

## Inequality

### STRENGTHENING THE APPLICATION OF GENDER MAINSTREAMING TO THE BUDGET PROCESS

- ▶ Sweden's government has reinvigorated the country's long standing commitment to gender budgeting, taking into account the effects on gender equality when making decisions on the direction and distribution of resources.
- ▶ Work is under way to strengthen gender-responsive budgeting efforts. For example, through stronger attention to the gender impact of the alternative policy options, presentation of the gender impact of budget measures and the development of indicators to track progress towards achieving the government's goals for a gender-equal society.

#### What's the issue?

Sweden has for many years been recognised for its progressive gender equality policy and practice and has been among the pioneers of gender budgeting in the OECD. Gender budgeting involves the integration of a clear gender perspective within the budget process, through the use of special processes and analytical tools, to promote gender-responsive policies with the aim of addressing a range of gender inequalities and disparities.

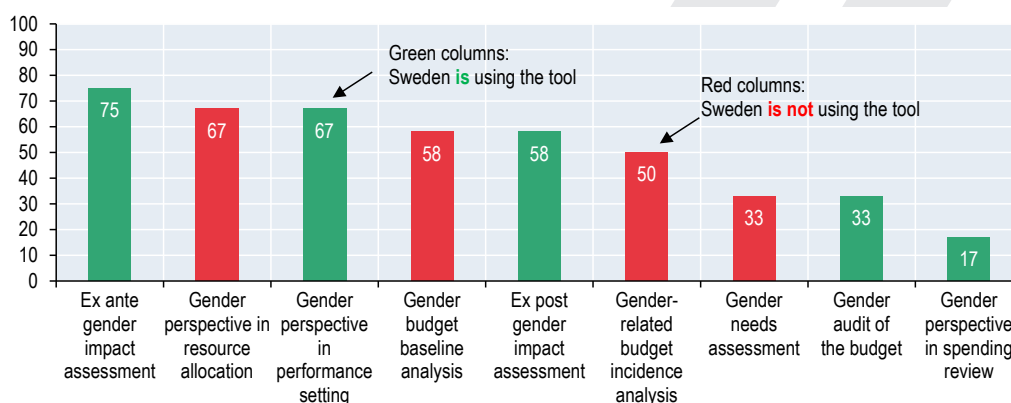
Gender mainstreaming has been in operation in Sweden since 1994 and was introduced into the budget process in 2002. Efforts have strengthened in more recent years, with the new government elected in 2014 declaring itself a feminist government and outlining its intention to institute gender budgeting in the program for government presented to the parliament by the Prime

Minister. Initial efforts focused on the implementation of gender analyses. In addition, new goals have been set to show how gender equality efforts are to progress in key areas. Since 2016 the annual budget circular includes instructions on the application of gender budgeting throughout the budget process. One of the requirements set out is that gender impact analysis be carried out at the early stage of new budget proposals. In addition, sex-disaggregated data are to be used and new gender equality indicators devised to reflect current status.

The 2016 OECD Survey of Gender Budgeting found that Sweden is one of twelve OECD countries that has introduced gender budgeting to date. Although most countries (75%) have a legal foundation for their gender

#### Sweden may wish to move towards more needs-based gender budgeting

% of countries that use each gender budgeting tool (out of 12 OECD countries that have introduced gender budgeting)



Source: 2016 OECD Survey of Gender Budgeting.

budgeting practice, this is not the case in Sweden where gender budgeting is underpinned by high level political commitment. While gender budgeting practices are varied in those countries where it has been introduced, there appears to be three broad categories of gender budgeting systems: i) gender informed resource allocation; ii) gender assessed budgets; and iii) needs-based gender budgeting. Given its use of gender budgeting tools such as gender audit of the budget and gender perspective in spending review, Sweden currently sits within the second category (see Figure).

An important development along the path of gender-responsive policy making is the collection of gender disaggregated data. The 2016 Survey of Gender Budgeting found that Sweden is one of just two countries in the OECD where gender disaggregated data is routinely available in the required depth across all or most key areas of the public service. To assess the impact of gender budgeting, Sweden is developing and applying gender related indicators, monitoring progress against gender equality indicators and regularly reporting to parliament on the impact of gender-responsive policies. However, since the work of gender budgeting, in the strict sense, has only recently started it is too soon to assess the extent has gender budgeting been effective in promoting a clear gender perspective in policy development and resource allocation. This is why there is currently insufficient information to measure the impact of gender budgeting in Sweden. As the initiative progresses, a clearer picture of the effectiveness of gender budgeting should emerge.

## Why is this important for Sweden?

Despite progressive gender equality policies, Sweden is still marked by significant differences in the living conditions of women and men. For example, in 2015, 76.8% of women aged 20 to 64 years were gainfully employed compared to 79.0% of men and women earned just 94% of the standard weighted salary of men. The government's objective is for women's employment rate to be as high as men's and for the gender pay gap to be closed. Pursuing gender equality in the budget process is vitally important in realising feminist policies. The budget process must take account of the effects on gender equality when designing proposals and reforms and distributing resources. Integrating a gender perspective in policies will help to shape a society that is sustainable in the long term. To ensure that the central government budget contributes to gender equality, this perspective must be included at the earliest possible stage, and in all stages of the budget process.

## What should policymakers do?

- ▶ Put in place measurable outputs and SMART targets to facilitate the gender equality assessment of the budget.
- ▶ Ensure an active and engaged parliament through publishing clear and transparent gender budgeting information and ensuring parliament has institutional supports to analyse information presented.
- ▶ More systematically complement executive-led approaches with external quality assurance, so-called "gender audit" and "civic audit" (i.e. a structured dialogue with civil society to assess the impact of gender budgeting), by adopting modern open-data approaches for gender-disaggregated budget information.



## Further reading

OECD (2016), *Gender Budgeting in OECD Countries*, OECD Publishing. <https://www.oecd.org/gender/Gender-Budgeting-in-OECD-countries.pdf>

OECD (2015), *Principles of Budgetary Governance*, OECD Publishing. <http://www.oecd.org/gov/budgeting/Recommendation-of-the-Council-on-Budgetary-Governance.pdf>

