



How to do a gender-sensitive budget analysis: Contemporary research and practice

**Debbie Budlender & Rhonda Sharp
with Kerri Allen**



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Rhonda Sharp and Debbie Budlender
November 1998

How to do a gender-sensitive budget analysis:
contemporary research and practice

Introduction

This document grew out of the experiences of developing gender-sensitive budgets in several countries. Australia was the first country to develop a gender-sensitive budget with the Federal government publishing in 1984 the first comprehensive audit of a government budget for its impact on women and girls. Women's budget exercises were also undertaken by each of the Australian State and Territory governments at various times during the 1980s and 1990s. In South Africa, parliamentarians, together with non-governmental organisations, started working on a gender-sensitive analysis of budgets in 1995. In 1997 the South African government, too, started doing a gender-sensitive budget analysis. Today many other countries have joined these two in undertaking these budget exercises. Our data has been drawn from those countries which already have gender-sensitive budgets in place, or are in the process of initiating them.

There is no single approach or model of a gender sensitive budget exercise. In some countries, for example, these exercises are implemented by the government while in other countries individuals and groups outside government undertake the budgetary analysis. This publication is primarily aimed at informing those governments considering undertaking a gender-sensitive budget exercise. It covers the issues, methods and strategies for the first year of implementing such an exercise.

While the document has a strong practical orientation we recognise that good practice needs a strong research base. Accordingly, we have sought to apply a range of ideas from the emerging research on gender and government budgets with the objective of pointing to new approaches and models of a gender-sensitive budget analysis. However, we recognise that this is a rapidly developing area and new ideas and practices are emerging even as we go to press.

The material in this document has been organised into 7 sections following this introduction. **Section 2** addresses the meanings and terms applied to gender-sensitive budgets and gives examples from countries undertaking or initiating these exercises. **Section 3** discusses how gender issues arise in a budgetary context. **Section 4** provides background information on government budgets and introduces seven tools or methods which may be used in a gender-sensitive analysis of budgets. **Section 5** gives a range of applications of these tools, using examples from countries which are engaged in gender-sensitive budget exercises. **Section 6** provides a brief introduction to new theoretical developments in macroeconomics, which take into account unpaid care responsibilities, and discusses their budgetary implications.

Section 7 shows how to prepare a gender-sensitive budget statement. A system of dividing up government expenditures and revenues is outlined. **Section 8** provides a initial (in the first year) approach for those governments wishing to undertake a gender-sensitive analysis of their budget.

Typically, this publication might form the basis of a series of structured workshops which bring together civil servants from the Ministry of Finance and a number of selected portfolios. Ideally, participants would include those with responsibility for budgets, those responsible for policy, those with a knowledge of information systems, and staff from gender units. At the beginning of the workshop, all participants should introduce themselves and state their knowledge of, and exposure to, budget issues and gender issues, and their expectations of the workshop. These introductions should be followed by an explanation by the facilitators of what is planned for the workshop, what will be expected of participants after the workshop and to what extent participants' expectations might be fulfilled.

The material in this document includes some theory, some examples (called 'comments') on what others have written on particular topics, as well as discussion questions. Some of these questions refer to 'this country' to encourage participants to explore the issues in relation to their own countries. Unless the workshop is small, these exercises will be best performed in groups. The exercises in the last sections of the document will work best if participants are divided into teams according to the different portfolios. This will allow participants to share knowledge, identify problems and provide the basis for the further development of gender-sensitive budgets in their portfolio areas.

The following resources are needed in preparing for a workshop:

- the Country's budget papers;
- the Country's latest report on the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and statistical reports such as *Women and Men* publications; and
- any other relevant policies and legislation on gender.

During the workshop participants will identify further resources, such as statistics and other information relevant to their portfolio, necessary for a successful gender-sensitive budget analysis.

What is a gender-sensitive budget?

Different terms are used to describe gender-sensitive budgets. These are explained in Comment 1.

comment

What is a gender-sensitive budget?

1

'Gender-sensitive budgets', 'gender budgets', 'women's budgets' and 'women's budget statements' refer to a variety of processes and tools aimed at facilitating an assessment of the gendered impacts of government budgets. In the evolution of these exercises, the focus has been on auditing government budgets for their impact on women and girls. This has meant that, to date, the term 'women's budget' has gained widest use. Recently, however, these budget exercises have begun using gender as a category of analysis so the terminology 'gender-sensitive budgets' is increasingly being adopted.

It is important to recognise that 'women's budgets' or 'gender-sensitive budgets' are not separate budgets for women, or for men. They are attempts to break down, or disaggregate, the government's mainstream budget according to its impact on women and men, and different groups of women and men, with cognizance being given to the society's underpinning gender relations.

Rhonda Sharp (1999 forthcoming), 'Women's budgets', in Meg Lewis and Janice Peterson (editors), *Dictionary of Feminist Economics*, New York: Edward Elgar.

Gender-neutral or gender blind?

Few government revenue raising activities or expenditures are designed on the basis of gender. Indeed, many countries have been replacing measures that were regarded as discriminatory with gender-neutral approaches (Himmelweit 1998a: 6). For example, mother's benefits have been replaced with child allowances paid to the person who is primarily responsible for the care of the child. Taxation rebates for dependant wives (sometimes referred to as 'married men's allowances') are being phased out or paid to a dependant spouse of either sex.

However, the goal of removing discrimination or achieving 'gender neutrality' should not be confused with the fact that budgetary policies can have significantly different impacts on women and men and on different groups of women and men. Sometimes these differences can be justified to achieve certain policy goals and sometimes it can undermine social and economic objectives. However, to ignore the gendered impact of policy does not constitute gender neutrality; rather, it describes 'gender blindness'.

Good policy requires understanding both the impact of policy and how it might be better designed to achieve outcomes which meet the needs of women and men and girls and boys as well as different groups of women, men and children.

Below are some observations of the link between government budgets and gender.

comment Gender blindness

2

A budget, on the face of it, appears to be a gender-neutral policy instrument. It is set out in terms of financial aggregates - totals, and sub-totals of expenditure and revenue, and the resulting budget surplus or deficit. As usually presented, there is no particular mention of women, but no particular mention of men either. However, this appearance of gender-neutrality is more accurately described as gender-blindness. The way in which the national budget is usually formulated ignores the different, socially determined roles, responsibilities and capabilities of men and women. These differences are generally structured in such a way as to leave women in an unequal position in relation to the men in their community, with less economic, social and political power.

Source: Diane Elson (1997a), 'Gender-neutral, gender-blind, or gender-sensitive budgets? Changing the conceptual framework to include women's empowerment and the economy of care', *Preparatory Country Mission to Integrate Gender into National Budgetary Policies and Procedures*, London: Commonwealth Secretariat, p 1.

comment Government budgets and gender

3

The budget reflects the values of a country - who it values, whose work it values and who it rewards ... and who and what and whose work it doesn't. Past [South African] budgets are clear reflections of the priorities of apartheid, capitalist and patriarchal South Africa. The budget is the most important economic policy instrument of government, and as such it can be a powerful tool in transforming our country to meet the needs of the poorest.

Government budgets and policies are often assumed to affect everyone more or less equally: to serve the 'public interest' and the needs of the 'general person'. Until now the average citizen targeted has been white, male, Afrikaans and middle class. Yet in South Africa the average citizen is actually black, poor and a woman.

Disaggregated data is needed to demystify the apparent neutrality and, more specifically, the gender neutrality of the budget. It will expose how tariffs, industrial relations, taxation, education, employment or industrial policy impact on women due to their different location in the family and in the economy.

Who gets the jobs and what is the nature of the jobs that are created? Who gets the subsidies? Who gets the housing and what is the nature of the homes and communities which are being developed? What are the traditional policy assumptions in the budgets, for example, are women dependent breadwinners? The fact of the matter is that the same rules and procedures can often reinforce existing inequalities and work against the interests of women.

Source: Pregs Govender (1996), 'Foreword', in Debbie Budlender (editor), *The Women's Budget*, Cape Town: Institute for Democracy in South Africa, p 7.

As the above quotes make clear, a women's budget or a gender-sensitive budget is not a separate budget for women. Rather, it is an analysis of the government budget to establish the budget's differential impact on women and men and on different groups of women and men. A gender-sensitive budget is about taking government's gender commitments and translating them into budgetary commitments.

Women's budgets are fundamentally about mainstreaming gender issues - about ensuring that gender issues are integrated into all national policies, plans and programs rather than regarding women as a special 'interest group'. The objective of a gender-sensitive budget is to inform debate about policy and the appropriate allocation of public expenditure and taxation.

Several countries have already produced gender-sensitive budgets and others are in the process of doing so. In each country the exercise differs according to the local situation. Some of the differences between the models can be categorised according to the following criteria:

■ ***Location***

Who initiates the exercise? Who does the exercise? Participants in these exercises can include government, parliamentarians, non-governmental organisations (NGOs) and others in civil society. If the exercise is conducted within government, there are further questions as to who actually does the day to day work and how the chain of responsibility will function. In practice, this may involve the women's ministry or other government gender machinery, the finance department, or other staff within individual portfolios and contracted consultants.

■ ***Scope***

What is covered in the exercise? Will it be all levels of government (national, state/provincial and local)? Will it cover both expenditure and revenue? In the case of expenditure, will it cover all or only selected portfolios? If it covers selected portfolios, will it be only the social sectors, or will it include a balance of social and economic portfolios? If an analysis of revenue is part of the exercise, will it cover only taxation or all sources of revenue? Which figures will be examined - past budget, past actual expenditure, estimated current budget allocations, future budgets as projected in medium-term expenditure frameworks?

■ ***Reporting format***

Will it be published as a separate budget document or integrated in existing public documents? The choice depends to some extent on the existing budget documents in a country. Australia and the United Kingdom, for example, produce a series of budget-related papers which are tabled on the day of the Budget.

South Africa has three documents - the White Book containing all the estimates of expenditure, the Minister's Budget Speech and the *Budget Review* which contains discussion of the economy and the different portfolios. Mozambique has a single document which contains both the estimates and the Minister's Budget Speech.

■ ***Politics***

Who will be involved in the process at the different stages? Who will use the products? Who will fund the exercise? Who has the power to enforce accountability for gender equity? Who will resist? In what ways will gender become part of the public debate on budgetary policy?

Mainstreaming gender

The institutions of government are not always well endowed with a capacity to integrate gender into budgetary policies. The Ministry of Finance/Treasury plays a central role in the implementation of a gender-sensitive budget analysis but institutional capacity may need to be systematically built. Some of these challenges are discussed in the extract below.

comment

Mainstreaming gender in Finance ministries

4

Mainstreaming gender in Finance ministries is a major challenge... The average Finance ministry views gender as peripheral to its own role and work. Changing this mindset will require both political will to back up the mainstreaming effort, as well as carefully crafted methods for drawing out the enthusiasm for cooperation of Finance ministry officials and staff...

[There are] five main barriers to mainstreaming gender in Finance ministries:

- insufficient analytic clarity regarding the Finance ministry's work and, in particular, its changing role during the recent period of globalization and liberalization of economies;
- absence of a clear understanding of how gender is linked to that role;
- non-conducive institutional structures and ethos within which Finance ministries function;
- weak understanding of the attitudes prevalent among those who work within Finance ministries, and how these have been changing over time; and
- insufficient knowledge and capacity among women's organizations to engage effectively in macroeconomic policy debate.

Finance ministries in the past typically functioned with relatively short time horizons, and played an essentially supportive role *vis a vis* Planning ministries or Planning Commissions whose task was to set the strategic direction for the rate, structure and pattern of economic growth, the distribution of income and employment, the creation of physical infrastructure, human development, and poverty alleviation.

The Planning ministry in the past functioned as the apex body that coordinated and balanced the strategic plans of the other ministries and took the lead.

These roles and the division of labour between Finance and Planning ministries have changed during the current period of structural adjustment oriented economic reforms... In a time of sharply increased fiscal stringency, the role of Finance ministries has changed from a supportive one to a disciplining one. The changed role of the Finance ministry *vis a vis* other ministries and especially relative to the Planning ministry reflects a major change that has occurred worldwide in the meaning and parameters of macroeconomic management.

In addition, maintaining fiscal and monetary discipline has become part of the larger structural reform process in which Finance ministries have come to have a key role. Fiscal stabilization and structural reforms directed at liberalizing and privatizing the economy set the parameters today for any attempt to mainstream gender.

Source: Gita Sen (1997), *Mainstreaming gender into Commonwealth government ministries and related agencies responsible for finance*, Bangalore: Indian Institute of Management Report prepared for the Gender and Youth Affairs Division, Commonwealth Secretariat, pp 3-5.

⌘ *Discussion questions*

List and discuss where you agree and disagree with the views of the above author.

To what extent do the issues she raises apply in this country?

Country examples: Australia and South Africa

Australia

Australia was the first country to introduce a gender-sensitive budget analysis. An assessment of the budget for its impact on women and girls was undertaken by the Federal Government for 12 years between 1984-1996. Women's budgets were introduced in South Australia (1985), Victoria (1986), the Australian Capital Territory (1989), Queensland (1991), Tasmania (1992) and the Northern Territory (1993). New South Wales conducted a budget exercise focussing only on new expenditure initiatives for women and girls in the early 1980s. It introduced a comprehensive women's budget in 1991.

The form that women's budgets took in Australia established a model whereby each government agency was required to provide an audit of the annual government budget of the government's achievements in relation to women and girls. The exercise was a comprehensive one with respect to government expenditures. It was strongly emphasised to departments that all the agency's programs and expenditures were relevant, not just those expenditures directly allocated to women and girls.

The South Australian women's budget, introduced in 1985, was the first to make this criterion explicit (Sharp & Broomhill 1998). Agencies were asked to report on their global budget according to whether these expenditures and programs were:

- 1 'specifically targeted to women and girls expenditures' (for example, Aboriginal women's health initiatives and programs to increase young women's access to non-traditional job training);
- 2 'equal employment opportunity expenditures' directly undertaken by the agency on behalf of its women workers (for example, mentoring programs for women public servants and rewriting base grade clerical job descriptions for gender bias); or
- 3 'general or mainstream expenditures' (for example, identifying the users of legal aid and who accesses the export market industry assistance).

The total expenditure framework enabled a quantitative assessment of the proportion of government expenditures which are targeted to women and girls relative to non-targeted, indirect or general expenditures. An analysis of one of the early Australian state budgets showed that the category 'general or mainstream' or indirect expenditures averaged 99 per cent or more of the total budgets of the 26 participating agencies (Sharp & Broomhill 1990: 3). Specifically targeted expenditures to women and girls in the community and equal opportunity expenditure within the public service, while strategically important, were small, being less than 1% of the total budget of the selected government agencies.

Another important feature of the Australian women's budget model has been the critical role the central women's policy offices have played in coordinating and driving the women's budget exercises. This has been crucial in shaping the politics of the Australian women's budget model. The women's policy offices have worked closely with Treasury Departments because, in many cases, the report was published as one of the government's budget papers. The key role played by women's policy machinery within government led to Australian women's budgets being described as 'an example *par excellence*' of a bureaucratic-led strategy rather than a community-based strategy (Summers 1986: 66). As a consequence, the published results of the women's budget exercises were presented to women in the community largely as a communication exercise as to what the government had achieved.

The Australian women's budget exercises have undergone various changes since the first Federal Government women's budget in 1984. While all States and Territories had implemented women's budgets in the 1980s and 1990s, by the end of 1998 only three States and Territories continued to use women's budgets as an audit exercise in government.

A common theme with these exercises is to report on the implementation of various policies which are important in achieving the government's goals in relation to women and girls. The following extract from the Australian Federal Government's *Women's Budget Statement 1995-6* illustrates the range of issues covered by a gender budget.

comment **Australia: Introduction to 1995-96 Women's
Budget Statement**

5

Economic growth strengthened during 1994-5 and is expected to continue at strong and sustainable levels in 1995-96 with low inflation. Over 544,000 new jobs have been created since April 1993, surpassing the Government's target of 500,000 new jobs. Just under half of those jobs have gone to women.

The 1995-96 Budget includes measures to boost national savings and promote strong investment growth, while limiting additions to foreign debt. The Budget strategy is designed to maintain the economy on a sustainable growth path, while enabling the Government to pursue its objectives of raising living standards and advancing a more equitable society.

In keeping with its National Agenda for Women, the Government continues to place a high priority on the particular needs and concerns of women. This is especially significant in the lead-up to the United Nations Fourth World Conference on Women in Beijing in September 1995. Australia is taking a lead role to ensure that this Conference is a 'Conference of Commitments' by governments, including the Australian Government, to achieve practical and focussed outcomes to advance the status of women.

This Budget includes a range of practical measures to advance the status of women. It features reforms in assistance to families, in particular the introduction of a new Maternity Allowance.

It includes initiatives to improve access to child care and provide greater practical recognition of the contribution of carers, mostly women, of older or sick people with disabilities.

Measures highlighted in the Budget are also designed to better target the Government's spending on health, community services and public housing programs: all important issues for Australian women.

Most significantly, this Budget lays the groundwork for a new strategic approach to addressing inequalities between indigenous and non-indigenous Australians. It provides substantially increased funding for land acquisition, health care and infrastructure for Aboriginal and Torres Strait Islander people, and measures to improve the effectiveness of these programs.

The Budget sets out action to address the unacceptable health outcomes of indigenous people and provide them with a better access to mainstream health and community services. Community consultation and participation by women will be key factors in developing and implementing these reforms.

The Budget also includes provision for major improvements in access to justice, a key issue for Australian women...

Source: Department of Treasury, Commonwealth of Australia (1995), *Women's Budget Statement 1995-96*, Budget Related Paper No 3, Canberra: Australian Government Publishing Service, p 1. Commonwealth of Australia copyright reproduced by permission.

South Africa

South Africa has two different types of gender-sensitive budget analyses. The Women's Budget Initiative started in mid-1995 as a joint effort of parliamentarians and non-government organisations. The Initiative focused on the national and provincial budgets. Within the first three years the budgets of all portfolios were analysed, as were taxation and public sector employment. It drew on a wide range of researchers and advisors situated both in women-only and in general organisations, universities, and government itself. South Africa has three spheres of government – national, provincial and local. During 1998/9 the Initiative will focus on local government budgets. The parliamentary-NGO initiative has provided information which has been used by parliamentarians and civil society groupings for lobbying and advocacy.

In South Africa, the first three women's budgets contained fairly detailed academic analysis accessible only to a limited proportion of the population. In 1998, the parliamentary-NGO group published *Money Matters: Women and the Government Budget*, a simplified version which looks at eight portfolios and which is aimed at second language English speakers with at least ten years of education. The group also plans to develop workshop material to be used to reach an ever widening audience.

During 1997, the South African government agreed to initiate gender-sensitive budget analysis from within the Department of Finance, as a pilot for the Commonwealth initiative to engender macro-economic policy. The product of the first year of the pilot was the inclusion of discussion of gender issues in particular portfolios in the *Budget Review*, tabled on Budget Day in March 1998 with the estimates of expenditure. The pilot will be extended to other portfolios during 1998, as well as to provincial level.

The parliamentary-NGO initiative has been funded by international donors. The government's initiative has received support from the Commonwealth Secretariat.

Initiatives in other countries

Over the last few years many countries have expressed interest in initiating their own gender-sensitive budgets. In some cases the interest has come from government, in others from civil society. In several instances donors have played a key role in exposing people to the idea and promoting it. Some of the countries which have started work on gender-sensitive budgets are examined below and on the following pages.

Barbados

Barbados is investigating the possibility of being the third country to join the Commonwealth pilot project.

Canada

Members of the Centre for Policy Alternatives, a social justice research group, are developing a gender-sensitive budget as part of the Centre's annual Alternative Federal Budget.

Mozambique

As shown in Comment 6 below, the government has clearly stated its intention to have a Women's Budget (Orçamento Mulher) in its orientation document for the elaboration of the economic and social plan for 1999, the State Budget for 1999 and the triennial plan of public investment for 1999-2000. During 1998 the Ministry of Planning and Finance initiated a gender-sensitive budget exercise, with financial assistance from the Swiss Development Corporation.

In the first year departmental staff, together with staff from the relevant portfolios, will examine allocations for labour, health, education and agriculture as well as public sector employment.

comment **Mozambique: A women's budget**

6

Another point to consider in the elaboration of the 1999 State Budget is the inclusion of the gender dimension, realised in the 'Women's Budget'. By identifying staff composition and salaries expenses per sex, and the level of public expenses on women, it will be possible to verify the extent to which agreements of the 1994 Beijing Conference are being affirmed.

Source: Ministerio do Plano e Financas, Direccao Nacional do Plano e Orcamento (1998), 'Orientacoes para a elaboracao do: Plano Economico e Social 1999, Orcamento do Estado 1999, Plano Trienal de Investimento Publico 1999-2001', Maputo, May, p 2.

Namibia

Staff of the Ministry of Finance worked with consultants from the Swedish International Development Agency (SIDA) to produce an analysis of selected portfolios for the 1998 National Budget.

Sri Lanka

This country joined the Commonwealth countries pilot project on gender and macroeconomic policy in 1997. Its initial gender-sensitive budget exercise was coordinated by the Department of National Planning. It focussed on the portfolios of health, education, public sector employment, agriculture, industry and social services.

Tanzania

The NGO, Tanzania Gender Networking Program, is leading a coalition of NGOs. In the first year analysis focused on health and education, two key sectors deemed critical by the poor women and men who are the groups' primary constituents.

In Tanzania the Ministry of Finance and the Planning Commission are also undertaking a parallel gender-sensitive budget exercise, with assistance from the Swedish International Development Agency (SIDA).

comment

The Tanzanian Gender Budget Initiative

7

The main objectives of the [Tanzanian] Gender Budget Initiative are:

- to strengthen lobbying and advocacy skills for women and gender oriented lobby groups
- to effectively campaign for women's rights and gender equality/equity especially in relation to more resource allocation and women's participation in policy-making and public resource management structures
- to examine the budgeting process and budgeting allocation in selected strategic ministries starting with that of Health and Education for 1997-1998 and how they impact on women and other disadvantaged groups in the society, later going to other sectors of concern
- to organize and carry out a lobbying campaign to influence technocrats and legislatures to increase budget allocations to sectors which are sensitive to women and other disadvantaged people
- to provide popular information and an advocacy campaign to influence the public to be informed about the budgetary process and allocations and its consequences on community development highlighting the distribution of national resources by gender, but also stressing the actual utilization [using] a gender perspective.

Source: Gemma Akilimali (1997), 'Gender Budget Initiative: Tanzania's Experience' Tanzania Gender Networking Project, Brief presented at a workshop on *Mainstreaming a Gender Equality Perspective into National Budgets*, Stockholm, p 5.

Uganda

The strong parliamentary Women's Caucus, and the affiliated NGO Forum for Women in Democracy, have taken the lead in initiating a gender budget exercise. In the first year the analysis will focus on selected portfolios.

United Kingdom

The Women's Budget Group, an NGO consisting of researchers and activists, is seeking to put a gender-sensitive budget analysis on the public policy agenda. At the time of the 1998 Budget, the British Treasury produced an issues paper which looked at the effect on women of the new deal for working families.

comment Recommendations to the UK Government**8**

The [Women's Budget] Group's core recommendations to the UK Government are:

There should be a comparative 'gender impact statement' published with every Budget and Public Expenditure White Paper to:

- display the differential impact and consequences of policies on women and men,
- ensure that women are treated as individuals and not as dependants or subsumed into the household,
- cause the distribution between the sexes of financial burdens and benefits to be more equitable in future,
- begin to show the different forms of unpaid and unvalued work that require amendments to Treasury models.

Source: Sarah Robinson (editor), *The Purse or the Wallet?* Proceedings of a seminar of The Women's Budget Group held on February 12, 1998, inside front cover.

It is not only governments which can disaggregate their spending. The World Bank (see Comment 9) has also attempted to estimate the proportion of its lending which includes special gender provisions.

comment A snapshot of gender-related World Bank lending**9**

It is difficult to estimate the share of projects that benefit women. All [World Bank] projects are expected to benefit women, at least indirectly. Some projects have more identifiable gender-related components than can be measured and tallied. Thus, between 1988 and 1994, about 30 percent of projects approved by the World Bank included specific gender-related actions, up from less than 10 percent during 1967-85. Bank projects have tended to make the strongest efforts to improve women's health and education and increase their options in agriculture. [Projects have made the weakest efforts in financial and 'other' areas].

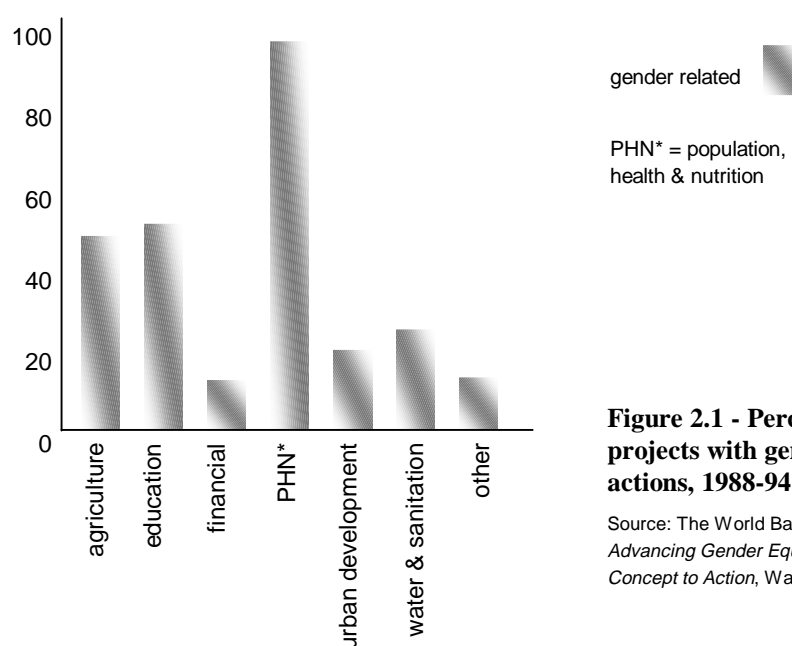


Figure 2.1 - Percentage of projects with gender-related actions, 1988-94

Source: The World Bank (1995), *Advancing Gender Equality: From Concept to Action*, Washington, p 3.

As can be seen, in some countries, governments are centrally involved in these exercises, in others it is civil society, and in yet others it is both. While these exercises aim to inform debate about the appropriate allocation of public expenditure and taxation, government and non-government exercises usually differ. In particular, government undertakings usually take the form of more comprehensive audits intended to provide information, while civil society products involve more critical discussion.

The extracts in Comment 10 illustrate two different stories when the exercises are conducted inside and outside government.

comment Privatisation vs de-institutionalisation

10

Story 1: Outside government

In the current neo-conservative international climate calls are heard for privatisation and for 'community care', or more involvement by 'the community' in caring for vulnerable groups. In fact privatisation in the social services is usually introduced as a policy of 'community care'.

The possibility for privatisation, and its costs and effects, will differ. Aspects of health care can be privatised in a way in which aspects of welfare cannot. To put it bluntly, a woman who collapses in the street with acute appendicitis will receive attention from public or private health services, no matter what the standard of care. A woman who is emotionally and physically battered by her partner cannot secure care from the state, nor will the market provide care for profit.

An analysis of community care politics can be a useful demonstration of the absolute interdependence of economic and social policy. 'The community' is not an agency which can care: in fact a double equation is at work which assumed that community care is equal to care by families which is equal to unpaid care by mostly women.

It rests on the assumption that there is an endless supply of women's unpaid work, and that this is not an economic variable. It shifts the costs of caring from the formal to the informal sector. It is much more difficult to 'do the accounting' when this happens.

Source: Francie Lund (1996), 'Welfare', in Debbie Budlender (editor) *The Women's Budget*, Cape Town: Institute for Democracy in South Africa, pp 114-5.

Story 2: Inside government

The Department of Welfare has embarked on a process of de-institutionalising its welfare services where it is deemed appropriate. The rationale underlying this policy shift is that communities themselves are often able to provide more appropriate social services than institutions. In these instances community care is also usually a more cost efficient alternative to institutionalisation.

Source: Department of Finance, Republic of South Africa (1998), *Budget Review 1998*, p 6.60.

⌘ Discussion question

What are the relative strengths and weaknesses of a government, compared to a 'civil' society or community-based, gender-sensitive budget analysis?

Gender, sex, men and women

Government policies and resource allocations impact on us as people, whether as individuals or as members of groups. There are characteristics which differentiate us as individuals and which assign us to broad groups in society. Sex and gender are two of such characteristics. Race, class, sexuality, age, rural and urban location are others.

Sex and gender

Sex and gender are often assumed to mean the same thing. However, as Comment 11 (below) shows, they have quite different meanings and these differences are important for policy.

comment **Sex and gender**

11

Biological Differences (Sex)	Social Differences (Gender)
These are difficult to change because we are born female or male.	These are able to be changed because our gender identity is determined by society.
Throughout history and across cultures sex differences exist.	In different societies and at different times in history gender roles have been different.
Policies respond to sex differences in any area to do with the physical body (eg childbearing and prostate disease).	Policies can either respond to gender stereotypes and traditional gender roles (eg paying benefits on the assumption that only men are heads of households) or attempt to change them (eg taking into account the barriers to women and girls participating in non-traditional training courses).

Even though gender-sensitive budgets are often referred to as ‘women’s budgets’ they are fundamentally, as suggested in Comment 12 on the next page, about gender relations.

comment **Gendered social relations**

12

We understand that women's oppression arises out of a system of gendered social relations which shape women's (and men's) position within society. We know that men are sometimes also discriminated against or disadvantaged by those self-same social relations, and we know also that gender oppression will not be successfully tackled unless we address ourselves to both women and men. Nevertheless, we also want to stress that it is overwhelmingly women who suffer most as a result of asymmetrical gender relations.

Source: Debbie Budlender (1996), 'Profile of South African Women', in Debbie Budlender (editor), *The Women's Budget*, Cape Town: Institute for Democracy in South Africa, p 25.

The focus on gender relations is also occurring in policy and development areas. It is being recognised increasingly, as shown in Comment 13 below, that the status of both men and women needs to be considered to address the needs of women and to identify the needs of particular groups of men.

comment **Women and men**

13

Where previous efforts have sought to address women's rights and needs in special and separate development programmes, the gender and development approach seeks to integrate women's needs into the wider picture, calling for the different life courses of men and women to be considered at an early stage and emphasising the need to monitor the different impact of policies and programmes on women and men, girls and boys. This shift in focus from women to gender recognises that the status of women cannot be addressed as a separate issue: it can only be addressed by considering the status of both sexes.

Source: Commonwealth Secretariat (1995), *The 1995 Commonwealth Plan of Action on Gender and Development: A Commonwealth Vision*, Women's and Youth Affairs Division, London, p 6.

⌘ **Discussion questions**

When you were growing up, what were the incidents that made you aware that you were a man/woman?

Do you believe these were due to sex or gender differences?

How have gender relations changed since you were a child, between your grandparents' time, parents' time, and your time? Who has gained? Who has lost? Is this the same for other groups of people in this country (eg based on class, ethnicity, race, sexuality, age, urban/rural location)?

Gender issues in government budgets

Gender issues pervade the lives of women and men and have economic as well as social implications. Gender shapes our 'opportunities, access to resources and needs. There is growing awareness around the world that policies and measures affect women and men in different ways and that policies and plans need to be designed accordingly' (Hedman, Perucci and Sundstrom 1996: 13).

An example of how gender issues have been considered in one government budget is provided in Comment 14.

comment

Basic water supply

14

In late 1995 only a third of African households and less than three-quarters of coloured households had running tap water inside their dwellings, compared to 97 per cent of Indian and white households. Outside urban areas only 12 per cent of African households had an inside tap and 21 per cent had a tap on the site, while 28 per cent were collecting water from a river, stream, dam or well and 16 per cent from a borehole. One in six African households who had to fetch water were forced to travel at least a kilometre to do so. In 1993 the average time spent on the task by members of rural African households forced to collect water was 1 hour and 40 minutes. The average time spent by individual women who collected water was over an hour, at 74 minutes. Just under half of rural African women over the age of 18 were spending part of their time collecting water.

A programme to supply water is one of the Presidential Lead Projects of the Reconstruction and Development Programme. One thousand days after the 1994 elections more than a million people had benefited from the ready availability of fresh, safe water for the first time in their lives. By the end of October 1997 the programme had provided basic water supply and sanitation to approximately 1.2 million people and spent approximately R800 million on the more than 1,000 projects initiated since 1994. Of the 195,878 jobs created by the twelve Presidential Lead Projects initiated in 1994/5, 25,750 (13 per cent) were reported to have been taken up by women and 12,516 (6 per cent) by youths.

In late 1997, on the basis of available information, the estimated involvement of women in various roles was as follows:

Role	per cent women
Employees on schemes	14
Trainees on schemes	16
Contractors	0
Consultants	25
Steering committee members	20

continued over page

The Department has initiated the Working for Water Programme as part of its national water conservation campaign. The programme provides for the employment of local people in the clearing of invasive alien plants. By doing so it both enhances the available water supply and provides much-needed employment.

In May 1997, 7,400 previously unemployed people, of whom more than half were women, were working on the Working for Water Programme. Meanwhile the Forestry division of the Department has encouraged the planting of trees in community woodlots. Many of these are managed by local women's groups.

Source: Department of Finance, Republic of South Africa (1998), *Budget Review 1998*, p 6.58.

⌘ *Discussion questions*

What are the gender issues in this example?

How do they relate to the government budget?

Are there similar issues in this country?

More broadly, why should governments be concerned about gender issues? One reason relates to equity. Many governments have a commitment to promote equality among citizens, to reduce systemic disadvantage, and to redistribute resources from the haves to the have-nots.

A second reason relates to efficiency. As Diane Elson suggests, gender inequalities impact negatively on the overall performance of government and impose costs on society as a whole. She points out 'there is a growing realisation in the Commonwealth and in the wider international community that gender inequalities, apart from being unfair, are also costly - not only to women but also to men and children. The costs can be measured in lower economic efficiency, lower output, lower development of people's capacities, and lower well-being' (Elson 1997b: 12). Examples of these costs are provided in Comment 15.

Research on agricultural productivity in Africa shows that reducing gender inequality could significantly increase agricultural yields.

- For instance, giving women farmers in Kenya the same level of agricultural inputs and education as men farmers could increase yields obtained by women farmers by more than 20 per cent...

Research on economic growth and education shows that failing to invest in education lowers gross national product (GNP).

- Everything else being equal, countries in which the ratio of female-to-male enrolment in primary or secondary education is less than 0.75 can expect levels of GNP that are roughly 25 per cent lower than countries in which there is less gender disparity in education...

Research on gender inequality in the labour market shows that eliminating gender discrimination in occupation and pay could increase not only women's income, but also national income.

- For instance, if gender inequality in the labour market in Latin America were to be eliminated, not only could women's wages rise by about 50 per cent, but national output could rise by 5 per cent...

Gender inequality also reduces the productivity of the next generation - the World Bank reports mounting evidence that increases in women's well-being yield productivity gains in the future.

- The probability of children being enrolled in school increases with their mother's educational level and extra income going to mothers has more positive impact on household investments in nutrition, health and education of children than extra income going to fathers...

Research shows that gender inequality hampers a positive supply response to structural adjustment measures by:

- reducing women's incentives to produce tradable goods and increasing women's time budgets...

Women's time burdens are an important constraint on growth and development - women are an over-utilised, not an under-utilised resource. The benefits of reducing this gender-based constraint can be considerable.

- For instance, a study in Tanzania shows that reducing such constraints in a community of smallholder coffee and banana growers increases household cash incomes by 10 per cent, labour productivity by 15 per cent, and capital productivity by 44 per cent...

Source: Diane Elson (1997c), 'Integrating gender issues into national budgetary policies and procedures within the context of economic reform: Some policy options', *Preparatory Country Mission to Integrate Gender into National Budgetary Policies and Procedures*, London: Commonwealth Secretariat, pp 1-2.

Women and men in different roles

The examples above suggest that women and men tend to undertake different roles in the economy and in society. In other words, a gendered division of labour characterises many cultures. This division of labour is evident in the multiple tasks and roles undertaken by men and women. Comment 16 categorises the main work roles of people in all societies as being reproductive, productive and community. The reproductive role ‘encompasses tasks such as rearing and bearing children and housework. Productive work covers the tasks that society usually acknowledges as work and often sees as the sum total of work. Community work encompasses the tasks women and men perform in maintaining the life of the community outside their immediate households’ (Budlender 1996: 31).

Women and men make different contributions across and within these categories. Furthermore, some work roles are valued more than others. The areas valued less highly tend to be invisible to policy makers. For example, women’s unpaid care labour in the reproductive sphere is not taken into account because it is assumed to be always available. This needs to be taken into account in the design of equitable and efficient policies and budgetary resource allocations.

The Women’s Budget Initiative in South Africa listed the following examples of roles relevant to policy-makers and those who draw up budgets:

comment **Women’s roles**

16

Reproductive role	Productive role	Community role
service receiver transfer receiver (child benefit, unemployment insurance) user of household infrastructure consumer indirect tax payer user of technology sexual being	breadwinner and economic citizen wage-earner person requiring access to capital direct tax payer public service employee worker on public works programme user of technology receiver of direct and indirect incentives and rebates beneficiary of affirmative access, restitution farm worker	political citizen service receiver member of school parent committee victim/survivor of violence occupant of (unequal) spaces (farm dwellers, rural dwellers) exerciser of control over resources generated by government expenditure
Source: Debbie Budlender (1996), ‘Introduction’, in Debbie Budlender (editor) <i>The Women’s Budget</i> , Cape Town: Institute for Democracy in South Africa, p 31.		

⌘ *Discussion questions*

What are common reproductive roles of women in this country? And of men? Are these paid or unpaid? What support does government provide to those who perform the roles?

What are common productive roles of women? And of men? Are these in the formal or informal sectors? Are they paid or unpaid? Are the actors self-employed, employer, employee, family worker? What support does government provide to those who perform the roles?

What are common community roles of women? And of men? Are they paid or unpaid? What support does government provide to those who perform the roles?

Are these patterns changing? Does government policy support change and, if so, to whose advantage are these changes? Are the boundaries between the different roles clear-cut?

Note your response

Reproductive roles	Productive roles
Community roles	Changing patterns

Different roles and gender bias in budgetary resource allocations

Differences in the roles of men and women, which are built into the economic and social structures of a society, frequently lead to unintentional gender bias in policies and programmes and their accompanying resource allocations. This can lead to social injustices and to inefficiencies in the use of resources.

Traditionally, assessments of efficiency in resource allocation have focused on minimising the cost of resource use in the paid, productive sector of the economy. However, if government budgets were to take into account all resources, in the paid and unpaid sectors, then a different calculation of cost minimisation is required. The paid productive or market-oriented sector uses prices to signal the cost of resource use. However, the activities of the reproductive and community sectors, which need and use considerable resources to function, do not readily lend themselves to the same type of financial calculation.

Moreover, as outlined in Section 6 ‘Putting Care into the Economy’, the links between the paid and unpaid sectors should not be overlooked in ensuring the overall efficient use of resources. Reproductive and caring activities, such as producing and maintaining the labour force and developing our human capacities such as trust and citizenship are not only vital in building a society but are important also for the functioning of the market-oriented or productive sector. Government health, education and welfare expenditures are important in supporting reproductive activities, as individuals and families are unable to do it all themselves.

Government budgets and policies that do not account for transfers in resource use between the market-oriented, paid productive sector, and the unpaid reproductive sector cannot be guaranteed to be efficient. Instead, they are more likely to transfer costs than minimise costs. They are in danger of being a false economy. This can have feedback effects on other sectors in the economy. Additionally, because women provide a disproportionate amount of resources in the form of their unpaid labour in reproductive activities compared to men, such budgetary actions are also gender-biased. This raises important social justice questions about who bears the costs of budgetary changes.

Comment 17 contains a discussion of the restructuring of health services.

comment **Health service restructuring: increase in efficiency or transfer of costs?**

17

Many countries are restructuring health services to try to achieve greater efficiency.

Efficiency of health services is judged by indicators such as:

- a reduction in costs per patient treated, and
- the rate of return to capital invested.

Health services providers have incentives to:

- reduce the provision of ancillary services (such as laundry) in hospitals, and
- discharge patients from hospital more quickly.

Reductions in the provision of ancillary services transfer costs to the unpaid reproductive economy, for example:

- women doing laundry for hospitalised relatives and friends.

Reductions in the time patients spend in hospital transfers costs to the unpaid productive economy when:

- women look after convalescing relatives and friends.

Source: Diane Elson (1998), 'Programme Assistance and Gender: A Logframe Synthesis', Workshop on Integrating Gender Issues in Programme Aid, Sector Investment Programmes, Market Reform and Other Forms of Economic Policy Assistance, Workshop Document No 1, Paris, p 14.

⌘ Discussion questions

What are the gender issues in the above example of the restructuring of health services?

Are the main outcomes a transfer of costs or efficiency?

Gender indicators

In order to undertake a gender-sensitive budget exercise, data on how men and women are positioned economically and socially is needed. For example, an analysis of employment and training policies and expenditures might indicate what percentage of men and women have undertaken different forms of training and the rates of employment and unemployment between men and women as well as between groups of men and women.

Indicators of living standards and participation in economic and political life have been developed by the United Nations Development Programme (UNDP). These indicators, while broad, can be a useful starting point. They are primarily used for international comparative purposes. For policy purposes, more detailed statistics relevant to particular portfolio areas are required.

Gender-sensitive budget exercises require a wide variety of data which is usually obtained from a number of sources including officially published statistics, research published by academics and unpublished data collected by government agencies and community groups.

Three key United Nations Development Programme (UNDP) indicators are provided in Comment 18. These are used to compare broadly levels of human development in several countries in Table 1.

comment **Indicators**

18

Three indicators were chosen to make an index for human development based on these three objectives. They were:

- life expectancy at birth, which was used as a measure for a long healthy life, nutrition and freedom from disease;
- adult literacy, which was used as an indicator of the formation of human capabilities and skills; and
- real GDP per capita adjusted for purchasing power, which was selected as a proxy measure for access to control over resources.

The values for HDI range between 0 and 1 and a value of 1 indicates the highest level of well-being. Values closer to zero indicate more severe levels of deprivation.

The Gender Development Index (GDI)

The Gender Development Index (GDI) is a gender-sensitive adjustment to the HDI. It uses the same variables as the HDI. The difference is that the GDI adjusts the average achievement of each country in life expectancy, educational attainment and income in accordance with the disparity in achievement between women and men. Like the HDI, the values for GDI range between 0 and 1 with 1 indicating the highest attainable levels of gender-adjusted well-being.

The Gender Empowerment Measure (GEM)

The GEM tries to measure the relative power of women and men in political and economic life. The three variables which make up the index are:

- women's and men's percentage share of administrative and managerial positions;
- women's and men's percentage share of professional and technical jobs; and
- women's and men's percentage share of parliamentary seats.

As with the other two measures, the value for the GEM varies between 0 and 1. Values nearer 1 indicate higher levels of women's empowerment while values nearer 0 indicate lower levels.

A comparison of different countries' 'human development' is provided in Table 1 using the United Nations' indicators.

Table 3.1 Comparison of HDI, GDI and GEM ranks for selected countries (1994)

Country	HDI		GDI		GEM	
	value	rank /175	value	rank /146	value	rank /94
Canada	0.960	1	0.939	1	0.700	6
Norway	0.943	3	0.934	2	0.795	1
United States	0.942	4	0.928	5	0.671	7
Australia	0.931	13	0.917	9	0.659	11
United Kingdom	0.931	14	0.896	13	0.543	20
Barbados	0.907	25	0.885	17	0.602	14
Fiji	0.863	46	0.763	53	0.329	68
South Africa	0.716	90	0.681	71	0.531	22
Sri Lanka	0.711	91	0.694	70	0.307	70
Mozambique	0.281	166	0.262	139	0.430	43

Source: Compiled from United Nations Development Programme (1997), *Human Development Report 1997*, New York: Oxford University Press, p 41. Copyright by the United Nations Development Programme. Reprinted by permission of Oxford University Press, Inc.

⌘ Discussion questions

Is the necessary data available to make these calculations for this country?

Does this country do better or worse on the gender indicators than on the HDI?

In which of the components of the gender measures does the country perform relatively well, and in which is it lagging?

Are gender disaggregations at a more detailed level available for the country?

For example, how many women and men are:

- in cabinet?
- in top decision-making positions in the civil service?
- on private and public boards and committees?

The GDI and GEM are at a very high level of abstraction and aggregation. In some countries marked gender differences might exist in only one of the components of the GDI (for example, income). The income component of the GDI is a measure of women's earnings and labour force participation relative to men's. However, changes in women's earnings and labour force participation ignore what might be happening to women's unpaid work burdens. Also, average female income may not be a reliable indicator of the resources actually available to women and girls in households.

The HDI has been criticised also for a first-world bias. The use of GDP, longevity and literacy levels in the base of the HDI can result in these measures producing high rankings for developed countries even where there is significant gender inequality in a country (Mohiuddin 1996).

⌘ *Discussion question*

What are the strengths and limitations of the HDI and GEM as indicators of women's and men's relative economic and social positions in this country?

How can we measure gender and gender relations?

There is a growing variety of measures that can be used to indicate the socially constructed relations that exist between the sexes. As a result, the choice of statistics for analysing particular areas of policy and expenditure can be facilitated by developing a series of categories of what it is that needs measuring. For example, gender statistics may be needed to measure:

- the underlying causes of the problem/s; and the
- consequences and effects.

Using this approach the Swedish Statistics Agency has made the following suggestions for the policy area of *Economic Life*.

comment **Categorising gender statistics**

19

Underlying causes

Sex segregation in education

- population 15 years and over by level of education and age
- population with third level education by field of study and age
- school enrolment at third level by field of study
- population economically active by level of education and age

Unequal sharing of responsibilities within the family

- time spent in paid and unpaid work by marital status
- time spent in different activities of unpaid work by marital status, with and without children
- employed population by marital status and age
- employed population by marital status, number and age of children

Women's reproductive role

- economically/not economically active population by marital status and number of children
- employed population leaving the labour force after birth of the first/second child
- employed population on parental leave

continued over page

Consequences and effects

Different wages and salaries

- wages/salaries by occupation
- wages/salaries by industry
- wages/salaries in public and private sector

Different career opportunities

- employed population by career position in the workplace
- employers by industry and size of enterprise

Different roles in decision-making

- employed population by career position in the workplace
- employed population by career position and public/private sector
- members and elected officials in trade unions
- high level officials in ministries

Source: Birgitta Hedman, Francesca Perucci and Pehr Sundstrom (1996), *Engendering Statistics: A tool for change.*, Stockholm: Statistics Sweden, pp 50-1.

⌘ Discussion questions

Which of the indicators discussed in Comment 19 are relevant and useful for policy-making purposes in this country?

Which are available?

What other indicators would you add?

What other categories of gender statistics might be needed?

Gender is not the only divide linked often with disadvantage. In most countries there are also differences between people on the basis of class, race, location and so on. Tables 2 and 3 below show the interplay of race and gender, and location and gender in South Africa in terms of unemployment rates.

Table 3.2 Unemployment rates (%) in South Africa, 1995 - Gender and race

	African	Coloured	Indian	White
Women	47	28	20	8
Men	29	18	10	4
Total	37	22	13	6

Source: Compiled from Central Statistics, Republic of South Africa (1997), *Statistics in Brief 1996*, Cape Town, p 10.4.

Table 3.3 Unemployment rates (%) in South Africa, 1995 - Gender and location

	Urban	Rural
Women	33	46
Men	21	25

Source: Calculations on data from 1995 October household survey of Central Statistical Service, Republic of South Africa.

⌘ Discussion questions

What are the divides in this country?

How might these differences in unemployment rates relate to health status and delivery?

Are there any programmes that already take this into account?

Are there any programmes that could address it?

Local context

Gender differences and issues vary across cultures, time and economies. Therefore, a knowledge of the local context is crucial to a gender-sensitive budget analysis. It is suggested that in a workshop context an analysis of the local context be provided at this stage. If appropriate, the Women's Ministry, an academic or a local consultant can be brought in to present all or part of the session. The session might cover the points listed below.

- Past activities and commitments in the gender area. For example, government and NGO participation in the international UN conferences, ratification of the United Nations Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), any relevant constitutional provisions, the form of the national gender machinery (eg, gender units, a women's ministry, independent bodies, civil society organisations).
- A broad social and economic profile of the country in gender terms. For example, data may be compiled in a *Women and Men* statistical booklet for the country. This profile can be adapted if the intention is to focus on specific portfolios in the gender-sensitive budget analysis.
- Discussion as to whether the government adopts a mainstreaming approach to gender and how this is actually done.
- Clarification of who initiated the gender-sensitive budget exercise in the country and who is funding it.

⌘ Discussion question

What are the advantages and disadvantages (pluses and minuses) of doing a gender-sensitive budget analysis?

What is a government budget?

The budget reflects the choices that government has to make, and is the tool it uses to achieve its economic and development goals. The government has to balance a wide range of legitimate demands with limited resources at its disposal. In the budget government sets out what it is going to spend (expenditure) and the income it collects through taxes (revenue), which it needs to finance expenditure.

Department of Finance, Republic of South Africa (1997), *People's Guide to the Budget*, Pretoria, p 2.

The functions of the government budget

Government budgets have an essential role in the planning and control of the economic activities of a nation. Gender-sensitive budget exercises recognise that government budgets 'command substantial resources and that the state is an influential force through its budgets in shaping gender outcomes both directly and indirectly' (Sharp 1999, forthcoming).

Government budgets have many functions. Three central economic functions are:

- ***allocation of resources***
This function relates to the provision of public goods and services by the government. All the goods and services in a country are produced either by government, by the formal and informal market sectors, or by the not-for-profit community and unpaid household sectors. In allocating resources, the government must decide both the relative size of public service provision, as well as how available resources are divided among the various government functions (e.g. Administration, health, defence), policies and programs.
- ***distribution of income and wealth***
This function refers to the use of budgetary policy to try to redress inequalities in income and wealth distribution. Governments make decisions about what constitutes a 'fair' distribution between different groups of people.
- ***stabilisation of the economy***
Government budgets are used to promote a certain level of employment, stability in prices, economic growth, environmental sustainability and external balance. Stabilisation policy requires economic, political and social judgements in determining, for example, which objective has priority at any one time and what are acceptable levels of unemployment, debt, interest rates and so on. Budgetary policy can encourage sustainable economic growth through the planning potential of the budget.

In addition, government budgets are:

- a means of ensuring that governments are accountable to Parliament for their revenues and expenditures; and
- a measure by which governments can maintain control over their finances.

There are four important points to note about these functions:

- 1 Each of the functions may have ***different implications for women and men***, particularly in the areas discussed below.

allocation of resources

Allocations to certain functions, policies and programmes will benefit women more than men, and vice versa. Gender-sensitive budgets seek to uncover the allocation consequences of budgets.

distribution of income and wealth

The government's concern could be about inequalities between women and men, as well as between and within households or other groupings. Gender-sensitive budgets are premised on the assumption that a 'fair' distribution between women and men is an important goal.

stabilisation of the economy

A gender-sensitive budget analysis requires an understanding of the macroeconomic constraints, assumptions and theories that underpin the budget. The questioning of traditional assessments of efficiency by gender-sensitive budget analyses means that problems in achieving macroeconomic goals can be identified.

- 2 The three central economic functions can ***be shared between the different levels of government***. An examination of the budget/s of a single level of government will give an incomplete picture of government provision or lack of provision.
- 3 The ***objectives which are 'ends' in themselves and objectives which are 'means' to an end need to be distinguished***. For example, external balance is not a goal in itself, but rather it is important insofar that it increases the welfare of citizens. Similarly with price stability, or even with economic growth.
- 4 ***Budgets themselves are a means to achieve objectives***. Therefore, the first task in drawing up budgets is to determine objectives and the policies that are likely to achieve these objectives. Budgets should follow policy, rather than vice versa. If the policy is bad, then the budget cannot be a good one.

The budget functions and policy

Difficulties arise when the links between policy and budgets are broken. Some of the problems which this may entail for implementation of coherent and gender-sensitive policies and programs are discussed in Comment 20.

comment

The budget and policy

20

The division between policy and budget directorates reflects the use of the budget primarily as a means for ensuring accountability, rather than as a tool for supporting policy-making or monitoring. This emphasis has several other negative implications.

The concentration on accountability means that the budget process has aimed, first and foremost, at delineating clear organisational and individual responsibility for expenditures. The published budget seeks primarily to define which chief director must manage which funds. The process has sought to define the procedures for using resources rather than desired outputs or outcomes.

Establishing accountability by defining procedures rather than aims militates against new programmes. Treasury rules seek to ensure that expenditures occur only when budgets demonstrably reflect probable requirements and timetables. Yet in the nature of things, the budgets for new programmes will be less well-defined and precise than those for long-existing activities. Moreover, when they rely on untried delivery systems, significant delays in implementation may occur. These factors mean that new programmes run a higher risk of being ruled out or cut by the budgetary authorities.

The focus on accountability has also led to budgeting for a single year at a time. Transforming government, however, requires planning phasing of changes, which an annual budget cannot support...

Finally, defining accountability in terms of procedures rather than outcomes makes it almost impossible to use the budget to monitor government activities. The published budgets define expenditure, not in terms of specific aims, but in terms of the responsibility of chief directors for programme budgets.

Each agency, then, must publish only a handful of programmes - generally less than five... As the number of programmes varies relatively little between departments, the largest spenders end up publishing the least detail... For instance, almost the entire education budget goes to primary and secondary education, with no more precise definition. The equalisation of current spending on all schools, meeting infrastructural backlogs in school buildings in black communities and transforming the curriculum will not lead to any major changes in the published budget.

Source: Julia de Bruyn and Neva Seidman Makgetla (1997), 'Engendering the budget process', in Debbie Budlender (editor), *The Second Women's Budget*, Cape Town: Institute for Democracy in South Africa, p 71.

Budgetary constraints

Government budgets are not drawn up in a vacuum. All governments face some constraint on the overall size of the budget. To some extent they are constrained by the ability or willingness of taxpayers to contribute. In poorer countries, because of the inability of taxpayers to contribute sufficiently, they are further constrained by the willingness of donors and lenders to supplement local funds - and by the acceptability of conditions imposed by the donors and lenders. Other constraints include policy decisions to reduce budget deficits quickly or to increase expenditures such as military funding. An understanding of the budgetary constraints is important in assessing to what extent a gender-sensitive budget analysis will be conducted in the context of a budget which can only reallocate its resources, as opposed to increasing the overall levels of revenues and expenditures.

⌘ Discussion question

What are the current and historical budgetary constraints in this country?

Variations between countries

All government budgets share some common characteristics. There are, however, also many differences, even in the form in which they are presented. There are also differences in the level of detail provided.

Some of the common variations between countries are whether:

- there is a single budget for the whole country, or separate budgets for different levels (national, provincial/state, local), the extent to which these budgets are consolidated in terms of reporting, and the extent to which they are dependent on each other (for example, where revenue raised at one level is transferred to another);
- outside funding is integrated into the government budget;
- there is a separate development or investment (often multi-year) budget;
- individual budgets are formulated in terms of a multi-year plan; and
- the budget documents include previous budget figures and/or previous actual expenditure.

The process of drawing up the budget

What is also important for anyone wanting to analyse government budgets is to know the process by which they are drawn up. Again, this will differ from one country to another. The timetable for the process provides clues as to the most effective points for intervention. These points will not be the same for all stakeholders.

For example, the budget timetable for the Australian Federal government in Comment 21 shows that community groups have an opportunity to influence decisions before the February meetings when the Finance minister sets the budgetary framework.

In South Africa, the parliamentary Finance Committee as well as individual portfolio committees hold public hearings after the tabling of the Budget, where civil society stakeholders can put forward their views.

comment Australian Commonwealth budget timetable 1994-1995

21

Nov/Dec 1993	Budget timetables and process considered by Cabinet and Expenditure Review Committee (ERC)
Dec/Feb 1994	Commonwealth Portfolio Ministers and their departments formulate summary submissions of new policies and savings
Jan 1994	Community and interest group submissions summarised and circulated...
Feb 1994	Treasury gives the ERC and Cabinet a report on the economic outlook and macro-economic policy implications. Minister for Finance submits to the ERC and Cabinet the latest forward estimates and proposals... Each Portfolio Minister meets with the Treasurer and the Minister for Finance for "trilateral discussions"... A Fiscal Framework Paper is agreed to by Cabinet and discussed by the Caucus...
Mar 1994	Ministers submit summaries of new policy proposals and any offsetting savings. The ERC provides feedback on likely areas of additional spending and priority... Commonwealth convenes Premiers' Conference for funding to the States
Apr 1994	ERC deals with final submissions for Ministers and Departments... The ERC Ministers meet with each of the Senate parties for a final discussion of their proposals. Revenue Committee reviews revenue collections in the last financial year and revenue estimates for the next financial year and new revenue measures.
May 1994	The 1994-95 Budget brought down. Debate begins in House of Representatives. Senate Estimates begin. Key Revenue Bills introduced into the Senate
Jun 1994	Appropriation Bills introduced into the Senate. Supplementary Estimates begin.
30 Jun 1994	Appropriations and Revenue Bills passed and assented to

Source: Glenn Withers, David Throsby and Kaye Johnston (1994), *Public Expenditure in Australia*, Economic Planning and Advisory Commission Paper No 3, Canberra: Australian Government Publishing Service, pp 43-4. Commonwealth of Australia copyright reproduced by permission.

⌘ *Discussion questions and calculations with budget figures*

Table A Mozambique state budget for 1998
Expenses according to functional classification

	Meticais m	%
General public services	1300442.2	13
National defence	385301.4	4
Security and public order	579664.0	6
Education	1344460.4	14
Health	1356830.5	14
Security and social assistance	580102.4	6
Housing and community services	283226.7	3
Recreational, cultural & religious services	108874.4	1
Energy	426743.2	4
Agriculture, forestry, fishing etc	267476.9	3
Extractive industries	44568.1	0
Transport and communications	1465544.1	15
Other economic services	361818.7	4
Other expenses	930106.5	10
Provisao	212990.3	2
Total	9648149.8	100

Source: Compiled from Republic of Mozambique, Ministry of Planning and Finance (1998), *Orçamento do Estado para o ano económico de Maputo*, p 51.

How does the allocation of this country's budget compare, in percentage terms, with that of Mozambique? How do you explain the differences? Can you say anything about the budget allocations by sectors and what it might mean for gender equality?

Is this country's government budget increasing or decreasing? Is this happening faster or slower than inflation?

What proportion of the budget goes on:

- paying government debt?
- paying personnel?
- the social sectors?
- the economic sectors?
- the protection sectors?
- the military?

What proportion of revenue comes from:

- taxes?
- international donors?
- other sources?

What other issues are important in understanding the budget of this country?

What is the budget timetable of this country?

Tools for a gender-sensitive analysis of budgets

A gender-sensitive budget analysis requires the utilisation of a set of procedures. Comment 22 identifies seven possible tools for such an analysis. However, this list is not exhaustive. Our knowledge of possible tools is being developed in the process of conducting a gender-sensitive budget analysis in different countries. Some of the tools are used more intensively and frequently than others.

For instance, to date, ‘gender-aware policy appraisal’ has been used much more often than any of the other techniques. The choice of tools used in the analysis also depends ultimately upon the availability of data, expertise of personnel, time constraints and other resources such as access to computers.

comment

Tools for a gender-sensitive analysis of budgets

22

Diane Elson has suggested that different ‘tools’ can be utilised for a gender-sensitive analysis of budgets. Her suggestions, with some adaptations, are:

- 1 ***gender-aware policy appraisal***
This is an analytical approach which involves scrutinising the policies of different portfolios and programmes by paying attention to the implicit and explicit gender issues involved. It questions the assumption that policies are ‘gender-neutral’ in their effects and asks instead: In what ways are the policies and their associated resource allocations likely to reduce or increase gender inequalities?
- 2 ***gender-disaggregated beneficiary assessments***
This research technique is used to ask actual or potential beneficiaries the extent to which government policies and programmes match these peoples’ priorities.
- 3 ***gender-disaggregated public expenditure incidence analysis***
This research technique compares public expenditure for a given programme, usually with data from household surveys, to reveal the distribution of expenditure between women and men, girls and boys.
- 4 ***gender-disaggregated tax incidence analysis***
This research technique examines both direct and indirect taxes in order to calculate how much taxation is paid by different individuals or households.
- 5 ***gender-disaggregated analysis of the impact of the budget on time use***
This looks at the relationship between the national budget and the way time is used in households. This ensures that the time spent by women in unpaid work is accounted for in policy analysis.

continued over page

6 ***gender-aware medium term economic policy framework***

This attempts to incorporate gender into the economic models on which medium-term economic frameworks are based.

7 ***gender-aware budget statement***

This involves an accountability process which may utilise any of the above tools. It requires a high degree of commitment and co-ordination throughout the public sector as ministries or departments undertake an assessment of the gender impact of their line budgets.

Source: Adapted from Diane Elson (1997b), 'Tools for gender integration into macroeconomic policy' in *Link in to Gender and Development*, 2, Summer, p 13.

1 Gender-aware policy appraisal

A gender-sensitive analysis of the budget begins with the assumption that budgets must follow policy. If budgets follow policy then a gender-aware policy appraisal offers a means of identifying policy gaps and limitations as well as the adequacy of the allied resource allocations. Thus, a gender-aware policy appraisal makes a direct and strong link between policy and resource allocation.

In contrast to some other tools (eg gender-disaggregated tax and expenditure incidence analysis), this analytical approach operates at a relatively aggregated level. It recognises, for example, that it is difficult to determine which individuals or groups are directly affected or benefit from government resource allocation. Government preventative health policies, for example, appear to have a diffuse effect. However, it is still possible and appropriate for good policy to analyse the possible gender impact of programmes or strategies within the policy (eg the way in which the public health campaign targets the different health issues of men and women).

A gender-aware policy appraisal involves the development of an analysis which reflects an understanding of the policy's gendered implications by:

- identifying the implicit and explicit gender issues;
- identifying the allied resource allocations; and
- assessing whether the policy will continue or change existing inequalities between men and women (and groups of men and women) and patterns of gender relations.

The techniques that might be utilised to develop this analysis include:

- a checklist of questions for assessing the policy, including checking the gendered assumptions of the policy against the evidence;
- a discussion of events, activities and associated budget allocations generated by the policy; and
- checking the policy against its stated aims and performance objectives.

A weakness of the gender-aware policy appraisal tool, which relates to its level of aggregation, is that the 'nature and scale of the links in the causal chain cannot be predicted with accuracy' (Diane Elson, 1997d: 1). This tool can, however, be used readily by analysts either inside or outside of government.

An example from South Africa in Comment 23 is the gender-aware appraisal of its land reform policy.

comment **Land reform in South Africa**

23

The Department of Land Affairs is responsible for creating and implementing a land reform programme... The allocation to Land Affairs for 1998/99 is R685,4 million, increasing to R967,4 million in 2000/01. The rapidly growing allocations reflect the increasing pace of implementation of land reform...

The poorer provinces are disproportionately rural, and contain disproportionately many women and children. Although this is a characteristic of many other countries, in South Africa it has been exacerbated by influx control, pass laws, forced removals and the migratory labour system.

In addition to the racial inequalities experienced by black men, women suffer discrimination from social practices. Legal restrictions have impeded women's access both to land and to the financial resources to develop it. In addition to legislation which designated women as minors who could not own property or conclude contracts in their own right, customary law has, in many cases, deprived women of the right to own property.

Women tend to have access to smaller plots, with less available irrigation, and a smaller likelihood that they will have paid employment to augment their livelihoods. Around 80 per cent of woman-headed households with access to land contain no wage or salary earners.

The Department of Land Affairs is conscious that unless more attention is directed to meeting women's needs and concerns, the land reform programme could exacerbate existing gender inequities in the allocation of land and its productive use. The Department is providing gender training and is endeavouring to build gender concerns into its monitoring and evaluation system.

Source: Department of Finance, Republic of South Africa (1998), *Budget Review 1998*, Pretoria, pp 6.36-7.

Another example of a gender-aware policy appraisal is from an Australian State government women's budget in Comment 24. This example focuses on the links between policy goals and implementation by responsible agencies.

Policy

Tasmanian Government Domestic Violence Policy Statement 1994 -

Strategies identified within the policy are:

- emphasising that assault that occurs in a domestic setting is a crime;
- providing immediate and follow up safety, protection and support for victims and survivors;
- increasing community awareness of the costs and consequences of domestic violence; and
- ensuring that services in the Government and non-government sectors respond appropriately and effectively to domestic assault and violence issues.

Key stakeholder agencies identified include:

- Department of Justice;
- Office of the Status of Women;
- Tasmania Police; and
- Department of Community and Health Services.

Implementation

Department of Police and Public Safety, Tasmania

Output group

Policing support to the community...

Output description

This output is directed at maintaining and improving personal safety in the community, reducing the incidence of property offences as well as promoting community participation in managing public order, safety initiatives and crime prevention. Activities include patrols; responding to requests from the public; responding to incidents; licensing; dispute intervention; community partnerships; and crime prevention education.

Elements of this output that specifically address the Tasmanian Government Domestic Violence Policy Statement 1994

Tasmania Police actively embrace a pro-arrest policy in relation to domestic violence and support the prosecution of offenders where evidence of domestic violence exists.

Users of these elements include Tasmania Police Officers; victims of domestic violence; and, perpetrators of domestic violence. Action also acts as a general deterrent and so benefits the broader community.

Objectives of these elements include:

- prosecution of perpetrators of domestic violence;
- the removal of victim from harm; and,
- maximising the safety of victims.

Performance measures relevant to these elements are:

- rate of arrests for Domestic Violence incidents attended;
- number of referrals or complaints of police inaction received by the Domestic Violence Crisis Service;
- recorded number of complaints; and
- recorded number of enquiries.

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Major issues affecting delivery of these elements:

- availability of evidence;
- gaining the support of victims so that prosecutions may proceed with their cooperation;
- inappropriate categorisation of certain incidents as 'domestic violence'; and
- public complacency.

Proportion of the budget allocated to this output that was directed toward elements that specifically address the Tasmanian Government Domestic Violence Policy Statement 1994:

A snapshot across uniform policing throughout Tasmania for a period of one week in September 1966 indicated that 1.4% of uniformed officers' time was spent responding to domestic violence incidents. This result is yet to be validated by a further activity survey, however the indicative figure would suggest that approximately \$700,000 per annum is expended responding to incidents of domestic violence.

Tasmania Police provided \$17,000 toward the operating costs of the Sexual Assault Support Service.

Source: Government of Tasmania (1998), *Achievements for Women from the Budget 1997-98*, Hobart: Government Printing Service, pp 5-6.

⌘ ***Discussion question***

What other issues might be examined in assessing the implementation of the domestic violence policy in the following year?

2 Gender-disaggregated beneficiary assessments

This is a tool which allows the voice of the citizen to be heard. Potential and actual beneficiaries of a government programme are asked, using a variety of techniques, their views as to whether existing forms of public service delivery meet their needs as they perceive them. These responses are analysed in order to assess the extent to which a government's current budget meets the priorities of women and men. In essence, women and men participants in beneficiary studies are being 'asked how, if they were the Finance Minister, they would slice the national budgetary pie' (Diane Elson, 1997b: 13).

Data for disaggregated beneficiary assessments can be collected by using quantitative surveys (eg opinion polls and attitude surveys) and qualitative processes (eg focus groups, interviews, participant observation). Each technique has particular strengths and limitations. The assessments can be initiated by various agencies within government or by groups within civil society (see also Diane Elson, 1997e).

An example of a beneficiary assessment of peoples' preferences for public and private provision of goods and services using a quantitative survey to collect the data is given in Comment 25. Both sides of the budget – expenditures and revenues – were included by asking if people would be prepared to pay more in taxes in order to acquire increased public goods and services.

comment Beneficiary assessment of public expenditure in Australia

25

The following two tables are based on a survey of 600 Australian adults in late 1992. The survey examined peoples' preferences for public (government) or private provision of different goods and services. Table 5.1 below shows the percentage of people who acknowledged the benefits of public expenditure in selected portfolios.

Table 5.1 Positive recognition of benefits from public expenditure (% of respondents)

	Benefit community	Benefit individual/household
Public transport	68	29
Police, law & order	69	53
Roads	61	64
National defence	44	27
Medical & hospital	57	57
Education	64	40
Housing	51	13
Unemployment	74	12
Age pensions	71	17
Family assistance	56	13
Industry assistance	31	5

Source: Extracted from Glenn Withers, David Throsby and Kaye Johnston (1994), *Public Expenditure in Australia*, Economic Planning Advisory Commission Paper No. 3, Canberra: Australian Government Publishing Service, p 31. (Commonwealth of Australia copyright. Reproduced by permission.)

Table 5.2 shows the percentage of people who said they would like government expenditure to increase in these same portfolios. The first column of figures gives the percentage favouring an increase if they must pay for this. The second column gives the percentage favouring an increase if there is no payment.

Table 5.2 Percentage of respondents wanting increased government expenditure in selected portfolios

	If must pay	If don't pay
Public transport	50	59
Police, law & order	71	77
Roads	67	68
National defence	38	34
Medical & hospital	85	83
Education	74	83
Housing	48	50
Unemployment	23	30
Age pensions	55	62
Family assistance	63	71
Industry assistance	52	51

Source: Extracted from Glenn Withers, David Throsby and Kaye Johnston (1994), *Public Expenditure in Australia*, Economic Planning Advisory Commission Paper No. 3, Canberra: Australian Government Publishing Service, p 38. (Commonwealth of Australia copyright. Reproduced by permission.)

⌘ *Discussion question*

The responses in the above tables are not disaggregated according to whether the respondent was a woman or man.

How do you think responses would differ for women and men? If so, why?

A gender-disaggregated beneficiary assessment of urban and rural poor women in Sri Lanka is provided in Comment 26, which uses the qualitative technique of focus groups.

comment **Beneficiary assessment of health service delivery
in Sri Lanka**

26

Small group sessions were held with a group of urban poor and a group of rural poor women to discuss their problems and needs to see what impact nearly two decades of Women in Development programmes have had.

Urban

Urban women were most articulate about social and family problems, particularly the effect of drug abuse on the family, in the context of weak law enforcement.

Health hazards such as stagnant water in canals, festering garbage, dense mosquito populations and lack of toilet facilities were also a major concern. Legal disabilities in acquiring housing resulted in overcrowding. Education facilities were available but their poverty denied them access to 'good schools' and vocational training. Stable employment was out of reach and their finances were inadequate for self employment. Rape and sexual harassment in public places were also concerns.

Rural

Rape, child abuse and alcoholism were seen as requiring harsh punitive action. Women said that public awareness should be raised on the consequences of marital breakdown, the dowry system and the negative portrayal of women in the media. Drug abuse was of less concern than among urban women.

They were acutely conscious of their poor nutritional status, high incidence of morbidity, poor sanitation and lack of health education. Economic constraints prevented them from making full use of the educational facilities available, though education was seen as an avenue of economic development. The travails of women in the Export Processing Zones, low wages and inadequate inputs for self employment were seen to be barriers to upward mobility.

Both groups were fully aware of the issues that arise from inequitable social and gender relations within and outside the family, but the more deprived urban women had to face a harsher environment and were more concerned with immediate problems. Group formation encouraged through social mobilisation programmes have developed a sense of solidarity among these women and strengthened their capacity to analyse, protest and suggest appropriate interventions to alleviate their problems.

Source: Extracted from Centre for Women's Research, Sri Lanka (1996), 'Perception of Women in Economically Disadvantaged Families', in *Facets of Change: Women in Sri Lanka 1986-95*, pp 408-414.

⌘ *Discussion exercise*

Design a beneficiary assessment for selected programme/s of this government. Discuss the methodology, logistics, costs, strengths and weaknesses of your chosen approach.

3 Gender-disaggregated public expenditure incidence analysis

This tool can be used to provide an assessment of the distribution of government expenditure of a given programme between men and women and boys and girls. For example, gender-disaggregated public expenditure incidence analysis could be used to compare expenditure on public schools in different localities to the number of boys and girls enrolled. It could also compare expenditures in different areas with the levels of gender specific needs revealed in surveys.

This tool requires considerable amounts of quantitative data in order to estimate both the unit cost of providing a particular government service and the utilisation of public expenditures by households or individuals disaggregated by gender. In respect of the cost of service provision, data must usually be obtained from government agencies. Data to estimate programme utilisation can often be derived from a variety of sources including household surveys conducted by the national statistical agency. A summary of the gender-disaggregated approach to public expenditure incidence analysis is provided in Comment 27.

comment

Disaggregating benefit incidence: Gender and public social spending

27

Benefit incidence analysis involves a two-step methodology. First, estimates are obtained on the unit cost of providing a particular service. These are usually based on officially reported public spending on the service in question. Second, these unit costs are then 'paid' to households which are identified (usually through a household survey) as users of the service. Households which use a subsidized public service in effect gain in in-kind transfer, which depends on the unit subsidy involved (say, the subsidy per primary school enrolment) and the number of units consumed by the household (the number of children currently enrolled in a state-subsidized primary school).

The distribution of these subsidies, therefore, is determined by two broad factors. First, it depends on government spending itself, and how it is allocated within a sector. The lower the spending, and the greater the effective cost recovery, the lower will be the subsidy embodied in the service provided. Second, the distribution will depend on household behavior - on who uses the services that the government provides.

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It is only by using the service (by sending a child to primary school, or visiting the outpatient department at a hospital) that individuals and households can lay claim to the in-kind transfer that is implicit in the subsidy. Expenditure incidence analysis therefore brings together two sources of information: data on the government subsidy (estimated as the unit cost of providing the service less any cost recovery to the government) allocated to the different categories of service...and information on the use of these services by individuals and households, which is usually obtained from household surveys.

How important gender disaggregations are in benefit analysis will depend on the type of sector disaggregations that are possible. At one extreme, it may be possible to identify services that are entirely gender specific - for example, the provision of pre-natal care in the health sector. The greater is the share of total health spending allocated to such services, the greater will be the benefit incidence to females. In most cases, however, it is not possible to obtain such disaggregations, and most services defined with a sector are usually available to both gender groups. Usually education services are divided into primary, secondary and tertiary levels, while health services are disaggregated into health centers/clinics, outpatient hospital services, and in-patient hospital care. Nevertheless, there remain gender differentials which emerge even at this level of aggregation. Females are less likely than males in many developing countries to use university schooling, so that the greater share of government spending allocated to universities, the lower the share of education spending accruing to females...

Benefit incidence analysis is an exercise in accounting. It takes behavior - of both households and governments - as given...[B]enefit incidence reveals the problems, but only provides some indication of where the answers lie. It needs to be complemented with more in-depth study of the underlying behavioral relationships.

Source: Lionel Demery (1996), *Gender and Public Social Spending: Disaggregating Benefit Incidence*, Poverty and Social Policy Department, World Bank, Washington, pp 2-4.

Most benefit incidence analysis to date has been disaggregated according to income quintiles, rather than by gender. When gender is introduced, it should be added to income quintile analysis, as the existing studies have found that gender effects often differ according to income or class. In Ghana, for example, benefit incidence analysis found that poor women benefit as much as poor men from health spending, but women in all income quintiles benefited less from spending at all levels of education. Table 5.3 below indicates that this is the case also in both Pakistan and Kenya.

Table 5.3 Gendered incidence of public expenditure on education

Country	Spending per female	Spending per male
Pakistan	26 rupees	56 rupees
Kenya	543 shillings	670 shillings

Source: World Bank, quoted in Diane Elson (1997a), 'Gender-neutral, gender-blind, or gender-sensitive budgets? Changing the conceptual framework to include women's empowerment and the economy of care', *Preparatory Country Mission to Integrate Gender into National Budgetary Policies and Procedures*, London: Commonwealth Secretariat, p 1.

Benefit incidence analysis is a powerful analytical method, but it has some shortcomings. These include:

- inherent problems in assigning collectively consumed benefits of government provided goods and services to specific households and individuals within households;
- not accounting for the difference between measuring the financial cost of providing a service and measuring its social impact (for example, not acknowledging the social benefits (externalities) of educating women); and
- not providing any indication of differences in women's and men's needs and their respective requirements for particular services (see also Elson, 1997f).

An example from Sri Lanka of a gender-disaggregated public expenditure incidence analysis is given in Comment 28.

comment

Sri Lanka food ration and stamps programmes

28

Under the ration programme, a quota of rice, wheat flour and sugar at varying levels of subsidisation was provided by the Food Commissioner's Department to the entire population over one year of age (with the exception of income tax payers); subsidised rice, flour, sugar, dhal and infant milk foods were also made available on the open market for much of this period.

The food subsidy which emerged on account of these operations consisted of a consumer subsidy on food distributed through the ration programme and on the open market, and a producer subsidy on rice; government attempted to manage the food subsidy by cross subsidisation, varying the quantity of subsidised items and the prices at which they were made available.

In January 1978, the ration programme was restricted to 6,857 million persons in households with annual incomes of less than Rs 3,600. In September 1979 it was terminated and replaced by food and kerosene stamps for the same target group but covering 7,259 million persons.

No additions were allowed to the list of recipients after 1980; all new-borns and families experiencing subsequent loss of income were thereby excluded. In 1985 a review of food stamp beneficiaries was done and the programme brought under the Poor Relief Act, abandoning any semblance of a nutritional objective.

The value of the stamps was initially determined to provide the same basket of goods as ration holders had been receiving at that time. However, in January 1980, prices of subsidised essential food commodities were allowed to rise sharply and continued to climb gradually thereafter, eroding the real value of the income transfer. A residual subsidy on infant milk foods was maintained by government, but the subsidisation of other food commodities practically ceased.

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Despite rapid economic growth between 1980/1-85/86 averaging 5.2% p.a., the continuous erosion of the real value of the stamps and a decline in the real incomes of the poor...resulted in serious calorie deficiencies being experienced by the poor.

Although the Consumer Finance Survey data shows that daily per capita consumption had been maintained at adequate levels in general i.e. 2,283 calories in 1978/79 and 2,271 in 1981/82, the per capita calorie consumption of the poorest 40% of the population fell to 1,834 calories in 1978/79 and 1,865 in 1981/82...the consumption of the lowest decile had fallen to the unprecedented level of 1,181 calories per capita a day...

In contrast, the upper 60% of the population had increased their daily intakes from 2,574 to 2,700 calories per capita during these two years... In 1969/70, when the ration was in effect, the daily per capita calorie consumption of the bottom 40% was 2,064 and that of the rest of the population was 2,352...

The women and girls in these households probably took the brunt of the increasing food deficit in the nineteen-eighties as indicated by higher levels of malnutrition among pre-school and school girls and declining birth weights of babies born to low income mothers.

Source: P. Alailima (1997), *Poverty and Unemployment in Sri Lanka*, Colombo: Department of National Planning, Ministry of Finance and Planning, pp 6-7.

⌘ *Discussion question*

What would be the steps in doing a benefit incidence analysis of Sri Lanka's changing food assistance policy over the years?

4 Gender-disaggregated tax incidence analysis

This technique examines the taxation component of revenue. It looks at both direct and indirect taxes and calculates how much taxation is paid by different individuals or households. It requires data on income and expenditure patterns, which can typically be obtained from household surveys and from revenue collection agencies. A limitation of the analysis is that it usually assumes equal sharing of income within households, whereas many studies have shown this does not often occur.

An example of tax incidence analysis for a gender-sensitive budget is provided in Comment 29.

comment **Value added tax in South Africa**

29

The narrow tax base and the characteristics of the distribution of income and employment mean that although women do not pay a large proportion of total tax gathered, increasingly the burden of indirect taxation is falling disproportionately on women....

Both general sales tax (GST) and value-added tax (VAT) are regressive taxes - affecting the lower income earners more severely as the proportion of their income paid in tax is much higher relatively speaking than that of higher income earners. At present a selection of basic foodstuffs is zero-rated: brown bread, maize meal, dried beans, milk powder, rice, vegetables and fruit are included...

Projections of revenue to be collected and its impact on households, as estimated by the Department of Finance, reveal unequivocally the strong regressive nature of VAT. The table [below] indicates the very poor (household income up to R10,250 per annum) would be paying 9.0% of household income on VAT. The very high income category (over R328,000 per annum) would be paying 5.4% in VAT, at its current rate plus zero-ratings.

Estimated percentage of household income spent on value-added tax

very poor	low income	middle income	high income	very high income
9,0%	7,3%	7,4%	7,1%	5,4%

Source: Trudi Hartzenberg (1996), 'Taxation' in Debbie Budlender (editor), *The Women's Budget*, Cape Town: Institute for Democracy in South Africa, pp 218-233.

5 Gender-disaggregated analysis of the impact of the budget on time use

This is a method of analysing the relationships between the national budget and the way time is used in households. It examines the extent to which budgets rely on unpaid work such as caring for young people, the aged and those who are ill, collecting fuel and water, cooking, cleaning and so on. The analysis is dependent on having available time use studies. Time use studies have rarely been conducted at the national level in developing countries, but are sometimes available in the form of case studies. A national time use study would need to be done by the national statistical agency, but the subsequent analysis can be conducted both inside and outside government.

A discussion of the gender division of time use and its implications for poverty alleviation policies is provided in Comment 30.

comment **Is time an asset?****30**

Time-use studies find that in almost every country women spend more hours than men in work - paid and unpaid. [The United Nations Development Programme's] *Human Development Report 1995* showed that of the total time spent in work, women on average account for 53% and men for 47%. As demands on women's time increase, they share their work with their daughters and with other children, but very rarely are household responsibilities transferred to men.

Some circumstances - such as having a water supply close to home and transport to the workplace - increase the time available. Others - such as deforestation and pollution - reduce the time available and increase the vulnerability of women.

The importance of time for poor people has policy implications. For example, in setting a poverty line based on the income required for survival, policy-makers need to recognize that survival income will vary depending on how much time is spent caring for children and the sick and how much is available for income-earning work.

Policies that impose a financial burden on families, such as a reduction in health care benefits, may also impose a time burden - with further repercussions for the ability to escape poverty. And policies that reduce the time burden of poor people, such as by improving the water supply, can remove a critical constraint on their ability to escape poverty.

Source: United Nations Development Programme (1997), *Human Development Report*, New York, p 62. Copyright 1997 by the United Nations Development Programme. Reprinted by permission of Oxford University Press, Inc.

An example of gender differences in time use in agricultural activities is provided in Comment 31.

comment **Gender difference in time use****31**

Activity	Women	Men
Food preparation	92	8
Winnowing and parboiling rice	100	0
Preserving food for the hungry season	80	20
Storing grain at harvest time	30	70
Production of fruits and vegetables for home consumption	80	20
Fetching water	98	2
Collecting firewood	65	35
Upkeep of house and yard	95	5
Bringing up children	90	10
Bathing children	80	20
Attending to the sick in the family	85	15

Source: Janet Henshall Momsen (1991), *Women and Development in the Third World*, London and New York: Routledge, p 38.

⌘ *Discussion questions*

What does the study on Sri Lankan agriculture indicate about the relationship between gender and time use?

How could information on time use inform government policy?

How might time use studies be relevant for a gender-sensitive budget analysis in this country?

6 Gender-aware medium term economic policy framework

This incorporates gender into the economic models on which medium-term economic frameworks are based, with the aim of affecting future budgets. Some of the ways in which gender can be integrated into models is by:

- disaggregating variables where gender is applicable;
- incorporating both national income accounts and household income accounts reflecting unpaid work; and
- changing underlying assumptions about the social and institutional setup in society, as well as about how the economy works.

Medium term economic modelling is done at two levels. At the more general level, there is modelling of the total economy which involves variables such as growth rates, budget deficits, inflation, interest and employment. This work is in its very early stages (see Cagatay, Elson and Grown 1995).

At the more detailed level - and probably more immediately relevant for gender-sensitive budget purposes - there are models which look at multi-year budgetary allocations within the overall expenditure projected by the general model. For instance, in education, the modelling would be based on the projected number of pupils and the pupil:teacher ratios. In health, it would be based on the projected number of patients to be treated by the public health system and the average number of visits per patient. These variables can be subjected to a gender analysis. The analysis, however, requires relatively high level modelling skills and access to detailed economic data.

7 Gender-aware budget statement

This is a statement, or report, from each government portfolio on its audit of policies, programmes and related budgets. In the process of developing such a statement, the tools or methods discussed above are utilised. A gender-aware budget statement is an accountability report by government in relation to its gender equity objectives. Much of the rest of this document will focus on how to develop a gender-sensitive budget statement.

Putting care into the economy

A gender-sensitive budget analysis has to engage with the effects of government policies and resource allocations on the unpaid activities of the household and community sector.

Women and men tend to undertake different roles in economic and social life. Nowhere are these differences more sharply drawn than in the work of households. The productive nature of much household work is gradually gaining recognition. Households are also the base from which much of the care activity in relation to the young, old, sick and disabled takes place.

Female labour is intensively utilised in the work of caring, work which is vital to, amongst other things, the reproduction of the future labour force. Many government policies and resource allocations can directly and indirectly support or fail to support the caring and productive activities of households. This section provides a brief introduction to international developments in the field of measuring, conceptualising and theorising the activities of households for the economy.

Household work in the system of national accounts

In order to fulfil their functions, government budgets are formulated on assumptions about what is of value and what constitutes output and work. In short, government budgets and the policies they finance are based on particular notions of what the economy is and how it is measured.

Traditionally, value, output and work, have been measured by gross national product and other macroeconomic aggregates, such as investment and savings, imports and exports along with government expenditures and revenues. These goods and services are produced and exchanged in a market context. That is, they are activities which involve payment by cash or credit. In this view, unpaid activities and the work of households and communities are treated as being of little or no consequence for economic and social policy. Increasingly, however, this view is being questioned and shown to be erroneous. For example, in an extensive analysis of the United Nations System of National Accounts, Marilyn Waring looked at subsistence work, the environment and housework. She uses an interesting example of a young Zimbabwean girl, Tendai, whose daily toil begins at 4am and ends at 9pm. She 'is considered unproductive, unoccupied, economically inactive. According to the international economic system, Tendai does not work and is not part of the labour force' (Waring 1988: 13). Waring compares this young girl's labour with the counted work of a highly paid man who sits all day in an underground military facility.

Since the mid-1980s the international women's movement has drawn attention to the problems of omitting unpaid work from a country's statistical base. A recommendation from the United Nations Second International Conference on Women was that the unremunerated contributions of women in all areas of development should be included in a country's economic statistics including the gross domestic product (GDP). This would mean, among other things, quantifying the unpaid contributions undertaken largely by women in agriculture, food production, reproduction and household activities.

Some of these ideas have been taken up at an international level with the 1993 extension of the UN System of National Accounts (SNA). The major change has been to include estimates of the informal sector as part of the country's measured output and production. It is proposed that unpaid household work, in the form of domestic and personal services produced by household members for their own consumption, be measured in separate satellite accounts. A large part of the unpaid work of households thus remains outside the official production and output boundaries as determined by the United Nation's SNA. This has contributed to inconsistencies in how activities are seen for policy purposes.

The unpaid work of households has, however, been estimated using time use studies in several countries. Many economists and policy makers are arguing that the unpaid work of households is of economic value and policies which do not take it into account are biased. Estimates in developed countries suggest that, if unpaid work was included, GDP would be at least one and a half times as large as currently measured. The traditional measures of output are thought to involve even greater undercounting of productive activities in developing countries.

Time use

The primary way of generating input data for satellite accounts is through a time use study. In developing countries, the existing studies have generally been small-scale, confined to certain areas or activities (eg agriculture) and have used non-standard classification systems. There have been several significant studies in OECD countries. Comment 32 illustrates some results of time use studies in Australia.

comment **Australian estimates of the value of unpaid household work**

32

The industries of the household economy are collectively larger users of labour than the combined sectors of the market economy. For example, in Australia in 1987, as measured by weekly hours of labour input, market industries used 252 million hours and household industries 282 million hours. Unpaid work exceeded paid work by 12 per cent... 76 million hours per week are used in meal preparation, 63 million in cleaning and laundry and 53 million in shopping... These three household industries compare with the three largest market sector industries: wholesale and retail trade with 49 million hours per week, manufacturing with 43 million and community services with 41 million.

Source: Duncan Ironmonger (1994), 'Why Measure and Value Unpaid Work?', *International Conference on the Measurement and Valuation of Unpaid Work: Proceedings*, Statistics Canada, Cat No 89-532E, Ottawa, p 38.

Estimates of the differences in time use on different activities by Australian women and men are given in Table 6.1.

Table 6.1 Average time in minutes spent daily on activities by Australian women and men in 1992

Activity	Women	Men	Average
Labour force	425	516	482
Domestic, childcare & purchasing	301	175	242
Personal	628	621	624
Education	325	384	354
Community participation	99	125	110
Social and leisure	345	351	348

Source: Compiled from Australian Bureau of Statistics (1994), *How Australians Use Their Time*, Revised Publication, Canberra: Australian Bureau of Statistics, p 20.

⌘ Discussion question

What is the average percentage of time spent on different activities by Australian women and men?

What are the policy implications of this division of labour?

Time use studies show that marriage has a marked effect on the time spent on unpaid household activities of women and men. See Comment 33.

comment **The effect of marriage on the time use of
Australian women and men**

33

Despite many newly-weds' hopes that marital life will involve a partnership of sharing and mutual caring, the Time Use Survey shows that, when it comes to housework, these hopes are not fulfilled. The effect of marriage is diametrically opposite for men and women. Among married men, cooking, cleaning and laundry time are all reduced whereas for women, the time devoted to these tasks is dramatically increased by marriage. Compared to a single woman of equivalent age living alone, a married woman spends 40 per cent more time in cooking, time spent cleaning increases by 17 per cent, and the time taken for laundry by 37 per cent. Women who live in shared households would face after marriage a doubling up of time spent on laundry, a 73 per cent increase in cleaning time and a 49 per cent increase in cooking time. The steepest increase in indoor housework faces the bride who has come directly from her family of origin. She would experience a fourfold increase in laundry and a doubling of her previous cleaning and cooking times.

Source: Michael Bittman and Jocelyn Pixley (1997), *The Double Life of the Family: Myth, Hope and Experience*, Sydney: Allen and Unwin, pp 105-6.



Figure 6.1 His marriage and her marriage

Source: Office for the Status of Women (1991), 'Marriage: a bigger step for some', *Selected Findings from Juggling Time*, Canberra: OSW, p 14.

Engendering economic models

New ways of measuring the economy, such as time use studies, have made many gender issues visible, which may have significant implications for policies and their allied resource allocations. Making changes to how the economy is measured means that we must also change our macroeconomic models. This, in turn, results in an altered understanding of economic growth.

Traditionally, measures and models of the economy have treated the household as being primarily a site of consumption. New thinking in macroeconomics recognises that households also contribute to production. One of the central activities of households is to produce goods and services, a large proportion of which can be thought of as making up the care economy.

The care economy

The care economy can be incorporated into macroeconomic thinking by utilising a simplified model of an economy's output. In this circular flow model, shown in Figure 6.2, national output is the product of the interaction of three sectors: *the private sector commodity economy*; *the public service economy*; and the *household and community care economy*. The creation of wealth in a country depends on the output of all three sectors.

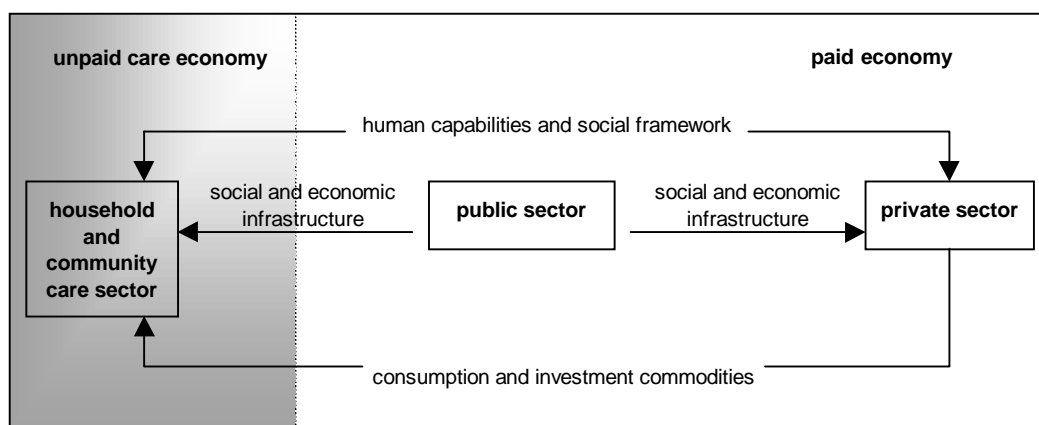


Figure 6.2 The interdependence of the paid and unpaid economies

Sources: Diane Elson (1997a), 'Gender-Neutral, Gender-Blind, or Gender-Sensitive Budgets?: Changing the Conceptual Framework to Include Women's Empowerment and the Economy of Care', *Preparatory Country Mission to Integrate Gender into National Budgetary Policies and Procedures in the Context of Economic reform*, London: Commonwealth secretariat, p 9 and Susan Himmelweit (1998b), 'The need for gender impact analysis', in Sarah Robinson (editor), *The Purse or the Wallet?*, Proceedings of a seminar of The Women's Budget Group held on 12th February, London, p 7.

The three sectors of the economy produce different types of goods and services and are characterised by different values and motivations. The different sectors are described in Comment 34.

comment

The care economy

34

The **private sector commodity economy** produces market-oriented goods and services primarily in response to the profit motive.... The **public service economy** produces a social and physical infrastructure, which is used for consumption and investment in the commodity economy and the care economy... The public service economy is market-oriented to the extent that its employees are paid wages and it is financed through taxation, user charges and borrowing (and, sometimes, by increases in the money supply). It is less market-oriented than the commodity economy because it delivers many services free at the point of consumption....

The **care economy** produces family and community-oriented goods and services as part of the process of caring for people. Work in the care economy is not paid, though it may be supported by transfer payments from the government (such as pensions and child benefit)... This economy is excluded, as a matter of principle, from the UN System of National Accounts. Both men and women work in the care economy, but overall it is relatively intensive in its use of female labour. The care economy contributes to the welfare of the individuals receiving care, but it also contributes to the activities of the commodity economy and the public service economy by supplying human resources and by maintaining the social framework (supplying what some economists call human capital and social capital to the commodity economy and public service economy). The relative size of the three sectors varies depending on the level of development and economic strategy pursued.

Source: Diane Elson (1997), 'Gender-Neutral, Gender-Blind, or Gender-Sensitive Budgets?: Changing the Conceptual Framework to Include Women's Empowerment and the Economy of Care', *Preparatory Country Mission to Integrate Gender into National Budgetary Policies and Procedures*, London: Commonwealth Secretariat, pp 8-9.

The three sectors of the economy are interdependent, but the interdependencies are not widely recognised. Though the dependence of the public sector on the wealth generated by the private sector is often noted, the dependence of the other two sectors on decisions taken in the unpaid care sector is frequently overlooked. (For a more detailed discussion see Elson 1998, 1997a and Himmelweit 1998b.)

⌘ Discussion questions

Give examples of how a reduction in government expenditures in particular portfolios might impact on the 'care' economy.

What factors might women take into account in their decisions to engage in income-earning activities?

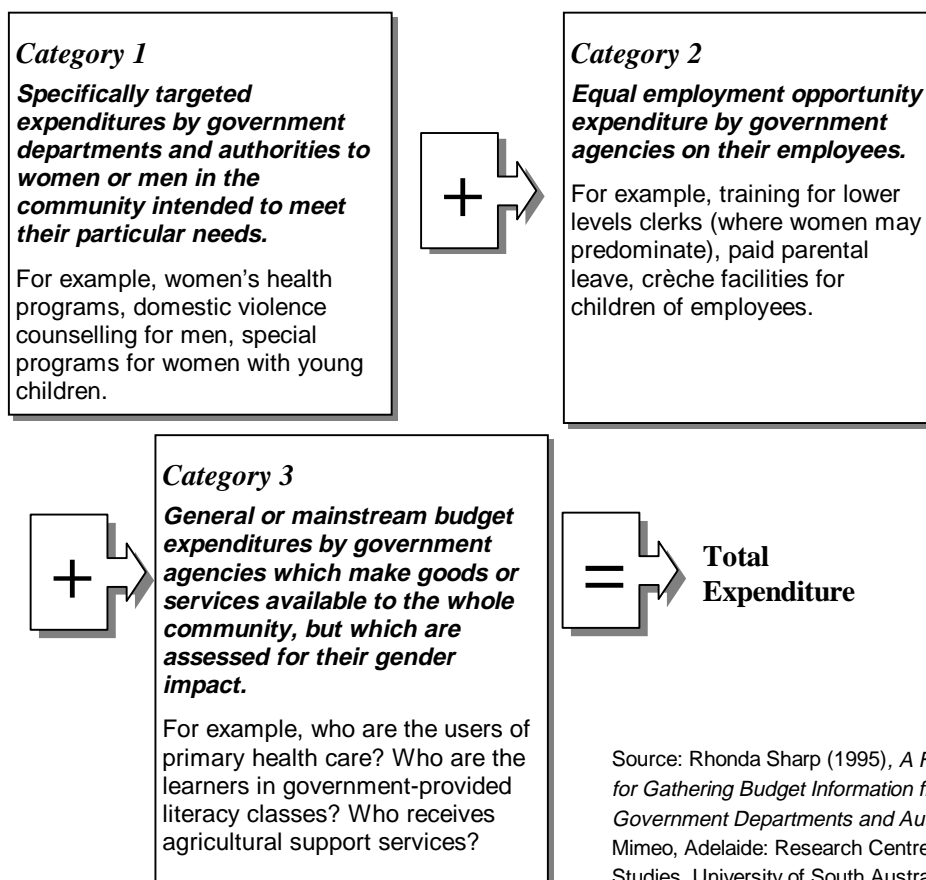
Preparing a gender-sensitive budget statement

A gender-sensitive budget analysis proceeds on the basis of being able to classify government expenditures and revenues and then apply the tools and analyses developed in Sections 5 and 6. The categorisation of expenditures and revenues provides a conceptual framework for developing a gender-sensitive budget statement.

Gender budgets: A framework for public expenditure

Government expenditures affect women and men directly, by design, or indirectly as part of general policies. In order to identify the impact of budget expenditures on women and girls, three categories of expenditures are important. Together they add up to 100 per cent of budget expenditures.

Public expenditure categories



Evidence suggests that the vast majority (more than 99 per cent) of government expenditures fall into Category 3. While many governments have some targeted programs for women and men (Categories 1 and 2) these are small in terms of the total government budget, and are often designed to fulfil a short-term need.

The examples which follow illustrate how the three categories of expenditures have been reported in gender-sensitive budgets. These examples are not intended to be read as ‘best practice’, but as examples to stimulate discussion about how to undertake a gender-sensitive budget exercise in a specific country.

Comment 35 illustrates the utilisation of the three categories of expenditure in an early women’s budget statement on agriculture in South Australia.

comment South Australia: Agriculture
(Expenditure Categories 1, 3 and 2)

35

The majority of agricultural properties are operated by partnerships which involved women who also have an active role in the management and operation of many properties. Recognising the contribution that women make to the rural community and economy, the Department of Agriculture is committed to improving rural women’s access to information and involvement in decision making. Furthermore, the department promotes the principles and practices of equal opportunity in employment and is actively working to improve career opportunities for women working in the department. The departmental programs and budget allocations are as follows.

Program	1988-89	1989-90
	\$000s	\$000s
Agricultural Industries Policy	66,186	62,701
Agricultural Crop Industries	9,853	11,056
Horticultural Crop Industries	4,068	4,578
Animal Industries	15,372	16,549
Farm Management and Rural Community Support	1,961	2,450
Agricultural Resource Management	16,550	18,350
State Disaster Planning, Control and Relief	3,200	3,072
Provision of Advisory and Analytical Chemistry Services	-	2,519
Service and Supply	12,817	12,943
Total	130,007	134,218

continued

Allocations specifically targeted to women and girls (<i>Expenditure Category 1</i>)	
Project	<i>Women's Agricultural Bureau</i>
Aim	To encourage interest and participation in the development of rural life, particularly in agriculture. To encourage educational and cultural opportunities at all levels. To influence policy making at all levels
Issues	Most women on family farms are members of business partnerships and have responsibility for financial record-keeping. Many do not have any formal training in business management.
Activity 1	Financial Planning Seminars for Women coordinated by the Women's Agricultural Bureau
Indicator	Twenty-five participants per seminar. In 1989-90 averaged 22 participants per seminar
Action	14 seminars in 1989-90
Expected outcome	Greater skill and confidence in financial management issues.
Activity 2	Computer workshops for rural women coordinated by Women's Agricultural Bureau.
Action	8 courses conducted in 1989-90
Expected outcome	Women on farm properties benefit from information about new technology relevant to farm tasks.
Expenditure	1988-89 \$42,200 1989-90 \$50,000
Full-time equivalent staff	1.0
General allocations - impact of key activities on women/girls (<i>Expenditure Category 3</i>)	
Program	<i>Animal Industries</i>
Issues	The current level of child infection from dogs is a danger to the health of the children, as well as a problem for women who are the primary care givers.
Activity	Study of worms and infectious skin conditions in dogs in Aboriginal communities, and cross infection rates of humans, particularly children.
Indicator	Level of infection
Action	Survey the kinds of infections currently present in dogs at Ernabella and design a program treat them.
Expected outcome	Reduction in infections in dogs and in humans.
Expenditure	1988-89 \$- 1989-90: \$15,000
<i>continued</i>	

Program	<i>Farm Management and Rural Community Support</i>
Issues	Women working and living on farm properties are primary targets for farm safety campaigns, both for themselves and the occupational health and safety problems of other members of their families.
Activity	Farm safety seminars offered statewide, coordinated jointly by the Women's Agricultural Bureau, Rural Youth and the Agricultural Bureau.
Indicator	Percentage of women attendees at seminars.
Action	Seven seminars conducted in 1988-89. Number of seminars for 1989-90 not yet finalised.
Expected outcome	Greater awareness of potential farm accidents.
Expenditure	1988-89 \$6,000 1989-90-\$8,500
Full-time equivalent staff	0.1
Program	<i>Farm Management and Rural Community Support</i>
Issues	The need for equal access to program in personal and group development and opportunities to develop leadership skills and enable women to play an equal role in community activities.
Activity	Rural Youth Movement of South Australia
Indicator	Proportion of female membership is 50%.
Action	Provide equal access to programs.
Expected outcome	Women are now taking an equal role in organisational leadership at state level. The aim is to increase this at grassroots level.
Expenditure	1988-89 \$33,500 1989-90 \$38,500
Full-time equivalent staff	1.0
Program	<i>All Programs</i>
Issues	Access to information and advice is essential for production and management of agricultural properties.
Activity	Advisory services to farmers and farm managers
Indicator	Women make up a significant minority of all those identified as farmers and farm managers in Australian censuses. This proportion rose from 29% in 1981 to 34% in 1986, mainly through the decline in the absolute number of males in these categories.
Action	A number of programs, funded by commonwealth grants and using the Women's Agricultural Bureau and Rural Youth, aimed at raising the confidence of women.
Expected outcome	Further growth in the proportion of women who regard themselves, and are regarded by others, as contributing positively to agricultural production in South Australia.
	<i>continued</i>

Equal employment opportunity evaluation for women employees (Expenditure Category 2)						
		% Female 1983		% Female 1988		
Classification Profile						
C01 below the barrier		78		79		
C01 above the barrier		77		92		
A01 to A05		10		42		
E01 and above		7		13		
Occupation						
Clerical and Administrative		51		62		
Technical		22		20		
Professional		5		7		
Weekly paid		28		31		
Total		25		26		
Employment status	Part-time 1983	Part-time 1988	Full-time 1983	Full-time 1988	Temp 1983	Temp 1988
Females as % of total female work force	10	15	65	60	25	25
Males as % of total male work force	1	-	79	86	20	14
Aboriginal employees: The department has no Aboriginal employees. The department has 87 committees, with a total of 77 female and 632 male members. Equal Employment Opportunity Budget 1989-90 \$45 000. No specific allocation to women.						

Sources: *The Budget and Its Impact on Women 1989-90* (1989), Financial Information Paper No 5, Adelaide: South Australian Government Printer, pp 50-52; *The Budget and Its Impact on Women 1990-91* (1990), Financial Information Paper No 5, Adelaide: South Australian Government Printer, p 39; *The Budget and Its Impact on Women 1991-92* (1991), Financial Information paper No 5, Adelaide: South Australian Government Printer, pp 133-135.

⌘ *Discussion exercises*

Discuss this extract from an Australian State women's budget, pointing out strengths and weaknesses.

Think about the three categories of expenditure.

Relate your discussion to the agricultural situation in this country.

Comment 36 provides examples from South Africa of statements for public sector employment (Category 2) expenditure.

comment **Two stories about public sector employment**

36

Story 1 The Public Service in South Africa (Expenditure Category 2)

[The South African] government aims to create a 'genuinely representative public service which reflects the major characteristics of South African demography'. The White Paper on the Transformation of the Public Service sets targets to be achieved over the next four years:

- half of management should be black;
- 30 per cent of new recruits to middle and senior management should be women.

In September last year there were 1,164,843 public servants. Over seven in every ten (828,494) were employed by provincial governments. More than half are women.

Whites, who make up 20 per cent of the public service, are over-represented compared to their 13 per cent share of the population. Women are underrepresented among Africans and over-represented among whites.

The employment patterns differ between national and provincial government, reflecting the differences in functions. The three large social services - Education, Health and Welfare - are largely provided by provinces and have traditionally employed more women. The security functions, which have traditionally employed more men, are provided at the national level.

Source: Department of Finance, Republic of South Africa (1998), *Budget Review 1998*, Pretoria, p 6.41.

Story 2 Educators in the South African public service (Expenditure Category 2)

Educators constitute the single largest occupational family, accounting for over a quarter of all Public Service employees. Although women dominate this family (67% of the total), they are rarely found at the top end of the salary scale. They account for 7% of those earning R131,478 and above....

The table below gives the average wage for each race-gender grouping, first in absolute terms, and then as a proportion of the average African woman's wage for this occupational family. The greatest variation occurs between white men (1,64 compared to African women) and African women. These variations generally occur because of differences in qualifications, length of service and rank... There are also substantial differences between white women and African women...

continued over page

Average salaries: Educators

	Total	Total	Total	African	African	White	White
	All	Women	Men	Women	Men	Women	Men
Actual	46545	44233	50519	38365	41495	54761	65888
Index	1.21	1.15	1.32	1.00	1.08	1.43	1.72

Source: Julia de Bruyn (1996), 'Public Service', in Debbie Budlender (editor) *The Women's Budget*, Cape Town: Institute for Democracy in South Africa, pp 192-3.

Membership of government boards and committees is an indicator of both government expenditures on equal employment opportunity and the participation of women and men in a country's economic life. Comment 37 outlines the membership of committees and selected boards in Barbados.

comment

Committees in Barbados (Expenditure Category 2)**37**

Representation at the level of statutory boards in the political process reveal some interesting trends. A study analysing the Gender Composition of Boards reveals, for instance, that in 1994, 7% of members of boards that generate revenue are women. Traditionally the economic boards are dominated by men whilst the social boards are dominated by women. In recent times, however, there has been a change. More men are sitting on the social boards, but there has not been a significant increase in the number of women on boards that generate revenue.

<i>Membership of selected boards in Barbados, 1996</i>				
Name of body	Women	Men	Total	% Women
Personnel Administration Division	1	5	6	17%
Judicial and Legal Service	0	5	5	0%
Town & Country Planning Advisory Committee	0	10	10	0%
Electrical Wireman Licensing Board	0	5	5	0%
Police Service Commission	0	5	5	0%
Electoral and Boundaries Commission	1	4	5	20%
Medical Council	2	7	9	22%
Paramedical Professions Council	1	6	7	14%
Professional Engineers Registration Board	0	3	3	0%
Commission Board/Defence Board	0	4	4	0%
Defence Board	0	4	4	0%
Barbados Tourism Investment Corporation	0	6	6	0%
Cinematograph Film Censorship Board	4	9	13	31%

Source: Background research for a preliminary mission to consult with the government of Barbados on the integration of gender into the national budget, 1998, p 15.

⌘ *Discussion questions*

What is the gender issue in this example?

What indicators (other than those shown in Comments 35, 36 and 37) could be used to show the gender impact of public sector employment resource allocation?

Is the gender membership of boards and committees in this country an example of government expenditures on equal employment opportunity (Category 2) OR an example of general government policies and expenditures (Category 3)?

In some countries, an official (called an ombudsman) is appointed to investigate individual complaints against public authorities. The funding of this office, which women and men may use differently, can provide an important service to the community. Comment 38 provides a simple example of a gender-disaggregated analysis of a 'general', or Category 3, expenditure.

comment

Ombudsman's Office (Expenditure Category 3)

38

The role of the Ombudsman's Office is to determine and resolve complaints made by the public about administrative actions of Government agencies. Women access the services of the Ombudsman at a lower rate than men. Over the past three years, statistical data demonstrates the proportion of women accessing the Ombudsman service has remained at a consistent level.

Initiatives in 1998-9 will target younger women across the Territory... and women living on [Aboriginal] communities. Information presentations about the services of the Ombudsman will be offered to high school students during visits to centres outside Darwin. A survey of Aboriginal language groups is currently being conducted with a view to developing aural translations of Ombudsman's advisory information.

Share of Ombudsman's services access by females

	1995-6	1996-7	1997-8
Police Services	29%	30%	33%
All other	38%	41%	40%
Total	37%	38%	38%

Source: Northern Territory Government (Australia) (1998), *Women in the Budget 1998-99*, Budget Related Paper. Darwin: Northern Territory Government Publications, p 72.

⌘ *Discussion questions*

What does this example tell us about the impact of 'general' expenditures made by the Government Ombudsman?

If you were doing an analysis of these government community services to the community in this country, would you do it in a different way?

The links between gender and a 'general' expenditure category are not always adequately recognised, even when the area of policy and expenditure might be expected to have significant gender effects. Gender-sensitive budget analyses undertaken by governments in Australia have often been motivated by a desire to publicise government policies. As a result, the budgetary analysis of expenditure and policy has been limited. In Comment 39 a Category 3 expenditure is presented using a limited gender-aware policy appraisal.

comment

The Australian Women's Budget - Assistance for Business (Expenditure Category 3)

39

Approximately one-third of Australia's small- and medium-sized enterprises (SMEs) are owned by women and another 28 per cent are owned jointly by women and men. Recent studies have revealed that the biggest problems facing SMEs, especially those owned by women and particularly those with the potential to export, are the availability of finance and the lack of information on how to access and manage finance.

The Government's industry measures in the *White Paper on Employment and Growth* boost assistance to small business. The following are key measures, to be implemented over four years commencing in the 1994-95 financial year, which particularly assist SMEs.

Enterprise Development Program	Expansion of the enterprise development program which will involve additional funding of \$102.3m for the National Industry Extension Service (NIES) to reach SMEs.
Enterprise Networking	Funds of \$38.2m will be provided to encourage small- and medium-sized enterprises to form networks of three or more firms.
AusIndustry	Creation of AusIndustry, to enhance the delivery of business improvement programs. AusIndustry will...deliver business programs and act as an information and referral service for related business programs offered by other Government agencies.
Improved Small- and Medium-Sized Enterprises' Access to Finance	<p><i>Initiatives costing a net \$19.9m include:</i></p> <p>Activities to improve the skills of business managers and capital providers, development of a set of benchmarks for manufacturing and service industries to assist financial institutions in their lending decisions and encouragement to SMEs to seek expert advice in obtaining commercial export finance;</p> <p>Advance payment bonds will be introduced to assist exporters whose customers require a guarantee of advance payments on a contract;</p> <p>Funding for an advertising campaign to promote awareness of the Commonwealth Development Bank as a specialist source of finance for SMEs;</p> <p>An increase in the tax incentive and relaxation of many restrictions on Pooled Development Funds (PDFs);</p> <p style="text-align: right;"><i>continued</i></p>

Improved Small- and Medium-Sized Enterprises Access to Finance	Enhancing of the Industry Innovation Program to the tune of \$118m. A network of technology diffusion centres will be established to demonstrate new technology to SMEs... SMEs will also receive assistance to take up new technology and for early commercialisation of technological innovation by small firms; and Arrangements to facilitate Commonwealth purchasing from SMEs. Access to SMEs to purchasing opportunities within the Commonwealth market will be enhanced.
Training and Research:	The Government will provide further training support to SMEs. It will also address barriers to women's take-up of the New Enterprise Incentive Scheme (NEIS), designed to facilitate self employment. The White Paper increases places available under NEIS from 5 000 to 6 500 in 1994-95 rising to 9 000 in 1996-97. In addition, the Government is working with the Australian Federation of Business and Professional Women on a national survey to determine the factors that hinder or encourage the growth of enterprises run by women. A clearer understanding of those factors will help Government to develop effective policies to encourage growth of the small business sector in Australia.

Source: *Women's Budget Statement 1995-96* (1995), Budget Related Paper No 3, Canberra: Australian Government Publishing Service, pp 19-20. Commonwealth of Australia copyright reproduced by permission.

⌘ Discussion questions

How could this gender-aware policy appraisal be improved?

What are the gender issues in relation to small business assistance in this country?

What questions would you raise in undertaking a gender-sensitive analysis of small business assistance in this country?

Gender-sensitive budget analyses are ultimately concerned with producing better policies, programs and resource allocations. Comment 40 is an example of a 'general' (Category 3) expenditure for which a gender-sensitive budget analysis contributed to a programme revision.

comment **The National Public Works Program in South Africa
(Expenditure Category 3)**

40

Approximately R350 million has been allocated to the National Public Works Program from national budgets since 1994. The Community Based Public Work Program (CBPWP) accounts for R250 million of this. Some provinces have added funds from their own budgets.

A 1997 evaluation of the program found that the quality of the assets produced was exceptionally high compared to similar programs elsewhere in the world. It found the 599 projects to be well-distributed geographically with respect to the relative poverty profiles of the nine provinces. KwaZulu-Natal, Eastern Cape and Northern Province jointly received nearly two-thirds of the nationally allocated funds.

Of those employed on the projects, 41 per cent were women and 12 per cent were youths. While the figure for women is lower than the female proportion of the population in the rural areas in which the projects operate, it is almost certainly higher than would have been the case without explicit targeting. Unfortunately, the evaluation suggests that women were often assigned the more menial jobs, that their average wages were lower, that they were generally employed for shorter periods than men, and that they were less likely than men to receive training. 37 per cent of men who were employed received training, compared to 32 per cent of women.

The evaluation results have formed the basis of the Department's current plans to fine-tune the program and further improve targeting.

Department of Finance, Republic of South Africa (1998), *Budget Review 1998*, Pretoria, p 6.44.

⌘ *Discussion questions*

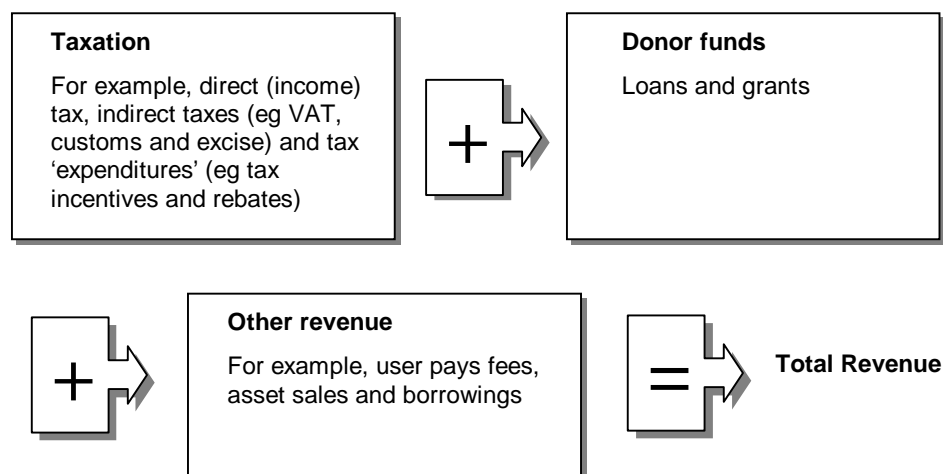
How could this gender-aware policy appraisal be improved?

How do these policy issues relate to this country?

Gender budgets: A framework for public revenue

Gender analysis of revenue is still relatively undeveloped. Australia, the United Kingdom and South Africa have, however, done some initial work in the area. The possible categories of revenue are as follows:

Government revenue categories



The next part of Section 7 provides some examples of issues that need to be taken into account in the reporting of a gender-sensitive analysis of government revenues. The gender-sensitive analysis of government revenues is more difficult, and often politically more sensitive, than is the gender analysis of government expenditures. Nevertheless, it is still possible and desirable to undertake an analysis.

One area which is usually the easiest to analyse is that of personal income tax, as it can be analysed on the basis of whether the taxpayer is female or male. Possible problems are that the authorities do not collect disaggregated information, or that the income taxation unit is married couples rather than individuals. Another problem area is where individual taxpayers who earn below a certain threshold do not submit individual tax returns, with their contributions being paid as lump payments by the employer. A third problem - particularly in poorer countries - is that individual taxpayers comprise a very small proportion of the population, therefore personal income taxation provides a relatively small proportion of government revenue.

In virtually all cases, analysis of personal income tax will reveal that men, overall, contribute a larger share of this revenue than women. This is because more men than women are usually earning cash, and, as illustrated in Comment 41, they generally earn more than women and therefore tend to pay more tax.

comment Personal income tax in Australia**41**

In the 1990-91 income year there were approximately 3.4 million women taxpayers. Women constitute 43 per cent of all taxpayers and pay 31 per cent of total income tax. Married women constitute 60 per cent of all women taxpayers and pay slightly more income tax on average than single women.

Income year 1990-91

	Female	Male	Total
Single			
Number of taxpayers	1337152	1652305	2989457
Taxable income \$m	27872	39148	67019
Net tax \$m	5460	8666	14127
Married			
Number of taxpayers	2018808	2792075	4810883
Taxable income \$m	41916	88437	130352
Net tax \$m	8101	22012	30112
Total			
Number of taxpayers	3355960	4444380	7800340
Taxable income \$m	69788	127584	197372
Net tax \$m	13561	30678	44239

Source: *Women's Budget Statement 1992-3* (1992), Budget Related Paper No 5, Canberra: Australian Government Publishing Service, p 296. Commonwealth of Australia copyright reproduced by permission.

⌘ Discussion question

What are the gender issues in personal income taxation in this country?

The differential effect of taxes

More sensitive analyses of personal income tax would need to look at the extent to which different types of tax rebates and other incentives are differentially available to women and men, perhaps because of the sector they work in, the type of jobs they do, or their levels of earning. Other benefits, such as tax concessions for contributory employment-related pensions (recorded as a tax expenditure in most budgets), will also tend to benefit men more than women because more men than women are usually employed in the type of formal sector jobs where these pensions are standard.

Many other taxes are more complicated because they are paid by households rather than individuals. (The example, in Comment 40, compares the burden of the indirect value-added tax on poorer and richer households). Value-added taxes are generally regressive, meaning that poorer households tend to pay a larger share of their income on these taxes than richer households.

This will have gendered implications to the extent that women are more likely to be members of poorer households, and/or are usually responsible in most households for daily purchases.

Taxes and duties on goods and services such as alcohol, tobacco and gambling will affect men more than women to the extent that men in many societies are more likely than women to drink, smoke and gamble. There could, however, be a negative effect on women - these taxes may mean that men withhold greater amounts of money from the common household pot.

Donor funds are a significant source of revenue in many developing countries. The recipient country may have little choice in how donor funds are spent. For example, funds can be tied to particular programs and policies which may have differential gender implications and impacts.

One of the non-tax sources of government revenue is user fees. These could include school and university payments, payments for health services, payments for use of local government facilities, service charges for water and electricity, and so on. User fees generate income for government. They can change usage patterns; for example, they could force poor parents to choose between sending boy and girl children to school. They can also impose additional time burdens on citizens (usually women) where, for example, people are unable to afford government charges for water and electricity, and women must collect water and fuelwood instead.

A second non-tax source of government revenue is sales of assets. While these generate once-off sources of income for government, they can result in individuals subsequently having to pay for services which are currently provided free or on a subsidised basis.

⌘ *Discussion questions*

What are the different amounts and proportions of government revenue, using the suggested government revenue categories, in this country?

How might a change in revenue raising policy, such as an increase in user pays charges, affect women's time burdens in the 'care economy'?

The tax-benefit system

Changes to revenue raising (eg reductions in income tax rates) are frequently accompanied by changes in government expenditures or benefits (eg greater targeting of child support). A gender-sensitive analysis of these tax-benefit changes requires an analysis of the interactions between the taxation system and the system of government benefit payments.

Recent changes to the tax-benefit system in Britain, which attracted attention for their potential gender effects, are provided in Comment 42.

The Chancellor has announced five key proposals in the Budget:

- a new tax credit paid to working families with children: the Working Families Tax Credit [WFTC];
- a new childcare tax credit within the WFTC to help working families with the cost of childcare;
- a new tax credit to help sick and disabled people into work: The Disabled Person's Tax Credit;
- the biggest reform of national insurance contributions [NIC] since 1975, which will encourage job creation at the lower end of the labour market, remove distortions and reduce administrative burdens on employers. The NIC burden on the lower paid will be reduced both for employees and employers, reducing the combined charge by 3.20 pounds a week at earnings of 64 pounds a week;
- a 1.25 billion pounds package to increase support for children, raising child benefit for the oldest child by 2.50 pounds a week from April 1999 and the child premia for the under 11s within the income-related benefits by 2.50 pounds a week from November 1998.

The WFTC [is designed to make work pay for]...low- and middle-income families with children. A disproportionate number of the lowest-earning households are ones where the main earner is a woman. Couples will be able to choose whether the mother or the father receives the tax credit. The WFTC also poses no threat to independent taxation. So the WFTC, especially in conjunction with the National Minimum Wage, will be of particular benefit to women.

Sources: HM Treasury (1998a), 'The Working Families Tax Credit and work incentives', *The Modernisation of Britain's Tax and Benefit System*, Number Three, p 5; HM Treasury (1998b), 'Government Launches New Deal for Working Families 'Making Work Pay'', Press Release, p 2.

⌘ *Discussion questions*

How do tax credits differ from government expenditures?

What are the gender issues in the above example?

Are there any gender issues that might arise in the tax-benefit system in this country?

Portfolio work

Introduction to portfolio work

An initial strategy for undertaking a gender-sensitive budget analysis is to select a limited number of portfolios/ministries or sectors. The selection of portfolios requires some thought. It is readily accepted that 'social' portfolios such as education, health and welfare have gendered implications. However, so do other areas such as industry, agriculture, land and water, examples of which have been provided in earlier sections of this booklet.

The purpose of the portfolio work is to identify gender issues and problems specific to given sectoral allocations. In Section 7, we presented three categories of expenditure and three categories of revenue. The aim of this section is to produce one statement for each of the three expenditure categories in a given sector, plus a fourth statement for the revenue category. This is an initial strategy in the development of a gender-sensitive budget statement.

Preliminary tasks

Portfolio work is best done using a team approach. Participants should divide into portfolios/sectors/ministries (eg education, agriculture) and:

- study the material on gender issues for the country (e.g. Women and Men booklet, or CEDAW report);
- extract from the local material three problems/concerns related to gender issues and present supporting data;
- discuss the underlying causes and effects of the problems;
- identify any sectoral programmes that address/relate to these problems;
- determine the allocations to these programmes; and
- discuss any difficulties in answering these questions.

Data needs

The preliminary tasks raise many data issues. Comment 42 identifies three different types of data needed to undertake a gender-sensitive budget analysis.

The types of data needed for gender budget analysis can be divided into three broad categories:

- **Inputs:** measure what is put into the process. For example, the amount of money budgeted or the staff allocated for a particular programme or project.
- **Outputs:** measure direct products of a particular programme or project. For example, the number of beneficiaries receiving a particular good or service.
- **Outcomes:** measure the results of the policy or programme. For example, increased health, educational levels, availability of time.

All three types of data are necessary. A given change in policy or in a project will affect inputs and outputs far quicker than it affects outcomes. It is also usually very difficult to attribute a given outcome to a particular, or single, policy or project. Ultimately, however, a policy or project must be judged on the basis of outcomes.

The tools of gender-sensitive budget analysis will be needed to identify outputs and outcomes.

⌘ *Discussion exercises*

What input, output and outcome data are needed for your chosen programmes?

What are the different sources of data in this country? For each one indicate availability, regularity and up-to-date-ness.

(Examples might include: household surveys; censi-population and other; enterprise surveys; administrative data; non-government sources eg universities, other institutions, NGOs.)

Will the analysis of the programmes focus on inputs, outputs or outcomes?

Developing a portfolio analysis

Each of the portfolio analyses needs to begin with a general introduction of the portfolio area and its gender implications. This includes:

- an outline of the main purpose of the portfolio and the gender issues in general terms; and
- an identification of the chief programmes within the portfolio, indicating the amounts allocated for each programme and the percentage of the total portfolio budget.

Expenditure analysis

Using the categories of expenditure developed in Section 7, the following three statements can be developed:

Statement

1

Gender specific allocations

Describe specifically gender-targeted allocations by referring to:

- the aim of the programme or project;
- an analysis of the programme's impact which refers to output indicator/s (this might be the number of women or men beneficiaries of the programme);
- the allocation of resources; and
- changes planned in the coming year.

Statement

2

Public sector employment

Recall that, in a gender-sensitive budget analysis, gender issues in public sector employment can be thought about in two ways. Firstly, public service employment patterns can reflect (or not) principles of equal employment opportunity between men and women and between groups of men and women.

Secondly, the gender-sensitive delivery of programmes can be affected by the gender employment structure of the public service and other government appointed personnel. Although there was some discussion earlier as to whether these allocations were Category 2 or 3 expenditures, for the purposes of developing a portfolio statement, matters relating to public service employment will be treated as Category 2 expenditure.

Accordingly, analyse the equal opportunity issues in public sector employment by:

- *describing employment patterns within particular portfolios or the public sector as a whole.*
Disaggregate by gender, level of employment, form of employment (full or part-time, permanent or temporary), salaries and benefits. Include other disaggregations such as race and disability.
- *describing special initiatives to promote equal employment opportunity* - amount spent and numbers reached (eg women in management training, gender training for officials).

- ***analysing the number of women and men in positions with a gender focus or specialism*** (eg police, medical and welfare officials dealing with rape and domestic violence; men in positions dealing with men and gender violence).
- ***analysing the membership of boards and committees established under the portfolio***
Distinguish between paid and unpaid appointments and levels of remuneration.
- ***describing any changes planned in the coming year.***

Statement

3

General allocations

‘General’ budgetary allocations can be analysed using any of the tools discussed in Section 7. Choose a programme which is significant in both budget terms **and** in gender terms. Present this by describing:

- the aim of the programme or chosen activity within the programme (that is, what it seeks to do);
- how much is spent on the programme/project and what percentage this is of total budget;
- gender policy issue/s in the programme
- an analysis of the impact of the programme, which includes an output or outcome indicator/s; and
- changes planned in the coming year.

Statement

4

Revenue analysis

Using the categories of revenue outlined in Section 7, choose a source of revenue (or a tax/benefit/policy) which is important for the portfolio area and significant in gender terms. A revenue issue can be analysed by using a variety of tools and presented by describing:

- the proportion of total revenue this constitutes and how this has changed over time;
- the gender issues raised;
- an analysis of the revenue issue, referring to indicator/s of how the burden (benefits) falls according to gender and other categories; and
- changes planned in the coming year.

Developing an action plan

At this point we need to check that the process can continue successfully after the initial portfolio work.

The following checklist of tasks and decisions needs to be discussed both in a portfolio team and amongst members of the wider group undertaking the gender-sensitive budget analysis. At the group level, decisions need also to be reached on the overall form the exercise will take in this country, at least for the first year. In particular, there must be agreement on scope, location and politics.

Checklist

- What are the gender issues in terms of the four selected categories of expenditures and revenues for each portfolio/sector/ministry?
- Which tools of analysis will be used?
- What indicators will be developed?
- What are the data sources – both the sources which have to be developed and those which are available already?
- Will the focus be on future, current and/or past budgets/expenditures (and revenues)?
- What are the structures of responsibility?
- In what document/format will the gender-sensitive budget analysis be presented?
- How does the development of a gender-sensitive portfolio analysis fit into the budget cycle?
- How will the exercise be evaluated?

A schedule of tasks needs to be drawn up by each portfolio team as well as by the coordinators of the overall exercise.

Schedule of tasks

Task	Components of the task	Person(s) responsible	Material submitted to	Start date	End date
1					
2					
3					
4					
5					
6					
7					

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All of the comments, figures and tables provided in these materials have been thoroughly referenced on the pages where they are found. The following references cite other academic works referred to in this text or materials which may assist the reader in furthering their understanding of the topic.

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