
National Initiative for Jobs for the Elderly & Adjustments for the COVID-19 era



Ministry of Health and
Welfare

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General Facts about the Elderly in Korea

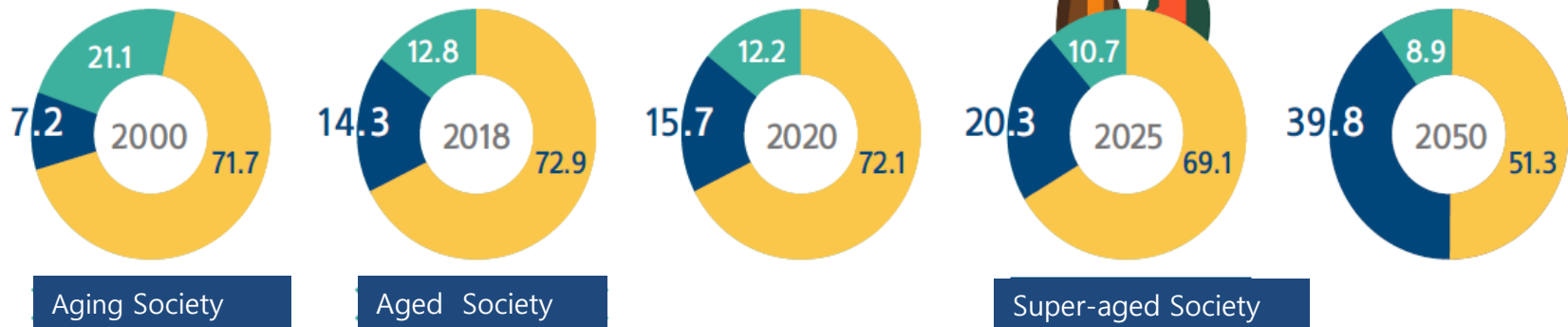


01 General Facts about the Elderly in Korea

➤ Surging elderly population:
Expected to become **super-aged society (20.3%)** from 2025

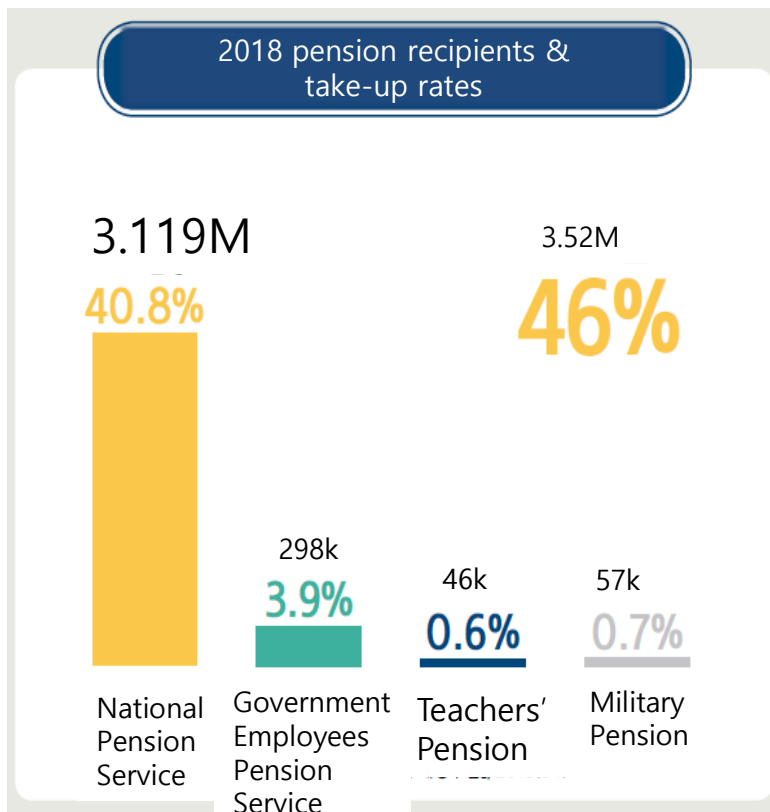
Changing Population Age Structure

Below 14 14~64 65 and more (unit: %)

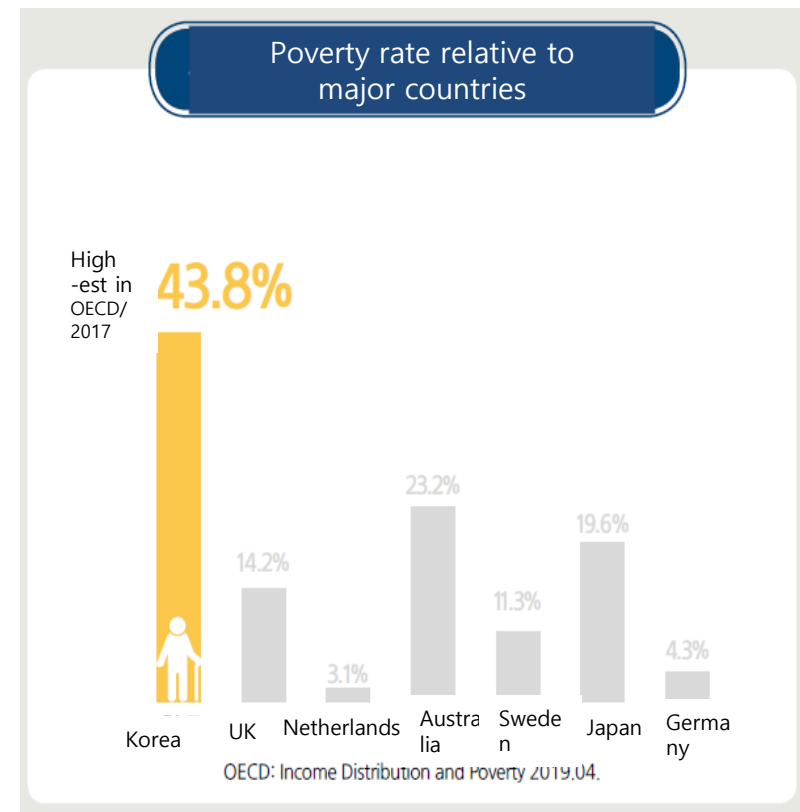


통계청: 「장래인구추계: 2017-2067」, 2019.03.

▶ Low public pension take-up rate



▶ High elderly poverty rate



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Overview of National Initiative for Jobs for the Elderly



02 National Initiative for Jobs for the Elderly – Overview

➤ Background

Objective

- To enhance welfare of senior citizens by supporting various elderly jobs/social activities to help senior citizens enjoy energetic and healthy lives

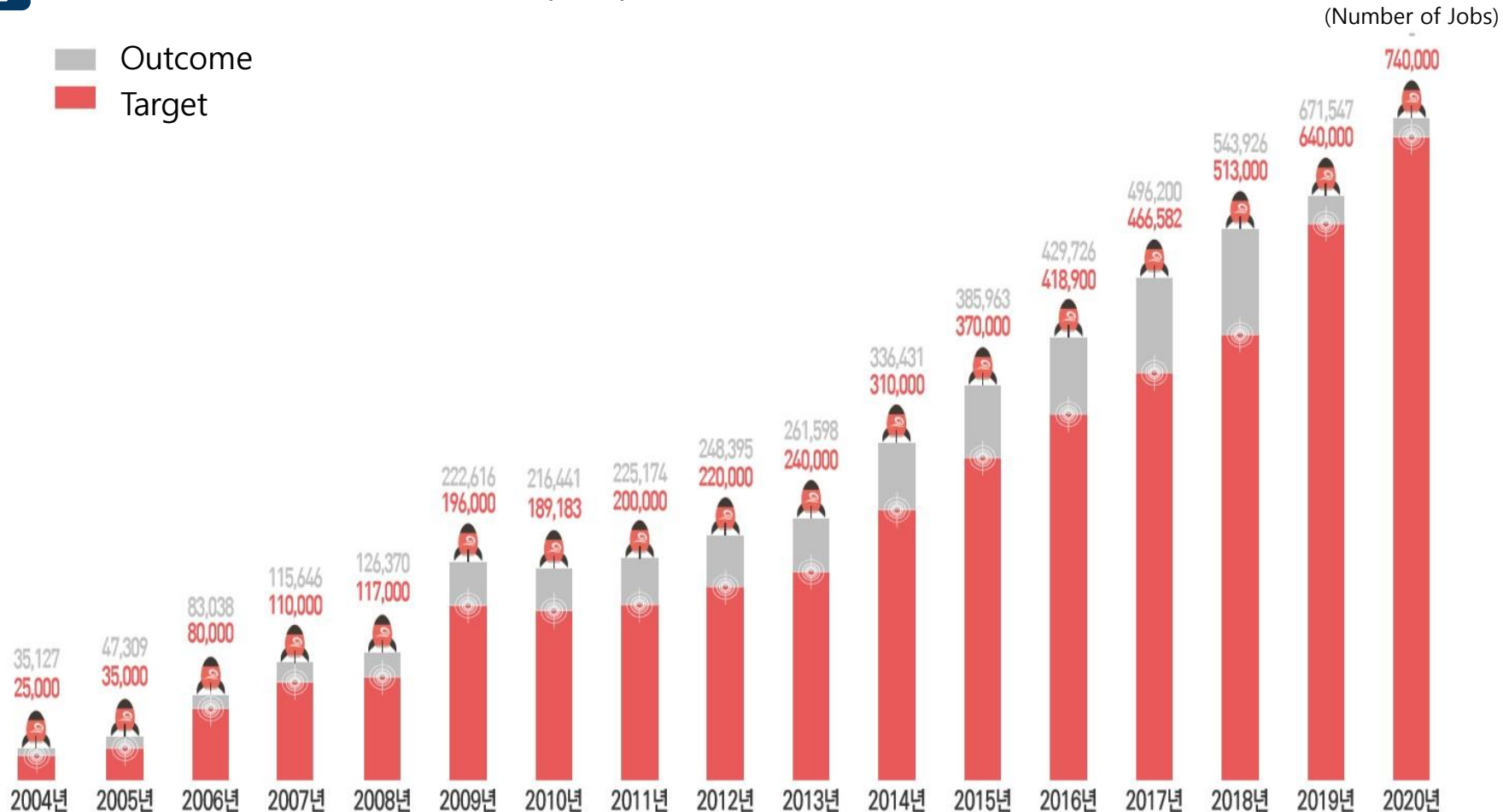
Legal Ground

- **Welfare of Senior Citizens Act, Article 23** (Assistance for Social Participation of Senior Citizens)
- **Welfare of Senior Citizens Act, Article 23-2** (Establishment & Operation of Dedicated Elderly Employment Agencies)
- **Welfare of Senior Citizens Act, Article 24** (Commissioning of Community Service Counselors & Their Duties)
- **Framework Act on Low Birth Rate in an Aging Society, Article 11** (Employment & Income Guarantee)
- **Framework Act on Low Birth Rate in an Aging Society, Article 14** (Encouraging leisure/cultural/social activities)

02 National Initiative for Jobs for the Elderly – Overview

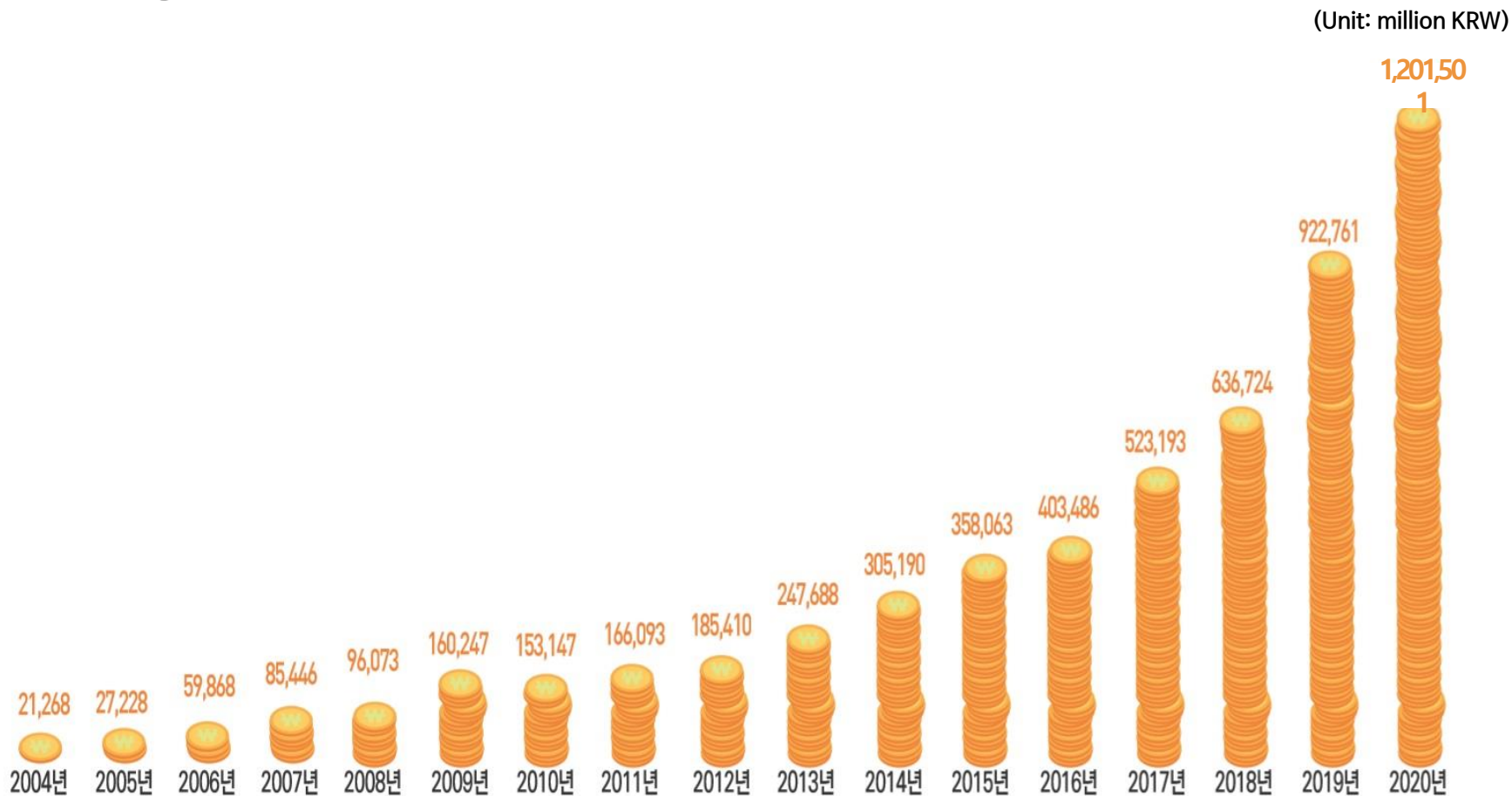
➤ Number of Jobs Created (YoY)

Outcome
Target



02 National Initiative for Jobs of the Elderly – Overview

▶ Budget (YoY)



02 National Initiative for Jobs of the Elderly – Overview

▶ Project Overview

(As of 2020)

Type		Details	Eligibility	Support Amount	# of jobs created (unit: k)
Total					740
Public Sector	Activities Of Public Interest	Social participation aimed at enhancing local communities' public interest. (Elderly-elderly care, volunteer work at public agencies)	Basic Pension Recipient	Monthly Allowance 270k KRW	543
	Skills Sharing	Utilizing the elderly's skill sets (expertise, experience) (Counseling, tutoring etc.)	60 or older	Monthly Allowance 100k KRW	30
Social Service		Jobs that utilize senior citizens' skill sets/abilities to provide essential social services (local child welfare centers, caregiving at childcare centers)	65 or older	Monthly Wage 594k KRW (+Allowance)	37
Private Sector	Private Businesses	Institutions running businesses& hire senior citizens (Seniors Café, Seniors Package Delivery, Restaurants etc.)	60 or older	Business expenses 2.67M KRW per year	60
	Job Matching Service	Connecting people with relevant skill sets with institutions searching for such individuals			
	Internship for Senior Citizens	Supporting personnel expenses to encourage companies to hire senior interns after 3 months		Business expenses 150k KRW per year	50
	Elderly-Friendly Businesses	Supporting 1)businesses that hire large number of senior citizens and 2)businesses with good employment practices		370k KRW per month (Max. 6 months)	18
				Max. 300M KRW per institution	2

02 National Initiative for Jobs for the Elderly – Overview

1 Activities of Public Interest

- ▶ (Definition) Volunteering for self-satisfaction, sense of achievement and local communities' public interest.
- ▶ (Eligibility) Basic pension recipients/ 65 or older
- ▶ (Number of Jobs) 543k
- ▶ (Support Amount) Monthly Allowance/ Max. 270,000 KRW / (10~12 months depending on project types)
- ▶ (Mechanism) Subsidies by Municipalities / Ministry of Health and Welfare → Municipalities → Institutions

Elderly-Elderly Care



School Cafeteria Volunteers



Cultural Heritage Guides



02 National Initiative for Jobs for the Elderly – Overview

3 Social Service

- ▶ (Definition) Jobs that **utilize senior citizens' skill sets/abilities** to **provide essential social services**
- ▶ (Eligibility) 65 or older
- ▶ (Number of Jobs Created) 37k
- ▶ (Support Amount) Personnel expenses 594,000 KRW (10 months) + Weekly holiday allowance & Annual leave allowance 1.458 million KRW
- ▶ (Mechanism) Subsidies by municipalities / Ministry of Health and Welfare → Municipalities → Institutions

Service for the Disabled



Service for Children



Service for the Elderly



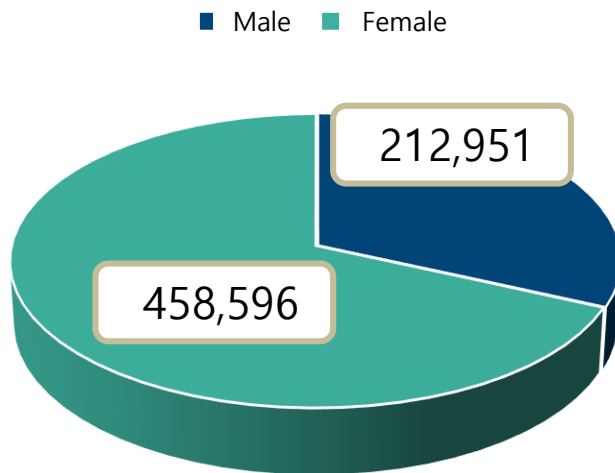
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Statistics on Elderly Jobs & Policy Impact



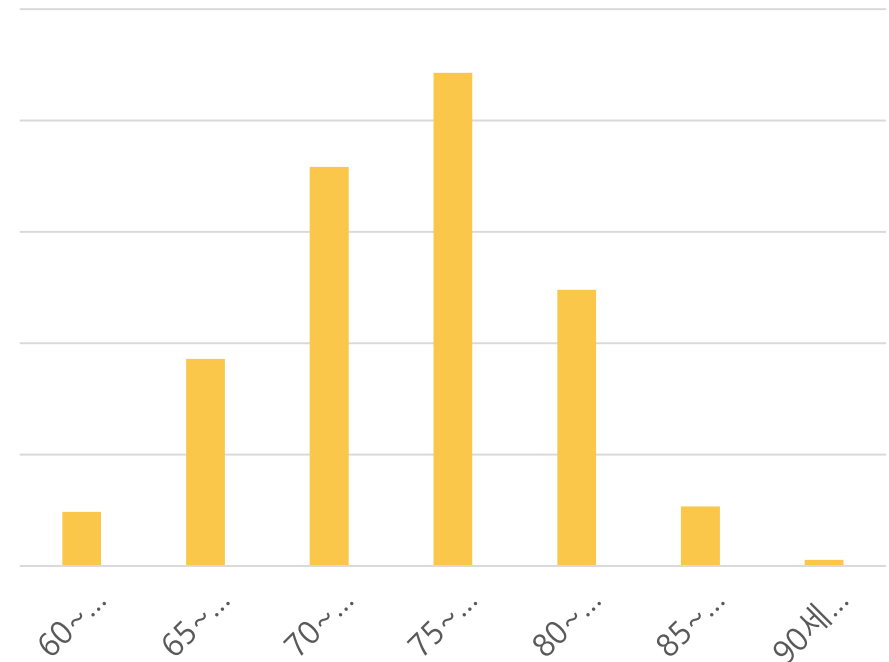
03 Statistics on the Initiative

> Gender



Among the participants, 68.3% were female, and 31.7% were male.
Female participants outnumbered male participants.

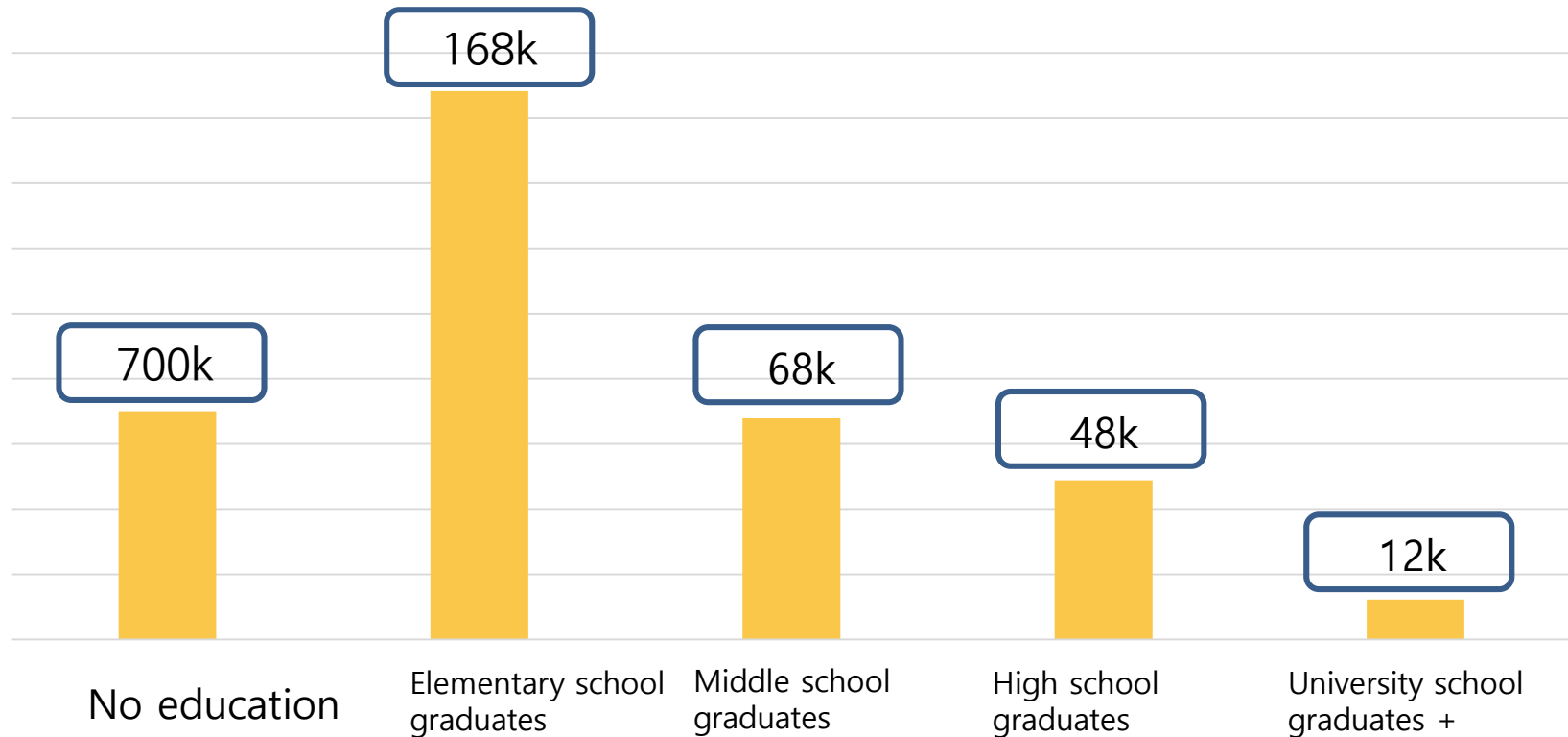
> Age Group



Among the participants, 33.0% were between 75~79, and 26.7% were between 70~74.
70+ showed high participation rate.

03 Statistics on the Initiative

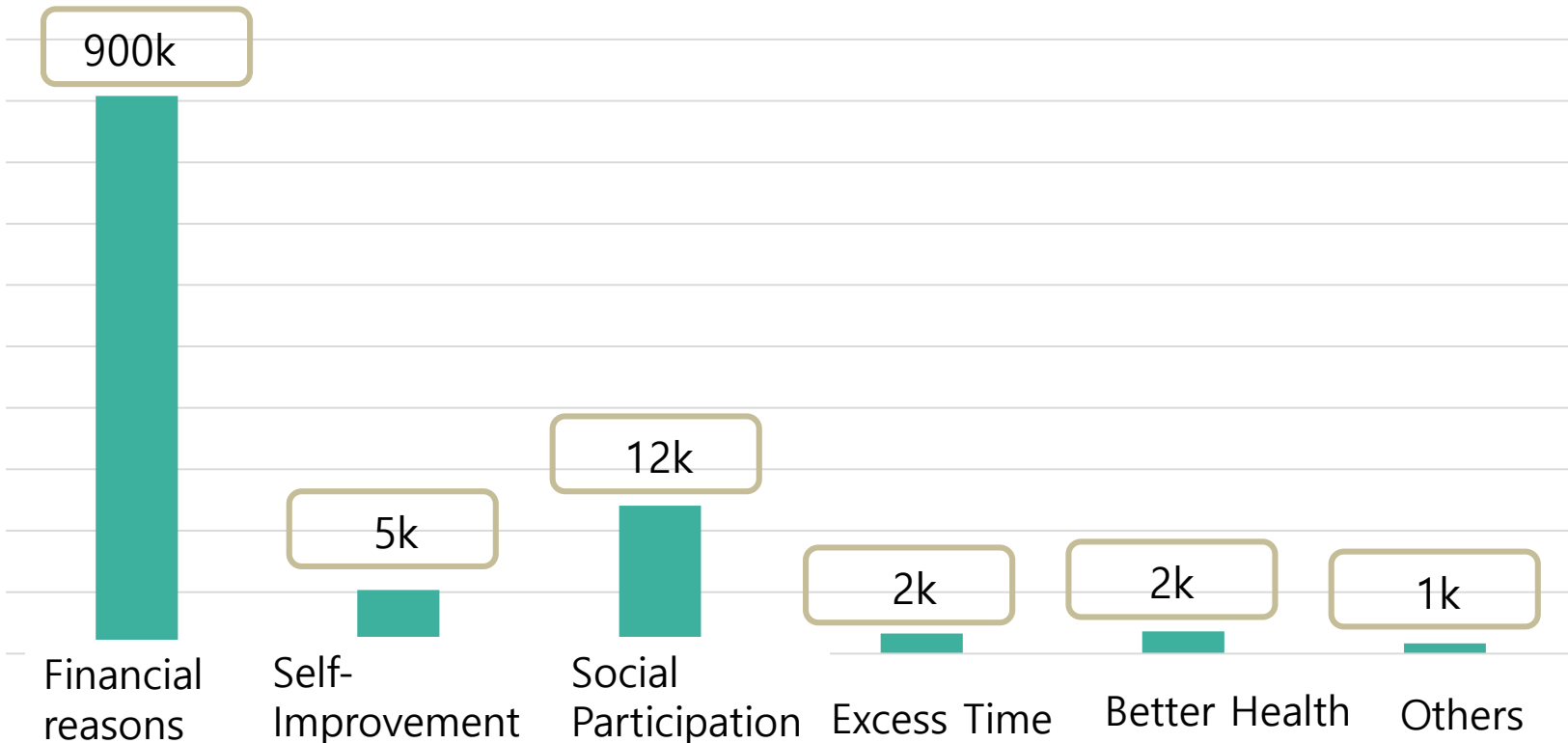
➤ Educational Background



Among the participants who responded to this question (370k), 45.8% were elementary school graduates and 19.1% didn't have educational background. **No less than 65% had educational background of elementary school and below.**

03 Statistics on the Initiative

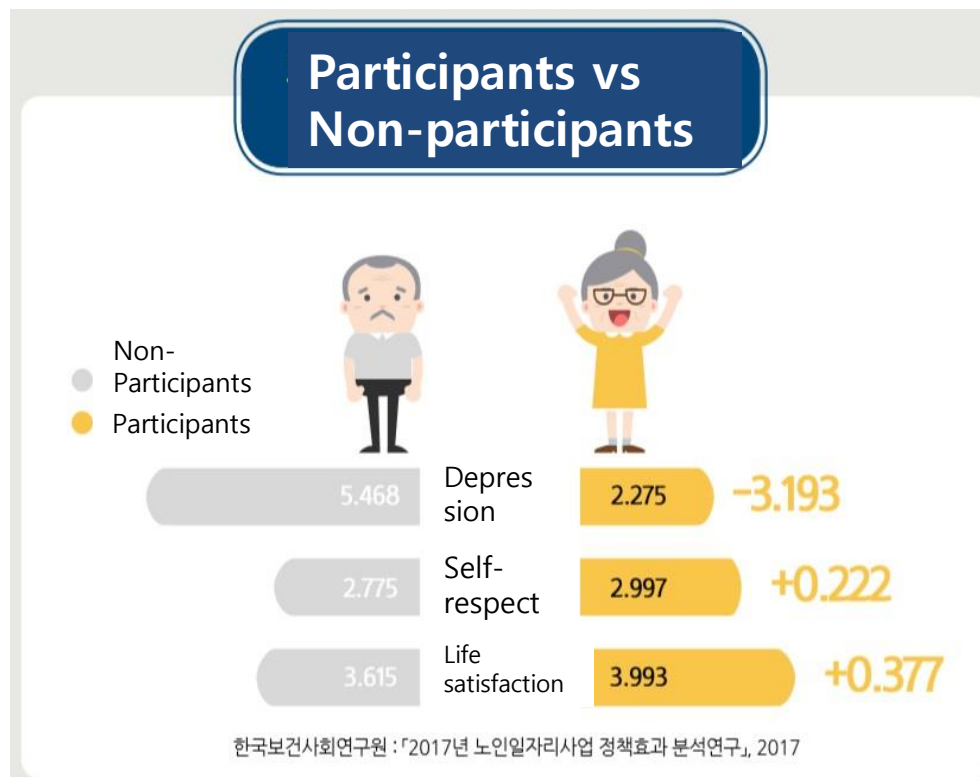
➤ Reasons for participation



Among the participants who responded to this question (110k),
81.3% chose economic reasons and 10.8% chose social participation.
No less than 80% participated for financial reasons.

03 Policy Impact of the Initiative

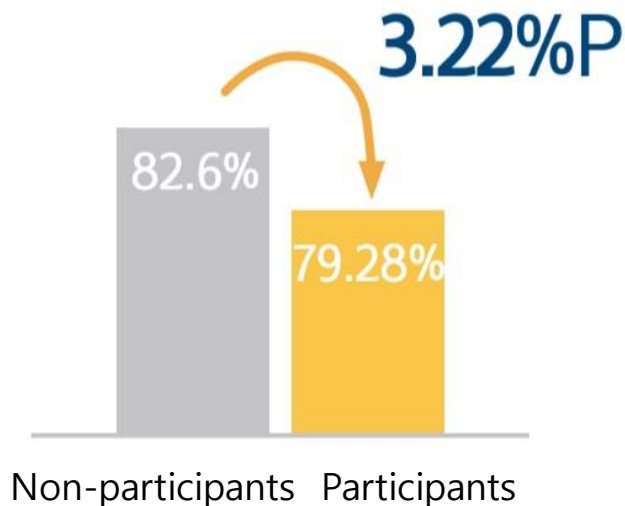
▶ Effect on Participants



03 Policy Impact of the Initiative

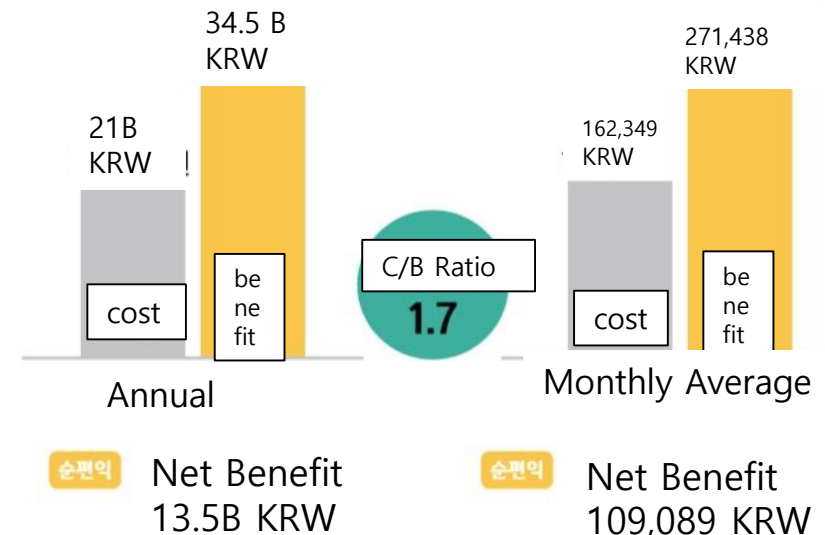
▶ Effect on Participants

Poverty reduction



한국보건사회연구원 : 「2017년 노인일자리사업 정책효과 분석연구」, 2017

Cost/Benefit Analysis



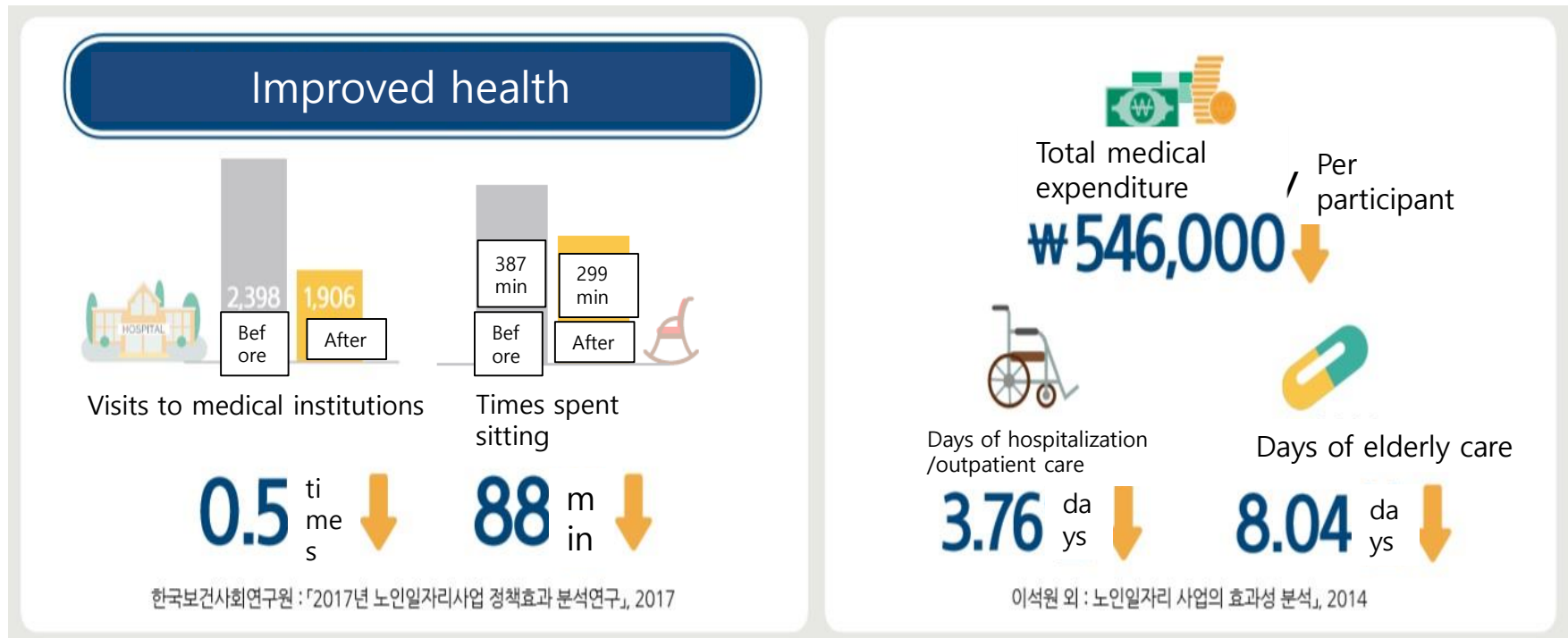
한국보건사회연구원 : 「2017년 노인일자리사업 정책효과 분석연구」, 2017

*Cost : Labor cost, operational expenses, personnel expenses for dedicated workforce (based on 2016 new participants)

*Benefit : Higher income, contribution to local communities, overall benefits to society

03 Policy Impact of the Initiative

▶ Effect on Participants



*Visits to medical institutions (Participants vs non-participants)
 *Average daily time spent sitting (Participants vs non-participants)

*Total medical expenditure, days of hospitalization/outpatient care, days of elderly care (Participants vs non-participants)



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Adjustments to the Initiative Amidst COVID-19 (2020)



04 COVID-induced adjustments to the Initiative

1 Flexible & Non Face-to-Face Operation

- Extended recruitment period & conducted non face-to-face employment counselling due to local community transmission
- Step-by-step reopening beginning with non-face-to-face, outdoor/non-clustered projects per municipalities' situations(5.6.~)
- Work-From-Home and other changes to operational methods(ex. single-person elderly household care continued via check-up calls, meal deliveries)

2 Strict Disinfection Measures

- Municipalities/institutions took necessary measures (ex. provided hygienic/sanitary products, stopped participants' activities in case of symptoms)
- Health managers designated for each unit, checked participant's temperatures and symptoms.
- Minimized participants' gatherings to max. 2 people to prevent infection.

04 COVID-induced adjustments to the Initiative

3 Initiative halted to prevent COVID-19 & Allowance paid in advance

- Central Disaster and Safety Countermeasures Headquarters recommended the initiative be halted to prevent local community transmission (2.27~5.5.)
- Allowance paid in advance for senior citizens who can't participate due to community transmission.

4 Early implementation to minimize income gap

- To minimize the wintertime income loss for low-income participants, this year's initiative started with indoor activities in January (413k participants as of Jan. 20)

04 COVID-induced adjustments to the Initiative

5 Vouchers for Participants

- (Background) Emergency income support for low-income participants & revitalization of local economy
- (Recipient) Participants of **Activities of Public Interest** (543k people as of 2020)
- (Details) Total 128.1B KRW
 - * 543k (people) x 4 months x 59,000 KRW x State Subsidies 100%
- (Option 1.) Current allowance(Monthly 270,000 KRW)
- (Option 2.) If participants choose to **receive 30% of their allowances in Onnuri voucher, additional 20% are provided as incentives.**

〈Options(TBD)〉

① Cash only(270,000 KRW)	270,000 KRW		
② Cash/Voucher (329,000 KRW)	Cash 189,000 KRW (70%)	Voucher 81,000 KRW (30%)	Voucher 59,000 KRW (20%)

Thank You



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