

# **Gender Responsive Budgeting:** Locking in Queensland's momentum towards gender equality

**Dr Leonora Risse**

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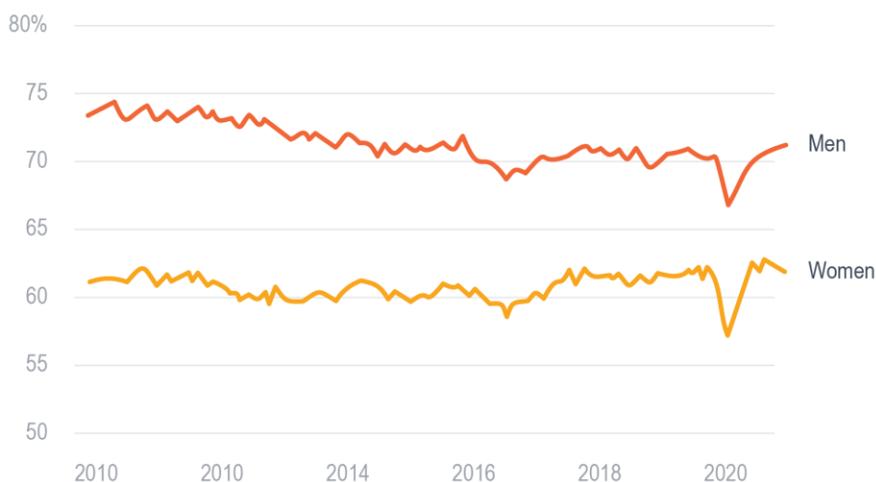
## Progress towards gender equality: Where is Queensland at?

The Queensland Government is to be commended for demonstrating a clear understanding of the significance of gender gaps in economic outcomes and opportunities.

Across various policy measures, it is demonstrating a proactive approach towards creating more equitable outcomes for women and girls in Queensland, including within its own workforce through the *Queensland Public Sector Gender Equity Strategy*. Its investment in the *Queensland Women's Strategy* equips government, the private sector and the wider community with practical resources to pursue gender equality.

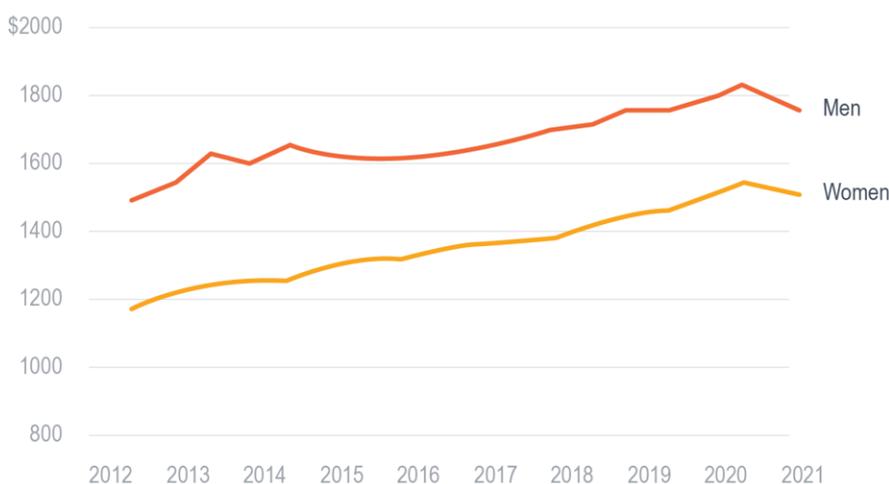
The *2020-21 Queensland Budget* acknowledged the ways in which the COVID-19 pandemic disproportionately affected women, reflective of women's heavy share of the industries that were most affected by the pandemic. As part of the Budget, the *2020-21 Women's Economic Statement* outlined a valuable suite of policies and programs specific to women's needs and experiences, and acknowledges the ways in which broader policies – such as the *Skilling Queenslanders for Work* program and the *Back to Work Program* – would support women's economic opportunities. The Queensland Government's heightened focus on domestic and family violence against women is also a critical component of this package of gender equality policies.

Queensland men's and women's workforce participation



Source: ABS Labour Force Australia, Cat 6202.0. Seasonally-adjusted monthly data. Workforce participation rates refer to the share of civilian population aged 15 years and older who are either employed and looking for a job. People who are engaged in unpaid care, or study, or unable to work, and are not actively looking for a job, are counted as part of the workforce

Queensland men's and women's average weekly full-time earnings



Source: ABS Average Weekly Earnings Australia, Cat. 6302.0. Seasonally-adjusted ordinary time earnings collected biannually in May and November of each year.

Yet, gender gaps in economic outcomes persist. Two key indicators are workforce participation rates and the gender pay gap. These and many other indicators – including rates of violence against women – attest that the goal of gender equality is yet to be achieved. Progress is not guaranteed without concerted attention.

A breakthrough initiative that the Queensland Office for Women has invested in is the *Gender Analysis Online* platform, which equips organisations to apply a gender lens to their activities.<sup>1</sup> This investment in gender lensing provides the foundation for the Queensland Government to transparently apply a process of gender lensing to its own policymaking process – a practice known as Gender Responsive Budgeting.

There is immense scope for the Queensland Government to lock in and consolidate the progress it has already made on gender equality initiatives by establishing a formal process of Gender Responsive Budgeting in its policymaking. Taking this step to legislate Gender Responsive Budgeting, and invest in the capacity to undertake this process in its subsequent budgets, would not only strengthen the Government's prospects of achieving its gender equality goals – it would also preserve this current Government's legacy and secure Queensland's path towards gender equality beyond the current budget and onward into the future.

Formalising Gender Responsive Budgeting as part of the State's policymaking process provides an important lever for momentum on gender equality across other tiers of government and jurisdictions. The adoption of Gender Responsive Budgeting at State level provides an exemplar to local councils within Queensland, as well as to other State and Territory jurisdictions across Australia and to the Australian Government. Advancements are being made in other states: the Victorian Government announced, in its 2021-22 Budget, the establishment of a Gender Responsive Budgeting Unit within its Department of Treasury and Finance.

## What is Gender Responsive Budgeting?

Every policy initiative in the budget has the potential to impact men and women differently, even if the policy is designed to be gender-neutral. These unintended consequences can mean that a policy may result in inadvertently worsening the gender gaps that Government is striving to close.

Gender Responsive Budgeting involves analysing all policy measures to identify the ways in which the policy can either advantage, or potentially disadvantage, different cohorts of the Queensland population on the basis of gender. These gender-based differences arise not necessarily by intent, but because of the different industries, different occupations, and different roles in the household, organisations and wider community that men and women tend to take throughout their life path. Gender impact analysis involves asking the following questions and arriving at answers that are informed by data, evidence-based insights, and objective analysis:

- ▶ *Who is likely to benefit most from this policy?*
- ▶ *Who is most at risk of being disadvantaged by or overlooked by this policy?*
- ▶ *How do particular cohorts of women stand to benefit from, or potentially be disadvantaged by, this policy?*
- ▶ *Ultimately, is this policy contributing towards closing gender gaps?*

Investing in Gender Responsive Budgeting means that policymakers can be reliably and factually informed on the ways in which proposed budgetary measures will impact Queenslanders, an essential ingredient for more effective and equitable policymaking.

Gender Responsive Budgeting a practice that is internationally endorsed and promoted by high-level economic agencies, including the OECD, the IMF and the EU.<sup>2</sup> In Australia, the voluntary efforts of the National Foundation for Australian Women provide the closest practical example of how to conduct a gender impact assessment of the Federal

<sup>1</sup> Gender Analysis Online, Queensland Office for Women <<https://www.justice.qld.gov.au/about-us/services/women-violence-prevention/women/queensland-womens-strategy/applying-gender-lens>>

<sup>2</sup> Downes, R. and Nicol, S. (2019) *Designing and implementing gender budgeting: A path to action OECD*, Organisation for Economic Co-Ordination and Development <<https://www.oecd.org/gov/budgeting/designing-and-implementing-gender-budgeting-a-path-to-action.pdf>>; Downes, R., von Trapp, L. and Nicol, S. (2017) *Gender Budgeting in OECD Countries*, Organisation for Economic Co-Ordination and Development <<https://www.oecd.org/gender/Gender-Budgeting-in-OECD-countries.pdf>>; EIGE (European Institute for Gender Equality) (2019) *Gender Mainstreaming: Methods and tools - Gender Budgeting* <https://eige.europa.eu/gender-mainstreaming/methods-tools>; IMF (International Monetary Fund) (2017) *Gender Budgeting in G7 Countries* <<https://www.imf.org/en/Publications/Policy-Papers/Issues/2017/05/12/pp041917gender-budgeting-in-g7-countries>>

Budget, published annually in the Gender Lens on a Budget yearly report.<sup>3</sup> An example of best practice internationally can be found in Canada's approach, called Gender Based Analysis Plus (GBA+). Canada's approach not only analyses policy impacts according to gender, but through a deeper intersectional lens that recognises the various dimensions of individual identity that influence a person's opportunities and experiences. These dimensions of identity can include First Nations indigeneity, differences in ability, sexual orientation, cultural and linguistic background, socioeconomic background and geographic remoteness.<sup>4</sup>

A gender-specific analysis of policy initiatives can theoretically be conducted before or after the formulation of the Budget. It will be of most value to the policymaking process if this analysis is undertaken before the finalisation of Budget announcements, or at least prior to its passage by Parliament which still allows for changes to be made and for insights from the gender impact assessment to be acted on if needed.

## What are some examples of how Gender Responsive Budgeting would contribute to Queensland's gender equality goals?

### Example 1 - Job creation

One way to understand the gender-differentiated impacts of Queensland's Budget is to consider Queensland's gender-patterned workforce composition and the industries that stand to benefit most from the government's expenditure and investment decisions.

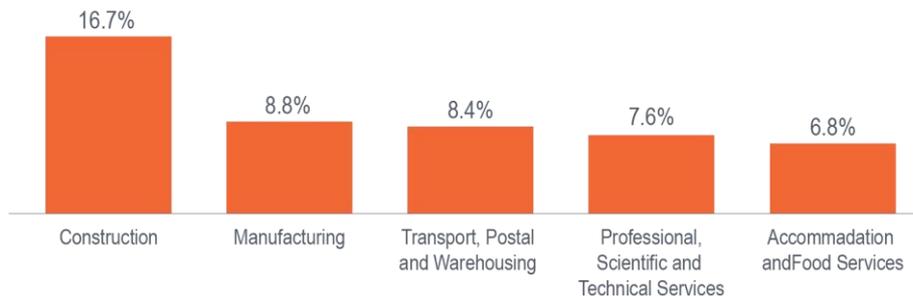
- One-third of Queensland's male workforce are employed in construction, manufacturing, or transport, postal and warehousing. In the construction industry alone, men comprise almost 9 out of 10 workers.
- Almost half of Queensland's female workforce are employed in healthcare and social assistance, education and training, or retail trade. Women make up 3 out of 4 workers in the healthcare and social assistance industry alone. While the Queensland Government is implementing initiatives that aim to dismantle these gender-based patterns of employment, such as encouraging more women into STEM occupations, the persistence of these gender patterns means that policies that support particular industries can disproportionately advantage one gender over the other (see graphs below).
- Policies that support construction, manufacturing and transport jobs – such as physical investment projects – will predominantly support men's employment and economic security. These industries are also relatively well paid compared to average workplace earnings. These factors mean that investments in these industries can potentially widen the State's overall gender gap in earnings.
- The Government has acknowledged how public investment in the healthcare and social assistance and education and training industries can strengthen employment opportunities for women. However, unlike the male-dominated industries mentioned above, these female-dominated industries are characterised by low earnings.<sup>5</sup> If employment in these industries expands, but unaccompanied by an increase in wages, this would contribute to a widening of Queensland's overall gender earnings gap. There will be even larger number of women employed in relatively lower paid industries.

<sup>3</sup> National Foundation for Australian Women (NFAW) *Gender Lens on the Budget 2020-2021* <<https://nfaw.org/policy-papers/gender-lens-on-the-budget/gender-lens-on-the-budget-2020-2021/>>

<sup>4</sup> Gender Based Analysis Plus, Government of Canada <<https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/departmental-plan-2020-2021/gender-based-analysis-plus.html>>

<sup>5</sup> For example, for November 2019, the nation-wide average weekly full-time total earnings in construction were \$1800, compared to \$1645 in education and training (ABS, Average Weekly Earnings Australia, Cat. 6302.0).

### Which industries do Queensland men commonly work in?



Source: ABS Labour Force Australia, Detailed. Cat. 6291.0.55.001. Data for February 2020 Percentages indicate each industry's share of Queensland's male workforce. Industries are based on ANZSIC 1-digit classifications. The 5 industries with the largest employment of men are presented, out of a total 19 industry classifications.

### Which industries do Queensland women most commonly work in?



Source: ABS Labour Force Australia, Detailed. Cat. 6291.0.55.001. Data for February 2020 Percentages indicate each industry's share of Queensland's female workforce. Industries are based on ANZSIC 1-digit classifications. The 5 industries with the largest employment of women are presented, out of a total 19 industry classifications.

The largest expenditure announcements in Queensland's Budget 2020-21 revolve around infrastructure: a total of \$56 billion of expenditure over 4 years and the creation of 46,000 jobs from infrastructure investment. The Government also committed to an expansion in frontline services, with expenditure announcements of \$17.5 billion for education and training, and \$21.8 billion for healthcare and social assistance.<sup>6</sup> However, unlike the infrastructure expenditure announcement, no job creation numbers were indicated in relation to healthcare and education expenditure. Full-time-equivalent staff numbers in health, for 2020-21 to 2023-24, were forecasted to be "higher than population growth, but not as strong as previous years".<sup>7</sup> Forecast staff numbers in education were in line with forecasts for the rest of the sector.

Furthermore, there are no provisions for wage increases in these female-dominated sectors. Rather, the Budget explains that the General Government wage increases were deferred, owing to the impact of the COVID-19 pandemic. Non-pecuniary remuneration improvements were offered in the form of Queensland Health staff, teachers and police receiving additional leave for their efforts and response to the COVID-19 pandemic.

In making these industry-based comparisons, it is crucial to understand that Gender Responsive Budgeting is not about pitting industries and genders "against" each other. Both construction and healthcare industries are vital components of a well-functioning, thriving economy. These comparisons simply reflect the gender-patterned nature of

<sup>6</sup> Queensland Budget 2020-21, Budget Highlights.

<sup>7</sup> Queensland Budget 2020-21, Budget Strategy and Outlook, Budget Paper No. 2, p. 101.

Queensland's workforce composition and the lower valuation of female-dominated sectors – the very reasons why it is essential to carry out this gender impact analysis in the first place.

The Queensland Budget also acknowledges that staff numbers in frontline services reflect the nature of health and education agreements with the Australian Government. While it is acknowledged that the expenditure capacity of the State Government depends on special purpose payments and other revenue allocations received from the Australian Government, the State Government still has a say in how many staff in these sectors to employ and what they are paid.

### **Example 2 - Social housing**

A second way to consider the gender-differentiated impacts of the Budget is to look at the different ways that men and women make use of, and depend on, government service provision. An example is the provision of social housing and other provisions to support Queenslanders facing homelessness and insecure housing. The 2020-21 Queensland Budget expenditure announcements include \$526.2 million in 2020-21 to construct new dwellings, upgrade existing properties, and provide housing services, including in Indigenous communities.

Older women are the fastest-growing cohort of society across Australia experiencing homelessness.<sup>8</sup> In Queensland, females comprise the majority of clients seeking specialist homelessness services (57% of all clients seeking services in 2018-19).<sup>9</sup> The current boom in the property market and job losses arising from the pandemic are both factors that are intensifying pressure on housing affordability and heightening the risk of financial stress and homelessness among vulnerable members of the population. Women's need for housing support also reflects the number of women who are seeking refuge from family and domestic violence. Collectively these factors attest that women stand to benefit the most from increased investment in social housing.

## **Is Gender Responsive Budgeting the same as the Women's Economic Statement?**

Gender Responsive Budgeting is not the same as the Women's Economic Statement. Core to the Women's Economic Statement are policies that are specific to women's needs and contribute to women's economic advancement directly. To its credit, in its Women's Economic Statement, the Queensland Government has also included an explanation of the ways in which mainstream policies will support women.

However, Gender Responsive Budgeting complements the Women's Economic Statement by casting an even broader lens across of all policy measures contained in the budget, including both expenditure and revenue-raising sides of the budget ledger. This systematic approach also entails recognising policies that might not necessarily advance women's economic outcomes in a significant way.

*“Gender-responsive budgeting is not about creating separate budgets for women, or solely increasing spending on women's programs. Rather, gender-responsive budgeting seeks to ensure that the collection and allocation of public resources is carried out in ways that are effective and contribute to advancing gender equality and women's empowerment. It should be based on in-depth analysis that identifies effective interventions for implementing policies and laws that advance women's rights. It provides tools to assess the different needs and contributions of men and women, and boys and girls within the existing revenues, expenditures and allocations and calls for adjusting budget policies to benefit all groups.” (UN Women)<sup>10</sup>*

Gender Responsive Budget serves to detect instances where the government's efforts to achieve gender equality goals through its Women's Economic Statement could be unintentionally offset by other policy measures. It addresses the misperception that all mainstream policies are gender-neutral by design and are therefore unrelated to the pursuit of gender equality goals. It instills accountability into policymaking to ensure government allocates its funding in a

<sup>8</sup> Australian Human Rights Commission (2019) *Older women's risk of homelessness*, Background Paper < <https://humanrights.gov.au/our-work/age-discrimination/publications/older-womens-risk-homelessness-background-paper-2019>>

<sup>9</sup> Australian Institute of Health and Welfare, *Specialist homelessness services 2018–19: Queensland*, Australian Government <[https://www.aihw.gov.au/getmedia/ba2864c7-5dbc-450b-bf3d-b754668e72d9/QLD\\_factsheet.pdf.aspx](https://www.aihw.gov.au/getmedia/ba2864c7-5dbc-450b-bf3d-b754668e72d9/QLD_factsheet.pdf.aspx)>

<sup>10</sup> UN Women (2020) *Gender Responsive Budgeting*, UN Women Australia <<https://unwomen.org.au/our-work/focus-areas/what-is-gender-responsive-budgeting/>>

gender equitable way.

## Gender Responsive Budgeting facilitates equality for all

Progressive approaches in gender equality policy recognise that achieving gender equality is not just about initiatives to support outcomes and opportunities for women and girls.

It is also about recognising the ways that opportunities for men and boys lag behind those offered women and girls. An example is policies that support men to adopt a caregiver role. Supporting more fathers to take parental leave delivers better outcomes for women too, by promoting a more even sharing of household tasks and freeing up women to participate more fully in the workforce. Reducing pressure and societal expectations on males to conform to traditional notions of masculinity has also been identified as a vital factor in the quest to reduce violence against women too.<sup>11</sup> Given that the achievement of gender equality also requires breaking down traditional stereotypes that constrain men and boys, Gender Responsive Budgeting helps to facilitate this process.

The principle of Gender Responsive Budget is premised on the understanding that fiscal policy is not just a lever to “manage the economy”. It is ultimately a tool to enhance the wellbeing of all Queenslanders. Wellbeing does not just depend on economic growth rates, but also on the individual-level and community-level distribution of economic opportunities and service provision. Queenslanders deserve a system where their Parliamentarians are informed and attuned to the ways in which their policy decisions will affect various cohorts of the Queensland population in different ways. This contributes towards the expectation among Queenslanders that policymaking is being guided by objective analysis and the principle of equity.<sup>12</sup>

### Opportunities for the Queensland Government to take action

- Build on Queensland’s existing investment in gender impact assessment tools by establishing **Gender Responsive Budgeting** as a formal part of the government’s policy formation process, to produce a Gender Impact Assessment as part of its budget documents.
- Invest in expanding **staff awareness and understanding, capacity building, funding and resources** to support the practical implementation of Gender Responsive Budgeting at the **State Government level**
- Support Gender Responsive Budgeting practices at the **Local Government level**
- Present the Budget’s **fiscal outlook indicators** disaggregated by gender
- Integrate an **intersectional lens** into policy impact analysis, investing in disaggregated **data collection** where current provisions are lacking
- Complement initiatives to support women by investing more in initiatives that **support men** step beyond traditional roles, including to take unpaid care roles
- Continue to invest in initiatives to achieve **gender balance** in the composition of all industries, occupations, and societal roles – the ultimate attainment of this goal will supplant the need for Gender Responsive Budgeting to be conducted in the first place.

<sup>11</sup> Our Watch, Australia’s National Research Organisation for Women’s Safety (ANROWS) and VicHealth (2015) *Change the story: A shared framework for the primary prevention of violence against women and their children in Australia* <<https://media-cdn.ourwatch.org.au/wp-content/uploads/sites/2/2019/05/21025429/Change-the-story-framework-prevent-violence-women-children-AA-new.pdf>>

<sup>12</sup> Kolovich, L. and Kahn, Z. (2019) *How governments can use gender budgeting to improve equality*, World Economic Forum <<https://www.weforum.org/agenda/2019/03/do-the-math-include-women-in-government-budgets>>