

Equality Budgeting in Ireland

An Information Booklet

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equality
budgeting
campaign



Irish Feminist Network

supported by



THE EQUALITY AUTHORITY
AN tÚDARÁS COMHIONANNAIS

What is this booklet about?

This booklet provides information on Equality Budgeting with a particular focus on the introduction of Equality Budgeting in Ireland.

It outlines:

- **what Equality Budgeting is**
- **why there is a need for Equality Budgeting in Ireland**
- **how Equality Budgeting can be implemented**
- **a vision for a more just and equitable Ireland**

What is Equality Budgeting?

Equality Budgeting is an approach to economic policy-making and planning that places equality at the centre of decisions concerning public expenditure and income.

Through equality audits and impact assessments, Equality Budgeting provides information on how different sections of society are impacted by specific economic policy measures. The objective of Equality Budgeting lies in ensuring this information is used to reduce inequalities and to achieve the best equality outcomes for specific disadvantaged groups, but also for society at large.

Equality Budgeting goes beyond traditional approaches to economic policy-making and planning by:

1. Assessing the impact public expenditure and resources have on certain sections of society.
2. Assessing who benefits from economic policy measures and who doesn't.
3. Ensuring equality is integrated as a driving principle in the planning, design, implementation and review of economic policy measures.
4. Increasing transparency in budgetary processes and economic decision-making.

The benefits of Equality Budgeting are:

1. Increased levels of information

The collection of disaggregated data and impact assessments provides information that gives us a clearer picture of the effects of economic policies as they pertain to specific sections of society.

2. Increased levels of equality

In turn, this clearer picture enables us to see who is disproportionately impacted by particular policy measures, and who is experiencing inequality as a result of specific measures. Once this is known, inequality can be redressed as policy measures are reviewed and changed to ensure better equality outcomes for people.

3. Increased level of transparency

By making impact assessments and equality audits publicly available, members of the public have access to information that critically affects them. Reforms to budgetary processes, such as more meaningful consultation of civil society organisations, or the publication of a draft budget, further add to a bottom-up approach to economic policy-making.

Is Equality Budgeting a new idea?

Equality Budgeting was first introduced in the form of gender budgeting in the 1980s. Although gender budgeting has a specific focus on gender in its interaction with economic policies and processes, gender budgeting has evolved, over the decades, to include other equality categories, such as disability, age, or race. In its original form, however, Equality Budgeting was concerned mainly with the disproportionate impact of economic policy measures on women and men.

Australia pioneered the adoption of Equality Budgeting by publishing a “women’s budget” in 1984. Other countries soon followed suit, and there are now over 60 countries that have implemented or worked toward Equality Budgeting, including Canada, South Africa, the United Kingdom, Tanzania and Uganda.

Much of the impetus behind this reform of traditional economic policy processes came from a United Nations Conference on Women held in 1995, and the resultant agreed strategy document for increasing gender equality, the Beijing Platform for Action (PFA). Specifically, the PFA requires:

the “integration of a gender perspective in budgetary decisions on policies and programmes, as well as the adequate financing of specific programmes for securing equality between women and men.”

(PFA 345)

and

calls on governments to “facilitate, at appropriate levels, more open and transparent budget processes”

(PFA 165i)

Interest in budgetary reform was further driven by a high-level conference organised during Belgium’s European Union Presidency in 2001. The conference, *entitled Gender Responsive Budgeting: A Global Vision to Strengthen Economic and Financial Governance*, increased awareness of alternative approaches to economic policy-making, and in 2003 the European Commission established a working group of experts on gender budgeting. The European Parliament (2003) also adopted a resolution and recommendations that called on

“the Commission, the Member States, and local and regional governments to carry out gender budgeting.”

While some progress was made in Ireland toward equality budgeting, particularly with a focus on gender, much of this was subsequently reversed with the weakening of the Gender Mainstreaming Unit in the Department of Justice in 2008, inaction on the implementation of the National Women’s Strategy, and the more general dismantling of the equality infrastructure in Ireland that has been on-going since the beginning of the economic crisis.

Positive examples of work toward equality budgeting include a project undertaken by the Department of Justice, Equality and Law Reform in 2009 on gender mainstreaming, a Gender Budget Pilot Project undertaken with PAUL Partnership in Limerick and Roscommon County Development Board (2004), and several initiatives, particularly on equality implications for the public service, by the Equality Proofing Working Group of the Department of Justice, Equality and Law Reform (Equality Authority, 2011).

Is there a need for Equality Budgeting in Ireland?

Inequality and poverty are on the increase in Ireland.

The gap between the richest and poorest in Ireland increased by **25% in 2010**, with the top 20% earning 5.5 times the income of those on the lowest 20%

The percentage of people in Ireland living in consistent poverty increased in 2010, as did the percentage of children at-risk of poverty, which stands at **19.5%**

1 in 10
people in Ireland experiences
food poverty

Research undertaken by policy analysts and economists shows us that economic policy measures introduced since the onset of the economic crisis are having a *disproportionate impact* on certain sections of society, thereby exacerbating inequality and poverty.

For example:

- A study carried out by TASC revealed that the most at-risk group of poverty in Ireland, lone parents, lost the highest percentage of income in Budget 2011.
- The trend of targeting lone parents continued in Budget 2012, with lone parents being subject to cuts in Child Benefit (for third and subsequent children), cuts to the earnings disregard under the One Parent Family Payment, cuts to the Back to School clothing and footwear allowance, and reductions in the entitlement to Jobseeker's Benefit.
- Low income workers are disproportionately affected by austerity measures, such as the Universal Social Charge, which is a highly regressive tax coming into force at its highest level of 7% at just above the minimum wage. Women make up the majority of workers earning the minimum wage or just above.
- Women, especially women with children, are more reliant on public services and welfare provisions, all of which are currently being severely curtailed by government.
- Reductions in health expenditure have resulted in reductions in services for people with disabilities.
- Budget 2011 saw cuts in Disability Allowance, Carers Allowance (under 66), and Carer's Benefit.

What Can Be Done?

Given the disproportionate impact economic policies are having on different sections of society (such as lone parents, women, low income workers, and people with disabilities), **Equality Budgeting should be introduced as a means to halting and reversing the current trend in increased inequality and poverty.**

How Can This Be Done? There have been different approaches to implementing equality budgeting internationally. However, the aim has always been to achieve the benefits of equality budgeting, i.e. **increased levels of information, equality and transparency.**

Equality Budgeting in Focus: The Scottish Model

In Scotland, an independent advisory group, the Equality and Budget Advisory Group (EBAG), works together with the Scottish Government to:

- provide advice and support for the mainstreaming of equality in policy with the appropriate allocation of resources
- contribute to mapping the pathway between evidence, policy and spend
- improve the presentation of equality information in the Scottish budget documents
- contribute to improved commitment to and awareness of mainstreaming equality in to policy and budget processes

The advisory group is made up of government and civil society actors, such as the Women's Budget Group, the Equality and Human Rights Commission, the Scottish Government Finance Directorate, and the Office of the Chief Economic Adviser.

The Scottish budgetary process involves the publication of a draft budget, which allows for public consultation and debate on the particulars of the budget before it is finalised. The publication of an "equality statement" alongside the draft budget clearly outlines the equality implications of the budget. The statement is arranged under key themes of the budget, such as "health and wellbeing", "culture and external affairs", and "finance, employment and sustainable growth". Additionally, the statement provides an overview of the equality implications by "equality characteristic", that is, by gender, age, disability, and other categories. Hence, **it includes a detailed analysis of the impact of specific policy measures on women, on young people, on people with disabilities, and others, while providing a detailed view of the equality outcomes for members of the public.**

In addition to this...

The Scottish government has undertaken in-depth research on the effects of the economic crisis in a report entitled *Coping with Change and Uncertainty: Scotland's Equality Groups and the Recession (2010)*, and a further updated analysis in the report *The Position of Scotland's Equality Groups: Revisiting Resilience in 2011 (2011)*. Both reports and the Equality Statement on the draft budget are publicly available on the Scottish government's website, as are the minutes of meetings held with EBAG.

It should be evident from the above that the Scottish model works toward achieving the benefits of equality budgeting, including:

- **increased levels of information:** through an in-depth analysis of the equality implications of budgetary measures in the Equality Statement and further research on the effects of the economic crisis in two reports
- **increased levels of equality:** by mapping the effects economic policies are having on different sections of society and establishing the impact the economic crisis is having on members of the public, decision-making is evidence based
- **increased levels of transparency:** through the publication of research reports, the Equality Statement on the draft budget, and meeting minutes of the advisory group on equality budgeting (EBAG); and through the early release of a draft budget that can be debated and assessed before being implemented.

Equality Budgeting in Ireland

While the Scottish model forms a useful example for equality budgeting, the Equality Budgeting Campaign acknowledges the diversity of approaches to Equality Budgeting internationally.

However, it now urges the adoption of Equality Budgeting, which must, at a minimum, be introduced by:

- setting up a unit with responsibility for integrating equality horizontally across all economic policy processes and planning, with particular reference to the nine grounds of the Equal Status Acts (gender, civil status, family status, age, race, religion, disability, sexual orientation, membership of the traveller community) and socio-economic status
- giving this unit the power and resources to undertake or commission research on the impact of the economic crisis on different sections of Irish society
- giving this unit the power and resources to equality-proof existing and future economic policy measures
- ensuring data used in policy-making is disaggregated on the basis of, for example, gender, age and disability
- ensuring subsequent policy-making is based on information obtained through impact assessments and equality audits, that is, decisions are evidence-based
- placing Equality Budgeting on a statutory footing
- publishing impact assessments alongside the budget to allow members of the public to clearly see how the budget affects them (in the form of an Equality Statement, for example)
- reforming the budgetary process to become more transparent and participative through the publication of a draft budget and meaningful engagement with stakeholders

Toward a More Just and Equitable Ireland

Equality Budgeting is internationally recognised as an effective tool for addressing poverty and inequality. **Since both poverty and inequality are on the increase in Ireland, it is now essential that Equality Budgeting be introduced as a matter of urgency.** Not only would Equality Budgeting benefit Irish society by ensuring political decisions are made on the basis of data and research that clearly establishes the equality implications of economic policies, but it would also reform budgetary and policy process to become more transparent and participative.

The benefits of Equality Budgeting in terms of increased levels of information, equality and transparency **would also allow Ireland to stand by its national and international obligations for the protection and enhancement of human rights.** The Irish state has repeatedly committed itself to principles of equality and the protection of economic rights in several human rights instruments, declarations and strategy documents, such as the Beijing Platform for Action, the International Covenant on Economic and Cultural Rights, the UN Convention on the Rights of Persons with Disabilities, and the Convention on the Elimination of All Forms of Discrimination Against Women.

It is now time to make good on these promises for equality and justice, and to introduce Equality Budgeting for a more just and equitable Ireland.

Further information

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