



NI WOMEN'S BUDGET GROUP

NORTHERN IRELAND WOMEN'S BUDGET GROUP (NIWBG) RESPONSE TO THE FINANCIAL CONTEXT FOR REVENUE RAISING CONSULTATIONS

Department of Finance

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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 Ireland on East-West and North-South issues.

We hope that our response to this document will be considered by the Department of Finance.

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 NIWBG welcomes the opportunity to respond and provide relevant expertise in relation to the consultation prepared by the Department. We are gravely concerned about the impacts of the potential revenue raising proposals, especially amid a budget and cost-of-living crisis. In this response, we outline the economic context women are faced with and how it impacts them, the importance of 'spend-to-save' to combat short-termist decision-making, and the importance of gender budgeting, compliance with equality obligations, and a caring, green economy.

The Context

Currently, we are faced with an unprecedented financial situation; one where numerous crises of the economy, of living standards, of health (mental and physical), of the environment, of housing, etc. have compounded and made decisions to cut essential public services seem impossible. However, that is what we have seen in the most recent Budget - cuts of 10%-20% per department, creating a Budget that the UN Committee on the Rights of the Child has called to be scrapped due to its harmful potential impact on children, as well as its impact on other protected equality areas.

The Fiscal Council of Northern Ireland noted that the lack of spending direction in the absence of an Executive paired with inflationary pressures and weak budget management have led to the overspend in the 2022-23 fiscal year¹. Implementing revenue raising policies will punish those who have no responsibility over the perfect storm that has led to this budget crisis, yet are the most vulnerable to its impacts.

Women are and will be disproportionately impacted by increased austerity - this is why it is imperative that action around the budget crisis has a gendered lens. Women are more likely to rely on benefits, more likely to be in low-paid and precarious work, and have already borne the brunt of the previous decade's austerity policies. A higher proportion of women earn below the living wage than men, the continued existence of the gender pay gap means women on average earn less than men, and women are more likely to be 'economically inactive' citing childcare and home responsibilities as the main barrier for them returning to work. In addition to preexisting impacts from systemic inequalities, there are a multitude of ways in which this crisis will have a disproportionate impact on women and their intersecting identities.

Spend to Save

The NIWBG is calling on the government to 'spend-to-save' - a simple concept where investing money into preventative measures now will save the government from spending money in the future fighting the fires that could have been prevented or mitigated in the first place. The single-

¹ BBC News. (2023). *Autumn Statement: £75m for Northern Ireland to be used for overspend.* (<https://www.bbc.co.uk/news/uk-northern-ireland-67491506>)

year budget cycle paired with short-term policy focuses have led to responsive spend that may cost less at the time but in the long-term will add up in comparison to sustainable, preventative investment.

The proposed revenue raising measures will not raise enough to cover the overspend nor cover the funds needed to deliver good public services. Additionally, the projected revenue raised from any of the proposed measures will not happen within months of implementation but within years, while the impact of these charges on those struggling financially will be felt immediately. Additionally, the implementation of the revenue raising measures will also not be a cost-free policy decision. There will be administration costs associated with delivering the agreed revenue raising measure, which may be equal to, or more, than the revenue generated.

Ultimately, this is a short-termist decision in response to the current budget crisis. It will not solve the budget crisis, but it will cause further economic burden on those struggling the most. We must realise that spending-to-save is not an idealistic approach to budgeting, but a necessary one.

The Budgetary Process and Gender Budgeting

It is important to acknowledge that this year's budget process is particularly abnormal, and we understand that the current fiscal environment is not only highly restrictive but puts undue pressure on officials to make decisions they should not have to make. However, we urge the Department to see how risky these proposals are as they can lead to the creation of further costs and/or impacts that need mitigation down the line.

Gender budgeting requires government departments to analyse the different impact of the budget on people of different genders, starting as early in the budget cycle as possible. The aim of gender budgeting is to ensure that the distribution of resources creates more gender equal outcomes. Over time, gender analysis should become embedded at all stages of the budget process. Women's intersecting identities are also included in this analysis and policymakers are expected to promote these areas of equality as well. There is widespread political support for gender budgeting in Northern Ireland and a growing evidence base that it can help create a more equal society. In the current budget crisis women will experience particular disadvantages due to the pre-existing socio-economic conditions. For example, there is strong evidence that women have suffered disproportionately from over a decade of Westminster austerity measures, the pandemic, and the cost-of-living crisis². We cannot afford to continue making decisions at the expense of women and risk further degradations to gender equality and additional intersecting equalities as well.

² MacDonald, E.M. (2018) The gendered impact of austerity: Cuts are widening the poverty gap between women and men. British Politics and Policy at LSE. (<https://blogs.lse.ac.uk/politicsandpolicy/gendered-impacts-of-austerity-cuts/>)
Charlton, E. (2023) This is Why Women are Bearing the Brunt of the Cost of Living Crisis According to Research. World Economic Forum. (<https://www.weforum.org/agenda/2023/01/cost-of-living-crisis-women-gender-gap/>)

Not only is there an immediate need for gender budgeting in our current crisis, but the benefits would help to improve the budgetary process. Gender budgeting is good budgeting; it encourages greater transparency of government processes, more in-depth assessments of how policies and budgets affect constituents and closer cooperation between governmental and non-governmental stakeholders. It encourages a more targeted approach to the spending of public money, which will improve policy outcomes. Implementing gender budgeting mechanisms would provide decision-makers with the tools to recognise and mitigate gendered economic impacts and promote gender equality. Whilst political crises that affect budget processes are outside the control of departmental officials, strategically embedding gender budgeting measures will create a firewall to prevent such disproportionate disadvantages in future.

We recognise that the current equality screening and impact assessment duties under Section 75 provide policy infrastructure that could be used to progress gender budgeting. The EQIA process allows space to identify budget impacts on women and opportunities to promote more gender equal outcomes. However, too often the analysis included in these documents focuses only on equal treatment or stops at the point of acknowledging pre-existing inequalities. For gender budgeting to be fully implemented, the next stage must be to reformulate budgets and budgetary policy with targeted measures to improve outcomes for women and girls. Additionally, Section 75 screening and impact assessment typically takes place at the very end of the budget planning process or after the budget has been finalised. The OECD³ highlights that best practice for gender budgeting is to embed it at all levels of policy- and budget-making: planning, formulation, approval, implementation, monitoring and reformulation. It is crucial that gender equality obligations are not a 'tick-box exercise,' but rather that gender equality is mainstreamed in every area of the budgetary process through gender analysis of data supported by experts from civil society. Please see Annex 1 for more on gender budgeting.

Equality Obligations

Including equality considerations in the budgets and budgetary process requires gender disaggregated data, departmental-specific and high-level equality objectives and monitoring structures. The lack of gender-disaggregated data hinders our ability to effectively advocate on behalf of women and leaves decision-makers with data that presents a false narrative – one where the diversity of experiences between women and men is unaccounted for and therefore absent in crucial policy and budgetary decisions.

We recommend that where gender-disaggregated data is available, it must be used to inform the decision-making process. Where there is no gender-disaggregated data, the Department needs to request that it is recorded. Having this information is key to completing the equality analysis required by Section 75. Without it, equality assessments do not capture the realities of existing inequalities and they lack the robust evidence needed to influence policy and budgets.

³ OECD (2023), OECD Best Practices for Gender Budgeting, OECD Journal on Budgeting, vol. 23/1, (<https://doi.org/10.1787/9574ed6f-en>).

This assessment is required at the earliest opportunity in the budget process and as further decisions are made in finalising the budget, not only to inform Level 5 decision-makers about their budget's effects on equality, but to ensure the budget is both clear and transparent regarding the assessment of predicted impacts. It is essential that sufficient consideration of gender inequality, paired with robust evidence, is reflected in this document to secure equality outcomes.

A Caring, Green Economy

By investing in a caring, green economy, as outlined by the Commission on a Gender-Equal Economy's report, *Creating a Caring Economy: A Call to Action*⁴, the Department could begin to tackle systemic inequalities. The Commission's report provides eight steps to securing a caring, green economy:

1. Re-envision what we mean by 'the economy' – The pandemic demonstrated how central care, both paid and unpaid, is to our economy. We need to reassess the economic value of care to reflect its importance to the maintenance of the economy.
2. Invest in social and physical infrastructure – It is crucial that investment social and physical infrastructure is cognizant of diverse needs, and promotes equality and sustainability.
3. Transform the worlds of paid and unpaid work –The NIWBG would contend that 'better jobs' does not only mean jobs in STEM, but rather fixing the aspects that make certain jobs worse, such as precarity and low-pay. This would help correct gender inequalities in the labour market and gender imbalances the sharing of paid and unpaid work.
4. Invest in a caring social security system which is based on dignity and autonomy – This step must be addressed to alleviate pressure on paid and unpaid carers and mitigate an impending care crisis.
5. Transform the tax systems across the UK – While this step lies outside the remit of devolved powers, the NIWBG would advocate for progressive tax reform at the Westminster level to produce revenue to be invested in a stronger social security system as well as in social and physical infrastructure. 4 Commission on a Gender Equal Economy (2020). *Creating a caring economy: a call to act*
6. Refocus the overall fiscal and monetary policy framework to build a caring economy – The NIWBG would advocate for fiscal and monetary policy at the Westminster level that promotes gender equality, well-being and sustainability.
7. Work to develop a global trade system that is socially and environmentally sustainable – The NIWBG wants to ensure that post-Brexit trade does not cause a degradation of human rights, environmental and labour standards. Ensuring that public services are excluded from trade and investment deals is also crucial to securing a caring, green economy in Northern Ireland.

⁴ UKWBG - Commission on a Gender Equal Economy. (2020). *Creating a Caring Economy: A Call to Action*. (<https://wbg.org.uk/wp-content/uploads/2020/10/WBG-Report-v10.pdf>)

8. Work to transform the international economic and financial system – It is necessary that caring, green economies are adopted worldwide to achieve significant change regarding equality and sustainability.

The recommendations from the Commission's report are echoed in the content of the Women's Policy Group's Feminist Recovery Plan⁵, which was fully updated and relaunched in July 2021. The NIWBG believes it is crucial that the content of the Commission's report and the Feminist Recovery Plan inform the Department's consultation.

Conclusion

It is crucial that gender analysis is incorporated into all mitigation measures taken, and that meaningful engagement with the community/voluntary sector and, most importantly, those with lived experience, is at the centre of all decision-making. We would be happy to meet with the Department to further discuss our response or to assist this consultation in any way that may be helpful.

⁵ Women's Policy Group. (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>)

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.*"⁶

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 follows⁷:

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:

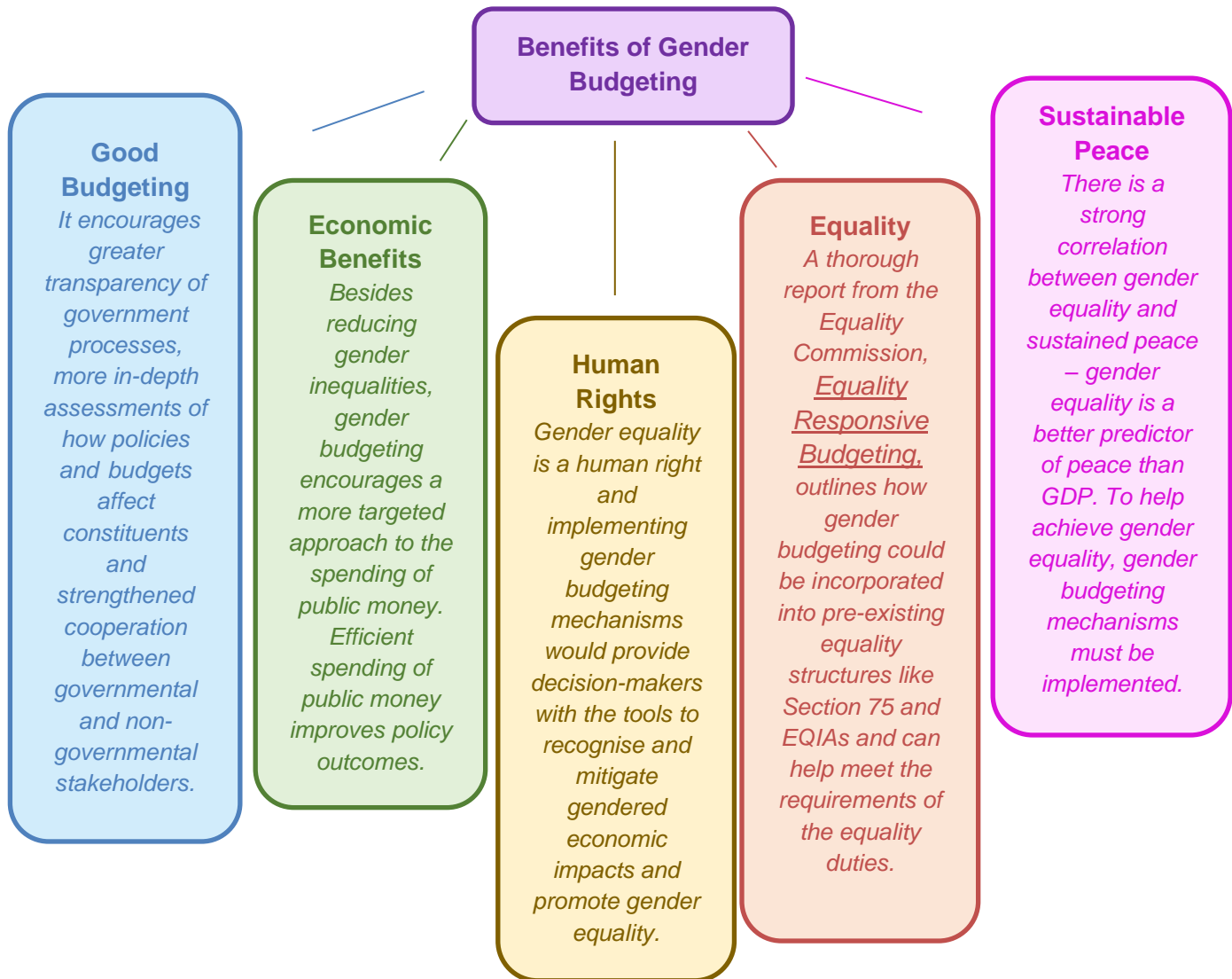
- *Creating separate budgets for women.*
- *Only looking at the parts of the budget which have a social content or that are explicitly gender-related.*
- *Demanding more spending.*

⁶ 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](#))

⁷ 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 benefits⁸, rights and equality⁹, and securing sustainable peace¹⁰.



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

⁹ Quinn, S. (2013). *Equality responsive budgeting*. ([Equality Responsive Budgeting \(equalityni.org\)](http://equalityni.org))

¹⁰ 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>)