

## **In good social policy, every child matters**

***Mathew Mathews***

***The Straits Times, 29 April 2016***

Financial and housing help for families with children, announced recently in Budget 2016, send two clear messages. One, the Government believes that every child is valuable. Two, social policy will seek to correct some of the disadvantages that children encounter as a result of their parentage.

This is a long way from the situation in the 1980s, when the short-lived Graduate Mothers Scheme treated children born to graduate mothers more favourably, with priority admission to schools. It seemed that these children were earmarked for future success based on their "superior" birth.

Today, social policy is firmly focused on the reduction of inequality, and conditions favourable to greater inclusion and well-being. And rightly so.

The disadvantages that children from low-income families experience have been well documented - these range from less emotional and physical support to inadequate nutrition or treatment for medical conditions.

They may live in environments which are harsher and greatly lack the preparation that middle-income children receive to be school-ready, such as foundational literacy-related skills, conversational abilities and behavioural habits, including self-regulation and the willingness to cooperate.

These disadvantages make it hard for them to thrive in school environments, for they do not start at the same level as their middle-class peers and may not catch up over the primary school years. And this ultimately affects their self-esteem and subsequent motivation to reap academic success.

The recent tweaks in the Child Development Account (CDA), a savings account where deposits placed by parents are matched by the Government, display this commitment of Singaporean social policies to curb these disadvantages.

The decision to extend this scheme to children of unwed mothers has received considerable applause.

The cash grant under the Baby Bonus scheme continues to be available only to babies of married parents. But there are justifications for this, to incentivise the type of family structure which the state (and many citizens) believe is in the best interests of the child's development, and society.

The CDA, however, is a co-savings scheme with the Government giving a matching grant for sums saved by the parents. To deny children of unwed mothers this co-savings scheme would be discriminatory. This is especially so as the CDA is intended to make educational enrichment and necessary healthcare supplements for children more affordable. This is crucial to reduce the disadvantages faced by children who do not have the fortune of growing up with both parents and a stable income.

Also welcome is the decision to have a First Step Grant, where the Government gives a \$3,000 start-up grant for the CDA, regardless of whether the parents have put in any sum.

This helps to reduce the disadvantages of poor children. Most middle-income parents have little difficulty in putting a substantial first sum into their child's savings account. For low-income parents, this can be insurmountable. While these parents have similar aspirations of providing the best for their children, they find it hard to prioritise investing in their children's future, considering the pressing day-to-day living costs. The CDA First Step Grant will thus allow low-income parents to tap into the benefits of the CDA and hopefully begin the cycle of investment as they see the positive rewards of early educational enrichment and healthcare for their children.

The programme can further incentivise such investment by providing a higher matching quantum for the low-income parents, considering that it requires substantially more effort for them to embark on such a savings plan.

Along with the refinements to the CDA, the announcement of a substantial investment of \$20 million in the KidStart initiative might also bring more levelling in the abilities of low-income children.

Targeted intervention for young children who need appropriate learning, developmental and health support is necessary beyond what mainstream pre-school opportunities can offer. The additional support, perhaps with more customised interventions, will ensure that the young who grow up poor are educationally, physically and psychologically prepared for long-term learning.

Such heavy investment in children is economically prudent, as American economist and Nobel laureate James Heckman, writing in the prestigious journal *Science* nearly a decade ago, has argued. Quoting the extensive research on early development - especially those showing the impact the environment and early experience have on shaping the brain's circuitry from the prenatal stage to early childhood - he concludes: "The dynamics of human skill formation reveal that later compensation for deficient early family environments is very costly. If society waits too long to compensate, it is economically inefficient to invest in the skills of the disadvantaged."

Such investment is especially pertinent, considering the direction of Singapore's economy which is dependent on a high-quality workforce which must be able to quickly learn new skills to meet market demands.

Then there is the Fresh Start Programme. It will hopefully ensure that even if parents made unwise choices on home ownership, their children will not be deprived of having stable homes to live in. By providing a second chance at home ownership, children can grow up with greater dignity and be spared the interruptions of constant changes to their schools and routines. This is not uncommon when their families live in rental conditions or with relatives.

While all these policy refinements certainly address some of the sites of inequality that can systematically affect people from childhood, these changes do not remove the substantial privilege that the wealthy have which they constantly reproduce. There is no practical way of stopping parents who are better endowed from investing heavily in their children, and no

pressing reason for society to do so. However, ensuring a more level playing field is much needed both from the perspective of social justice and for good societal outcomes.

The pressing priority now is to signal to every child and his or her family that society is behind them in their aspirations for social mobility. Hopefully, with these and other policy enhancements, every child, regardless of his or her family background, will be capable of future success.

**Mathew Mathews is a Senior Research Fellow at the Institute of Policy Studies, National University of Singapore.**