involved in welfare programmes for older persons. The government is

focusing on the increasing dependency needs of older persons and on the preparation of appropriate countermeasures. It is therefore necessary to identify the needs of older persons and welfare services required that they require.

This study focuses on living profiles, welfare policies, and programmes for older persons and the evaluation of policy directions. I sincerely hope that this publication will be helpful to those who are interested in the lives of older persons and the current welfare policies for them in Korea. This report may also prove to be valuable to policy planners in other countries who are likewise trying to develop new welfare policies and programmes for older persons.

This publication has been prepared by Dr. Kyunghee Chung at the Korea Institute for Health and Social Affairs. I would like to thank Dr. Kyunghee Chung, Ms. Aejeon Cho, Ms. Younghee Oh, Dr. Jaekwan Byun, Dr. Youngchan Byun, and Mr. Hyunsang Moon, who were all involved in the 'Living Profile and Welfare Service Needs of Older Persons in Korea' survey conducted by KIHASA and are co-authors of the Korean version of the survey report. I would also be grateful to Dr. Jaekwan Byun, Dr. Kyunghee Chung, Dr. Meekyung Suh, Ms. Jaeun Seok at KIHASA and staff at the Elderly Welfare Division of the Ministry of Health and Welfare, who have all helped to develop the plan 『Mid- to Long-Term Development Directions for Elderly Health and Welfare in Preparation of an Aging Society in the 21st Century』. Finally, many thanks are extended to Ms. Julie Oh for her valued advice in preparing the English version of this paper.

June, 1999

Kyungbae Chung, Ph.D.
President
KIHASA

Content

Foreword	
Chapter 1. Introduction	11
Chapter 2. Changes in Population and the Family	12
A. Demographic Changes	12
B. Changes in the Family	17
Chapter 3. Living Profiles and Welfare Service Needs of Older Persons	24
A. Living Arrangements	24
B. Inter-generational and Social Relationships	27
C. Economic Security	30
D. Health Status	38
E. Care for Older Persons	45
F. Care by Older Persons	53
G. Social Activities	58
H. Social Welfare Needs	58
I. Perception and Attitudes toward Care by Their Children ..	65
Chapter 4. Policies and Programmes Related to Older Persons	68
A. Major Social Welfare Policies	68
B. Development of Welfare Policies for Older Persons ...	74
C. Policies for Older Persons	77

Chapter 5. Conclusion	87
A. Summary of the Current Situation	87
B. Future Plan of the Korean Government	89
Select Bibliography	94

List of Tables

Table 2- 1.	Age Composition of the Korean Population, 1970~2022	13
Table 2- 2.	Increase of Older Persons, 1970~2020	14
Table 2- 3.	Crude Birth Rate and Crude Death Rate, 1970~1997	15
Table 2- 4.	Life Expectancy at Birth, 1970~2020	15
Table 2- 5.	Demographic and Household Composition of Older Persons, 1995	16
Table 2- 6.	Proportion of Older Persons by Area, 1970~1995	17
Table 2- 7.	Changes in the Family Structure in Korea, 1970~1975	18
Table 2- 8.	Formation and Dissolution of Families, 1970~1997	19
Table 2- 9.	Changes in the Family Life Cycle in Korea	21
Table 2-10.	Labor Force Participation Rate by Marital Status	22
Table 2-11.	Female Labor Force Participation Rate	23
Table 2-12.	Attitudes Toward Female Labor Force Participation, 1995	23
Table 3- 1.	Characteristics of Older Persons by Area	25
Table 3- 2.	Proportion of Households with Older Persons	26
Table 3- 3.	Living Arrangement of Older Persons	26
Table 3- 4.	Number of Children, Siblings, Friends and/or Neighbors by Area, Gender, and Age	27
Table 3- 5.	Frequency of Visits and Calls or Letters with Non-coresident Children, Siblings, Relatives, and Friends-Neighbors	29

Table 3- 6.	Labor Force Participation Rates and Occupations by Area, Gender and Age	31
Table 3- 7.	Reasons for Working	32
Table 3- 8.	Reasons for Not Working	32
Table 3- 9.	Sources of Income by Area, Gender, and Age ...	33
Table 3-10.	Economically Burdensome Items	34
Table 3-11.	Average Monthly Allowance By Characteristics of Older Persons	35
Table 3-12.	Living Costs by Area and Items	37
Table 3-13.	Self-perception of Economic Condition by Characteristics of Older Persons	38
Table 3-14.	Prevalence Rate of Chronic Diseases by Age and Gender	39
Table 3-15.	Prevalence Rate of Dementia	40
Table 3-16.	Prevalence Rate and Limitation in Daily Living by Disease and Gender	41
Table 3-17.	Activities of Daily Living by Gender and Age ...	42
Table 3-18.	Instrumental Activities of Daily Living by Gender and Age	43
Table 3-19.	Self-perception of Health Condition by Gender and Age	44
Table 3-20.	Main Financial Care Provider for Living Expenses by Characteristics of Older Persons	46
Table 3-21.	Physical Caregivers by Characteristics of Older Persons: Chronic Diseases	48
Table 3-22.	Care-receiving Rate by Region, Age, and Sex: ADL	49
Table 3-23.	Main Physical Caregivers by Characteristics of Older Persons: ADL	49
Table 3-24.	Care-receiving Rate by Region, Age, and Sex: IADL	51
Table 3-25.	Physical Main Caregivers by Characteristics of Older Persons: IADL	52

Table 3-26.	Main Emotional Caregivers by Area, Age, and Gender	53
Table 3-27.	Financial Care Giving of Older Persons	54
Table 3-28.	Inheritance by Characteristics of Older Persons	56
Table 3-29.	Emotional Care Giving of Older Persons	57
Table 3-30.	Social Activity Participation of Older Persons	59
Table 3-31.	Awareness and Utilization Rates of Welfare Policies for Older Persons	60
Table 3-32.	Awareness and Utilization Rates of Social Care Services By Area and Sex	62
Table 3-33.	Special Housing for Older Persons by Area and Age	63
Table 3-34.	Willingness to Live in an Elderly/Nursing Home: Older Persons who do not Co-reside with their Children	64
Table 3-35.	Attitude towards Children's Responsibility for Older Parents by Characteristics of Older Persons	66
Table 3-36.	Preferred Ways of Financial Support for Older Persons by Characteristics of Older Persons	67
Table 4- 1.	Public Pension Programmes	68
Table 4- 2.	Number of Insured Persons in the National Pension Scheme by Sector	69
Table 4- 3.	Eligibility and Contents by Type of Livelihood Protection	71
Table 4- 4.	Proportion of Recipients	72
Table 4- 5.	Trends of Medical Expenditure Increase	73
Table 4- 6.	Welfare Programmes and Policy Development of Older Persons	75
Table 4- 7.	Budget of Korea, 1990~1998	76
Table 4- 8.	Programs and Policies for Older Persons, 1997, 1998, 1999	77
Table 4- 9.	Eligibility for Old Age Pension Recipients	79
Table 4-10.	Old Age Pension Payment, 1998	79

Table 4-11.	Welfare Facilities for Old Persons in 1998	83
Table 4-12.	Leisure Facilities for Old Persons in 1997	85
Table 4-13.	Commendation of Dutiful Children	86

List of Figure

Figure 4-1.	Organization of the Ministry of Health and Welfare	75
Figure 5-1.	Summary of Goals and Strategies	91

Chapter 1. Introduction

As a result of the rapid decrease in fertility and the substantial increase in life expectancy, the percentage of population under the age of 14 is decreasing, while the percentage of the population 65 years of age and over is increasing. Korea is now on the verge of becoming an aging society and the speed of the aging rate is unprecedentedly fast. It is expected that it will only take 22 years for Korea to move from being an aging society to an aged society. Therefore, Korean society will soon be faced with population aging despite the fact that they still lack the necessary preparation.

Care for the elderly has become a central social issue with the increase in percentage of older persons. The increasing interest in social policy concerning the aging problem is not only a result of population aging but also the weakening of the care-giving role of the family. Along with rapid population aging, the fact that a significant and increasing proportion of the Korean elderly are living apart from their children indicates the increasing social need to care for the elderly.

The objective of this study is to collect and analyze existing statistics and studies on aging and to examine current social welfare policies and programmes for older persons. This study is composed of four parts. First, demographic changes and changes in the family will be reviewed as background to understanding older persons lives. Second, living profiles and welfare service needs of older persons will be presented based on survey data. Third, policies and programmes pertaining to older persons will be introduced. Finally, the current situation and future plans of the Korean government will be summarized.

Chapter 2. Changes in Population and the Family

A. Demographic Changes

1) Age Composition of the Population

Due to the rapid decrease in the fertility rate and the sustained increase in life expectancy, the number and proportion of the youth population has decreased while at the same time, the number and proportion of the aged population has substantially increased.

The proportion of the total population aged 65 and over was 3.1 percent in 1970, compared to 5.7 in 1995. Moreover, the corresponding proportion is expected to be 7.1 in 2000 and 14.3 in 2022. Similar trends have been observed and are expected to continue in the old age dependency ratio and index of aging(see Table 2-1).

According to a recent census, the total number of persons 65 years old and over was 2,657,000 in 1995. This is 2.7 times larger than in 1970, when there were 991,000 persons. It is estimated that there will be 6,899,000 older persons in 2020, which is 2.6 times more than in 1995. The growth rate is even greater among persons 80 years old and over; in 2020 the number of persons 80 year old and over will be 3.5 times more than in 1995(see Table 2-2).

The increase in the proportion of older persons is largely due to the decrease in birth rate and sustained increase in life expectancy following socio-economic development and improvement in public health and medical technology in Korea.

The crude birth rate was 29.5 per 1,000 persons in 1970 but decreased to 14.6 per 1,000 persons in 1997(see Table 2-3).

Table 2-1. Age Composition of the Korean Population, 1970~2022

(Unit: 1000 persons, %)

	1970	1980	1990	1995	2000	2010	2020	2022	
Number	0~14	13,710	12,951	10,973	10,537	10,233	10,080	9,013	8,845
	15~64	17,540	23,717	29,701	31,899	33,671	35,506	36,446	36,164
	65+	991	1,456	2,195	2,657	3,371	5,032	6,899	7,527
	Total	32,241	38,124	42,869	45,093	47,275	50,618	52,358	52,536
Age Composition	0~14	42.5	34.0	25.6	23.4	21.7	19.9	17.2	16.8
	15~64	54.4	62.2	69.3	70.7	71.2	70.1	69.6	68.8
	65+	3.1	3.8	5.1	5.9	7.1	10.0	13.2	14.3
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Youth Dependency Ratio ¹⁾	0~14	78.2	54.6	36.9	33.0	30.4	29.4	24.7	24.5
Old Age Dependency Ratio ²⁾	65+	5.7	6.1	7.4	8.3	10.0	14.2	18.9	20.8
Index of Aging ³⁾	65+	7.9	11.2	20.0	25.2	32.9	49.9	76.5	85.1

Note: 1) Youth Dependency Ratio=(Pop. under 15 Years Old/
Pop. from 15 to 64 Years old)×100

2) Old Age Dependency Ratio=(Pop. 65 Years Old and over/
Pop. from 15 to 64 Years old)×100

3) Index of Aging=(Pop. 65 Years Old and over/
Pop. under 14 Years old)×100

Sources: Economic Planning Board, *Population and Housing Census Report*, 1970, 1980.

National Statistical Office, *Population and Housing Census*, 1990, 1995.
_____, *Population Projection*, 1996.

Table 2-2. Increase of Older Persons, 1970~2020

(Unit: 1,000 Persons, %)

	1970	1980	1990	1995	2000	2010	2020
65+	991 (37.3)	1,456 (54.8)	2,195 (82.6)	2,657 (100.0)	3,371 (126.9)	5,032 (189.4)	6,899 (259.7)
70+	563 (35.0)	832 (51.7)	1,294 (80.5)	1,608 (100.0)	2,004 (124.6)	3,264 (202.9)	4,412 (274.3)
80+	101 (26.4)	178 (46.6)	302 (79.1)	382 (100.0)	480 (125.5)	803 (210.0)	1,335 (349.4)

Source: National Statistical Office, *Population Projection*, 1996.

As a result of the above factors, the life expectancy at birth for females increased from 66.7 in 1970 to 77.4 years in 1995, in other words a 10.7 year extension of life in 25 years. The life expectancy of Korean women has now reached the level of life expectancy in advanced countries. In contrast, the increase in male life expectancy at birth has been far less than that of females for the same period. Life expectancy for males at birth increased 9.7 years, from 59.8 to 69.5. Life expectancy in 2020 is expected to be 81.7 years for females and 74.5 for males(see Table 2-4).

Considering that women's life expectancy is generally longer than men's, the difference of 7.9 years between males and females is quite large compared to the usual gender differences noted in advanced countries¹⁾.

1) This is due mainly to the large gender gap in the probability of dying in age groups between 40 to 45 and 45 to 50 years of age. The indication is that the shorter life span of men in Korea is a result of men's economic participation and their associated health practices. Insecure and stressful work environments and poor health habits are responsible for the high risk of death among economically active men.

Table 2-3. Crude Birth Rate and Crude Death Rate, 1970~1997

(Unit: 1,000 Persons, %)

	1970	1980	1990	1995	1996	1997
Crude Birth Rate	29.5	22.7	15.3	15.8	15.1	14.6
Crude Death Rate	9.8	7.3	5.7	5.4	5.3	5.3
Natural Increase Rate	19.7	15.4	9.6	10.4	9.8	9.3

Source: National Statistical Office, *Annual Report on Vital Statistics*, various years.

Table 2-4. Life Expectancy at Birth, 1970~2020

(Unit: 1,000 Persons, %)

	1970	1979	1991	1995	2000	2010	2020
Total	63.2	65.8	71.6	73.5	74.9	77.0	78.1
Male	59.8	62.7	67.7	69.5	71.0	73.3	74.5
Female	66.7	69.1	75.7	77.4	78.6	80.7	81.7

Sources: National Statistical Office, *Life Table*, 1995.

_____ , *Population Projection*, 1996.

2) Sex Ratio and Marital Status

By virtue of gender differences in life expectancy and age-differences in couples, the sex ratio of older persons is much lower compared to that of the total population. The sex ratio of the total population was 100.8 in 1995. On the other hand, the sex ratio of persons 65 years old and over was 58.5. The sex ratios for age groups 65 to 69, 70 to 74, 75~79, 80~84, and 85 and over were 40.6, 26.2, 15.9, 8.5, and 3.3 respectively in 1995, showing a remarkably higher rate of female population at older ages.

Regarding the marital status of older persons, the proportion of married persons is higher among the male elderly and lower age groups. The majority of elderly males aged 65~69(90.1 percent) are married. In contrast, only 3.3 percent of elderly males aged 85 are married.

As a result of the higher rate of widows and lower rate of re-marriage among female elderly, 39.4 percent of elderly males

lived with their wives, while only 12.9 percent of elderly females lived with their husbands in 1995(see Table 2-5).

Table 2-5. Demographic and Household Composition of Older Persons, 1995

Age	Sex Ratio	% of Currently Married		Household Composition			
		Male	Female	Male		Female	
				% of 1 Persons Households	% of Households with Couple Only	% of 1 Persons Households	% of Households with Couple Only
65~69	67.5	90.1	40.6	4.3	40.4	18.9	20.3
70~74	62.6	85.2	26.2	5.2	42.3	20.7	13.0
75~79	54.4	77.7	15.9	5.7	38.7	18.5	7.1
80~84	40.7	66.0	8.5	5.8	30.5	14.1	3.1
85+	27.4	50.5	3.3	5.5	20.8	8.8	0.8
Total	58.5	83.6	26.5	4.9	39.4	18.2	12.9

Source: National Statistical Office, *Population and Housing Census Report*, 1995.

3) Area Differences

The proportion of older persons, compared to the total population, in rural areas is significantly higher than in urban areas. In 1995, 4.3 percent of elderly persons 65 years old and over lived in urban areas, but 11.8 percent lived in rural areas. This trend results from the rapid emigration of younger generations from rural to urban areas(see Table 2-6).

Table 2-6. Proportion of Older Persons by Area, 1970~1995

	(Unit: %)			
	1970	1980	1990	1995
Urban	2.1	2.6	3.6	4.3
Rural	4.2	5.6	9.0	11.8

Sources: Economic Planning Board, *Population and Housing Census Report*, 1970, 1980.
National Statistical Office, *Population and Housing Census Report*, 1990, 1995.

B. Changes in the Family

1) Household and Family Types

The total number of households in Korea has doubled since 1970. In 1995, the number of households reached 12,958,000 which is an increase of 5,779,000 households from 1970 (see Table 2-7). Meanwhile, the average number of household members recorded a decline from 5.2 persons in 1970, to 4.6 in 1980, and to 3.3 in 1995. This trend is mainly the result of the decline in average number of births per woman.

In terms of household type, one person households increased from 4.2 percent of total households in 1975 to 12.7 percent in 1990. This reflects an increase in the number of one-person households among elderly in rural areas and an increase in the number of young people who live alone in urban areas.

In regards to the number of generations represented in one family, two generation families accounted for 73.7 percent of all families. One generation families accounted for 12.7 percent, up from 6.8 percent in 1970, while three generation families decreased from 23.2 percent in 1970 to 11.6 percent in 1995. Furthermore, nuclear families are the most common family type in Korea, accounting for 79.8 percent of all families in 1995. The decline in the size of families can be traced to the decline of

fertility in Korea. Total fertility rates decreased from 2.7 in 1980 to 1.6 in 1990(see Table 2-7).

Table 2-7. Changes in the Family Structure in Korea, 1970~1975

	1970	1980	1990	1995
Total Number of Households(1,000persons)	5,576	7,969	11,355	12,958
Household Size: Average Number of Household Members(persons)	5.2	4.5	3.7	3.3
One Person Households(%)	-	4.8	9.0	12.7
Number of Generations in the Family(%)				
1 Generation	6.8	8.8	12.0	14.7
2 Generations	70.0	73.1	74.1	73.7
3+	23.2	18.1	14.0	11.6
Types of Families(%)				
Nuclear Families	71.5	72.9	76.0	79.8
Extended Families	21.9	14.1	12.5	9.1
Others	6.6	13.0	11.5	11.2
Total Fertility Rates	4.5	2.7	1.6	1.7

Sources: National Statistical Office, *Population and Housing Census*, Various Years.

_____ , *Population Projection*, 1991.

2) The Formation of Families

According to the 1995 Population and Housing Census Report, the number of people who have never been married accounted for 30.8 percent of the population 15 years of age and over, while married people represented 60.7 percent, widowed people 7.4 percent and divorced people 1.1 percent. The average age at first marriage has increased for women from an average of 23.3 in 1970 to 25.9 in 1997. Similarly, men's average age at marriage increased from 27.1 in 1970 to 28.7 in 1997(see Table 2-8).

The crude divorce rate increased from 0.4 in 1970 to 2.0 in 1997. Furthermore, according to vital registration statistics, divorce

due to troubles with one's spouse increased from 65 percent of all divorces in 1970 to 81 percent in 1997. Other types of reasons for divorce are troubles with family members, ill health, and economic problems. Therefore, the need for programs designed to help prevent divorce and to support members of dissolved families is increasing.

Table 2-8. Formation and Dissolution of Families, 1970~1997

	1970	1980	1990	1995	1997
Marital Status:(15 years old and over) (%)					
Never Married	31.0	34.5	33.0	30.8	-
Married	59.5	57.4	59.1	60.7	-
Widowed	8.9	7.6	7.2	7.4	-
Divorced	0.7	0.5	0.8	1.4	-
Singulate Mean Age at First Marriage(year)					
Male	27.1	27.3	27.9	28.5	28.7
Female	23.3	24.1	25.4	25.4	25.9
Number of Divorces(cases)	-	22,980	42,249	67,858	93,171
Crude Divorce Rate ¹⁾	0.4	0.6	1.0	1.5	2.0
Divorces due to Spousal Troubles(%) ²⁾	64.6	74.4	81.8	82.4	81.0

Note: 1) Crude Divorce Rate=(Number of Divorces/Total Pop.)×1,000

2) Reasons for divorce are troubles with one's spouse, troubles with family members, ill health, and economic problems.

Sources: National Statistical Office, *Population and Housing Census*, Various Years.

_____, *Vital Registration Statistics*, Various Years.

KIHASA, *Fertility and Family Health Surveys*, Various Years.

3) Changes in the Family Life Cycle

A decline in fertility, marriage at a later age, and a longer life expectancy have brought about changes in the life cycle of women. Although the total duration of the family life cycle has extended, the family extension stage has shortened. The duration from the birth of the first child to the birth of the last has decreased from 16 years (currently 70 years of age), to 9 years

(55 years of age) to 2 years (37 years of age). Although the total number of years of childbearing and rearing has decreased, the years devoted to rearing one child has increased. The burden of child rearing has therefore, not been notably alleviated despite the decline in fertility(see Table 2-9).

The shortened family extension stage allows for more active labor force participation by women. Moreover, the centrality of child rearing has decreased, and the quality of the conjugal relationship has become more important.

The duration of the empty-nest period has also increased. Therefore, the economic, psychological, and emotional issues of middle-aged or elderly couples have recently gained more importance.

Table 2-9. Changes in the Family Life Cycle in Korea

(Unit: years)

Phases of Family Life Cycle	Marriage Cohort of Women				
	1935~44 (On average, 73 years of age now)	1945~54	1955~64 (On average, 58 years of age now)	1965~74	1975~85 (On average, 40 years of age now)
Formation (Marriage ~ Birth of 1st Child)	4.1	3.2	1.9	1.5	1.2
Extension (Birth of 1st Child ~ Last Child)	15.5	12.6	9.1	5.0	2.2
Completed Extension (Birth of Last Child ~ Marriage of 1st Child)	9.3	12.9	17.1	21.2	24.0
Contraction (Marriage of 1st Child ~ to Last Child)	15.5	12.6	9.1	5.0	2.2
Completed Contraction (Marriage of the Last Child ~ Death of the Husband)	-5.8	-2.6	1.4	10.2	15.0
Dissolution (Death of the Husband ~ Death of the Wife)	5.9	7.0	7.6	7.6	7.2
Whole Duration (Marriage ~ Death of the Wife)	44.5	45.7	46.2	50.5	51.8

Source: Kong et al., *Changes in Family Structure*, 1987.

4) Labor Force Participation of Women

Korean women have become more involved in economic activities. The labor force participation rate among women showed an increase from 42.8 percent in 1980 to 49.5 percent in 1997. The labor force participation rate increase is greater among married women than unmarried women. The labor force participation rate among married women showed an increase from 40.5 percent in 1981 to 51.7 percent in 1997(see Table 2-10).

The age pattern regarding the percent of women in the labor force shows a bimodal distribution similar to the pattern in industrialized countries in the 1960s and 1970s(see Table 2-11). This pattern reflects the fact that women actively hold jobs before marriage(20-24 years old), then leave the labor market to give birth and raise their children(25~34 years old), and later reenter the labor market(35 years old and over). In particular, the labor force participation rate of females 40~59 years old and over, who are usually care-givers for older persons, is relatively high (50~60 percent).

Table 2-10. Labor Force Participation Rate by Marital Status

Participation Rate	1980	1985	1990	1995	1997
Total	40.0	41.9	47.0	48.3	49.5
Married	50.8	41.0	46.8	47.6	51.7
Unmarried	42.8	44.7	45.6	50.4	46.2

Source: National Statistical Office, *Annual Report on the Economically Active Population Survey*, Various Years.

A number of factors are believed to be responsible for this increase among married women. First, increased living standards and larger educational expenses for children have prompted housewives to earn money to supplement their husbands' incomes. According to the Social Statistics Survey conducted by the National Statistical Office in 1995, the most common reason women gave for working was "to help with family finances." Second, women have a stronger desire to take part in economic activities and are able to adapt themselves to careers more readily than their predecessors. According to the same survey, the proportion of women who classify their role as full-time homemaker or who were employed before marriage is less than one-fourth. The younger the respondents, the higher the proportion of women with favourable attitudes toward female employment.

Table 2-11. Female Labor Force Participation Rate

(Unit: %)

	15~19	20~24	25~29	30~34	35~39	40~44	45~49	50~54	55~59	60+	Total
1970	43.7	47.3	34.7	38.4	42.7	46.9	46.6	41.1	37.1	14.9	39.3
1975	40.5	47.3	29.5	37.0	48.0	51.6	50.9	50.8	44.8	17.1	40.4
1980	34.4	53.5	32.0	40.7	53.0	57.0	57.3	54.0	46.2	17.0	42.8
1985	21.1	55.0	35.8	43.6	52.8	58.3	59.3	52.4	47.2	19.2	41.9
1990	18.6	64.5	42.8	49.6	58.0	60.5	63.9	60.0	54.4	26.5	47.0
1995	14.6	66.1	47.8	47.5	59.2	66.0	61.1	58.3	54.2	28.9	48.3
1997	13.0	66.4	54.1	50.9	60.5	67.0	62.2	58.0	53.8	30.2	49.5

Source: National Statistical Office, *Annual Report on the Economically Active Population Survey*, various years.

Table 2-12. Attitudes Toward Female Labor Force Participation, 1995

Age	Homemaker	Employment before marriage	Employment after children reach maturity	Both before marriage & after children reach maturity	Under any conditions
15~19	7.9	15.4	7.2	30.8	38.6
20~29	7.7	13.4	11.0	39.4	28.5
30~39	13.9	8.7	22.6	38.8	16.1
40~49	17.4	11.4	21.9	34.0	15.4
50~59	20.2	17.4	16.3	30.3	15.7
60 ⁺	33.6	17.5	12.7	22.8	13.4

Source: National Statistical Office, *Social Statistics Survey*, 1995.

Chapter 3. Living Profile and Welfare Service Needs of Older Persons

This chapter will overview the living conditions and welfare service needs of older persons based on the 'Living Profile and Welfare Service Needs of Older Persons in Korea' survey conducted by KIHASA from April 13 ~ May 31, 1998. The survey was based on 9,355 households and 2,535(2,372 after weighted calculation) older persons 65 years of age or over were interviewed.

Of the respondents, 63.0 percent lived in urban areas and 37.0 percent in rural areas. 36.9 percent were male and 63.1 percent were female. In terms of age, 38.1 percent were ages 65 ~ 69, 29.2 percent were ages 70~74, and 32.7 percent were ages 75 and over. The educational attainment of older persons was very low; 29.2 percent were illiterate, 23.7 percent could read but had not received formal education, and 29.6 percent were primary school graduates. Only 13.4 percent were middle school graduates and 4.1 percent were college school graduates and over.

49.2 percent of the respondents were married, 50.8 percent were unmarried and the average number of living children was 4.6. Almost half of the respondents(36.0 percent) did not have any religious affiliation, 33.5 percent were Buddhists, 20.5 percent were Protestants, and 7.4 percent were Catholics(see Table 3-1).

A. Living Arrangements

Out of the 9,355 households interviewed, 20.9 percent were households with older persons and 79.1 percent were households without(see Table 3-2). When comparing the distribution of

households with older persons, we find that the rate in rural areas(35.3 percent) is higher than in urban areas(18.3 percent).

Table 3-1. Characteristics of Older Persons by Area

Characteristics	(Unit: %)		
	Total	Urban	Rural
Gender			
Male	36.9	35.5	39.1
Female	63.1	64.5	60.9
Age			
65~69	38.1	39.5	35.5
70~74	29.2	29.4	29.0
75+	32.7	31.1	35.5
Mean(Year)	72.6	72.4	72.9
Educational Attainment			
Illiterate	29.2	25.2	36.1
No Formal Education but Literate	23.7	19.9	30.2
Primary School Graduate	29.6	31.7	25.9
Middle School Graduate	7.3	9.2	4.1
High School Graduate	6.1	8.2	2.5
College Graduate and Over	4.1	5.8	1.2
Marital Status			
Married	49.2	46.9	53.1
Unmarried	50.8	53.1	46.9
Religion			
None	36.0	31.5	43.7
Buddhism	33.5	33.7	33.2
Protestantism	20.5	23.2	15.9
Catholicism	7.4	9.5	3.8
Others	2.6	2.1	3.4
Total	100.0	100.0	100.0
(Persons)	(2,372)	(1,494)	(878)

Table 3-2. Proportion of Households with Older Persons

(Unit: %, Households)

	Whole	Urban	Rural
Households with Older Persons	1,958(20.9)	1,253(17.0)	705(35.3)
Households without Older Persons	7,397(79.1)	6,103(83.0)	1,294(64.7)
Total	9,355(100.0)	7,356(100.0)	1,999(100.0)

Among households with older persons, 20.1 percent lived alone, 21.6 percent lived only with their spouses, and 5.1 percent lived with others. 53.2 percent of households with older persons lived with their children. We can also observe from Table 3-3 that there is a big difference between rural and urban areas. In rural areas, the rates of older person only households and older person households only with a couple were 23.6 percent and 27.5 percent respectively, while the rates in urban areas were 18.1 percent and 18.3 percent, respectively.

Table 3-3. Living Arrangement of Older Persons

(Unit: %)

Area	Household with Older Persons				Total (Households)
	Older Persons Living Alone	Elderly Living with Spouses Only ¹⁾	Elderly Living with Children	Others	
Whole	20.1	21.6	53.2	5.1	100.0 (1,958)
Urban	18.1	18.3	57.6	6.0	100.0 (1,253)
Rural	23.6	27.5	45.4	3.5	100.0 (750)

Note: 1) Includes households where both the husband and wife or where just one person in the couple is 65 years old or over.

B. Inter-generational and Social Relationships

1) Size of Social Resources

On average, older persons have 4.6 children, 2 siblings, and 2.3 close friends or neighbors as social resources. Male elderly have more children and friends or neighbors than female elderly. According to Table 3-4, male elderly have 4.7 children and 2.8 close friends and/or neighbors, which is higher than the 4.5 and 2.0 for female elderly.

Table 3-4. Number of Children, Siblings, Friends and/or Neighbors by Area, Gender, and Age

	Children	Co-resident Children	Siblings	Friends and/or Neighbors ¹⁾
Total	4.6	(0.5)	2.0	2.3
Area				
Urban	4.2	(0.6)	2.0	2.3
Rural	5.1	(0.4)	1.9	2.3
Gender				
Male	4.7	(0.5)	1.9	2.8
Female	4.5	(0.6)	2.0	2.0
Age				
65~69	4.4	(0.5)	2.5	2.7
70~74	4.7	(0.5)	2.0	2.1
75+	4.6	(0.6)	1.4	1.9

Note: 1) Friends and/or neighbors whom older persons can rely on for assistance.

2) Frequency of Visits and Calls or Letters with Non-coresident Children, Siblings, Relatives, and Friends and/or Neighbors

As shown in Table 3-5, 77.3 percent of older persons see their children at least once a month and only 1.2 percent do not have any regular contact with their non-coresident children. 74.5

percent of older persons have contact with their non-coresident children by phone or letter at least once a week and only 1.8 percent have contact less than once a year. Older persons get in touch with their children very often despite the fact that they have few opportunities to meet their children because of difficulties such as long distances or lack of time.

On average, older persons see their non-coresident children at least once a month and have contact at least once a week. On the other hand, only less than 2 percent of older persons do not have a continuing relationship with their children. We can observe that the majority of Korean elderly have regular contact with their non-coresident children.

The largest proportion of older persons(27.8 percent) answered that they see their siblings only on special days. Only 20.6 percent meet their siblings at least once a month. This rate is much lower than the corresponding rate(77.3 percent) for children living separately. 45.1 percent have contact once or more a month.

Almost half of older persons meet their relatives on special days only(43.3 percent) and 12.4 percent do not meet their kin at all. We can see the same trend in number of contacts. 30.2 percent, the highest rate, contact their relatives only on special days. The next group never(13.5 percent) has contact. Only 26.5 percent have contact with their relatives once or more a month. This rate is much lower than the corresponding rate(45.1 percent) for siblings.

As shown in Table 3-5, 55.8 percent meet their friends and/or neighbors almost everyday. The next group meets twice or three times a week(11.2 percent), followed by once a week(9.9 percent), once every two weeks(2.8 percent), and once a month(5.5 percent). 85.2 percent of older persons meet their friends and/or neighbors at least once a month. On the other hand, 10.8 percent do not meet their friends and/or neighbors at all. This is similar to frequency of visits, where almost half of the respondents(44.0 percent) answered that they do not need to

contact them because they meet them everyday. 16.5 percent of the respondents do not have any contact with relatives.

Table 3-5. Frequency of Visits and Calls or Letters with Non-coresident Children, Siblings, Relatives, and Friends-Neighbors

(Unit: %)

Frequency	Non-coresident Children	Siblings	Relatives	Friends/Neighbors
<u>Visits</u>				
Almost Everyday	12.3	5.4	8.9	55.8
Twice or Three Times a Week	12.1	1.7	1.7	11.2
Once a Week	16.4	2.7	1.1	9.9
Once Every Two Weeks	15.8	2.9	1.3	2.8
Once a Month	20.7	7.9	5.1	5.5
Once Every Three Months	15.7	15.9	8.5	1.6
Once Every Six Months	3.5	12.9	8.6	0.7
Once or Less a Year	2.3	18.0	9.3	1.0
On Special Days Only	0.4	27.8	43.3	0.6
Never	0.8	5.0	12.4	10.8
Recently Started to Live Separately	0.0	-	-	-
Total	100.0	100.0	100.0	100.0
(Person)	(2,094)	(1,610)	(2,033)	(2,216)
<u>Calls/Letters</u>				
No Need of Calls or Letters due to Frequent Visits	2.0	3.2	6.1	44.0
Twice or More a Day	20.6	1.4	0.6	6.1
Twice or Three Times a Week	30.4	5.5	2.6	9.6
Once a Week	21.5	5.4	2.4	8.4
Once Every Two Weeks	11.3	7.4	3.8	3.6
Once a Month	8.8	22.2	11.1	6.6
Once Every Three Months	3.0	19.8	11.6	2.3
Once Every Six Months	0.6	9.4	8.6	1.1
Once or Less a Year	0.4	8.7	9.5	0.8
On Special Days Only	0.2	11.7	30.2	1.1
Never	1.2	5.5	13.5	16.5
Total	100.0	100.0	100.0	100.0
(Person)	(2,094)	(1,608)	(2,033)	(2,216)

C. Economic Security

1) Employment

The labor force participation rate of older persons is 29.0 percent. The labor force participation rate of male elderly(39.8 percent) is much higher than that of female elderly(22.6 percent). We can also find from Table 2-6 that there is a big difference between rural and urban areas. In urban areas, the rate is 49.1 percent, while the rate in rural areas is 17.1 percent. Also, the rate decreases as age increases(65~69 years of age: 40.2 percent, 70~74 years of age: 28.5 percent, 75 years of age and over: 16.3 percent).

The kinds of jobs in which older persons work are shown in Table 3-6. Of older persons who work, 60.4 percent work in agriculture, forestry, and fishing. The next group is elementary occupations(21.5 percent), then white collar occupations including legislators, senior officials & managers(2.0 percent), professionals(1.9 percent), technicians & associate professionals(1.1 percent), and clerks(1.2 percent). This indicates that the elderly who do work are engaged in non-salary receiving jobs including self-employment or family businesses. The rate of older persons working in agriculture, forestry, and fishing is higher in rural areas(83.4 percent) than in urban areas(21.6 percent). In addition, as the age of the person increases so does the rate of older persons working in agriculture, forestry, and fishing.

Among the reasons for working, the most highly ranked one is 'to earn money'(66.1 percent). The next most frequent answers are they 'enjoy working'(8.2 percent), 'to keep healthy'(7.2 percent), 'due to the lack of labor force(6.9 percent)'.

Table 3-6. Labor Force Participation Rates and Occupations by Area, Gender, and Age

(Unit: %)

Employment Status & Occupations	Total	Area		Gender		Age		
		Urban	Rural	Male	Female	65~69	70~74	75+
Employment Status								
Employed	29.0	17.1	49.1	39.8	22.6	40.2	28.5	16.3
Unemployed	71.0	82.9	50.9	60.2	77.4	59.8	71.5	83.7
Occupation								
Legislators, Senior Officials & Managers	(2.0)	(4.9)	(0.2)	(3.5)	(0.4)	(2.9)	(0.7)	(1.2)
Professionals	(1.9)	(4.7)	(0.3)	(2.9)	(0.9)	(1.9)	(0.6)	(3.8)
Technicians & Associate Professionals	(1.1)	(2.6)	(0.1)	(1.9)	(0.2)	(0.8)	(2.2)	(0.0)
Clerks	(1.2)	(2.9)	(0.2)	(2.3)	(0.0)	(1.6)	(0.7)	(0.5)
Service & Sales Workers	(8.8)	(17.5)	(3.6)	(7.8)	(9.9)	(9.8)	(10.0)	(4.0)
Skilled Agricultural & Fishery Workers	(60.4)	(21.6)	(83.4)	(62.5)	(58.3)	(55.4)	(65.6)	(66.8)
Craft	(2.7)	(6.4)	(0.6)	(3.4)	(2.1)	(3.4)	(2.3)	(1.6)
Machine Operators & Assemblers	(0.4)	(1.2)	(0.0)	(0.9)	(0.0)	(0.8)	(0.0)	(0.0)
Elementary Occupations	(21.5)	(38.3)	(11.6)	(14.9)	(28.3)	(23.2)	(17.9)	(22.2)
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
(Person)	(2,371)	(1,493)	(878)	(874)	(1,497)	(901)	(693)	(776)

Among older persons who are currently not working, 44.9 percent answered that they do not work because of their health. The next groups are 'no desire to work'(20.2 percent), 'no jobs available'(14.0 percent), and 'too old to work'(9.5 percent). We have to pay attention to the fact that in urban areas 16.8 percent of older persons who are not working currently do not work because there are no jobs available(see Table 3-8).

Table 3-7. Reasons for Working

(Unit: %)

Reasons	Total	Area		Gender		Age		
		Urban	Rural	Male	Female	65~ 69	70~ 74	75+
Enjoy Working	8.2	6.5	9.3	11.4	5.0	7.1	9.9	9.1
Earn Money	66.1	65.3	66.5	62.7	69.5	70.9	60.7	60.3
Keep Healthy	7.2	10.5	5.2	9.5	4.9	6.1	10.3	5.7
Keep Social Relationships	0.7	1.5	0.3	1.1	0.4	1.4	0.0	0.0
Spend Time	5.9	5.5	6.1	4.1	7.7	3.9	6.1	11.4
Feel Active	4.2	8.3	1.7	6.5	1.9	4.8	4.8	1.7
Keep Prestige	0.2	0.5	0.0	0.4	0.0	0.3	0.0	0.0
Due to the Lack of Work Force	6.9	0.5	10.7	3.9	9.8	5.6	7.6	9.4
Others	0.6	1.5	0.1	0.4	0.9	0.0	0.6	2.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
(Person)	(673)	(253)	(420)	(339)	(334)	(358)	(193)	(122)

Table 3-8. Reasons for Not Working

(Unit: %)

Reasons	Total	Area		Gender		Age		
		Urban	Rural	Male	Female	65~ 69	70~ 74	75+
No Desire to Work	20.2	21.9	15.2	19.5	20.5	16.0	19.6	24.7
No Need to Work	5.5	5.5	5.5	4.7	5.9	4.7	6.4	5.5
No Jobs Available	14.0	16.8	6.0	24.9	9.1	21.0	13.4	7.9
Bad Health	44.9	41.1	55.8	39.3	47.4	45.3	48.6	41.2
Family Responsibilities	4.7	5.6	1.8	0.7	6.5	8.2	4.2	1.6
Objection of Children	1.1	0.8	1.9	1.3	1.1	0.8	1.2	1.3
Too Old	9.5	8.1	13.5	9.4	9.5	3.7	6.3	17.7
Others	0.2	0.1	0.3	0.3	0.1	0.3	0.2	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
(Person)	(1,541)	(1,149)	(392)	(481)	(1,060)	(522)	(473)	(546)

2) Sources of Income

66.3 percent of older persons receive financial support from children and/or spouses of children that are non-coresident.

Considering the fact that 23.3 percent of older persons receive financial support from their coresident children, we can see that the most important sources of income are their children(see Table 3-9).

33.7 percent of older persons have income from their own and/or their spouses' employment. Other groups receive income from real estate or renting(12.0 percent), and public assistance(8.5 percent). Only a small portion of older persons have income from a pension, retirement annuity, and private pension; 2.8 percent, 0.9 percent, and 0.2 percent, respectively.

Table 3-9. Sources of Income by Area, Gender, and Age

(Unit: %)

Sources of Income	Total	Area		Gender		Age		
		Urban	Rural	Male	Female	65~ 69	70~ 74	75+
Employment	33.7	23.1	52.0	48.2	25.2	46.5	32.3	18.0
Real Estate/Rental	12.0	13.2	9.8	13.6	11.0	12.8	13.4	9.4
Savings	5.7	6.8	3.7	8.1	4.3	6.7	4.3	5.8
Social Pension	2.8	4.0	0.9	5.1	1.5	3.8	4.2	0.2
Retirement Annuities	0.9	1.0	0.7	1.7	0.4	1.6	0.5	0.3
Private Pension	0.2	0.3	0.2	0.2	0.3	0.3	0.4	0.0
Support from Non-coresident Children	66.3	64.0	70.3	62.4	68.6	62.5	68.3	69.2
Support from Coresident Children	23.3	24.8	20.8	16.3	27.5	20.2	22.7	28.3
Support from Other Relatives	1.2	1.8	0.2	0.7	1.5	1.1	0.9	1.6
Public Assistance	8.5	8.6	8.3	6.8	9.5	6.5	10.0	9.7
Support from Organizations	0.7	0.8	0.3	0.6	0.7	0.4	1.0	0.6

Footnote: 1) Multiple choices

3) Spending

Living expenses for oneself or spouse is listed as the most economically burdensome item of older persons(see Table 3-10). The next groups are medication & medical expenses(24.8

percent), living expenses for the whole family(13.6 percent), and allowance for oneself or spouses(12.3 percent).

Table 3-10. Economically Burdensome Items

(Unit: %)

Items	First	Second	Third
None	4.3	26.7	69.1
Allowance for Oneself or Spouse	12.3	14.7	9.2
Money Given For Condolences, Congratulations, or Social Gatherings	10.1	14.1	6.3
Living Expenses for Oneself or Spouse	26.3	10.8	1.7
Living Expenses for Whole Family	13.6	4.7	1.2
Medical Expenses/ Payment for Medicine	24.8	22.1	7.6
Allowance for Grandchildren	2.2	3.7	3.3
Savings	0.6	0.3	0.4
Others	5.8	2.9	1.2
Total (Person)	100.0 (2,221)	100.0 (2,221)	100.0 (2,221)

On average, older persons spend 79 thousand Won a month on allowance. The amount of allowance increases the younger or the more highly educated the older person is. In terms of gender, male elderly spend more on allowance(119 thousand Won per month)than female elderly(55 thousand Won per month). We can also observe that the amount for married elderly(98 thousands Won per month) is larger than that of the unmarried elderly(60 thousand Won per month). The average amount of monthly allowance is much lower(68 thousand Won per month) for older persons living alone(see Table 3-11).

Table 3-11. Average Monthly Allowance By Characteristics of Older Persons

(Unit: %, Thousand Won)

Characteristics	None	1~9	10~19	20 Million	Total	(Person)	Mean
		Million Won	Million Won	Won and Over			
Total	10.7	56.1	21.3	11.9	100.0	(2,212)	79
Area							
Urban	10.3	54.4	21.6	13.6	100.0	(1,401)	87
Rural	11.5	58.9	20.8	8.8	100.0	(824)	66
Age							
65~69	9.0	50.4	28.4	15.8	100.0	(884)	95
70~74	11.1	55.6	20.7	12.6	100.0	(675)	79
75+	12.6	64.1	17.4	5.9	100.0	(686)	57
Gender							
Male	5.2	43.7	29.1	22.0	100.0	(821)	119
Female	14.0	63.4	16.7	5.9	100.0	(1,390)	55
Marital Status							
Married	8.7	49.8	24.4	17.1	100.0	(1,114)	98
Unmarried	12.8	62.4	18.2	6.6	100.0	(1,097)	60
Living Arrangements							
Older Persons Living Alone	15.7	56.9	18.4	9.0	100.0	(415)	68
Elderly Living with Spouses Only	9.7	50.2	25.3	14.9	100.0	(638)	92
Elderly Living with their Children	8.5	59.1	20.8	11.7	100.0	(1,128)	77
Others	20.5	58.5	14.1	6.9	100.0	(31)	58
Educational Attainment							
Illiterate	13.7	71.3	12.2	2.8	100.0	(610)	43
No Formal Education but Literate	11.7	63.2	19.9	5.1	100.0	(527)	57
Primary School Graduates	10.0	50.1	27.3	12.7	100.0	(671)	81
Middle & High School Graduates	7.1	38.4	28.0	26.5	100.0	(307)	134
College School Graduates and over	3.4	17.8	24.4	54.5	100.0	(95)	234

This part is concerned with housing, food, clothing, medication and health maintenance, allowance, and leisure costs(see Table 3-12). Among the six items, housing(61.0 percent) is the highest item for which older persons are completely independent on other persons. The next groups are food(58.9 percent), money given for condolences, congratulations, or social gatherings(57.2 percent), leisure activities(55.8 percent), clothes and living expenses(44.3 percent), and medication and health maintenance(43.5 percent).

4) Self-perception of Economic Status

Table 3-13 shows that almost half of older persons percept their economic situation to be lower than that of their peer group, and that only 11.2 percent of older persons percept their status to be higher or somewhat higher than their peer groups. 28.4 and 21.5 percent feel that their economic status is somewhat lower and very lower, respectively. Compared to male elderly(15.5 percent), more female elderly(25.0 percent) feel their economic status to be lower than peer elderly. We can also observe that self-perception of economic status becomes more positive with higher educational attainment.

Table 3-12. Living Costs by Area and Items

	(Unit: %)		
	Total	Urban	Rural
Housing¹⁾			
Independent	61.0	61.3	60.5
Partially Dependent on Other Persons	7.4	6.6	8.7
Completely Dependent on Other Persons	31.7	32.2	30.8
Total (Person)	100.0 (2,220)	100.0 (1,406)	100.0 (814)
Food²⁾			
Independent	58.9	59.4	58.1
Partially Dependent on Other Persons	12.9	11.6	15.2
Completely Dependent on Other Persons	28.1	28.9	26.7
Total (Person)	100.0 (2,221)	100.0 (1,407)	100.0 (814)
Clothing³⁾			
Independent	44.3	46.1	41.3
Partially Dependent on Other Persons	31.1	30.1	33.0
Completely Dependent on Other Persons	24.5	23.9	25.7
Total (Person)	100.0 (2,222)	100.0 (1,407)	100.0 (815)
Medication and Health Maintenance⁴⁾			
Independent	43.5	43.6	43.4
Partially Dependent on Other Persons	34.5	33.7	35.9
Completely Dependent on Other Persons	22.0	22.7	20.7
Total (Person)	100.0 (2,210)	100.0 (1,401)	100.0 (809)
Money Given for Condolences, Congratulations, and Social Gatherings⁵⁾			
Independent	57.2	56.3	58.7
Partially Dependent on Other Persons	18.0	18.2	17.7
Completely Dependent on Other Persons	24.8	25.5	23.6
Total (Person)	100.0 (2,092)	100.0 (1,315)	100.0 (777)
Leisure Activities⁶⁾			
Independent	55.8	54.5	58.1
Partially Dependent on Other Persons	28.7	30.4	25.8
Completely Dependent on Other Persons	15.5	15.1	16.1
Total (Person)	100.0 (1,938)	100.0 (1,233)	100.0 (705)

- Note: 1) Excluding 2 cases with no spending on housing.
 2) Excluding 1 case with no spending on food.
 3) Excluding 2 cases with no spending on clothing.
 4) Excluding 12 cases with no spending on medication and health maintenance.
 5) Excluding 130 cases with no spending on social activities.
 6) Excluding 283 cases with no spending on leisure activities.

Table 3-13. Self-perception of Economic Condition by Characteristics of Older Persons

(Unit: %)

Characteristics	Much Higher	Somewhat Higher	Average	Somewhat Lower	Much Lower	Total	(Person)
Total	1.7	9.5	38.9	28.4	21.5	100.0	(2,219)
Area							
Urban	2.1	8.8	38.2	27.7	23.3	100.0	(1,406)
Rural	1.0	10.9	39.9	29.7	18.5	100.0	(814)
Age							
65~69	1.4	9.4	39.9	29.7	19.6	100.0	(884)
70~74	2.1	9.1	36.5	28.3	24.0	100.0	(669)
75+	1.7	10.2	39.9	26.8	21.5	100.0	(666)
Gender							
Male	2.3	11.4	41.5	29.3	15.5	100.0	(822)
Female	1.3	8.4	37.3	27.9	25.0	100.0	(1,397)
Marital Status							
Married	2.2	9.8	41.3	29.1	17.7	100.0	(1,117)
Unmarried	1.2	9.3	36.4	27.8	25.4	100.0	(1,103)
Educational Attainment							
Illiterate	0.5	5.9	32.9	31.2	29.6	100.0	(617)
No Formal Education but Literate	0.7	10.5	36.6	29.8	22.4	100.0	(527)
Primary School Graduates	1.6	9.9	34.4	30.1	19.0	100.0	(673)
Middle & High School Graduates	3.5	12.4	48.4	22.2	13.5	100.0	(307)
College School Graduates and over	10.0	15.4	55.8	11.2	7.7	100.0	(95)

D. Health Status

1) Chronic Diseases

The proportion of older persons with at least one chronic disease was 86.7 percent. Female elderly have a rate of 92.2 percent, showing that only a small portion of female elderly do

not have a chronic disease. As the age of the respondents increases, so does the prevalence rate of chronic diseases(65~69 years of age, 85.2 percent; 70~74 years of age, 87.6 percent; 75 years of age and over, 87.8 percent). Overall, the prevalence of chronic diseases in rural areas is higher than in urban areas.

Among various chronic diseases, arthritis is the most prevalent(43.4 percent). 2 out of 5 older persons suffer from arthritis. 84.4 percent of older persons with arthritis have difficulties in their daily living.

Table 3-14. Prevalence Rate of Chronic Diseases by Age and Gender

	Total	65~69	70~74	75+
Total	86.7	85.2	87.6	87.8
Area				
Urban	85.3	82.9	88.1	85.8
Rural	89.1	89.6	86.8	90.7
Gender				
Male	77.4	75.8	79.4	78.0
Female	92.2	92.0	92.0	92.5

2) Dementia

The prevalence rate for dementia among persons aged 65 and over is 8.3²⁾. The prevalence of dementia gradually increases as persons get older, with the highest rate of 29.4 percent being for those aged 80 and over. Overall, the prevalence of dementia is higher for women than for men(see Table 3-15).

2) This is based on the National Fertility and Family Health Survey(Youngchan Byun, et al., Study on Dementia Mapping, KIHASA, 1997).

Table 3-15. Prevalence Rate of Dementia

	Total	65~69	70~74	75~79	80+
Male	3.7	1.2	2.6	5.2	15.2
Female	10.9	3.0	5.9	18.2	29.4
Total	8.3	2.3	4.6	13.6	25.7
(Persons)	(2,788)	(1,084)	(844)	(448)	(409)

(Unit: %)

3) Activities of Daily Living

As for daily living activities, 31.9 percent of older persons have at least one difficulty in activities of daily living and 3.5 percent have difficulties in all 6 items(see Table 3-17). 70~90 percent of respondents answered, by each item, that they were able to maintain their daily lives without assistance. Among the 6 items, the highest proportion of older persons have difficulties in walking(26.7 percent), the second highest in sitting(25.1 percent), and the third highest in eating(3.9 percent).

There are substantial gender differences in difficulties of Activities of Daily Living. 38.3 percent of female elderly have at least one difficulty in ADL. Among male elderly, 21.1 percent have at least one difficulty in ADL. Specifically, female elderly have more difficulty in 'walking' and 'sitting'. Also, we can observe that the rate increases rapidly as the respondents get older.

Table 3-16. Prevalence Rate and Limitation in Daily Living by Disease and Gender

(Unit: %)

Diseases	Prevalence Rate			Limitation in Daily Living		
	Total	Male	Female	Total	Male	Female
Neoplasm	0.9	1.7	0.5	70.3	64.8	81.4
Arthritis	43.4	26.6	53.3	84.4	76.1	86.8
Lame back	29.2	15.9	37.1	88.2	83.8	89.3
Herniation of Intervertebral disk	5.4	4.9	5.6	87.0	76.0	92.7
Gastric ulcer	15.9	11.7	18.3	63.5	58.0	65.5
Hepatitis, Liver cirrhosis	1.6	3.3	0.7	65.7	60.7	80.4
Diabetes	9.0	8.6	9.2	62.9	50.6	69.7
Thyroid	1.3	0.6	1.6	64.4	73.4	62.5
High blood pressure	23.5	17.5	27.0	55.7	45.3	59.6
Paralysis	4.4	4.5	4.3	82.9	81.8	83.6
Angina pectoris	5.1	4.7	5.3	74.9	66.7	79.1
Tuberculosis	0.5	1.1	0.1	58.0	49.3	100.0
Chronic Bronchitis	6.3	9.1	4.7	66.2	58.6	74.9
Asthma	5.1	6.2	4.5	72.4	66.4	77.2
Cataracts	10.6	6.0	13.4	74.3	61.3	77.7
Chronic otitis media	1.0	1.3	0.8	83.5	94.6	73.7
Chronic heart disease	1.1	0.4	1.5	88.6	35.0	96.4
Sequela of bone fracture	5.4	6.6	4.7	89.6	92.5	87.3

Table 3-17. Activities of Daily Living by Gender and Age

(Unit: %)

	Total	Gender		Age		
		Male	Female	65~69	70~74	75+
Bathing						
No assistance needed	84.6	89.6	81.7	90.6	84.1	77.2
Little difficulty	10.6	6.2	13.3	7.7	9.3	15.9
Sometimes need assistance	3.7	3.6	3.8	1.6	5.3	5.1
Always need assistance	1.0	0.7	1.2	0.2	1.4	1.9
Changing clothes						
No assistance needed	92.3	92.8	92.0	95.2	91.0	89.7
Little difficulty	6.2	5.2	6.8	4.1	6.4	8.7
Sometimes need assistance	1.2	1.7	0.9	0.6	2.1	1.1
Always need assistance	0.4	0.4	0.3	0.2	0.5	0.5
Eating						
No assistance needed	96.1	96.5	95.8	97.7	95.4	94.6
Little difficulty	3.5	3.2	3.7	2.3	3.9	4.8
Sometimes need assistance	0.3	0.2	0.4	0.1	0.3	0.6
Always need assistance	0.2	0.2	0.2	-	0.4	0.1
Sitting						
No assistance needed	74.9	83.9	69.6	80.4	73.3	69.2
Little difficulty	20.8	12.2	25.8	16.6	22.6	24.6
Sometimes need assistance	3.8	3.6	4.0	2.9	3.5	5.5
Always need assistance	0.5	0.3	0.6	0.2	0.6	0.8
Walking						
No assistance needed	73.3	82.1	68.1	79.1	71.9	67.1
Little difficulty	20.4	12.5	25.1	17.5	21.4	23.2
Sometimes need assistance	5.4	4.5	5.9	3.3	5.3	8.3
Always need assistance	0.9	0.9	0.9	0.2	1.3	1.4
Toilet use						
No assistance needed	86.9	90.0	85.1	90.6	86.0	83.1
Little difficulty	9.8	6.4	11.8	7.3	10.0	12.8
Sometimes need assistance	2.8	3.4	2.4	0.1	3.0	3.4
Always need assistance	0.6	0.3	0.7	-	1.1	0.8
Difficulties in all 6 items	3.5	3.2	3.7	2.1	4.6	4.3
Difficulties in at least 1 of 6	31.9	21.1	38.3	24.9	32.1	40.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
(Person)	(2,221)	(883)	(1,398)	(884)	(669)	(668)

4) Instrumental Activities of Daily Living

Regarding instrumental daily living activities, 43.4 percent of older persons have at least one difficulty in instrumental activities of daily living and 10.2 percent have difficulties in all 4 items(see Table 3-18). Among those 4 items, the highest proportion of older persons have difficulty in use of public transportation(37.7 percent). The second highest proportion is in buying living goods(28.8 percent).

Table 3-18. Instrumental Activities of Daily Living by Gender and Age
(Unit: %)

	Total	Gender		Age		
		Male	Female	65~69	70~74	75+
Buying Living Goods						
No assistance needed	71.1	81.1	65.3	79.5	72.1	59.0
Little difficulty	20.6	12.4	25.5	16.7	19.4	27.1
Sometimes need assistance	5.7	4.2	6.6	3.4	5.9	8.7
Always need assistance	2.5	2.3	2.6	0.4	2.6	5.3
Telephone use						
No assistance needed	80.1	91.0	73.8	93.1	80.8	62.3
Little difficulty	16.9	6.5	23.0	5.5	15.9	32.8
Sometimes need assistance	1.5	1.7	1.4	0.8	1.6	2.4
Always need assistance	1.5	0.9	1.9	0.6	1.7	2.5
Use of public transportation						
No assistance needed	62.3	77.5	53.5	73.5	63.8	46.2
Little difficulty	25.1	13.5	31.8	21.0	23.6	31.9
Sometimes need assistance	7.8	5.3	9.3	3.9	7.7	13.2
Always need assistance	4.8	3.7	5.4	1.6	5.0	8.7
Cleaning and laundry						
No assistance needed	74.2	85.2	67.7	81.6	74.8	63.8
Little difficulty	19.6	9.1	25.8	15.5	18.4	26.1
Sometimes need assistance	4.2	3.5	4.6	2.4	4.4	6.3
Always need assistance	2.1	2.3	2.0	0.6	2.4	3.8
Difficulties in all 4 items	10.2	5.1	13.3	3.7	10.3	18.9
Difficulties in at least 1 out 4	43.4	25.6	54.0	24.9	32.1	40.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
(Persons)	(2,221)	(823)	(1,398)	(884)	(669)	(668)

Gender differences in IADL are much greater than in ADL. 54 percent of female elderly have at least one difficulty of IADL. This is almost twice the corresponding figure(25.6 percent) for male elderly. Among the 4 items of IADL, female elderly have more difficulty using public transportation and in indoor activities.

5) Self-perception of Health Condition

More than half of older persons percept their health status to be negative(see Table 3-19). 35.3 percent responded that they are not healthy, while 23.6 percent think that they are very unhealthy. Only 5.0 percent have strong confidence in their own health and 19.6 percent feel that they are healthy. 46.0 percent of male elderly and 66.4 percent of female elderly evaluate their health condition as negative. This indicates that more women than men tend to evaluate their health status as unfavorable.

Table 3-19. Self-perception of Health Condition by Gender and Age

(Unit: %)

	Total	Gender		Age		
		Male	Female	65~69	70~74	75+
Very Healthy	5.0	9.9	2.1	5.4	4.8	4.7
Healthy	19.6	26.7	15.5	21.0	17.6	19.7
Average	16.5	17.4	16.0	17.0	16.9	15.4
Unhealthy	35.3	27.1	40.1	33.4	35.1	38.1
Very Unhealthy	23.6	18.9	26.3	23.2	25.6	22.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
(Person)	(2,218)	(822)	(1,396)	(882)	(669)	(666)

E. Care for Older Persons

1) Financial Care

69.0 percent of older persons answered that they are completely or partially dependent on other persons for at least one of the six items.

The average number of financial providers for living expenses is 1.8 persons. Of the main providers, the first son and/or daughter-in-law is the highest proportion(46.8 percent), followed by sons and/or daughters-in-laws (20.4 percent), daughters and/or sons-in-laws(16.4 percent), unmarried children(6.8 percent), and others(9.7 percent). Therefore, it can be said that children are the main financial caregivers for older persons in Korea(see Table 3-20).

2) Physical Care

A. Chronic Diseases

Among older persons who have at least one chronic disease, 37.3 percent receive physical care(see Table 3-21). More male elderly(43.1 percent) than female elderly(34.4 percent), and more married elderly(40.7 percent) than unmarried elderly(34.1 percent) receive physical care for chronic diseases. The higher the age of the respondent and the lower their educational attainment, the higher the care-receiving rate becomes. Compared to older persons living alone, older persons that live with their children(46.3 percent) or only with their spouse(42.8 percent) have higher care-receiving rates.

Table 3-20. Main Financial Care Provider for Living Expenses by Characteristics of Older Persons

(Unit: %)

Characteristics	First son/ daughter- in-law	Other sons/ daughters- in-law	Daughters/ sons-in- law	Unmarried Children	Others	Total	(Person)
Total	46.8	20.4	16.4	6.8	9.7	100.0	(1,527)
Area							
Urban	44.8	19.4	17.7	7.7	10.5	100.0	(964)
Rural	50.3	22.2	14.2	5.2	8.1	100.0	(563)
Age							
65~69	45.6	17.6	17.4	11.4	8.0	100.0	(537)
70~74	41.0	22.8	17.7	6.8	11.8	100.0	(464)
75+	53.0	21.3	14.2	2.1	9.4	100.0	(526)
Gender							
Male	46.4	20.0	16.0	9.4	8.1	100.0	(487)
Female	47.0	20.6	16.6	5.5	10.3	100.0	(1,040)
Marital Status							
Married	47.9	20.3	16.0	4.4	11.4	100.0	(865)
Unmarried	45.3	20.6	17.0	9.9	7.3	100.0	(661)
Educational Attainment							
Illiterate	46.0	23.0	15.2	4.4	11.5	100.0	(465)
No Formal Education but Literate	50.0	18.3	16.6	3.5	11.8	100.0	(406)
Primary School Graduates	47.2	18.5	17.0	8.5	8.8	100.0	(451)
Middle & High School Graduates	42.2	21.7	17.9	14.9	3.3	100.0	(172)
College School Graduates and Over	38.5	28.6	15.7	15.9	1.3	100.0	(32)
Living Arrangements							
Older Persons Living Alone	37.1	12.3	21.6	0.6	28.4	100.0	(230)
Elderly Living with Spouses Only	52.3	17.8	16.9	2.1	10.9	100.0	(287)
Elderly Living with their Children	48.1	23.7	15.2	10.2	2.9	100.0	(939)
Others	38.2	13.8	13.8	0.9	33.4	100.0	(70)

We can observe that the main caregivers are family members. Specifically, spouses(43.9 percent) usually play the most important role in providing physical care for older persons. The proportion for the first son and/or daughter-in-law is 23.4 percent, followed by other sons and/or daughters-in-law(14.4%). The percentages of daughters and/or sons-in-law and unmarried children are 9.8 percent and 2.5 percent, respectively.

As the age of the respondents increase, the percent of spouses as main caregiver decreases. Among older persons 75 and over, only 24.4 percent, which is much lower than the 64.6 percent for the 65~69 age group, answered that the spouse is the main caregiver. Upon examination of the distribution of main caregivers by gender, we can see that the main caregivers for the majority of male elderly are their spouses(87.9 percent). On the other hand, female elderly primarily depend on their children. 34.6 percent depend on their first son and/or daughter-in-law, 20.9 percent depend on other sons and/or daughters-in-law, and 14.9 percent depend on daughters and/or sons-in-law, while only 16.8 percent depend on their spouses.

B. Activities of Daily Living

708 persons or 31.9 percent of older persons have at least one difficulty in the 6 ADL items. Out of 708 persons, 37.3 percent receive care in daily life(see Table 3-22). 46.4 percent answered that they do not need any assistance in daily life although they have some difficulty in ADL, while 16.3 percent do not receive any assistance in spite of their need for help. The average number of caregivers is estimated to be 1.4 persons.

Table 3-23 shows that the percentage of non-family members as the main caregiver for ADL is small. The proportion of spouses is highest at 34.2 percent, followed by the first son and/or daughter-in-law(22.7 percent), and other sons and/or daughters-in-law (14.8 percent). The proportion of spouses is lower for chronic diseases.

Table 3-21. Physical Caregivers by Characteristics of Older Persons: Chronic Diseases

(Unit: %)

Characteristics	Total (Person)	Care Receiving Rate								
			(Person)	Spouse	First son/ daughter- in-law	Other sons/ daughters- in-law	Daughters/s ons-in-law	Unmarried Children	Grand children/ spouses	Others
Total	100.0(1,924)	37.3	100.0(711)	43.9	23.4	14.4	9.8	2.5	2.8	3.3
Area										
Urban	100.0(1,202)	38.6	100.0(460)	41.5	22.9	15.5	12.0	2.6	2.8	2.8
Rural	100.0(722)	35.0	100.0(250)	48.3	24.0	12.5	5.9	2.2	2.8	4.3
Age										
65~69	100.0(752)	30.4	100.0(227)	63.6	15.3	11.1	5.7	1.9	0.0	2.4
70~74	100.0(586)	36.8	100.0(216)	47.3	16.2	14.0	12.1	3.6	2.2	4.7
75+	100.0(586)	46.5	100.0(268)	24.4	35.9	17.5	11.5	2.0	5.7	3.0
Gender										
Male	100.0(638)	43.1	100.0(271)	87.9	5.0	3.8	1.6	0.2	0.4	1.2
Female	(100.01,286)	34.4	100.0(440)	16.8	34.6	20.9	14.9	3.8	4.3	4.6
Marital Status										
Married	100.0(920)	40.7	100.0(370)	84.3	6.5	5.1	2.4	0.3	0.6	0.9
Unmarried	(100.01,005)	34.1	100.0(341)	0.0	41.6	24.5	17.9	4.8	5.2	5.9
E d u c a t i o n a l Attainment										
Illiterate	100.0(565)	40.6	100.0(228)	23.9	27.8	21.4	11.8	6.0	5.1	4.1
No Formal Education but Literate	100.0(484)	37.8	100.0(181)	29.2	33.2	14.8	15.4	0.7	2.3	4.5
Primary School Graduates	100.0(583)	34.4	100.0(197)	61.9	17.2	10.3	6.7	1.0	1.6	1.4
Middle & High School Graduates	100.0(232)	37.1	100.0(86)	78.5	9.2	5.9	0.6	0.7	1.3	3.9
College School Graduates and over	100.0(60)	30.0	100.0(18)	84.2	0.0	7.5	8.3	0.0	0.0	0.0
Living Arrangements										
Older Persons Living Alone	100.0(383)	11.9	100.0(45)	0.0	12.4	13.4	36.9	0.0	1.4	35.9
Elderly Living with Spouses Only	100.0(518)	42.8	100.0(220)	94.3	2.0	0.5	1.2	0.0	0.7	1.3
Elderly Living with their Children	100.0(919)	46.3	100.0(425)	22.7	36.7	22.4	11.6	4.1	2.0	0.5
Others	100.0(104)	23.0	100.0(22)	39.7	0.0	0.0	6.5	0.0	42.6	11.2

Table 3-22. Care-receiving Rate by Region, Age, and Sex: ADL

(Unit: %)

	Care-receiving Rate A/(A+B)	Need Assistance		Do not Need Assistance	Total	(Person)
		Receive Assistance (A)	Needs Assistance but is not Provided(B)			
Total	69.6	37.3	16.3	46.4	100.0	(708)
Area						
Urban	72.9	40.4	15.0	44.5	100.0	(424)
Rural	64.2	32.6	18.2	49.2	100.0	(284)
Age						
65~69	62.3	25.6	15.5	59.0	100.0	(219)
70~74	65.9	36.5	18.9	44.6	100.0	(215)
75+	76.1	47.4	14.9	37.7	100.0	(274)
Gender						
Male	86.8	49.2	7.5	43.4	100.0	(174)
Female	63.6	33.5	19.2	47.4	100.0	(534)

Table 3-23. Main Physical Caregivers by Characteristics of Older Persons: ADL

(Unit: %)

Characteristics	Spouse	First Son/ Daughter -in-law	Other Sons /Daughters- in-law	Daughters/ Sons-in- law	Unmarried Children	Grand children/ Spouses	Friends/ Neighbors	Others	Total	(Person)
Total	34.2	22.7	14.8	11.0	4.5	5.5	5.1	2.3	100.0	(264)
Area										
Urban	26.8	21.4	17.2	14.5	5.5	6.1	6.2	2.4	100.0	(172)
Rural	47.9	25.2	10.4	4.5	2.7	4.4	2.9	2.1	100.0	(93)
Age										
65~69	56.2	10.5	10.2	11.7	2.2	2.0	4.8	2.4	100.0	(56)
70~74	40.6	12.5	15.1	9.9	9.4	2.9	4.5	5.2	100.0	(78)
75+	20.8	34.2	16.7	11.4	2.6	8.6	5.5	0.4	100.0	(130)
Gender										
Male	78.4	6.3	2.7	4.7	0.0	2.0	5.9	0.0	100.0	(86)
Female	13.0	30.6	20.6	14.0	6.7	7.1	4.6	3.3	100.0	(179)
Marital Status										
Married	84.4	2.3	4.8	4.2	0.6	0.5	3.1	0.0	100.0	(107)
Unmarried	0.0	36.6	21.6	15.6	7.2	8.8	6.4	3.8	100.0	(157)

C. Instrumental Activities of Daily Living

Out of 957 persons who have at least one difficulty out of the 4 IADL items, 65.5 percent receive care. This rate is much higher than in ADL(37.3 percent). 23.9 percent answered that they "do not need any assistance," while 10.7 percent do not receive any assistance despite their need for it(see Table 3-24). The average number of caregivers is estimated to be 1.6 persons.

The proportion of non-family members as main caregivers(8.3 percent) is greater than that of ADL. However, as for chronic diseases and ADL, the main caregivers are also family members. In particular, the highest proportion is the first son and/or daughter-in-law(27.7 percent) followed by spouses(24.5 percent), and other sons and/or daughters-in-law(16.0 percent).

The proportion of daughters and/or sons-in-law is higher in urban areas(12.8 percent) than rural areas(5.0 percent). The proportion of spouses is lower and of children is higher among female elderly compared to male elderly in all three dimensions of physical care. Also, the proportion of spouses decreases as the respondents' age increases(see Table 3-25).

3) Emotional Care

Emotional care is measured by whether older persons have persons to consult with or not during times of difficulty. 77.6 percent of the respondents receive emotional care and the average number of consultants is 2.1 persons. Compared to financial and physical care, the average number of caregivers here is greater(see Table 3-26).

The highest proportion of main caregivers is spouses (32.9 percent), followed by first son and/or daughter-in-law (21.4 percent), friends and/or neighbors(16.8 percent), and daughters and/or sons-in-law(14.1 percent). Compared to financial and physical care, the roles of friends and/or neighbors and daughters and/or sons-in-law in emotional care are greater. This results in diversification of main caregivers in terms of emotional care.

Table 3-24. Care-receiving Rate by Region, Age, and Sex: IADL
(Unit: %)

Characteristics	Need Assistance			Do not Need Assistance	Total(Person)
	Care-receiving Rate A/(A+B)	Receives Assistance (A)	Needs Assistance but is not Provided (B)		
Total	86.0	65.5	10.7	23.9	100.0(957)
Area					
Urban	85.7	65.9	11.0	23.1	100.0(565)
Rural	86.4	64.8	10.2	25.0	100.0(392)
Age					
65~69	80.5	47.0	11.4	41.6	100.0(255)
70~74	82.7	63.0	13.2	23.8	100.0(286)
75+	90.2	78.5	8.5	13.0	100.0(416)
Gender					
Male	93.0	67.3	5.1	27.7	100.0(211)
Female	84.1	64.9	12.3	22.8	100.0(746)
Marital Status					
Married	89.2	63.6	7.7	28.7	100.0(347)
Unmarried	84.3	66.5	12.4	21.1	100.0(610)

Table 3-25. Physical Main Caregivers by Characteristics of Older Persons: IADL

(Unit: %)

Characteristics	Spouse	First Son/ Daughter -in-law	Other Sons/ Daughters -in-law	Daughters /Sons-in- law	Unmarried Children	Grand Children /Spouses	Friends/ Neighbors	Others	Total (Person)
Total	24.5	27.7	16.0	9.6	2.9	7.4	8.3	3.7	100.0(622)
Area									
Urban	22.0	26.2	16.5	12.8	3.6	7.9	7.8	3.3	100.0(369)
Rural	28.2	29.8	15.2	5.0	1.9	6.7	8.9	4.2	100.0(252)
Age									
65~69	42.9	20.0	14.9	7.1	3.5	2.0	7.2	2.5	100.0(120)
70~74	30.9	17.1	16.8	8.7	4.5	6.8	8.9	6.3	100.0(178)
75 ⁺	14.2	36.3	15.9	11.1	1.8	9.8	8.3	2.7	100.0(323)
Gender									
Male	68.4	12.0	9.8	3.6	0.4	0.4	4.2	1.3	100.0(140)
Female	11.8	32.2	17.8	11.4	3.7	9.4	9.5	4.4	100.0(481)
Marital Status									
Married	69.8	10.1	12.0	2.8	0.5	0.6	3.1	1.2	100.0(218)
Unmarried	0.0	37.2	18.1	13.2	4.2	11.1	11.1	5.1	100.0(403)

Male elderly depend on their spouses not only for physical care but also for emotional care. The proportion of spouses that provide emotional care to female elderly is only 15.0 percent, though. The highest proportion is first son and/or daughter-in-law(24.4 percent) followed by friends and/or neighbors(20.9 percent), and daughters and/or sons-in-law(20.6 percent).

Table 3-26. Main Emotional Caregivers by Area, Age, and Gender

(Unit: %)

Caregivers	Total	Area		Age			Gender	
		Urban	Rural	65 ~ 69	70 ~ 74	75+	Male	Female
% Receiving Care	77.6	78.1	76.6	81.8	77.4	72.1	82.7	74.5
Spouse	32.9	31.6	35.2	39.5	31.7	24.2	60.4	15.0
First Son/ Daughter-in-law	21.4	19.5	24.8	17.0	21.9	27.5	16.9	24.4
Other Sons/ Daughters-in-law	7.6	7.6	7.7	6.4	8.5	8.5	4.8	9.4
Daughters/Sons-in-law	14.1	16.3	10.0	12.7	14.2	16.0	4.0	20.6
Unmarried Children	1.4	1.5	1.3	2.0	1.9	0.1	0.5	2.1
Grandchildren/Spouses	0.7	0.8	0.7	0.5	0.6	1.2	0.0	1.2
Siblings	1.7	1.6	1.8	1.8	2.1	1.1	1.1	2.1
Other Relatives	2.2	2.3	2.2	3.0	1.8	1.6	1.5	2.7
Friends/Neighbors	16.8	17.9	15.0	16.4	16.2	18.2	10.7	20.9
Others	1.1	1.0	1.3	0.7	1.3	1.6	0.2	1.7
Total (Person)	100.0 (1,719)	100.0 (1,096)	100.0 (623)	100.0 (721)	100.0 (518)	100.0 (480)	100.0 (679)	100.0 (1,040)

F. Care by Older Persons

1) Financial Care

A. Giving Financial Care

Older persons not only receive care but also give care to others. 26.5 percent of older persons give financial support to other people. Table 3-27 reveals that there are large differences by area. 35.0 percent of older persons who are living in rural areas answered that they give financial support(including both cash and in-kind) to others, which is much higher than urban

residents(21.0 percent). This may be due to the fact that rural elderly have a variety of products to give to others. More male elderly(31.1 percent) than female elderly(23.7 percent), and more married elderly(32.1 percent) than unmarried elderly(20.8 percent) give financial support to others. As the respondents become older, the financial care giving rate becomes lower. The average number of financial care receivers is estimated to be 1.8 persons.

We can observe the distribution of receivers of main financial care from older persons in Table 3-27. Major care receivers include first son and/or daughter-in-law(30.0 percent), followed by grandchildren and/or spouses (25.1 percent), other sons and/or daughters-in-law(10.1 percent), daughters and/or sons-in-law(9.1 percent), unmarried children(8.9 percent), and charity to social organizations(8.8 percent). The rate of the rural elderly who give financial care to their first sons is much

Table 3-27. Financial Care Giving of Older Persons

(Unit: %)

Characteristics	Total(Person)	Care Giving Rate	First Son/ Daughter-in-law	Other Sons/ Daughters-in-law	Daughters/ Sons-in-law	Unmarried Children	Grand children/ Spouses	Charity	Others	Total(Persons)
Total	100.0(2,221)	26.5	30.0	10.1	9.1	8.9	25.1	8.8	8.0	100.0(578)
Area										
Urban	100.0(1,407)	21.0	13.8	9.7	10.1	11.6	29.7	14.2	10.9	100.0(281)
Rural	100.0(814)	35.9	45.4	10.5	8.1	6.1	20.5	3.4	5.1	100.0(277)
Age										
65~69	100.0(884)	32.5	30.4	9.7	9.9	13.1	20.7	8.8	7.4	100.0(273)
70~74	100.0(669)	25.2	28.9	11.8	11.9	5.9	23.9	10.1	7.6	100.0(160)
75+	100.0(668)	19.7	30.5	8.8	3.8	3.3	36.2	7.3	10.0	100.0(125)
Gender										
Male	100.0(823)	31.1	36.3	12.9	9.5	12.1	3.9	7.2	8.0	100.0(234)
Female	100.0(1,398)	23.7	25.4	8.0	8.8	6.5	33.3	10.0	8.0	100.0(324)
Marital Status										
Married	100.0(1,117)	32.1	37.2	12.7	9.2	10.3	14.1	7.6	8.8	100.0(333)
Unmarried	100.0(1,104)	20.8	19.3	6.2	8.9	6.7	41.4	10.6	6.9	100.0(225)

higher(45.4 percent) than in urban areas(13.8 percent); compared to other sons and/or daughters-in-laws, the differences between rural and urban areas is larger. The rate of male elderly who give financial care to their first sons is much higher(36.3 percent) than that of female elderly(25.4 percent). The rate of older persons who give financial care to their grandchildren is relatively high, especially for rural elderly. However, it is presumed that this amount of financial support is not that large when compared to the children.

B. Inheritance

Table 3-28 reveals that 17.8 percent of older persons have already left their property to their children(including 5.2 percent of older persons who have left a portion of their property). 33.2 percent of the respondents answered that they have not left their property to their children yet, while 44.4 percent do not have any property to leave.

The proportion of the rural elderly who have no property to leave is higher than that of the urban elderly. As the age of the respondents increases, so does the rate of those who have already left all their property or have no property to leave. The same trends are observed among the female elderly. Also, the lower the educational attainment of the older person, the higher the rate of respondents who do not have any property.

2) Emotional Care

More than half of older persons(55.6 percent) give emotional care and advice to others(see Table 3-29). This rate is much higher than the 26.5 percent in financial care, but lower than the 77.6 percent of emotional care-receiving. As the respondents' age increases, the emotional care-giving rate decreases which is the same as seen in the emotional-care receiving rate. More male elderly(63.1 percent) than female elderly(51.2 percent), and more married elderly(66.5 percent) than unmarried elderly(17.8%) give emotional support to percent others.

The average number of care receivers among 1,232 persons surveyed who give emotional support to others is 1.9 persons. The highest proportion of emotional care receivers is friends and/or neighbors(51.7 percent), followed by spouses(39.6 percent), first sons and/or daughters-in-law(28.7 percent), and daughters and/or sons-in-laws(25.5 percent).

Table 3-28. Inheritance by Characteristics of Older Persons

Characteristics	Left All Property	Left Part of Property	Has Not Left Property Yet.	No Intention to Leave	No Property to Leave	No Children	Total (Person)
Total	12.6	5.2	33.2	1.4	44.4	3.2	100.0 (2,220)
Area							
Urban	10.1	4.6	29.1	1.8	50.4	4.1	100.0 (1,406)
Rural	17.0	6.2	40.3	0.5	34.2	1.8	100.0 (814)
Age							
65~69	6.4	5.8	42.8	2.6	39.6	2.9	100.0 (884)
70~74	11.3	4.6	34.3	0.6	46.3	2.9	100.0 (668)
75+	22.2	5.0	19.3	0.5	48.9	4.1	100.0 (668)
Gender							
Male	7.0	6.7	48.2	2.3	34.3	1.5	100.0 (823)
Female	15.9	4.3	24.3	0.8	50.4	4.3	100.0 (1,397)
Marital Status							
Married	5.8	7.4	48.8	2.2	34.9	0.9	100.0 (1,116)
Unmarried	19.6	2.9	17.4	0.5	54.1	5.6	100.0 (1,104)

The older the respondents are, the lower the proportion with a spouse and unmarried children. This is due to demographic factors such as the death of a spouse or marriage of children. The proportion of friends and/or neighbors, however, is stable with age. While female elderly give emotional care to various persons including their spouses(15.4 percent), friends and/or neighbors(40.1 percent), and daughters(15.0 percent), male elderly mainly care emotionally only for their spouses(53.8 percent). Also, differences can be observed by marital status. A large proportion of married elderly provide emotional care for their spouses(53.9 percent), while unmarried elderly provide care for their friends and/or neighbors(49.3 percent).

Table 3-29. Emotional Care Giving of Older Persons

(Unit: %)

Characteristics	Total (Person)	Care Giving Rate	Spouse	First Son/ Daughte r-in-law	Other Sons/ Daught ers-in- law	Daughte rs/Sons-- in-law	Un- married Children	Grand children/ Spouses	Siblings	Friends/ Nighbors	Others	Total(Person)
Total	100.0(2,219)	55.6	31.5	11.2	4.5	9.7	1.2	1.1	2.9	33.7	4.1	100.0(1,225)
Area												
Urban	100.0(1,405)	55.3	29.9	9.8	4.5	11.1	1.3	1.3	3.2	34.5	4.5	100.0(770)
Rural	100.0(814)	56.0	34.4	13.6	4.5	7.4	1.1	0.8	2.5	32.3	2.7	100.0(454)
Age												
65~69	100.0(393)	65.7	34.7	10.0	4.9	8.1	1.6	1.2	3.3	31.9	4.5	100.0(575)
70~74	100.0(208)	54.9	28.6	11.9	3.6	13.1	1.5	0.7	3.0	33.5	3.2	100.0(367)
75+	100.0(124)	42.7	28.8	12.9	5.0	8.5	0.0	1.4	2.2	37.7	3.5	100.0(283)
Gender												
Male	100.0(496)	63.1	53.8	10.1	2.0	2.4	0.7	0.0	2.9	24.8	3.5	100.0(513)
Female	100.0(780)	51.2	15.4	12.0	6.3	15.0	1.6	1.9	2.9	40.1	3.1	100.0(711)
Marital Status												
Married	100.0(1,721)	66.5	53.9	9.3	2.7	4.9	0.5	0.3	2.3	22.5	3.6	100.0(715)
Unmarried	100.0(498)	17.8	0.0	13.9	7.0	16.6	2.2	2.3	3.9	49.3	4.9	100.0(509)

G. Social Activities

Participation in religious activities is highest at 52.7 percent, followed by social activities(28.8 percent). These are the highest among religious activities, social activities, cultural activities, sports activities, volunteering, attending elderly college, and others(see Table 3-30). Generally speaking, social activities of older persons are limited because they do not have the resources or opportunities to enjoy social and leisure activities.

Both the participation rates of religious activities and social activities are higher in urban areas. The participation rate of religious activities is higher for female elderly(62.6 percent) than for male elderly but is lower for social activities(20.2 percent).

Although the participation rate of religious activities is stable by age, the participation rate of social activities rapidly decreases as the respondents become older. Also, the participation rate of social activities is sensitive to household income and that of religious activities is not.

H. Social Welfare Needs

1) Awareness and Utilization Rates of Welfare Policies for Older Persons³⁾

19.2 percent of the respondents were aware of the policy for Old Age Allowance and 6.8 percent of older persons were covered as of May 1998. After being told about the Old Age pension though, 61.9 percent expressed the wish to receive it, after its replacement of the Old Age Allowance in July 1998. The awareness rate of the Elderly Workplace and Elderly Job Placement Centers are also quite low(16.0 percent and 15.1 percent, respectively). Few older persons have actually utilized

3) Regarding each welfare policies for older persons, see Chapter 4.

Table 3-30. Social Activity Participation of Older Persons

(Unit: %)

Characteristics	Religious Activities	Social Activities	Cultural Activities	Sports Activities	Volunteer Activities	Elderly College	Others
Total	52.7	28.8	0.7	2.9	0.7	1.0	3.4
Area							
Urban	56.4	30.4	1.0	3.6	0.7	1.2	3.1
Rural	46.5	26.0	0.2	1.8	0.5	0.6	3.8
Gender							
Male	36.0	43.5	0.8	7.2	1.2	0.6	4.4
Female	62.6	20.2	0.7	0.4	0.4	1.2	2.7
Age							
65~69	54.0	40.2	0.7	4.1	1.2	0.7	3.6
70~74	53.5	28.2	0.7	2.7	0.2	1.1	3.6
75+	50.3	14.3	0.8	1.5	0.4	1.1	2.8
Household Income (Monthly Average)							
Under 40 Million Won	52.5	16.2	0.3	1.2	-	1.5	4.0
40~79 Million	48.8	29.5	0.9	1.9	0.5	0.6	3.6
80~149 Million	54.1	37.0	1.4	4.6	1.0	0.8	1.9
150~249 Million	59.0	36.4	-	5.2	1.4	0.2	2.9
250 Million [†]	51.6	47.6	1.4	6.0	2.2	3.0	7.0

them, while 23.6 percent and 15.5 percent, respectively want to utilize them in future(see Table3-31).

While the awareness rate of Free Elderly Cafeterias is relatively high(39.9 percent), only 5.8 percent have used it. 17.8 percent want to use it in the future.

Only few(0.7 percent) older persons have utilized Geriatric Hospitals and only 20.6 percent know about them. 40.1 percent of the respondents expressed their future willingness to use it though. This shows us the latent need for Geriatric Hospitals. On the other hand, almost all older persons(97.2 percent) know about Health (Sub)Centers which provide health/medical services to the public. 68.8 percent have utilized Health (Sub)Centers and 67.2 percent expressed their future willingness to use it.

Regarding Elderly Activity Centers, the most popular leisure center for older persons, 95.4 percent of older persons are aware

of them. Also, almost half of older persons have used them and want to use them in the future(47.6 percent and 45.8 percent respectively). The awareness rate for elderly colleges or schools is high(74.5 percent) but the utilization rate(9.1 percent) and the proportion of older persons who want to use them in the future(18.2 percent) is relatively low.

Table 3-31. Awareness and Utilization Rates of Welfare Policies for Older Persons

(Unit: %)

	Awareness Ratio	Utilization Rate		Want to Use in the Future	Satisfaction			Total (Person)
		Currently Using	Utilized in the Past		Satisfied	Average	Un-satisfied	
Old Age Allowance	19.2	6.8	0.7	61.9	38.2	39.2	22.6	100.0 (165)
Elderly Workplace	16.0	0.3	0.7	23.6	68.0	22.9	9.1	100.0 (22)
Elderly Job Placement Center	15.1	-	0.1	15.5	-	-	-	-
Free Elderly Cafeteria	39.9	1.8	4.0	17.8	69.0	24.5	6.5	100.0 (125)
Geriatric Hospital	20.6	0.2	0.5	40.1	36.1	37.3	26.6	100.0 (16)
Health (sub)Center	97.2	24.1	40.7	67.2	59.0	29.9	11.1	100.0 (1,428)
Elderly Activity Center	95.4	28.1	19.5	45.8	58.4	27.6	14.0	100.0 (1,051)
Elderly College/School	75.4	2.0	7.1	18.2	63.7	25.5	10.8	100.0 (198)
Community Elderly Welfare Center	42.1	2.3	3.3	21.6	58.6	31.6	9.8	100.0 (125)
Free Elderly /Nursing Home	61.0	-	-	13.7	-	-	-	-
Low-cost Elderly/Nursing Home	31.0	-	0.1	6.7	-	-	-	-
Charged Elderly/Nursing Home	53.4	-	-	5.7	-	-	-	-
Exemption of Inheritance Tax(Residential)	14.1	-	0.2	11.6	-	-	-	-
Exemption of Inheritance Tax(Personal)	12.0	-	0.1	10.1	-	-	-	-

The awareness rates of free, low-cost, and charged elderly and nursing homes are 61.0 percent, 31.0 percent, and 53.4 percent, respectively. Few elderly have experienced using elderly and nursing homes. However, 13.7 percent, 6.7 percent, and 5.7 percent, respectively, of older persons wish to use them.

Only few are aware(14.1 percent and 12.0 percent) of the Exemption of Residential Inheritance Tax and Personal Inheritance Tax, and few actually benefit from those exemptions. The proportion that wants to use them in the future is low(11.6 percent and 10.1 percent, respectively).

2) Social Care Services

There are three components to social care services including home help services, day care centers for older persons, and short-term care centers. Regarding home help services, 18.5 percent of older persons know about the services, and the rate in urban areas is higher than in rural areas(11.7 percent). While only 0.6 percent have used them, 25.2 percent want to use them in the future. However, 15.9 percent of the 25.2 percent only want to use the services if they are free(see Table3-32).

Regarding day and short-term care centers for older persons, only few actually know about them(2.0 percent and 1.8 percent) and none have experienced using them. 18.2 percent and 15.7 percent want to use them in the future.

Table 3-32. Awareness and Utilization Rates of Social Care Services By Area and Sex

(Unit: %)

	Total	Area		Gender	
		Urban	Rural	Male	Female
Home Help Services					
Awareness Ratio	18.5	22.4	11.7	22.6	16.1
Utilization Rate	0.6	1.0	-	0.2	0.9
Want to Use in Future					
Want to Use Only if Free	15.9	16.9	14.2	15.1	16.4
Want to Use	9.3	10.9	6.5	13.4	6.8
Not Willing to	74.8	72.2	79.3	71.5	76.8
Total	100.0	100.0	100.0	100.0	100.0
(Person)	(2,217)	(1,404)	(813)	(821)	(1,396)
Day Care Centers for Older Persons					
Awareness Ratio	2.0	2.7	1.0	3.9	0.9
Utilization Rate	-	-	-	-	-
Want to Use in Future	18.2	19.7	15.6	22.5	15.6
Total	100.0	100.0	100.0	100.0	100.0
(Person)	(2,217)	(1,403)	(814)	(822)	(1,395)
Short-term Care Centers					
Awareness Ratio	1.8	2.4	0.8	3.2	1.0
Utilization Rate	-	-	-	-	-
Want to Use in Future	15.7	17.6	12.4	19.2	13.6
Total	100.0	100.0	100.0	100.0	100.0
(Person)	(2,217)	(1,403)	(814)	(822)	(1,395)

3) Housing Needs

Regarding special housing for older persons, 33.6 percent of older persons said they will live there if they are constructed(see Table3-33). The rate in urban areas(39.0 percent) is higher than in rural areas(24.3 percent). The rate is also higher among the 65 ~69 age group(41.6 percent), compared to 33.2 percent for the 70~74 age group and 23.3 percent for the 75 year old and over

age group. The majority favored quiet rural areas for the special housing.

Table 3-33. Special Housing for Older Persons by Area and Age
(Unit: %)

	Want					Does Not Want	Total (Person)
	Sub-total	Urban Areas	Sub-urban Areas	Near Famous Resort Areas	Rural Areas		
Total	33.6	6.8	9.1	1.0	16.7	66.4	100.0 (2,208)
Area							
Urban	39.0	9.4	12.4	1.1	16.1	61.0	100.0 (1,395)
Rural	24.3	2.3	3.3	0.8	17.9	75.7	100.0 (813)
Age							
65~69	41.6	7.5	12.5	1.0	20.6	58.4	100.0 (879)
70~74	33.2	7.2	8.1	1.4	16.5	66.8	100.0 (665)
75+	23.3	5.3	5.6	0.6	11.9	76.7	100.0 (663)

Among older persons who live alone or only with their spouses, 27.2 percent, including the 14.6 percent which only want to use free facilities, want to live in elderly/nursing homes when they are not able to live alone(see Table3-34). This rate is higher in urban areas(35.0 percent) than in rural areas(17.2 percent). Also, the rate is higher as the age of the respondents increase or with higher educational attainment. In case of charged facilities, those who have more income tend to show a higher willingness to live there.

Among the reasons older persons do not want to live in the elderly/nursing homes are "the objection of children"(33.5 percent) which shows the highest proportion, followed by "bad perception of facilities"(28.4 percent) and they are "too expensive"(23.0 percent).

Table 3-34. Willingness to Live in an Elderly/Nursing Home:
Older Persons who do not Co-reside with their
Children

(Unit: %)

	Will Use			Will not Use	Total (Person)
	Sub-total	Charged Facilities	Free Facilities		
Total	27.2	12.7	14.6	72.8	100.0 (1,052)*
Area					
Urban	35.0	16.7	18.3	65.0	100.0 (592)
Rural	17.2	7.4	9.8	82.8	100.0 (460)
Age					
65~69	29.7	15.7	14.1	70.3	100.0 (465)
70~74	27.7	10.3	17.4	72.3	100.0 (331)
75+	22.1	10.2	11.8	77.9	100.0 (257)
Educational Attainment					
Illiterate	20.7	5.6	15.1	79.3	100.0 (256)
No Formal Education but Literate	20.1	7.2	12.9	79.9	100.0 (232)
Primary School Graduates	30.6	13.7	16.9	69.4	100.0 (344)
Middle School Graduates	36.4	22.4	14.1	63.6	100.0 (83)
High School Graduates	37.9	28.0	9.9	62.1	100.0 (84)
College School Graduates and over	36.4	24.3	12.0	63.6	100.0 (54)
Household Income (Monthly Average)					
Under 40 Million Won	29.0	8.8	20.2	71.0	100.0 (559)
40~ 79 Million Won	24.2	13.9	10.2	75.8	100.0 (331)
80~149 Million Won	30.4	25.8	4.7	69.6	100.0 (112)
150~249 Million Won	28.3	24.5	3.8	71.7	100.0 (35)
250 Million Won and Over	-	-	-	100.0	100.0 (10)

I. Perception and Attitudes towards Care by Their Children

1) Children's Responsibility for Older Parents

Regarding children's responsibility for older parents, 46.0 percent of the respondents think that first sons have to care for their parents, followed by 27.5 percent who say that it is the 'capable children's responsibility' and 16.0 percent who say it is the responsibility of the "parents themselves"(see Table3-35). Including 'the first son' and 'sons', 55.6 percent of older persons think that it is the son's responsibility to take care of their parents. This indicates that the patriarchal ideology is still prevalent among older persons. This rate of 'the first son' and 'sons' is even higher in rural areas. Also, the rate is higher as the respondents' age increases or with lower educational attainment.

2) Financial Support for Old Parents

As the ideal method to preparing living expenditures for later in life, 38.8 percent answered that they have to prepare for themselves, 32.5 percent said "the family has to support them" and 25.5 percent said the "social welfare system" should. The rate of "self-support" is higher among the female elderly(32.3 percent) than among male elderly(49.8 percent). Also, the rate becomes higher as the age increases or with lower educational attainment(see Table 3-36).

Table 3-35. Attitude towards Children's Responsibility for Older Parents by Characteristics of Older Persons

(Unit: %)

Characteristics	First Son	Sons	Daughters	Capable Children	Parents Themselves	Others	Total (Person)
Total	46.0	9.6	0.7	27.5	16.0	0.3	100.0(2,210)
Area							
Urban	40.2	9.2	0.9	31.0	18.2	0.4	100.0(1,398)
Rural	56.0	10.1	0.3	21.3	12.0	0.2	100.0(812)
Age							
65~69	42.9	8.5	0.5	29.1	18.6	0.5	100.0(881)
70~74	43.0	9.9	0.9	28.6	17.2	0.4	100.0(667)
75+	53.2	10.7	0.8	24.2	11.1	-	100.0(661)
Educational Attainment							
Illiterate	55.5	11.2	0.8	23.8	8.2	0.5	100.0(610)
No Formal Education but Literate	51.0	11.5	0.5	24.1	12.6	0.3	100.0(527)
Primary School Graduates	43.2	8.1	1.0	29.6	17.7	0.4	100.0(671)
Middle & High School Graduates	30.0	8.2	0.3	33.7	27.8	-	100.0(306)
College School Graduates and over	29.0	3.4	-	34.1	33.5	-	100.0(95)

Table 3-36. Preferred Ways of Financial Support for Older Persons by Characteristics of Older Persons

(Unit: %)

Characteristics	Self-support	Children/Family	Social Welfare	Others	Don't Know	Total (Person)
Total	38.8	32.5	25.5	0.2	3.0	100.0(2,214)
Area						
Urban	39.5	28.8	28.6	0.2	2.9	100.0(1,402)
Rural	40.8	33.4	22.9	-	3.0	100.0(812)
Gender1)						
Male	49.8	24.9	23.1	0.3	1.9	100.0(821)
Female	32.3	37.1	26.9	0.0	3.7	100.0(1,393)
Age1)						
65~69	45.7	26.1	25.7	0.1	2.4	100.0(883)
70~74	37.0	31.3	28.8	0.2	2.7	100.0(667)
75+	31.5	42.2	21.7	0.2	4.3	100.0(664)
Educational Attainment						
Illiterate	26.0	44.2	24.2	-	5.6	100.0(613)
No Formal Education but Literate	35.5	38.9	22.9	0.3	2.5	100.0(527)
Primary School Graduates	42.3	27.5	27.9	0.3	2.0	100.0(673)
Middle & High School Graduates	52.6	16.3	29.1	-	2.0	100.0(306)
College School Graduates and over	71.0	9.9	19.1	-	-	100.0(95)

Chapter 4. Policies and Programmes Related to Older Persons

A. Major Social Welfare Policies

1) Present Status of the National Pension Scheme

Public Pension programmes, public assistance based on the Livelihood Protection Law, and old age allowance are three components of public policy that aim at enhancing the economic security of the elderly in Korea.

There are four public pension programmes, all designed as contributory social insurance schemes. Three are for people employed in particular occupations. The government employees pensions was instituted in 1960, the military personnel pension was instituted in 1963 and the private school teachers pension was instituted in 1975. The National Pension scheme was instituted in 1988 for people employed in workplaces with 10 or more employees.

Table 4-1. Public Pension Programmes

Programmes	Year Started	Coverage
National Pension	1988	Employees and self-employed persons
Government Employees Pension	1960	Government officers, police, law officers, etc.
Military Personnel Pension	1963	Tenured military sergeants
Private School Teachers Pension	1975	Private school teachers

The National Pension scheme, the main public pension programme in Korea, provides financial security against aging, disability and death. Although the Korean government planned to amend the 'National Welfare Pension Act' in 1973 and to introduce the pension scheme in 1974, it was indefinitely postponed due to economic obstacles. In 1986, the 'National Pension Act' was finally amended and became effective in 1988 in work places with 10 or more employees. Afterwards, in 1992, coverage was expanded to work places with 5 or more employees.

National Pension provision was expanded to rural areas in 1995. Insured persons are workers between ages 18 to 59 in employment such as farming, forestry, livestock, or the fishery industry. Under a special provision, those between the ages of 60 to 65 years old can also apply for pension before they reach the age of 71. The fact that all this was achieved in only seven years from the time the pension scheme was first introduced, shows remarkable progress.

After expansion of the National Pension Scheme to rural areas, the total number of insured drastically increased from 5,450,000 in 1994 to 7,870,000 in 1997. At that point, the National Pension covered 56.9 percent of the total population. The National Pension Scheme extended its coverage to urban self-employed residents in 1999.

Table 4-2. Number of Insured Persons in the National Pension Scheme by Sector

(Unit: 1,000 persons)

	Total	Salary Workers	Local	Voluntary Affiliation	Voluntary Continuing Affiliation
1993	5,160	5,109	-	40	11
1994	5,445	5,383	-	48	14
1995	7,496	5,542	1,890	49	16
1996	7,829	5,678	2,085	50	16
1997	7,836	5,601	2,085	47	102

Source: National Pension Corporation, *National Pension Statistical Yearbook*, each year.

Most public pension programs are expected to show deficits in the future. Thus, financial adjustments will be necessary in cases where the financial disparity originates from structural factors, such as age structure, ability to pay, and so on. As a result of the growth in the number of pension beneficiaries, pension expenditures are increasing rapidly, and this will become significant as the Korean government attempts to establish an equitable pension system. Indeed, if the National Pension Scheme continues to be operated the way it has, the reserve funds will likely be exhausted by the year 2033. Therefore, a mid and long-term financing plan must be prepared.

2) Present Status of Public Assistance

Public assistance, or the so-called Livelihood Protection system, is based on the Livelihood Protection Act which was enacted in 1961 and amended in 1982 and 1997. Public assistance aims to eradicate poverty directly by guaranteeing a minimum standard of living and enhancing the self-reliance capabilities of the poor. Livelihood Protection recipients are those who have no one to support them, or whose household members cannot provide for them without assistance. Specifically, they include older persons who are unable to support themselves, children under 18, expectant women, people unable to work due to disease or mental and/or physical disability, other poor persons who are qualified to receive assistance under the Livelihood Protection Act, and mothers with children under 18 and who need protection for themselves and their dependent children. Livelihood Protection recipients are selected annually by local governments based on the income and property criteria set up by the Ministry of Health and Welfare.

The types, content, and methods of Livelihood Protection vary according to the type of recipient. To be eligible for Home Care, one must be unable to work, or live in a household comprised solely of women over 50 or of persons unable to work. Contents of protection for Home Care recipients include livelihood aid, self-support aid, educational aid, maternity and

burial benefits, and medical care. Institutional Care recipients are those who are legally qualified to receive Home Care but do not have their own home or are unable to live in their own home. Although the benefit coverage of Home care and Institutional Care are the same, the benefit amount varies. Self-support Care recipients are those who are eligible for Livelihood Protection but fail to meet the requirements for Home or Institutional Care. The types of protection for Self-support Care recipients consist of health care, self-support aid, and educational aid. Home Care and Institutional Care recipients lack the ability to work, while Self-support Care recipients are able to work but lack sufficient resources. Since the economic crisis, the unemployed lower classes and their family members have been provided coverage by Livelihood protection under the title of Temporary Livelihood protection(see Table 4-3).

Table 4-3. Eligibility and Contents by Type of Livelihood Protection

Types	Eligibility Criteria		Contents
	Monthly Income/Person	Property/Household	
Home Care	below 230,000 Won	below 29 Million Won	livelihood, self-support, educational, maternity, burial, medical aid
Self-Support Care		below 44 Million Won (in case of Temporary Livelihood protection)	self-support, educational, medical
Institutional Care			livelihood, self-support, educational, maternity, burial, medical aid

Source: Ministry of Health and Welfare, *Guidelines for Livelihood Protection*, 1998.

In 1998, Livelihood Protection recipients included 1,175,187 persons which is 2.6 percent of the total population. Compared to the total population, the rate of older persons is much higher; 8.2 percent of older persons(251,094 persons) were Livelihood Protection recipients in 1998(see Table 4-4).

Table 4-4. *Proportion of Recipients*

	(Unit: Persons, %)	
	Total Population	Older Persons
Population	46,429,817	3,050,637
Recipients	1,175,187	251,094
% of Recipients	2.6	8.2

Source: Ministry of Health and Welfare, *Analysis of Livelihood Protection Recipients*, 1998.

3) Present Status of Health Insurance

The National Health Insurance program is composed of three different schemes: 'Industrial Health Insurance Funds' for industrial workers(145 associations in 1998); a 'government health insurance fund' for government employees and private school teachers, and 'Regional Health Insurance Funds' for rural and urban self-employed workers(227 associations in 1998). Most funds are legally independent in terms of both administration and finance. The National Federation of Medical Insurance plays an important role in examining invoices from medical care institutions and in paying them.

Premiums for industrial and government funds are imposed at a rate proportional to the insured's monthly earnings, while for the regional insurance funds, several factors such as income, value of real estate and household size are taken into account in calculating the premiums. For financing of regional funds, the government provides subsidies most of which are allocated by capitation. A portion of the subsidies are distributed to the funds in different amounts depending on the amount of taxable income and the elderly's dependency ratio of each fund.

4) Health and Medical Policies

At present all Koreans are covered by health insurance or medical assistance programs. As of 1995, 96.7 percent of those aged 65 and over were covered by health insurance and the rest

of the elderly were covered by medical assistance. In spite of the high coverage of health insurance, the increasing medical expenditures due to the aging population have still become a major concern for Koreans. Older persons comprise 6.1 percent of the population covered by health insurance, but 13.1 percent of health insurance costs were used for older persons in 1996. Also, the medical costs per elderly person aged 65 and over are approximately 2.1 times the costs of citizens under age 64. Therefore, the high medical costs resulting from population aging have become a serious issue.

Table 4-5. Trends of Medical Expenditure Increase

(Unit: Million Won, %)

Year	Total Medical Costs	(increase rate)	Medical Costs for Older Persons	(increase rate)	% of Medical Costs for Older Persons to Total Costs
1985	583,278	(100)	27,515	(100)	4.7
1990	2,219,773	(501)	239,173	(692)	8.2
1996	7,423,716	(1273)	976,184	(3548)	13.1

Source: National Federation of Medical Insurance, *Medical Insurance Statistical Yearbook*, various years.

Currently, benefits for medical examinations, drugs, surgery, nursing, ambulances, and check-ups are provided. Generally speaking, health insurance coverage is more focused on curative rather than preventive health care.

Also, patients have to pay 20 percent of hospitalization fees, and certain rates of outpatient fees (30 percent for clinic, 40 percent for hospital, 50 percent for general hospital). These high percentages of out-of-pocket payments have led to financial burdens for patients, especially the elderly and the poor.

There was also limitation of the reimbursable treatment period per year. Only since 1996 was the limitation of the reimbursable treatment period per year overruled for the disabled and the elderly. This extension of the reimbursable treatment

period will provide more treatment opportunities for the chronically ill and the elderly, who need more medical care and longer treatment. The current limit on duration is 270 days a year, except for the disabled and the elderly. This limit will gradually be extended every year until it finally reaches 365 days a year by the year 2000.

B. Development of Welfare Policies for Older Persons⁴⁾

1) Development of Welfare Policies

The Welfare Law for older persons was enacted June 5, 1981 to establish legal grounds for the improvement of welfare for older persons. The law was amended in 1990, 1993, and 1997. The law is based on three basic principles. First, older persons who have devoted themselves to bringing up their children and to developing society and nation, should be guaranteed a sound and stable life with dignity. Second, older persons should be guaranteed opportunities for jobs, depending on their ability, and for participation in social activities. Third, older persons themselves should try to maintain their health and to contribute to social development through effective utilization of their knowledge and experiences. Following this law, various welfare programmes have been developed and expanded(see Table 4-6).

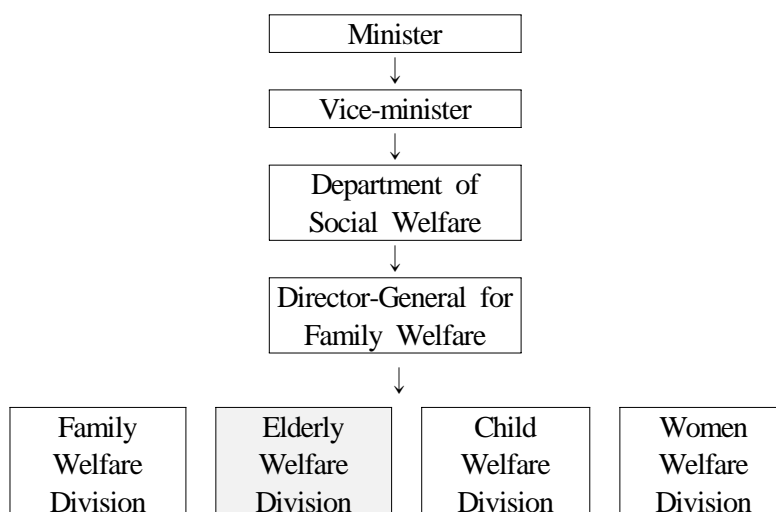
4) These policies are planned and implemented by the Division of Elderly Welfare.

Table 4-6. Welfare Programmes and Policy Development of Older Persons

Year	Programmes and Policy Development
1980	Special Treatment Programme for Older Persons Established
1981	Welfare Law for Older Persons Enacted
1981	Elderly Job Bank Implemented
1982	Special Treatment Programme for Older Persons Expanded
1982	Charter of Respect for Older Persons Promulgated
1983	Free Health Check-up Programme for Older Persons Implemented
1986	Elderly Workplace Program was Started
1990	Division of Welfare for Older Persons Established
1990	Welfare Law for Older Persons Amended
1990	Old Age Allowance Provided to Low-Income Elderly
1991	Elderly Employment Promotion Programme
1998	Old Age Pension Provided for Low-income and Lower Middle Class Elderly

The division of Elderly Welfare in the Ministry of Health and Social Affairs was established November 1990.

Figure 4-1. Organization of the Ministry of Health and Welfare



2) Budget for Older Persons

The Korean government has put a great deal of effort into developing elderly welfare policies to prevent social problems caused by the aging of society, to improve the social status of the elderly and to guarantee livelihood security of the elderly in an aging society. According to Table 4-7, however, in spite of the effort to increase expenditures on welfare policies for the elderly, the proportion of Welfare Expenditures for the Elderly was only 5.4 percent of the Ministry of Health and Welfare Expenditures for 1999. Also, 78.3 percent of expenditures on the programs and policies for the elderly is for the Old Age Pension and another 13.0 percent is for institutional care(see Table 4-8). Therefore, expenditures on leisure activities and health and medical care for the elderly compose only a small portion of the expenditures for elderly. The proportion of the expenditures for home care services is also very small.

Table 4-7. Budget of Korea, 1990~1998

	(Unit: 100,000,000 won)		
	1990	1995	1998
National Budget (A)	332,960	518,811	755, 829
Ministry of Health and Welfare Expenditures (B)	11,518	19,839	31,127
Division of Elderly Welfare (C)	379	612	1,691
Ministry of Health and Welfare Expenditures / National Budget (B/A)	3.5	3.8	4.1
Division of Elderly Welfare / Ministry of Health and Welfare Expenditures (C/B)	3.3	3.1	5.4
Division of Elderly Welfare / National Budget (C/A)	0.11	0.12	0.22

Source: Economic Planning Board, *Budget for Fiscal Year, 1987~1997*.

Table 4-8. Programs and Policies for Older Persons, 1997, 1998, 1999

(Unit: 1,000,000 Won, %)

Items	1997		1998		1999	
	Budget	%	Budget	%	Budget	%
Total	129,972	100.0	169,081	100.0	191,714	100.0
Old Age Allowance ¹⁾	80,760	62.14	111,980	66.23	150,129	78.3
Health & Social Care						
• Health Examination	233	0.18	245	0.14	252	0.13
• Home-helper	2,375	1.83	2,585	1.53	2,382	1.24
• Day Care	500	0.38	600	0.35	700	0.37
• Short-term Care	360	0.28	360	0.21	432	0.22
Institutional Care	32,879	25.30	36,830	27.78	24,955	13.02
Leisure Activities:						
Senior Hall	11,899	9.16	14,857	8.79	11,118	5.80
Others	967	0.74	1,645	0.97	1,746	0.91

Note: 1) Since July 1998, the Old Age Pension has been substituted for Old Age Allowance.

Source: Ministry of Health and Welfare, *Guidebook for Programs and Policies for the Elderly*, 1999.

C. Policies for Older Persons

1) Policies for Economic Security

A. Old Age Allowance

An old age allowance was provided to poor elderly persons since 1991 as a Special Scheme to Guarantee a Minimum Standard of Living. The allowance system only covered a limited number of elderly though, and its level was also deemed insufficient. At first, an allowance of only 10,000 Won a month was provided to the elderly under Livelihood Protection who were 70 years of age or over. The government therefore, expanded the allowance to the elderly under Livelihood Protection who were

between 65 to 79 years of age(228,477 elderly) by providing them with 35,000 Won a month, and to the elderly under Livelihood Protection aged 80 years and over(36,642 elderly) by providing them with 50,000 Won a month in 1997. In spite of expansion of the National Pension Scheme, most of the population aged 65 and over remained uncovered. Therefore, the old age pension came to replace the old age allowance to enhance the self-reliance capabilities of the elderly poor, with the amendment of the "Welfare Act for the Elderly" in 1997. The new old age pension system started July 1998.

The new system was devised upon considering the fact that the previous welfare policy for the elderly was limited to the elderly under Livelihood Protection, and only provided them with indirect support.

Persons that are eligible for Old Age Pension must be a Livelihood Protection Recipient who are 65 years of age or over(Elderly Welfare Act, Article 9, Clause 1) and must be below the government's minimum income and asset level(Elderly Welfare Act, Article 9, Clause 2), without being a public pension recipient.

The income level is below 60/100 of the average monthly income for urban laborer households. This amount is the monthly average income per person which is achieved by dividing the number of household members by the total monthly income of the beneficiary, his/her spouse and supporter.

The asset level is 140 percent below the asset level established for Self-care Protection Recipients under the Livelihood Protection Act. The asset amount is the value of total assets possessed by beneficiaries, his/her spouse and supporter.

The Social Pension Benefit Level for Livelihood Protection elderly is 50 thousand Won for persons 80 years of age or more, 40 thousand Won for elderly between 65 and 80 years of age, 20 thousand Won for general low-income elderly, and for a married couple the benefits for each spouse are reduced by 25 percent resulting in benefits for each person of 15 thousand Won.

Table 4-9. Eligibility for Old Age Pension Recipients

	Income Level	Asset Level
Eligibility	Less than 60/100 of the average monthly income for urban laborer households in the previous year	140% below asset eligibility level for Self-care Protection recipients
Actual Eligibility (1998)	1,372,200 Won	40,600,000 Won

The total budget is estimated at 1.084 trillion Won, with .742 trillion Won(68.5 percent) being for general account estimates and .342 trillion Won(31.5 percent) being provided by regional self-governing groups⁵⁾.

Table 4-10. Old Age Pension Payment(1998)

	Livelihood Protection Elderly		Low-income Elderly		Total Recipients	Total Older Persons
	Under 80 years of age	Over 80 years of age	Full payment	Reduced payment		
Recipients	190,624 persons (29.0%)	52,822 persons (8.6%)	313,964 persons (47.7%)	100,590 persons (15.3%)	658,000 persons (100.0%)	3,050,637 persons
Paid Amount	40 thousand Won	50 thousand Won	201 thousand Won	15 thousand Won	-	-

Source: Ministry of Health and Welfare, *Elderly Welfare Department*, 1998.

As of August 1998, Social Pension provided benefits to a total of 658,000 recipients, which included 243,446(37.6 percent) Livelihood Protection elderly, 414,554(63.0 percent) general low-income persons, and others. This covered 21.6 percent of total elderly persons over the age of 65.

5) Under the Elderly Welfare Law, the government pays 70/100 of Social Pension expenditures and regional self-governing groups pay 30/100. In Seoul though, the government and city each pay half.

B. Policies to Enhance Employment Opportunities

Establishing income maintenance, including financial support for the elderly, is one of the most important social welfare policies for the elderly. There are three job placement programs that provide elderly people with opportunities to earn money by making use of their free time. These programs are the Elderly Job Placement Center, Elderly Workplace and Elderly Employment Promotion (based on the Employment Promotion Law).

The Elderly Job Placement Center(formerly the Elderly Job Bank) was started in 1981 to provide older persons with leisure time and opportunities to earn money. In 1998, 70 centers were being operated by local branch offices of the National Association of Senior Citizens. The government supports 70 banks with 450,000 Won per month per center in operational expenses.

The Elderly Workplace program was started in 1986 and 511 workplaces were being operated by voluntary organizations with government assistance in 1998. The government supports workplaces with 6 Million Won per center in essential construction fees(central government 50 percent, local government 50 percent).

The government has also established Elderly workplaces in elderly welfare centers, including elderly activity centers. These workplaces provide older persons with work depending on their aptitude and capability, enable older persons to spend leisure time at workshops, and opportunities to earn income.

The Employment Promotion Law, enacted in 1991, encourages business firms to employ 3 percent or more of its employees from among the population aged 55 and over. In addition, this law stipulates that 60 occupation categories(selling bus tokens and cigarettes, attending parking lots and public parks, etc.) should be preferentially allocated to older persons.

2) Policies for Healthy Life

A. Free Health Examinations

To prevent and diagnose geriatric diseases at an early stage, check-ups are provided for older persons covered by health insurance. Also, free Health Examinations are provided to older persons under Livelihood Protection. Free health examinations were extended to various geriatric diseases including diabetes and cataracts in 1992. In 1996, they were also expanded from general examinations that included blood and X-ray examinations to including special geriatric diseases such as cancer, depending on the demand of the elderly. As a result, health examinations have become more effective.

The budget for free health examinations was 370 million Won (central government: 252 million Won; local government: 118 million won) in 1999, covering about 30,000 elderly.

B. Special 10 Year Plan for Elderly with Dementia

As a result of the increase in number of elderly with dementia, the government has recently begun devoting attention to providing them with public care services. The government plans to establish "Dementia Reporting and Counselling Centers" within every Health Center to provide community-based services. Currently, there are 14 nursing homes for the elderly with dementia who cannot be cared for within their own family or general nursing home. Also, 10 nursing homes and 9 hospitals for the elderly with dementia are under construction.

3) Institutional Care

The public provision of long-term care in Korea is in a very early stage. Therefore, the main policy concern now is not qualitative aspects such as autonomy, privacy, and consumer rights of the elderly, but how to respond to the increasing demand for long-term care.

As the elderly population increases, the number of frail or disabled elderly Koreans who need assistance with day to day tasks also increases. In Korea, the physical care needs of the elderly have traditionally been mostly provided by family caregivers. The concept of family care for the elderly is still prevalent, but the role of the family in supporting the elderly is no longer taken for granted. It is also becoming more difficult to take care of frail elderly people in the home. This may be due to several factors such as the changing values of family life, the nuclearization of the family, the decrease in family size, and women's increasing participation in the workplace and social activities. Based on these changes, the government has recently began devoting attention to providing public long-term care services for the elderly.

There are 7 kinds of welfare facilities for the elderly in Korea. In 1998, 10,646 people(0.35 percent of those aged 65 and over) were cared for in 200 facilities(see Table 4-11). There are three types of welfare facilities for older persons in Korea. 4 private fee-paying nursing homes are for wealthier elderly people, 13 homes are provided by charitable groups, often at heavily subsidized prices for particular groups of the elderly, and 63 lower-quality old age nursing homes are for poor elderly people who are maintained as a form of social assistance. In sum, in 1998, 4,330 people(0.14 percent of those aged 65 and over) were cared for in 80 nursing homes. In case of elderly homes, there are 16 private fee-paying homes, 4 low-cost homes, and 86 lower-quality free elderly homes. In 1998, 5,161 people(0.17 percent of those aged 65 and over) were cared for in 106 facilities. The government is also building many new public homes. In addition to those, there are 14 free nursing homes for the elderly with dementia.

Table 4-11. Welfare Facilities for Older Persons in 1998

(Unit: facilities, persons)

	Total	Free elderly home	Free nursing home	Low- cost elderly home	Low- cost nursing home	Charged elderly home	Charged nursing home	Dementia
Facilities	200	86	63	4	13	16	4	14
Residents	10,646	4,544	3,694	92	589	525	47	1,155

Source: Ministry of Health and Welfare, *Annual Report on Welfare Facilities*, 1998.

The main policies relating to long-term care are the Special 10 Year Plan for the Elderly with Dementia, special governmental subsidies for the construction of hospitals for the elderly, and the expanded construction of nursing homes. In addition to those plans, because of the growing importance of health problems due to aging, the Welfare Law for the Elderly enacted on June 5, 1981 was amended to establish legal ground for the provision of health services for the elderly.

4) Home Care Services for Older Persons

The Government has began to devote attention to home care services for the elderly based on the recognition of the difficulty in caring for frail elderly in the home. 52 home help service centers, 31 day care centers for the elderly and 15 short-term care centers are currently in operation. The program will receive major budgetary support, and thus is expected to increase rapidly in the coming years.

Home help services, day care centers for the elderly, and short-term care centers, are available to elderly recipients of public assistance free of charge, at reduced-cost for poor elderly, and others have to pay all costs themselves.

5) Policies for a Meaningful and Comfortable Life

A. Vitalization of Elderly Activity Centers

The elderly activity center(KyungRoDang), a representative leisure facility, is supported with 44,000 Won a month in operational costs and 250,000 Won a year in heating costs, both of which come from the state government budget. There are currently 33,485 elderly activity centers. Moreover, to vitalize the activity of the centers, various programs are being developed and distributed, and ways to provide various useful information on health and welfare, job placement, health insurance, and pension in the centers are under consideration. Also, assistance in daily living such as cleaning services and meal delivery services will be provided with cooperation of women's associations and the young in the community.

B. Establishment of Multi-purpose Senior Centers

To offer comprehensive welfare services like health counselling, culture, and recreation to the elderly, five model multi-purpose senior centers will be established within the years 1996-2000, and the centers will be expanded nationwide. Moreover, there are currently 80 Senior Citizens Centers in operation, and these will be expanded focusing on metropolitan areas.

C. Expansion of Charged Facilities for the Middle Class Elderly

To satisfy the needs for high quality leisure and housing services of the middle class elderly, central government agencies give financial support to the private sector for participation in welfare. The government provides 5~6 thousand million Won in loans at low interest and reduces the ordinary taxation for participation of the private sector in the construction of charged elderly homes, charged nursing homes, and hospitals for older persons. Also, the government will continue to put a great deal

of effort into encouraging welfare investment in the private sector.

D. Expansion of Opportunities for Volunteer and Social Activities

The participation rate for volunteer activities is very low due to the social environment, although some elderly people do participate in voluntary activities such as environmental protection and traffic-regulation. Volunteer activity can boost both the physical and mental health of an elder persons' life and can make later life productive and meaningful. Therefore, methods of actualizing volunteer activity through encouragement of civil activities and providing of transportation fees are under consideration.

Table 4-12. Leisure Facilities for Older Persons in 1997

	Elderly Activity Center	Elderly School	Elderly Resort Center	Multi-purpose Senior Centers
Facilities	33,485	453	4	80
Users (Person)	1,430,208	51,341	5,453	370,000/Month

Source: Ministry of Health and Welfare, *White Paper on Health and Welfare*, 1998.

6) Boosting Respect for the Elderly

A. Celebration of Elderly Week and Day of the Elderly

The government celebrates "Elderly Week" and "Day of the Elderly" on October 2 with special activities held regionally and at work places to continue and develop the spirit of respect for the elderly. In addition, the government selects and gives rewards to family members who have shown exemplary filial acts and citizens who have contributed to elderly welfare. The government also organizes sports events for the elderly and seminars on aging.

Table 4-13. Commendation of Dutiful Children

	Total	Dutiful Children	Good Parents	Model Traditional Family	Contributors to Elderly Welfare
Total	5,221	3,858	307	272	784
1982~1997	5,057	3,720	284	259	784
1998	154	138	13	13	-

Source: Ministry of Health and Welfare, *White Paper of Health and Welfare*, 1998.

B. Expansion of Senior Discount System

The senior discount system, which is aimed at promoting respect for the elderly, is applied to a total of 13 items, including public transportation fare (50 percent of second-class train fare, 30 percent of first-class train fare, 20 percent of ship fare, 10 percent of air fare, and free subway fare), for people aged 65 and over. A discount system which promotes respect and mitigates the economic burden of the elderly will be expanded with the cooperation of other ministries.

Chapter 5. Conclusion

A. Summary of the Current Situation

Korea is experiencing unprecedentedly fast population aging. It is expected that 5 working age persons (population from 15 to 64 years of age) will have to care for 1 older person (65 years old and over) in 2022 when the old age dependency ratio will be 20.8. In 1998, the old age dependency ratio was 9.2, or 11 working age persons for every older person. This means that caring for the elderly will become a social issue in the near future even though Korea is still unprepared.

Along with the increase in older population, the welfare needs of older persons also increase and become more diverse. First, because policies and programs to promote life-long preparation for old age are not fully established in Korea, older persons tend to rely on their children and have a lower economic status compared to the total population. In 1998, 8.2 percent of older persons were Livelihood Protection recipients. This rate is more than 3 times the total population (2.6 percent). It is urgent therefore that the income security of older persons be guaranteed.

The social security system, however, is not yet fully established because of the short history of the social pension system. Due to the introduction of Old Age Pension, the foundation to secure minimum income for older persons has been established. However, the limited coverage of the current Old Age Pension, 15~50 thousand Won, is not even sufficient for pocket money, let alone for livelihood expenses. It is doubtful whether this will actually affect the prevention of poverty.

In addition to the above, because the average age of retirement is lower than that of OECD countries, the opportunities for social participation are limited and the self-reliance of older

persons is low. Therefore, it is an important policy issue to provide employment opportunities for older persons. In reality, due to the economic crisis, the circumstances for the employment of older persons are getting worse.

Second, the health and medical needs of older persons are increasing and becoming more diverse. 86.7 percent of older persons have at least one chronic disease. 31.9 percent have difficulties in at least one of the items in Activities of Daily Living and 3.5 percent have difficulties in every item in Activities of Daily Living. A health and medical system for chronic cases, however, is not established yet. In particular, the social care services for older persons with dementia and bed-ridden elderly is not adequate. The hardship on family members is very severe.

On the other hand, due to nuclearization and the small family norm, elderly only households are increasing. In 1998, 45.9 percent of older persons were not living with their children. The female labor force participation is also increasing. Therefore, family care, which was provided mainly by female family members, now cannot be taken for granted. Currently, social care services including home help services, short-term care centers, and day care centers for older persons are very limited.

Third, older persons' leisure activities are home-based and their social activities are limited. Older persons have spent most of their time working just to make ends meet and do not have enough money to enjoy leisure activities.

Fourth, only a small portion of older persons (0.35 percent) are under institutional care. Considering that around 5 percent of older persons are under institutional care in OECD countries, the coverage of institutional care is very limited.

Finally, the budget for older persons is 0.24 percent of the national budget and too small to provide adequate services. Considering that the majority of welfare expenditures are for Old Age Pension, budget to welfare services for older persons has to be increased. Also, the current administrative organization is not sufficient to deal with the various issues of income security,

employment, health and medical services, housing problems, and leisure activities. Considering the above factors, it is urgent that Korea establish the social infrastructure necessary to keep prosperity in an aging society.

B. Future Plan of the Korean Government

The Korean government formulated the 『Mid- to Long-Term Development Directions for Elderly Health and Welfare in Preparation of an Aging Society in the 21st Century』 in 1999. The formulation of the above plan can be contributed to the rapidly increasing aging population and the weakened function of the family in support for older persons. It is especially important that focus of the whole nation be put on this increase and on the preparation of appropriate countermeasures because the speed of aging in Korea is much faster than when compared to other countries.

1) Fundamental Directions of the Plan

Basic direction of the plan can be summarized into five principles. First, policies for elderly health and welfare must be considered in universal welfare services. Currently, services are focused only on the lower class elderly. However, in order to actively meet the various welfare demands of older persons, the government should establish a policy to develop not only selective welfare services focusing on the vulnerable elderly but also universal welfare services which target all older persons.

Second, policies should improve the quality of services and the efficiency of social welfare administration systems by integrating independently operating programmes. It is necessary therefore, to create close linkages between the health and social welfare sectors. The public welfare delivery system must also be modified to be customer-oriented.

Third, the welfare system must be made productive. Focus must be put on harmonizing market principles emphasizing

efficiency and self-reliance with non-market ideals stressing equality and community. For example, the government should provide not only direct income benefits but also promote employment opportunities and volunteer activities.

Fourth, balance between social care and institutional care should be achieved. Availability of social care allows older persons to reside in the community as long as possible. Therefore, social care should be expanded. On the other hand, there are not enough institutions for older persons who cannot live independently and have no one to depend on. Therefore, the construction of institutions for older persons should not be overlooked.

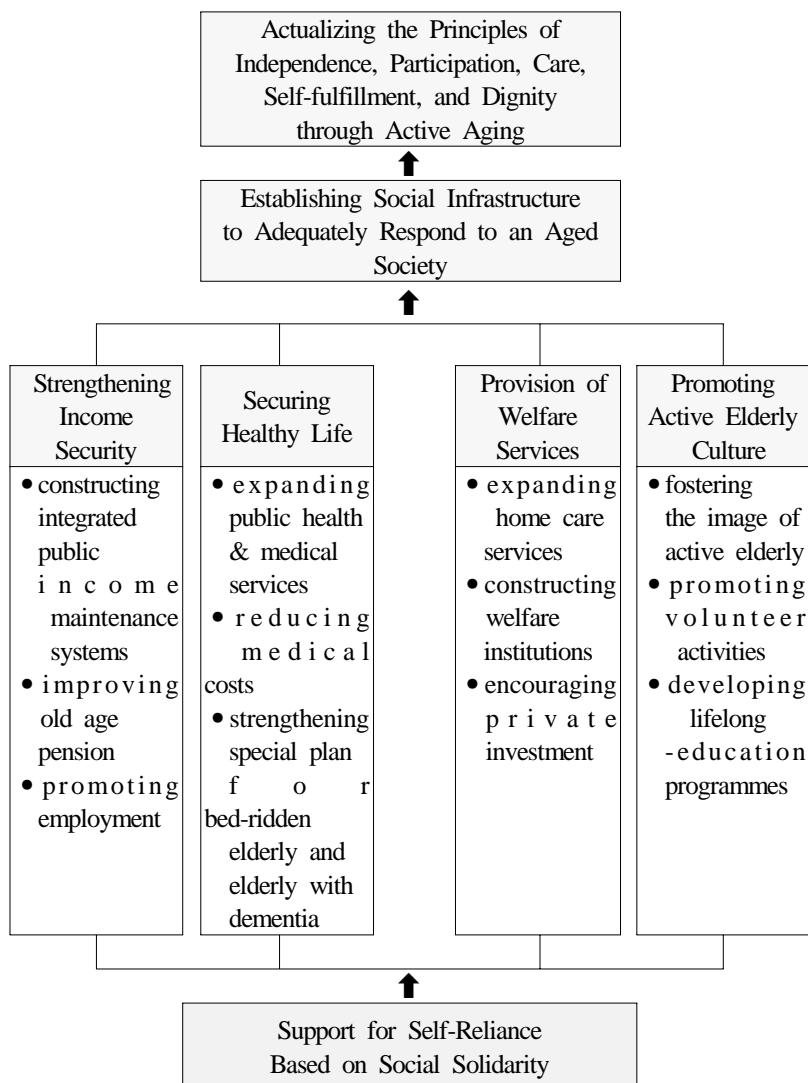
Finally, the government and private sectors should share their roles and cooperate with each other. The public sector should secure a national minimum standard of living including basic living needs, medical treatment, education, and housing for Livelihood Protection recipients and the lower class elderly. Private for-profit companies should be involved actively in the provision of care services and institutional care.

2) Goals and Strategies

Goals and strategies of the plan can be summarized as in Figure 5-1. The first goal is to secure a national minimum standard of living for older persons. Both construction of an income maintenance system and promotion of employment are required. A nationwide social pension system should be the backbone of income maintenance for older persons. Also, income security of older persons should be strengthened by improving Old Age Pension. The government will expand coverage from 658 thousand persons in 1998 to 924 thousand in 2001. All recipients will receive benefits of 50 thousand Won. There will be expansion of Elderly job placement centers(from 70 centers in 1998 to 90 centers by 2000) and Elderly workplaces(from 511 workplaces in 1998 to 631 in 2003) to promote job opportunities. Vocational training will be provided through Elderly schools(453

schools in 1997), and Multi-purpose senior centers(97 centers in 1997). In addition, the government will focus on creating part-time jobs and increasing designated jobs appropriate for older persons from ages 60 to 80 by the year 2000.

Figure 5-1. Summary of Goals and Strategies



Second, to ensure the healthy lives of older persons, the regional service delivery system has to be modified to adequately respond to the demands of customers. In order to expand public health and medical services, the budget for free health examination programmes will be increased from 252 million Won in 1999 to 718 million Won by 2003. Protection measures for the local elderly will be strengthened, including dispatching of in-home volunteers and management of day and short-term protection facilities. Also, there will be expansion of hospitals that specialize in dementia(12 hospitals in 1998 to 16 hospitals by 2003) and of nursing homes for the protection of those elderly with dementia who are difficult to care for in the home(24 nursing homes in 1998 to 50 nursing homes by 2003).

Medical fees and the burden of care, by families who have difficulty in caring for older persons with chronic diseases, will be lessened through such countermeasures as expansion of the present scope of benefits in health insurance and introducing a separate system for care allowance.

Third, the government will establish the infrastructure for welfare services. social care services will be expanded by establishing service centers(130 home care service centers in 1998 to 250 centers by 2003). Coverage will also be increased by constructing additional free or low-cost nursing homes(66 institutions in 1998 to 100 institutions by 2003). As a result of the demand for long-term care services, there are plans to systematically make a transition from elderly homes to nursing homes to expand the supply infrastructure for welfare services. Also, construction of charged nursing homes and retirement communities for the elderly by private companies will be encouraged.

Finally, financial support to elderly activity centers will be expanded(from 28,850 centers in 1998 to 33,000 centers by 2003) and additional multi-purpose senior centers will be established(80 centers in 1998 to 150 centers by 2003) in order to allow older persons to continue their social activities and lead a fulfilling life

after retirement. Also, the regional volunteer activity association and social volunteering of older persons will be promoted to maintain the respect for elders in their community. Active social participation of older persons can be encouraged by developing lifelong education programmes.

Select Bibliography

- Byun, Youngchan et al., Study on Dementia Mapping, Korea Institute for Health and Social Affairs, 1997(in Korean).
- Byun, Youngchan, "Living Conditions of the Elderly with Dementia and Policy Issues" *Health and Welfare Policy Forum*, Vol.13, pp.35~42, Oct. 1997(in Korean).
- Byun, Jaekwan, "Current Situations of Welfare Policies for Older Persons", *Health and Welfare Policy Forum*, Vol.25, pp.6~13, Oct. 1998(in Korean).
- Byun, Jaekwan et al., Social Security and National Welfare Standards in Korea, Korea Institute for Health and Social Affairs, 1998(in Korean).
- Choi, Sung-Jae, "Aging and Social Policy in Korea," International Symposium on Aging in the East and West: Demographic Trends, Sociocultural Contexts and Policy Implications, Oct. 1995(in English).
- Choi, Jungsoo et al., National Health Interview Survey, Korea Institute for Health and Social Affairs, 1995(in Korean).
- Chung, Kyunghee, "Health and Welfare Indicators Related to Older Persons", International Workshop on Health Indicator Development Toward the 21st Century, March 1999(in English).
- _____, "Home Care Services and Policy Issues", *Health and Welfare Policy Forum*, Vol.25, pp.14~26, Sep. 1998(in Korean).
- _____, "Ageing and Social Welfare Policies: Health Care and Income Maintenance Programmes",

- International Symposium on Population and Development Policies in Low Fertility Countries. May 1998(in English).
- _____, "Quality of Life of Female Elderly", *Health and Welfare Policy Forum*, Vol.13, pp.43~52, Oct. 1997(in Korean).
- _____, "Family Changes and Policy Issues in Korea," *Health and Social Welfare Review*, Vol.17, No.1, 1997(in Korean).
- _____, "A Study on the Old Age Income Maintenance Policies of OECD Countries," *Journal of the Korean Gerontological Society*, Vol.17, No.1, pp.206~222(in Korean)
- Chung, Kyunghee et al., *Living Profile and Welfare Service Needs of Older Persons in Korea*, Korea Institute for Health and Social Affairs, 1998(in Korean).
- Chung, Kyunghee and Meekyung Suh, *The Changing Structure of the Korean Family and Policy Issues*, KIHASA(in English).
- Economic Planning Board, *Population and Housing Census Report*, 1970, 1980(in Korean).
- Economic Planning Board, *Budget for Fiscal Year*, 1997~1999(in Korean).
- The Editing Committee on White Paper on Welfare Reform, *Welfare Reform in Korea toward the 21st Century*, 1998(in Korean).
- Eun, Mankee, "Current Status of Welfare Institutions for older Persons and Policy Recommendations", *Health and Welfare Policy Forum*, Vol.13, pp.16~23, Oct. 1997(in Korean).
- Han, Dalsun "Health Insurance for the Elderly," in *Current Status of Elderly Welfare and Policy Issues*, Seoul: KIHASA(in Korean).

- Han, Geyoun-Hae, "Tradition and Modernity in the Culture of Aging in Korea", International Symposium on Aging in the East and West: Demographic Trends, Sociocultural Contexts and Policy Implications, Sep. 1995(in English).
- Hong, K.E. et al., 1994 National Fertility and Family Health Survey, Korea Institute for Health and Social Affairs, 1994(in Korean).
- Japan Aging Research Center, Aging in Japan, 1996(in English).
- Kim, Ik Ki, "Demographic Transition and Population Aging in Korea," International Symposium on Aging in the East and West: Demographic Trends, Sociocultural Context and Policy Implications, Sep. 1995(in English).
- Kim, Soochun et al. *Current Welfare Policies for Older Persons and Policy Issues*, Korea Institute for Health and Social Affairs, 1994(in Korean).
- Kong et al., Changes in Family Structure, 1987, KIHASA(in Korean).
- Lee, Cheol-Woo, "The Aging and Elderly Policy in Korean Society", *Korean Sociological Review*, Vol.30, 1996, pp.779~808(in Korean).
- Lee, In-Soo, "A Study on Housing Preferences of the Elderly" *Journal of the Korean Gerontological Society*, Vol.17, No.1, pp.176~193(in Korean).
- Ministry of Health and Welfare, White Paper of Health and Welfare, 1998(in Korean).
- _____, Guidebook for Programs and Policies for the Elderly, 1999(in Korean).
- _____, Guideline for Livelihood Protection, 1998(in Korean).
- _____, Analysis of Livelihood Protection Recipients, 1998(in Korean).

- _____, Annual Report on Welfare Facilities, 1998(in Korean).
- Mun, Hyunsang, "Policy Measures to Increase the Supply of Charged Welfare Institutions" *Health and Welfare Policy Forum*, Vol.13, pp.53~60, Oct. 1997(in Korean).
- Nam, J.J. et al., 1995 National Health Behavior Survey, Korea Institute for Health and Social Affairs, 1995(in Korean).
- National Federation of Medical Insurance, Medical Insurance Statistical Yearbook, each year(in Korean).
- National Pension Corporation, National Pension Statistical Yearbook, 1998(in Korean).
- National Statistical Office, Annual Report on the Economically Active Population Survey(in Korean).
- _____, Population Projection, 1996(in Korean).
- _____, Annual Report on Vital Statistics(in Korean).
- _____, National Statistical Office, Population and Housing Census Report, 1995(in Korean).
- _____, Life Table, 1995(in Korean).
- Rhee, Ka-oak et al., Livelihood Status and Its Policy Implications of the Korean Elderly, 1994(in Korean).
- _____, A Study on Structural Characteristics of Households with Elderly, 1989(in Korean).
- Rhee, Ka-oak, "Familial and Social Contexts of Aging in Korea," International Symposium on Aging in the East and West: Demographic Trends, Sociocultural Context and Policy Implications, Sep. 1995(in English).
- _____, Development of Comprehensive National Policies on Ageing, 1994(in English).
- Song, K.Y. et al., 1992 National Health Behavior Survey, Korea

Institute for Health and Social Affairs, 1993, pp.99~130(in Korean).

_____, Comprehensive Analysis on the Utilization of Health Facilities and Health Behavior, Korea Institute for Health and Social Affairs, 1993(in Korean).

Shin, Geon-Hee, "Social Welfare Policy for the Elderly in Korea" *Journal of the Korean Gerontological Society*, Vol.17, No.1, pp.109~138(in Korean).

Shu, Meekyung, "Health and Medical Policies for Older Persons", *Health and Welfare Policy Forum*, Vol.25, pp.27~35, Oct. 1998(in Korean).

_____, "Health States of the Elderly and Policy Implications", *Journal of the Korean Gerontological Society*, 1995, Vol.15, No.1, pp.28~39(in Korean).

Shuk, JaeEun, "Policy Recommendations for the Old Age Pension System," *Health and Welfare Policy Forum*, Vol.25, pp.27~35, Oct. 1998(in Korean).

Sung Kyu-taik, "Comparison of Motivations for Parent Care between Koreans and Americans: A Cross-cultural Approach," International Symposium on Aging in the East and West: Demographic Trends, Sociocultural Contexts and Policy Implications, Sep. 1995(in English).

Yoon Gene, *Understanding Aging in Korea*, International Symposium on Aging in the East and West: Demographic Trends, Sociocultural Contexts and Policy Implications, Sep. 1995(in English).