

# ON THE COVER BUT WHAT'S BEHIND THE FIGURES?

Gender equality,  
development and  
the Australian  
Government  
Budget 2017-2018

MAY 2017

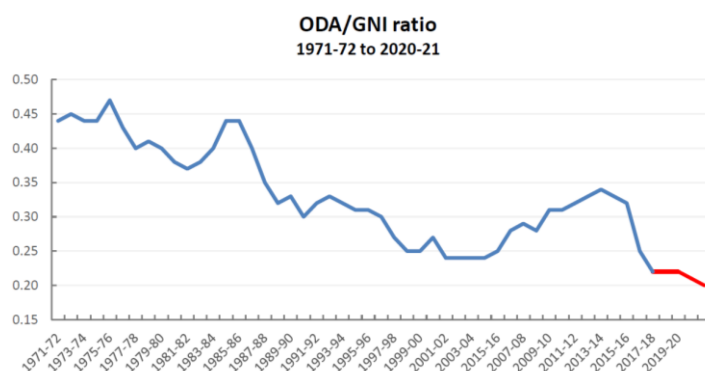
**IWDA** INTERNATIONAL  
WOMEN'S  
DEVELOPMENT  
AGENCY

The 2017-2018 Federal Budget has landed. For those of us interested in gender and development the Government's focus on gender in the aid program is front cover news – with the *Australian Aid Budget Summary 2017-2018* featuring Umiyatun breastfeeding her child in East Java.

But what does the budget really mean for women IWDA works with?<sup>1</sup>

### 1. It's not good news for Australian aid as we hit an historic low...

The Budget Papers for 2017-2018 list the expenditure measures for aid as “Maintaining the Level of Official Development Assistance”. However, the reality is that Australian development assistance is at an historic low as a ratio of Gross National Income (GNI).<sup>2</sup> This will disproportionately affect diverse women and girls in our region and the world, as globally, women and girls are more affected by poverty.<sup>3</sup>



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While the international development assistance budget for 2017-18 has been maintained in real terms (expenditure has increased in line with inflation), the Government has flagged its intention to “achieve savings of \$303.3 million over two years from 2019-2020”<sup>5</sup> by ceasing indexing from 2019-2020 for two years. This breaks the Liberal Party’s 2013 election campaign commitment to sustain aid in line with inflation,<sup>6</sup> and is within the context of

<sup>1</sup> This analysis is significantly informed by collaboration between Sharon Smee and Caroline Lambert (IWDA), Alice Ridge (ACFID), Anu Mundkur (Flinders University) with support from Joanna Pradela (ACFID) and Sarah Boyd which produced the aid chapter of the *National Foundation for Australian Women Gender Lens on the Budget 2017-2018*. Retrieved from: <http://www.nfaw.org/gender-lens-on-the-budget/> [Last accessed: 25 May 2017]. We have also benefitted from comments received from Jo Crawford, IWDA.

<sup>2</sup> Australian Council for International Development (ACFID). ACFID Analysis of the 2017-2018 Federal Budget, p10.

<sup>3</sup> Department of Foreign Affairs and Trade. (2016). Gender Equality and Women’s Empowerment Strategy. Retrieved from:

<http://dfat.gov.au/about-us/publications/Pages/gender-equality-and-womens-empowerment-strategy.aspx> [last accessed 17/05/2017].

<sup>4</sup> ACFID, above n 2, p10.

<sup>5</sup> Commonwealth of Australia. *2017-2018 Budget Measures: Budget Paper No. 2*, p102.

<sup>6</sup> Liberal Party of Australia. Media Release: Final update on Federal Coalition Election Policy Commitments 2013, p5. The Liberal Party announced two new initiatives in the 2016 campaign, but also did not appear to move away from its previous commitment. Bruere, W. & Hill, C. (2016). *Changes to Australia’s overseas aid program under the Abbott and Turnbull governments 2013–2016: key policies and responses*. Retrieved from: [http://parlinfo.aph.gov.au/parlInfo/download/library/prspub/4832715/upload\\_binary/4832715.pdf;fileType=application/pdf](http://parlinfo.aph.gov.au/parlInfo/download/library/prspub/4832715/upload_binary/4832715.pdf;fileType=application/pdf) [last accessed 25/5/17]

analysis by the Australian National University's Development Policy Centre which has calculated a 30% real terms decline in the aid budget since the Coalition took government.<sup>7</sup>

The measures outlined in the Budget Papers for 2017-2018 mean that the \$3.9 billion investment in the lives, economies and societies of our neighbours represents just 0.22% of our Gross National Income (GNI), with a predicted drop to 0.20% by FY2020-2021. As we argued, along with our colleagues in the National Foundation for Australian Women *Gender Lens on the Federal Budget*, this CPI "pause" is politically expedient. It takes place in 2019 which is a federal election year. It also takes place after votes are cast for an Australian seat on the UN Human Rights Council (September 2017) and the UN Commission on the Status of Women (April 2018).

Most disappointing of all is the hit on Australia's generosity. Despite the Treasurer's projections of a return to budget surplus in 2021, Stephen Howes points out that "aid is not being cut as a result of fiscal austerity - from 2012-13 to 2020-21 aid falls by 33%; everything else increases by 16%".<sup>8</sup>

### **...and the distance between bipartisan support and global consensus is growing...**

Aid expenditure of 0.2% means we are nowhere near the former bipartisan commitment to growing our aid to 0.5% of GNI,<sup>9</sup> and even further from the global consensus first reached in 1970<sup>10</sup> and more recently, by Australia and 192 other nations, in the Sustainable Development Goals, where the governments flagged the commitment of many developed countries to reach a target of 0.7% of their GNI to international development assistance<sup>11</sup> (reaffirmed again this year at the Commission on the Status of Women<sup>12</sup>).

### **...with misguided budget priorities spending big on military security over human security...**

It is unclear exactly how the \$303 million savings made from the Australian aid program will be reallocated. Budgets are the dollars and cents expression of our values, and the bottom line is, under this Government, aid funding is being "redirected by the Government to fund policy priorities."<sup>13</sup> While the Budget Papers do not make a correlation between the savings measures and these policy priorities, the Budget does set forward increased funding to security mechanisms domestically and internationally.<sup>14</sup> Minister Bishop suggested that the

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<sup>7</sup> Dornan M. (2017, May 10). Why has the Coalition cut foreign aid (again)? DevPolicy Blog. Retrieved from: <http://devpolicy.org/why-has-coalition-cut-foreign-aid-again-20170510/> [last accessed 18/05/2017]

<sup>8</sup> Howes, S. (2017). *The 2017-18 aid budget (and more)* [Presentation Slides]. Australian National University, Development Policy Centre. Retrieved from: [https://devpolicy.crawford.anu.edu.au/sites/default/files/events/attachments/2017-05/2017-18\\_aid\\_budget\\_-\\_stephen\\_howes.pdf](https://devpolicy.crawford.anu.edu.au/sites/default/files/events/attachments/2017-05/2017-18_aid_budget_-_stephen_howes.pdf) [last accessed 16/05/2017].

<sup>9</sup> Bruere, W. & Hill, C. (2016). *Changes to Australia's overseas aid program under the Abbott and Turnbull governments 2013-2016: key policies and responses*. Retrieved from: [http://parlinfo.aph.gov.au/parlInfo/download/library/prspub/4832715/upload\\_binary/4832715.pdf;fileType=application/pdf](http://parlinfo.aph.gov.au/parlInfo/download/library/prspub/4832715/upload_binary/4832715.pdf;fileType=application/pdf) [last accessed 18/5/17]

<sup>10</sup> The World Council of Churches first proposed a target of 1% in the 1960s; work based on the Nobel Prize winning economist Jan Tinbergen led to a target of 0.75% which was the estimated inflows required for developing economies to achieve desirable growth rates; on UN Day 1970 the General Assembly adopted a resolution calling for a 0.7% target to be set. Retrieved from: <http://www.oecd.org/dac/stats/the07odagnitarget-ahistory.htm> [last accessed 15/5/2017]

<sup>11</sup> Target 17.2 of the Sustainable Development Goals sets out this commitment.

<sup>12</sup> Commission on the Status of Women 2017 Agreed Conclusions, paragraph 40II. Retrieved from: <http://undocs.org/en/E/CN.6/2017/L.5> [last accessed 15/5/2017]

<sup>13</sup> Budget Paper No. 2, above n2, p102.

<sup>14</sup> Howes, S. (2017, May 9). *A small target budget with a sting in the tail*. Devpolicy Blog, The Australian National University. Retrieved from: <http://devpolicy.org/small-target-budget-sting-tail-20170509/> [last accessed 16/05/2017].

money will be diverted to fund other priorities in the Foreign Policy portfolio, particularly national security and countering violent extremism.<sup>15</sup>

So while the Australian Aid program is projected to fall behind CPI, defence funding is to “grow to two per cent of GDP by 2020–21, three years earlier than the Coalition’s 2013 election commitment. The Government will provide Defence with \$34.6 billion in 2017–18 and \$150.6 billion over the Forward Estimates”.<sup>16</sup> The *Defence Budget Papers* make no reference to gender equality, even though the *Defence Corporate Plan 2015-2016* flags the “Women, Peace and Security agenda is central to Defence’s operational effectiveness and is an essential component of future planning and conduct of operations” (pg. 5). One of the 16 recommendations in the Independent Interim Review of the Australian National Action Plan on Women, Peace and Security 2012-2018 (NAP), calls for a dedicated budget linked to specific activities to support implementation of the NAP.<sup>17</sup>

The most recent UN Security Council Resolution 2242 (2015), requires that policies and programs for stabilisation, countering terrorism and countering violent extremism do not impinge on women’s human rights; and urges that the participation and leadership of women’s rights organisations is crucial in devising strategies to counter terrorism and violent extremism. In our *Submission on the Australian Government Foreign Policy White Paper*, we argue that “strategically engaging local, national and international women’s organisations who are working to counter violent extremism, radicalisation, recruitment and violent destructive masculinity, would see Australia’s influence in international counter-terrorism forums increase.”<sup>18</sup> In a similar vein, the *Fourth Annual Civil Society Report Card on Australia’s National Plan on Women Peace and Security* calls for approach to countering violent extremism and terrorism that is “gender-aware, evidenced-based, preventative in design, and that includes women as decision-makers in all policy responses.”<sup>19</sup> Women’s rights organisations should form a central part of a principles-based approach to the Government’s work on countering violent extremism.

### ...and a lack of predictability decreasing effectiveness overall.

The OECD’s 2012 *Report on Aid Predictability* makes a strong case for the need to curb aid volatility, highlighting that “aid is more effective when regular, detailed and timely information on aid volumes and allocations is available. This allows developing countries to make their own strategic plans, to link development strategies with budgetary frameworks; and to ensure effective use of resources.”<sup>20</sup> The effectiveness of aid falls by 15% to 20% when it is

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<sup>15</sup> Hunter, F. (2017, May 12). *Julie Bishop says foreign aid will stay in freezer until budget reaches surplus*. The Sydney Morning Herald. Retrieved from: <http://www.smh.com.au/business/federal-budget/julie-bishop-says-foreign-aid-will-stay-in-freezer-until-budget-reaches-surplus-20170510-gw1e11.html> [last accessed 16/05/2017].

<sup>16</sup> Pyne, C. (2018). *Budget 2017-2018: Defence Budget Overview*. Retrieved from: <https://www.minister.defence.gov.au/minister/christopher-pyne/media-releases/budget-2017-18-defence-budget-overview> [last accessed 18/05/2017].

<sup>17</sup> Humanitarian Advisory Group(2015). *Independent Interim Review of the Australian National Action Plan on Women, Peace and Security 2012-2018*. Retrieved from: <https://www.dpmc.gov.au/sites/default/files/publications/nap-interim-review-report.pdf> [last accessed 18/05/2017].

<sup>18</sup>International Women’s Development Agency (IWDA). (2017). *Australian Foreign Policy White Paper Submission, February 2017*, p 18. Retrieved from: <http://dfat.gov.au/whitepaper/submissions/documents/170228-613-International-Womens-Development-Agency.PDF> [last accessed 16/05/2017].

<sup>19</sup> Monash GPS and the Australian Civil Society Coalition on Women Peace and Security. (2017), *Fourth Annual Civil Society Report Card on Australia’s National Plan on Women Peace and Security*, p20. Retrieved from: <https://wpscoalition.files.wordpress.com/2017/05/fourth-annual-civil-society-report-card-on-the-national-action-plan-for-women-peace-and-security.pdf> [last accessed 17/5/2017].

<sup>20</sup> The Organisation for Economic Co-operation and Development (OECD). (2012). *2012 DAC Report on Aid Predictability: Survey on Donors’ Forward Spending Plans 2012-2015 and efforts since HLF-4*, p2. Retrieved from:

delivered in an unpredictable manner.<sup>21</sup> Less effective aid will impact on the Government's ability to deliver on its commitment that 80% of Australian aid will effectively address gender inequality and women's empowerment.

## 2. What's in the development budget for women? We're not quite sure!

The Australian Government is committed to ensuring that 80% of Australia's development program will effectively address gender issues.<sup>22</sup> While the Government's commitment to gender equality in the development program is not in question, the quantum of funding to women's rights organisations and programs to promote and protect women's human rights, more broadly, is detrimentally impacted by the reductions in funding.

The *Australian Aid Budget Summary 2017-2018* (the "Orange Book"), released on Budget night, makes it difficult to track gender equality expenditure. Despite being identified as one of six investment priorities,<sup>23</sup> gender equality is not systematically reported. Indeed, the expenditure tracking mechanism for "investment priority" percentages throughout the report does not include gender equality spending. The investment priorities tracked throughout the report are: effective governance; agriculture, fisheries and water; infrastructure and trade; education; health; building resilience; and general development support.<sup>24</sup>

As a result, it is very difficult to track gender equality expenditure across the development program. For example, it is difficult to understand gender allocations in the context of cross-cutting issues such as climate change. This is compounded by the fact that "it remains difficult to get a full picture of overall allocations to support action on climate change in the Orange Book."<sup>25</sup> Australian Government funding for climate change mitigation remained static at \$1 billion over five years. Of this, \$0.6 million over three years has been allocated to support the increased participation of Pacific women in climate-related decision-making processes.<sup>26</sup> But there is no further information in the budget papers on gender focused investments that could, for example, support women in fisheries in the Pacific to be recognised for their paid and unpaid labour in sustaining fisheries and fishing communities, and to access financing, capacity building and technical assistance to participate in, and take responsibility for, integrated management of small scale and artisanal fisheries, including increased access to sustainable and fair trade markets.<sup>27</sup> The budget also flagged Australia's intention to continue to focus on fossil-fuel industries, with the *Orange Book* noting investment to "enhance its capacity to support improved governance in extractive economies in developing countries,"<sup>28</sup> despite concerns that this approach exacerbates the impact of climate change.<sup>29</sup>

Another example relates to Pacific budget expenditure reported in the *Orange Book* which reports on 12 country programs; only five of these refer to gender programs, and there is no

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[https://www.oecd.org/dac/aid-architecture/2012\\_DAC\\_Report\\_on\\_Aid\\_Predictability.pdf](https://www.oecd.org/dac/aid-architecture/2012_DAC_Report_on_Aid_Predictability.pdf) [last accessed 16/05/2017].

<sup>21</sup> Ibid.

<sup>22</sup> Commonwealth of Australia. *Making Performance Count: enhancing the accountability and effectiveness of Australian aid*. June 2014, p8.

<sup>23</sup> Commonwealth of Australia. *Australian Aid Budget Summary 2017-2018 (Orange Book)*. May 2017, p1.

<sup>24</sup> See for example, the data on Australian ODA to the Pacific. Commonwealth of Australia. *Australian Aid Budget Summary 2017-2018*. May 2017, p12-27. Such data was also not available in the latest available *Green Book*, the statistical summary reports on Australia's Engagement with Developing Countries.

<sup>25</sup> ACFID, above n.2, p15.

<sup>26</sup> ACFID, above n.2, p15.

<sup>27</sup> Women's Major Group, (2017), *High Level Political Forum – Position Paper*, p5. Private copy on file with IWDA.

<sup>28</sup> Commonwealth of Australia. *Orange Book*, p65.

<sup>29</sup> Women's Major Group, above n27, p7.

information about how much is invested in these programs. Half of the South East and East Asian country programs refer to programming that addresses women, and five of seven South and West Asia country reports refer to programming that addresses women, however, again, there is no information on the amount of funding for these initiatives.

The lack of transparency and accountability is particularly perplexing as, for example, the OECD *Aid in Support of Gender Equality and Women's Empowerment Donor Charts* (for the period 2014-2015, which presents donor country reporting on the Gender Equality Gender Marker) shows Australian aid funding with a gender equality focus against country programs.<sup>30</sup> While it is not possible to cross-reference the *Orange Book* for 2017-2018 with the OECD Report (due to the different expenditure reporting periods<sup>31</sup>), the type of data available in the OECD report highlights by contrast the limitations of what is currently reported in the Budget. The *Orange Book* 2017-2018 summary of PNG funding makes note of no gender focused program or projects<sup>32</sup> and yet, on OECD DAC figures of 2014-2015 Papua New Guinea was reported as receiving the largest amount of gender equality focused aid (\$461 million), and the third highest percentage of gender equality focused aid in the expenditure that year (61%).<sup>33</sup>

The most recent *Performance of Australian Aid 2015-2016* ("Performance Report 15-16") reports against strategic targets for aid, including that 80% of investments, regardless of their objectives, effectively addressing gender issues in their implementation.

From information available publically, this appears to rely on qualitative assessments that the investment is meeting the target for gender. There is a lack of transparency around this qualitative assessment which makes it difficult to reconcile with other Government reporting. Regardless, the gender equality target is the only target not yet achieved (see below), though the *Performance Report 15-16* shows that "78% of aid investments were rated as satisfactorily addressing gender equality during their implementation."<sup>34</sup>

Target 1	Target 2	Target 3	Target 4	Target 5
Promoting prosperity	Engaging the private sector	Reducing poverty	Empowering women and girls	Focusing on the Indo-Pacific region
On track	Achieved	Achieved	Not yet achieved	Achieved
Target 6	Target 7	Target 8	Target 9	Target 10
Delivering on commitments	Working with the most effective partners	Ensuring value for money	Increasing consolidation	Combatting corruption
Achieved	Achieved	Achieved	Achieved	Achieved

The *Performance Report 15-16* reviews the gender investment by priority area, with education peaking at 95% of the investments assessed as satisfactory or above and agriculture, fisheries and water well behind at 58% of investments being satisfactory.<sup>35</sup> The *Orange Book* information on agriculture, fisheries and water notes 11 focus areas for the

<sup>30</sup> OECD (2016) *Aid in Support of Gender Equality and Women's Empowerment Donor Charts*, Statistics based on DAC Members' reporting on the Gender Equality Policy Marker, 2014-2015 (2017), p4. Retrieved from: <http://www.oecd.org/dac/stats/aidinsupportofgenderequalityandwomensempowerment.htm> [Last accessed 25/5/2017]

<sup>31</sup> IWDA has written elsewhere about the limitations of the OECD DAC Gender Marker. While IWDA continues to believe that OECD DAC gender reporting could be strengthened, it provides significantly more information and transparency than the Australian Government provides through Budget and performance reporting. IWDA. 2016. *Global Goals: Women's Rights Organisations and Movements*, policy brief, available at: <https://www.iwda.org.au/assets/files/20160308-Womens-rights-organisations-and-Global-Goals-Policy-Brief.pdf>

<sup>32</sup> Commonwealth of Australia. *Orange Book*, above n.23, p13.

<sup>33</sup> OECD, above n.30, p4.

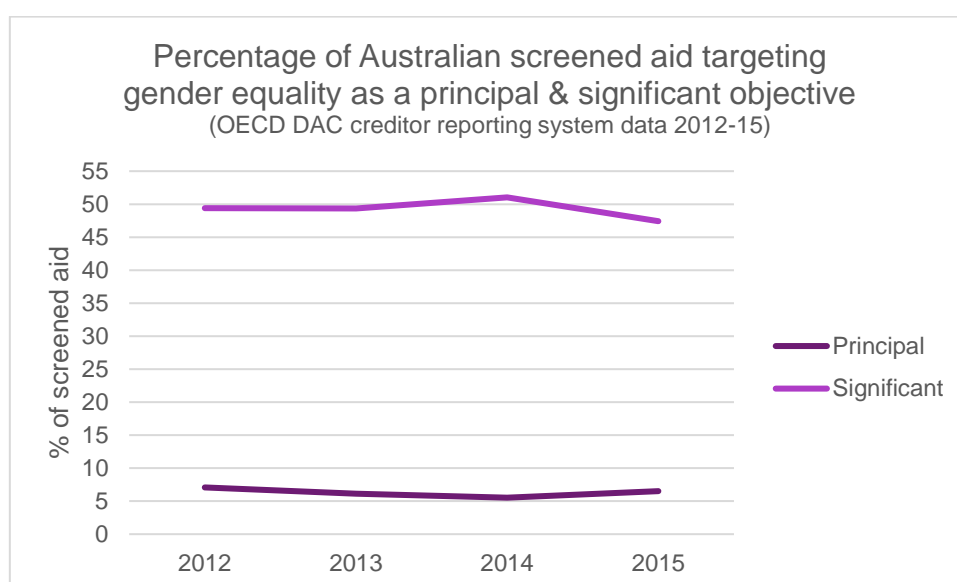
<sup>34</sup> Commonwealth of Australia. 2017. *Performance of Australian Aid*, above n35, p12.

<sup>35</sup> Commonwealth of Australia. 2017. *Performance of Australian Aid 2015-2016*. p13.

2017-2018 period, only one of which flags women and girls as a focus of the work (on the provision of safe water, sanitation and hygiene services to the poorest communities) and which has no budget allocation reported against it.<sup>36</sup>

In our view the various reporting systems which should provide some insight into the gender spend within the Australian aid budget, and the effectiveness of this investment, lack transparency and consistent application. Given the Australian Government's *Gender equality and women's empowerment strategy* commits to tracking gender equality expenditure as a principle or significant expenditure through the DAC gender marker,<sup>37</sup> the Budget paper opaqueness is disappointing.<sup>38</sup>

Assessment of OECD DAC reporting reveals that the percentage of screened aid marked as addressing gender equality as a principal objective remains low and is actually marginally lower than 2012 levels (7.08% in 2012 and 6.54% in 2015). Similarly, Australian screened aid coded as supporting gender equality as a significant objective has decreased since 2012 (47.42% of screened aid in 2015 compared to 49.42% in 2012 and 51.03% in 2014). IWDA has written elsewhere about the limitations of the OECD DAC Gender Marker. While IWDA continues to believe that OECD DAC gender reporting could be strengthened, it provides significantly more information and transparency than the Australian Government provides through Budget and performance reporting.



There also appears to be a lack of consistency between reporting systems. For example, the Performance of Australian Aid 2014-15 report notes a proportion of aid projects which are coded under the OECD DAC system as not targeting gender equality (that is, gender equality was not identified as an objective of these projects) are then being assessed as effectively targeting gender equality in implementation. It is difficult to see how projects which are not explicitly identifying gender equality in their objectives are then qualitatively assessed as effectively addressing gender issues in implementation. This raises questions

<sup>36</sup> Commonwealth of Australia. *Orange Book*, above n.23, p61.

<sup>37</sup> Commonwealth of Australia. 2017. *Gender equality and women's empowerment strategy*. p19-20.

<sup>38</sup> As part of their annual reporting to the OECD, DAC members are requested to indicate for each individual aid activity whether gender equality is one of its policy objectives. An activity can be classified as targeting gender equality as a principal objective, a significant objective or as not targeting gender equality. Principal means gender equality was an explicit objective of the activity and fundamental in its design. Significant means gender equality was an important, but secondary objective of the activity. Not targeted means that the activity was screened for promoting gender equality, but was found to not be targeted to it.

around the criteria used for making this qualitative assessment and also the consistency of the application of the OECD DAC marker.

### **Women's rights organisations need better funding and it's not clear that this budget delivered**

Despite their proven record of achieving change for women's rights and gender equality,<sup>39</sup> women's rights organisations and networks remain under-resourced and women's rights organisations in the Pacific face particular challenges accessing funding.<sup>40</sup> The OECD DAC reporting system tracks aid in support of women's equality organisations and institutions through a 'purpose code' used in annual reporting on aid activities. This code helps to track donors' support to women's organisations and ministries. Although the proportion of aid against this code has increased since 2012 (0.6%), it is still only 2.06% of sector allocable aid. This low level of funding to women's rights organisations is counterproductive. The Government continues to reaffirm its commitment to gender equality, while simultaneously constraining its ability to achieve it.

ACFID has previously recommended that a benchmark be established to ensure 5 per cent of funding within country and regional programs support local women's organisations.<sup>41</sup> The 2015 inquiry of the Joint Standing Committee on Foreign Affairs, Defence and Trade into *The Human rights issues confronting women and girls in the Indian Ocean - Asia Pacific region* also recommended the Government "focus its investments on programs that directly build local capacity through supporting local women's organisations" and lift the percentage of development assistance primarily focused on women and girls to at least 8-10% in the next five years, including through long-term investments.<sup>42</sup> While the Government welcomed the recommendation it was unable to commit to the timeframes proposed. However, it flagged the Gender Equality Fund as part of its response to the recommendation.<sup>43</sup>

The Gender Equality Fund allocation for 2017-2018 is reported as stable at \$55M, though this means there is no CPI on the Fund. The Gender Equality Fund is a valuable initiative, and sustaining it in the context of significant cuts to the overall aid budget is a significant achievement. However, there is a lack of publically available information on the projects/programs supported through the fund, which makes it difficult to determine what funding remains to support new initiatives.<sup>44</sup>

### **The impact of overall cuts to aid affects the money available for family planning**

Within the context of US Government announcements that funding to the United Nations and sexual and reproductive health and rights (SRHR) will be cut, specifically the zeroing out of the US funding contribution to the United Nations Population Fund (UNFPA), the budget

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<sup>39</sup> OECD. 2016. *Donor support to southern women's rights organisations: OECD findings*, pp5-6. Retrieved from: <http://www.oecd.org/dac/gender-development/donor-support-to-southern-women-s-rights-organisations.htm> Last accessed 25/5/2017.

<sup>40</sup> Analysis in 2015 of AWID's Feminist Donor database, which identifies funders for women's rights organisations, reported that 80% of donors were located in North America and Europe and only 6% gave to countries in the Pacific. Retrieved from: <https://www.awid.org/resources/feminist-donor-list-who-can-fund-my-womens-rights-organizing> Last accessed 25/5/2017.

<sup>41</sup> ACFID. 2017. *Pre-Budget Submission* Retrieved from: <https://acfid.asn.au/sites/site.acfid/files/ACFID%20Budget%20Submission%202017.pdf> Last accessed 25/5/2017.

<sup>42</sup> Joint Standing Committee on Foreign Affairs, Defence and Trade. 2015. *Empowering women and girls. The human rights issues confronting women and girls in the Indian Ocean-Asia Pacific region* Available online: [http://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Foreign\\_Affairs\\_Defence\\_and\\_Trade/Human\\_Rights/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/Human_Rights/Report)

<sup>43</sup> JSCFADT, *Empowering women and girls*, above n42, p26.

<sup>44</sup> See the detailed analysis in NFAW, above n1, p90.



confirms Australia's ongoing commitment to both UN Women (stable at \$7.8 million, down from \$8.2 million in 2014-2015<sup>45</sup>) and UNFPA (stable at \$9.2 million, down from \$15.4 million in 2014-2015<sup>46</sup>).

Additionally, the budget confirms the \$9.5 million allocation (over two years, 2017-2019) to the Sexual and Reproductive Health Program in Crisis and Post Crisis Settings (SPRINT) program.<sup>47</sup> However, this is offset by the cuts to SRHR funding arising as a result of the overall aid budget cuts, which from 2013-2014 to 2014—2015 saw the proportion of funding for family planning decline from 0.9% of total expenditure to 0.7%.<sup>48</sup>

In response to the US Government's reinstatement of the Global Gag Rule, banning financial support to foreign organisations that provide access to safe abortion or information about abortion, the Dutch Government launched 'She Decides' a new global initiative on sexual health and family planning.<sup>49</sup> While the Australian Government attended the "She Decides" Conference (co-organised by the Governments of the Netherlands, Belgium, Sweden and Denmark) Senate Estimates responses indicated that "the Government has no current plan to contribute to the 'She Decides' initiative."<sup>50</sup>

### Lack of funds for implementation of SDGs

Disappointingly, the development budget did not include any announcements to facilitate stronger coordination of Australia's implementation of the Sustainable Development Goals – in general, or specifically in the context of gender equality. While the *Orange Book* included a limited effort to track Australian aid against the Sustainable Development Goals (against investment priorities and cross-regional programs) the recognition of gender as critical to achievement of all Goals was largely absent.<sup>51</sup>

### More funding for for-profit organisations and less for not for-profits

The Australian Government has committed to increasing collaboration with the private sector to "create sustainable solutions to development challenges in our region."<sup>52</sup> The budget papers do not provide details on this investment. However, the recently released *Performance of Australian Aid 2015-2016* shows that 20% of the Australian aid budget is now channelled through for-profit suppliers,<sup>53</sup> up from 19% the previous year.<sup>54</sup> In the same period, funding to NGOs dropped from 14% to 11%.<sup>55</sup> The Australian NGO Cooperation Program (ANCP) is down in real terms in this Budget, with funding increasing below inflation.<sup>56</sup> This is despite the fact that the Australian Government's independent Office for Development Effectiveness (ODE) "evaluated the ANCP and found that, that while the

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<sup>45</sup> Commonwealth of Australia. 2013. *2014-15 Budget Papers*, Retrieved from: <http://dfat.gov.au/about-us/corporate/portfolio-budget-statements/Pages/budget-highlights-2014-15.aspx#pbs> [last accessed 25/5/2017].

<sup>46</sup> Ibid.

<sup>47</sup> Commonwealth of Australia. *Orange Book*, above n.23, p 75.

<sup>48</sup> Marie Stopes International. 2017. *Australian Foreign Policy White Paper 2017 Submission*, p3.

<sup>49</sup> <https://www.shedecides.com/the-initiative.html>

<sup>50</sup> Senate Estimates Foreign Affairs, Defence and Trade, Additional Estimates 2016-2017, 2 March 2017, Questions on Notice/Senator Eric Abetz, p4.

<sup>51</sup> As noted earlier, it is difficult to accurately assess the integration of gender as a cross-cutting theme. The challenge is amplified in relation to the Global Goals because the *Orange Book* does not explicitly map how the development program relates to the Global Goals.

<sup>52</sup> Commonwealth of Australia. *Orange Book*, above n.23, p1.

<sup>53</sup> Commonwealth of Australia. 2017. *Performance of Australian Aid*, above n35, p17.

<sup>54</sup> Ibid.

<sup>55</sup> Commonwealth of Australia. 2017. *Performance of Australian Aid*, above n35, p17.

<sup>56</sup> ACFID, above n.2, p12.

ANCP makes up around 2.7% of the total aid budget, it accounts for around 18% of outputs reported by DFAT in their aggregate results.”<sup>57</sup>

### A potential challenge for working parents posted overseas

The NFAW analysis we contributed to noted a less discussed aspect of the budget, identified by Alex Oliver in *the Interpreter*. This budget contained savings from changes to overseas allowances for Australian Government employees, which the budget papers aligned solely to DFAT. Oliver suggests that costs such as childcare and family reunion could be affected and asks what impact “such measures will have on DFAT’s *Women in Leadership Strategy* that is seeking to, among other things, increase the number of women in senior leadership roles and heads of missions?”<sup>58</sup>

### Loss of funding for intergovernmental engagement

From a women’s rights perspective, the loss of development funding from other government departments (down from \$329.1 million in 2015-2016<sup>59</sup> to \$236 million in 2017-2018<sup>60</sup>) has also had an impact in our region. In previous years, Australian Government funding has supported the participation of Pacific women at the UN Commission on the Status of Women. Funding was not available this year, and the Pacific governments were conspicuously absent from the CSW.

### 3. How can the Australian budget do better on gender equality?

Commitments matter, but to be meaningful they need to connect to action. Resourcing is a key link – and not just in relation to aid. What is spent, where and on what tells us about priorities. These priorities are shaped by *how* the Budget is developed and the analysis that informs it.

IWDA has long been an advocate of Gender Responsive budgeting. And governments around the world know this is a smart thing to do – the Global Goals include a target for the proportion of countries who have introduced gender responsive budgeting.<sup>61</sup>

Currently the Budget doesn’t give us a clear picture of how the billions of dollars of taxing and spending affect women and men. IWDA, along with many other advocates<sup>62</sup>, is calling for a more transparent and effective budgeting process and a commitment to gender responsive budgeting.

Australia was once a leader in analysing how budgets affect women. In the 1990s, the Australian Government published a *Women’s Budget Statement*, a formal Budget document, over 300 pages long, highlighting how the policies and programs of each portfolio would impact women and girls. By the end of the nineties it was a slimmer volume, more PR less detail. It slipped to being published after Budget night, with the Office for Women analysing

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<sup>57</sup> Ibid.

<sup>58</sup> NFAW, above n1, p90.

<sup>59</sup> Commonwealth of Australia. 2017. *Performance of Australian Aid*, above n35, p61.

<sup>60</sup> Ibid. p89.

<sup>61</sup> Indicator 5.c.1 Proportion of countries with systems to track and make public allocations for gender equality and women’s empowerment.

<sup>62</sup> See for example, <https://www.escri-net.org/news/2017/actionaid-report-how-taxes-affect-gender-equality>; <http://theconversation.com/gender-neutral-policies-are-a-myth-why-we-need-a-womens-budget-55231>; <http://www.unwomen.org/en/digital-library/publications/2010/1/introduction-to-gender-responsive-budgeting-and-aid-effectiveness>; <http://thecommonwealth.org/agv/closing-gender-gap>; <https://www.imf.org/en/News/Articles/2016/09/22/PR16420-Lagarde-Announces-Specific-Actions-on-Womens-Economic-Empowerment>; <https://www.economist.com/news/finance-and-economics/21717404-designing-fiscal-policies-support-gender-equality-good-growth-why>

Government spending decisions after the fact. 2013 was the last time the Government published any *gender budget analysis*. The Abbot-Hockey Budget of 2014 saw savage cuts, including to information. Civil society responded, with the National Foundation for Women stepping in to coordinate a “gender lens” report on the Budget, with contributions from academics and civil society, including IWDA.<sup>63</sup>

Analysing budgets for their gender impacts makes it possible to adjust policy and planning so that national spending as a *whole* advances gender equality, something all Australian Governments have committed to. Publishing this analysis promotes transparency and accountability. Organisations like IWDA can do their own assessments, informed by proper numbers. Together, these enable the community to see how public policy and expenditure will affect the status of women.

Gender responsive budgeting, which this year’s Budget failed to incorporate, is widely considered best practice and is implemented across a range of other OECD countries<sup>64</sup>, and by the State Government in Victoria.<sup>65</sup>

Women and men in their diversity have different interests and needs, roles and responsibilities, and take on different economic and social roles over their lifetime. Being blind to these differences, and the different impacts that policy and programming may have, is foolish – and completely avoidable. Lack of data about the gender impacts of tax and spending makes it harder for women’s organisations to effectively scrutinise the budget. This means we are all less informed about how the Budget is likely to impact us, those we care about, our communities.

Within the context of Australia’s development assistance realignment of the Orange Book and Green Book to ensure that the Green Book is released prior to the budget is critical. A gender responsive budgeting framework would also resolve the limitations of the current Orange Book, which is opaque on how the budget will deliver the commitment that 80% of Australian aid will effectively address gender inequality. Gender responsive budgeting would also facilitate the achievement of DFAT’s *Gender equality and women’s empowerment strategy*, bolstering initiatives to integrate gender equality principles across not just Australia’s aid but also its foreign affairs, defence and trade.<sup>66</sup>

In IWDA’s view there are no gender neutral budgets, only gender ignorant ones. We are calling for a return to routine gender analysis as part of developing the Budget, tracking gender equality expenditure and outcomes across the whole of government and publishing the results. This will allow us to see how our processes and decisions will impact diverse women and men in Australia, the region and the world– and what can be done to accelerate progress towards gender equality.

#### 4. What needs to change?

This gap between policy commitments on the one hand, and the action and resourcing necessary to achieve them is particularly disappointing as the Australian Government works on its White Paper on Foreign Policy. As ACFID notes in its budget analysis, “situating Australian aid as an equal partner with Australia’s diplomacy and trade would be an

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<sup>63</sup> <http://www.nfaw.org/?s=gender+lens>

<sup>64</sup> R. Downes et al. 2017. *Gender budgeting in OECD countries*, Retrieved from: <https://www.oecd.org/gender/Gender-Budgeting-in-OECD-countries.pdf>

<sup>65</sup> Victoria Government. 2017. *Gender Equality Budget Statement*. Retrieved from: <https://www.budget.vic.gov.au/priority/gender-equality-budget-statement>

<sup>66</sup> See also IWDA. 2017. *Australian Foreign Policy White Paper Submission*, above n18. p 18, Recommendation 46.

important outcome from that process – a starting point from which to capitalise on aid's instrumental, but not transactional, value to Australia's engagement with the world."<sup>67</sup>

**In the context of the Australian aid program, IWDA recommends that the Australian Government:**

- Recommit to whole-of-government gender responsive budgeting.
- Commit to greater transparency in the development budget papers, in particular to ensure that gender equality expenditure be systematically and consistently reported across the Australian development program, with a focus on increased transparency and consistency between domestic and international accountability mechanisms.
- Release the Orange Book and Green Book as part of the official budget papers.
- Reverse cuts to the development budget and recommit to reaching, in the first instance, 0.5% GNI; moving to 0.7% GNI, in-line with international targets.
- Maintain the commitment to ensuring that 80% of Australia's development program will effectively address gender issues, and increase expenditure on aid investments which target gender equality as a principal objective.
- Establish a benchmark to ensure 5 per cent of funding within country and regional programs support local women's organisations
- Provide dedicated funding to facilitate stronger coordination of Australia's implementation of the Sustainable Development Goals.

**In the context of the Foreign Policy White Paper, IWDA reiterates its previous recommendations that the Australian Government:**

- Ensure that the requirement that more than 80% of all investments made in the Australian aid program effectively address gender issues in their implementation is extended to include Australian Government expenditure across the trade and foreign affairs portfolios.
- Broaden policy and expenditure tracking to include integration of gender equality goals in diplomatic and trade activities and support coherent and comprehensive action across portfolios to accelerate progress.

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<sup>67</sup> ACFID, above n2, p7.