

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Gender Responsive Budgeting

Melbourne—Monday, 11 October 2021

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Danny O'Brien—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mrs Beverley McArthur

Mr James Newbury

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

WITNESS (*via videoconference*)

Dr Helmut Berger, Head of Austrian Parliamentary Budget Office.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I would like to begin by acknowledging the traditional custodians of the land on which we meet and pay my respects to their elders past, present and emerging and elders from other communities who may be joining us today.

Welcome to the public hearings for the Public Accounts and Estimates Committee Inquiry into Gender Responsive Budgeting. We note that members may remove their masks when speaking to the committee but must replace them afterwards.

All evidence taken by this committee is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you repeat the same things outside this forum, including on social media, those comments may not be protected by this privilege.

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We welcome the Austrian Parliamentary Budget Office. We invite you to make a brief opening statement, and this will be followed by questions from the committee. Thank you for joining us today.

Dr BERGER: Thank you for being invited to the committee. My name is Helmut Berger. I am the Head of the Austrian Parliamentary Budget Office, and I will give you a presentation on the status of gender budgeting in Austria and what are the lessons learned out of our system.

I will start with the constitutional framework, because this has attracted international attention. I will especially draw your attention to article 13 and article 51. Article 13 says that:

The Federation, Laender—
the provinces in Austria—

and municipalities have to strive for gender equality in their budget management.

The other article reads that:

In the budget management of the Federation, the relevant principles of outcome orientation—especially in accordance with the targets of gender equality—... are to be considered.

So we have a quite strong constitutional framework that demands—from the administration but also from the legislation—consideration of gender-informed budgeting.

We had a big reform, a budget reform, a reform of our *Federal Organic Budget Act*. The basic principles in this reform that took place in 2013 especially were—in the middle of the figure—performance budgeting that was introduced, including a gender-budgeting approach and new lump-sum budgets. What does this mean for our budget documents? It means especially that the budget documents do not consist any longer only of line items and figures, but in each budgetary document we have 35 budget chapters that are equivalent to some expenditure areas—like health, like the labour market and so on. Besides the figures, the lines, we have to have a maximum of five outcome objectives that are part of the budget document, so they are also part of the decision of Parliament, and at least one of these outcome objectives must be a gender objective, in each of the 35 budget chapters.

And then in the level below we have global budgets. Each budget chapter consists of up to four or five global budgets, and they have also to show gender activities. In these gender objectives you have to have measures to reach the objective and you have especially to have indicators, and especially outcome indicators—not activities, outcome indicators: how to measure success. So on the one hand government provides a measure of how success should be measured and on the other hand Parliament has the possibility to discuss these objectives. So basically our Parliament receives three sets of documents that are important for gender issues, for gender-informed budgeting issues. One is the impact assessment of new legislation, because every new law has

to consider if there is an impact on gender and if this impact is deemed significant. Then you have the gender objectives in the budget. That is the most important part of the reform. So you have in all budget chapters gender objectives. Then two times a year the government is obliged to report to the Parliament on the internal evaluations of the new legislation and especially on the gender objectives in the budget document—so what is the outcome? What are the results compared with the estimates?

So we saw in our budget a big variety of gender objectives. Examples are: a reduction of the gender pay gap, which is very important in Austria because the pay gap is quite large compared to other European states; a fairer rate between paid and unpaid work; improved representation of women, especially in public enterprises; improved balance between family and career; reduced poverty among women; ensuring equal treatment in the mobility sector; and more childcare facilities and ensuring better childcare facilities. We have also one gender objective that relates to the specific situation of women that are in prison.

So what is the role of my office? We were established in 2012 and should support the Parliament in all budgetary issues. In the mandate of the Parliamentary Budget Office, which was decided by the political groups here in the Parliament, they asked us to include all aspects of performance budgeting and especially gender budgeting in our analysis. So what do we provide? We provide a systematic overview of the objectives, measures and indicators, because they are scattered in the budget and so it is not so easy to have an overview of that. We provide a budget analysis for the overall budget and all budget chapters, and that always includes a comprehensive section on gender-informed budgeting.

The MPs of the budget committee—that is the committee that deals with finance issues in Austria—can ask us written questions or ask us for studies. For example, we had one big study on the status and the implementation of gender budgeting in Austria, and one of the objectives of this study was, for example, that a time-use inquiry was financed because we considered that there was still some data missing on gender issues. This time-use inquiry, dividing the time use of men and women, is being conducted by our national statistics office.

This is one of our gender maps that we are providing, and here you see the different budget chapters. We have 35, as I said, and here you see that in the chapter ‘Labour’ the objective is:

Women are increasingly involved in working life.

Then you see the measures, the programs, of the government and then you see the indicators where success is measured: employment rate of women, overall and in certain ages—because especially between 25 and 44 there are some childcare responsibilities. Then you see another objective in the social affairs and consumer protection chapter of improving opportunities for women with disabilities in the labour market and also the measures and the indicators. The indicators do not only have an indicator for the next budget year, but they have a mid-term perspective normally of about three to five years.

The parliamentary debate—we have different subcommittees that are dealing with this gender information. The most important at the moment still is the budget committee and the subcommittee, because they are responsible in a way for the implementation of this system. The members of the budget committee are receiving the internal evaluation reports that are provided by the federal chancellery, because in the federal chancellery a performance management office was installed and this performance management office should support the line ministries and should combine the results.

What did we see? We saw that in the debate in the budget committee but also in the other committees and in plenary there was a quite intense discussion, especially in the beginning, and gender was one of the issues that was mostly recognised by all political parties from this new performance budgeting framework. In the beginning we also saw that the topic seems to be quite ‘female’, because most speakers were female members of Parliament, but this changes more and more, I think. We have some members that are very much striving for diversity, and so we have not only female speakers.

These are the internal assessment reports you see. This is this chapter 20 increasing the rate of re-entry of women into the labour market, and here you see the indicators and you see the success compared to what government promised in the budget document. We make our comments on these internal assessment reports.

Here you see that you have an impression on the objectives. Here you see most of the objectives have been fully achieved compared to what the government said. But we had from the budget office and also from the committees here some critical views on these assessments and also especially on the indicators, because we saw

that many indicators were at least activities and not impact indicators, so Parliament was not so satisfied with what was provided by the government. A special subcommittee was set up of the budget committee to discuss especially the evaluation results with the line ministries and to provide the administration the view of Parliament, not in such a big group like the budget committee but in a smaller group of MPs, and all the top management of the line ministries was invited to the committee and we had quite intensive discussions on the system and on improving the system in the next budgets. Now the discussion moves more and more into the policy field itself. At the beginning it was a discussion on the system basically.

What are the outcomes? What would I say are the lessons learned? Gender budgeting is now an integrated part of the performance budgeting system. The legal requirements that are quite strong in Austria in the federal budget law have mostly been fulfilled. We saw that in nearly each of the 35 budget chapters they found no gender objective. In the interest chapter, that is the interest on public debt, they have many objectives, for example, and in the tax chapter and so on. Gender budgeting is also considered on all budget management levels, and thereby the new federal budget law is a lever for gender equality. But what is really, really important is that there is a high interest of Parliament, because without the pressure of Parliament we would never have come so far. We had some very good objectives at the beginning, some very good indicators, but also very poor indicators. It is also quite important that Parliament has a good knowledge on that, because it is quite easy to participate in the debate by saying that this or that objective should be followed, but it is quite more difficult to say, 'Is an indicator really showing an impact? Is it the right indicator? Are the measures correct?' So it needs also quite intense discussion in the Parliament, and these really promote government to think on all these issues.

But we also saw that an elaborated legal framework is no guarantee for favourable results, because we have still gender gaps. We have reduced the gender pay gap, but the gender pay gap in Austria is still one of the highest here in the European countries, and we saw that the overall gender strategy on gender equality is missing. That means each of the line ministries has the gender objectives, but they are not really coordinated in a strategy. And we have also so far no budget statement on gender. That means that we have these gender objectives, we have gender-informed budgeting, but we have not gender budgeting in the sense that we see in our budget how many resources are really allocated to strive for gender equality. So that is also one thing that at least the Parliamentary Budget Office think is still missing.

So, all in all, I would say the gender approach was a success. It really led to an intense debate in the budget committee with participation of all political groups with very different views. Some parliamentarians also were very much against this approach, but nevertheless it led to a discussion, and it led to much more data on gender equality than we had in the past, but there is still room for improvement. So this would be my conclusion from the Austrian situation. Thank you very much.

The CHAIR: Thank you very much, and that was certainly a very helpful contribution. I will open it up to questions from committee members. Mr O'Brien.

Mr D O'BRIEN: Thank you, Herr Berger. That was very comprehensive. I wonder if you could give us a little bit of an idea of how in Austria you measure success in terms of gender equality and how the actual budget process measures that success.

Dr BERGER: Yes. As I said, we know also by this gender budgeting exercise what are the problems that we have. One of the biggest problems is the quite high gender pay gap, and the other problem that we have here in Austria that is one of the biggest problems is the higher rate of part-time employees that are women with children, because our childcare facilities, especially in the rural regions, are quite poor. So these are the main indicators, and also in our analysis we said, 'Okay, you should concentrate on these indicators'. And so one of the indicators, for example, is: what is the rate of children between one and three years where you have the childcare facilities and what are the measures? And there has been an agreement between the federation and the provinces that these childcare facilities are subsidised by the federation, so this was one of the concrete outcomes. Another issue would be: what is the work time facility for women and what time is the household work and who is doing the household work? There has been the promotion of participation of men also in child care, and there has been new legislation that allows men to stay at home, especially in the first year of a newborn child. I would say these are the most important issues. We all measure these with indicators. These are indicators in the budget where you have goals, you have objectives, and one year later you have a report of what has been achieved.

Mr D O'BRIEN: Thank you.

The CHAIR: Ms Richards.

Ms RICHARDS: Thank you very much, Dr Berger, for appearing this afternoon. I am interested in perhaps understanding the ability to maintain focus on a gendered lens during times of emergency or the pressure for austerity.

Dr BERGER: Yes, these are very, very important issues. For example, what we noticed, and we made also an analysis on it, is that women were more deprived by the COVID crisis, because we saw that women were the first to lose their jobs, and they were sent to part-time. It was quite interesting to see what the outcomes were on the labour market. We also see in our gender indicators that poverty still is female, especially women that are raising their children alone or also the pensioners—most of the poor people are women. We have a lot of measures, especially for the pension, the pensioners. We have now an increase of the minimum pension, introduced in the last year, and this higher minimum pension especially helps the poorest women. We have also many new facilities for women that are raising their children alone. Nevertheless much of these possibilities are reducing your tax bill, and if you do not pay any tax then it is quite difficult, so this is the political discussion at the moment. Should there be more subsidies or should there be more tax reduction? At the moment we have especially raised the tax reductions, but this is an open discussion, I would say.

Ms RICHARDS: Thank you, Chair. Thank you.

The CHAIR: Mr Hibbins.

Mr HIBBINS: Thank you, Chair. And thank you for your presentation. I just wanted to ask you about the importance of having independent oversight like a parliamentary budget office to the gender responsive budgeting process. If Victoria were to implement a GRB, is it possible to work without independent oversight, or is that an essential part of it?

Dr BERGER: I would say the parliamentary budget office plays a very important part in this parliamentary oversight because you have always an information asymmetry—so government wants to present a story, but you have to have someone who challenges the story and who exercises enough pressure to push the system forward. And it is not so easy to say what are really indicators that are measuring success because, for example, you can present a number of activities and you can say there is this or that course for unemployed women, but if there is no-one challenging the results of these courses, then you have only the story of government.

So I think especially in gender budgeting, as it was really in the core of our mandate, we pushed much forward. And it was quite recognised also on the international level what the Parliamentary Budget Office did in gender budgeting. We had OECD meetings here in Austria where we presented our studies, and we had this comprehensive study on the status of implementing gender responsive budgeting that really focused on the successes but also on the weak points we still have. This more or less leads then, sooner or later, to reactions by the government. So in my view it is very important to have such an independent body. And in Parliament it has the advantage that the parliamentarians have really the possibility to immediately ask someone. I am a permanent expert in the budget committee so I can be always asked by the parliamentarians on our analysis that we do for each document that is presented to the committee, and they can challenge the story of government, so to say.

Mr HIBBINS: That is interesting. So you are available to committee members for expertise?

Dr BERGER: Yes, true.

Mr HIBBINS: And finally, do you think the PBO, out of all other options, given its authority in relation to the budget and financial matters, is best placed to be that independent authority?

Dr BERGER: I am not quite sure whether I understand. You mean that the Parliamentary Budget Office is the best way to have an independent body?

Mr HIBBINS: Yes.

Dr BERGER: Yes. It is very important to have high credibility. We have many non-governmental organisations that are really fighting very hard for gender equality, but it is sometimes quite easy to say they have a bias, yes? They tend to take them not so seriously. Then you would take an institution that does not only deal with gender issues but that deals with the whole budget. The budget office was set up unanimously between the political groups, and also this focus on gender was unanimously decided. So this gives us a quite good position to be recognised as objective.

Mr HIBBINS: Terrific. Thank you. Thanks, Chair.

The CHAIR: Thank you, Mr Hibbins. Mr Maas.

Mr MAAS: Thank you, Chair. And thank you very much for your presentation today. Just to go back to some of those positive economic impacts that you discussed as part of the gender responsive budgeting response, I was just wondering how you were able to manage the challenge of getting detailed and gender-disaggregated data and what approach your jurisdiction used to be able to get that data.

Dr BERGER: Okay. Part of getting this data is the legal framework, because the government has to present objectives with indicators, and for the indicators you need data. And also, according to our analysis and according to the tone of the legislation, this data should basically not be internal data of the ministry but they should be data that are as objective as possible. So also our national statistical institute has gender statistics implemented. So they are providing data that can be used in the budget documents. And on the other hand we are not alone here in the budget office. We have a very active economic Austrian economic institute that is providing also the macroeconomic data for the budget, but they are also examining policy feeds and they are quite active also in this field. And we have also our performance management office, which is part of the government. But they are trying to assure the quality of the performance information, and so they are driving the line ministries to present reliable data and to present enough data. As I already said, one of the results of our study was that we have a time use study, which is quite expensive because you have to have inquiries in a number of interviews, but then we will even have better data which, as I said, it does not really—yes, we have done that information, and what is done with that is up to the politicians, I would say.

Mr MAAS: Thank you.

The CHAIR: Bev McArthur.

Mrs McARTHUR: Thank you, Chair. Thank you, Dr Berger. You have been operating for about 12 years, if I am correct, and you have obviously got a very comprehensive system and a comprehensive system of measurement of outcomes to get to gender equality. Have you found that your success is so great that women are surpassing men in the equality measurement scenario?

Dr BERGER: No, no. Really, from the perspective of a man, I do not see that danger at the moment, I would say. I cannot say that we are really satisfied with all the results, but I would say that you cannot expect that the successes come very, very quickly. But compared to the situation we had 10 years ago, for sure, we have advanced a lot, I would say. Also here in Parliament I would say you have now, at the moment, a number of male MPs that are saying that the system is still unjust or even they are feminists and they are promoting this system. So it is no longer a real female topic, but it is acknowledged that this is a society problem that we have to approach. So I would say that the glass is half full, half empty, and it depends from what side you look at the glass.

Mrs McARTHUR: Is there any form of sunset ceiling on this program? So if you reach equality, does this rather comprehensive outfit get disbanded?

Dr BERGER: No, there is at the moment no sunset, because when you look, for example, at the rate of female students, then you see that we have more female students than male students, and we have at the moment also more persons that pass successfully at universities that are female. But there is basically at the moment no ceiling on that, and I think also in the political community they do not think that we are so far to have any sunset for this system at the moment.

Mrs McARTHUR: So it is okay if the numbers of women exceed men—that will still be considered equality?

Dr BERGER: Pardon? We can—

Mrs McARTHUR: If the numbers in all the criteria you are measuring women are exceeding men—you have just said in university and various jobs—do you then have to embark on a program to up the rate of men in these areas?

Dr BERGER: Not so far, but one of the problems that I have not touched so far is the violence against women that we have. Especially in the last 12 months we have had a number of femicides that have happened within families. And so in the past we had—this is not really an answer to your question, but only to see that also men must be involved in some programs. We saw that only protecting women might not be enough, and now in different fields the focus goes more to men and seeing what we need to do to reach men so that they can be taught in a way that this problem of violence against women could be reduced. To come directly to your question, so far the impression of the politicians still is that there may be fields in which women are surpassing men, but this is not a problem so far—so not a problem that policy must react to, to put it diplomatically.

The CHAIR: Thank you. Ms Taylor.

Ms TAYLOR: Hello, Dr Berger. Thank you for being here today. In thinking about your experience with gender responsive budgeting, what lessons have you learned about best practice in impact analysis as part of the budget process?

Dr BERGER: I would say the important issue that we have is that we have these objectives as part of the budget document. Because you can have gender-informed budgeting in different ways. You can have a once-a-year report on that. But with this system it was really part of the budget document—so you see it in the budget document and theoretically at least the Parliament decides on the objectives and it decides on the indicators. We have not seen so far any change from the Parliament to the objectives that were proposed by the government, but if there is much criticism—and we had this in some budgets and also in the subcommittee we have established—the government tries to avoid this for the next time, and so they change the indicator for the next budget. Because these are all midterm indicators, these are midterm objectives, so if there is much criticism, you find it changed in the next budget. So this is important and also then the comparison between the budget figures, because in the budget document you have the development in the last years, you have the actual figures on the last years and you have the planned figures for the next years. And you always have the comparison later on what has been reached, and the government has at least to explain if they are not successful. Or what also very often happens is if the objectives are not very ambitious, there is often a criticism where they say, ‘Okay, we should reduce the gender pay gap by 1 per cent or half a per cent next year’. So often the parliamentarians said this could not be the success we expect, and so I think this is one of the important issues.

Ms TAYLOR: What have you found to be the gendered consequences of the economic downturn, and how can gender responsive budgeting help to respond to that?

Dr BERGER: That is a difficult question. We are quite convinced and also the results show that the economic turn has had a greater impact on women than on men, especially in Austria because our women are very much employed in the tourist industry. They are employed in the restaurants and so on, and these were the sectors of the economy in Austria that were hit most by the economic crisis. So in a way we have quite good compensation for unemployed women, but we saw that for the women it took longer to re-enter the labour market than for men. We also saw developments. The care sector is one of the most problematic in Austria because we have not enough people to care for the elderly, and so we also saw some movement that women should care for the elderly. This is also one development that can be a little bit dangerous. So you can have indicators in the budget that show at least the developments in what we have there and you can take political measures, I would say.

Ms TAYLOR: Very good. Is there still time? I am not sure.

The CHAIR: No. We are just about out. But if you had a pressing last question, that would be fine. No? Fine.

Ms TAYLOR: Well, I can. I just want to say—

The CHAIR: We are right on time, Ms Taylor. Excellent. Thank you very much, Doctor, for appearing before us today. We certainly appreciate the evidence that you have provided to our committee on this occasion, and thank you very much for your time. I am not sure what the time is where you are, but it is probably a lot earlier in the day than it is here. I am sure it is.

Dr BERGER: Quite early, yes.

The CHAIR: So we thank you very much for making such endeavours to speak with us and give us your experience. Thank you very much for your time. You will be provided with a transcript of the evidence to verify. That concludes our hearing.

Witness withdrew.