

Gender Budgeting in Austria

A constant endeavour for equality between women and men

When and how institutionalised

- 2000: Decision of Ministers - Gender Mainstreaming (GM) on federal level, based on Art. 7 of the Austrian Federal Constitution, EU-law and the Platform of Action of the 5th UN Women's Conference in Beijing,
- No national law for GM
- Interministerial Working Group on GM headed by the Minister for Women's Affairs
- GM working groups in all ministries
- GM projects
 - Interwinded with equal treatment according to our already 1993 established Equal treatment Act with only **internal effects for the civil servants**, based on EU-law and UN Convention on the Elimination of all Forms of Discrimination against Women (1978, Austria 1982)
 - 40%, now 50%-quota for qualified women at all stages
 - no direct or indirect discrimination in connection with the working relationship
 - no sexual harassment
 - advancement plans for women in all ministries

When and how institutionalised

- GM broader strategy – external effects on politics, society and economy
- Discussion on Gender Budgeting (GB) as GM in the budgetary process started with pressure from NGOs, supported by interested civil servants and government members
- 2004: Decision of the Council of Ministers prepared by the Minister of Women's Affairs; the federal government defined the overall aim of taking into account gender mainstreaming **in all budget policy measures** of the ministries.
- Four more Decisions of the Council of Ministers until 2011
- An interministerial working group on GB was established, later the 2 working groups GM and GB ended up as 1 GMB, headed by the Minister of Women's Affairs
- No specific methodologies or tools were used, but the 4 R-Method (representation, rights, resources, realia) inspired the considerations

When and how institutionalised

- Budget 2005/06: **the Ministry of Finance** asked all ministries to add for the first time projects with gender aspects as part of the budget papers presented to parliament – **start of GB in Austria**
- These GM projects covered mostly **internal effects** (e.g.raising womens´ participation in leading functions) and very rarely **external/socio-political ones**: activities in the ministry´s portfolio contributing to gender equality, like health, education, traffic, agriculture, economy, labor, care work, security or social affaires
- 2009: Art. 13, para. 3 of Federal Constitution entered into force: “The Federation, States, and Communes are to strive for equality of women and men in their budget management.”
- 2013: Art. 51 of the Austrian Constitution entered into force:
„In the budget management of the Federation the fundamental principles of impact orientation, especially under consideration of the objectives of the effective equality of women and men . . . are to be observed.“. National objectives for public finances now are macoreconomic equilibrium, sustainable public finances and gender equality. The Austrian Federation has to apply Gender Budgeting as an integral element of Performance Budgeting.

How institutionalised

- 58 budget-chapters with objectives, aims, targets and measures
- **One objective** in each of the 58 chapters should be a **gender one** with targets and measures
- Objectives, aims and measures – concentrate still on **internal effects**: teleworking, women in leading functions, men in parental leave,...; on a low basis on **external effects**: violence against women, education in rural areas, qualify women for crafts and technology, information about expected pension,...
- **Example for internal effect: objective** - Combine work and family life; **measure** - more teleworking for the civil servants; **indicator** – 2016: 4 teleworkers, target 2017: 5 teleworkers
- **Example for external effect: objective in chapter labor**: – women and female returners to work should take better part in working life; **measures** – more consultations and courses for women; **indicators** – employment rate 2015: 63,8% , target for 2018: 64,5% (*part time female workers are included*)
- Each ministry defines its own gender objectives – **landscape of equality objectives and aims published by Parliament**
- An equality regulation from the Minister of Women's Affairs sets equality focusses on income, education, financial assets, ...



Why and How institutionalised – Taxes

Different studies of the Economic Research Institute and the Ministry of Finance; BMF May 2016: „A Difference between Men and Women – the Income“ analysis of gender-related effects of the Austrian income tax system

- Taxes are the main federal income source
- **Income and salary tax**: individual taxation; progressive tax-rate; regressive social insurance
- Men pay much more taxes than women, as they have higher incomes – **high gender pay gap**
- High part-time working rate of women
2017: 78% of all part-time workers are women
47,7% of all working women work part time
- More men profit from tax exemptions and tax profits
- 2019 family-bonus: 1.500 € tax-deduction per child

How institutionalised - Taxes

- **Chapter 16 Federal Taxes – gender objective with external effect:**
- **Better distribution of paid and unpaid work between women and men is supported by the federal tax system.**
- **Measure:** reducing negative incentives in the tax system which prevent women to start paid work or to raise their working hours e.g. by lowering the first tax rate (activity) as a contribution for closing the gender pay gap from 25% 2011 to 22% 2013 (target - indicator).
- 2017: gender pay gap 22,2 % target 2018 21,4%
Measure: positive tax incentives, that women can reach an income above the tax free amount
- 2019: abolish gender pay gap relevant provisions in new Income Tax Law

Who were/are the main actors involved

- NGOs, female activists, feminist economists
- Working groups and GMB in the ministries
- Interministerial Working Group GMB
- Minister of Women's Affairs
- **Ministry of Finance**, actively supported the legal process for the gender amendments of the constitution as part of a comprehensive budget reform
 - Director General of Budget Gerhard Steger** until 2014
 - prepares budgetary laws for parliament, negotiates about expenditures with the other ministries and is responsible for the main income source: taxes
- Professional experts in the ministries (tax-, social-, health-, educational-, security-, sports-, justice-, legal-.....experts cooperate with gender experts)

Who were/are the main actors involved

- Government (*no mention of gender budgeting in the current government declaration, but law exists*)
- Federal Chancellery
 - Controlling of performance budgeting in the formation process
 - Reports about enforcement of the equality objectives in the ministries
- Parliament discusses the budget proposal, should know and discuss equality aims of the ministries and votes about the budget
- Court of Audit audits the equality objectives and their enforcement

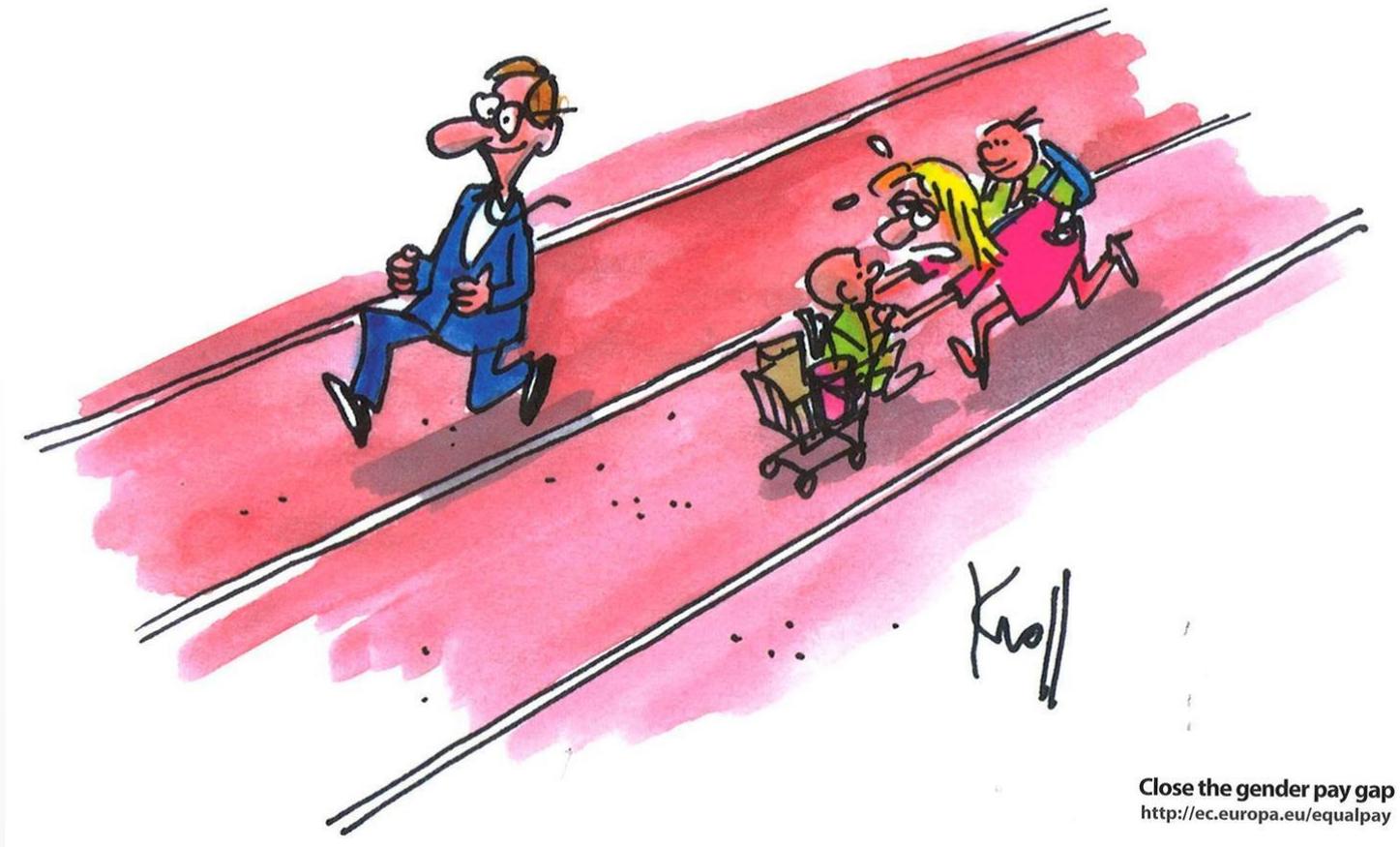
Lessons learned

- **High expectations on female side**

for **altering the role of women** in society as mothers, responsible for family and care work and only as supplementary earners to male breadwinners;
high gender pay gap and high gender care gap

- **on equality objectives for better reconciling career and family life**

- reduce working hours for men and women
- higher coverage of day care centers for children, also smaller ones
- establish all day schools
- better salaries for care professions
- better salaries in services professions
- better offers in care services
- genderbased education
- parental leave for fathers



Lessons learned

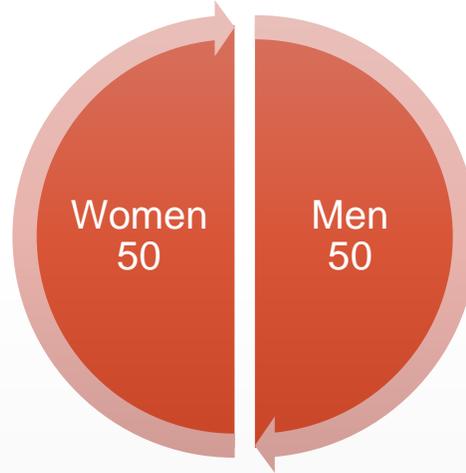
- **Slow changes and no coordination of the gender objectives among the ministries.**
No federal gender objective like „economic independence for women“ (gender pay gap cannot only be reduced by tax measures)
- Arguments against
 - the economy needs full-time-workers (even more than 8 hours per day)
 - working mothers are no good mothers, because children need mothers
 - administration cannot prejudge politics
- **Only few men want to share power with women**
- **Women have different views about their roles as does society and politics**
- Still hard for fathers (recognition for care work, parental leave)

Lessons learned

Austria

- Voting right for women in 1918
- Since 1973 individual taxation
- Since 1974 married women can work without asking permission from their husbands
- **Very good laws:** EU-Treaties, EU-Directives, EU-Court-Decisions, EU-Programms
- Austrian Constitution, equal treatment laws, federal finance law, budgetary laws
- But **difficult enforcement**
- **Complicated administrative processes**, many institutions are involved: Federal Chancellery, Ministry of Finance, responsible Ministries, Court of Audit, Parliament – but no NGOs
- **Endevour for equality of women and men in constant progress**

Idealsituation



50 : 50

- In formal and family work
 - In leading functions
- Equal opportunities