Gendered CEQ: 
A Conceptual Framework
Samantha Greenspun and Nora Lustig
Tulane University

Workshop
Commitment to Equity: Fiscal Policy and Income Redistribution in Latin America
Session: Studies in-progress: Gender-aware Fiscal Incidence and Political Economy

Thursday, October 17, 2013
Tulane University, New Orleans, Louisiana
Main Questions for a Gender-Sensitive Fiscal Incidence Analysis

• Who bears the burden of taxation and receives the benefits from government spending? A gender-sensitive comparison

• How equitable is access to government services in education, health and other basic services between genders at the aggregate level and by income (regional, racial, age) categories?

• What is the impact of taxes and government transfers on inequality and poverty by gender?
Main Questions for a Gender-Sensitive Fiscal Incidence Analysis

• How is ‘gender-biased’ defined?
  – Incidence of taxes is higher for women than men everything else equal
  – Women have less access to services than men
  – Poverty rates among female-headed HH is higher

• Is gender bias the result of statutory characteristics of the tax and benefits system?

• Or, is it the result of the characteristics labor force participation and employment patterns by gender?

• Or, is it the result of the fact that women are more likely to operate in the informal economy?

• Or, is it a result of gender-biased behavior within HH?
Gendered Fiscal Incidence Analysis: A Literature Review

• by Samantha Greenspun and Nora Lustig
• Commissioned by the World Bank Poverty Reduction and Economic Management Network (PREM) Gender and Development Group (PRMGE)
• The authors are grateful to Elisa Gamberoni and Lucia Hanmer for their comments and suggestions
Literature Review

• 13 papers
• 28 countries, of which 10 are for high income OECD
• 8 are on tax incidence (5 of which both direct and indirect); 3 on benefit incidence (access to services in particular); 2 on taxes and benefits
• Almost all rely on microdata from HH surveys
• Most are comparing incidence by gender; some compare access to services; only one estimates effect on inequality and poverty
• Studies are not comprehensive and methods are heterogeneous
A Literature Review

RESULTS

• In Vietnam, VAT burden is higher for female-owned enterprises because they are more likely to be in the informal sector and cannot use the benefit of exemptions.

• In Ghana, no gender-bias of direct tax system in general; however, low-income women were disproportionately pushed into higher tax brackets due to the lack of adjustment of brackets to inflation and the fact that among low-earners women are disproportionately present.
A Literature Review

RESULTS

• In India, tax system is broadly gender-blind but women are allowed a higher exemption

• In Kenya, no gender-bias in terms of access to education
A Literature Review

RESULTS

• In 9 developing and transition countries:
  – Primary education is more closely balanced while secondary education has significant gender differences that favor males in all quintiles.
  – Over time, changes in gender gaps for schooling favor girls but almost none of the cases are statistically significant, which could indicate that change is not as rapid as expected.
  – Health care consultations favor women in all quintiles unless the age range is limited and does not include reproductive health, then there are not significant changes over time.
  – Vaccination rates were almost always similar for boys and girls.
  – In regards to the demand analysis that was completed, there are not gender differences in the effects of the range of provider cost and quality-related indicators.
  – Distance to facilities did emerge as a deterrent to use the services, but there is no significant gender gap.
  – There is no gender difference in impacts of direct (monetary) costs of services.
How should these standard indicators look if we introduce gender?

• What is the impact of taxes and government transfers on inequality and poverty?
  – Inequality Indicators
  – Poverty Rates

• Who bears the burden of taxation and receives the benefits from government spending?
  – Incidence
  – Horizontal Inequality Measures
  – Fiscal Mobility

• How equitable is access to cash and food transfers as well as government services in education, health, and/or other basic services?
  – Concentration shares and coefficients
  – Coverage of transfers of programs
Gendered CEQ: A Conceptual Framework

GENDER-SENSITIVE CATEGORIES FOR DIRECT TAXES AND TRANSFERS (INCLUDING SOCIAL SECURITY BENEFITS)

- Sociodemographic HH and Individual Characteristics
  - Dual with Single Breadwinner
  - Dual Earner
  - Single
  - Single parent
  - No Adults Participating in Labor Force
  - Unemployed
  - Disability
  - Retired
  - Divorced/Separated
    - Custodian of Children
      - Male Custodian of Children
      - Female Custodian of Children Surviving Spouse
    - Surviving spouse/partner
    - Surviving Children
Gendered CEQ: A Conceptual Framework
GENDER-SENSITIVE CATEGORIES FOR PAYROLL AND CORPORATE TAXES; INDIRECT PRODUCTION TAXES AND SUBSIDIES

• Employment Status

  – Wage-earners in Paid Employment
    • Formal Sector
      – Domestic Servants
    • Informal Sector
      – Domestic Servants

  – Self-employed

  – Own-business
Gendered CEQ: A Conceptual Framework

GENDER-SENSITIVE CATEGORIES FOR INDIRECT TAXES AND SUBSIDIES AND IN-KIND TRANSFERS

• Consumption of and Access to Goods & Services/Recipient of Benefits
  – Consumer of Private Goods and Services
    • Household Level
      – Socioeconomic Level
    • Per Capita Level
      – Male/Female
        » Age Groups
        » Socioeconomic Level
  – Consumer of Public Goods and Services
    • (with same sub-categories as Private Goods/Services)
Gendered CEQ: A Conceptual Framework

GOVERNMENT INTERVENTIONS

• **DIRECT TAXES ON INCOME**
  – Social Security Contributions
  – Personal Income Taxes
  – Corporate Income Taxes

• **DIRECT TAXES ON WEALTH**
  – Inheritance/Estate Taxes
  – Property Taxes
  – Capital Gains Taxes
Gendered CEQ: A Conceptual Framework

GOVERNMENT INTERVENTIONS

– Indirect Consumption Taxes
  • VAT (Value Added Tax)
  • Excise
  • Fuel
  • International Trade Taxes

– Indirect Production Taxes
Gendered CEQ: A Conceptual Framework

GOVERNMENT INTERVENTIONS

• BENEFITS
  – Direct Transfers
    • Tax Credits
    • Cash Transfers
    • Food Transfers
  – Indirect Consumption Subsidies
  – Indirect Production Subsidies
  – Tax Expenditures (Exemptions)
  – In-Kind Transfers
    • Education
    • Health
    • Housing
    • Daycare
Gendered CEQ: A Conceptual Framework

APPLICATION

• Apply Gendered CEQ to Brazil

• Data for Taxes and Transfers:
  – Pesquisa de Orçamentos Familiares (Family Expenditure Survey, POF), 2008-2009
    • 56,091 households surveyed (Higgins & Pereira 2013)

• Data for Public Health Services:
  – Pesquisa Nacional por Amostra de Domicílios (National Household Sample Survey, PNAD), 2008
    • 1118,138 households surveyed (Higgins & Pereira 2013)
Incidence Analysis Study References


Incidence Analysis Study References Continued


Additional References


Additional References


