

Consultation response by the Participation and the Practice of Rights Project to the Independent Review of Economic Policy (Barnett Report)

The Participation and the Practice of Rights Project (PPR Project) works with communities in the North Belfast area who use a human rights based approach to tackle deprivation and inequalities and ensure the realisation of their economic and social rights through the promotion of equality and social justice.¹ Currently the groups work across issues as varied as mental health, adequate housing, regeneration and the right to play, all of which are affected by over arching government policies such as the economic policy which forms the subject of the Barnett Report.

1.1. The North Belfast economic situation in context

Deprivation statistics held by the government² measure the unmet need of people living in a particular area. Using the Multiple Deprivation Measure which combines deprivation across issues including health and disability, income, living environment, employment and education- current statistics identify *nineteen* of the forty seven Super Output Areas (SOAs) in North Belfast as in *the top 10% most deprived* in Northern Ireland two of which are in the top 1% of the most deprived out of all 890 SOAs.

1.2. Specific areas of concern

1.2.1. The need for structural change

Since the formation of Invest NI in 2002 and despite the per annum average spend of £150 million from the public purse, these statistics have not changed. The PPR Project believes a review of the economic policy must provide an opportunity for reflection on the misapplication of investment which has failed to tackle deprivation.

The PPR Project is deeply concerned at the manner by which this review of economic policy- which was devised on the basis of mapping out the development of a new strategic direction; does not taken into account the issues of inequality and deprivation. Legislative tools such as section 75, Equality Impact Assessments, and long-standing policy initiatives such as New Targeting Social Need are already in place and must not be excluded in any analysis with regard to economic policy, economic growth or productivity.

The *Programme for Government 2008-2011 Building a Better Future* states that growing the economy is the top priority of the Northern Ireland Executive. One of the two cross-cutting themes identified by the executive refers to the:

“overarching responsibility on the Executive to proactively change the existing patterns of social disadvantage by using increased prosperity and economic growth to tackle ongoing poverty. This is the challenge for all of us today – to develop new and innovative measures that will address existing patterns of socio-economic disadvantage and target resources and efforts towards those in greatest objective need”

¹ For more information on the PPR Project visit the website at www.pprproject.org or view DVDs and online videos of participant groups explaining the work for themselves at www.youtube.com/PPRProject

² See the NINIS website at www.ninis.nisra.gov.uk for more information

This is even more vital in the context of the current economic recession. Budgetary constraints do not release the Northern Ireland Executive from their obligation to address need and inequality. Indeed protecting the most vulnerable is even more important and all tools at government's disposal, including statutory requirements and public procurement must be used to make the best use of public resources

1.2.2. The link between economic policy and socio-economic equality

Economic policy cannot be created in a vacuum. Indeed it is all the more revealing of the lack of coherence and appreciation of the inextricable link between economic policy and deprivation that legislative tools not to mention policy strategies, such as section 75 EQIAs, Lifetime Opportunities and TSN are already in place. There is a real need for these to be implemented properly and mainstreamed throughout any revised economic strategy and this should be a working strategy which has visibility within all aspects of economic policy, including economic appraisals and public procurement policies.

Despite the commitment of the *Programme for Government*, references made to equality/inequality are minimal throughout the document. The word itself is used a mere five times in the 270 page document and is never discussed in any detail. Of the legions of books and reports used to compile the report only one listed has even the slightest reference to equality. Understanding and applying the inherent links between economic policy and inequality and disadvantage are key to the successful development of wellbeing in Northern Ireland.

Indeed it is poignant that the launch of the Barnett Report occurred in the same venue as the launch of recent. The Rowntree Foundation's research into a Minimum Income Standard for Northern Ireland confirms that this coupled with the current cuts across departments to meet expediency cuts of £270 million required by Christmas mean that further crucial services will be lost and deprivation will be compounded. Barnett and Rowntree, when taken together thus illustrate the stark misuse of public money, when one examines the £1 billion Invest NI spend with its focus on low status, low income jobs which has served to perpetuate the proportion of the population falling below the minimum income standard. ensuring that economic growth contributes to the cross-cutting theme outlined above.

1.2.3. The need for suitable comparators

The aim of the Review of Economic Policy is:

“to realising existing policies and propose alternative approaches to improve productivity and living standards in the NI economy”³

The Joseph Rowntree Foundation research into the state of poverty in Northern Ireland (launched on the same day as the Independent Review of the Economic Policy) states that a minimum standard of £7 per hour is necessary to achieve a socially acceptable standard of living. By this measurement 50% of the entire population of Northern Ireland falls below the standard.

³ Ibid, p.5

Barnett notes that in comparative terms with other UK regions, Northern Ireland has increased the number of jobs created faster than elsewhere- yet the overall standard of living hasn't changed⁴. PPR believes that this data masks an even more concerning reality.

As already alluded to, since the creation of Invest NI statistics show that the areas which are most deprived such as North Belfast have remained the same. There is little recognition of this in the report which fails to examine the variance in economic impact across Northern Ireland.

The inclusion of a handful of bar charts to compare job creation across Northern Ireland is insufficient. An examination of the statistics relating to Invest NI's inward investment by parliamentary constituency demonstrates the inadequacy of this policy. Invest NI figures from 2002-2005.⁵ show that areas in North and West Belfast, which are amongst the most deprived areas in Northern Ireland according to government statistics, have consistently attracted some of the lowest levels of investment. In the period 2002/2003 North Belfast attracted 0% and West Belfast 1.78% of Invest NI's total spend in Northern Ireland of £166.72 million. By 2004-2005, the investment in West Belfast had risen to occupy 10.18% of the £209.67 million spent by Invest NI,. North Belfast in the same period attracted only 0.21%, despite levels of need which merited substantially more. Currently, these are the only years for which Invest NI have made inward investment data available broken down by Parliamentary Constituency.

Therefore, fulfilling the cross cutting theme outlined above of tackling greatest objective need, will require the collection of data that not only looks at an overall standard of living, but includes an analysis of the most deprived areas to assess how the economic policy can fulfil the requirements to address inequality and disadvantage.

1.2.4. Poorly targeted recommendations

The report recommends that new investment projects should be located in areas of disadvantage⁶. However experiences in North Belfast and other areas of deprivation across Northern Ireland illustrate that simply locating projects in areas of disadvantage will not automatically impact on issues such as long term unemployment or the housing or health inequalities of those who live in the locality. Positive actions are required on the part of government to ensure that growth is targeted at the most excluded. Correct use of tools such as the Equality Impact Assessment can ensure that this happens.

1.2.5. The need for innovation

The report repeatedly calls for innovative approaches and the use of global best practice models. The Girdwood Residents Jury, which works alongside the PPR Project on issues connected with the regeneration of their area have drawn best practice models from Oakland, California and Central Baltimore Partnership to demonstrate how economic regeneration cannot be achieved alongside meaningful and targeted analysis of existing deprivation.⁷

⁴ Ibid, p.24

⁵ Invest NI Statistics, Inward Investment by Parliamentary Constituency 2002/03 to 2004/05,

⁶ Ibid, p.256

⁷ For more information see the Girdwood Residents' Jury findings and Proposals entitled '*The Girdwood Gamble*' (May 2009) available to download at www.pprproject.org

Moreover, recent advice from the Council of Europe indicates that rebuilding the economy, especially following a period of recession, should be done on strong human rights based foundations.⁸

⁸ See recent speech by European Commissioner for Human Rights, Thomas Hammarberg, available at <http://www.coe.int/t/dg3/socialpolicies/source/Moscow%20Conf%20speeches/hammarberg.pdf>