National Transfer Accounts in 2021

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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 2021, the macro control of consumption and labour income marked 1,148.8 trillion won and 1,040.0 trillion won, respectively. Therefore, the life cycle deficit marked 108.8 trillion won.

○ The working-age population (15~64) recorded a life cycle surplus of 179.7 trillion won. On the other hand, children (0~14) and the elderly (65 or more) recorded a life cycle deficit of 151.8 trillion won and 136.7 trillion won, respectively.

○ As for per capita life cycle deficit, people aged 17 showed the highest figure of 35.27 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 17.92 million won. At the age of 61, per capita economic life cycle returned to be a deficit.

< Per capita life cycle deficit >
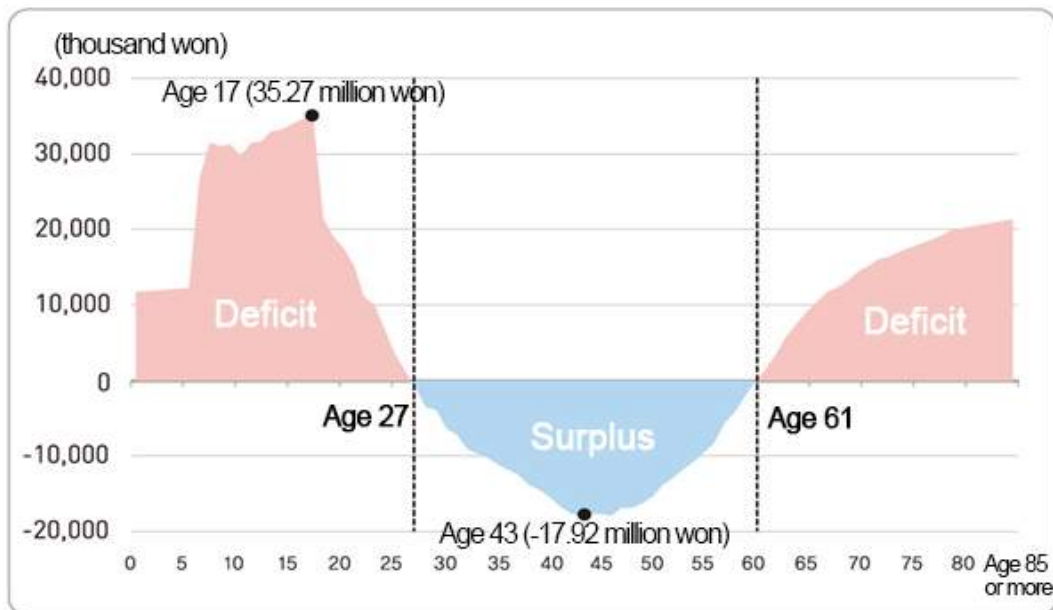
○ For the last decade, the age of recording a life cycle surplus remained between 27 and 28. In the meantime, the age of returning to a life cycle deficit marked 61 in 2021, which showed a gradual delay after recording the age of 56 in 2010.

< Age of life cycle deficit and surplus >

(Unit: age)

| Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Age of becoming a life cycle surplus	27	27	27	27	27	27	27	28	27	28	27	27
Age of returning to a life cycle deficit	56	57	57	56	58	58	59	59	59	60	61	61

☐ **(Consumption)**

People aged 17 recorded the highest per-capita consumption of 35.75 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 39.06 million won at the age of 43. Afterwards, this figure showed a gradual decrease.

< Per capita consumption >
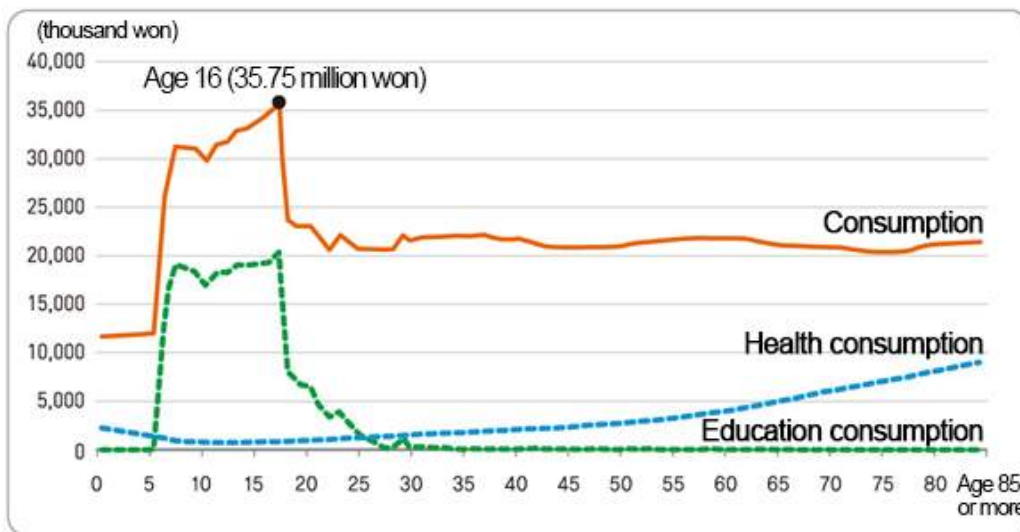
< Per capita labour income >

2. Age reallocations

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

☐ **(Transfers)**

The work-age population recorded net outflows of 275.4 trillion won, which marked flows of 152.4 trillion won to children and 118.6 trillion won to the elderly.

○ **(Public transfers)**

As for public transfers, the working-age population recorded net outflows of 174.1 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 83.2 trillion won to children and 90.9 trillion won to the elderly.

○ **(Private transfers)**

As for private transfers, the working-age population recorded net outflows of 101.3 trillion won to support family members, which marked flows of 69.2 trillion won to children and 27.6 trillion won to the elderly, respectively.

☐ **(Asset-based reallocations)**

As for asset-based reallocations, children recorded net outflows of 0.6 trillion won. The working-age population and the elderly recorded net inflows of 95.7 trillion won and 18.2 trillion won, respectively.

○ Public asset-based reallocations showed net outflows in all age groups.

< National transfer accounts in 2021 >

(Unit: billion won)

Age group	Consumption	Labour income	Life cycle deficit		Age reallocations	Transfers	Public	Private	Asset-based reallocations	Public	Private
Total	1,148,839	1,040,026	108,813		108,813	-4,487	0	-4,487	113,300	-30,979	144,279
0~14	151,761	-	151,761	⇔	151,761	152,355	83,167	69,188	-594	-594	-
15~64	817,029	996,709	-179,680		-179,680	-275,393	-174,079	-101,314	95,714	-27,211	122,924
65+	180,049	43,317	136,732		136,732	118,552	90,912	27,639	18,181	-3,174	21,355