

## **Singapore will not let up on ensuring social mobility, says PM Lee**

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SINGAPORE: As society matures, it will get harder to narrow and bridge class divisions, said Prime Minister Lee Hsien Loong, and that is why Singapore “must not and will not let up on maintaining social mobility”.

However, it is not necessary to set up a specific inter-ministerial committee to look into how to better integrate social classes in Singapore, said Mr Lee in a written Parliamentary reply on Monday (Feb 5).

He was responding to questions by Member of Parliament for Ang Mo Kio GRC Gan Thiam Poh, who also asked if there are plans by the Government to ensure that the income gap between different groups will not cause a social divide.

The questions come on the back of a nationwide survey by the Institute of Policy Studies (IPS), released last December, which found that class boundaries tend to be more salient than gender, racial and religious boundaries.

In his reply to Mr Gan, Mr Lee laid out three related aspects of the issue – income inequality, social mobility and social integration.

He said education is key to the Government’s efforts, pointing to the major investments made to ensure that every child has access to quality education, regardless of income, as well as financial assistance schemes.

He gave the example of KidSTART, a programme to enable children from low-income families to have a good start in life, as well as the SkillsFuture scheme which provides Singaporeans with support to pick up new skills to improve their prospects.

"Nobody should feel that his social position is fixed based on his parents' income level or position in life," Mr Lee wrote. “There are countless examples of children from low-income families who have risen to the top in the professions, academia, government and the private sector with the support of these schemes.”

He said this is why Singapore’s social mobility is good compared to other countries. “One study, looking at the proportion of children from the 20 per cent of households with the lowest incomes who do well in life and later reach the 20 per cent of households with the highest incomes, found a higher proportion in Singapore making this transition than in the United States or Denmark,” Mr Lee added.

### **Income inequality has declined**

Over the last half-century, income inequality has increased in almost all developed economies including Singapore, said Mr Lee. He added that Singapore’s Gini coefficient - a measure of income inequality – is similar to or lower than other large metropolitan centres such as Beijing, Shanghai, London, New York and San Francisco.

However, taking a shorter-term view, Mr Lee pointed out that income inequality in Singapore has, in fact, declined slightly over the last 10 years, with the Gini coefficient falling from 0.470 in 2006 to 0.458 in 2016, its lowest in a decade.

After accounting for Government taxes and transfers, the 2016 figure was even lower at 0.402.

“We have many targeted, means-tested assistance schemes which provide transfers and subsidies to lower-income groups. For example, the Workfare Income Supplement scheme tops up their cash earnings and CPF accounts, and helps them build up their retirement savings,” said Mr Lee, noting that the Government has “intervened more aggressively” over the years to support the less well-off.

As for funding the increase in social expenditure, Mr Lee said “significant changes” have been made to the system such as the introduction of GST in 1994 and an increased reliance on Net Investment Return Contributions as a source of revenue.

“In the long-term, quality education, home ownership and affordable healthcare are the fundamental means by which our citizens, especially those from poorer backgrounds, can improve their lives,” he added.

### **Singapore is “proactive” in approach on integration**

In a multi-racial, multi-religious society, Mr Lee said Singapore needs to be “deliberate and proactive” in its approach on social integration.

He cited public housing policies and the design of shared spaces as ways in which urban planners have sought to maximise social interactions among people of different backgrounds.

For instance, Mr Lee said there is a good mix of flat types in each HDB neighbourhood, the People's Association organises activities to bring together residents from all walks of life and National Service helps to foster cohesiveness when Singaporeans train and serve together.

“The issues of mitigating income inequality, ensuring social mobility and enhancing social integration are critical. If we fail – if widening income inequalities result in a rigid and stratified social system, with each class ignoring the others or pursuing its interests at the expense of others – our politics will turn vicious, our society will fracture and our nation will wither,” Mr Lee said.

He noted that there is already a concerted and coordinated effort among the various ministries to tackle these challenges. “It is therefore not necessary to set up a specific inter-ministerial committee to look into these issues,” he concluded.

### **Everyone must play their part: Grace Fu**

In a separate Parliamentary reply, Minister for Culture, Community and Youth Grace Fu noted that the recent IPS survey, which was supported by her ministry, also found that participation in sports, arts and volunteer activities helped to promote social integration across groups.

These are areas in which her ministry has been working on to strengthen bonds within and across communities, she said in response to a question by MP Seah Kian Peng on whether there is a “widening class divide” and if her ministry has plans to bridge it.

"Social harmony is not something we can leave to chance. Over the years, we have introduced initiatives to enhance social mixing on various fronts," said Ms Fu.

She cited the example of the Outward Bound School programme launched for Secondary 3 students last year, which has so far brought together 6,000 students from diverse backgrounds for a five-day camp.

While the Government is doing its part to bridge social divides, Ms Fu said ultimately, a strong, cohesive community "cannot be commanded by government".

She added: "Social trust requires the commitment and effort from each and every one of us to build an inclusive and cohesive society."