

# Welfare State and Income Distribution to School-Age Children

Kanyarat Bussaban, Siriporn Poolsuwan

**Abstract**—This study is conducted with the objective to prove how the distorted distribution of welfare affects the quality of school-age children lives differently in the case of an urban community in Bangkok. 334 samples are households from Suan Oi and Ratchapatubtim communities. The study of sample communities found the difference between two community areas that are close. The people of Suan Oi community are economically better off people than the people of the Ratchapatubtim community. They share the benefits of using most services except the welfare of a child's education. The resulting analysis of the variability in quality of life of the school age children indicate that heads of the households are women looking for quality of life benefits when the compulsory school age is less. A study of the two communities suggests that the inequality in income distribution currently affects the quality of life of school-age children.

**Keywords**—Inequality, Income distribution, Quality of school-age children lives, Welfare state.

## I. INTRODUCTION

THE welfare state and income distribution are most interesting issues because not only do they have a direct effect on the quality of life of populations to access services provided by the government, but they also provide an opportunity for people in the society have access to various sources of income. Because of income distribution, the government will be able to produce results for the people who are disadvantaged to have increased income.

The concept of income distribution can be done in many dimensions, for example, the cost of government through public policy, increasing the likelihood of varied competition, such as providing educational opportunities and increasing human capital [1], [2]. However, considering the strategy to diversify income must not be seen as inequality. The term "welfare state" is model of provision where a state provides basic social insurance for its citizen in full and fair coverage for a high quality of life such as providing health care, education, unemployment insurance, pensions and housing. Unlike the welfare state of European countries, the public service of Thailand has far to go to become a comprehensive welfare system from "womb to the tomb" [3]. The dominant policy that government provided leading to a reduction in the inequality of income distribution is the money that the government provides for the elderly or those who cannot be

employed normally. It is a mechanism to enhance the quality of life for the better. Considering, the distribution of income in term of economics, the equality of income distribution refers to the development of the country [4], [5]. The problem of poverty does not only result from not having enough food but also inequality in the sharing of food [6].

It is true that there is no country in the world with truly equal income distribution. The eight major causes of inequality in income distribution are the differenced of personal ability, property, education opportunities, fiscal policy, unemployment, inflation, imbalance of economic development and incomplete competitiveness of the market. Some key measure that can be used to reduce the inequality in the distribution of income in the short term include taxation, government spending, housing for those earning less, extension of education insurance or minimum pricing. For Thailand, the distribution of income is depicted in the Eleventh National Economic and Social Development Plan (2012-2016), which shows that the government is aware that the income distribution of the population in the country is still not equal. They have tried to solve the problem, for example, there is a development guideline concerning restructuring the tax system to improve income distribution [7], [8]. Inequality of income distribution is indicative of a failure in the implementation of the economic policy of country. The obvious example is the phenomenon commonly shown by the empirical truth in both communities located in Bangkok: Suan Oi community, which is the city's treasury, and Ratchapatubtim community which located along the Chao Phraya River. The remainder of this paper confirms that the distribution of income through various welfare activities are currently focused on concept of equality, but in practice may result in an imbalance affecting the quality of life of the population in both communities. Shown is the discovery of how the distorted distribution of welfare affects the quality of school-age children's lives.

## II. THE METHODOLOGIES

This study focuses on communities around the Rattanakosin Region, Suan Oi and Ratchapatubtim communities. The primary sources are 134 households from Ratchapatubtim community that are sampled from 165 households and 200 household from Suan Oi community that are sampled from 380 households. The sample groups were selected randomly by accidental sampling. The data collection instrument was the questionnaire. There are 5 parts in questionnaire including: social status, household character, children's quality of life, quality of life in older people, living standards and problems in community. Data were collected by interviewing the heads of households. Analyzing the multiple regression coefficients

Kanyarat Bussaban is with the Informatics Mathematics Program, Suan Sunandha Rajabhat University, Bangkok, Thailand (phone: 662-150-1169; e-mail: kanyarat.bu@ssru.ac.th).

Siriporn Poolsuwan is with the Library and Information Science Program, Suan Sunandha Rajabhat University Bangkok, Thailand (phone: 662-150-1169; e-mail: siriporn.po@ssru.ac.th).

is used to answer how income disparity affects development of the children's quality of life. The variables of the study are economic status, occupation, education level of the heads of households, sex, community characteristic, and household feature. Other variables are also used to explain head of household's opinion are: economic status, sex, age, community characteristic, household feature, education level of the head of household, and family occupation.

### III. RESULTS

#### *A. Welfare State: Effect on the Quality of School-Age Children Life*

This paper will explore the case study of two communities around Rattanakosin region: Suan Oi and Ratchapatubtim communities. The result shows that both communities, which are close in proximity, differ significantly in the quality of life, particularly the quality of school-age children's lives. Suan Oi is an urbanized community, located in the Rodchapasadu alley with 386 households. The proportion of people with their own business, like grocery store, food outlet, internet shop and beauty salon occupies 44.3 percent of the total occupations of members in the community. Undergraduate level or above of heads of households stand at 36.6%. Under half of households in the whole community (46.3%) are indebt while 57.3% are saving.

The welfare state allocated by the current government, says electricity and water can identify the economic status of each household in the community. People in the community receive all kinds of public services covering compulsory education, healthcare and public transportation. Specifically, most gain free electricity but 56.1 percent pay for water that is used over the free supply. Children receiving injections is at 92.7 percent, as shown in Tables I and II.

TABLE I  
DISTRIBUTION OF DATA BY SOCIAL AND ECONOMIC STATUS OF SUAN OI COMMUNITY

Social and economic characteristic	Percent
I. Education Level	
- uneducated/primary	29.3
- secondary	25.6
- vocational	8.5
- undergraduate or above	36.6
II. Career	
- worker	6.0
- employee in government and non-governmental organization	19.3
- own business	44.6
- unemployment	30.1
III. Saving	
- no	47.9
- yes	52.1
IV. Debt	
- no	53.7
- yes	46.3

TABLE II  
DISTRIBUTION OF DATA BY WELFARE STATE OF SUAN OI COMMUNITY

Types of welfare state	Percent
I. Household Welfare	
- using electricity under the free supply	21.1
- using electricity over the free supply	7.0
- using water under the free supply	40.4
- using water over the free supply	31.6
II. Compulsory Education	
- attending public school	73.9
- attending private school	26.1
III. Health Care	
- admitting to public hospital	47.9
- admitting to private hospital	52.1
- Children receiving injection	60.5
IV. Social and Community Welfare	
- taking bus for free	92.6
- taking train for free	7.4

Another community is Ratchapatubtim near Suan Oi community. It is located around the Chao Phraya River and Thon Buri Bridge. It is believed that the community stems from homeless boat people. Now, the members of community, with 165 households, immigrate from other provinces and cities near the Bangkok Metropolis. These days, the community faces social development and environmental problems. Forty-three point five percent of people in the community are company staff such as messengers, employees in government and non-government organizations, etc. Thirty-seven percent of the heads of households educational backgrounds are unschooled or at the high school level. The proportion of saving is 54.3 percent and debt is 60.9 percent. Most people in the community gain free electricity and water supply. A large number of their descendants (84.3%) attended public school. They prefer public hospitals to private ones in case of ailment. Children receiving injections is at 88.6 percent, as shown in Tables III and IV.

Although welfare services in charge of Bangkok Metropolis focus on the concept of equality, social impartiality is not happening in reality. This impartiality influences the enhancement of the quality of student's lives.

TABLE III  
DISTRIBUTION OF DATA BY SOCIAL AND ECONOMIC STATUS OF RATCHAPATUBTIM COMMUNITY

Social and economic characteristic	Percent
I. Education Level	
- uneducated/primary	37.0
- secondary	30.4
- vocational	10.9
- undergraduate or above	21.7
II. Career	
- worker	8.7
- employee in government and non-governmental organization	43.5
- own business	30.4
- unemployment	17.4
III. Saving	
- no	45.7
- yes	54.3
IV. Debt	
- no	53.7
- yes	46.3

TABLE IV  
DISTRIBUTION OF DATA BY WELFARE STATE OF RATCHAPATUBTIM  
COMMUNITY

Types of welfare state	Percent
I. Household Welfare	
- using electricity under the free supply	48.90
- using electricity over the free supply	1.1
- using water under the free supply	34.4
- using water over the free supply	15.6
II. Compulsory Education	
- attending public school	84.4
- attending private school	15.6
III. Health Care	
- admitting to public hospital	38.7
- admitting to private hospital	20.0
- Children receiving injection	41.3
IV. Social and Community Welfare	
- taking bus for free	84.0
- taking train for free	16.0

TABLE V  
DISTRIBUTION OF DATA BY SOCIAL AND ECONOMIC STATUS OF SUAN OI AND  
RATCHAPATUBTIM COMMUNITY

Social and economic characteristic	Studied Communities	
	Suan Oi Community	Ratchapatubtim Community
I. Age		
- under 30	57.1	42.9
- 30-49	53.2	46.8
- 50-59	73.9	26.1
- over 60	84.6	15.4
II. Sex		
- man	68.3	31.7
- woman	62.5	37.5
III. Marital Status		
- single	73.9	21.6
- married	57.1	42.9
- widow	63.2	38.8
IV. Education Level		
- uneducated/primary	58.5	41.5
- secondary	60.0	40.0
- vocational	58.3	41.7
- undergraduate or above	75.0	25.0
V. Career		
- worker	55.6	44.4
- employee in government and non-governmental organization	44.4	55.6
- own business	72.5	27.5
- unemployment	75.8	24.2
VI. Saving		
- no	62.5	37.3
- yes	65.3	34.7
VII. Debt		
- no	71.0	20.9
- yes	57.6	42.4
VIII. Number of elderly		
- none	60.0	40.0
- 1 person	67.5	32.5
- 2 persons	72.2	27.8
- 3 or above	100.0	0.0

According to distribution of data by social and economic status of the Suan Oi and Ratchapatubtim communities, the proportion of informants aged 30-49 in the communities revealed they are categorized as a professional group. The education level of Suan Oi headed households is at the undergraduate level (75%) while the education background of Ratchapatubtim headed households is at the high school level (45%). People in Suan Oi community make a living from their own business (72.5%); whereas, people in Ratchapatubtim

community are employees in government and non-governmental organizations (55.6%). Data show that the rate of household savings in the Suan Oi community (65.3%) is higher than that in the Ratchapatubtim community (30.6%). In contrast a rate of household debt in Suan Oi community is lower than those in Ratchapatubtim community as shown in Table V.

Figure of welfare state distribution such as household, education, and medical welfare as shown in Table VI indicate Suan Oi community more receives public services than Ratchapatubtim community do both electricity and water free of charge. More most of parents in Suan Oi community send their offspring to private school (41.2) instead of public school than most of the parents in Patikaram community do. Attending private school of the children in Suan Oi community reflects that Ratchapatubtim community prefers accepting welfare because of economic status as Gary Backer puts it: the higher people earn income, the lower income people rely on the welfare state; the lower people get income, the more people depend on welfare state.

TABLE VI  
WELFARE STATE ALLOCATION OF THAI GOVERNMENT

Social and economic characteristic	Studied Communities	
	Suan Oi Community	Ratchapatubtim Community
I. Household Welfare		
- using electricity under the free supply	62.7	37.3
- using electricity over the free supply	88.9	11.1
- using water under the free supply	59.7	40.3
- using water over the free supply	72.1	28
II. Compulsory Education		
- attending public school	55.7	44.3
- attending private school	70.6	29.4
III. Health Care		
- admitting to public hospital	59.7	40.3
- admitting to private hospital	60.5	39.5
- Children receiving injection	55.1	44.9
IV. Social and Community Welfare		
- taking bus for free	70.4	29.6
- taking train for free	50.0	50.0

#### *B. Analyzing Multiple Regression Coefficient the Quality of School-Age Children Life*

The results from variables of the quality of school-age children's lives are shown in Table VII. It states the female head of the household needs more welfare services than the male head of the household and feels that the allocation is not sufficient. Also, people with prestigious careers, high education levels and economic stability rarely rely on welfare services and they consider public services received are too high. When compared with Suan Oi community, Ratchapatubtim community requires relatively more assistance from government. Therefore, people in Ratchapatubtim community think that they receive little education insurance. Similarly, expanding households with lots of members need substantially more welfare services because they need to decrease their expenditure. Older household feel that they receive less and less welfare benefits.

TABLE VII  
ANALYZING MULTIPLE-REGRESSION-COEFFICIENT IN THE QUALITY OF  
STUDENT LIFE

Variables	Regression Coefficient	T-test
Woman	-0.062	-0.711
Age	-0.170	-1.775
Education Level	-0.310	-3.312
Worker	-0.101	-0.944
Ratchapatubtim community	0.195*	2.186
Single household	0.071	0.822
Economy status	-0.023	-0.259

$R^2 = 0.152$ ,  $F = 3.097$  \*Significant at the 0.05 level

#### IV. CONCLUSION

The findings indicate that the unbalanced income distribution results in developing the quality of school-age children's lives. For example, a communities' population is living in poverty and expanding families rely strongly on the welfare state because they are rarely self-reliant. If distribution of income is unequal, the quality of school-age children's lives does not meet the state expectation. Although the state policy by now provides free 15-year schooling, a difference in social class between the underprivileged and the affluent still exists.

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