GENDER EQUALITY AS NECESSARY COMPONENT OF ECONOMIC GROWTH

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The elimination of gender inequality in a society helps mitigate social tension and provide the sustainability of the national financial system by using efficiently the potential of women. Gender equality is in the focus of international organizations – including the OECD, UN, World Bank, IMF, UNESCO, ILO – and the European Union, whereas Russia's current strategic documents contain no provisions addressing the issue of gender inequality.

Gender equality is among the priority tasks of leading international organizations and financial institutions – including the OECD, UN, World Bank, IMF, UNESCO, ILO – and the European Union, etc.

However, Russia's national strategic documents contain no provisions on specific measures aimed at promoting gender equality.

At the same time, the OECD jointly with the IMF, World Bank and ILO prepared a report titled "Achieving stronger growth by promoting a more gender-balance economy"[1] for the latest (in September 2014) G20 Labor and Employment Ministerial Meeting in Australia, which provides for the need to implement a policy aimed at achieving equality between women and men as a component of sustainable economic growth. The report says that despite that the overall female employment increased to 60% by 2012 in most of the G20 countries, there is a gap of more than 10% between female and male employment rates. According to the Rosstat (Russia's Federal State Statistics Service), men and women in Russia accounted respectively for 46% and 54% of the total population in 2014, but male employment was higher at any age than female employment. "Women and Men in Russia", a statistical book, shows that overall male employment in 2013 reached 70.4%, whereas female employment was 59.8%[2]. The gap between women and men employment is also partially accounted for by the difference in retirement age. The retirement age in Russia – 55 years for women and 60 for men – was established as early as in 1939, and remains the same despite that the lifespan has become longer since then. The OECD, in turn, suggests that most of its member countries will have to establish retirement age at 67 for both men and women by 2050. This implies that the current retirement age will increase by an average of 3.5 years for men and 4.5 years for women.

1 http://www.oecd.org/g20/topics/employment-and-social-policy/ILO-IMF-OECD-WBG-Achieving-stronger-growth-by-promoting-a-more-gender-balanced-economy-G20.pdf

2 http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/publications/catalog/doc_1138887978906

The G20 Report stresses the need to enhance gender equality at work – a key vehicle to enhance labor force – in order to achieve the G20 goals of promoting strong and steady growth. OECD's demographic projections show that – if male and female labor participation rates remain at current levels – labor force will decrease by close to 10% in Germany, Japan, Spain and the Russian Federation by 2025. The potential downtrend can be mitigated if the gender gap in male and female participation decreases. Greater female labor supply will provide added impetus to economic growth: according to expert forecasts, a full convergence in the participation rate between men and women could result in 0.6% of annual growth rate of GDP per capita, on average among OECD countries, with an equivalent increase in GDP of 12% by 2030.

The Report presents some examples of good practice in gender equality policy: the burden of proving that reasons for dismissal are unrelated to maternity rests on the employer (in the legislation of Argentina, Germany and Turkey); providing female employees with time off with pay for prenatal medical examinations (in the legislation of Korea and Turkey); introducing institutional arrangements which facilitate the request to work part-time for family reasons (in the legislation of France and Germany); implementing programs aimed at promoting gender equality and reducing stereotypes in education (in France); developing day care programs for working mothers (Mexico has developed a federal day care program for working mothers, which provides for the introduction of grants for individuals and civil society organizations interested in running nurseries and subsidies to low-income mothers); introducing paternity leave and developing paternity protection initiatives (in Italy, Germany, Brazil and China), etc.

The promotion of gender equality is a key matter falling within the framework of the OECD. The OECD is committed to continue its work towards the development of arrangements of "gender sensitive budgeting" which incorporates the gender aspect in all stages of budgeting. The goal is to avoid other than gender expenditure and enhance the efficiency of government programs by identifying gender disproportional implications of budget expenditure. Gender budgeting not only highlights how much money has been spent on men and women, but also shows how it has been spent. Gender budgeting thus enhances accountability for and transparency of revenue and expenditure[1].

According to OECD experts, despite that a budget, on the face of it, appears a gender neutral arrangement, one cannot but take account of the fact that public spending and taxes differ in the effect on women and men due to the differences in their socio-economic status. Gender sensitive budgeting requires neither separate budgets for women and men, nor radical change in the existing budgetary procedures, and instead tends to incorporate gender aspects and enhance the efficiency of government programs by spending budget resources based on gender balance. Gender sensitive budgeting requires a more targeted division of the budget, taking account of which budget expenditure is focused more on men and which on women; where the major imbalance occurs and where the gap between women and men is to be narrowed.

The OECD is not satisfied with the fact that gender sensitive budgeting has to date been introduced in less than a half of the OECD countries including Belgium, Finland, France, Israel, Korea, Mexico, Norway, Slovakia, Sweden and Spain[2]. It is noted in the OECD Report that practices of gender sensitive budgeting are most often applied at the national level, whereas at local and regional levels they are only applied respectively in 46% and 40% cases among the OECD member countries.

1 http://www.oecd.org/social/gender-development/1896544.pdf

2 http://www.oecd-ilibrary.org/docserver/download/4214121-ec006.pdf?expires=1410848494&id=id&accname=ocid75017727&checksum=CCC635CA2D6C77B72B3DCBD3345DFCDE

At the same time, some countries have solid achievements in incorporating gender aspects into budgeting. Austria adopted amendments in 2008 to the Federal Constitution, which binds government authorities at all levels to make sure that gender equality is incorporated in budget management. The Spanish legislation requires gender analysis to be made for each budget spending program. The Norwegian Finance Ministry has developed a guidelines for all ministries on how to incorporate gender aspects in analysis of budgets of executive government bodies.

The elimination of gender inequality in all areas of society helps reduce social tension and make the national financial system more sustainable by using the potential of women facing some external obstacles in achieving their capacity in education and performing professional duties. The issue of achieving gender equality is of a complex nature, and solutions can be found through the involvement of OECD working bodies, such as the Development Assistance Committee (DAC), the Public Governance Committee (PGC), the Education Policy Committee (EPC), the Employment, Labor and Social Affairs Committee (ELSAC), the Committee on Industry, Innovation and Entrepreneurship (CIIE), etc. Besides the OECD, the aspects of gender equality promotion fall within the framework of the United Nations, World Bank, IMF, UNESCO, ILO; The European Commission on Gender Equality and the European Institute of Gender Equality have been established within the European Union. The fact that Russia ignores striking a gender balance makes it impossible to respect the interests of all social groups in the country, implement budget planning aimed at reducing the gender gap and enhancing female involvement in the social life, thus weakening largely the competitive power of the Russian economy.