Gender Budgeting
The Austrian Federal Experience

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Austrian Federal Budget Reform - Overview

2009

2013

Result-oriented management of administrative units

Performance Budgeting including Gender Budgeting

New budget structure: „lump-sum budgets“

Accrual budgeting and accounting

Budgetary discipline and planning: binding medium term expenditure framework

Flexibility: for line ministries through full carry-forward of unused funds

unanimous decision in parliament

new budget principles: outcome-orientation; efficiency; transparency; true and fair view
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.

Why Gender Budgeting?

» To foster gender equality: Focus on the most important levers.

» Budgetary decisions are KEY decisions: Government policy is put into numbers.

» Therefore: Using the budget as a lever for gender equality!
Art. 13 of the Austrian Constitution requires:
“Federation, States and Communes are to strive for the effective equality of women and men in their budget management.”

According to the Austrian Constitution the Austrian Federation has to apply Gender Budgeting as an integral element of Performance Budgeting:
Art. 51 of the Austrian Constitution determines:
„In the budget management of the Federation the fundamental principles of impact orientation, especially considering the objectives of the effective equality of women and men . . . are to be observed.“
Details of Gender Budgeting application in Austria:

- Each ministry has to define a maximum of 5 outcome objectives per budget chapter.
- These outcome objectives are part of the annual budget decision in Parliament.
- One of the outcome objectives per budget chapter has to be a gender outcome.
- Each ministry has to define concrete measures (outputs) to achieve the respective outcome objectives including gender outcomes.
- Each ministry has to define appropriate indicators for outcomes and outputs.
- For each administrative unit outputs have to be defined, gender outputs are integrated.
- The Court of Audit will assess, if outcome objectives and outputs are met.
**Annual Budget Statement as of 2013 per Chapter 1/2**

**Mission Statement:**

<table>
<thead>
<tr>
<th>Cash Flow Statement</th>
<th>Ceiling MTEF</th>
<th>Budget n+1</th>
<th>Budget n</th>
<th>Actual n-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td></td>
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<tr>
<td>Expenditures – fix ceiling</td>
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<tr>
<td>Expenditures – variable ceiling</td>
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<td>Total expenditures</td>
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<td>Net cash balance</td>
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<table>
<thead>
<tr>
<th>Operating Statement</th>
<th>Budget n+1</th>
<th>Budget n</th>
<th>Actual n-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
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<tr>
<td>Expenses</td>
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<tr>
<td>Net balance</td>
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**MTEF = medium term expenditure framework**
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
Comment: On global budget level, total expenses (operating statement) and total expenditures (cash flow statement) are legally binding.
### Activities/Outputs *(max. five including gender activity/activities)*

<table>
<thead>
<tr>
<th>Contribution to outcome objective/s no.</th>
<th>What is done to achieve the outcome objectives? Activities/Outputs:</th>
<th>What does success look like? Milestones/Indicators for n+1</th>
<th>Current status as indicated in the most recent performance report</th>
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**Comments on activities/outputs of the preceding budget statement, which are no longer listed in the present budget statement**

**Recommendation of the Court of Audit**

**Response of the ministry**
Steering Administrative Units According to Results

- Units receive global budget envelopes plus intended results and are responsible for achieving these results.

- Each unit receives a 4 year plan on a rolling basis that integrates resources (incl. gender) and results.

- Incentives: unused funds are carried forward within the relevant unit; premiums for civil servants, if financial and performance objectives are achieved.

- Sanctions, if violations of budget regulations occur: Ministry of Finance may deduct the respective sum from the ministry's envelope; line ministry is obliged to obtain approval for projects from the Ministry of Finance on a reduced financial level.
Performance Budgeting on the Different Budget Levels

Budget Chapter

Mission statement

Max. 5 outcome objectives, at least 1 gender objective

Global Budget 1 – 5 primary activities

Gender

is

included

Detail Budget G

Detail Budget e

Detail Budget n

Detail Budget r

Detail Budget i

Detail Budget n

Detail Budget cl.

Objectives and Activities

Objectives and Activities

Objectives and Activities

Objectives and Activities

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Objectives and Activities

Performance Contracts

Annual Budget Statement

Explanatory budget documents
Performance Budgeting/
Gender Budgeting:
Information Requirements

- **Relevant:** essential and significant contents, priorities
- **Consistent:** between the objectives on the different budget levels
- **Comprehensible:** for the Parliament and the public
- **Linked:** to the core competences of the ministries and the government policy programme
- **Comparable:** over several years to show developments
- **Verifiable:** measurable results
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

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

#### Addressing Gender Equality

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

Challenges:

➢ Budget changes its character: Not only decisions on resources (who gets what?) but steering resources and results (who gets what for which results?)
➢ 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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