Making Public Finance Management Systems gender responsive: the GRB Experience in Austria

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Ministry of Finance, Austria

New York, 1 March 2012
Result-oriented management of administrative units

Performance Budgeting including Gender Budgeting

New budget structure: "lump-sum budgets"

Accrual budgeting and accounting

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

Budgetary discipline and planning: binding medium term expenditure framework

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

GRB integrated in a comprehensive Budget Reform

2013

2009

unanimous decision in parliament
Gender Budgeting enshrined in the Austrian Constitution

- 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 states:
  “In the budget management of the Federation the fundamental principles of impact orientation, especially under consideration of the objectives of the effective equality of women and men . . . are to be observed.”
Challenges in Implementing gender-responsive PFM Reform

- To foster gender equality: Focus on the most important levers.
- Budget decisions are KEY decisions: Government policy put into numbers.
- Therefore: Use the budget as lever for gender equality!
Challenges in Implementing gender-responsive PFM Reform II

**Political:**

- Create awareness for gender issues: Convince politicians, senior civil servants, social partners...

- Identify reasons, why GRB could be attractive for the respective stakeholders.

- Form alliances with NGO’s, experts outside the administration (i.e. universities), media.

- Establish a broad political consensus to implement GRB and to incorporate gender perspectives into policymaking (CSW 2008).

- Use windows of opportunities to launch GRB (i.e. general budget or administrative reform processes).
Challenges in Implementing gender-responsive PFM Reform III

Technical:

• Don’t try to create a perfect system which covers everything. You would create a bureaucratic monster!

• Focus on the most important issues.

• Design simple tools to support GRB (i.e. common standards to present GRB in the budget).

• Collect, analyze and disseminate sex-disaggregated data and gender-related data (CSW 2008) to identify the challenges which have to be tackled.

• Provide adequate training of staff (CSW 2008).
Institutional Mechanisms to Facilitate GRB – the Austrian Approach

GRB integrated in performance budgeting (national machinery as mentioned at CSW 2008):

- Pivotal role for the budget process → Ministry of Finance
- Monitoring and support for line ministries → Chancellery
- Assessment of delivery → Court of Audit
- Covering all policy fields; this makes human and financial resources for the empowerment of women available (CSW 2008); impact assessment in drafts of legislative acts → line ministries.
- Transparency to the public → budget documentation, media, political debate, civil society.
Performance Budgeting (GRB integrated) - Pyramid

Budget Chapter

Max. 5 outcome objectives, at least 1 gender objective

Global Budget 1 – 5 primary activities

Gender

Detail Budget G
Objectives and Activities

Detail Budget n
Objectives and Activities

Detail Budget e
Objectives and Activities

Explanatory budget documents

Annual Budget Statement

Performance Contracts

Gerhard Steger
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New York, 1 March 2012
Annual Budget Statement as of 2013 per Ministry

<table>
<thead>
<tr>
<th>Outcome objective 1:</th>
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<tbody>
<tr>
<td>Why this objective:</td>
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<td>What is done to achieve this objective:</td>
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<td>What would success look like:</td>
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- **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

**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>What does success look like? Milestones/Indicators for n</th>
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**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**
Practical Examples at Sectorial Level

Some draft outcomes for 2013:

- **Ministry for Education, Arts and Culture**: Promoting equality in the educational system (reducing gender, ethnic and socioeconomic inequalities).

- **Ministry of Economy, Family and Youth**: Improving work-family reconciliation.

- **Ministry for Labour, Social Affairs and Consumer Protection**: Increasing employment of women, especially after leave of absence.

- **Ministry of the Interior**: Better protection from violence, especially violence against woman, young and elderly people.

- **Ministry of Finance**: Increasing the percentage of women in supervisory board functions of larger, state owned companies.
Lessons from the Austrian GRB experience

• Make gender relevant → integrate it into the budget!

• Prepare GRB carefully – politically and technically.

• Cover all Ministries.

• Pivotal role for the centre of government (in the Austrian case: Chancellery, Ministry of Finance) in guiding the process.

• No effective GRB without gender-related data (especially relevant in the context of crisis and its impact on inequalities).
Thank you for your attention!