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Family Policies in East Asian Welfare States

A comparison of Japan, South Korea and Taiwan

Topic and Research Question

Japan, South Korea and Taiwan have undergone profound political and economic development during the last few decades that have amplified the expansion of social welfare. This thesis aims to provide an overview of how each state has adapted its approach to welfare and support for families, especially in light of more recent economic and demographic challenges, by exploring the research question *"What are the similarities and differences of family policies in Japan, South Korea and Taiwan?"*

By providing a comparative overview of existing policies this paper explores the institutional background of why seemingly similar prerequisites of social transformation have not resulted in equal opportunities and outcomes in these countries. The findings may also contribute to more specialized studies on work-family reconciliation, labor market composition and gender relations. Furthermore, they illustrate state efforts to counter fast aging populations and low fertility rates that threaten traditional family-based welfare models.

State of the Art

The broad range of literature reviewed in this thesis is divided into three categories, focusing first on different theories on the welfare state before examining how researchers approach family policies and how concepts of welfare and family translate in an East Asian context.

In the literature, social welfare has been discussed as a byproduct of industrialization (Polanyi, 1944), as means of solidarity along the class, citizenship or need (Marshall, 1949) - and more recently, gender (Hobson, 1994) - or categorized as typology (Esping-Andersen, 1990).

For the most part, researchers agree on the well-being of the family and the compensation of the economic cost of children as the main functions of family policies, distributing resources via benefits and services. They are also found to reflect a wider policy context, including questions of employment, gender equality or population aging (Moss and Kamerman, 2009). With regard to East Asia, some scholars assume a distinct Confucian heritage responsible for the continuing focus on the family, while others do not find evidence for an inherent East Asian or Confucian welfare state. However, low public spending and the emphasis on the role of family, with the state as regulator rather than provider, are identified as common features of East Asian welfare (White and Goodman, 1998).

Methodology and Approach

The theoretical framework is based on how these states distribute support for families - in-cash, in-kind or in-time - as identified by Saraceno (2018) and Thévenon (2011). The list of indicators is then contrasted with coverage and uptake and complemented by social expenditure.

Type	Policy	Measurements	Social expenditure: Percentage of GDP and of total budget
Cash transfers (in-cash)	Child benefits: - (Non-) income related - Variables: age, number of children - Regulations for single parents - Subsidies for care services Benefits for the Elderly: - Old age, pension benefits	Number of recipients	
Provision of services (in-kind)	Childcare / Elderly care: - Conditions / entitlement - Range of services - Subsidies for care services	Coverage: - Enrolment - Recipients Number of facilities (public/private)	
Leave entitlements (in-time)	Maternity/paternity/parental leave: - Eligibility - Duration - Compensation Support for working parents (other leave options)	Uptake of leave Number of companies offering leave	

Main Facts

Japan:

- **Cash transfers:** Child allowance is granted for children under the age of 15 years, based on income. In 2016, 10,31 million of 16,99 million eligible children qualified for the allowance. There are no subsidies for childcare. The National Pension System for citizens between 20 and 59 years consists of a basic pension and Employees' pension insurance. About 30 percent of the population receive a public pension (2015).

- **Provision of services:** Supply of public childcare services (40 percent) is insufficient with long waiting lists.

With the "Long-Term Care Insurance Act" (2000) elderly care was transformed into a rights-based universal social insurance scheme. The number of care recipients increased from 1.84 million in 2000 to 5.6 million in 2016.

- **Leave entitlements:** Despite 14 weeks of maternity and 12 to 14 months of parental leave, only 27.7 percent of working women took leave between 2010 and 2014. In 2017, 5.14 percent of men took parental leave.

South Korea:

- **Cash transfers:** Child allowance is based on income for children under eight years. 39.5 percent of households received the allowance in 2013. Additionally, universal childcare subsidies are provided for public facilities.

The National Pension scheme provides old-age pension for people over 60 years with insurance, covering 33.8 percent of the elderly (2017). Additionally, the basic old age pension covered 67 percent of the elderly in 2016.

- **Provision of services:** Public services are free for all children under 5 years, but less than 8 percent of childcare centers are public facilities (2017). 70.2 percent of all children were enrolled in formal childcare (2017).

In 2007, the "Long-Term Care Insurance Act" was introduced as a comprehensive care system for the elderly, covering 8 percent of the elderly population in 2017. Additionally, a "Family Care Allowance" is issued. 80 percent of LTC facilities are private (2017).

- **Leave entitlements:** Maternity leave is offered for 90 days with full compensation, fathers can take 10 days off (five of which are paid). Parental leave is granted for a maximum of 12 months, fully paid. 23 percent of mothers (2018) and 22,297 men (2019) took leave.

Taiwan:

- **Cash transfers:** Until 2019, childcare benefits were granted for unemployment parents. Since then, childrearing allowance is issued for children under age four, in addition to subsidies for education and care. Old-age benefits are issued via Labor or National Pension Insurance. Contributions for less than 15 years are compensated with a lump-sum benefit.

- **Provision of services:** In 2010, almost 60 percent of preschool children did not attend facilities. After an ECEC system was introduced in 2012, numbers rose to over 90 percent for five-year-olds (2017). The "10-Year Plan for Long-Term Care 2.0" (2017) is a tax-based system for elderly care with high out-of-pocket costs. Migrant care workers are often the cheapest option.

- **Leave entitlements:** Eight weeks of maternity and five days of paternity leave are provided with full pay. Parental leave is a maximum of two years, with six months of compensation. The number of male applicants for parental leave allowance has increased by 220 percent since its introduction in 2009.

Results

In recent years, major reforms were undertaken in the examined areas. State support for the elderly has surpassed childcare policies as the main social focus, also in terms of budgetary allocation.

All three countries provide child allowances based on household income. Policies for single parents focus on assisting self-reliance and independence rather than providing financial support, partially resulting in high rates of poverty. In all three cases, pension payments are either not available for all citizens or are limited to amounts that are insufficient to guarantee a living standard. Childcare is increasingly deregulated and privatized. Despite decreasing birth rates, Japan and Korea struggle with meeting the demand of childcare, with long waiting lists especially for public facilities. Korea and Taiwan subsidize the cost of childcare, while Japan only subsidizes facilities. Both Japan and Korea have installed long-term care insurance systems for the elderly while Taiwan recently set up a community-care model, which is largely complemented by foreign care workers. Japan and Korea grant the longest paid leave regulations, which are used only by a low percentage of women and even less men, while Taiwan's shorter regulations have less impacted women's employment patterns. Contrasting state measures with statistical data has shown large discrepancies between policy goals and actual coverage and utilization.

References

All references can be found in the full version of the MA thesis available at <http://othes.univie.ac.at>.

About the Author

Tina Deschu holds an MA in journalism and media management from the University of Applied Sciences *FH Wien* and has worked as a journalist and editor.

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