

Inclusive Growth, Gender and Gender Budgeting

**ICTU Women's Conference
7 September 2017**

Dr Angela O'Hagan
Glasgow Caledonian University/
Scottish Women's Budget Group

Inclusive Growth

OECD

Inclusive growth is economic growth that creates opportunity for all segments of the population and distributes the dividends of increased prosperity, both in monetary and non-monetary terms, fairly across society.

World Bank

“inclusiveness – a concept that encompasses equity, equality of opportunity, and protection in market and employment transitions – is an essential ingredient of any successful growth strategy.”

International Development Research Centre

“is growth which ensures opportunities for all sections of the population, with a special emphasis on the poor, particularly women and young people, who are most likely to be marginalised.”

Scottish Government

“Growth that combines increased prosperity with greater equity; that creates opportunities for all and distributes the dividends of increased prosperity fairly.”

Gender and Inclusive Growth

“There is strong evidence that gender equality can promote economic growth. Women’s access to employment and education opportunities reduces the likelihood of household poverty, and resources in women’s hands have a range of positive outcomes for human capital and capabilities within the household.

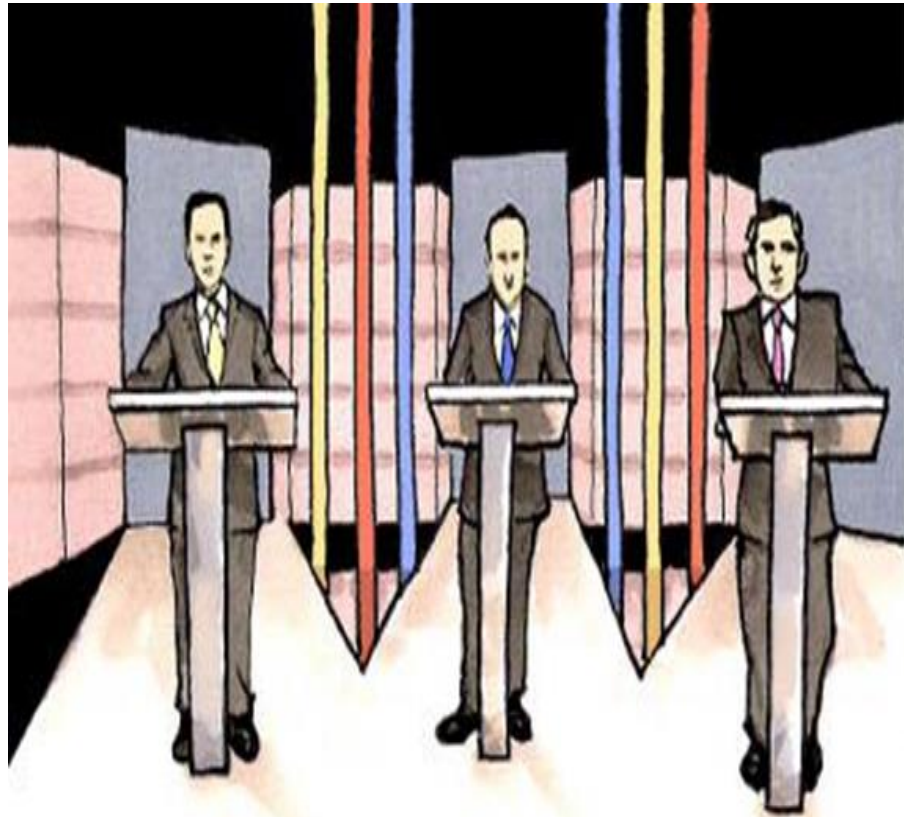
However, the converse relationship – that economic growth promotes gender equality – is less strong.”

Gendered Constraints

- Care and provisioning
- Labour market segregation and segmentation
- Availability of social care and childcare
- Public services
- Access to education
- Attitudes to care, caring, household
- Social Security and taxation systems

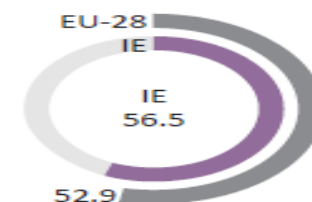
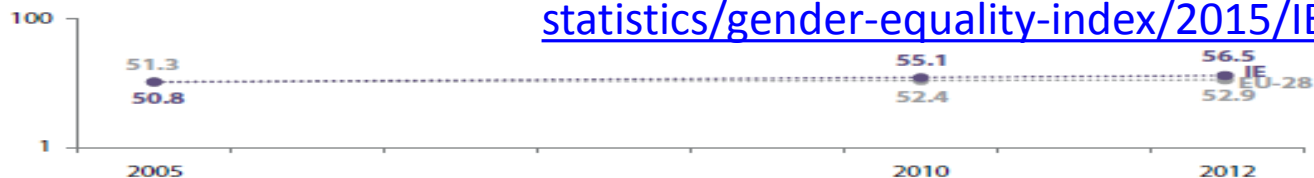
Responses to gendered constraints








- Recasting gender relations
 - Family responsibilities
 - Time use
 - Household management
- Employment practices
- Organising women's voices - trade unions, civil society
- Parental and Carers' leave – and take up
- Attitudinal change
 - Role models
- Representation and presence in public and political life
- Basic Income



IRELAND

<http://eige.europa.eu/gender-statistics/gender-equality-index/2015/IE>



		2005		2010		2012	
		IE	EU-28	IE	EU-28	IE	EU-28
	GENDER EQUALITY INDEX	50.8	51.3	55.1	52.4	56.5	52.9
 Work	Work	56.4	61.1	66.5	62.2	65.8	61.9
	Participation	74.0	71.6	71.7	72.8	69.8	72.3
	Segregation and quality of work	42.9	52.2	61.6	53.1	61.9	53.0
 Money	Money	71.0	64.1	80.3	67.0	79.0	67.8
	Financial resources	66.7	52.2	77.6	56.8	75.8	58.0
	Economic situation	75.6	78.7	83.1	79.0	82.3	79.1
 Knowledge	Knowledge	53.4	52.1	53.7	49.1	54.3	49.1
	Attainment and segregation	71.0	55.6	78.5	57.7	77.8	56.7
	Lifelong learning	40.3	48.9	36.7	41.8	37.8	42.5
 Time	Time	65.5	41.5	52.0	37.6	52.0	37.6
	Care	61.3	41.5	56.7	42.8	56.7	42.8
	Social	70.0	41.5	47.7	33.0	47.7	33.0
 Power	Power	19.4	31.4	27.0	37.9	31.4	39.7
	Political	24.2	38.8	31.0	50.2	38.7	49.8
	Economic	15.6	25.4	23.5	28.5	25.5	31.7
 Health	Health	96.0	87.8	96.2	90.0	95.2	90.0
	Status	95.1	85.2	95.8	86.6	95.7	86.4
	Access	96.9	90.4	96.7	93.7	94.8	93.8

Gender Budgeting



Budget Scrutiny

“Surely little the State does is more important than constantly using so much of the nation’s work and wealth. Few other governmental activities so consistently affect the everyday life of citizens.”

(Heclo and Wildavsky 1981, xi The Private Government of Public Money)

Gender Budgeting

- Challenge assumption that budgets are gender-neutral
- Examination of allocation of public resources for impact on women and men
- Redistribution of resources to advance equality
- Gender impact assessment and gender policy analysis reveal different and unequal outcomes for women and men from public spending decisions
- Challenge system of national accounts - making care and unpaid work visible

Budgeting for Equality



Gender Budgeting

“Can you imagine the nation’s annual budget becoming a realistic description of the wellbeing of the community and its environment, a reflection of real wealth and different values? The budget would answer all of the following. Who does what work and where – paid and unpaid? What is the position of the nation’s children and the aged? Who is not housed adequately? Who has the poorest health?...”

(Marilyn Waring (1988) *If Women Counted: A New Feminist Economics*)

Equality Budgeting in Scotland

- Equality Budget Statement
- Equality Budgets Advisory Group
- Scottish Women's Budget Group
- WiSE
- Budget Review Group
- Distinctive in UK and EU
- GCU long-standing involvement

Voices in Scotland

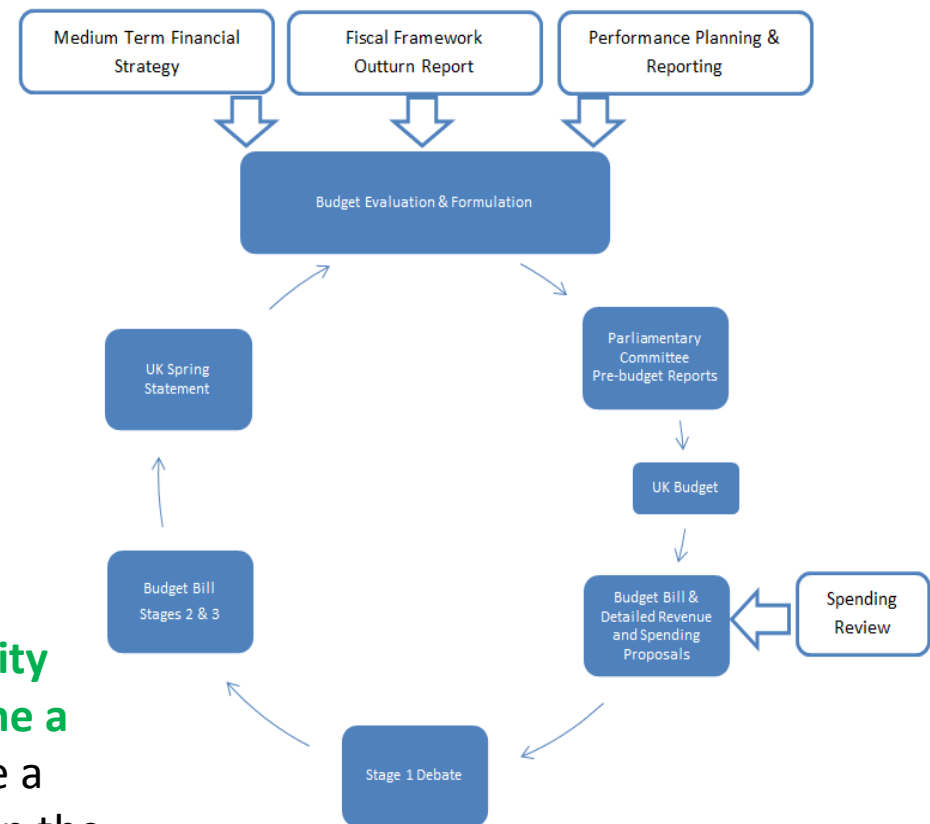
- Scottish Women's Budget Group
- Engender, Sc Women's Convention, Sc Women's Aid, Close the Gap
- WiSE Research Centre
- STUC, UNISON
- EHRC
- Inclusion Scotland
- ACOSVO, SCVO, BEMIS
- Equality Network

Review of the Budget Process



“The Group recommends that the **equality dimensions of the budget should become a greater priority** and that there should be a plan in place over time to further develop the performance evidence base by protected characteristic.”

Chart 1: Overview of Revised Budget Process



Budget Review recommendations

- Committees should take a broader approach to budget scrutiny, shifting the focus from annual changes to inputs to the difference spending makes. Scrutiny of the selected areas should consider what is being spent overall, what this is achieving in terms of specific output and outcome measures, and if it is offering value for money. Key scrutiny questions could include:
- **What progress has been made in advancing equality and in tackling underlying inequalities?**
- The Group recommends that the Scottish Government and public bodies strengthen their performance planning and reporting to provide a greater focus on the delivery of outcomes. This means providing better information about what activity public spending will support, what this aims to achieve, the contribution this is expected to make to outcomes, how plans are being delivered and the impact this is having. This should include the impact of new policies and significant changes to spending priorities and link with setting and reporting on equality outcomes.

Equalities Scrutiny - underpinning

- Public Sector Equality Duty requirements
- Community Empowerment Act
- Founding principles of Sc Parliament
- Scotland Act 1999
- Financial Issues Advisory Group



The Scottish Parliament
Pàrlamaid na h-Alba

SPICe

The Information Centre

Scottish Government Draft Budget 2017-18

SB 16-10311

This infographic provides headline figures from the draft budget and outlines changes from 2016-17 in cash and real terms.

This is the first year the Scottish Government can set the bands and rates for income tax.

DEL Resource

£27,597m

Cash: ▲ 2.2%
Real: ▲ 0.7%

AME

£6,555m

Cash: ▲ 0.1%
Real: ▼ 1.3%

DEL Capital

£3,896m

Cash: ▲ 10.3%
Real: ▲ 8.7%



This year's budget includes three tax raising powers forecast to be worth:



£11,829m
Income Tax

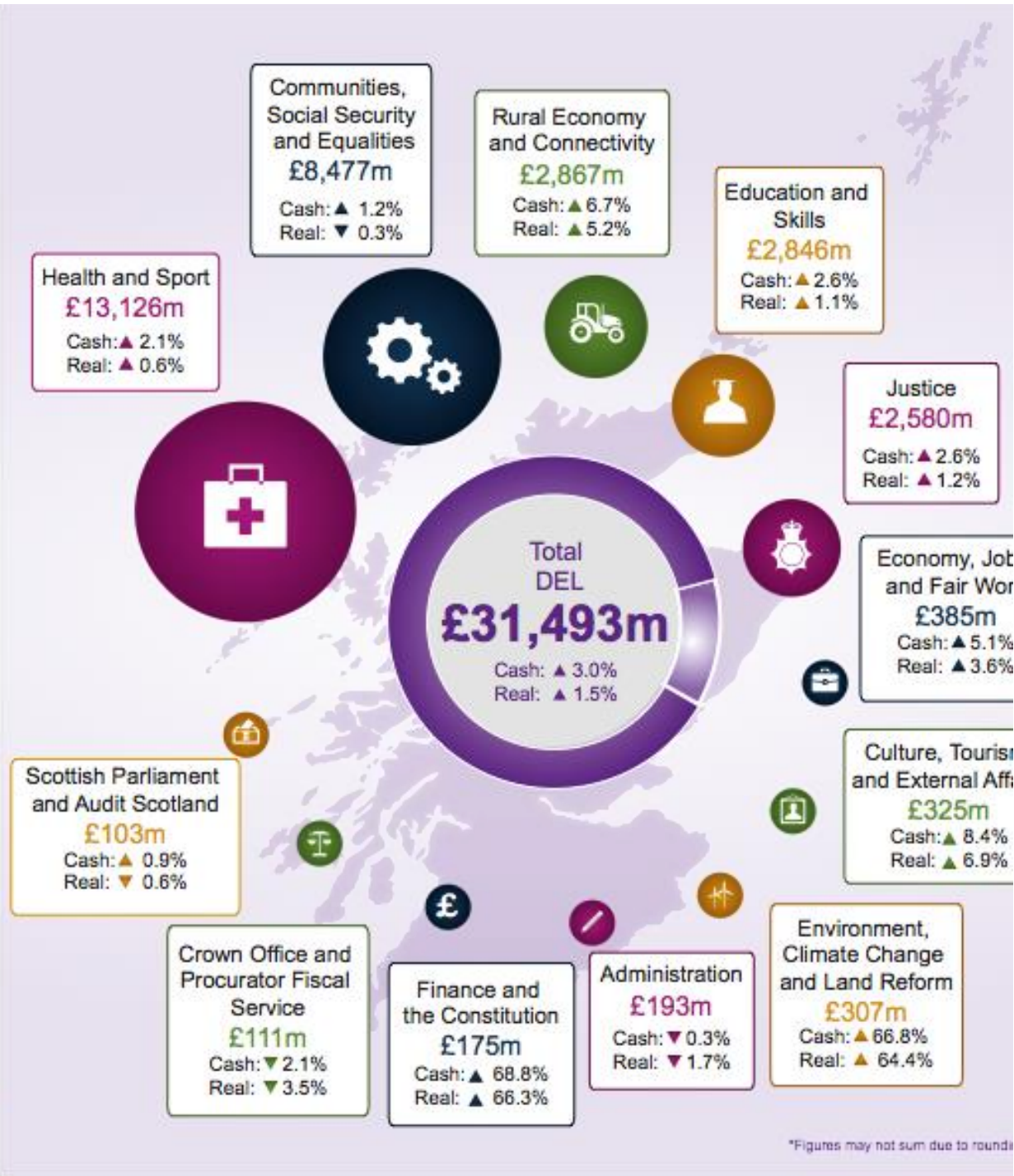


£507m
Land and Buildings
Transaction Tax



£149m
Landfill Tax

Total Managed Expenditure = DEL + AME.
DEL is the discretionary element of the budget,
AME is non-discretionary.

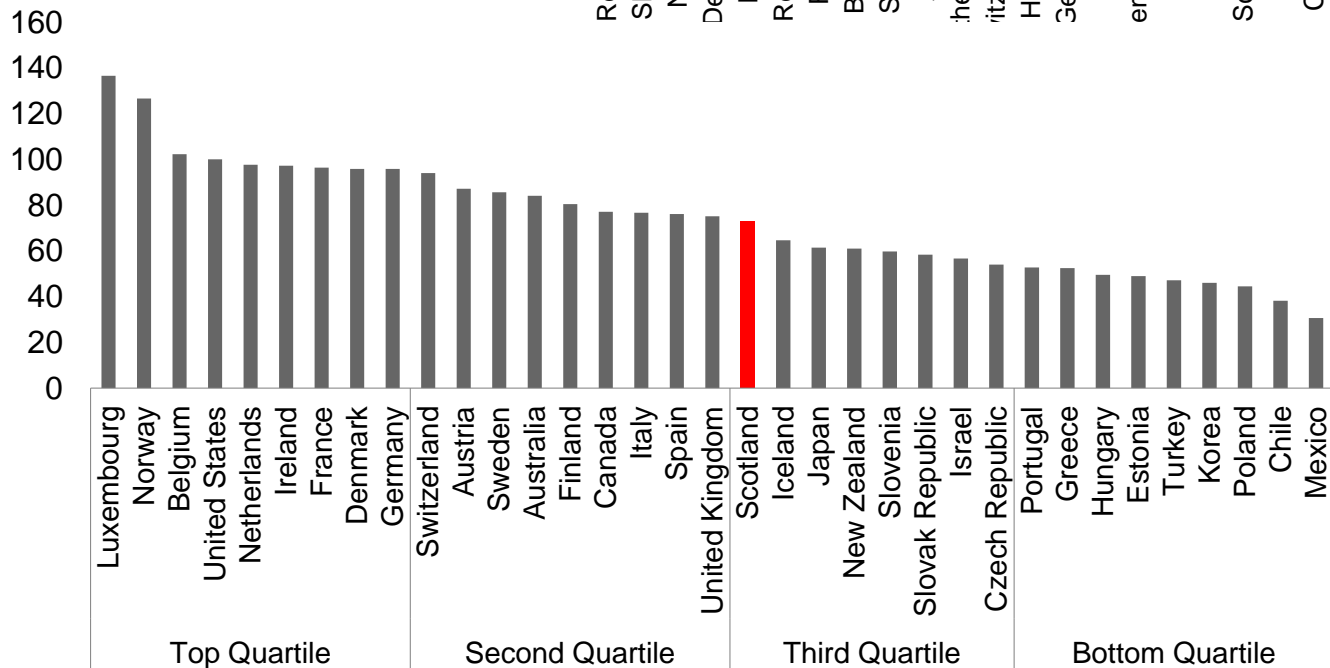
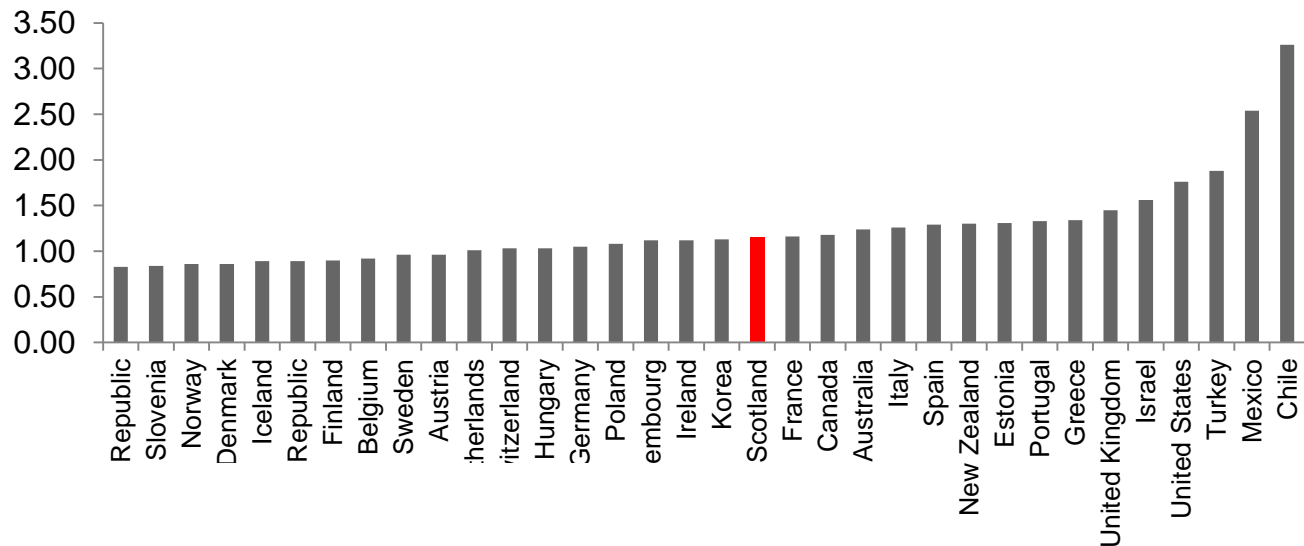


*Figures may not sum due to rounding

International Rankings - Scotland

Inequality:

In terms of the Palma ratio, Scotland would rank 19th out of the OECD countries for income inequality.



Productivity:

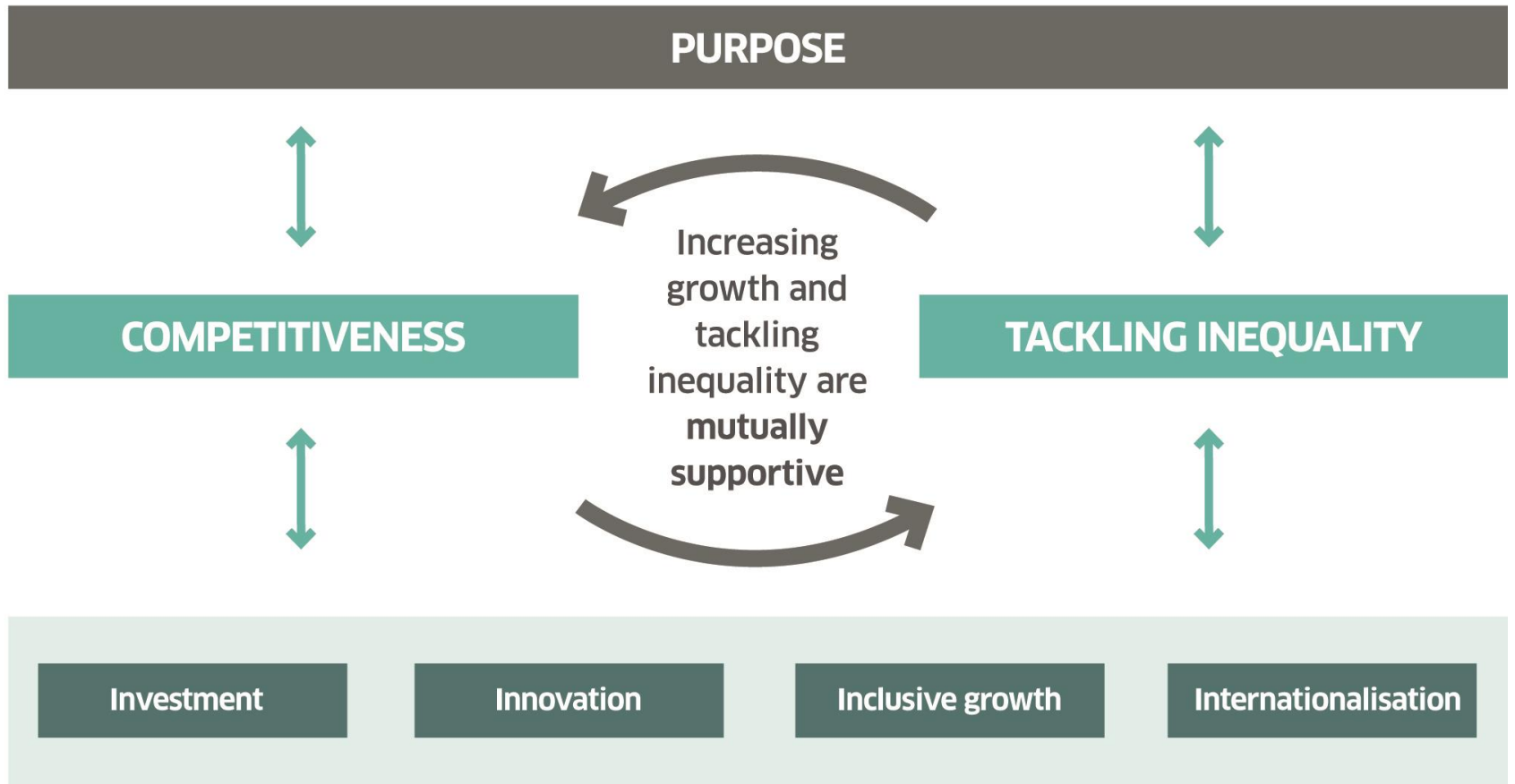
Scotland is currently ranked 19th out of OECD countries when measured by GDP per hour worked.



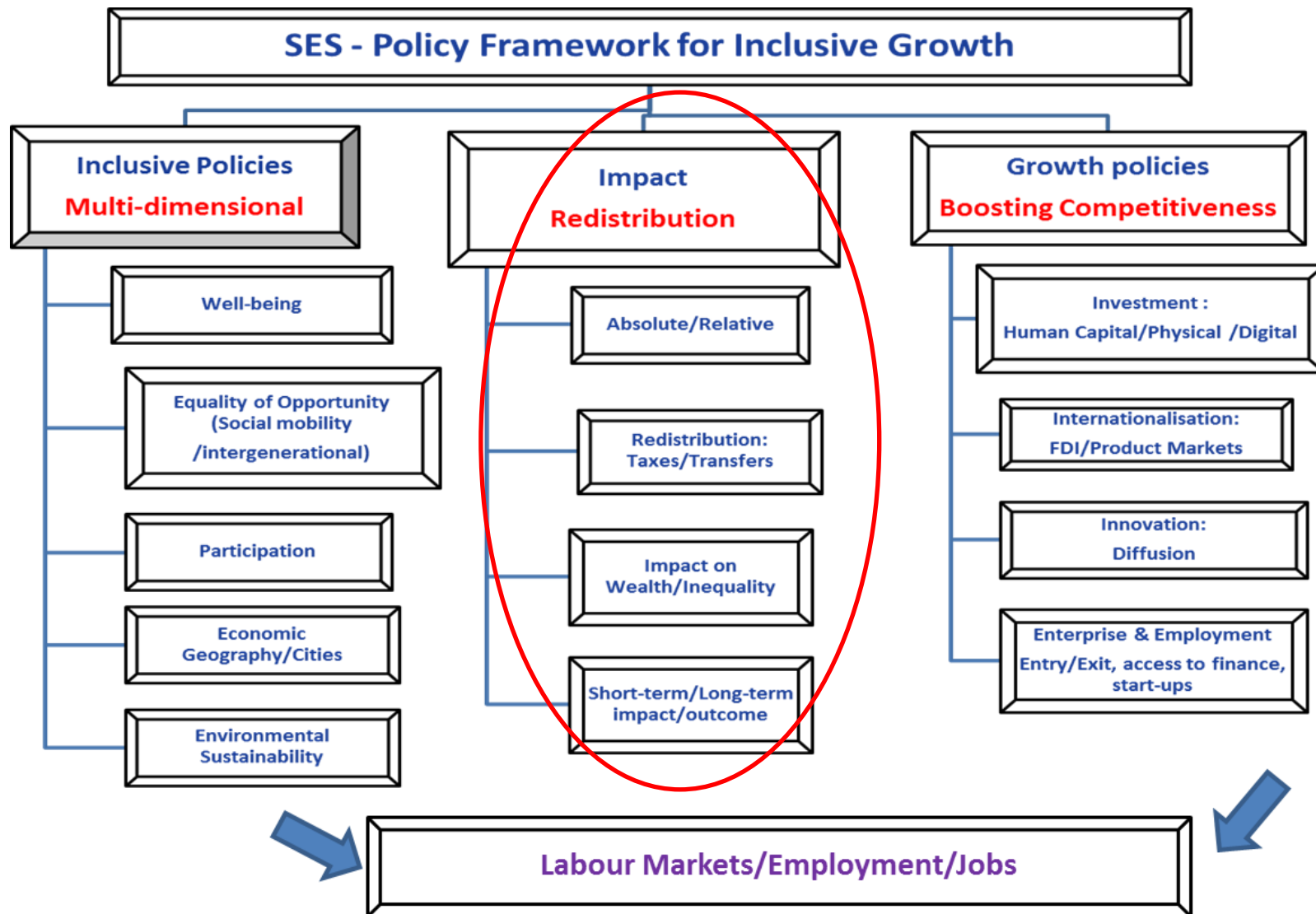
The Scottish Government

Scotland's Economic Strategy Framework

2015



Key to our policy framework is looking at the impact of policies across groups and over time.

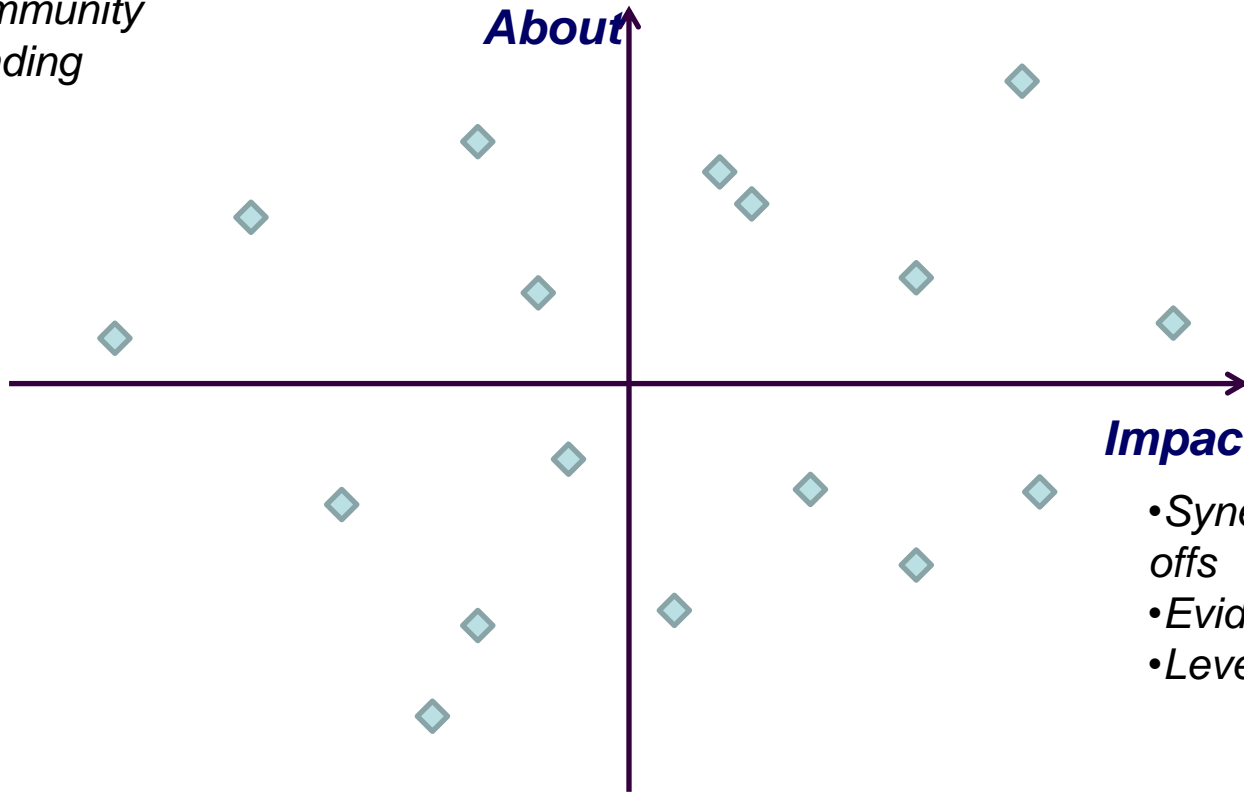


The Scottish Government

Inclusive Growth Prioritisation- where to invest for maximum impact

- *Political Will*
- *Community*
- *Funding*

**Care
About**



Impact

- *Synergies/Trade-offs*
- *Evidence*
- *Levers/Powers*

◆ = **Inclusive Growth constraints**



The Scottish Government

How does this relate to gender?

“Scotland’s Economic Strategy highlights the importance of maximising economic opportunities for women in improving economic performance and tackling inequality.”

- The trends towards female participation in the economy are generally positive. Female participation rates have increased significantly since 1992, reaching record levels in 2014/2015.
- However, there is still a long way to go. The **gender pay gap** for full-time workers in Scotland is 9.0%.
- And overall **women remain much more likely than men to be employed in part time, low paid work**. Of the 691,000 part time workers in Nov-Jan 2016, 524,000 were women.
- Equally, **female BME are less likely to participate** in the labour market.

Childcare spending as economic infrastructure

- Up to £1bn from 2013-2020
- Up to 1140 hours of “free high quality learning and childcare for all 3 and 4 year-olds and vulnerable 2 year olds”
- Policy contained within Labour Market Strategy and appears in 2016-17 Budget as part of increasing focus on educational attainment
- Variable framing as investment in economic infrastructure since 2012.

Political engagement...discursive shifts to meaningful policy change?

“The framework of economic analysis informing future spending plans should incorporate equality considerations, thus embedding equality within the mainstream budgetary process... with a view to the Scottish Government applying equality impact analysis to the framework of economic modelling employed in determining the relevant range of the economic forecasts that in turn inform its future economic strategy.”

(Equal Opportunities Committee Report on the Draft Budget 2011-12, Jan 2011)

Political engagement...discursive shifts to meaningful policy change?

“We recognise that **equality is an important driver of growth and that inequality detracts from our economic performance and our social wellbeing**. We make clear in our Economic Strategy, the importance of increasing participation in the labour market, removing the structural and long standing barriers which limit opportunities and harnessing diversity and wealth of talent we have available to us as a nation”.

(Equality Statement on Scottish Spending Review 2011 and Draft Budget 2012-13, p.10)

“tackling the root causes of inequality”

“... flagged the current pressures on women’s employment and the **limitations of economic models**”.

(Equality Statement Scottish Draft Budget 2013-14, p.6)

Equality Budget Statement

“We have an ambition for an equal and just Scotland. That is why we maintain our strong commitment to equality across all that we do; why equality is at the heart of our transformational approach to public service reform and integral to our economic recovery; and why we continue to invest in work on equality, the third sector and communities”

John Swinney, Cabinet Secretary for Finance, Foreword to EBS 2014-15

No equivalent in the EBS for 2016-17.

Job done?

“ A society which is fair and equitable underpins a strong economy. That thinking is now underpinning the approach the (Scottish) government is taking to the formulation of the next iteration of the economic strategy.”

(John Swinney, 2016 in Feminist Economics and Public Policy)

Keep a close watch...and change the terms of the debate

- counteract the normalisation of austerity's gender impact
- Challenge the anti-austerity consensus
- Making an alternative proposal that challenges the idea that investment must be in physical infrastructure
- Plan F:
 - A feminist fiscal and economic strategy based on a significant public investment in social infrastructure
 - To fuel the development of public services in social care, childcare, health and education
 - To foster a self-funding caring and sustainable economy with greater gender equality.

Investing in social infrastructure to create a caring society

- Has a favourable impact on gender equality in employment
 - Unlike investment in physical infrastructure that gives jobs mainly to men and therefore entrenches rather than challenges gender divisions
- UK WBG study for the ITUC showed that, for the UK, investing in care
 - produced twice as many jobs as investing in construction
 - produces almost as many jobs for men as construction and far more for women
 - raised women's employment rate by 5.1% and men's by 2.3%
 - cf construction women's employment rate up by 0.9% and men's by 2.7%
 - reduces the gender employment gap by 2.8 percentage points (almost a third of the existing gap of 9.9%)
 - Similar results in other countries



Scottish
Women's
Budget
Group

WWW.SWBG.ORG.UK
INFO@SWBG.ORG.UK

 @SWBG

Thank you

Angela.OHagan@gcu.ac.uk

 @angelao44