

Gender Responsive Budgeting in the Nordic Countries

The Scandinavian Experience: Barriers, Results and Opportunities

Catharina Schmitz
Project Director, Gender Budgeting
The Nordic Council of Ministers

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The Nordic Cooperation: The Nordic Council of Ministers

The Nordic cooperation is among the oldest and most comprehensive regional cooperation in the world. The Nordic cooperation includes Denmark, Finland, Iceland, Norway, Sweden, The Faeroe Islands, Greenland and Åland. It includes forum for cooperation between the Nordic governments to promote solidarity and friendship by neighbouring countries and through cooperation promote common Nordic interests

1. The Nordic Cooperation.

By signing the final document of the World Conference on Women in Beijing in 1995, the Nordic countries committed themselves to integrate a gender perspective in all political decisions (gender mainstreaming). It also includes the national budgets that play a key role in setting political priorities. A public budget with a consequent, visible and well thought through gender perspective has a vital role to ensure a development towards equal societies in the Nordic.

During 2004-2006 the Nordic Council of Ministers will run a joint project, with participation from all Nordic countries. The purpose of the project is to:

- Establish a cooperation between ministries of finance and other relevant actors for methods to assess gender equality in economic policy;
- Coordinate and guide activities in the Nordic countries;
- Develop methods and models for a gender- and equality perspective in national public budgets;
- Communicate experiences contributing to synergy effects;
- Identify needs for continued development of methods and research; and,
- Present experiences of integrating a gender perspective in the national public budget process and the national public budgets.

The project's three main components:

1. Cooperation and exchange of experiences between the Nordic countries;
2. Cooperation and coordination with other actors and,
3. Methodological development.

The project will use as its basis the European Council's definition of Gender Budgeting:

Gender budgeting is an application of gender mainstreaming in the budgetary process. It means a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality.

The long-term goal is to integrate a gender- and equality perspective in budget processes and national budget, in line with each countries' own political goals and gender platforms.

A Nordic project manager will manage the project. A Nordic project group supports the project manager, including two representatives from each member country – one from the Ministry of Finance, and one from the equality sector. The five countries will individually manage their pilot projects, as the basis for method development and exchange of experiences.

The final report will include a concluding report synthesizing experiences from the project, with a presentation of the pilot projects. The report will include methods and models developed, conclusion and recommendations for continued future work.

Pilot projects as means to develop methods adaptable to governmental processes.

The basis for the methodological development is the national pilot projects. The projects will focus on gender analysis including a gender perspective on resource allocation and integration of a gender- and equality perspective in the national budget.

Pilot projects:

Denmark: Gender analysis of the program for elderly care, the Ministry of Social Affairs

Finland: Gender analysis of the entire budget for the Ministry of Health and Social Affairs

Iceland: Gender analysis of the program for disability payments, the Ministry of Social Affairs

Norway: Budget Bill Attachment: Distribution of financial resources between women and men

Sweden: Budget Bill Attachment: Distribution of financial resources between women and men
Integration of a gender perspective in the budgetary process for all 44-policy areas. By introducing gender analysis as well as establishing gender equality goals and indicators in all political areas.

The project will submit a report at the end of 2006. An international conference will also be arranged during 2006.

The project can be accessed at the Nordic Council of Ministries' website, www.norden.org/gender.

2. Common features in the Nordic Countries

The way towards gender equality started in the 70's mainly by two developments. Women's entrance on a larger scale in the labor market, and the introduction of affordable public day-care for all.

Some other common features that is the basis for the relative gender equality today in the Nordic countries:

- Increase of women in the labor force - today there is an average of 75% women in the labor force.
- Increase in men's participation in care for children, mainly due to parental leave for both women and men, paid sick-leave for parents for care of sick children and a larger acceptance by society and employer towards men's responsibility for child care.
- Tax system is based on individuals not household/family.
- Day care facilities well developed – all children have the right to affordable day care.
- "Transfer system" equals to some extent between men and women.
- Wage income based benefits; unemployment, pension, sick payments.

These are some of the reasons for the relative gender equality in the Nordic countries.

Gender equality in the Nordic context also means economic “independence”. Women and men should be able to provide for themselves without being dependent on someone else for financial support.

3. Gender Budgeting in the Nordic context

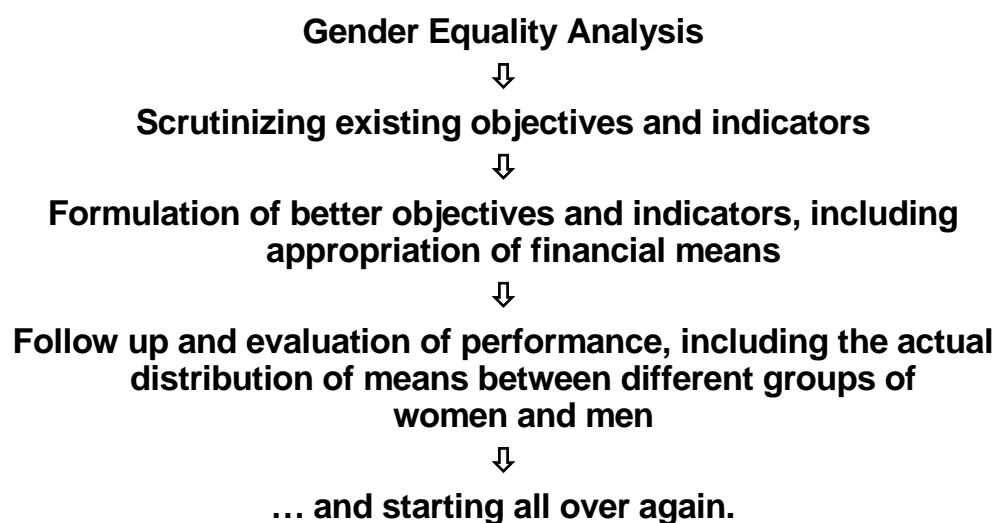
To analyze public expenditure and income with a gender perspective gives an understanding on how political decisions affects women and men’s daily life. It also gives an understanding of how the budget allocations and policies are increasing or decreasing gender equality. This information will give politicians, public officers, researchers information that will allow them better design and steer towards the existing equality goals.

International experiences shows that gender analysis facilitate policy-and strategic formulation, a recourse allocation that is better responding to the needs of women and men as citizens and recipients. The information also gives management an input that allows them more successfully. It supports good governance through:

- Increased economic efficiency. Gender analysis will lead to more effective use of financial recourses and a higher quality in programs.
- Improved service delivery to citizens with a client focus.

The development of “Gender Budgeting” in Scandinavia is today focusing on four areas:

- 1) Gender analysis as part of the planning process in all political areas – development of gender specific goals and indicators. The process can be described as below.**



2) Specific focus on areas of greater importance for women's economic independence

This means gender analysis specifically on areas such as the labor market, taxation, pension system, social security systems and childcare.

3) A gender perspective included in economic policy, economic analysis and forecasts.

- Macroeconomic analysis; GNP forecasts, inflation forecasts, unemployment forecasts
- Economic policy: expenditure ceiling, surplus targets
- Tax policy
- Fiscal Policy Bill and Budget Bill

Comments or analysis of the impact of these forecasts or futuristic scenarios can be included as part of the forecasts. Who will be most affected? In a positive/negative way? What groups are the most vulnerable?

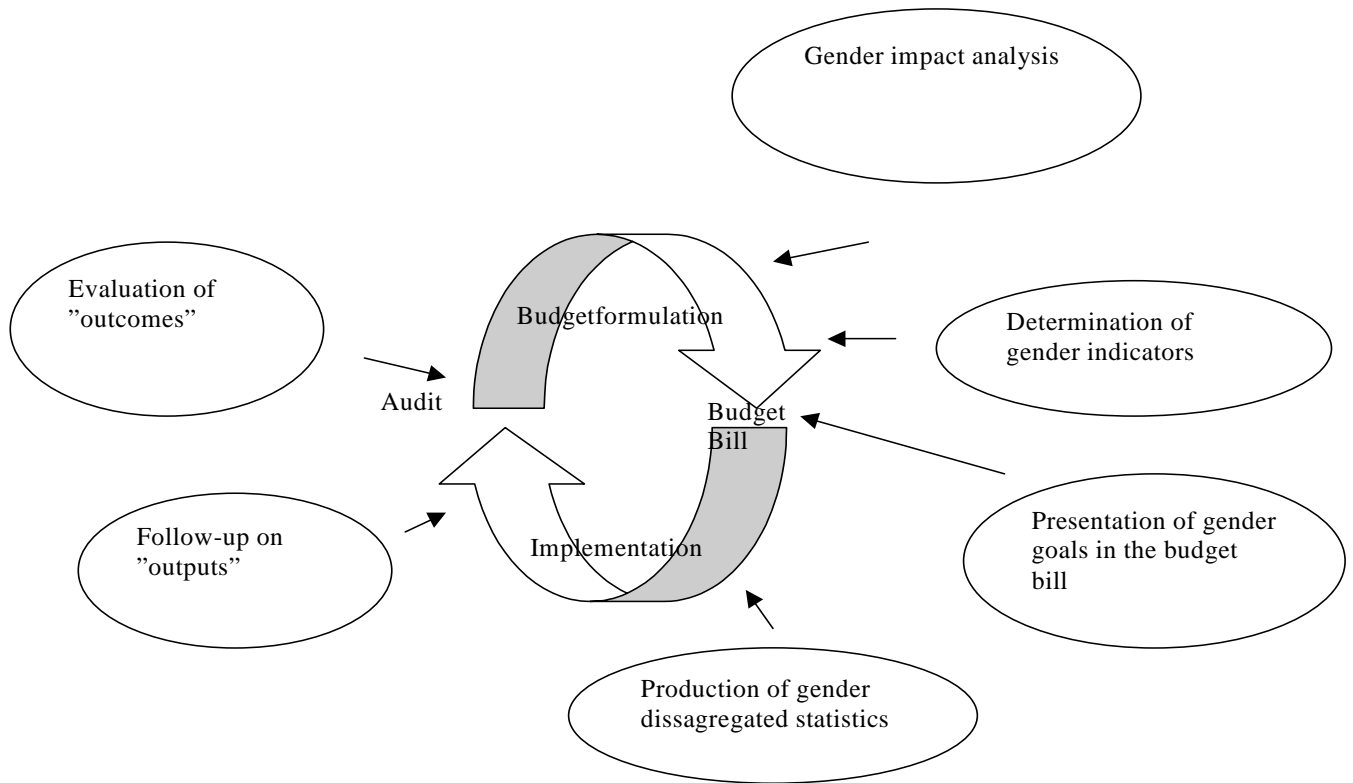
4) A gender perspective in economical models, performance measurements, welfare measures.

These models and measures can be further developed to incorporate a gender equality perspective.

The two later bullets are today only being discussed. Below is a list of initiatives that are being implemented:

- Sweden: Integration of a gender perspective in the budgetary process for all 45 policy areas
- Sweden: Annex to Budget Bill on recourse distribution between women and men (2005) with special focus on economical consequences of parenthood.
- Norway: Annex to Budget Bill on recourse distribution between women and men (2006)
- All countries: Implementation of gender disaggregated statistics in government

Impact of integrating a gender perspective in the budgetary process



4. Case Study: Sweden

The Swedish government has committed itself to integrate a gender perspective in the budgetary process. Below is a description of how the process is being implemented. The process started already 2003 with three pilot projects in the transport, regional development and social sectors. The overall goal for this term in office is to undertake gender equality analysis of all policy areas including defining objectives and outcome indicators.

The overall objective for Gender Equality Policy in Sweden is a society in which women and men have the same opportunities, rights and responsibilities in all areas of life. To achieve this, the following areas have to be addressed.

- Equal distribution of power and influence between Women and men.
- The same opportunities for women and men to achieve economic independence.
- Equal conditions in and opportunities to employment.
- Equal access to education and training as well as opportunities to develop personal interests and talents.
- Shared responsibility for children and domestic scores.
- Freedom from gender related violence.

A National Action Plan for Gender Equality was presented to the parliament in June 2003. This in itself an example of gender mainstreaming – the responsibility of each policy regarding objectives and results (or lack of it ...) becomes very clear.

A Plan for implementing gender mainstreaming in the government offices has been defined for they year 2004-2009, and was adopted by the government in April 2004. Focus is on the decision-making processes in government offices, with special focus on the state budgetary process. Indicators to measure should be developed to measuring the yearly performance of each ministry. In addition qualitative external evaluations should be undertaken every second year.

Measures of implementation are:

- Appointment of strategically placed gender equality coordinators.
- An organisation for coordination has been established in all ministries.
- Extensive training programme for the Gender Equality Unit.
- Extensive training programme for the gender coordinators.
- Continuous training and support for all officials involved in the work of gender analysis and formulation of objectives and indicators.
- Presentation of results, where the performance of each policy area will be evident, is to be presented to the parliament in 2006.

Focus has been put on managerial and political responsibility by clearly identifying each minister as responsible for gender equality within his or her policy areas. One has been a special responsibility for coordinating the government's gender equality policy, pushing the work forward and following up at an aggregated level. To his/hers support the The Gender Equality Unit assists the Minister for Gender Equality in his/her work and supports the other policy units in the Government Offices. County experts for gender equality have been appointed for each county administrative board. The equal opportunities ombudsman has a special responsibility for safeguarding the adherence to laws and regulations.

In Sweden there are 230 agencies that will be reporting to the government on the application of the above described gender equality work.

5. Interesting tools and products

Below is two interesting initiatives describe, the first being a gender tool box the second being an attachment to the budget bill.

Denmark: Establishment of a web site for gender mainstreaming and gender analysis at Ministry of Social Affairs, the web site contains gender theory, tools, and examples etc



The web site can be found on www.lige.dk

Sweden: Attachment 4 to the Budget Bill 2004 and 2005

Distribution of Economical Resources between women and men

Prop. 2004/05:1



Sweden has during the two last years, produced an attachment to the Budget Bill with a special focus on Distribution of Economical Resources between women and men. The purpose is to highlight and present the actual economical situation for women and men in the age groups 20-64. The product is a very interesting example on how gender issues can be presented as part of the budget bill.

The figures are including wage income, income from own company, social security grants, and unemployment benefits and income of capital. All data is presented gender disaggregated (women/men) for different age groups and civil status.

The content includes; working hour's paid/unpaid, care work, Salary and other income, Social Security grants and child benefit, Unemployment benefit, Taxation, Individual disposable income.

The 2005 edition included a special focus on financial consequences of parenthood for mothers and fathers.

Can be found on: www.regeringen.se/content/1/c6/02/97/44/ea42b0c2.pdf

6. Lessons learnt

To integrate a gender perspective in the budgetary process is not easy, experience from the Nordic countries shows that a comprehensive training program is needed. The training program need to be tailor-made for officers at different levels, giving them specific training in accordance with their role and responsibility. Groups such managers, officers, budget coordinators etc.

We have also seen that proper gender analysis cannot be done by other than the one with thorough knowledge of the specific field, which means that public servants in health, agriculture, environments etc has to be trained in gender analysis methods to do the analysis themselves. They will also need help and support from gender experts with must have specific knowledge in the policy area. This means that gender analysis should be done with both competences from the policy area and gender.

The gender experts in government will take on a new role more like in-house consultants towards the policy areas. Their role as more general experts will not be need in the same way as before, they need to work trough filed specialists and support them. Often they need training in their new role,

There is also a need to develop gender analysis methods at integrated part of the ordinary procedures, which are not to time consuming a possible to integrate as part of ordinary work. Methods in available literature is often too time consuming to incorporate in regular ministerial procedures, which leads to the need for development of new methods developed for the government procedures. This is the challenge for future development.

7. Barriers/Challenges

Political commitment is very important but not always there. Without commitment from politicians and managers, meaning that “gender budgeting” is on the agenda, nothing will move. A new issue has to be highlighted and supported to be able to make its way into processes and procedures.

There is often lack of gender awareness and analysis competence within the various policy areas or ministries, as mention before.

There is also lack of gender-disaggregated statistics, or the right statistics are not available. It is therefore of most importance to make the decision that all government statistics have to gender-disaggregated.

There is also need for more research on relation “care economy” and market economy and its impact on equality. I what way is the care burden a hinder more labor market participation for women? What are the basis for social security benefits, in what way are the care burden accounted for? Etc.

The future challenges are to also to get closer to the Ministry of Finance area of responsibility. By integrate a gender perspective in economic policy such as

- Macroeconomic analysis; GNP forecasts, inflation forecasts, unemployment forecasts,
- Economic policy: expenditure ceiling, surplus targets
- Tax policy
- Fiscal Policy Bill and Budget Bill

More work has to be done on how this can be done. But it is important include in the above products/forecasts a description of its effects on equality between women and men. How are affected? Will some groups be more affected/more vulnerable?