

## 4. Gender Budgeting – European Models and Initiatives

### 4.1 Local gender budgeting projects in the Tuscany, Italy – by Annalisa Rosselli

#### *Gender Audit at a local level*

The project that I am going to present at this conference has many novel features that make it worth your attention. It is one of the first cases of Gender Audit (GA henceforth) in Europe involving small communities, which tries to solve some of the problems encountered in past GA experiences by linking the communities in a network. The project - which is not yet concluded - involves **eight Comuni** (a *Comune* is the smallest administrative unit in Italy) in the wealthy and famous province of Siena, in Tuscany. It is entirely an **"inside" government project**, promoted by a member of Siena's provincial government (a woman who is responsible for Welfare and Equal Opportunities), and had **no support either from women's organizations or from civil society**. It was funded by a donation to the *Comune* of Siena from a private foundation, a bank established in Siena centuries ago, which contributes generously to the town's budget. Before describing the project in detail I would like to say a few words to explain why in Italy all GA experiences that you may have heard of have been at a local level.



GA was introduced in Italy in September 2000, when I organized, together with professor Francesca Bettio, and with the financial support of what was then called the Special Commission for Equal Opportunities, an international workshop in Rome, in which several international experts and members of the national government participated. The workshop was extremely successful and the people who attended – local administrators, trade unionists and academic researchers – showed a real interest in the issue. Unfortunately, a few months later, the general election brought a change of government, and the new Cabinet showed not the slightest interest in GA. However, some of those who had attended the workshop and were convinced of the importance and usefulness of GA, tried to put into practice in their own administrations what they had learned about the experiments being carried out abroad. Since then, in Italy we have had a number of GA initiatives at a regional, provincial and municipal level. These levels differ not only in size - the regions (20 altogether) being larger than the provinces (which number 103) and the provinces being larger than the Comuni (there are over 8,000 Comuni in Italy). The most important difference is in the structure of the budgets, which itself arises from the division of responsibilities. About 60 per cent of a typical Italian region's total expenditure is devoted to health services; about 30 per cent of a municipality's total expenditure goes into social services and more or less the same amount goes into public transport and waste collection. The province, on the other hand, is responsible for labour market policies and training programs. GA thus requires different approaches and areas of expertise according to the level at which it is carried out. We can roughly summarize the situation as follows:

- Regional level: GA requires access to National Health Service data and a team of experts which includes some with medical expertise;
- Provincial level: GA implies assessment of training programs and labour market policies;
- Municipal level: GA concerns social services, transport and environmental policies.

In spite of the differences, the methodology followed in most of the GA initiatives at local level has been roughly similar. The first step is producing a list of quantitative and qualitative indicators to assess equity and effectiveness from a gender perspective. Then the indicators are compared with

benchmarks and when an indicator signals unsatisfactory performance, related expenditures are analysed and discussed. However, this methodology encounters serious difficulty when it is followed for a small community, as I will discuss later.

### **About the project**

The Comuni involved in the project are listed in Table 1. These comprise only 8 out of the 36 Comuni that make up the province of Siena. The selection of the Comuni was the first issue to be discussed by the promoter of the project and the "experts" she engaged (Professor Francesca Bettio and Professor Simonetta Botarelli of the University of Siena, and myself). We had considered several "rational" criteria for our choice: i) homogeneity of economic structures; ii) size of the Comune; iii) geographical proximity. In the end only one criterion prevailed: the willingness of the administration of the Comune to take part in the project. The Comuni which agreed to take part in the project, after a meeting where it was presented, were not many. They are listed in Table 1.

*Table 1: The participants in the project*

Comuni	Population
Siena	52.586
Asciano	6.483
Castelnuovo Berardenga	7.522
Chiusi	8.607
Montepulciano	13.869
Poggibonsi	27.404
Rapolano Terme	4.782
Sinalunga	11.802

As the table clearly shows, they vary in size, and also their economies are different. Some are based on services (Siena), others on tourism and agriculture (Montepulciano, Rapolano Terme), agriculture alone (Asciano and Castelnuovo Berardenga), or industry (Chiusi, Poggibonsi, Sinalunga). They are up to an hour's drive apart and are of different size. The small size of a Comune, with less than 10,000 inhabitants in 4 cases out of 8, implies pros and cons.

**The pros:** the municipal employees are few and the administration is small (in some cases it consists of just the mayor and four or five assessors). One single officer may have an extremely detailed knowledge of the budget, almost as if it were the budget of his/her own family. In any case, information is easy to acquire, since everybody knows everybody else inside and outside the administration.

**The cons:** Resources are insufficient. We had asked that at least one person for each Comune be sent to attend our meetings, but attendance was very irregular. If the person in charge of the project was a member of the Local Authority, he/she was likely to combine the duties of public administrator with a regular full-time job. If it was an employee, he/she was often busy with other urgent work. We realized very soon that a big flaw of the project was the lack of economic incentives for the employees who saw their participation as an increase of their workload which disrupted the normal organization of their working day. They did not mind coming to Siena for the meetings if the schedules did not require them to leave home earlier than usual, but they found hardly any time to perform the work we asked them to do.

However, we managed to organize five meetings. Indeed, reading the budget documents did not take us far and we realised that it was absolutely necessary to gather information directly from the local administration if we wanted to know more about how money was spent. We organized one meeting per month, each on a specific subject. These were

- Work and family reconciliation (one meeting on child care and one on the care of the aged)
- Gender empowerment
- Immigration

The first two topics were suggested by us the "experts", while the last was suggested by the work-group: immigration is a relatively recent phenomenon in the province of Siena, with a strong social impact on these communities.

### ***Discussion on specific topics***

A typical meeting began with an introduction prepared by the experts to bring out the importance of the topic. We presented the data that we had been able to collect, keeping as close as possible to the local situation. Putting this information together was not an easy job: national statistics do not provide data at a micro-level; there are public institutes which monitor the regional or provincial situations, but their reports are inhomogeneous in quality and not always available. Quite often the most disaggregated data available were at a regional level. The lack of data (or the cost of its collection) is indeed one of the problems of GA at local level.

The introductory remarks always proved useful. We were surprised at seeing how little was known about the real situation even by those who were supposed to govern it. After the introduction, a form was distributed to collect quantitative and qualitative information about the services provided by each individual Comune, regarding the issue under discussion, to be filled and collected for the next meeting. For example, a question aimed at gathering quantitative information was: "How many hours per day are the nursery schools open in your Comune?" But yes-or-no questions were also asked, such as "Do you provide immigrant women with a place where they can meet?" The next step was to put together the information provided by each Comune.

To give you an example, Table 2 summarizes the results of our inquiry on the number of places and opening times of crèches for children aged 0-2:

*Table 2: Places in crèches for children aged 0-2*

	<b>Asciano</b>	<b>Casteln.</b>	<b>Chiusi</b>	<b>Montepulc.</b>	<b>Poggibonsi</b>	<b>Rapolano</b>	<b>Siena</b>
<b>How many places</b>	<b>11</b>	<b>34</b>	<b>30</b>	<b>44</b>	<b>137</b>	<b>14</b>	<b>336</b>
<i>Public</i>		34		44	127	14	220
<i>Semi-public</i>	11						
<i>Private, but subsidised</i>					10		48
<i>Outsourced</i>			30				68
<b>Days per week</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>
<b>Hours per day</b>	<b>10</b>	<b>9</b>	<b>10,5</b>	<b>8,3</b>	<b>8,3</b>	<b>9</b>	<b>8,1</b>
<b>Weeks per year</b>	<b>38</b>	<b>44</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>44</b>	<b>42</b>
<b>Population aged 0-2</b>	188	248	182	297	821	106	1.245
<b>Places/children</b>	6%	14%	16%	15%	17%	13%	27%

Once the data for each single Comune were gathered, they were compared, and this was the most important part of the exercise. In other experiences, when we needed to assess the performance of an administration, we usually had to resort to national or international "benchmarks". We do not want to deny that this can be useful, in so far as it points at a goal to be reached in the long run. However, knowing that over 60 per cent of children in Denmark have a place in a crèche does not have the same impact on a local administrator as the five or six more percentage points of the same indicator in a nearby town. You can see that the final row of the table - the percentage of in-

fants who can attend a crèche - show figures which range 6 per cent to 27 per cent, with a difference of 21 points! A "benchmark" which comes from places which share culture, laws and regulations, is far more convincing and acceptable than a benchmark drawn from national and international standards.

Comparison also helps us to put together "checklists" about the quality of a service. A service which is provided in one Comune may be missing in another. This calls for an explanation and the result is an increase in the transparency of the choices of the public administration. For example, when we discussed the problem of immigrant women, we explained that recent research had shown that these fall into two different categories. One category consists of women who join their husbands, usually from countries where women do not enjoy the same rights as Italian women. Another category consists of women who come to Italy alone, leaving their families behind, usually to work for Italian families as babysitters or *badanti* (carers for the elderly). The two groups have completely different needs: for the former the main problem is integration, while for the latter it is keeping in touch with their families at home and saving as much as possible. We handed out a form where we suggested possible solutions to the two different kinds of problems. Other solutions were added by the participants, and the list can now be used by all administrators as a reference for dealing with the issue.

The "network" approach has other potentialities besides that of providing a tool to assess performance in a specific field and spreading "best practices", but we were unable to exploit them. We hoped to bring to light duplications of services and other sources of inefficient use of resources. An allocation of resources that was efficient 40 years ago, when people did not have cars, mobile phones and internet, may not be so any longer. We know that there is a lot to say in favour of more coordination among Comuni in the same area, but we also know that the issue has strong political implications and can be very unpopular. We did not even begin to discuss it.

### ***Lessons to be learned***

Three lessons can be learned from this initiative. The first is what is required for a "low cost" GA. The second is about what can be achieved in terms of the **four objectives of a GA exercise: effectiveness, efficiency, transparency, equity**. The third is the importance of an initiative at a national level, without which GA at a local level cannot thrive.

#### ***Lesson 1:***

The most important ingredient of a successful GA at a local level is the involvement of the administrators. So far they have not been under any obligation by law and the only incentive they had was the possible use of GA as a tool of political propaganda. It is not by chance that the few Comuni which underwent a GA belong to the best administered parts of Italy. Even then we did not find any real interest in the results of the GA. We had the impression that for some of them it was more important to show that GA was attempted than to use its results for a change of policies. If GA does not become a constant and mandatory practice I do not have much hope that it can go beyond a few other pilot experiments.

The problem of incentives for the administrators is far more important and serious than the problem of incentives for the employees, which can be solved more easily. It is clear that we can rely on voluntary work only exceptionally, and that small economic incentives (or enhanced career opportunities) must be offered. This should be the only additional cost of GA for the municipal budget. The first GAs have been very expensive, since they required massive intervention of "experts", given that nobody really knew what had to be done. However, the intervention of the experts can be minimized if standard procedures are introduced and local administrators are given guidelines from the central level. On this, see lesson 3 below.

## Lesson 2:

It is constantly repeated that the aims of GA are effectiveness (how useful an expenditure is), efficiency (how to achieve the maximum at minimum cost), equity, and transparency. Some of them can be satisfactorily attained at a local level, others are beyond the possibilities of a small administration.

The **effectiveness** of a service (and related expenditure) can be estimated in an "objective" way, by comparison with suitable benchmarks, or "subjectively" by surveys and analysis aiming to evaluate whether the service meets local needs. The latter method is usually too costly, while the comparison with benchmarks is easier and less expensive. The benchmarks may be suggested by a higher-level administration (state, region) or they can be worked out initially by experts, following procedures which can be replicated later by the local administrators. The experience I have been describing brought to light the many merits of the method of "network comparison", the benchmark being the best performance in the network. International standards can also be used. To quote an example from our experience in the province of Siena, it is possible to construct an indicator which puts together the number of crèche places relative to the population aged 0-2, the opening hours per week, the teacher/child ratio. How to construct it, can be decided together by experts and policymakers. Local administrators can be easily instructed how to replicate the procedure and use the indicator to monitor their performance.

Similarly, a checklist of the services for immigrant women can be assembled, to suggest what can/must be done for them (so that, hopefully, local administration will not organize only football matches to improve the relations between natives and migrants!)

**Efficiency** calculations are much more difficult, since a correct calculation implies the inclusion of all costs, visible and invisible. It is not only the problem of determining imputed costs, such as the cost for the use of premises where a service is provided, which are only "opportunity costs" (i.e. forgone income) and therefore do not appear in the budget. It is also necessary to include the invisible cost of care labour. For example, if we want to determine whether the cost of assisting old people in their homes is higher or lower than in homes for the elderly, we must take into account the cost of the labour of the relatives/ friends who look after the old person at home. Obviously this calculation is beyond the reach of a simple accountant.

**Equity** can be more easily studied, at least whenever there is agreement on what "equity" means. Information about the role of women in the local government and the personnel policies of the local administration is easily available. The collaboration of the administrators is necessary, however, to gather information about their policy when they have to hire a consultant or to appoint a representative in the executive board of a private or public company.

Table 1: Division by gender

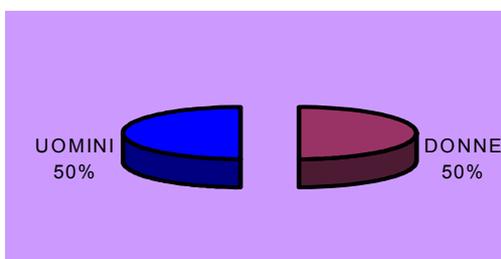
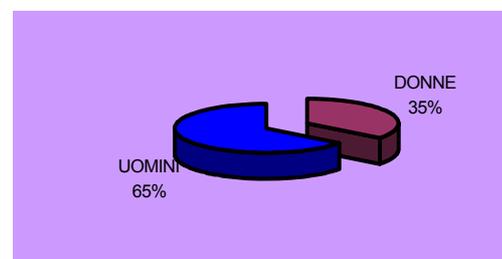


Table 2: Share of remuneration



The tables above show that apparently the administration of the Comune of Siena follows an equal opportunity policy, since it hires men and women in exactly the same number. However, men get a much higher share of the remunerations: 65% vs. 35%.

**Transparency:** GA, if properly done and used, is useful to both voters and those elected. It raises the awareness of administrators about gender issues and points out "weaknesses" in women's well being in the community they govern. It informs voters about how much is spent on specific issues as percentage of total expenditure. It increases accountability. GA provides the means for achieving the goal of better control over the administration. How well this goal is achieved depends on the support that GA has from the civil society.

What cannot be done: Too many factors determine gender inequality. The assessment of the real impact of a policy on gender inequality is rather difficult and requires sophisticated econometric methods which are beyond a "low cost" GA exercise. Beware of local administrations which claim to have affected macroeconomic variables (such a decrease of the employment gender gap). Most of the time it is not down to them alone.

### ***Lesson 3.***

GA at a local level, however useful, must be supported by an initiative at national level. This is needed for the following reasons:

- Cost: calculations of efficiency cannot be carried out by people without the necessary expertise and experts cost.
- Data collection: The data which are necessary for GA can be collected, at a small additional cost, by the national institute for statistics when it performs its usual surveys.
- Coordination: methodology and benchmarks must be coordinated. So far each initiative has followed its own rules. This may have been fruitful at an initial stage, but it is inefficient in the long run as it makes comparisons difficult and hinders the spread of "best practices". A standard is required.

There are many reasons for demanding a GA exercise at national level, and indeed it is a peculiarity of the Italian case that it has never been attempted. The experience of GA in the province of Siena has provided a further reason: GA at national level is also necessary for better understanding the gender bias of local policies.