

United Nations
Division for the Advancement of Women
Expert Group Meeting on financing for gender equality
and the empowerment of women
Oslo, Norway
4-7 September 2007

**GENDER RESPONSIVE BUDGETS (GRB'S) HAVE A PLACE IN FINANCING
GENDER EQUALITY AND WOMEN'S EMPOWERMENT**

Rhonda Sharp*

Division for the Advancement of Women
Department of Economic and Social Affairs
United Nations, New York
Fax: (212) 963-3463
daw@un.org
<http://www.un.org/womenwatch/daw>

* *The views expressed in this paper are those of the author and do not necessarily represent those of the United Nations.*

Introduction

Government budgets are the largest single source of finance for gender equality and women's empowerment for most countries. It is through national and subnational budgets that government promises are translated into practical policies and programs. The importance of the government budget combined with the slow progress in governments meeting their gender equality commitments is reflected in the growing number of international commitments that give GRB's a key role in promoting gender equality. The increasing focus given to GRB's is underpinned by compelling economic, social, good governance and rights based rationales, a growing body of theoretical work and analytical tools, and more than 20 years of practical experiences and their lessons.

At their heart GRB's involve 2 broad interrelated types of activities both technical and political in nature:

- A systematic examination of budget programs and policies for their different impacts on men and women, boys and girls- **gender budget analysis**;
- Decision-making that changes budgets and policies so that gender equality is promoted- **informed actions that change financing processes and gender equality outcomes**

It is generally thought that gender budget initiatives have a greater measurable track record in generating analyses than changing budgets and policies. The latter requires considerable political will and engagement. Furthermore, it is relatively easier to identify gender analyses of the budget than assign specific changes in government decisions to gender budget work. Gender budget analyses can be made visible through reporting in government and NGO documents, in the media and publication as scholarly papers. On the other hand, changes to decision making can be extremely subtle and can take a long time for their gender impacts to be felt. Moreover, change involves many actors and activities making it problematic for gender budget initiatives to claim ownership of any particular change.

Nevertheless the evidence is emerging that GRB are a positive force in promoting a more equitable distribution of public resources and benefits of development for women and improving overall budgetary processes and outcomes. In my panel paper at the 51st session on the UN Commission of the Status of Women in February this year I reported on a collaborative project with Diane Elson where we gathered examples worldwide to illustrate how GRB's have improved budgetary results in practice though:

- Improvements on the expenditure side of the budget
- Improvements on the revenue side of the budget
- Improvements in the budget decision making process
- Improvements in aid related policy processes
- Improved statistics and indicators

Combined with these results are the contributions GRB approaches are making in strengthening the advocacy and effectiveness of other campaigns, international commitments and policies. These include incorporating a gender perspective in PRSPs, costing of gender equality interventions under the MDGs and improving the democratic participation of civil society in public policy and planning.

We are now entering a stage in the life cycle of gender responsive budgeting where we need better answers to questions such as:

- What can we expect from GRB's?
- How can we assess a government's achievements in gender responsive budgeting?
- How can gender responsible budgeting be made sustainable in the face of change?

This briefing paper will briefly canvass some of these issues by reporting on aspects of the Australasian and the Pacific Island Countries and Territories' experiences.

Australia

The Australian experience demonstrates that the sustainability of GRBs can be dramatically undermined when the policy context changes. If GRB's are to be a force in financing gender equality and women's empowerment then we need to know more about their adaptive capacities in the face of changing circumstances.

The Australian GRB experience has taken different forms in different policy contexts. The initial GRB's (termed women's budgets) first introduced in the mid 1980s by the Australian federal, state and territory governments emerged out of a neo-keynesian economic and political context. These exercises were of a significant scale requiring all government agencies (including the Treasury/Ministry of Finance) to assess their policies, programs and expenditures in the upcoming budget for their impacts on women and girls. The initiatives were part of the budget formulation phase where departments formulated their budgets within the parameters issued by the Treasury. The results were compiled as a budget paper tabled in parliament as part of the budget in most cases.

The neo-keynesian policy context was fundamental in shaping the way gender budgeting operated and its potential achievements. In the first instance there was a significant focus on increasing programs and expenditures that benefited women and girls. This was evidenced for several years by an introduction to most of the women's budget publications (federal and state) which listed significant new policies and expenditures. Secondly, an active role for government was assumed necessary to promote equal opportunities for women and girls and gender equality. Women and policymakers looked to the state (albeit considerable political pressure would be required) to deliver equity rather than markets.

The existence and the longevity of the first phase of the gender budget exercises owes much to the existence of highly developed women's policy machineries within the federal and state governments established in the 1970s. This women's policy machinery had been well thought out and its model had been developed by the women's movement rather than invented by government. The women's policy machinery was located at a high level within government - in the Department of the Prime Minister and Cabinet at the federal level and in Departments of the Premier and Cabinet at the state level. This meant that the primary function of women's policy offices was to coordinate policy and assess cabinet submissions rather than to provide services to women. In this position it was soon realised that, in order to coordinate policy and assess cabinet submissions effectively, engagement with the budget was essential. If policy remained separated from the budget process the essential function of the women's policy machinery was unlikely to be fulfilled. Furthermore, feminists took jobs in the women's policy units creating a feminist presence within the state itself. These 'femocrats' (feminists working within government) worked to gain support for the idea of a gender budget among key government players. With the election of reformist governments in the

1980s, gender budgeting was adopted as one of the means by which the demands of the women's movement for equal opportunities and gender equality was to be translated into practical policies and programs and monitored.

This first phase of Australian GRBs began to unravel in the early 1990s with the introduction of neoliberal policy approaches at the federal and state levels in response to the restructuring of the Australian economy. In a climate of expenditure cutbacks, privatisation and contracting out of government services and user pay principles the women's policy machinery at all levels of government was increasingly focussing on stopping the worst from happening rather than pursuing gender equity in expenditures and revenues by other means. In 1996 the newly elected 'conservative' federal government formally dismantled the particular process of budget scrutiny that had taken place within the bureaucracy for 12 years. This was accompanied by a systematic reduction in the influence of the women's policy machinery including the non-funding of gender disaggregated statistical collections that underpinned gender analyses of the budget. Within a few more years the initial femocrat powered phase of the women's budgets had also disappeared at the state levels of government.

The shift to a neoliberal policy context repositioned gender issues in budgetary policy. Women were redefined as 'special interest' groups in the face of a government that declared it was now governing for the 'mainstream'. Nevertheless Australian governments at the federal and state levels continued to put material about gender and the budget into the public arena. During the decade from the mid 1990s to the mid 2000's at the federal level a Ministerial Statement of the budget's impact on women was released with the budget papers each year. This slim statement from the Minister for the Status of Women was compiled by the women's policy office without the need for agencies to provide any systematic assessment of the impact of their activities. The ministerial statement listed the government's achievements in relation to women proposed in the current budget. Over the past 3 years this has been augmented by additional publications on the budget's impact on women on the Office of Status of Women's website including the 'Women's Budget Kit'. This incorporated an interesting return to the earlier term of women's budgets' but little analysis. This year (being an election year) a new document, *'Budget Highlights for Women: Budget 2007-08'* has appeared on the website.

At the state level, governments publicly maintained a link between gender and their budget with various publications. In South Australia this included a 2-4 page appendix on women and the budget in the formal budget papers and a more detailed, independently developed booklet released by the state's women's policy office. However, unlike the initial femocrat GRB phase the accountability for demonstrating that a gender perspective of the budget was being developed firmly rested firmly with the women's machinery of government and the Minister for the Status of Women. At the same time most of the women's policy coordinating offices at the federal and state levels have been shifted out of the central coordinating departments (eg out of the Department of Prime Minister and Cabinet) where they had the capacity to scrutinise and comment on all new budget and policy submissions.

The Australian experience and that of other countries which have implemented 'inside government' GRB underlines the need for strong institutional arrangements which assign power and resources to women's policy coordinating offices in these exercises. Some of the recent experiments with gender budgets have been located within the Ministry of Finance, for example, the Pacific Island Countries discussed below, and the Commonwealth Secretariat assisted pilots from the mid 1990s to the mid 2000's. The women's policy offices, for various

reasons, have not been a strong partner. While it is crucial to involve the finance ministries, their lack of knowledge of gender and the economy combined with a lack of political will, usually means these GRBs are not sustainable. The Australian exercises recognised that Treasury or Finance departments and Ministers would not be the driving force, but that the goal was to ensure that these Ministries were an essential partner. Moreover, genuine partnerships required the women's coordinating policy offices to have institutional clout.

It is evident that the sustainability of all inside government GRB's depends on the existence of active community voices demanding continued accountability from governments. The central role of the femocrats in GRB's in Australia ironically may have also served to indirectly weaken wider participation by women in the community. The publication of gender budget issues over time increasingly has been presented to women in the community largely as a communication exercise, or report card, as to what the government had achieved. The result has been that the women's policy machinery has had a somewhat contradictory role as both the initiators of gender responsive policies and the custodians of those results. This in turn has muted the ability of women's organisations to be critical and to demand more be done.

In summary, in Australia the resilience of the women's policy machinery in continuing to produce material on gender and the budget is a legacy of the initial femocrat phase and is indicative of how the women's policy machinery has sought to adapt to a changed, less conducive, policy environment. The current challenge for GRB of any kind in Australia is to identify further spaces for action within a political and economic context that has successfully eliminated the partnerships the women's machinery of government developed for ensuring broad-based responsibility for integrating a gender perspective into budget. I would like to briefly point to one development in this area.

The current emphasis on devolution and results based management and budgeting in the public sector has contributed to more 'whole of government' approaches to policy, requiring considerable consultation and partnerships across agencies and other relevant stakeholders. Whole of government approaches to policy recognise that individual ministries acting alone are unlikely to achieve the outputs and outcomes established for the public sector as a whole. Women's policy offices readily fit into this model as they have to engage in wide consultation and partnerships to fulfil their role. The women's budgets were an example par excellence of this approach. Under a whole of government approach the women's policy offices at the federal and state levels have been successful in gaining significant amounts of funding for the prevention of domestic violence and ameliorating its impacts. Arguments for such programs have made a virtue of the neoliberal emphasis on efficiency by drawing on research that demonstrates the cost to the economy by not funding such programs. There is also considerable scope to develop gender sensitive performance indicators of these whole of government programs.

The continuing efforts of the Australian women's policy machinery to sustain some form of gender perspective in the budget, however, has led to its invisibility of its work to its constituents outside government. This is partly a result of the need of the women's offices to maintain trust within the public sector and with its minister (that is there is a strong keep things within government mentality). One leak did surface publicly in 2002 when underspent monies of about \$10m in the federal governments 'partnerships against domestic violence' had been reallocated to fund the governments household anti-terrorism kit which included a fridge magnet that said 'be alert but not alarmed'. A further negative implication for GRB is

that this positioning of the women's machinery of government does not allow it to challenge the policy framework. As a result unpaid work continued to be ignored or it gets treated marginally (eg the baby bonus of approximately \$5000 being paid to mothers instead of implementing a policy of national paid maternity leave).

New Zealand

In contrast, New Zealand officially has never claimed to undertake gender budgeting. However this does not mean that there is no attempt to undertake a gender analysis and strategically engage in budgetary decision making processes. Like Australia, the women's policy machinery of government has played a strong coordinating role in government in the implementation of gender sensitive policies and their funding. Without having the space to go into detail about the New Zealand model it is noteworthy that the women's machinery of government participates in consultations with the Treasury/Finance Ministry in the budget formulation stage and ensures a gender analysis of the government's new projects and policies. In short, there appears to be GRB activity without naming it as such.

Pacific Islands

Many GRBs have begun (and ended) as pilot projects. The region comprising the developing Pacific Island Countries and Territories (PICTs) provides examples of what we might expect from GRBs funded externally and utilising external technical assistance. During the period 2002-2004 an 'inside government' form of GRB was introduced in three Pacific Island countries - the Republic of the Marshall Islands (gender responsive budget); Samoa (youth/gender responsive budget); and Fiji (gender mainstreaming project with a small budgetary component).

A key lesson of the RMI and Samoan pilots has been that a small investment in gender budget work can make an impact in raising awareness and understanding within government of gender issues in budgets and programs. The concept of gender as a social construction, how gender roles and norms have changed in each society, the nature and extent of existing gender inequalities, along with the adequacy of policy and budgetary decision-making processes to incorporate such information were central themes. The pilots were by no means a comprehensive approach to gender issues in policies and budgets. They were focussed only on selected agencies and programs. More complex issues were skated over such as the centrality of unpaid activities in women's lives and the implications for programs and policies. Nevertheless the general conclusion was that most participants saw the importance of gender issues in a new way.

One way in which awareness of gender issues in budgets and policies was consolidated in the pilots was through the use and development of gender disaggregated statistics. Representatives from the national statistical bureaus participated in the work and provided analyses of census data, sometimes for the first time, and responded to the need to improve existing data collections. In the case of the RMI, NGOs provided their own data in workshops which greatly assisted an analysis of teen pregnancy.

The pilot projects in the RMI, Samoa and Fiji were successful in achieving several further outcomes including a breakdown in the 'silo' or isolationist mentality of ministries in relation to gender (and youth) issues. The opportunities provided by the pilot projects to network and collaborate among ministries (sometimes for the first time) led to an appreciation that all

ministries have a stake in promoting better gender outcomes. One official commented that he had been completely unaware of what other ministries were doing in the area. One Ministry of Finance official commented during the pilot evaluation that she had a new understanding of the role of NGOs in the delivery of services. Generating awareness around the value and benefits of cross ministry collaboration was a significant accomplishment of the pilot projects but the lesson is that unless the institutional mechanisms are there to embed these processes into the budgetary and policy decision making processes, GRB's will struggle.

Consistent with other GRB experiences awareness of gender issues in budgets and policies started at a much lower base in the Ministry of Finance within the 3 countries. This was an acute problem for the Samoan and RMI pilots because coordination was assigned by the donor to the Ministry of Finance. The culture, skills and perceived priorities of the Ministry of Finance severely constrained the contribution of even well-intentioned individuals in this ministry. The Pacific pilots demonstrated a need amongst these for capacity building that forges stronger links between gender issues and the everyday work of Finance ministries.

On the one hand, the people that increased their awareness of gender issues in policies and budgets did not necessarily have the authority and power to change things. The involvement of those with power and authority to effect change in the policy and budgetary decision-making processes was patchy and sometimes non-existent. Undoubtedly this reflected to difficulties of securing local 'ownership' of projects initiated and controlled by donors. But it is also reflects the resistance of budgetary decision makers and the need for these to be made accountable for the gender impacts of budget decisions.

On the other hand, an achievement of all three pilots was that they engaged with the question of how to foster accountability mechanisms that would sustain the initiatives if they were to go beyond the pilot phase. In Fiji, for example, the project was successful in including a question in the 2003 Ministry of Finance budget circular requesting all government ministries to provide an analysis of impacts of the proposed budget expenditures on males and females. Unfortunately, unless such a rule is backed up by systematic monitoring and an enforcement system of incentives and/or penalties, it is not an effective accountability mechanism. This appears to have been the case in Fiji. In Samoa a proposal was developed by the project Steering Committee, comprising representatives from the ministries of finance, education, health and youth, to engage heads of department and ministers with the idea of establishing a high-level budget committee that had responsibility for screening and prioritizing budget proposals with significant social impacts. This accountability mechanism sought to minimize divisions between those responsible for different social and often disadvantaged groups (youth, women, the poor, disabled, rural people). But the pilot period was insufficient time to negotiate a major change to the budgetary and policy decision-making processes. In contrast to Fiji and Samoa, where the focus was to develop accountability mechanisms within the bureaucracy, the main accountability mechanism for gender sensitivity that was developed in the RMI was the involvement of civil society, in particular the newly re-funded and active umbrella group, Women United in the Marshall Islands (WUTMI). The representation of civil society groups in the pilot project, along with capacity building for NGOs, was an important means of promoting government accountability for gender issues.

Pilots normally do not achieve significant progress towards changing budgets and policies because it takes time to build gender analysis capacity and engage with budgetary processes and decision-making. Nevertheless, the RMI pilot GRBI did make progress towards changing resource allocations as a result of the gender-based analysis undertaken on teenage pregnancy

and a coalition of government agencies and NGO representatives interested in trying to bring about change. A cross-ministry budget proposal was discussed with the Chief Secretary's Office in the lead-up to the budget. This proposal, however, did not progress from the draft stage as the normal budgetary processes involving ministries collapsed under the uncertainty of the delayed USA Compact and RMI financial negotiations. However, the process of each ministry mapping their budgets for programs that impacted on teenage pregnancy led to one ministry applying for donor funding to support health education of adolescents that included teenage pregnancy issues. Another ministry achieved an internal re-allocation of funds for teenage pregnancy. An important lesson here being that the budgetary process is infused with a variety of politics but the formation of temporary alliances between groups can be effective in initiating some forms of budgetary change.

Future directions

Gender responsive budgeting has made a contribution to financing gender equality and women's empowerment but the contribution varies across initiatives and across time. With more than 20 years of gender responsive budgeting experience internationally useful lessons have been learnt and a body of research has been accumulated. We are well placed to tackle the questions raised at the beginning:

- What can we expect from GRB's?
- How can we assess a government's achievements in gender responsive budgeting?
- How can gender responsible budgeting be made sustainable in the face of change?

Greater clarity on these matters will provide a sound foundation for proceeding.