



POLICY BRIEFS

CHILDREN AND CORONAVIRUS: A SOCIAL PROTECTION VIEW

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On March 27, Malaysian Prime Minister Muhyiddin Yassin announced a RM250 billion economic stimulus package called Prihatin to tackle the economic impact of COVID-19. The package includes one-off cash payments to households and individuals, discounts on utility bills, deferments of rental payment for public housing, soft loans for small- and medium-sized enterprises (SMEs), a six-month loan moratorium, and a wage subsidy programme.

The Prihatin stimulus package followed an earlier announcement of several initiatives which included a RM600 million allocation for the Ministry of Health, allowing Employees Provident Fund (EPF) contributors to withdraw RM500 monthly for the next 12 months, and deferment of the National Higher Education Fund Corporation (PTPTN) monthly loan repayments for six months.

Analysts have criticised these initiatives as insufficient and have proposed other fiscal measures to aid individuals and businesses during this difficult time.

However, children are once again left out from the conversation, with an absence of child-centred and child-sensitive policies.

It can be argued that measures aimed at the general population would trickle down and still benefit children through their caregivers. These broader schemes however do not consider the specific vulnerabilities that disproportionately affect children - especially those who live in poverty and low-income households.

The Social Protection Context

In Malaysia, the proportion of children in absolute poverty and in low-income households is higher than that of working-age adults or elderly persons. In 2014, 18% of children in Malaysia were in low income households, compared to 11% of working-age adults and 14% of elderly persons. The absolute poverty rate among Malaysian children stands at 1.7 percent – this is nearly three times higher than the average poverty rate of 0.6 percent across all age groups.

We need to bear in mind that Malaysia's absolute poverty line has been criticised for being too low for our upper-middle income status. Should we adopt a relative measurement similar to OECD countries, the percentage of children who live below the poverty line in Malaysia will jump to 12.6 percent.

Malaysia's social safety net for children suffers from significant gaps even without the threat of COVID-19.

According to a recent UNICEF situation analysis, the Department of Social Welfare's current per capita financial assistance for children of RM253 per month is the lowest since 2013. The Bantuan Sara Hidup cash transfer programme dispenses an additional RM 120 per child on top of the standard RM 200 payment to B40 households, but this cash grant is too small and infrequent.

To exacerbate matters, not all who qualify receive the financial support. A 2018 study of children living in low-cost flats in Kuala Lumpur found that 34 percent of households did not receive support from Malaysia's Bantuan Rakyat 1 Malaysia (BR1M) cash transfer programme while only 4 percent of households received support from the Department of Social Welfare - despite being eligible.

COVID-19's Impact on Our Children

The relatively few reported cases of COVID-19 among children globally is good news.

But the socioeconomic ramifications of COVID-19 can rob children of the things they need most for survival and development – such as nutrition, health, shelter, water and education. Disruptions to these growth prerequisites can adversely affect children's future health, education, and productivity outcomes. These effects are even more amplified for children and families who are already vulnerable due to poverty.

As highlighted by economists Muhammed Abdul Khalid, Nungsari Ahmad Radhi, and Hamdan Abdul Majeed, the movement restrictions do not only cut incomes of many small traders, but also deprive households of the affordable sources of food and supplies available at 'pasar tani' and night markets.

The closure of schools during this Movement Control Order also means the loss of at least one nutritious meal for some children, for instance students of Sekolah Berasrama Penuh residential schools and those who rely on school feeding programmes like Rancangan Makanan Tambahan and Program Sarapan Percuma. This creates an extra burden on already-struggling families who must contend with incomes losses and financial uncertainty. The announced initiatives under the Prihatin scheme make no attempt to fill this gap, unlike countries like Bolivia and Spain which have introduced new cash transfers to compensate for missing school feeding meals. Another good example would be in the United Kingdom, where supermarket vouchers are given to eligible school-aged children with a value that exceeds the costs of free school meals, as the government recognises the increased costs that must be incurred on parents as they will not be purchasing food in bulk unlike government feeding schemes.

The movement restrictions and closures of 'non-essential' facilities can also worsen the day-to-day settings in which children grow and develop. Overcrowded and cramped living arrangements can expose children to higher risks of infections, stress and even violence. Once again, this impact will be disproportionately felt by more disadvantaged groups.

Overburdened health systems, shortages of medical equipment and supplies, and reallocation of resources could also harm children's access to healthcare. In the past, epidemics such as the Ebola outbreak disrupted the availability and quality of maternal, newborn and child care, thus leaving children and pregnant women more vulnerable to usually preventable conditions.

These risks are especially heightened for pregnant mothers and children still in the critical 1,000-day period covering pregnancy. It is during this window that a child's growth and brain development is at its most sensitive to disruptions. Evidence shows that nutritional shocks within this crucial window can exert devastating and almost irreversible consequences to the child, both in the short and long run. Stunting - which reflects nutritional deficiencies during this crucial 1,000-day period - can affect a child's brain development, educational performance, future earning ability, and mortality and morbidity risks. Malaysia already has high rates of stunting - we can expect this to rise even further amidst this crisis.

Next Steps

As parents and caregivers struggle to maintain their livelihoods due to COVID-19, social protection policies become even more pertinent. The government must prioritise the building of new social safety nets, strengthening existing welfare schemes, protecting jobs, providing support to working parents and frontliners with children, and ensure children and families' access to education, health and nutrition are safeguarded.

In a recent World Bank review, 83 countries have introduced explicit schemes to address the socioeconomic impacts of COVID-19 on children and their families through new cash aid schemes, higher or additional payments, accelerated payment schedules, and relaxed conditionalities. For example, Portugal announced plans to provide financial support for self-employed parents with children up to 12 years old to the sum of about 2/3 of the average salary.

Such child-focused policies are, however, absent in Malaysia's announced initiatives. To make matters worse, the schemes do not account for the size of the household in terms of the number of children in each family. This is unlike most countries in the world, where assistance is given to each child in the family, not just per family.

We need to plug this gap and the solution to this is simple: give cash.

The government should take steps to ensure that cash transfers are extended to these households in particular with:

- i. children below the age of two years old within the 1,000-day window; and
- ii. recipients of school feeding programmes such as Rancangan Makanan Tambahan and Program Sarapan Percuma

We can do this by diverting reallocating existing budget resources from existing programmes that are on pause due to the Movement Control Order such as school feeding programmes. There are also strong and pragmatic justifications for defunding uncritical ministries, as recently suggested by Christopher Choong of Khazanah Research Institute.

These are pressing times and we need to act for the sake of our children to protect their present and secure their future.



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