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Introduction

Background

One of the most important areas of government macroeconomic policy is the national budget. The budget is a powerful policy instrument that shapes development and is thus a strategic entry point for influencing national gender responsiveness. Gender budget analyses examine public expenditure or revenue raising and link national policies and their outcomes to the gendered distribution, use and generation of public resources. The theoretical underpinning of gender budgeting is the understanding that policies, plans, programmes and budgets have different impacts on women and men (and girls and boys). By identifying the implications on women relative to men, gender budget analysis can highlight gaps between policy goals and the resources committed for their implementation. It can also elucidate unseen hindrances to reaching the stated development objectives, which can lead to reprioritisation of expenditure and revenue-raising measures.

Revenue analysis is significant because it calls attention to:

- the gendered structure of the economy;
- the gender asymmetries in the generation and distribution of resources;
- how gender structures work, including labour force participation;
- the implications of revenue policy on women and men; and
- the efficiency losses in revenue generation due to gender inequalities.

Gender-responsive budgeting (GRB) initiatives were pioneered in 1984 in Australia. Since then numerous countries around the world have carried out various kinds of GRB exercises. In Uganda, GRB was initially largely undertaken at an activist, non-governmental level. The key player was the Forum for Women in Democracy (FOWODE), which since 1999 has been combining research and activism to influence policy and advocating for gender-balanced budgets that address the needs of poor women and men, boys and girls (as well as those of other disadvantaged groups such as people with disabilities). As a result of FOWODE's activities, there is now widespread awareness and acceptance of the need for GRB.

The Government began to take an active interest in GRB in 2004. The Ministry of Finance, Planning and Economic Development (MoFPED) has prepared guidelines to assist in the preparation of Budget Framework Papers that address gender and equity issues (MoFPED, 2005), and one of the national priority poverty actions for gender mainstreaming is gender and equity budgeting analyses (GoU/MoFPED, 2004). These initiatives have provided the necessary underpinning to the Government's gender equality/equity commitments. Uganda is now categorised by the Commonwealth Secretariat as one of those countries that have progressed from analysis to action and where the process of GRB is owned by a government ministry. Other Commonwealth countries at the same stage include Australia, India, South Africa and United Republic of Tanzania.

Gender is not the only factor to be looked at in assessing budgets as this interfaces with class, ethnicity, ability/disability, religion, education level, age group and other socio-economic characteristics; the impact of revenue generation measures are not uniform on all women and all men. In order not to complicate the analysis, however, this paper focuses on gender and only occasionally highlights other diversity issues. It assesses the impact of revenue generation measures on women and men and on gender relations in general.

To date the focus of most GRB initiatives has been on the expenditure side of the budget. More recently, the Commonwealth Secretariat initiated some conceptual work on the gender impacts of revenue-raising measures (Barnett and Grown, 2004). The work highlighted three critical issues pertaining to taxation in developing countries:

1 The majority of the population in developing countries – and the vast majority of women – are poor, so adequate financing of public services is a pressing issue with special gender relevance.

2 Since taxes are governments' principal own-source of revenues, tax policy is at the heart of the public debate on what services government should provide and who should pay for them.

3 Taxes in developing countries constitute 10–40 per cent of a country's gross domestic product (GDP), which means that for every shilling earned, a significant share goes to the government. This has wide-ranging implications for all aspects of social and economic life and – matched with expenditures – determines the path and distribution of development.

In order to have a complete picture of the impact of government fiscal policy, it is important to analyse both sides of the budget. The goal of gendered revenue analysis is to identify and monitor the flow of sufficient financial resources so that gender equity is achieved in revenue generation and women and men, girls and boys benefit equitably from programmes and services (Barnett and Grown, 2004).

The paper acknowledges the politics of revenue generation: that budgets are political and, to a large extent, reflect the priorities of those in power.

Objectives, approach and structure of the study

Objectives

The major thrust of this paper is to assess the impact of national and local revenue generation measures on women and men, boys and girls. The key questions underlying the research were:

- How does gender structure revenue generation? What are the implications of unequal gender relations?
- How does revenue generation affect women's and men's consumption and production patterns and access to services?
- Does taxation exacerbate gender inequalities? Does it reduce gender inequalities?
- How can we strengthen revenue generation in an efficient and gender equitable manner?

Approach

The study employed a mix of qualitative methods of data collection that included focus group discussions and in-depth interviews. It involved a desk study and national-level consultations as well as field work in two districts. The study adapted some of the gender budget analysis tools developed for gender expenditure analysis (Budlender, Sharp and Allen, 1998), specifically gender-aware policy appraisal and gender-disaggregated beneficiary assessment.

The desk study involved a review of government documents that included revenue generation instruments. The purpose was to analyse the likely gender implications of the operational, legal and institutional framework for revenue generation. A gender-disaggregated quantitative analysis of one of the study district's government payrolls was undertaken to assess the direct tax burden on women and men.

In-depth interviews were held with 45 key informants, 14 of whom were women. These were drawn from national and local government level and included representatives of MoFPED, the Ministry of Gender, Labour and Social Development (MoGLSD), Ministry of Local Government (MoLG), Uganda Revenue Authority (URA), Uganda Local Governments Association (ULGA) and Local Government Finance Commission (LGFC) as well as district and sub-county officials and representatives of civil society organisations (CSOs) with a gender and/or economic-related mandate.

Fieldwork was conducted in Wakiso and Iganga Districts, to represent urban and rural areas respectively. While the emphasis was on the poorer segments of the population, relatively well-off members of the community were also included in order to provide comparisons. Focus group discussions were conducted with separate groups of women and men in two sub-counties per district. As far as possible, the groups included representation from the different socio-economic groupings in the community: young and old, disabled and abled, married and single. The discussions focused on women's and men's perceptions of government revenue generation in general and on the differential gender impacts of tax and non-tax revenue in particular.

The information from the in-depth interviews and the focus group discussions was coded by emerging themes. These formed the basis of the analysis and the interpretation of the findings. Whereas some basic quantitative analysis of the data has been undertaken, the study makes no claims of providing statistical evidence of the gender impact of revenue generation.

A list of the people interviewed and the community discussions held can be found at the end of the paper.

Structure

The first part of the study examines the policy and institutional framework for revenue generation from a gender perspective. This is followed by a situation analysis of women and men in relation to the work they do, the resources they have to undertake that work and how this structures the impact of different types of revenue generation. The next section turns to the gender impact of revenue generation, including a gender analysis of the Budget Speech 2007/08. The study then reports on the perceptions of women and men, policy makers and government officials as to the micro level impacts of revenue generation. The final section offers some conclusions and recommendations.

Limitations to the study

- **Lack of sex-disaggregated data:** The sex of the filer is not captured on the tax forms. For corporate returns, the business name rather than the identity of the owner is registered in the database, making it difficult to establish who exactly owns commercial enterprises.
- **Aggregation of information:** Most revenue information is presented in aggregate terms and sometimes in a generalised manner, making it difficult to assess the specific impact of various policies.
- **Complication of getting data:** There is generally an unwillingness on the part of both government officials and taxpayers to provide information. In particular, URA staff are not allowed, by law, to disclose information on a particular taxpayer without his/her knowledge and consent. They could not, therefore, release individual-level records without removing identification data.
- **Limited literature on the subject:** Most of the work done on the budget in general, and gender budgeting in particular, has focused on expenditure. All the government documents reviewed, including the fiscal instruments, have minimal information on revenue.
- **Technical bias:** There is a perception that revenue generation, especially taxation, is ‘a lot of law and arithmetic’ and that it is not as exciting an area as allocation of resources. As such, there are few subject matter specialists to consult.
- **External factors:** The study was commissioned at a time when the country was at the height of the presidential and parliamentary campaigns followed shortly by the budgeting process. Many key people were not available for interviews. This affected the timing of the work.