Busan’s Welfare Policy for the Elderly

December 2014
Avg. Life Expectancy: 81.4 yrs
Men: 77.9 years
Women: 84.6 years (2012)

Average Retirement Age: 54.1

Number of Elderly Aged over 100: 1,299 (As of Dec. 2013)
A new chapter in your life as you have some 30 years after retirement. How do you live well?
A Burden on Society?
The Power of community!
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1. Social Infrastructure for Welfare of the Elderly
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4. Promoting Senior-Friendly Industries
I. Overview

Aging Population

- Decline of total population
- Increase in elderly population

Need for providing systematic care for the aged
Need for those in their 30s and 40s to begin preparations for their post-retirement years

Korea has the fastest aging population in the world.

Increasing life expectancy:
- Age 15 yrs 6 yrs
- Aging Society (7%)
  - Aged Society (14%)
  - Super-aged Society (20%)
- '00 ('15) ('21)
- ('05) ('20) ('30) ('50)

Overview

Increasing life expectancy
Decline of total population

- Increase in elderly population
- Aging Population

- Need for providing systematic care for the aged
- Need for those in their 30s and 40s to begin preparations for their post-retirement years

- Aging Society (7%)
- Aged Society (14%)
- Super-aged Society (20%)

- ('00) ('15) ('21)
- '05 ('20) ('30) ('50)

- 78.6 82.6 84.3 87.4 years
Elderly Population By Year (Aged 65 and older)

Population Projections by Statistics Korea (as of 2005)

<table>
<thead>
<tr>
<th>Year</th>
<th>Busan</th>
<th>Average in Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>4,383 (9.1%)</td>
<td>5,268 (10.5%)</td>
</tr>
<tr>
<td>2006</td>
<td>4,597 (9.5%)</td>
<td>5,506 (10.9%)</td>
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<tr>
<td>2009</td>
<td>382 (10.8%)</td>
<td>401 (11.2%)</td>
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<tr>
<td>2010</td>
<td>322 (8.9%)</td>
<td>487 (14.0%)</td>
</tr>
<tr>
<td>2015</td>
<td>303 (8.3%)</td>
<td>607 (19.1%)</td>
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<tr>
<td>2020</td>
<td>4,383 (9.1%)</td>
<td>7,821 (15.7%)</td>
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# Welfare Facilities for the Aged

(As of Aug. 2014)

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>No. of Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Welfare Facilities (7)</td>
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<tr>
<td>Institutions for the Aged</td>
<td>5</td>
<td>265</td>
</tr>
<tr>
<td>Welfare Houses for the Aged</td>
<td>2</td>
<td>312</td>
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<tr>
<td>Medical Welfare Facilities (125)</td>
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<td></td>
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<tr>
<td>Sanatoriums for the Aged</td>
<td>89</td>
<td>3,999</td>
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<tr>
<td>Communal Living Homes for the Aged</td>
<td>36</td>
<td>459</td>
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## Welfare Facilities for the Aged

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>No. of Users</th>
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</thead>
<tbody>
<tr>
<td>In-home Welfare Services (172)</td>
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<tr>
<td>Day or night protection</td>
<td>46</td>
<td>738</td>
</tr>
<tr>
<td>Domiciliary visit care</td>
<td>58</td>
<td>1,170</td>
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<tr>
<td>Domiciliary bathing</td>
<td>21</td>
<td>167</td>
</tr>
<tr>
<td>Short-term protection</td>
<td>46</td>
<td>2,300</td>
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<tr>
<td>Senior welfare centers</td>
<td>23</td>
<td></td>
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<tr>
<td>Leisure Welfare Facilities (2,311)</td>
<td></td>
<td></td>
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<tr>
<td>Halls for the aged</td>
<td>2,120</td>
<td>Over 20</td>
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<tr>
<td>Classrooms for aged</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td>Specialized Agencies for Protection of the Aged (2)</td>
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<tr>
<td>Specialized agencies for protection of the Aged</td>
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## 2014 Budget for Welfare Services for the Aged

(Unit: KRW Million)

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
<th>Difference</th>
<th>Note</th>
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<tbody>
<tr>
<td>Budget allocated for welfare services for the aged</td>
<td>652,520</td>
<td>451,266</td>
<td>201,254</td>
<td>10.3% of the city’s total budget</td>
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II. Vision and Policy Direction

**Vision**

- Making Busan a healthy and happy senior-friendly city

**Policy Issues**

- Building infrastructure for senior citizens closer to their communities
- Ensuring a healthy and active life for the elderly
- Expanding facilities to care for the elderly
- Promoting forward-looking senior-friendly industries

**Elderly Population of over 480,000**

- Elderly population in Busan: 484,000 (13.8% of the city’s total)
  - Highest ratio among the 7 major cities in Korea (national average: 12.22%), and Busan aging faster than any other city.
- Promotion of Busan’s Vision for Aged Society 2020: To better prepare for a super-aged society
III. Welfare Policies for the Elderly in Busan

1. Community Infrastructure for Welfare of the Elderly
2. Ensuring Healthy and Active Later Life
3. Expanding Care Services for the Elderly
4. Promoting Senior-Friendly Industries
1. Community Infrastructure for Welfare of the Elderly

Expansion of Senior Welfare Centers

- **Current State:** 23 places (15,000 users per day) - As of August 2014

- **Construction of Dasarang Cultural Center:** a five-storey building with a total floor area of 4,000㎡

  - Project cost: KRW 10.5 bil (national 3 bil, city 7.5 bil)

  - Expected to be completed in February 2015

- **Support for operating cost:** KRW 300-600 mil per center every year (city 70%, district office 30% and the amount will vary depending on the size of each center.)
Project Overview

• Current No.: 2,120 (As of June 2014)

• Financial Support for Operating Cost: KRW 100,000 per month, KRW 600-900,000 per year for heating costs, etc.

• Support programs to promote the Halls for the Elderly
  - Linking the Halls with Senior Welfare Centers (19 places)
  - Offering health promotion programs, leisure support programs, etc.

Promotion Measures

• Appointing program managers (19 people)
  - Utilizing local resources, providing administrative support for the Halls, etc.

• Presenting Awards to exemplary Halls for the Elderly: 16 places

• Providing Supplies on the occasion of Chuseok Holidays (KRW 54 mil)

• Construction, Renovation or Repair: KRW 2.9 bil for 13 places

• Environment Improvement: KRW 100 mil

Metropolitan Support Center for the Halls of the Elderly: 1 place (KRW 2.81 mil)
Expanding Life-Long Learning

Municipal Elderly Colleges (4 places)

Operation: 2 semesters per year (March-June, September-December)

4 colleges across Busan

Enrollement: About 500 participants per year (over 60 people per semester)

Contents: Various programs including liberal arts, informatization, cultural experiences

Classrooms for the Elderly (164 places)

Support for Operating Cost: KRW 250,000 per location

Lecturers’ fee, textbooks, public utility charges, including phone and water bills
Theme: The Aged and the Media

Time, Place: September 18-19, 2014, at Busan Citizens’ Hall

Calls for Entries

- Any topic: Any videos or photos created by senior citizens aged 60 and older

- Elderly-themed: Anyone can participate by submitting the subject matter and synopsis of the works (documentary format)


- Awards: USD 10,000 in prize (First, Second, Third Prizes and Participation Prize, etc.)

Main Programs

- Opening ceremony, screening of winning videos and invited videos, award ceremony

- Silver Cultural Festival, side events, etc.
Specialized Agencies for the Protection of the Aged

Number: 2 places

Major Roles
Ø Receiving and investigating reports of abuse against seniors
Ø Keeping records of counselling services for elderly mistreatment
Ø Offering educational programs to prevent abuse of seniors and raise awareness

Shelter for Abused Elders
Ø Opened on April 18, 2011
Ø Role: Protecting abused elders and supporting the rehabilitation of their families
Safety Net for the Elderly Living Alone

Basic Care Services for the Elderly
- Number of those aged over 65 living alone: 121,862 (25.4%)
- Beneficiary: 12,000 elders (free-of-charge care services for low-income elderly in need of protection)
- Contents: field survey, safety check, education, etc.
- Personnel: 478 people (458 caregivers, 20 service providers)

Emergency Care Services for the Elderly Living Alone
- Eligibility: The aged over 65 at high risk of dementia and others in need
- Beneficiary: 3,000 households (across the city)
- Programs: Installing safety monitoring sensors in homes of those seniors living alone and providing emergency rescue services
Free Meals for the Elderly

Meal Services at the Halls for the Elderly
- Beneficiary: Elders aged over 60 at risk of missing meals
- Service provider: 82 places
- Frequency: 5-6 times per week

Meal and Side Dish Delivery Service
- Beneficiary: Low-income elders aged over 65 with impaired mobility
- Service provider: 54 places for meal delivery and 55 places for side dish delivery
- Frequency: 5 rounds of delivery for meals and 2 rounds for side dishes per week
Control Center for Finding Missing Elders

**Function**

- Receiving reports of missing or abandoned elders, providing counselling services and helping them return home
- Counseling services for family members, establishing database of vulnerable seniors

**Website** www.182.bulgukto.or.kr

- Providing links for other welfare facilities for the elderly, section to register custodians, etc.

Establishing a coordination system with related organizations (District/County offices, police offices, welfare facilities, etc.)

Providing a temporary shelter for elders who ran away from home
2. Ensuring Healthy and Active Later Life

## Basic Old-Age Pension

- **Launch:** July 1, 2014 (Basic Old-Age Pension Law enacted on May 20, 2014)
  - Conditions: The poorest 70% of Koreans aged 65 and older

- **Recipient:** 328,000 (70% of the elderly in Korea)
  - Eligibility for recognized income: Single household - KRW 0.87 million or less / Couple household - KRW 1.392 million or less

- **Differentiated Pension Payment:** KRW 20,000 – 200,000

- **Budget for 2014:** 549.1 billion (national 397.5 bil, city 108.8 bil, district 42.8 bil)
Out of the total senior population (479,000) aged 65 and over, 122,000 are economically active (25.5%).

Economically Active Population Survey by Statistics Korea as of June 2014

Among the remaining 357,000, 42,000 elders want to work.

Target for creating jobs for the elderly in 2014: 21,548

Budget: KRW 42.6 bil (national 19.9 bil, city 22.7 bil)

Areas: job offers, support for getting a job in the private sector, job training for the elderly
Financially Supported Jobs for the Elderly

Ø Areas: public interest, education, welfare, market, secondment
Ø Financial support: Less than KRW 200,000 per month per person
Ø Types of work: School meal helper, environment improvement work, traffic guards at school zones, supporting multi-cultural families, dispatched as lecturers, guides at metro stations
3. Expanding Care Services for the Elderly

Long-term Care Insurance for the Aged

- Implemented from July 1, 2008

As part of the social security system in Korea, those aged 65 or over, or for those under 65 but suffering from certain forms of ailments and who are determined to have difficulties in carrying on with daily life on their own for six months or longer, the Korean government will provide aid in physical activities or nursing.
Training of Caregivers

Ø Training Centers: 58 places

Ø Number of Certificate Holders: 89,088 people
(as of December 2013)

Ø Number of Professional Caregivers: 4,068 people
Expanding Aged-Care Facilities and Sanatoriums

Financial Support Worth KRW 134.5 bil for 334 Facilities

- Aged-Care Facilities: 163
- Small-Scale Aged-Care Facilities: 45
- Communal Living Homes for the Aged: 127
- Construction of Support Center for Domiciliary Care: 5
4. Promoting Senior-Friendly Industries

Conditions for Senior-Friendly Industries

External

Ø Growing market size with an increase in aging population
- $13 mil in 2002 → $44 mil in 2010 → $148 mil in 2020

Internal

Ø The share of the aged out of total population in Busan is higher than other seven major cities in Korea.
Ø Busan has a pleasant natural environment and advanced medical and welfare infrastructure that can best suit the needs of seniors.

Senior-friendly industry designated and developed as one of the five strategic industries in Busan
Support Center for Senior-Friendly Industries

- Project Cost: KRW 2.8 billion

Project Overview

- Creating a better environment to help the commercialization of relevant technologies and support the development of practical technologies, etc.
- Establishing a testbed and a certification center
- Supporting selected products and businesses
Senior-Friendly Products PR Hall

- Display: 1,490 items on display for trial
- Roles
  - Senior-friendly products publicized, experienced and easily purchased
  - Project Cost: KRW 200 mil
Busan International Senior Expo

- **Period:** June 26-28, 2014 (3 days)
- **Place:** BEXCO
- **Participants:** 170 companies from 11 countries
- **Project Cost:** $150,000 (financed by the city)
- **Contents:** Exhibition and experience opportunities of senior-friendly products, seminars and conferences, domestic/overseas business meetings, etc.
- **Outcomes:** 381 export consultations, 59 business deals worth $12 million
Beneficiary: Senior citizens aged over 65, basic livelihood security recipients and low-income group with senile diseases.

Programs and Roles:
- Disinfection, reform or rent of welfare supplies, showcase and experience opportunities for the supplies, counselling services, educational programs, etc.
- Conducting research on welfare supplies for the elderly, organizing seminars, etc.