

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into Gender Responsive Budgeting**

Melbourne—Monday, 25 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



**WITNESSES** (*via videoconference*)

Ms Maria Kristine Josefina G. Balmes, Deputy Executive Director for Operations,

Ms Anita E. Baleda, Chief Gender and Development Specialist,

Ms Josephine Khaleen Sasuman, Supervising Gender and Development Specialist,

Ms Avery Silk Arevalo, Senior Gender and Development Specialist, and

Ms Nicole A. Montesines, Gender and Development Specialist II, Philippine Commission on Women.

**The CHAIR:** I open these hearings again of the Public Accounts and Estimates Committee Inquiry into Gender Responsive Budgeting.

I begin by acknowledging the traditional custodians of the land on which we meet and paying my respects to their elders past, present and emerging and any elders that might be joining us from other communities today.

We note that members may remove their masks when speaking to the committee but must replace them afterwards. All mobile telephones should now be turned to silent.

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.

You will be provided with a proof version of the transcript for you to check. Verified transcripts, PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

We welcome the Philippine Commission on Women's policy development, planning, monitoring and evaluation division. We thank you for joining us today. We invite you to make an 8-minute opening statement to the committee, and this will be followed by questions from committee members. Thank you for being here.

**Visual presentation.**

**Ms BALMES:** Good morning, everyone. Good morning from the Philippines, Madam Chair and committee members. Thank you for inviting us to share the Philippines experience in gender responsive budgeting.

Next slide, please. Gender budgeting was first introduced as early as 1992 when the Philippine Commission on Women, then the National Commission on the Role of Filipino Women, lobbied to include a women's budget in the national annual *General Appropriations Act*, the law which provides for and defines the annual expenditure program of the national government. In 1995 the gender and development, or GAD, budget policy was officially incorporated as a general provision in the *General Appropriations Act* and has been included every year since. The policy states that all departments shall formulate a GAD plan designed to empower women and address gender issues in accordance with the *Women in Development and Nation Building Act* and the *Philippine Plan for Gender-Responsive Development (1995–2025)*. The cost of implementation of the GAD plan shall be at least 5 per cent of the agency's total budget appropriations. The PCW is mandated to review these GAD plans and budgets and to monitor government agencies' submissions.

Enacted in 2009, the Magna Carta of Women is the comprehensive women's rights law that serves as the local translation of the Convention on the Elimination of All Forms of Discrimination against Women, or CEDAW. The PCW's function as the primary policy-making and coordinating body for women and gender equality was expanded and strengthened. It was identified as the lead for ensuring that government agencies are capacitated to implement the Magna Carta of Women, with support from oversight agencies such as the Commission on Audit, the departments of Budget and Management and Interior and Local Government, and the National Economic and Development Authority. The Magna Carta fully institutionalised the GAD budget as one of the mechanisms for effective gender mainstreaming in national and local governments and also in foreign-funded programs. It provides that GAD programs addressing gender issues and constraints shall be designed and

implemented based on the mandate of government agencies and local government units. The cost of implementing GAD programs shall be at least 5 per cent of the total budget appropriations.

Next slide, please. Other institutional mechanisms have complemented the GAD budget policy, such as the establishment of a gender focal point system in each government agency; also the development of an online portal for submission of GAD plans and budgets, which we call the gender-mainstreaming monitoring system; and the incorporation of a gender audit in the national auditing process.

Next slide, please. Despite these longstanding policies and the operational guidelines available, agencies still find it difficult to comply with the mandated 5 per cent GAD budget allocation. There have been several studies on the GAD budget policy conducted since 2004, most recently in December 2018, with support from the government of Australia's Department of Foreign Affairs and Trade.

We share some of the findings with you today of the latest study entitled *Gender Budgeting in the Philippines: 2010–2017*.

Next slide, please. Firstly, the study found that the decades-long experience of the Philippines in crafting the GAD budget policy helped improve its utilisation and coverage, and we continue this learning process today.

In fact the PCW is currently consulting various stakeholders on possible amendments to the Magna Carta of Women, including reviewing whether the mandated 5 per cent GAD budget is still appropriate. The study also found that institutional mechanisms have effectively enabled the GAD budget, such as that the strong commitment from senior officials and technical officers helped ensure that GAD budgets were allocated, monitored and utilised; continuous and targeted capacity building for gender focal points and executives also helped increase their understanding of gender mainstreaming and gender analysis. To help ensure that the GAD budget is allocated for well-founded gender issues, the study recommends conducting a gender audit, including analysis of sex-disaggregated data. The study also cites that a key factor that affected prompt mobilisation of the GAD budget is a proactive Commission on Audit, which issues Audit Observation memos to the agencies concerned. Audit memos are seen as a threat or penalty and have become an effective tool for compelling agencies to formulate GAD plans and budgets.

Next slide, please. On the other hand, foremost among the major challenges in effective implementation of the GAD budget policy is low allocation and utilisation. Among the agencies that submitted GAD plans only 43 per cent in 2016 and 45 per cent in 2017 met the minimum 5 per cent GAD budget allocation, but this is a significant improvement over the weak 17 per cent compliance rate in 2014. Since 2015 more agencies have complied with the minimum 5 per cent; in fact it has now more than doubled. According to the study, inability to meet the 5 per cent allocation could be due to, first, lack of capacity to identify appropriate activities to address gender issues and the broader lack of capacity to conduct gender analysis and prepare GAD plans. This suggests the need for more dedicated, intensive and continuous technical assistance, especially considering the high turnover rate that accompanies changes in leadership.

Next slide, please. As the agency assigned to review GAD plans and budgets, PCW has developed guidelines for time lines, submissions and assessment of such and issues a GAD budget call every year to initiate the process. Findings show that agencies prefer a streamlined, simplified, easier process of submission and review; impact assessment is still low, as the focus is on inputs rather than results; individual activities outnumber flagship programs or projects that have a gender lens; and lastly, existing tools and guiding documents are helpful in drafting GAD plans and budgets, such as the *Harmonized Gender and Development Guidelines* and the *Gender Equality and Women's Empowerment (GEWE) Plan*.

Last slide, please. We quote the gender-budgeting study one last time to see that in the Philippines we are getting there but not quite enough, and there is evidence that GAD budgets have contributed to urgent gender issues such as women's and girls' protection from violence and abuse; improving access to and elimination of discrimination in education; and enhancing food security and nutrition, among others. Yet we hear the call for a more impactful and structured GAD budget policy for the benefit of all women and girls in the Philippines which is relevant to their needs, especially during this pandemic. Again, thank you very much, everyone.

**The CHAIR:** Thank you very much for that presentation. I will invite the Deputy Chair, Mr Danny O'Brien, first to ask a question.

**Mr D O'BRIEN:** Thank you, Chair. And thank you very much for your presentation. It puts a different context around gender budgeting, I guess, for us here. Your last slide touched on it, but can I ask a little about how entwined gender issues and development issues are in the Philippines, and I guess particularly how the introduction of the GAD process has actually delivered development outcomes for women and the whole country.

**Ms BALMES:** Can you repeat your question—the last line?

**Mr D O'BRIEN:** Whether you have had success through the gender and development processes in actually improving women's outcomes and development outcomes more broadly for the whole country.

**Ms BALMES:** Yes, actually we consider that we have had successes, but as we have said, we are still trying to capacitate our agencies more. Recently we have focused on sectors to make sure that the GAD budget policy will be implemented to address specific sectoral issues, like the women, peace and security sector. We have already identified key implementing agencies and made sure that they have come up with one GAD agenda so that all the agencies will be working towards one central goal and the GAD budgets will be appropriated not only specific to their agencies but also specific to the GAD agenda which the sector has formulated. So we are actually targeting that by December the women, peace and security sector will be able to come up with their own GAD agenda.

**Mr D O'BRIEN:** Great. Thank you.

**The CHAIR:** Thank you, Mr O'Brien. Mr Maas.

**Mr MAAS:** Thank you, Chair, and thank you, Ms Balmes, for the presentation. It is so great to hear of the success of GAD and particularly how long it has been a feature in the Philippines. I am really interested in how success is recorded and measured and how GAD features and programs and the like are held accountable. Are you able to take me through that?

**Ms BALMES:** Well, actually annually we prepare our GAD budget report that we submit to the House of Representatives and the Senate, the Congress of the Philippines. In this GAD budget report we try to inform them of all the annual outcomes: of how we were able to track the GAD plans and budgets and what the agencies' best practices are.

Actually, I would like to introduce my workmates from the policy development, planning, monitoring and evaluation division. They are actually the ones in charge of reviewing and preparing the GAD budget report. The division chief of PDPMED, Ms Anette Estrera Baleda.

**Ms BALEDA:** Hi. Good morning, everyone.

**Ms BALMES:** Also with me from our international affairs section, Ms Avery Arevalo.

**Ms AREVALO:** Hello, everyone. Nice to be here.

**Ms BALMES:** And our Supervising GAD Specialist, from PDPMED also, Ms Josephine Khaleen Sasuman. So I think they will be more appropriate to answer actually on actual implementation of the review and monitoring of the GAD plans and budgets because it is the mandate of their division. So if you have any additional questions, they may be able to address them.

**Ms BALEDA:** I heard the question asked, so may I just respond. I do not know if I got them right. The first one is related to the monitoring, how effective is the monitoring. We said that it is improving; in the latest submission at least more than 60 per cent of agencies are already complying with the GAD budget policy. But of course assessing as to the impact of the programs that have been undertaken to implement the GAD budget policy is still wanting, meaning we still have to assess, really, how effective the programs that have been implemented to alleviate the condition of women in the Philippines. We have the Gender and Development (GAD) Ombud of the Philippines who looks into cases of violations to the Magna Carta of Women, including the misappropriation of the 5 per cent GAD budget policy. The Commission on Human Rights, designated as the GAD Ombud, recommends penalties if there are violations to the Magna Carta of Women.

**Mr MAAS:** And I think the second part to it is: what are the measures that you see as being a success, and what are those measures that have been put in place?

**Ms BALED A:** We conducted some studies, as mentioned by Deputy Director Kristine Balmes. So far we have conducted studies in terms of the effectiveness of the programs, and we also do monitor every year the annual GAD accomplishment reports of agencies. And from their submissions we are able to see what have been the programs implemented related to the GAD budget policies. I think so far the biggest expenses for the GAD budget went to the social welfare, health and education related programs. So the bulk of the GAD budget is coming from agencies to provide direct services to women.

**Mr MAAS:** Thank you. Thanks, Chair.

**The CHAIR:** Thank you, Mr Maas. Mr Hibbins, did you have a question?

**Mr HIBBINS:** Yes. Thanks, Chair. And thank you, Commissioner, and your team, for appearing today. Look, Mr Maas probably covered what I was mainly interested in, but I also just wanted to know: in your presentation you referenced the Magna Carta of Women. I presume that is legislation, and could you just outline what is actually entailed in that?

**Ms BALMES:** The Magna Carta of Women?

**Mr HIBBINS:** Yes.

**Ms BALMES:** Well, actually, it is already a law. We already celebrated the 11th year of the Magna Carta of Women. As we have mentioned, it is the local translation of the CEDAW, or the Convention on the Elimination of All Forms of Discrimination against Women. It also stated the need to have a GAD budget which is at least 5 per cent of annual budgets of government agencies, as prescribed in the Magna Carta of Women. Recently the PDPMED, the division, has also been monitoring the accomplishments under the Gender Equality and Women's Empowerment Plan. As you can see we are in the mid-term of the GEWE plan implementation, and Ms. Anette (Ms. Anita Baleda) maybe can share already some of the highlights of their accomplishments

**Ms BALED A:** Yes. The GEWE plan, the administration's plan for women, goes even beyond the administration, because its time frame, is 2019 to 2025. The GEWE plan, as we call it, is also implementing the provisions of the Magna Carta of Women, the SDGs, the Philippine development plan. As mentioned by Director Balmes, we are currently updating the GEWE plan because of the pandemic. We need to reassess the targets, because targets have changed. Our activities—almost everything has been impacted by the pandemic, and we need to reassess and recalibrate our GEWE plan so that we will have more realistic targets. In terms of the implementation of the Magna Carta of Women, which is the comprehensive women's human rights law, we are really trying to make our existing plan as practicable and as realistic as possible, given the impact of COVID-19.

**Ms SASUMAN:** Madam Chair, if I may add my—

**The CHAIR:** Yes.

**Ms SASUMAN:** The Magna Carta of Women—this is actually, as mentioned by Kristine Balmes, already a law, which we said is a local translation of the CEDAW. This is actually the bill of rights of women in the Philippines. The Magna Carta provides for interventions for various government agencies mandated to implement the law, so it identifies what needs to be addressed and what issues need to be addressed per sector, such as violence against women, issues on health and issues on peace and security. It concerns the issues of the marginalised sectors, from agriculture to labour and migration—and all aspects actually. So one of us mentioned that you can actually search for the *Republic Act No. 9710*, the Magna Carta of Women, in the Philippines.

In order to make it more focused for the Philippines to track the implementation of the agencies with regard to the commitments under the Magna Carta of Women, which is in line with CEDAW, we have developed also what we call the mid-term plan, which is the GEWE plan, as mentioned by Ms Baleda, which is the *Gender Equality and Women's Empowerment Plan*. The GEWE plan also has a sectoral approach in line with the

Magna Carta of Women. It has chapters per sector which provide the outcomes and the outputs, which are priority issues and outcomes that were identified in consultation with the concerned government agencies in the sector as well as with civil society organisations. It was developed in partnership and consultation with civil society organisations, and of course the development of the results matrix was also in consultation with various government agencies.

In addition to that, there has been a doubling of effort to really achieve at least a number of sectors that are somehow trying to address or to narrow the gender gaps, so we have the priority sectors, as mentioned by Ms Balmes, like women, peace and security, and education—

**Ms BALMES:** Women's economic empowerment.

**Ms SASUMAN:** and women's economic empowerment. So those are some of the sectors that we would like to focus on through the sectoral organisation division of the Philippine Commission on Women. These things are still in the process.

I would like also to mention that the use of the Harmonized Gender and Development Guidelines is quite helpful. As you see, all programs of the government are quite many, but we are saying that at least the major programs or flagship programs should be subjected to the Harmonized Gender and Development Guidelines, because originally when these programs were proposed or were designed, some were really gender blind. But through the HGDG tool, which we use to assess gender responsiveness of official development assistance programs, these programs are subjected to that tool. It is an effort to mainstream gender in those programs that have not yet incorporated gender perspectives. So somehow I guess over the years there has been not only an increasing number of submissions of GAD plans but also even the allocation of the gender budget has significantly increased somehow because of the use of the Harmonized Gender and Development Guidelines tool. The HGDG enables agencies to attribute how much should be allocated for GAD. The big-ticket program should be subjected to the HGDG, a portion of which based on the result of assessment, say, if it is 50 per cent then it is gender sensitive and therefore 50 per cent of the budget for the program for the year should be allocated to GAD assessment. The HGDG helps increase the compliance of government agencies—so the GAD budget policy—but also it is trying to make their programs more gender sensitive. At least under the process there is an effort to make the programs gender sensitive. But everything with this is still a work in progress. I think that we also mentioned one of the limitations is really to come up with an impact assessment, especially of the major programs, now that we see it as quite helpful in order to make an impact on the lives of women and girls in the Philippines. Thank you, Madam Chair.

**Mr HIBBINS:** Thank you.

**The CHAIR:** Thank you very much. Ms Richards.

**Ms RICHARDS:** Thank you, Chair. Thank you so much. It is fascinating to hear about jurisdictions who have been involved in gender responsive budgeting for such a long time. I see that the gender and development budget policy was introduced through the *General Appropriations Act* in 1995. I am interested in understanding your experience when with governments inevitably their priorities change and evolve over time.

**Ms BALMES:** Ms Baleda, maybe you should take this one since you have been with the agency for the longest among us.

**Ms BALEDA:** Okay. In terms of changing priorities, that is the important thing when coming up with a medium-term development plan for women. That is why every term, and every administration, we usually craft the national gender and development plan for women. In the past administration we called it Women's EDGE, but this time we called it the *Gender Equality and Women's Empowerment Plan*, primarily because we wanted to also take into consideration the targets or the priorities of the present administration.

Aside from the five-year, six-year term plan we also encourage all agencies to come up with a GAD agenda which is also the medium-term plan for women of agencies. Annual gender and development plans are not enough, because they are just usually output based. Agencies implement a program or a project, and then at the end of the year they report to us what are the outputs, but it is essential that the interventions are planned. I mean, coming up with a strategic plan for women, that is what we call the GAD agenda. It has a framework, and it has a plan, say, for five or six years. That way they could plan exactly what to implement annually in

order to reach the target at the end of six years, for example. The priorities to be identified could be the priorities of the administration and could be translated into their GAD agenda—the agency strategic plan for gender equality and women’s empowerment—and then finally translated into annual GAD plans in order to really ensure the implementation and to reach the goals and objectives of the plan.

But mind you, we also have difficulties in implementation. I do not know if Director Balmes has mentioned the difficulties for some agencies in meeting the 5 per cent, because let us say, for example, the Philippine Arsenal—the Philippine arsenal commission, is it, Khaleen?—or the Philippine carabao commission. They said, ‘How do we allocate at least 5 per cent? That is a big chunk of our budget. How do you want us to do it? We are not the social welfare administration. We are not the Department of Health, who have direct services for women. What do you want us to do when making ammunition? Do you want us to create ammunition for women and ammunition for men?’. But it is just that it is really about making them understand how they could mainstream gender in the overall processes of the organisations. It is not just the programs and projects but looking into the processes of the government, of the agencies, in terms of: are they taking care of their employees, the women employees, in the organisations? Are there programs for employees? Are they not discriminating in their agencies? We said that you could take a look at their big-ticket program—I mean the major programs that the agencies are implementing—and then you could assess it using, as Khaleen has mentioned, the harmonised gender and development guidelines tool to ensure that the gender-responsive processes in designing the program until its implementation—the monitoring and evaluation and the gender perspectives—are all taken into consideration. That is how you make your programs gender responsive.

Some oversight agencies are also clamouring for change in the policy. Because we are now reviewing the policy, some agencies are saying, ‘Is it all right for us to be exempt—or not to be able to reach the 5 per cent—because it is very difficult for us? We’re just an oversight agency’, like, for example, the Senate of the Philippines and the House of Representatives. These are mainly policymaking agencies and, you know, especially at this time of the pandemic when almost everything is online and the expenses have been lessened—there are no face-to-face meetings and no meals to pay for because it is online, so the budget has been lessened—they said that, ‘It’s really difficult for us’. Even if they annually conduct gender sensitivity training or orientation for their employees and even for the legislators, they cannot consume at least 5 per cent of their budget. So they ask, ‘Is it all right for us to just, say, locate 3 per cent for GAD?’ And we are saying that, no-one is exempt from implementing the law. It is just that we are also looking at ways to help them really implement it. That is why we are coming up with tools. We in the Philippine Commission on Women are coming up with tools to help them implement the GAD budget policies and also to really ensure that they are doing it right. Because sometimes it is just the lack of knowledge and skills of implementing—how to do it, a lack of knowledge of the tools. That is why we really need to continuously capacitate them—conduct training and capacity-building initiatives—because once they learn about it, they are able to do it.

**Ms RICHARDS:** Fascinating. I was going to ask you about what happens when you head into those areas that are not typically gender responsive, but you actually went there anyway, so thank you so much. Thanks, Chair.

**The CHAIR:** Thank you, Ms Richards. Do we have to Mr Newbury with us? No? Okay, Ms Taylor?

**Ms TAYLOR:** Yes. Thank you so much. Very interesting and comprehensive discussion today—it is fabulous. Just taking to a further limb on the discussion so far, looking broadly at government: has the GAD, do you think, influenced government revenue and taxation policies over time?

**Ms BALEDA:** I do not think so.

**Ms TAYLOR:** Okay.

**Ms BALEDA:** It has not because, you see, the GAD budget is part of the agencies’ budget. These are not separate budgets. So in terms of the tax, the budgets allocated for these agencies of course all come from the taxes of people and these taxes are allocated to the various agencies. There have been no studies done related to that, but I just could not say that there has been that effect in terms of taxes because of the GAD budget policy. That remains to be seen. Maybe I am wrong; I am not sure.

**Ms SASUMAN:** If I may, Ms Taylor, this is something that cropped up in one of our meetings before because we turned up what we call the GADtimpala awards. This is actually an award for government agencies

especially. Of course it can also be awarded to programs and local government units, but it is a program wherein we give recognition to government agencies or institutions that have somehow a kind of notable implementation of their GAD programs within the organisation. In one of the meetings we had, there was the Bureau of Internal Revenue, which is the tax agency of the Philippines—

**Ms BALEDA:** Tax collection agency.

**Ms SASUMAN:** the tax collection agency of the Philippines. They are trying to study what we call the pink tax, although it is not yet being implemented. But I think they are looking into what we call the pink tax, because they say that they also notice—and I think they are referring to some study from abroad—that seemingly the taxes on commodities or products which are for women are usually being taxed higher. So I think somehow we appreciate the recognition of the Bureau of Internal Revenue looking into these things, and somehow it is one way hopefully, if they are convinced by the results of the study, that they could come with some tax policies in the future which are more friendly, especially to women. I think that is just one of the possibilities that we wish for from the recognition on the part of the Bureau of Internal Revenue to consider the strengths of policies that are still under study.

**Ms TAYLOR:** Thank you. Is there anyone else to ask questions?

**Ms BALEDA:** May I add also—

**Ms TAYLOR:** Yes, go for it.

**Ms BALEDA:** May I add also, which is related to what Khaleen said, I remember during one of the public hearings there was the commissioner from the Bureau of Internal Revenue. We consulted her in terms of the tax deductions for married couples. Usually, the practice is for the father to claim the tax for the four children—I think that is the taxable number of children. I am not sure if this is the updated one, but at that time I think it was 50 000 per child, or more or less, could be deducted from the tax of 500 000. I am not sure. There is a certain percentage to be deducted from the income of the father, or in cases where the husband and wife are separated, it is required for the working mother to get the consent from the father to be able to claim those taxes for the children. That is why we said that is not fair. The four children are with the wife, so it should be automatically granted to her given that the four children are living with the mother, who is also an income earner. But there is that provision in the law where the mother needs to get the approval, the consent, of the husband so that tax deduction be credited to her, so we have been working on that. I am not sure if there have been positive updates for now related to that. But if you are a government employee, government is more lenient and also more responsive to the needs of women government employees, that is why most separated mothers working in the government sector are also able to claim the taxes for their children. But there is that requirement for a document to show to the human resources department that shows, ‘Yes, my husband has signed this’ or the husband’s consent. But we say that that should not be the case—what if the husband refuses to grant that consent? So all those things will affect the taxes of working women.

**The CHAIR:** Thank you very much. We are almost out of time, so are there any further questions? No? Well, on that basis, we thank you very much for making the time to speak with our committee today and to provide such important evidence and your experience. It has certainly been a very worthwhile contribution, and we are most appreciative.

You will be provided with a transcript of the evidence to check, and that will be provided to you shortly.

That concludes the time that we have set aside for these hearings today, so I thank everyone who has participated in these hearings for their appearances and the evidence and the submissions that they have made. Also thank you to Hansard and the secretariat, as well as to the security and other staff that have assisted in these proceedings today. So thank you, everyone. I declare this hearing adjourned.

**Committee adjourned.**