



NI WOMEN'S BUDGET GROUP

**NORTHERN IRELAND WOMEN'S BUDGET GROUP (NIWBG) RESPONSE TO THE
'MORE FISCAL DEVOLUTION FOR NORTHERN IRELAND?' INTERIM REPORT
The Independent Fiscal Commission for Northern Ireland
Prepared by Alexandra Brennan (Coordinator) of NIWBG
February 2022**

The Northern Ireland Women's Budget Group (NIWBG) is made up of organisations and individuals from the women's sector, trade union movement, academia and wider civil society in Northern Ireland, with the aim of implementing a gender equal economy. The members of the NIWBG scrutinise policy and budgetary matters with a gendered lens to bring attention to the different ways in which women and men are affected by government-level decision-making. It aims to provide policy- and budget-makers with policy analysis to secure substantive equality for women and men through the assessment of gender impact.

The NIWBG works with a range of organisations in Northern Ireland on devolved issues and with sister organisations in Wales, Scotland, England and the Republic of Ireland on East-West and North-South issues.

We hope that our response to the interim report will be useful to the Independent Fiscal Commission for Northern Ireland (the Commission) in its assessment of tax devolution in Northern Ireland.

If there are any questions or comments regarding the NIWBG's response, please direct them to the Coordinator for the NIWBG, Alexandra Brennan (info@niwbg.org).

Introduction

The Northern Ireland Women's Budget Group (NIWBG) welcomes the Commission's analysis of tax devolution for Northern Ireland in the interim report, 'More fiscal devolution for Northern Ireland?' (the interim report). Furthermore, we appreciate the opportunity to provide feedback to the Commission on the interim report, and we hope to engage further with the Commission on this work in preparation of their final report and recommendations.

Consideration of Equality

The NIWBG believes that consideration of equality must be at the heart of the assessment of tax devolution. Reforms on tax policy tend to have widespread impacts on society, but there are particular disproportionate impacts on women. This is especially true when there is no consideration of gender equality or potential gender impacts.

We have noted that there are only two mentions of 'inequality' and no mention of 'equality' in the body of the interim report – the mentions of 'inequality' are only in relation to inheritance tax, which will not be further assessed by the Commission¹. Furthermore, there are only 3 mentions of 'women' in the body of the report and they are in reference to the rise in labour market participation of women in the Republic of Ireland from 1990 to 2005². There are no mentions of 'gender' in the body of the report.

We understand that the interim report only covers a portion of the assessment of tax devolution that the Commission will undertake, but we strongly feel that the absence of equality considerations at this stage could have detrimental impacts on protected groups like women. As noted in the title of an OECD presentation³ on considerations of women in tax policy, 'gender blind is not gender neutral'. Even if gender impacts are not recognised in analysis, their effects will still be felt by those vulnerable to it. To combat gender-blind tax policies, the OECD recommends that gender inequalities are targeted at the source (e.g. fixing wage inequality, removing barriers and promoting women's participation in the labour force) and that taxes are viewed as a tool to help address gender imbalances and do not amplify gender inequalities⁴.

For example, a concern of the NIWBG would be that if taxes are devolved and the revenue from those taxes is not enough to make up for the cut to the Block Grant, the funds available through the Budget would be impacted. Women are more likely to use public services⁵ and work in the public sector⁶, and a cut to the Budget would almost certainly mean a cut to public services. This means that both service users and service providers

¹ The Independent Fiscal Commission NI. (2021). *More fiscal devolution for Northern Ireland? Interim Report*. (https://www.fiscalcommissionni.org/files/fiscalcommissionni/documents/2021-12/fcni-more-fiscal-devolution-for-ni-interim-report-accessible_1.pdf)

² Ibid.

³ OECD. (2021). *In tax, gender blind is not gender neutral: How tax policy in the time of COVID-19 must consider women*. (<https://www.oecd.org/tax/tax-policy/presentation-march-on-gender-2021-in-tax-gender-blind-is-not-gender-neutral.pdf>)

⁴ Ibid.

⁵ Women's Policy Group (WPG). (2021). *NI COVID-19 Feminist Recovery Plan: Relaunch – One Year On*. (<https://wrda.net/wp-content/uploads/2021/07/WPG-COVID-19-Feminist-Recovery-Plan-Relaunch-One-Year-On.pdf>)

⁶ Ibid.

would face the brunt of this cut. While a cut to the Budget has been raised as a concern by the Commission, the specific disproportionate impact of such an event on women must be assessed and mitigated.

We recommend that the use of gender budgeting tools, including the application of a gender lens during the analysis and assessment process, as they can assist the Commission in identifying systemic gender inequalities and support the development of fiscal policies that promote gender equality. We have included a brief explaining gender budgeting and its benefits in **Annex 1**.

A scoping study (2013)⁷ commissioned by the Equality Commission considers how gender budgeting tools can be used in meeting Section 75 requirements and how the international models have useful application in Northern Ireland. Quinn concludes that applying impact assessment processes to mainstream gender equality is ‘...a worthwhile enterprise, both in terms of the recognised demand for a deeper application of the Section 75 duties to the budget process but also in terms of the wealth of methodologies associated with gender responsive budgeting which are adaptable to the Northern Ireland context’ and ‘vital [at] all levels of government ... as a means of fulfilling Section 75 duties.’

The NIWBG believes that gender budgeting is crucial to promoting gender equality and securing fiscal policies that mitigate disproportionate gender impacts and promote gender equality. We hope to see the application of gender budgeting reflected in the final report.

Tax Literacy and Accessibility

In the report, the Commission highlights that for tax devolution to be successful, the public needs to have an understanding of their tax system:

*“Devolution is more likely to be successful if there is a good level of understanding and engagement from the populace. **We see our report as playing an important role in increasing public understanding of tax in Northern Ireland**”⁸.*

We welcome the Commission’s role not only in assessing potential changes in tax devolution, but in opening up the conversation to the public through transparent reports such as the interim report.

While the interim report is somewhat more accessible than other documents looking at fiscal policy, we feel that more can be done to ensure the contents of the interim report reach and are understood by members of the public.

We recommend that the Commission outlines each of the taxes that they plan to take forward for further consideration, showing where the revenue goes and how those feeds back into Northern Ireland – transparency is key to increasing understanding and

⁷ Sheila Quinn (2013). *Equality Responsive Budgeting* ([Equality Responsive Budgeting \(equalityni.org\)](http://equalityni.org))

⁸ The Independent Fiscal Commission NI (n 1).

engagement. We would also recommend that this work is presented in shorter reports or briefs and that the Commission utilises the accessibility of graphics to relay their findings.

Annex 1



BRIEF ON GENDER BUDGETING

Budgetary processes and spend are far from 'neutral' – policies emanating from the Programme for Government and budgetary decisions have gendered consequences, whether they be intended or not. By taking a 'gender neutral' stance, decision-makers are oblivious to the complexities between the experiences of women and men and reinforce systemic disadvantages faced by women and other groups.

What is Gender Budgeting?

Gender budgeting is the tool that can help recognise systemic disadvantages and lead to budgets and policies that promote greater gender equality. If implemented, policy makers would consider the gendered impacts of spending and revenue raising decisions and how to use these mechanisms to bring about gender equality. Women's intersecting identities are also included in this analysis and policy makers are expected to promote these areas of equality as well.

In [Gender budgeting: Working paper 1](#), our partners Dr. Joan Ballantine, Dr. Michelle Rouse and Professor Ann Marie Gray highlight that, "*Northern Ireland lags significantly behind other devolved UK administrations and other OECD countries,*" where gender budgeting has "*made a significant contribution to addressing gender inequalities, the elimination of unequal outcomes and to increasing women's participation in civic and political life.*"⁹

It is important to note that gender budgeting is not about allocating more funds to women but about making sure the available resources have maximum impact. The [European Women's Lobby](#) breaks down the realities and misconceptions about gender budgeting as follows¹⁰:

Gender budgeting is about:

- Including a gender perspective into budget planning and analysing budgets taking into account their impact on women and men, girls and boys.
- Introducing a gender perspective into the entire budget, including seemingly "gender-neutral" budget lines.
- Reprioritising and refocusing of spending and restructuring of taxation with a view to promote equality.

Gender budgeting is not about:

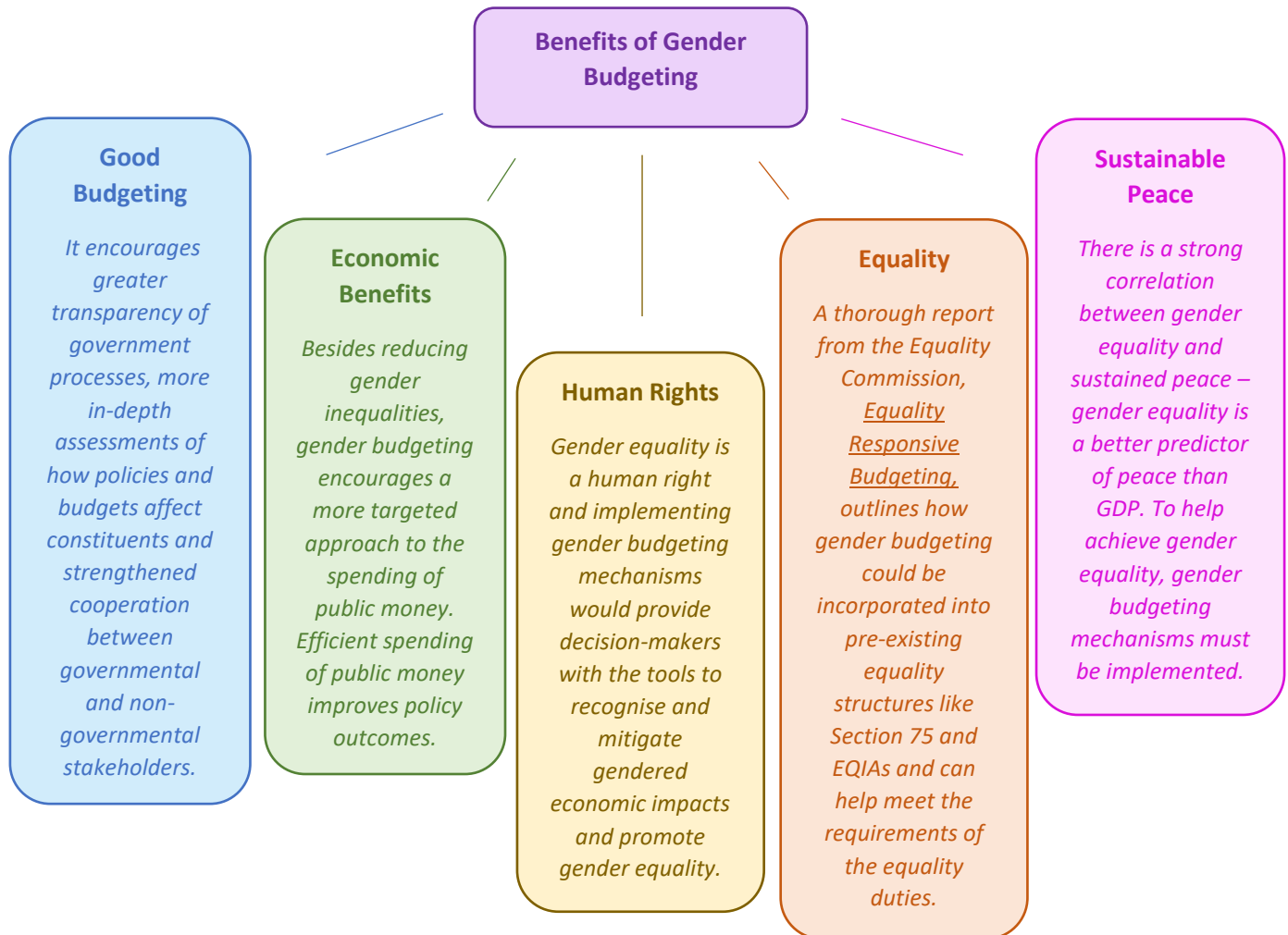
- Creating separate budgets for women.
- Only looking at the parts of the budget which have a social content or that are explicitly gender-related.
- Demanding more spending.

⁹ Ballantine, J., Rouse, M. and Gray, A.M. (2021). *Gender Budgeting: Working Paper 1: What does the literature tell us? Lessons for Northern Ireland (NI)*. ([Gender Budgeting-1.pdf](#))

¹⁰ European Women's Lobby. *What is Gender Budgeting?* ([What Is Gender Budgeting.pdf](#))

Why implement Gender Budgeting?

Gender budgeting is transformative, enhances transparency and accountability, and is of value in delivering economic benefits¹¹, rights and equality¹², and securing sustainable peace¹³.



¹¹ Himmelweit, S. (2002). 'Making visible the hidden economy: the case for gender-impact analysis of economic policy,' *Feminist Economics*. 8 (1), 49-70.

¹² Quinn, S. (2013). *Equality responsive budgeting*. ([Equality Responsive Budgeting \(equalityni.org\)](http://equalityni.org))

¹³ Fernanda Espinosa, M. (2020). *Peace Is Synonymous With Women's Rights*. (<https://www.un.org/en/un-chronicle/peace-synonymous-women%E2%80%99s-rights>)