

Department of Treasury and Finance
GPO Box 147
HOBART TAS 7001

Via email: communityconsultation@treasury.tas.gov.au

Friday, 14 October 2022

Submission to the State Budget Community Consultation 2023-24: *enhanced Gender Budget Impact Assessment Statement*

To whom it may concern,

This submission to the State Budget 2023-24 community consultation process focuses upon the need for a comprehensive and integrated Gender Budget Impact Assessment Statement to be incorporated in the State Budget Papers.

Ideally a wholistic budget submissions would address a range of key social, economic and environmental priorities. It is well established there are a range of pressing priorities facing Tasmanians as we still come to terms with the impacts of COVID-19, rising cost of living pressures, and the imperative to make the sustainable and fair transition to a clean decarbonised economy. The affordable housing crisis, access to education and training opportunities, justice reform, access to mental, dental and health services, the entrenched disparity between those facing poverty and the well-off, management of global warming adaptation imperatives, unemployment and underemployment measures, and structural reform of our state-based taxation system, to mention a few, are all urgent areas requiring concerted government action.

However, I am aware others with specific insight, experience and skills will be addressing those and related priority areas in their respective submissions, so instead this submission will focus on the need to incorporate a comprehensive and integrated intersectional gender lens as a necessary and significant structural reform to Tasmanian budgetary and financial management system.

Contextual Overview

The concept of gender responsive budgeting is not new. There are many other terms for this practice including: Gender lensing, Gender Budget Impact Assessments, Gender Mainstreaming for example. What all these models share is that they are formally embedded within budgetary and financial management systems.

The *2015 OECD Gender Recommendation in Public Life* Report proposes concrete measures that member countries and other adherents can implement to advance gender equality. The 2020 OECD *Designing and implementing gender budgeting – a path to action* document, provides an overview of a range of different countries' approaches to implementing gender responsive budgeting. This OECD report states:

“Gender inequality is an important and visible issue for OECD countries and the costs are borne at both social and economic levels. In line with the 2015 OECD Recommendation on Gender Equality in Public Life, gender budgeting ensures that gender equality considerations are taken systematically into account in tax and spending decisions. Effective implementation of gender budgeting has the potential to improve gender equality, ensure a sense of fairness and contribute to inclusive economic growth.”¹

¹ [OECD Designing and implementing gender budgeting – a path to action](#): pg 1.

The Previous Tasmanian State Budget 2022-23

On the 8th March this year the Legislative Council voted unanimously for my motion calling for gender responsive budgeting to be undertaken to inform the 2022-23 State Budget, and the inclusion of a genuine Gender Budget Impact Statement. Following this debate the then-Minister for Women, the Hon. Madeleine Ogilvie, announced the government's intention to do so.

Additionally, the subsequently released consultation draft of the *Tasmanian Women's Strategy 2022-2027* also reiterated that intention.

As indicated in that consultation draft Strategy, the initial Gender Budget Impact Statement would not be perfect, which I recognised at the time. However, when evaluated against a rudimentary checklist, there are clear areas where the inaugural Gender Budget Impact Statement was found lacking, as summarised in the table below.

✘	NOT just present a spending 'highlights' list?
✘	Explicitly state gender equality is an outcome that policies and budgetary mechanisms seek to achieve across all portfolios?
✘	Include gender equality targets and indicators, and/or current status report on their development?
✘	Provide current baseline data, and define delivery timeframes for meeting targets for ongoing evaluation, and/or current status report on timeframe development?
✘	Provide an analysis of the current situation of different gender groups for each portfolio/agency, and an analysis of how resource allocations and fiscal policy settings will address identified gendered challenges?
✘	Provide an analysis of whether the assigned budgetary allocations are sufficient to implement gender responsive policy?
✘	Use gender-disaggregated data, and detail processes for collating gender disaggregated data in any instances where it is currently partially or wholly unavailable?
1 / 2 ✓	Acknowledge and incorporate intersectional disadvantage or discrimination impacts?
✘	Provide baseline performance and outcome indicators by which effectiveness of resource allocations and fiscal policy settings to deliver gender equality can be monitored and evaluated across future budget cycles?

What does an effective Gender Budget Impact Assessment Statement look like?

As has been raised in other forums including submissions and parliamentary debates, there are a range of effective models implemented elsewhere available to inform this debate – Tasmania does not need to reinvent the effective gender responsive budgetary and impact assessment wheel. For example, I draw your attention to the following resources:

- [Inquiry into Gender Responsive Budgeting](#). Public Accounts and Estimates Committee, Parliament of Victoria, March 2022.
- [Gender Responsive Budgeting for Queensland: A gender impact analysis of the State Budget 2021-22](#), Report prepared for the Queensland Council of Social Services (QCOSS), by Leonora Risse, July 2021.
- *OECD Toolkit for Mainstreaming & Implementing Gender Equality*, 2016, <https://www.oecd.org/gov/toolkit-for-mainstreaming-and-implementing-gender-equality.pdf>.

It is beyond the scope of this submission to provide an exhaustive analysis of all available models and examples, however I urge that the findings and recommendations of the above reports, particularly that of the Victorian Parliamentary Committee are examined and applied where appropriate to the Tasmanian State Budget process to further the formal and systematic embedding of gender responsive budgeting and impact assessment into our state budget and financial management system.

To facilitate its consideration, I have included as an attachment the report.

Potential for the Upcoming Tasmanian State Budget 2023-24

State Budgets are recognised as pivotal government policy documents. As such they are more than just a set of numbers, or a balance of ledgers. As the prime government policy document, the embedding of a gender lens on the impacts of government policy as expressed through the State Budget Papers, “Gender Responsive Budgeting provides a mechanism for instilling the principle of gender equity into a government’s policymaking process”.²

We know Tasmania’s emergence from the coronavirus pandemic will take years. Further, it will take a concerted and coherent long-term effort to do so without risking leaving behind some in the community. However, this also provides an opportunity to ensure that government identifies and adopts a comprehensive range of policy ‘levers’, and ensures it employs them consistently to drive Tasmania towards a more inclusive, just and equitable future.

Noting there is a range of pertinent state budget structural reform measures which have been, and will continue, to be raised elsewhere, it is past time that gender responsive and impact assessment budgeting is identified as a significant and necessary structural reform measure the state government could implement immediately.

It is worth reiterating, that although the Gender Budget Statement provided in the *2022-23 State Budget* was a good first step it did not present a coherent, systemic, whole-of-government structural reform of the state’s budgetary and financial framework. It does, however, provide a sound launching pad for the forthcoming State Budget 2023-24 to broaden the approach to gender reporting and impact assessment and implement it as a mode of systemic structural reform.

As stated above QCOSS commissioned a report on Gender Budgeting in 2021. Its findings recommended the following key points which I consider just as applicable to the Tasmanian State Budget process, so have reproduced below:

- The Government has the opportunity to build on its strong progress on gender equality by formally embedding the process of **Gender Responsive Budgeting** – also known as Gender Lensing, Gender Impact Assessment, and Gender Mainstreaming – into its processes as a routine step of good policymaking.
- Gender Responsive Budgeting involves analysing **all policy measures** to identify the ways in which a policy can either advantage, or potentially disadvantage, different cohorts of the population on the basis of gender. It casts a gender lens across all policy initiatives proposed in the Budget, not just the policies that are specifically designed to support women. The process acknowledges that policies that seem **gender-neutral** can still have **unintentional gender-patterned effects**.
- Gender Responsive Budgeting is a mechanism for both more **equitable** and more **effective** policymaking. Detecting instances where cohorts of the population are limited from achieving their potential provides a way to improve equity of opportunity, as well as optimise the productive, entrepreneurial and innovative capacity of the State’s workforce and total economy.
- Applying an **intersectional lens** across all policy measures recognises the various ways that different cohorts of women within the population – including First Nations women, women living with a disability, and migrant and refugee women, and people who identify beyond the binary classification of gender – can be differently affected by a given policy.

² Risse, L, July 2021, *Gender Responsive Budgeting for Queensland: a gender impact analysis of the State Budget 2021-22*.

- A gender lens can also be applied to the **economic indicators** reported in the Budget. Conventionally, Budgets do not disaggregate employment and unemployment rates by gender, or consider indicators of under-employment and labour force participation. These indicators differ significantly by gender and reflect differences in men's and women's economic experiences and outcomes.
- Gender Responsive Budgeting recognises that gender equality is not just about improving outcomes for women. It is also about identifying policy settings that **constrain men's opportunities** to expand beyond traditional gender roles, such as in their participation in unpaid care.
- Applying a gender lens to the process of formulating, analysing and evaluating policy is internationally recognised as a **best practice** approach to government policymaking. It distinguishes jurisdictions around the world as leaders in gender equality.
- Investing in the capacity to undertake Gender Responsive Budgeting would build on the resources and analytical capacity that the Government has already invested in its gender equality initiatives. It would accelerate progress towards the gender equality outcomes that the Government is striving to achieve as part of its *[Tasmanian] Women's Strategy* and cement the current government's **leadership and legacy** as a best practice jurisdiction on gender equality.³

The 2023-24 State Budget Papers should state clearly which gender budget responsive reporting model has been adopted by government, along with a summary detailing:

- why that particular model was considered the most appropriate for Tasmania;
- the selected model's perceived strengths, and also potential limitations;
- how the selected model incorporates intersectionality as a crucial component of the gender lens employed;
- how the model was developed, consulted and implemented across individual Departmental and Agency budgets and forward estimates;
- Any identified areas targeted for development of gender responsive budgetary reporting in future State Budgets, and any resources required identified;
- a key to terminology used; and
- identified benchmark and progress indicators across all Departments and Agencies to enable consistent ongoing evaluation of progress across subsequent State Budgets.

Additional to this contextual information - which not only provides transparent and upfront details of which gender responsive budgeting and impact assessment model has been adopted, why, and how it is intended to inform budgetary decision making, but also helps educate other stakeholders about its role and significance – there is scope for the 2023-24 State Budget Papers to integrate a comprehensive gender lens evaluation model across individual departmental and agency budgets and forward estimates.

Critically, the 2023-24 state budget provides a vital opportunity to build upon the previous iteration by developing a systematic process to collate and utilise gender-disaggregated data.

I understand the government is seeking to have the current community consultation process better align with current budget priorities, and have requested submissions address three identified target policy areas. Hence, this submission will detail how a comprehensive and integrated Gender Budget Impact Assessment embedded within the budgetary framework is crucial to addressing those identified target policy areas in a meaningful and equitable manner consistent with stated government priorities.

1. Supporting Tasmanians with the rising cost of living.

A comprehensive gender lens is needed more now than ever as Tasmanians contend with post-pandemic, rising cost of living, and climate change transition and adaptation pressures. It has been acknowledged internationally, nationally and locally that women and girls bore the brunt of many of the negative pandemic-associated outcomes over the last two years, such as the rise in domestic and family violence

³ See Risse, L, July 2021, *Gender Responsive Budgeting for Queensland: a gender impact analysis of the State Budget 2021-22*, pg 3.

rates, homelessness, and mental illness. Unfortunately, many of these gender-based inequities not only remain but are at risk of being entrenched, as we see the potential for the gender pay gap to widen, while opportunities to access education, employment, housing and health services shrink.

Projected rising living costs will inevitably be borne disproportionately by women, girls and potentially other gender fluid Tasmanians. This emphasises again the need for accurate gender-disaggregated data to identify exactly the rate of those risks, and enable accurate modelling of both contributing factors and effectiveness of any proposed remedial policy levers the government may be considering implementing.

The gender pay gap and superannuation are two critical specific areas that will impact the capacity of some Tasmanians' capacity to withstand the expected rise in the cost of living and associated 'shocks'.

Gender Pay Gap

KPMG report [She's Price\(d\)less: The Economics of the Gender Pay Gap](#), released in July this year, describes gender discrimination as "*including the systematic undervaluation of women's economic contribution, the allocation of less meaningful tasks to women or fewer opportunities for promotion*" and links it to workplace culture, hiring, promotion and access to training, while flagging that more than a third of the gender pay gap is unexplained by "contextual" factors and is attributable to gender discrimination.⁴

This report found:

- while the gender pay gap remained unchanged in real terms at \$2.56 per hour in 2020 since last being reported in 2017, the pay gap had been trending down from 2017, though increased between 2019 and 2020
- gender discrimination remains the leading driver of the pay gap, contributing 36% of the \$2.56 hourly pay gap
- other key pay gap drivers are caring for family and workforce participation (33%) and the type of job and industry sector of employment (24%)
- Women at the start of their career experience a pay gap of 6% but as they progress through their careers to top management levels the pay gap increases to a high of 18%.

Diversity Council Australia stated at the time of the report's release that "greater action [is needed] by industry, the community, and governments to address the systemic drivers of the gender pay gap is both a collective obligation and an investment in our future economic prosperity", stating that the report's analysis shows that "closing the primary drivers of the gender pay gap is equivalent to \$966 million per week, or almost \$51.8 billion per year."

Although the latest [annual national gender pay gap data](#) released by the Workplace Gender Equality Agency (WGEA) in August this year has Tasmania as the jurisdiction with the second to lowest rate of gender pay gap, it must be acknowledged that is based upon full time employment data. The Treasury and Finance Labour force data tells us the majority of Tasmanian women work part-time. If the average weekly earnings data for part-time Tasmanian women workers was included the state's gender pay gap potentially widens. Nor do these statistics incorporate the potential impact of inflation which is predicted to rise sharply over the next financial year.

Further, the WGEA emphasises that as women move up the promotional chain, the risk of gender base pay gaps increases.

This highlights the need for a more detailed and intersectional gender lens to be applied across Tasmania's current workforce and employment practices to identify gender pay inequities across full-time, part-time

⁴ KPMG, *She's Price(d)less: The Economics of the Gender Pay Gap*, Prepared with Diversity Council Australia (DCA) and the Workplace Gender Equality Agency (WGEA), Sydney, KPMG, 2022.

and casual employment, as well as any institutional, structural, cultural and other causes contributing to the gender pay gap's existence.

Superannuation

Related to the gender pay gap challenge is superannuation.

ACOSS' submission to the federal 2023-24 Budget highlights that additional to the gender pay gap, Australia's superannuation regime also particularly disadvantages women. That submission cites that in 2017, 11% of female taxpayers earned less than \$30,000 compared with 9% of men, pointing out that at those income levels, those people receive very little tax support from any super contributions.

We also know the pandemic impacted the superannuation schemes of women and other underemployed sectors of the community at a disproportionate level.

A Tasmanian gender lens should identify any such systemic inequities within the state's superannuation schemes, and seek to address them specifically.

These are only two key examples of areas where a state-based comprehensive and embedded gender lens, incorporating a rigorous set of gender disaggregated and intersectional data sets will play a pivotal role in assisting women, girls and other gender-fluid Tasmanians withstand critical cost of living shocks.

2. Improvements that could be made to existing Government services or processes, including grant application and/or management processes.

A gender responsive budgetary lens could also be applied to government grants and other forms of assistance to the business and private sector. For example, when applications are made from the private sector for grants, or other forms of assistance such as subsidies, are made to government, it should be incorporated into government due diligence assessment processes to check the applicant's track record on gender pay parity. This should be developed as a criteria evaluated for consideration when assessments are made as to whether government grants or support will be provided, and reported against.

Additional to the above discussion regarding the gender pay gap, and noting that the Treasury's Economic Policy Branch releases monthly Labour Force statistics, which include Male and Female employment statistics. This data could be expanded, for example, to include a gender disaggregated and intersectional analysis, inclusive of non-binary Tasmanians, as well as other attributes. Whether or not it is considered appropriate to publish a more comprehensive analytical breakdown of these community statistics, such an intersectional metric would be useful to identify policy gaps and useful policy levers required to address inequities.

3. Opportunities to improve services that are directed towards vulnerable people.

As acknowledged across a range of reports generated by government agencies and community sector entities amongst others, different categories of the vulnerable within our community, including people with mental illness, people with a physical disability, those facing poverty, homelessness, and seeking crisis support, amongst others, see women and girls overly represented across the board.

A policy approach which has embedded an intersectional and gender disaggregated lens will assist in providing a more nuanced and effective identification of need, and management of remedial action, in the immediate, short and long term.

Conclusion

To conclude, it is important to stress that the development of a comprehensive and integrated Gender Responsive budgeting approach is not an optional luxury add-on to the 'real' state budgetary process. Nor is it just a 'Women's issue' confined to the Women ministerial portfolio. Instead, if the government, and we as a community, are serious about addressing long-entrenched gender inequities, then this must be treated as a fundamental core principle underpinning all whole-of-government State Budgetary and Financial Management reports and processes.

And to be effective, any gender lens applied at either the whole-of-government or individual Departmental or Agency level must be multi-dimensional and intersectional gender lens.

To reiterate, I recognise and acknowledge the *2022-23 State Budget* made an important first step in the right direction by the inclusion of the inaugural Gender Budget Statement. Again, I recognise Tasmania's development and implementation of effective and rigorous gender responsive budgeting practices will be an ongoing conversation. I take this opportunity to again reiterate I welcome any opportunity to work collaboratively with the government and other interested stakeholders to continue refining this important and exciting development of a comprehensive Tasmanian gender budget impact assessment model and implementation process to help encourage and foster genuine intersectional economic and social equality for all Tasmanians.

Lastly, I acknowledge government policy to publish submissions received during public consultation processes and give my permission for this submission to be published.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Meg Webb', written in a cursive style.

Meg Webb MLC

Independent Member for Nelson

Attached: *Inquiry into Gender Responsive Budgeting*, Public Accounts and Estimates Committee, Parliament of Victoria, March 2022.