Public Accounts and Estimates Committee Inquiry into Gender Responsive Budgeting

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December 2019



Victorian Government commitment to Gender Responsive Budgeting (GRB)

Safe and Strong: A Victorian Gender Equality Strategy

Through *Safe and Strong* in 2016, the Government committed to place a gender lens on policies, budgets and service delivery including through:

- Gender Budget Statements, from the 2017-18 Budget
- developing and piloting gender impact assessment tools in policy, program, service delivery and budget development

As part of *Safe and Strong*, the Government also committed to legislative change to promote and improve gender equality across government functions.



Achievements so far

- The third Gender Equality Budget Statement was delivered in 2019-20
- ✓ Three Government departments piloted a gender impact assessment (GIA) toolkit in 2018-19
- 10 local councils and eight public entities are further piloting the toolkit in 2019-20
- The Gender Equality Bill was introduced to Parliament in November 2019 and will require entities to promote gender equality across policies, programs and service delivery, including by undertaking GIAs

Gender Responsive Budgeting - background

Gender Responsive Budgeting analyses the impact of budgets on gender equality and provides a process for adapting budgetary decision making and priority setting.

Why do we need Gender Responsive Budgeting?

Evidence shows that gender-neutral approaches to policies, programs and services do not always result in equal outcomes:

- differences in the lives of women, men and gender diverse persons mean that policy, program and service needs are different
- women may experience gender inequality differently on the basis of their age, race, disability, religion, geographic location, sexual orientation, gender identity, caring responsibilities or other attributes
- women often do not have the same access as men to decision-making processes, resources or economic and social opportunities
- gender interacts with circumstances to affect an individual's experiences in many ways

For example, your gender can impact your experience of:

Using public space



Natural disasters



IT security and privacy



Health and medical care



Gender Responsive Budgeting in Practice

Case study: GRB in action in Austria

- In 2009, Austria's Constitution was amended to require gender budgeting at all levels of government
- With the legal foundations set, Austria introduced gender responsive budgeting in 2013
- Austria's gender responsive budgeting initiative is focused on addressing perceived gender inequalities. It requires that every line ministry in the federal government sets at least one gender-related objective out of a maximum of five outcome objectives, which is then related to specific tasks
- Austria has established a comprehensive framework for integrating gender perspectives into budgeting, and uses tools such as gender needs assessment, baseline analysis, ex ante and ex post gender impact assessments, and gender-disaggregated incidence analysis
- The focus on gender has led to a recent reform of the income tax system to reduce the higher effective tax rate on secondary earners. This reform is designed to encourage women's labour force participation and increase the number of women working full time, which will work to reduce the gender pay gap (currently 21.7% in Austria)

Sources: Quinn, 2016; OECD, 2016.

Gender Budget Statements



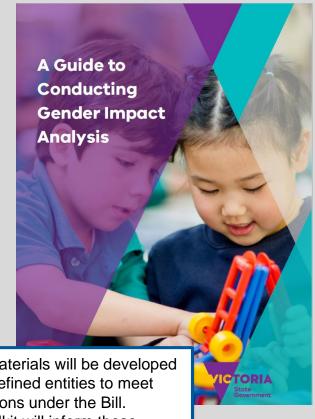
Gender Impact Assessment and Pilots

The Victorian Government recently piloted a GIA toolkit across a number of Victorian Public Service departments. In 2019-20, the toolkit is being piloted in 10 local councils and 8 public entities. Consideration of their outcomes will be concluded in the first quarter of 2020, and these findings will inform guidance materials for Bill implementation.

GIA pilot – government departments

GIA pilot – councils and public entities

GIA guidance materials under the Gender Equality Bill



- Guidance materials will be developed to support defined entities to meet their obligations under the Bill.
- The GIA toolkit will inform these materials, which will be available before entities obligations commence in March 2021

The benefits of GRB – Gender Impact Assessments

Gender impact assessment has economic and social benefits for women, gender diverse people and the broader community

- It helps to **increase participation by women**. This benefits society through access to additional skills and experience, enhanced purchasing power, increased tax revenue and reduced demand for welfare assistance.
- Policies, programs and services are better targeted to community needs. For instance, to enable
 women from low socioeconomic backgrounds to take full advantage of employment training
 programs, assistance may be necessary in childcare and transport. Such programs increase
 women's potential and help them move off welfare benefits.
- It doesn't just address gender equality but other forms of inequality. Outcomes for migrant and refugee communities, LGBTI communities, Aboriginal communities and women with a disability all benefit.
- It supports **gender equality more broadly**. International evidence demonstrates that organisations with at least 30 per cent women in leadership positions were 15 per cent more profitable (Peterson Institute for International Economics).
- It broadens the focus of economic analysis by raising **different questions and issues**. E.g., the issue of women's over-representation in lower paid and unpaid work can be examined in terms of the structural barriers that limit women's opportunities, rather than viewed as a woman's choice.
- Government and community organisations are better able to identify the impacts of policies, programs and services on people of all genders, including inequities and inequalities between genders and unintended consequences.

GRB best practice and future opportunities

International evidence suggests the following approaches to maximise the effectiveness of GRB:

- GRB should be underpinned by:
 - Gender impact assessment
 - effective tools, resources, engagement, leadership and accountability
 - a focus on promoting gender equality through fiscal policy
 - a strong evidence base organisations should collect gender disaggregated data to ensure development of gender responsive policies
- Intersectional considerations should be embedded in GRB to ensure that individual experiences of gender inequality are not compounded by other forms of discrimination
- Implementation is more effective when GRB initiatives are supported by an overarching gender equality plan or strategy

Victoria is already leading on GRB initiatives, however further opportunities could be considered in implementation of the Bill and over the longer term, including:

- ➢ greater consideration of women's workforce participation and labour market challenges, the impacts of the gender pay gap, women's experience of poverty and family violence
- analysing Victorian Government investment in addressing gender inequality (similar to the current Gender Budget Statement)
- understanding the impacts of government investment on women's economic security and wellbeing (which the current Gender Budget Statement has started to do)
- reviewing the impact of savings measures (reducing costs or reducing services) on outcomes for women

Future opportunities for GRB in Victoria