

BUDGET

REFORM

Putting tax money to effective use for citizens.

Gender Budgeting The Austrian Experience

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Content

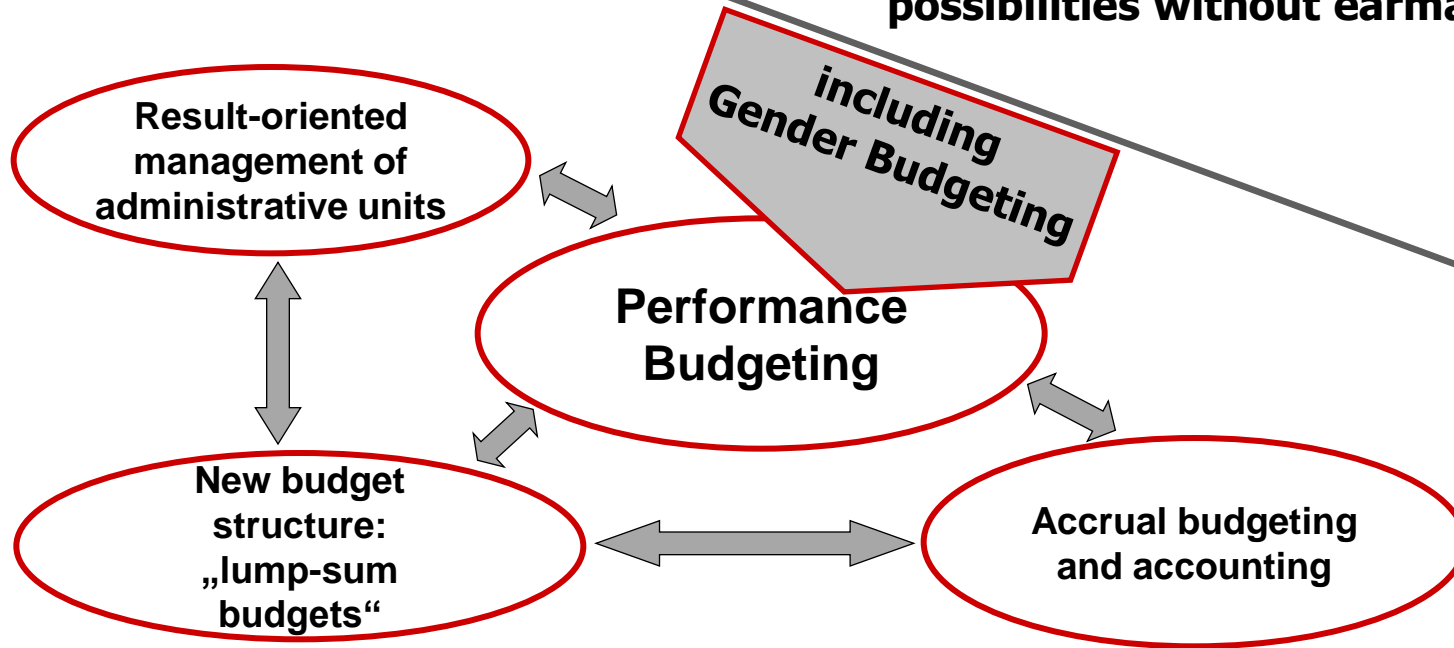
- A Austrian budget reform – overview**
- B Performance Budgeting in Austria**
- C Gender Budgeting as one important application of performance budgeting**

Overview 1st and 2nd Stage of the Austrian Federal Budget Reform

as of 2009
as of 2013

↑ Budgetary discipline and planning:
binding MTEF & strategy report

↑ Flexibility for line ministries
through full carry-forward
possibilities without earmarking



unanimous decision in parliament

Integration of resources and results:

- **Budget Statements from 2013 onwards include:**

- Budgetary allocations
- Performance information (outcome objectives, activities/outputs)



**see templates
on the following
slides**

- **Objectives:**

- Transparency vis-à-vis the citizens
- Facilitation of priority setting
- Strengthening accountability

Annual Budget Statement as of 2013 per Chapter 1/2

Mission Statement:

Cash Flow Statement	Ceiling MTEF	Budget n+1	Budget n	Actual n-1
Receipts				
Expenditures – fix ceiling				
Expenditures – variable ceiling				
Total expenditures				
Net cash balance				



Legally binding

Operating Statement	Budget n+1	Budget n	Actual n-1
Revenues			
Expenses			
Net balance			

MTEF = medium term expenditure framework

Annual Budget Statement as of 2013 per Chapter 2/2



Outcome objective 1:

Why this objective:

What is done to achieve this objective:

What would success look like:

- **Max. 5 outcome objectives per chapter**
- At least 1 outcome objective directly addressing **gender equality**
- Overall objective: **Integrated view** on budget and performance information

Annual Budget Statement as of 2013 per Global Budget 1/2

Global Budget xx.01 Operating Statement	Budget n+1	Budget n	Actual n-1
Revenues from operating activities and transfers			
Revenues from financing activities			
Revenues			
Personnel expenses			
Operating expenses			
Transfer expenses			
Expenses on financial activities			
Expenses			
<i>...thereof variable expenses</i>			
Net balance			

Global Budget xx.01 Cash Flow Statement	Budget n+1	Budget n	Actual n-1
Receipts from operating activities and transfers			
Receipts from investment activities			
Receipts from repayments of loans			
Receipts			
Personnel and operating expenditures			
Expenditures from transfers			
Expenditures from investment activities			
Expenditures from loans			
Expenditures			
<i>...thereof variable expenditures</i>			
Net cash balance			



Legally binding



Comment: On global budget level, total expenses (operating statement) and total expenditures (cash flow statement) are legally binding.

Annual Budget Statement as of 2013 per Global Budget 2/2

Activities/Outputs (max. five *including gender activity/activities*)

Contribution to outcome objective/s no.	What is done to achieve the outcome objectives? Activities/Outputs:	What does success look like? Milestones/Indicators for n+1	What does success look like? Milestones/Indicators for n

Comments on activities/outputs of the preceding budget statement, which are no longer listed in the present budget statement

Recent recommendation of the Court of Audit

Response of the ministry

Additional Explanatory Budget Documents

➤ **one explanatory document per chapter with information on**

- on chapter and global budget level: Budget structure incl. management responsibilities, budgetary & personnel allocations, explanations
- on detail budget level: budgetary & personnel allocations, performance information, explanations

Objectives (max. 5 incl. gender)

Objective 1:

Objective 2:

...

Contribution to objective/s no.	What is done to achieve the objectives? Activities/Outputs:	What does success look like? Milestones/Indicators for n+1	What does success look like? Milestones/Indicators for n

Gender Budgeting

Definition by the council of Europe*

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.

*Council of Europe (2008): Gender Budgeting - Practical Implementation. Handbook, CDEG(2008)15, www.coe.int/equality, Link "Gender Mainstreaming".

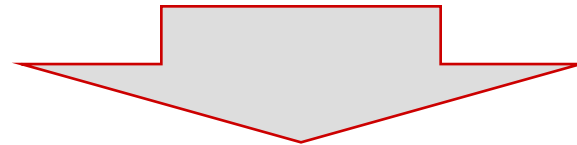
Gender Budgeting*

- It is a way of linking gender equality policy with macroeconomic policy.
- It is based on the premise that budgets are not gender neutral.
- It applies to the revenue raising side as well as the expenditure side of budgets.
- It begins with analysis of the impact of the budget on **women and men**, and progresses to integrate gender into budget-planning.
- **It does not mean a separate budget for women.**
- It calls for the participation of a broader range of stakeholders and thereby deepens democratic processes.
- It means closer scrutiny of the outcomes of budgets.
- **It allows for better targeting and, therefore, more efficient allocation of public expenditure.**

*See Council of Europe (2008): Gender Budgeting - Practical Implementation. Handbook, CDEG(2008)15, www.coe.int/equality, Link "Gender Mainstreaming".

Relevance of the Budget for Gender Equality

- **The Budget is a key document of government → it is government policy put into numbers**
- **Budget policy = redistribution policy = opportunity policy**



Consideration of gender equality in budget management:

- **is required from the Federation, States and Communes by the Austrian constitution**
- **is fully integrated into the budgetary procedure on federal level**

Federation, States and Communes:

- Art. 13 Para. 3: "Federation, States and Communes are to strive for the **effective equality of men and women in their budget management.**"

Federation:

- Art. 51 Para. 8: "In the Budget Management of the Federation the fundamental principles of **impact orientation, especially under consideration of the objectives of the effective equality of men and women**, transparency, efficiency and the most faithfully possible representation of the financial situation of the Federation are to be observed."
- Art. 51 Para. 9: "The particularities [...] are to be fixed by Federal Laws [...] in accord with the provisions of Para. 8. To be regularised in these are especially:
 1. measures for an **impact orientated administration**, especially also under consideration of the objective of the **effective equality of men and women;**"

Gender Budgeting on the Austrian Federal Level

may be oriented towards

External/sociopolitical outcome objectives; i.e. objectives and activities in the ministry's portfolio contributing to gender equality

➤ **Internal/ministry specific outcome objectives;** i.e. objectives and activities regarding ministries' human resource policy contributing to gender equality

is implemented in the context of

➤ **Outcome objective** on budget chapter level

➤ **Activities** on global budget level

➤ **Objectives and activities** on detail budget level

Examples for Outcome Objectives Addressing Gender Equality

1	Outcome objective:	Higher female full-time participation in the labour market
	Activity:	Increasing the number of child care facilities for children under 3 years by xx%
2	Outcome objective:	Improvement of the state of health of males aged above 50
	Activity:	Launch of a campaign for preventive medical checkups which are free of charge within the national health care system
3	Outcome objective:	Higher female participation in technical and science studies
	Activity:	Introduction of gender sensitive teaching methods in high schools in technical and science subjects

Examples for Outcome Objectives Addressing Gender Equality

4	Outcome objective:	Improvement of road security for males aged under 25
	Activity:	Preparation of a law proposal with improved training requirements for obtaining a driver's license by Sept. 2010
5	Outcome objective:	Reduction of the gender pay gap
	Activity:	Integration of gender aspects in the upcoming tax reform such as a positive bias towards lower incomes Increasing financial incentives for family leave schemes where both partners share the duty
6	Outcome objective:	Facilitation of re-entry into work after family leave
	Activity:	Introduction of flexible working hours and teleworking

Conclusions: Performance Budgeting & Gender Budgeting



Challenges:

- Requires relating budget to results
- Exceeds the scope of mere budget management
- Entails **cultural change** on the federal administrative and political level (setting priorities, transparent decision-making, etc.)

Opportunities:

- Facilitates targeted policy-making on **political level**
- Enables **the administrative level** to present its results & achievements
- **Citizens** are provided a better insight into where tax money is put

Thank you for your attention!

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