



Presentation talking points to a pre-meeting of the Women's Parliamentary Caucus

Leinster House

13 June 2017

Deputies, Senators,

My thanks to you and, in particular, to Senator Higgins for having me here today. My name is Eilís Ní Chaithnía and I am Campaigns and Policy Coordinator with NWCI. NWCI, as many of you will know, is the leading representative women's organisation in Ireland with over 180 member organisations across the country. Our mission is to achieve full equality between women and men.

The Irish Human Rights and Equality Commission has funded NWCI to carry out a piece of work on Gender Budgeting in Ireland. This project involves bringing together key practitioners and experts from Ireland and internationally, including Emma Ritch from whom you've heard this morning, to progress the implementation of the Programme for a Partnership Government (PfPG) commitment to gender and equality proof the national budget.

We have commissioned a piece of research which will develop a model of gender budgeting for Ireland, learning from best practice in other jurisdictions with comparative budgetary and policy decision-making processes.

Over the summer months, we will publish information materials which will outline in straightforward language the why, what and how of gender budgeting, for interested parties.

We are engaging with the Department of An Taoiseach, the Department of Public Expenditure and Reform (DPER) and will present in July to the Budgetary Oversight Committee to present the initial findings of the research.

Before we move to the 'what' of gender budgeting this morning, it is worth a brief reminder of the 'why'.

It has been well-established that the recent period of austerity impacted disproportionately on women, in particular certain groups of women such as lone parents and older women.

Gender Pay Gap widened from **12.6%** (2006) to **14.4%** (2012) and **Gender Pension Gap** widened from **35%** (2010) to **37%** (2012).

The Department of Social Protection's Social Impact Assessment of the main welfare and direct tax measures in Budget 2015 found the '**smallest gain in the bottom quintile**'.

TASC's *Winners and Losers? Equality Lessons for Budget 2012* report found that **women are concentrated in the lower income groups**. Changes to taxes and social welfare issues that disproportionately impact on low-income groups can also be expected to disproportionately impact on women.

CSO SILC figures continue to find that **lone parents**, the vast majority of whom are women, **are experiencing disproportionate deprivation**.

A more equal society is not an aspirational idea which might eventually be achieved through the overspill of a "trickle down" economy; rather it is the core foundation upon which any sustainable economy must be built. In order to achieve equality, however, we must act purposefully. It requires weighing the benefits and costs of policies that would or could promote women's equality AND THEN, importantly, taking action in response to that evaluation.

It requires two types action: dedicating public expenditure to EXPLICIT gender equality objectives and women's advancement, establishing childcare provision as a form of capital and social infrastructure, or cervical cancer treatment. AND expenditures that can be seen as contributing to gender equality more broadly, such as gender-sensitive pension reform, cardiac health services, changes to taxation and some forms of social transfers, investments in labour market activation initiatives.

Ireland's budgetary process has long faced criticism for its opaque and complex nature. Recent reform aimed at providing for greater parliamentary participation and transparency are to be welcomed. Emphasis on evidence-based expenditure policies and performance based budget approaches adopted by Ireland in 2012, lend themselves to a more rigorous process.

The adoption and implementation of gender and equality budgeting processes aligns neatly with these developments. Gender budgeting does not require a new or additional budget.

Rather, put simply, gender budgeting involves two key elements:

1. Changes to fiscal policy or the structure of fiscal policies and
2. Administrative changes to expenditure tracking and monitoring systems.

According to leading international expert Janet Stotsky, the most successful efforts encompass both.

It does not bind the government to any particular budget decision. But it would make it easier for parliament and the public to evaluate the budget.

Take, for example, the introduction of the Affordable Childcare Scheme, in many ways a radical change in policy that will have, if retained and resourced appropriately, long-term positive impacts on women's economic equality – both mothers and childcare professionals, the majority of whom are women.

This scheme is a clear example, then, of a fiscal policy change that should stand up well in a gender impact assessment process. With the appropriate administrative changes to tracking and monitoring, those assessing and making the budget can establish whether women's effective equality has been improved and decide whether or not to invest, and in which direction. Other jurisdictions, like Austria, for instance, moved to adopt results-based budgeting, focusing on outputs and outcome and not just the inputs. This, surely, sits comfortably with the reform objectives of DPER. Equally, the medium term framework provides a more conducive environment to the results-based gender budgeting model, as really a multi-annual approach is required to look at the achievement of equality-oriented goals.

Equally, the unit of assessment is integral. The traditional notion of the household unit having only one set of interests is outdated. Gender impact assessments must and would recognise a diversity of interests, reflecting that women and men respond differently to fiscal policies and other features of the economic environment AND that economic policies may have different effects on different members of the same household.

Impact assessment and budget and policy proofing are not new to Ireland. In fact, we were once a leader in policy-proofing. The 1997 National Anti-Poverty Strategy pioneered poverty proofing and was applied to major economic and social proposals. A National Economic and Social Council evaluation in 2001 found a high level of formal compliance with poverty-proofing.

The Gender Equality Unit in the former Department of Justice, Equality and Law Reform developed, promoted and supported Gender Impact Assessment Guidelines for the National Development Plan 2000- 2008.

Though difficult to assess in full, Mary Murphy has found progress arising from these processes include: greater transparency, greater accountability; and culture change within public institutions. Improvements were also made in various policy areas.

In 2015, the Institute of Certified Accountants published a report entitled Equality Budgeting in Ireland: A Tax-based Exploration, which found "a process of equality-proofing consultation on tax changes which is centralised in the Departments of Finance and Social Protection, and informed by the proprietary government statistics, is likely to be the most efficient means of achieving both equitable tax policy formation and public confidence in the system".

Considering both the outcomes of expenditure and revenue policies really is integral to ensure we have a full understanding of women's and men's economic experience in Ireland.

TASC and the ESRI have both carried out gender budgetary analysis, as of course, has NWCI.

So what is coming down the pike in terms of implementing the Government's commitment to equality and gender proofing the budget?

The PfPG set out the following commitments:

- To develop the process of budget and policy proofing.
- To ensure the institutional arrangements are in place to support equality and gender proofing in the independent Fiscal and Budget Office and within key government departments and to draw on the expertise of IHREC to support the proofing process.
- For Budget 2017, the fiscal and budget committee was tasked with looking at gender and equality proofing budget submissions and proposals with independent expertise (including the IHREC) to assist where necessary.

DPER has already developed a new ex-post Social Impact Assessment (SIA) Framework as a first step towards supporting a more comprehensive assessment of the impacts of certain budgetary measures on household outcomes. The department has said it has been designed to complement the current distributive analysis of the proposed tax and social welfare measures set out in the Budget each year. DPER has committed to having regard to equality and human-rights-proofing as part of its social impact assessment framework.

This work will now be supplemented by a series of papers published by the Irish Government Economic and Evaluation Service (IGEES) each year. These papers will focus on policy areas that cannot easily be incorporated into the SWITCH model. In this regard, the papers will largely focus on the impacts of public expenditure on recipients

The new National Strategy for Women and Girls sets out more explicitly what's expected to be done over the next four years.

It commits...

Department of Public Expenditure and Reform to:

- Take measures to build capacity within the Civil and Public Service and Continue to engage with International organisations such as the OECD to identify best practice in the budgetary processes including gender budgeting.

The Department has begun this capacity building process with high level civil servants and, indeed, has scheduled a briefing this month. Two sets of knowledge are needed to meaningfully progress gender budgeting: those of gender equality and of public sector budgeting. It is critical that this knowledge is embedded directly into the expertise of the new Independent Fiscal and Budget Office in order to provide non-partisan guidance and commentary on Budgets future budgets.

All Departments to:

- Identify knowledge gaps in relation to gender inequality and use this as a base to drive improvements in the data infrastructure and analysis required to close those gaps.

Department of Public Expenditure and Reform & Department of Finance to:

- Apply IGEES's new Social Impact Assessment framework to the the area of Early Years policy and programmes.

These developments are promising.

However, in the first instance, NWCI strongly recommends the following.

- A clear indication of commitment and a very 'doable' first step towards meaningful implementation of gender budgeting would be the publication of a gender equality budget statement by the Ministers for Finance and Public Expenditure and Reform alongside the 2018 Budget Statement, utilising the women's strategy as a blueprint from which to work.
- In addition, an Irish equivalent of the Scottish EBAG should be set up to guide and monitor implementation.
- Finally, given your respective positions on parliamentary committees, we would invite you to drive oversight of gender budgeting implementation on each portfolio area. NWCI would be delighted both to come in and speak to the rationale and mechanics of gender budgeting to your committee members and arrange for practitioners from other jurisdictions to advice interested members on how they go about adopting such procedures.

We would greatly appreciate, of course, your efforts to get this across the line in your various capacities. Thank you for listening.