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| **Questions on Gender Equality Impact Assessment of Taxes and Transfer payments** | |
| Section | Questions |
| **Why do Gender Impact Assessment of policy?** | What does it mean to say gender is structural? |
| **Gender Impact Assessment of fiscal policy** | Can you give an example of where an efficiency argument for Gender Impact Assessment might be persuasive? |
| Think of examples of fiscal policies that can impact on each of these inequalities?  Can you think of fiscal policies that reduce some of these gender inequalities while increasing others? |
| For which gender inequalities is it better to look at inter-household inequalities and which at inequalities between individuals? When do intra-household inequalities matter particularly? Consider the list on slide 6 |
| **Fiscal policy and its impact on various categories of income** | Shares of original income, cash transfers and benefits in kind in household income will be quite different in Colombia from the UK. But which types of household will get the largest proportion of their income in the form of original income, cash transfers and benefits in kind? |
| In Colombia, do cash transfers such as Familias en Acción reduce inter-household gender inequality in gross incomes? Do they reduce intra-household gender inequality in gross incomes? Why do they have these effects? What do they do to incentives? |
| Do direct taxes in Colombia reduce or increase gender inequality? |
| Do indirect taxes in Colombia reduce or increase gender inequality? |
| **Tax-benefit models** | If you reduce VAT, lone mothers will gain less in cash terms than couple households, but more as a % of their post-tax income. Is this an increase or decrease in inter-household post-tax gender inequality? |
| Which data would you expect to be collected at individual level and which at household level?  Why are earnings in the individual table, but expenditure in the household table? |
| Are the data in these individual and household tables consistent?  Why is child benefit added at household level? |
| How would you divide households by their gender characteristics in Colombia? |
| Which of the taxes and transfers in Colombia are best analyzed at the individual level and which at the household level?  What decisions do you need to make to allocate incomes between individuals? What difference might such decisions make to intra-household analysis? |
| **What are tax-benefit models used for?** | How would you summarise the effects of the tax and transfer system in the UK on households of different incomes? Which measures reduce inequality most? What would you expect to be different in Colombia? |
| The analysis of the intrahousehold effect of taxes and transfers in Europe assumed that transfers intended for children or the household as a whole were equally shared. What alternative assumptions could have been made? And how would you expect that to affect the results? |
| Why does the impact of indirect taxes have to be analyzed at the household level? |
| The gender impact of taxes depends a great deal on exemptions. What exemptions to indirect taxes are likely to have greatest impact on gender inequalities in Colombia? |
| Why would women pay such a large proportion of government savings when cuts in both taxes and transfer payments are combined? |
| **Behavioural impact on incentives** | In Colombia, what effect do cash transfers have on labour market incentives? What other behavioural effects do they have? |
| ***Overall questions*** | *Why is a tax-benefit model needed to do a GIA of transfers and taxes?*  *What can you do without such a model?* |

**Exercise:**

**Inequality and Tax Collection in Latin American countries**

 The red line measures inequality: blue line measures Tax revenue as % of GDP

* ***Inequality increased as tax revenues increased before 2002***
* ***Inequality went down as tax revenues increased after 2002***

How can you explain this change?

Source: Bruno Martorano ‘Taxation and Inequality in Developing Countries: Lessons from Recent Experience in Latin America’ WIDER Working Paper 2016/98 https://www.wider.unu.edu/sites/default/files/wp2016-98.pdf

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| **21** | |
| Section | Questions |
| **Public Services/ Social Infrastructure** | Which public services are particularly important for women in Colombia?  Which gender inequalities do they affect? |
| Why is infrastructure (of all types) underprovided by the market? |
| What do women in Colombia need in terms of care-related physical infrastructure and social infrastructure? |
| **Impact of public services (benefits in kind) on living standards (final income)** | What sort of data do you need to model household and individual use of public services?  Which services are used by individuals and which by households? |
| Why does one generally model the impact of public services at the household level (even when interested in their gender impact)?  How would having an assessment of impact on unpaid work help with understanding impact at the individual level? |
| **Impact of investment in social infrastructure/public services on employment** | What is meant by “investing in the care economy”? Why is it investment?  Might it mean different things in different economies?  What would it mean in Colombia? |
| What do direct, indirect and induced employment effects mean and how are they interrelated? What assumptions have to be made in order to estimate them? How realistic are they? |
| What assumptions have to be made to estimate gendered employment effects? How realistic are they? |
| Why is it important to consider whether different employment effects are due to different working hours and/or wages? |
| Who will be interested in the “instrumental reasons” for investing in care |
| What would need to be done to do an investigation of the employment effects of investing in the care sector in Colombia? |
| How would you conduct an investigation of the overall benefits of Investing in Care (as defined earlier) in Colombia |
| **Arguments for Investing in Care** | Which do you think are the most important arguments for investing in care? |
| Are there any other well-being measures that you favour? |
| What are our prospects of getting any such measure adopted? |