# National Transfer Accounts in 2020

1. Economic life cycle

☐ The economic life cycle shows how individuals satisfy their consumption through labour income. The economic life cycle is quantified in National Transfer Accounts by comparing consumption and labour income.

☐ **(Life cycle deficit)**
In 2020, the macro control of consumption and labour income recorded 1,081.8 trillion won and 984.3 trillion won, respectively. Therefore, the life cycle deficit marked 97.5 trillion won.

○ The working-age population (15~64) recorded a life cycle surplus of 167.2 trillion won. On the other hand, children (0~14) and the elderly (65 or more) recorded a life cycle deficit of 141.8 trillion won and 122.9 trillion won, respectively.

○ As for per capita life cycle deficit, people aged 16 showed the highest figure of 33.70 million won. At the age of 27, per capita economic life cycle changed from a deficit to a surplus, in other words, greater labor income than consumption. As for per capita life cycle surplus, people aged 43 showed the highest figure of 17.26 million won. At the age of 61, per capita economic life cycle returned to be a deficit.

< Per capita life cycle deficit >
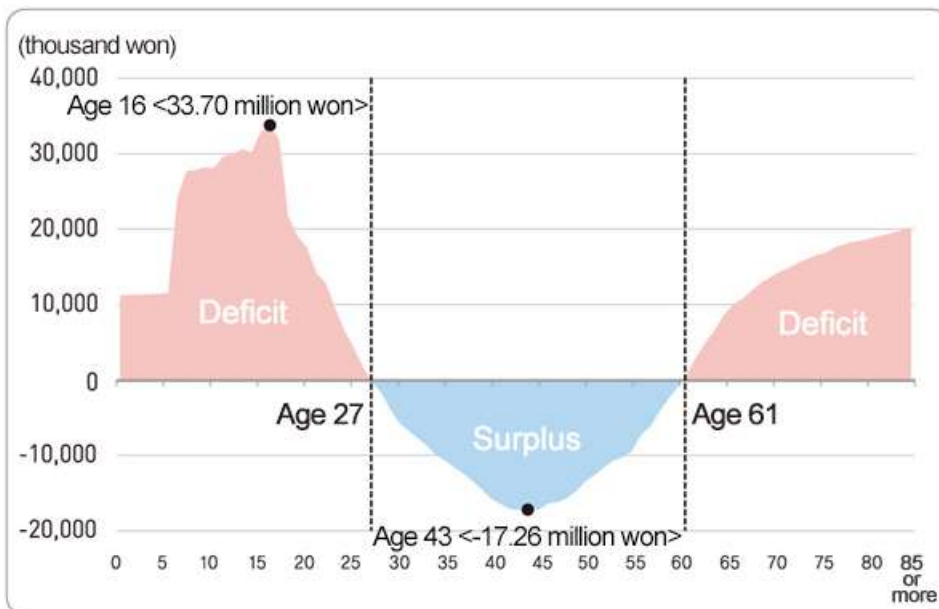
○ For the last decade, between the age of 27 and 28, individuals started marking a life cycle surplus. In the meantime, in 2020, at the age of 61, individuals returned to a life cycle deficit. This figure showed a gradual delay after marking the age of 56 in 2010.

< Age of life cycle deficit and surplus >

(Unit: age)

|	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Age of becoming a life cycle surplus	27	27	27	27	27	27	27	28	27	28	27
Age of returning to a life cycle deficit	56	57	57	56	58	58	59	59	59	60	61

☐ **(Consumption)**

People aged 16 recorded the highest per-capita consumption of 33.70 million won. As for children, a greater education consumption was the main agent of consumption. As for the elderly, a greater health consumption was the main agent of consumption.
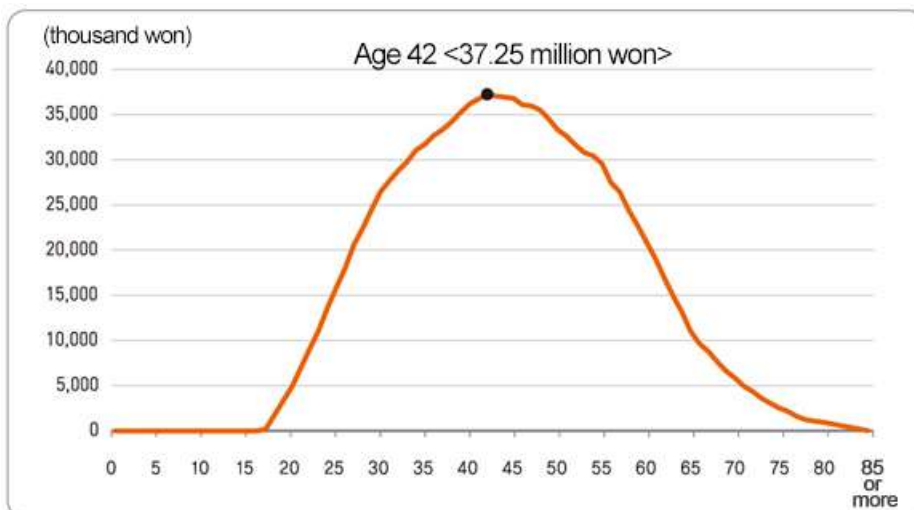
☐ **(Labour income)**

Until the age of 16, labour income recorded 0, which showed a gradual increase to reach a peak of 37.25 million won at the age of 42. Afterwards, this figure showed a gradual decrease.

< Per capita consumption >
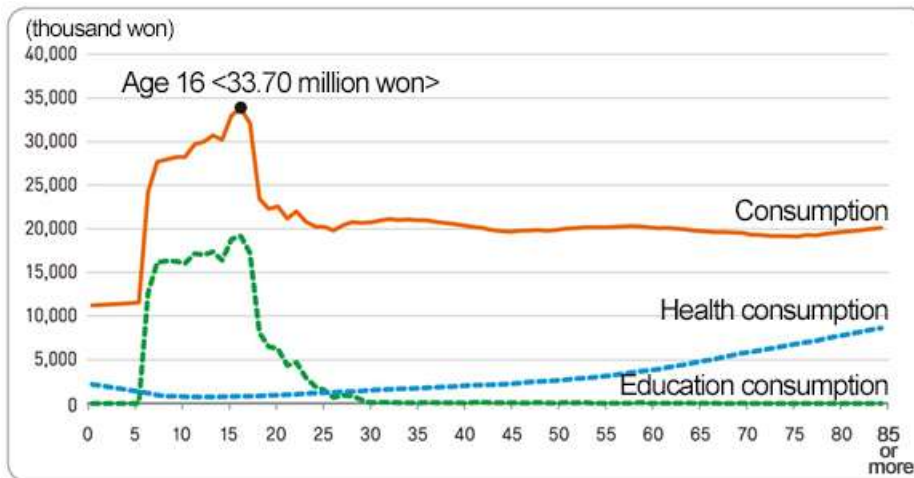
< Per capita labour income >

2. Age reallocations

☐ The life cycle deficit was covered through transfers and asset-based reallocation.

☐ **(Transfers)**
The work-age population recorded net outflows of 250.5 trillion won, which marked flows of 141.8 trillion won to children and 105.6 trillion won to the elderly.

○ **(Public transfers)**
As for public transfers, the working-age population recorded net outflows of 160.6 trillion won through taxes and social contributions. The government provided public transfers (education and health care services, child allowances, basic pensions, etc.), which recorded flows of 77.9 trillion won to children and 82.7 trillion won to the elderly.

○ **(Private transfers)**
As for private transfers, the working-age population recorded net outflows of 89.9 trillion won to support family members, which marked flows of 63.9 trillion won to children and 22.9 trillion won to the elderly, respectively.

☐ **(Asset-based reallocations)**
Asset-based reallocations recorded net inflows in all age groups.

○ In particular, in 2020, public asset-based reallocations changed from net outflows to net inflows for the first time due to a drop in public saving.

< National transfer accounts >

(Unit: billion won)

Age group	Consumption	Labour income	Life cycle deficit		Age reallocations	Transfers	Public	Private	Asset-based reallocations	Public	Private
Total	1,081,793	984,323	97,470		97,470	-3,157	0	-3,157	100,627	2,861	97,766
0~14	141,829	-	141,829	⇔	141,829	141,770	77,909	63,861	59	59	-
15~64	780,777	947,989	-167,211		-167,211	-250,522	-160,584	-89,938	83,311	2,538	80,773
65+	159,187	36,334	122,853		122,853	105,595	82,675	22,921	17,258	264	16,993