

# **Evaluation of Gender Responsive Budgeting**

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## **About One Red Step**

One Red Step is a women-of-colour owned and led consulting practice founded by Stacey Ong. Our vision and mission is to make a positive impact on the lives of women and girls of colour. We bring expertise in Critical Race Theory, intersectional feminist theory, management consulting frameworks and competencies and combine this with deep embodied listening to diverse communities, to challenge assumptions and create sustained social change.

One Red Step operates on Bunjil's Country, the lands and waters of the Wurundjeri people of the Kulin Nations. We acknowledge their matriarchs and that we walk in their footsteps. Sovereignty has never been ceded - this Always Was and Always Will Be Aboriginal Land. We pay honour and respect to the Traditional custodians, their Elders of yesterday, today and tomorrow.

## **Acknowledgements**

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# EXECUTIVE SUMMARY

Recent analysis has shown that gender equality in Australia - across areas such as economic participation and opportunity, educational attainment, health, and political empowerment - has fallen relative to other countries (Per Capita, 2020). Significant gaps still persist for women in pay gaps, workforce participation, burden of caring responsibilities and in being subject to violence.

Recognising the importance of gender equality and the link between gender inequality and violence against women through the Royal Commission into Family Violence in 2016, the Victorian Government has embarked on a series of reforms to embed gender equality into policy and systems. This includes Safe and Strong: Victoria's Gender Equality Strategy, legislating gender equality through the Gender Equality Act 2020 and establishing the Commission for Gender Equality in the Public Sector (CGEPS). The investment in implementing Gender Responsive Budgeting (GRB) in the 2021-22 Budget further embeds consideration of gender equality into government's resource allocation.

Gender budgeting - the practice of embedding gender equality objectives into government resource allocation - is a tool for explicitly considering and shaping resource allocation to improve gender equality. Recognising this, 17 countries had introduced gender budgeting in 2018 (OECD, 2019). Governments in Australia including the Federal Government, NSW and Tasmanian Governments have all communicated their intention to introduce gender budgeting. The Department of Treasury and Finance (DTF) was funded \$1.039 million over two years in the 2021-22 Budget to implement GRB. DTF chose as its main method of implementing GRB, ex-ante gender impact assessment (GIA) on budget submissions, building upon the existing requirement in the Gender Equality Act for any policy, program, service, project with significant public impact to conduct one.

DTF successfully established the 2.8 FTE GRB Unit within the Financial Frameworks team in Budget Strategy in 2021, overdelivering against its funding through reprioritisation and use of secondments. Communicating the expectation from the Treasurer and the Minister for Women that GIAs be conducted on submissions to the 2022-23 Budget, 42 per cent of all submissions had a GIA completed. This is a significant achievement given the tight timeframe from announcement of funding (May 2021), to establishment of a team (Jun-Aug 2021) and lodgement of budget submissions (Jan-Feb 2022).

DTF funded an external provider to provide training on GIAs to 50 Departmental and Agency staff and conducted 16 information sessions with over 440 Departmental and Ministerial staff for the 2022-23 Budget. Feedback from consultation was that DTF was successful in raising awareness of gender equality and influencing business case owners to consider the impact of their submission on gender equality. This is over and above the influence that CGEPS has had to date on communicating the importance of gender equality and requiring GIAs across Victorian Government. DTF through GRB is uniquely placed to have widespread influence on gender equality, as the budget and funding is fundamental to all public policy, program, service delivery and capital projects.

While the training and information sessions and communication methods such as the Budget Information Request were successful in raising awareness of GIAs and the requirement, understanding of the objective of GIAs is still developing. Some feedback from consultation questioned the purpose of GIAs and failed to understand how gender equality was relevant to their policy issue. We note that this is not solely the responsibility of DTF to communicate the objectives of conducting a GIA and raise capability but is also the responsibility of CGEPS.

Of the 226 submissions to the 2022-23 Budget that had a GIA completed, DTF assessed 41 per cent as 'good to high quality' and 59 per cent as 'low to medium quality'. The variable quality of GIAs is unsurprising, given that gender analysis is a new tool and capability is still developing across Victorian Government. In addition, policy development including business case development occurs many months prior to seeking funding. GIAs for 2022-23 Budget submissions were conducted at the end of a policy development process rather than at the beginning and the insights from conducting a GIA had limited opportunity to influence the direction of the submission.

DTF assessed that 62 per cent had a positive impact on gender equality, 9 per cent neutral and 3 per cent negative. Given that it was the first year of implementation, and that quality of GIAs were variable, the information had little impact on decision making in the 2022-23 Budget. Feedback from consultation reflected that the decisions that were made were those likely to be made regardless of any impact on gender equality. There is also no opportunity within the current budget process for the Expenditure Review Committee of Cabinet (ERC) to consider the impact of draft decisions on gender equality and adjust decisions if necessary.

The 2022-23 Gender Equality Budget Statement was successful in aggregating the initiatives with positive impact on gender equality in the budget. However, it missed an opportunity to communicate how the overall budget improved gender equality and how implementing GRB has contributed to better budget decisions. The Gender Equality Budget Statement did not include any analysis on the expected impact of budget decisions on individuals, or on gender equality measures and targets.

DTF has made significant inroads to implementing GRB in its first year, building the foundations of GRB, leveraging the existing strategic infrastructure such as the Gender Equality Act and budget processes and working collaboratively with the Office for Women and CGEPS.

The key next step to continue to implement GRB and begin to see the impact of GRB on budget decisions and gender equality is to more strongly tie GRB to Victoria's gender equality strategy and its areas of action and measures. In GRB's first year of implementation, there was a lack of understanding from business case owners about the purpose of GIAs, how GIAs can help identify 'hidden' inequalities and how they can shape their submissions to improve gender equality. Having a stronger linkage to the new strategy and measures will support business case owners to understand the objectives of gender equality and how it could be supported through their submission.

In addition, Departments and Agencies need to identify and understand the gender equality issues within their portfolios and take ownership of improving gender equality in their portfolio. Gender equality cannot solely be the responsibility of the Minister for Women. Many submissions such as mental health services, hospital construction, technology investment and youth justice reported that GIAs were not required on their submissions, failing to understand how gender inequality plays out in their areas of responsibility. Departments and Agencies should undertake a gender equality analysis for their portfolios to identify and understand how their policies, programs, services and projects mitigate or reinforce gender inequality.

An ongoing model of GRB would have as its strategic framework, the Gender Equality Act and the new gender equality strategy with defined measures and targets. Departments and Agencies would have conducted their own portfolio gender equality needs analysis to understand how gender inequality is impacted through their policies, programs, services and capital projects. Departments and Agencies would embed gender equality into their planning processes, developing policies, programs, services and projects that conduct GIAs and adjust to mitigate barriers to gender equality. Gender equality objectives would be embedded from the start in resource allocation processes including budget funding, out-of-cycle requests, revenue measures and base reviews, with clear targets to measure progress.

The Gender Equality Budget Statement in an ongoing model would clearly articulate how this budget contributes to improving gender equality, including its aggregated expected impact on defined gender equality measures. The Statement would take an intersectional approach to highlight how other areas of inequality intersect with gender and how they can be mitigated. Every five years, the Office for Women and DTF could produce a 'State of Intersectional Equality' report that would provide deep, rigorous and fundamental long-term analysis to support improving equality.

# KEY FINDINGS

Gender Responsive Budgeting has been successful in raising awareness of gender equality as a relevant issue across all policy areas, but further work is needed to embed it across policy and resource allocation cycles.

- Increased awareness of gender equality - GRB was successful in raising awareness of gender equality across Government. DTF's established budget coordination process was effective in requiring Departments to consider the impact of their submissions on gender equality, recognising that this is the start of change implementation.
- Significant uptake of GIAs in budget submissions, although with variance across Departments and Agencies - 226 GIAs were completed, around 42 per cent of all 2022-23 budget submissions, representing \$2.8 billion in capital expenditure and \$4.7 in output expenditure over five years.
- Significant start to training across Government - 16 training sessions with around 450 participants were run by DTF to implement GRB in the 2022-23 Budget.
- Lack of clarity about whether a GIA is required for a budget submission - Many stated that a GIA was not required despite there likely being clear gendered impacts.
- Gendered analysis of submissions is variable - Recognising that this was the first year of implementing GRB and the tight timing of submissions to the budget, gendered analysis was often at a superficial level lacking deep analysis of the impact on gender equality or an aggregated view of the portfolio's budget ask on gender equality.
- Gendered analysis is yet to be a significant influence on budget advice or decision making - This is likely due to poor quality gendered analysis, lack of understanding and guidance about how GIAs should be considered in advice by central agencies, lack of clarity about accountability, and when a GIA would not be required to be undertaken.
- Opportunity to strengthen Gender Budget Statement - The Gender Budget Statement could improve its articulation of how GRB contributed to better outcomes for gender equality in the budget.
- Lack of shared gender equality priorities across government - The key area missing in the implementation of GRB was lack of agenda setting to embed shared gender equality priorities into the 2022-23 Budget.
- Lack of shared gender equality measures - Similarly, a lack of shared gender equality objectives and measures would have better guided implementation of GRB including conduct of GIAs, budget papers and future reporting on progress.