

**A Fresh Start for Equality?
The Equality Impacts of the Stormont
House Agreement on the
‘Two Main Communities’
—
An Action Research Intervention**

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CONTENTS

| | |
|---|-----------|
| Executive Summary | 4 |
| 1. Introduction | 9 |
| 1.1 Research Methodology | 12 |
| 2. Equality and Peace: The Northern Ireland Agreements | 13 |
| 2.1 The Good Friday Agreement 1998 | 13 |
| 2.2 St Andrews Agreement 2006 | 16 |
| 2.3 Stormont House Agreement 2014 | 17 |
| 2.4 A Fresh Start: the Stormont House Agreement and Implementation Plan | 18 |
| 2.5 Equality and Implementation of the Good Friday Agreement | 21 |
| 3. What is the current state of inequality between the ‘two main communities’ in Northern Ireland? | 23 |
| 3.1 Ethnicity and the ‘two main communities’ | 23 |
| 3.2 Demography of the ‘two main communities’ | 25 |
| 3.3 Labour Market | 28 |
| 3.4 Income | 33 |
| 3.5 Child Poverty | 35 |
| 3.6 Health | 37 |
| 3.7 Education | 39 |
| 3.8 Housing | 41 |
| 3.9 Equality Data | 44 |
| 4 The Stormont House Agreement - An Inequality Agenda? | 46 |
| 4.1 Private Sector Growth and the OECD | 49 |
| 4.2 Public Sector Reform | 50 |
| 4.2.1 Policing: A Cautionary Tale | 52 |
| 4.3 Voluntary Exit Scheme | 55 |
| 4.4 Corporation Tax | 59 |
| 4.5 Social Security (‘welfare’) | 60 |
| 4.6 ‘Nobody Talks Like That Anymore’ | 64 |
| 5 Conclusions | 66 |
| 6 Recommendations | 71 |
| Bibliography | 74 |

EXECUTIVE SUMMARY

1. This research addresses the question of the equality impacts of the Stormont House Agreement (SHA) and the recent 'A Fresh Start' agreement. It focuses on these impacts with relation to the 'two main communities in Northern Ireland' and addresses wider equality issues - including gender and ethnicity - as these intersect with Protestant and Catholic differences. As a piece of 'action research' it uses its partnership with the Equality Coalition to ground its analysis in the experience of many of those organisations closest to the ongoing efforts for equality in Northern Ireland.
2. The SHA was outwardly aimed at addressing difficulties in the peace settlement in Northern Ireland that were threatening stability. In the words of the UK government, it aimed at: 'providing a new approach to some of the most difficult issues left over from Northern Ireland's past', and as offering 'a new start and a far more hopeful future' although it was recognised that its implementation would require 'hard work'.¹ The British Secretary of State Theresa Villiers suggested that the Fresh Start deal represented a "fresh start for Northern Ireland's devolved institutions" going a long way to implement the Stormont House Agreement and dealing with paramilitary activity and that it would help to give the Northern Ireland Executive 'a stable, sustainable budget'.²
3. Ostensibly the SHA was to deal with accepted 'unfinished business' from the Belfast/Good Friday Agreement (GFA) including flags, parades and protests and dealing with the past. However, the greater part of the text of the SHA and its financial annex provide for significant changes to the economic and public sector model in Northern Ireland including: 'public sector reform and restructuring'; a voluntary exit scheme for an estimated 20,000 jobs in the public sector; implementation of wide-reaching changes to the welfare state introduced in Great Britain under the Welfare Reform Act 2012; and devolution of powers over Corporation Tax. The Organization for Economic Cooperation and Development (OECD), an international organisation, was integrated as having a strategic role in reviewing this process.
4. These financial measures were less a matter of a 'new approach to the most difficult issues' from Northern Ireland's past than an attempt to address the difficulty the NI Executive had in agreeing on whether and how to implement central government 'austerity measures' (that is, cuts to welfare and public spending budgets) in the Northern Irish context.

¹ <https://www.gov.uk/government/publications/the-stormont-house-agreement>

² BBC News 2015. 'Villiers: Deal is a 'fresh start' for Northern Ireland' <http://www.bbc.co.uk/news/uk-northern-ireland-34848804>

Disagreements over implementation meant that, unlike the Haass-O'Sullivan talks a year earlier, 'austerity' now provided one of the main threats to the political institutions, explaining the introduction of these measures.

5. These financial provisions, however, failed to adequately address another key piece of 'unfinished business' from the GFA – that is, the strong commitment throughout the Agreement to delivering equality between the two main communities (and others) in Northern Ireland. In this report, we suggest that this risks not just failing to 'complete' the Agreement, but undermining one of its most central tenets: the need to provide for equality. Indeed, we contend that providing for equality at the heart of government is fundamental to any lasting peaceful political settlement in Northern Ireland.

6. The research reviews existing data on the state of equality between the two main communities in Northern Ireland with a particular focus on trends over time. Such statistics as exist show that there have been clear equality improvements in terms of the contemporary labour market, but inequalities remain elsewhere. Notably:
 - a. The unemployment rate in 1992 for Protestants was 9% lower than it was for Catholics, while in 2014, it was only 2% lower.
 - b. The gap between Protestant and Catholic working age *economic activity* reduced from 11% in 1992 to 1% in 2014.
 - c. The gap between Protestant and Catholic working age *economic inactivity* reduced from 10% in 1992 to 1% in 2014.
 - d. The unemployment differential has decreased in the longer term - for example, in 1992 the ratio of Catholics unemployed to Protestants was 2 (2.4 for males, and 1.3 for females), while by 2014 it was 1.3 (1.2 for males and 1.6 for females).
 - e. However in other areas inequalities remain, the poverty gap between Catholics and Protestants has widened since 2002, with 32.5% of Catholics in poverty today compared to 18.5% of Protestants;
 - f. In the crucial area of social security there is evidence of widespread inequality within both Protestant and Catholic communities as well as disproportionate poverty and disadvantage of the Catholic community. As Participation and Practice of Rights (PPR) notes: 'Of the top 10 most deprived areas of Northern Ireland, 8 of those areas have a population that is at least 90% Catholic. Similarly, of the top 50 most deprived areas in Northern Ireland, 38 of those areas have populations that are at least 90% Catholic'.
 - g. The issue of equality and inequality is also becoming an issue for the Protestant community. Alongside the focus on the experience of some Protestants in education, there is evidence of growing Protestant disadvantage in other areas with increasing rates of economic inactivity and decreasing rates of economic activity.

7. In short, Northern Ireland remains some distance away from the point at which the equality commitments of the GFA towards the two main communities will have been delivered - the point at which there is no significant sectarian differential across major social indices. As Paul Nolan's recent *Peace Monitoring Report* for the Community Relations Council summarises:

Catholics still experience more economic and social disadvantage than Protestants. According to the Labour Force Survey they are more likely to be unemployed, according to the census they are more likely to be in poor health, and, according to the Family Resources Survey, they out-score Protestants on almost every measure of social deprivation.

8. We also suggest that the research shows real deficits in both how public institutions are monitoring sectarian differentials and the transparency of data. This point has been taken up by the UK Statistics Agency. Monitoring and data are fundamental to understanding and addressing inequality in Northern Ireland.
9. Interestingly and controversially, data also suggests that an emerging demographic transition in Northern Ireland creates a new context for equality work as well as new challenges for the proposals in the SHA. The state is now constituted by three numerical minorities – Protestant, Catholic and 'Other' – and this reality provides a key new context that reframes the traditional binaries of Protestant/Catholic and majority/minority. For example, the most recent figures from NISRA reveal that 10% of births in Northern Ireland are from mothers from neither the UK nor Ireland (about half were from 'EU A8' countries and half from the 'rest of the world' (Northern Ireland Statistics and Research Agency (NISRA), 'Births in Northern Ireland, 2013'). We suggest that neither the SHA/Fresh Start, nor existing gathering of data, nor service provision planning, sufficiently considers how this new reality should re-shape the practices of public institutions. The reality of large-scale financial restructuring requires that careful planning is needed to ensure equality commitments are still achieved but also that new inequalities are not introduced.
10. The report emphasises that any gains in equality were achieved in the context of sustained state intervention with international oversight. The report recognises that it is difficult to predict the impact of the SHA/Fresh Start in the absence of clarity around how the processes set out therein will unfold. It also recognises that economic downturns do not guarantee inequality or indeed require inequality. However, in our view the data indicates that the economic model made explicit in the financial annex to the SHA is likely to deepen and widen inequality – both generally (between richer and poorer people) and in terms of the differences between Protestants and Catholics.

There is no evidence of any ‘equality-proofing’ of the measures proposed in the SHA and good reason to assume they are more likely to exacerbate rather than ameliorate inequalities, and even reverse some of the recent equality gains. The ‘Fresh Start’ agreement did not change this.

11. The analysis focuses on the equality implications of the SHA as modified by ‘A Fresh Start’. Our most crucial conclusion focuses on an *act of omission*: the absence of any formal commitments on equality between the two main communities *at all*. There is no evidence of effective equality-proofing of any of the SHA provisions. This approach is both wrong in principle and likely to lead to inequalities in practice. The whole emphasis of equality intervention from the GFA onwards has been premised on the commitment to *equality-proof* – to anticipate the consequences of public policy that may impact negatively on equality and thus avoid the negative political and social consequences of such inequality. The absence of equality commitments in the SHA implies very directly that equality dimensions of the peace process and the GFA are ‘finished business’. A review of the evidence on the current state of equality between the two communities establishes that this is palpably not the case. While substantial progress on equality has been made in some areas, a great deal of work remains to be done in others. Furthermore, the economic package of SHA/Fresh Start if implemented without attention to equality appear likely to reintroduce inequalities between the two main communities, as well as widening economic gaps more generally.
12. At a broad structural level, the impact of the provisions is likely to impact negatively on areas of Northern Ireland that are disproportionately Catholic. Beyond this, the research makes it clear that it is impossible to offer definitive analysis of most of the actual equality outcomes of SHA ‘reforms’ until these are implemented. For example, we will not be able to ‘read’ the equality outcomes of the VES until the scheme is realised. It could potentially impact both negatively and positively on the differential between the two main communities. It will impact negatively on the availability of public sector jobs. It may well impact negatively on the capacity of the state to undertake equality work. Certainly most of the measures have worrying equality implications – this includes the broad sweep of ‘economic rebalancing’. Other provisions seem to entail an inevitable increase in inequality between the two main communities. For example, it is difficult to envisage a scenario in which welfare reform can do anything other than impact negatively and disproportionately on the Catholic community. There is clear evidence of a likely immiseration of children in general and a concomitant impact on Catholic families in particular.

13. Our report concludes that the decoupling of equality from peacebuilding marks a dangerous new juncture in the peace process. Sectarian inequality was a catalyst for instability in the past and it would be cavalier to assume that it no longer matters in Northern Ireland. In terms of the three ethnic blocs identified – Protestant, Catholic, and ‘Other’ – all have specific reason to need equality protections and therefore should be profoundly concerned with the absence of any equality agenda within the SHA/Fresh Start. More positively, each of these communities has a reason for a practical as well as a principled commitment to a renewed equality agenda grounded in the spirit and the letter of the GFA. As the GFA suggested, ‘a peaceful and just society would be the true memorial to the victims of violence’.

1. INTRODUCTION

This research addresses the question of the equality impacts of the Stormont House Agreement (SHA) including the recent 'Fresh Start' agreement.³ It focuses on these impacts with relation to the 'two main communities in Northern Ireland' and addresses wider equality issues - including gender and ethnicity- as these intersect with Protestant and Catholic differences. As a piece of 'action research' it uses its partnership with the Equality Coalition to ground its analysis in the experience of many of those organisations closest to the ongoing efforts for equality in Northern Ireland.

The Belfast or Good Friday Agreement (hereafter, GFA) - and the St Andrews Agreement which followed it - placed a strong emphasis on equality, particularly for those in the areas which suffered most under the conflict.⁴ Equality was identified as an important mechanism to ensure reconciliation in Northern Ireland and the 'positive transformation' of disadvantaged communities was identified as central to peacebuilding. For example, *the Joint Declaration by the British and Irish Governments April 2003* recognised that:

Many disadvantaged areas, including areas which are predominantly loyalist or nationalist, which have suffered the worst impact of the violence and alienation of the past, have not experienced a proportionate peace dividend. They recognise that unless the economic and social profile of these communities is positively transformed, the reality of a fully peaceful and healthy society will not be complete.

Inter-communal equality underpinned the GFA and was central to an attempt to create a new more inclusive political settlement capable of ending the conflict and stabilising Northern Ireland. The creation of a power-sharing government and commitments to institutional reform, for example of the police service, placed political equality at the heart of this new political settlement. The Agreement also understood the need for these institutions and political equality to be underwritten by a broader equality agenda.

Under the terms of the GFA a powerful statutory equality duty was introduced across public authorities and there was a commitment to reduce the employment differential between the two main communities *on the basis of objective need*. This duty and related equality measures can be seen in the context of redressing the historic patterns of disadvantage that had been faced by the Catholic community in general and geographically within Northern Ireland. While much progress has been made, there is plenty of evidence to suggest that this remains an unfinished project.

³ Unless explicitly differentiated, henceforth references to the SHA should be taken to *include* the 'Fresh Start' Agreement, formally *A Fresh Start: The Stormont Agreement and Implementation Plan*.

⁴ 'The Agreement: Agreement reached in the multi-party negotiations' ('Good Friday Agreement' or 'Belfast Agreement') <https://www.gov.uk/government/publications/the-belfast-agreement>
'Agreement reached at St Andrews ('St Andrews Agreement')
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/136651/st_andrews_agreement-2.pdf

Paul Nolan's recent *Peace Monitoring Report* for the Community Relations Council summarises this contemporary reality succinctly:

Catholics still experience more economic and social disadvantage than Protestants. According to the Labour Force Survey they are more likely to be unemployed, according to the census they are more likely to be in poor health and, according to the Family Resources Survey, they out-score Protestants on almost every measure of social deprivation. (2014: 13)

Our research also addresses the *trends* in patterns of equality – particularly the notion that there is a general *convergence* between Protestants and Catholics on the key indices of inequality. More specifically the research addresses the possible impacts on patterns of equality and inequality of the recent Stormont House Agreement (hereafter SHA).

The SHA was presented by Prime Minister David Cameron as, 'a workable agreement ... that can allow Northern Ireland to enjoy a brighter, more prosperous future, while at the same time finally being able to deal with its past'. The Agreement, and its financial annex - *UK Government Financial Package to Northern Ireland* - provide for significant changes to the economic and public sector model in place in NI. These include:

- An OECD independent strategic review of public sector reform;
- A comprehensive programme of Public Sector Reform and Restructuring, including a significant reduction in the size of the public sector;
- The related provision of up to £700m of capital borrowing from 2015-2019 to fund a voluntary exit scheme for an estimated 20,000 jobs in the public sector;
- Devolution of powers over Corporation Tax with a view to lowering the rate in NI, which would require further revenue raising/reductions in public spending;
- Implementation of wide-reaching changes to the welfare state introduced in Great Britain under the Welfare Reform Act 2012.

There has been considerable discussion on the outworking of these policy areas for a number of years, from a range of perspectives. What is missing is an analysis of the clear risks that any such changes, unless carefully managed, may carry of stalling or even reversing trends towards eliminating inequality between the two main communities. There may also be specific impacts on groups with particular experiences of the conflict, including the bereaved, injured or former prisoners. A significant reduction in public sector jobs, unless careful planning and mitigating action is taken, could fall more heavily on one side of the community than another with consequent impacts on inequality, both between the two main communities and on other interfacing equality grounds, including gender. Real or perceived inequality or disadvantage has the potential to increase resentment, stereotyping and fuel conflict between the two main communities.

Statistics indicate Catholic families are still comparatively disadvantaged on all official multiple deprivation indicators, and if this is replicated or exacerbated it risks generating particular communal grievances. Within sections of the Protestant community there is also a regularly articulated concern of comparative disadvantage and that such communities are now 'losing out' in the new political arrangements. All of these trends unless addressed have significant potential to set back and obstruct reconciliation and even create new grievances in dangerous ways. At its most serious, if all those involved in implementing the SHA are not careful, there is a risk that a carefully established political settlement which aimed to move Northern Ireland from a less to a more inclusive society could be unravelled with a very clear financial and social cost to nearly two decades of peace-building. Given the financial cost of the conflict, this would be a paradigmatic example of a false economy.

In this context this research was funded by the Reconciliation Fund of the Irish Government 'to map and highlight recent relevant trends in inequalities between the two main communities, and other equality categories where they intersect, and provide an assessment of the potential range of impacts on these trends during the implementation phase of financial and welfare reforms in the SHA, with a view to also identifying any mitigating measures'. Our intersectionality analysis points to the need for a similar review to be undertaken on austerity and gender implications. However, this report focuses on 'equality' and the 'two main communities': in other words, the research addresses the issues of equality – including inequality, disadvantage and discrimination – with reference to 'Protestants' and 'Catholics' as understood in the vernacular of Northern Ireland.

1.1 Research methodology

The research proposal was explicitly characterised as ‘action research’.⁵ In other words it is addressing a practical issue with appropriate research rigour but also in collaboration with a wider community as partners in analysis and reflection. The Equality Coalition was a partner in the research application and an active participant in the research process.⁶ In this sense the research partners adopt an approach that is committed to equality; but equally, are particularly well-placed to identify and assess the likely equality impacts of different measures. The researchers regarded the partnership with Equality Coalition as a significant element in the methodology and all findings were tested against the analyses and perspectives of EC members. In this context the research will include perspectives that are at least illustrative of the hopes and concerns of key equality constituencies with reference to the outcomes of the proposed SHA/Fresh Start reforms.⁷ The research was also specifically informed and improved by the contributions and discussions at the 2015 Equality Coalition conference *Austerity and Inequality: ‘A threat to Peace?’* (Equality Coalition 2015).

The research methodology focuses on secondary analysis of existing statutory source data – particularly, data from the Equality Commission for Northern Ireland, Labour Force Survey Religion report, Labour Force Survey quarterly reports, Family Resource Survey and the Northern Ireland Census. Some of these data are available to generate further new analysis with a particular focus on sectarian differential. The research presents key baseline data indicating the present sectarian differential as well as an assessment of possible consequences of SHA reforms. It highlights ways in which statutory source data can continue to measure and support equality in the context of the SHA/Fresh Start. Also relevant is NGO data such as NICVA work on impact of welfare reform and NIPSA’s recent review of the impact of the SHA. This complements the statutory source data. Finally, the potential impacts are proofed against OECD and other international guidelines on economic reform in the context of peace processes.

⁵ The phrase ‘action research’ was first coined by Kurt Lewin in reference to his work on ‘intergroup relations’.

⁶ The Equality Coalition is a broad alliance of non-governmental organisations and trade unions whose members cover all the equality categories listed in Section 75 of the Northern Ireland Act 1998. The Coalition is Co-Convened by the Committee on the Administration of Justice (CAJ) and the public sector trade union UNISON and was founded in 1996 by community and voluntary sector organisations and trade unions, including NICEM, Disability Action, Women’s Support Network, the Upper Springfield Development Trust and the Linc Resource Centre. It was instrumental in putting equality at the forefront of the agenda at that time, specifically in relation to the then PAFT (Policy Appraisal and Fair Treatment) process, the Good Friday/Belfast Agreement, and ultimately the statutory equality duty (‘section 75’). Other current active member groups include Rainbow, Include Youth, Children’s Law Centre, ICTU-NIC and NI Public Service Alliance (NIPSA). The Equality Coalition now has over 80 members, many of which are umbrella organisations.

⁷ Although different Equality Coalition members have adopted different positions on the SHA/Fresh Start agreements so there is no ‘agreed position’ on these agreements.

2. EQUALITY AND PEACE: THE NORTHERN IRELAND AGREEMENTS

Equality and inequality between the ‘two main communities’ in Northern Ireland has been a defining feature of the state in Northern Ireland since it came into existence in 1921. Whatever position was taken on the desirability of equality, there little doubting its centrality to political discourse in Northern Ireland. The 1960s reforms of Prime Minister Terence O’Neill arguably failed on that specific issue. Former First Minister Ian Paisley’s acknowledgement that, ‘the whole system was wrong’ went some way to recognising the widespread and systemic history of sectarian discrimination.⁸ Direct Rule (1972-1998) was characterised by tensions around sectarian inequality as well as attempts by successive British governments to address the issue. In this sense ‘dealing with the past’ also involves dealing with the consequences of widespread and institutionalised sectarian discrimination and inequality.

To a large extent the periods of constitutional change since the 1960s have been movements away from that specific form of institutional sectarianism. Direct Rule saw a series of measures designed to address the most egregious examples of sectarian discrimination – particularly in its early stages. The Fair Employment Act 1976 outlawed direct discrimination in employment issues. This was extended to indirect discrimination by the Fair Employment (Northern Ireland) Act 1989 and to goods and services by the Fair Employment and Treatment (Northern Ireland) Order 1998. Despite all these reforms, equality between the two main communities remained a key issue for discussion in the negotiations around the GFA. The commitment to equality became one of the three ‘key pillars’ in the Agreement itself.

2.1 The Good Friday Agreement 1998

Equality was central to the Good Friday Agreement. Thus the Declaration of Support made clear:

We are committed to partnership, equality and mutual respect as the basis of relationships within Northern Ireland, between North and South, and between these islands.

And the section on *Constitutional Issues* emphasised:

that whatever choice is freely exercised by a majority of the people of Northern Ireland, the power of the sovereign government with jurisdiction there shall be exercised with rigorous impartiality on behalf of all the people in the diversity of their identities and traditions and shall be founded on the principles of full respect for, and equality of, civil, political, social and cultural rights, of freedom from discrimination for all citizens, and of parity of esteem

⁸ BBC News 2014. ‘Ian Paisley criticised over Dublin-Monaghan bombs comment’ 10/01/2014. <http://www.bbc.co.uk/news/uk-northern-ireland-25673999>

and of just and equal treatment for the identity, ethos, and aspirations of both communities.

The commitment to equality permeates all three strands of the Agreement. In strand one, political equality is provided for in the power-sharing form of government, and the pledge of offices. In strands two and three, the North-South and East-West dimensions further commit to equality and provide for equality to be located in a wider all-Ireland and British/Irish framework.

These general provisions are also underwritten. In its template for *Democratic Institutions in Northern Ireland*, the GFA included a series of 'safeguards' to guarantee equality including an Equality Commission to monitor a statutory obligation to promote equality of opportunity in specified areas and parity of esteem between the two main communities, and to investigate individual complaints against public bodies. The 'Operation of the Assembly' suggested: 'The Assembly may appoint a special Committee to examine and report on whether a measure or proposal for legislation is in conformity with equality requirements, including the ECHR/Bill of Rights'. The Pledge of Office also committed: 'to serve all the people of Northern Ireland equally, and to act in accordance with the general obligations on government to promote equality and prevent discrimination'. The 'Code of Conduct' made clear that: 'Ministers must at all times ...operate in a way conducive to promoting good community relations and equality of treatment'.

The following section of the GFA on *Rights, Safeguards and Equality of Opportunity* addressed equality principles and mechanisms in more depth:

Subject to the outcome of public consultation underway, the British Government intends, as a particular priority, to create a statutory obligation on public authorities in Northern Ireland to carry out all their functions with due regard to the need to promote equality of opportunity in relation to religion and political opinion; gender; race; disability; age; marital status; dependants; and sexual orientation. Public bodies would be required to draw up statutory schemes showing how they would implement this obligation. Such schemes would cover arrangements for policy appraisal, including an assessment of impact on relevant categories, public consultation, public access to information and services, monitoring and timetables.

Included in the *New Institutions in Northern Ireland* were commitments and opportunities to advance the equality agenda including, 'a new Northern Ireland Human Rights Commission' and, 'a new statutory Equality Commission' to replace the Fair Employment Commission, the Equal Opportunities Commission (NI), the Commission for Racial Equality (NI) and the Disability Council'. The GFA also suggested, 'it would be open to a new Northern Ireland Assembly to consider bringing together its responsibilities for these matters into a dedicated Department of Equality'.

There were further commitments packaged as, '*Economic, Social and Cultural Issues*'. These included broad commitment to: 'broad policies for sustained economic growth and stability in Northern Ireland and for promoting social inclusion,

including in particular community development and the advancement of women in public life'. They also made specific commitments on 'fair employment' and inequality between the 'two communities':

2. Subject to the public consultation currently under way, the British Government will make rapid progress with: [*inter alia*] measures on employment equality included in the recent White Paper ("Partnership for Equality") and covering the extension and strengthening of anti-discrimination legislation, a review of the national security aspects of the present fair employment legislation at the earliest possible time, a new more focused Targeting Social Need initiative *and a range of measures aimed at combating unemployment and progressively eliminating the differential in unemployment rates between the two communities by targeting objective need.* (emphasis added)

Finally, the commitment to equality was underpinned by the specific *Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Ireland* which affirmed:

that whatever choice is freely exercised by a majority of the people of Northern Ireland, the power of the sovereign government with jurisdiction there shall be exercised with rigorous impartiality on behalf of all the people in the diversity of their identities and traditions and shall be founded on the principles of full respect for, and equality of, civil, political, social and cultural rights, of freedom from discrimination for all citizens, and of parity of esteem and of just and equal treatment for the identity, ethos and aspirations of both communities.

Equality was thus one of the 'three pillars' of the Agreement – alongside human rights and security. Moreover, this commitment to equality had at least three dimensions which were all integral to the relationship between the 'two main communities': 1) a broad commitment to equality in general across different constituencies; 2) a broad commitment to employment equality between Protestants and Catholics with a specific commitment to end the unemployment differential between Protestants and Catholics and 3) a series of commitments to address disadvantage in the communities that had 'suffered most' in the conflict. In short, the new political settlement aimed to move the exclusive 'limited access' order that had seen access to power and public goods disproportionately lying with one group, to an 'open access order' whereby power and public goods were equally accessible to the two main groups, and the exercise of government would be characterised by fairness and rule-based procedures (North 2013). When the citizens of Northern Ireland and the Republic of Ireland overwhelmingly endorsed the agreement, it was on this basis that the referendum was understood and peace process copper fastened.

2.2 St Andrews Agreement 2006

The St Andrews Agreement emerged from a political stalemate as the Democratic Unionist Party (DUP) and Sinn Féin (SF) emerged as the largest political parties representing the ‘two main communities’ in the Northern Ireland Assembly. It lacked some of the optimism and progressive rhetoric of the GFA. Nevertheless, it maintained a central commitment to equality as a principle of the agreement. The ‘Power sharing and the political institutions’ section made clear:

3. Both Governments remain fully committed to the fundamental principles of the Agreement: consent for constitutional change, commitment to exclusively peaceful and democratic means, stable inclusive partnership government, a balanced institutional accommodation of the key relationships within Northern Ireland, between North and South and within these islands, and for equality and human rights at the heart of the new dispensation in Northern Ireland. All parties to this agreement need to be wholeheartedly and publicly committed, in good faith and in a spirit of genuine partnership, to the full operation of stable power-sharing Government and the North-South and East-West arrangements.

The St Andrews Agreement also includes a section on ‘Human Rights, Equality, Victims and other issues’. There was no detail in this, however; instead we were directed to Annex B:

The Government will continue to actively promote the advancement of human rights, equality and mutual respect. In the pursuit of which we commit to the following.... In early November, we will publish an Anti-Poverty and Social Exclusion strategy to tackle deprivation in both rural and urban communities based on objective need and to remedy patterns of deprivation. The strategy will build on the good work of the ‘Neighbourhood Renewal’ and ‘Renewing Communities’ initiatives. This can be taken forward by an incoming Executive.

The St Andrews Agreement also made clear, ‘The [British] Government believes in a Single Equality Bill and will work rapidly to make the necessary preparations so that legislation can be taken forward by an incoming Executive at an early date.’

So, while there was less detail on equality and less underwriting of equality commitments by the two governments, the St Andrews Agreement still presented as an agreement founded on a commitment to equality. However, it is also possible to suggest that there had been a paradigm shift in the approach to equality. There was much less emphasis on the ‘two communities’ and instead a shift towards recognising ‘objective need’ and ‘remedying’ ‘patterns of deprivation’. From the perspective of those that remained unequal, this was not necessarily a negative thing – so long as the delivery of equality was pursued with full vigour, the mode of delivery was less problematic. In other words, whether the strategy involved addressing specific equality constituencies – like Protestants and Catholics or women or Black and Minority Ethnic (BME) communities or addressing ‘objective need’ – those presently most unequal – the key commitment was for the Executive and Assembly to move forward with the project of delivering equality.

2.3 Stormont House Agreement

Ongoing political tensions within and without the Northern Ireland Executive led to the Haass/O'Sullivan talks on different aspects of the legacy of the conflict. As this process suggested, 'many continue to await the end of sectarianism and the peace dividend that should be all citizens' due' (2013: 1).⁹ This process, however, ultimately failed to secure agreement.¹⁰ The same 'legacy' issues were addressed by new 'Stormont House' talks – this time with direct British and Irish government involvement. These were followed by the signing of the Stormont House Agreement on 23 December 2014.¹¹

The role of equality within this process had been radically demoted in comparison to both the GFA and the St Andrews Agreement:

69. Noting that there is not at present consensus on a Bill of Rights, the parties commit to serving the people of Northern Ireland equally, and to act in accordance with the obligations on government to promote equality and respect and to prevent discrimination; to promote a culture of tolerance, mutual respect and mutual understanding at every level of society, including initiatives to facilitate and encourage shared and integrated education and housing, social inclusion, and in particular community development and the advancement of women in public life; and to promote the interests of the whole community towards the goals of reconciliation and economic renewal.

More significantly in terms of this analysis, *the commitment towards equality between the 'two communities' was removed*. The only specific equality commitment remaining is the 'advancement of women in public life' – an issue that, while very welcome and while included in the GFA, had been much less central to the GFA than commitments on equality between the two communities.

Referring to proposed changes to the operation of Section 75, the Children's Law Centre (CLC) has also indicated that the SHA may actually *remove* some of the equality protections of the GFA:

The worry from CLC's perspective is not that we lose four weeks of consultation time but that effectively as a result of paragraph 65 of the Stormont House Agreement, policy and legislative development could in the future circumvent the statutory equality obligation designed to make better policy and legislation which ensure protection for all of the people of Northern Ireland, particularly our most vulnerable. The clause in the Stormont House Agreement may, on the face of it, appear to be a minor change but CLC believes that it presents a very significant risk to the effective and proper

⁹ Proposed Agreement 31 December 2013. 'An Agreement among the parties of the Northern Ireland Executive on Parades, Select Commemorations, and Related Protests, Flags and Emblems, and Contending with the Past' <http://www.northernireland.gov.uk/haass.pdf>

¹⁰ BBC News 2013. 'Northern Ireland: Richard Haass talks end without deal' 31/12/2013. <http://www.bbc.co.uk/news/uk-northern-ireland-25556714>

¹¹ 'Stormont House Agreement' <https://www.gov.uk/government/publications/the-stormont-house-agreement>

operation of section 75 of the Northern Ireland Act 1998 and consequently the equality promises of the Good Friday Agreement. We believe that paragraph 65 of the Stormont House Agreement should not be operationalised and that government should, rather than erode the statutory equality duties, honour the letter and spirit of section 75 as a central component of our peace agreement in Northern Ireland. (CLC 2015)

More generally, the SHA shows no sign of being proofed for equality and may dilute some of the equality mechanisms of the GFA – especially in terms of commitments on equality between the ‘two communities’. More specifically, the financial annex to the Stormont House Agreement makes no mention of equality.

2.4 A Fresh Start: The Stormont Agreement and Implementation Plan

Protracted political tensions and negotiations following the collapse of the original Stormont House Agreement over the implementation of welfare reform led to a new talks process which was followed by an agreement on 17th November 2015. The process itself was clearly framed by the SHA, although not exclusively so: ‘These talks were convened to address two urgent issues: the legacy and impact of paramilitary activity; and the implementation of the Stormont House Agreement (SHA) of 23 December 2014’ (2015: 13).

The new agreement that emerged from these talks was officially titled: *A Fresh Start: The Stormont Agreement and Implementation Plan*.¹² This agreement has been subsequently most commonly referred to as ‘Fresh Start’. In other words, the formal title recognised its provenance in terms of the SHA (although – whether intentionally or not – the ‘House’ element was dropped from the title) while the vernacular use made no reference to the SHA, not least because this helped to suggest that it was indeed a ‘fresh start’.¹³

This is how the new deal was presented by British Secretary of State:

Theresa Villiers has said the deal reached at Stormont on Tuesday represents a "fresh start for Northern Ireland's devolved institutions". Speaking after the deal was announced, the Northern Ireland secretary of state said the agreement goes a long way to implement the Stormont House Agreement and dealing with paramilitary activity. She added that it will help to give the Northern Ireland Executive "a stable, sustainable budget".¹⁴

¹² ‘A Fresh Start: The Stormont Agreement and Implementation Plan: An agreement to consolidate the peace, secure stability, enable progress and offer hope’. <http://www.northernireland.gov.uk/a-fresh-start-stormont-agreement.pdf>

¹³ Adding further to this confusion, the ‘Evason report’ into the welfare dimensions of ‘A Fresh Start’ uses the term ‘Stormont Castle Agreement’ (Welfare Reform Mitigations Working Group 2016: 4). There was also a ‘Stormont Castle Agreement’ between the NI executive leaders preceding the SHA - it was never intended to be published but ultimately was: <http://www.newsletter.co.uk/news/northern-ireland-news/revealed-in-full-the-stormont-castle-agreement-which-preceded-december-s-deal-1-6586811>

¹⁴ BBC News 2015. ‘Villiers: Deal is a ‘fresh start’ for Northern Ireland’ <http://www.bbc.co.uk/news/uk-northern-ireland-34848804>

In other words, it was an ‘implementation agreement’ for the SHA. As suggested, not all of the most contentious issues around the SHA or the wider ‘legacy’ of the conflict had been resolved, notably how to contend with the past. Fresh Start also included some additional funding as well as a process to resolve the stand-off around ‘welfare reform’ that had undermined the original SHA (Welfare Reform Mitigations Working Group 2016).

Crucially for our purposes, the package did very little to assuage concerns around the equality implications of the original SHA. It did, however, continue to reference equality in general terms. Thus the First Minister-Deputy First Minister – Ministerial Introduction declares, ‘We are firm in our determination ... to achieve equality of opportunity for all our people’ (2015: 5). This commitment continues in Section “A” ‘Ending Paramilitarism and Tackling Organised Crime’ which records agreement between the NI Executive, the UK Government and the Irish Government:

Building on the political Agreements reached in the past, the progress made to date - and to ensure it continues - we reiterate the primacy and centrality of peace and the political process to the continued transformation of our society, through democracy, inclusion, reconciliation, *equality of opportunity for all* and the absence of violence.

The Executive and the UK and Irish Governments also recommit to, ‘giving full effect to the principles of peace and democracy set out in previous Agreements including the growth of mutual respect and equality of treatment that forms the basis of a united and stable society’ (2015: 14). They also observe, ‘Noting that there is not at present consensus on a Bill of Rights, the parties commit to serving the people of Northern Ireland equally, and to act in accordance with the obligations on government to promote equality and respect and to prevent discrimination’ (2015: 38)

However, in terms of substance, there was only one addition relating to equality mechanisms in the Fresh Start Agreement when contrasted with the text of the earlier SHA. In Section “F”, the ‘Protocol on the use of the Petition of Concern’ the agreement records that: ‘4. the signatory parties have agreed to the following principles which will apply to their use of the Petition of Concern mechanism’:

These principles include:

(vi) the provisions of section 13(3) of the Northern Ireland Act 1998 and of paragraph 60 of Assembly Standing Orders relating to the referral of Bills to *the Ad Hoc Committee on Conformity with Equality Requirements* will continue to apply. (2015: 53, emphasis added)

The provisions referred to in Section 13 (3) of the Northern Ireland Act 1998 are:

(3) Standing orders—

(a) shall include provision for establishing such a committee as is mentioned in paragraph 11 of Strand One of the Belfast Agreement;

(b) may include provision for the details of a Bill to be considered by the committee in such circumstances as may be specified in the orders

In turn, Paragraph 11 of Strand One of the GFA suggests:

The Assembly may appoint a special Committee to examine and report on whether a measure or proposal for legislation is in conformity with equality requirements, including the ECHR/Bill of Rights. The Committee shall have the power to call people and papers to assist in its consideration of the matter. The Assembly shall then consider the report of the Committee and can determine the matter in accordance with the cross-community consent procedure.
(Paragraph 11 of Strand One of the Belfast Agreement)

As suggested, an Ad Hoc Committee on Conformity with Equality Requirements has already been established *once* as detailed in Assembly Standing Orders. These Standing Orders establish the framework for such an Ad Hoc Committee:

- (1) The Assembly may establish an ad hoc committee to examine and report on whether a Bill or proposal for legislation is in conformity with equality requirements (including rights under the European Convention on Human Rights or any Northern Ireland Bill of Rights).
- (2) The committee may exercise the power in section 44(1) of the Northern Ireland Act 1998.
- (3) The Assembly shall consider all reports of the committee and determine the matter in accordance with the procedures on cross-community support within the meaning of section 4(5) of the Northern Ireland Act 1998.
- (4) Where there is a Petition of Concern the Assembly shall vote to determine whether the measure or proposal for legislation may proceed without reference to the above procedure. If this fails to achieve support on a parallel consent basis the procedure as at (1) – (3) above shall be followed.

There has been little public discussion around the role of this potential equality mechanism or its signposting in the Fresh Start document. Nor is it clear which parties to the Fresh Start negotiations argued for its inclusion. The mechanism has only been used once – to address the equality implications of the welfare reform elements of the SHA (Ad Hoc Committee on Conformity with Equality Requirements 2013).¹⁵ Even if it is to be used in future, it appears that it would be reconstituted every time around a specific issue with new members each time it is established – it would thus develop no institutional memory or competence based on experience. In other words, this certainly does not look like a ‘silver bullet’ for the deficit on the equality issues in the original SHA as detailed above.

¹⁵ This experience was a less than positive one for some members of the Equality Coalition. The Detail provides an overview of this process: <http://www.thedetail.tv/articles/committee-accused-of-allowing-ethnic-minority-leaders-to-be-mocked-at-stormont>

It also threatens to reframe human rights and equality assessment and monitoring - which should be referenced to international law and convention – as a matter for political negotiation at Stormont. Nevertheless, its prominence within ‘A Fresh Start’ should be noted and any future use monitored.

2.5 Equality and Implementation of GFA

Baseline commitments to economic equality - as well as equality for different constituencies - are embedded in the Good Friday and St Andrews agreements. These take legislative effect in Section 75 of the Northern Ireland Act 1998 (NIA) and the ‘New TSN’ (‘Targeting Social Need’) strategies as well as in broad commitments to allocate resources on the basis of need. Subsequent developments saw the principles embedded in the GFA translated into different equality mechanisms through legislative and administrative change. The commitment to fair treatment of Protestants and Catholics was extended to include an equality duty through Section 75 of the Northern Ireland Act.

This section imposed equality proofing across a range of equality groups as well as imposing a subordinate duty to have regard to good relations (to be undertaken ‘without prejudice’ to the equality obligation) (see also Schedule 9 NI Act 1998 which require Equality Schemes). The 1998 Order was amended by the Fair Employment and Treatment Order (Amendment) Regulations (Northern Ireland) 2003 to meet the requirements of the EU Framework Directive for Equal Treatment in Employment and Occupation.¹⁶ Section 75 and mainstreaming provided the statutory sector with the legal requirement and tools to adjust to the equality implications of demographic change through, what should have been, non-political and administrative processes.

The key ‘new’ equality commitment in the St Andrews Agreement was to an Anti-Poverty and Social Exclusion strategy. This should have developed the New Targeting Social Need (TSN) strategies of the post-GFA Labour governments which had, in turn, developed the original (pre-agreement) TSN strategies of successive Tory governments. Despite these specific commitments, equality strategy has all but disappeared off the political agenda. TSN was ‘reviewed’ by the Executive and was to be rolled into the anti-poverty strategy on the basis of objective need under the St Andrews Agreement. In June 2015, the Committee on the Administration of Justice (CAJ) won a legal challenge against the Northern Ireland Executive for failing to adopt a strategy to tackle poverty, social exclusion and patterns of deprivation on the basis of objective need (the anti-poverty strategy) as required by legislation passed as a result of the 2006 St Andrews Agreement. The Court held that it was clear that ‘no such’ anti-poverty strategy had in fact been adopted by the Northern Ireland Executive thereby breaching its legal obligation.

¹⁶ The 1976 Act continues to define categories. Thus “political opinion” and “religious belief” shall be construed in accordance with section 57 (2) and (3) of the Fair Employment (Northern Ireland) Act 1976’.

The Court also held that CAJ had correctly identified this legal duty as an important milestone in the development of equality law in Northern Ireland. For the first time the duty placed 'objective need' on a statutory footing and made it central to the provision of an anti-poverty strategy.

The intention of the concept of 'objective need' is to remove or reduce the scope for discrimination by tying the allocation of resources to neutral criteria that measure deprivation irrespective of community background or other affiliation. The Court held that it is difficult to see how the Executive could develop and deliver an anti-poverty strategy except on the basis of clearly defined objective need. Even if this has failed to energise any committed political equality agenda, it should be regarded as a crucial stage in the jurisprudential evolution of equality work in Northern Ireland. Equality now cannot be grounded in spurious or ad hoc notions of what it might mean – it has to be understood and measured in terms of 'objective need'.

The GFA also produced a series of other changes intended to broaden the representativeness of government in Northern Ireland. Here too there are signs of failure. For example, John Keanie the Commissioner for Public Appointments left his position in 2015, a year before his term was due to expire. As Commissioner he had been the regulator for the recruitment processes for members of boards, commissions and other quangos that are appointed by ministers.

His report on the matter, published in January 2014, found that women, young people, ethnic minorities and disabled people were under-represented. He took the opportunity of his resignation to raise these questions:

We have left behind a strong regulatory system, but my thoughts are coloured very heavily in my disappointment in government's approach to the diversity issue - of our boards being under-representative of the people they serve. The perception out there is that boards are pretty much an elite and that ordinary people can't get on them.... Essentially they believe the process is stacked against them and I have to say I have some sympathy with that view.¹⁷

In general, therefore, for all the progress it would be hard to suggest that the equality commitments in the GFA and St Andrews Agreement have been met. For example, the CAJ *Mapping the Rollback* conference report goes through a list of commitments in its appendix including single equality legislation and an anti-poverty strategy – most of these have not been met (2013: 128-131). The ongoing failures and challenges in terms of equality should be one of the pressing issues in ongoing negotiations around peacebuilding and reconciliation.

¹⁷ BBC News 2015. 'John Keanie wants Executive to tackle perception that NI boards are for an 'elite' 23 July 2015.

3. WHAT IS CURRENT STATE OF INEQUALITY BETWEEN THE TWO MAIN COMMUNITIES IN NORTHERN IRELAND?

3.1 Ethnicity and the ‘two main communities’

One of the immediate problems in addressing equality in Northern Ireland is terminology. While the GFA talked of the ‘two main communities’ in its framing of the conflict, the discourse soon reverted to ‘Protestants’ and ‘Catholics’. These were shorthand for ‘community background’ – not faith or political conviction. In other words, neither the politics nor the faith of most victims was as important as their ‘perceived religion’ or ‘community background’. It was the ethnic categorization of the victim as ‘Catholic’ or ‘Protestant’ rather than their politics or religious beliefs that caused them to be discriminated against. This is the sense in which the term ‘community background’ is used in much statutory sector data including the census itself.¹⁸ The terms ‘Protestant’ and ‘Catholic’ *include* a large proportion of people who have explicitly repudiated *any* religious belief or religious identity. In other words, the notion of ‘community background’ is in-effect an ethnic label as the term has been defined in the UK case law.

It bears emphasis that there is no more consensus on this issue in academic or research terms than there is in everyday use. Likewise, there is no consistency across government in Northern Ireland. For example, the Department of Education still uses the terms ‘Roman Catholic’ and ‘Protestant’ as expressly religious terms in its census of the school population, while the ECNI (Equality Commission for Northern Ireland) continues to use ‘Roman Catholic’ to describe community background in key documents.¹⁹ In contrast, the PSNI (Police Service of Northern Ireland) uses the notion of ‘perceived community background’ (2015). There is, however, a tendency across government towards the use of ‘Protestant’ and ‘Catholic’ in the community background context. We use these labels in this context but we recognize that they are as inexact as ethnic labels anywhere else.

¹⁸ This approach is not without its bizarre contradictions. Thus the census, having established that many people say they have no religion and were not brought up in any religion, then proceeds to ‘impute’ the religion they were brought up in as Protestant or Catholic: ‘As in 2001, those who did not have a current religion, or did not respond to the religion question, were asked about in which religion they had been brought up, with ‘none’ being a valid response. Of the 305k people who did not have a current religion, or did not respond to the religion question, 171k answered the question about the religion in which they were brought up (56 per cent), while the information was not provided by the remaining 135k (44 per cent). For the latter group, statistical item imputation techniques - as applied to all other Census variables – were applied to impute a ‘religion brought up in’ (NISRA 2013: 9).

¹⁹ As the ECNI points out: ‘It may be helpful to note that the Commission uses the term Roman Catholic to describe the community background primarily in the context of the Monitoring Report and guides to the fair employment legislation, using the terms of the legislation and Monitoring Regulations. You will find that other publications - including the Draft Key Inequalities in Education ... - use the terms Catholic and Protestant’ (Research communication).

At the same time we recognize that they *are* ethnic labels and as such they are better than any other means of characterizing and defining the ‘two main communities’ – as well as recognizing that there is a BME/‘Other’ population that cannot be subsumed by either of the two main communities.

This is more than a technical point – it becomes central to how we understand discrimination and how we monitor inequality and disadvantage. As is detailed elsewhere, the primary treaty bodies dealing with anti-racism at United Nations and Council of Europe level have both stated that sectarianism in Northern Ireland should be treated as a specific form of racism.²⁰ It is important that the concept of sectarian discrimination is made ‘fit for purpose’ in terms of the provision of baseline data. Currently the census defines ethnicity primarily in terms of *colour* – thus 98.21% of Northern Ireland residents are defined solely as ‘white’.²¹ This does nothing to capture the ethnic complexity of Northern Ireland and nothing to help construct policy or practice on ethnicity. There is an urgent need to find a methodology which would acknowledge the ethnic dimensions of the communal division in Northern Ireland, rather than understanding ‘ethnicity’ as merely another word for ‘non-whiteness’.

The UK Statistics Authority makes this point in its review of the LFS Religion Report:

The question about religion in the Northern Ireland LFS has been modified from the question asked in the Great Britain survey, in order to distinguish between Protestants and Catholics. The *Religion Report* provides information about the religious classifications but does not reproduce the actual question that is asked about religion. The proportion of respondents whose religious affiliation is classified as ‘other/non determined’ has increased over the years and currently accounts for around one in ten of the working age population. This group includes people who belong to a non-Christian religion, people with no religion at all and people who refused to answer the question, but the number in each of these categories is not provided. Many users, *including the public bodies responsible for anti-discrimination policy*, have a greater need for information about community background than religious belief.... (2012: 5-6, emphasis added.)

This is the context in which we present the data in this report – community background means ethnicity not ‘faith’ or the absence of it. In terms of the ‘two main communities’, the term ‘community background’ should be understood as an ethnicity with a third ‘other’ category comprising many different ethnic identities excluded by the community background labels. But it also bears emphasis that there is no conformity across the statutory sector in terms of the way in which it presents these data.

²⁰ Following the UN Committee on the Elimination of Racial Discrimination (2011) and Council of Europe (2011). As CERD suggests: ‘Sectarian discrimination in Northern Ireland and physical attacks against religious minorities and their places of worship attract the provisions of ICERD in the context of “inter-sectionality” between religion and racial discrimination; as the Advisory Committee suggests: ‘[treating] sectarianism as a distinct issue rather than as a form of racism [is] problematic, as it allows sectarianism to fall outside the scope of accepted anti-discrimination and human rights protection standards’ (for further discussion see Equality Coalition 2014).

²¹ See NI Census 2011: Table KS201NI: Ethnic Group.

We find the terms ‘Roman Catholic’, ‘Catholic’ and ‘Protestant’ used in confusing and contradictory ways as proxy indicators of ethnicity. We have not used the term ‘Roman Catholic’ in this report unless in direct quotations. It is an inaccurate characterization of ‘community background’ which implies some level of self-ascription. Even as a ‘religious’ label, it is archaic and carries with it a strong hint of sectarian bias (Catholics in Northern Ireland rarely call themselves ‘Roman Catholics’, this is a ‘Protestant’ ascription). We look forward to the day in which it is removed from the statistical lexicon of Northern Ireland statistics in the same way as the ascription ‘Mohammedan’ disappeared after 2001.

As we have suggested this issue is central to the way in which the ethnicity paradigm is mobilised in the analysis of Northern Ireland. These subtleties are completely missed by current practice. The NI census constructs 98% as being ‘white’ and presents this as an adequate analysis of ethnicity in Northern Ireland – this, of course, says nothing about Protestant and Catholic differences nor indeed anything about the largest section of the NI minority ethnic population (Polish and other Eastern European) who happen to be mostly ‘white’ (Without getting too mired in the contradictions – current practice ends up constructing Irish Travellers – who are in terms of skin colour perhaps the ‘whitest’ ethnic group in Northern Ireland - as ‘non-white’ and Roma – victims of pogroms and constantly racialized as ‘black’ in Romania - as ‘white’.)

3.2 Demography of the two main communities

This demography of the two main communities provides the ‘raw material’ for any equality agenda.²² This is not just about how many Protestants and Catholics there are but what proportions of these populations are children and retired and in work and unemployed and in poverty and so on. Despite the definitional and methodological issues discussed above, there is broad agreement in terms of trends if not detail. Results from the 2011 Census showed that 45% of the population of Northern Ireland described themselves - or are imputed - as having a Catholic ‘community background’, whilst 48% of the population had a Protestant community background. These data suggest an ‘Other’ community background of some 7%. Alternative methodologies – including the LFS - identify this ‘Other’ as larger - at around 11%. Certainly, this phenomenon of citizens who do not ‘fit’ into the traditional ‘two main communities’ bifurcation is not a temporary phenomenon – for example, 10% of Northern Ireland births in 2013 were to mothers from neither Ireland nor the UK. Around half of these children were born to parents from ‘A8’ (‘Eastern European’ EU) countries and half from ‘all other countries’.²³

These data represent a significant change in the demography of Northern Ireland. Even if the various sectarian differentials in, say, the labour market were not changing at all, the changing demography means that Northern Ireland – and its

²² See NINIS (Northern Ireland Neighbourhood Information Service) for a useful overview of ‘Religion in Northern Ireland’. Accessible and downloadable at:

<http://www.ninis2.nisra.gov.uk/public/census2011analysis/religion/religionInfographic.pdf>

²³ Chart 4: Percentage of Births by Mother’s Country of Birth (1997 to 2013) (NISRA 2014a).

workplaces and its schools and its hospitals - is very different to what it was in 1921 or 1971 or even 1998. Between 1990 and 2013, *the proportion of the population aged 16 and over* who reported as Protestant decreased by eight percentage points from 56% to 48%, while the proportion who reported as Catholic increased by three percentage points from 38% to 41%. Over this period, the proportion of the population reported as ‘other/non-determined’ has almost doubled (from 6% to 11%) (OFMDFM 2014: 3). If these trends continue – and this is supported by the age profile of the existing population – then Catholics will soon form the plurality of the population and the workforce. In other words, while Catholics may not form the majority, they will form the largest ethnic bloc or modal ethnic category. Catholics already form a plurality of new workers entering the workforce. The increase in the size of the Catholic and ‘other’ communities also means that Protestants form a numerical minority for the first time in the history of the state. Moreover, this minority status is likely to increase.

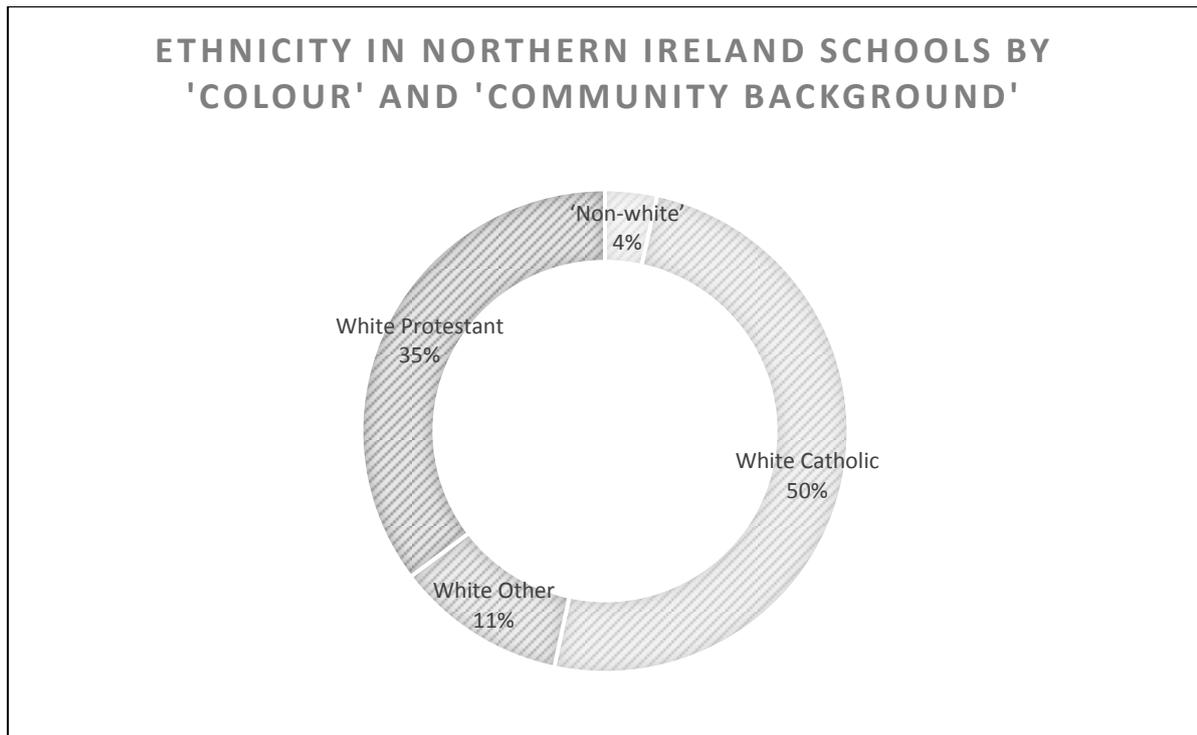
So it is also clear that the Catholic population is growing – it is a younger population and Catholics are now in a clear majority in Northern Ireland schools. NISRA’s reframing of figures from the School Census (2013/2014), suggest that the total enrolment of ‘Roman Catholics’ in all nursery, primary, post-primary and special schools totalled 166,758 (56%). For ‘Protestants and Other Christians’ the total came to 127,780 (43%). The total number of pupils from a non-Christian religion amounted to 2,227 (1%). As is often the case, however, these figures can mask as much as they illuminate. Other data shows that over ten per cent of children are now outside the traditional Protestant/Catholic dichotomy.

Broadly we can trace Catholic and ‘Other’ populations growing alongside a declining Protestant population. Ironically for a state with the *raison d’être* of ensuring a Protestant majority, Northern Ireland now has *no ethnic majority population*. Rather, it comprises two large minority blocs – Protestant and Catholic – alongside a smaller but growing ‘Other’ bloc. In this context, it makes much more sense to talk in terms of pluralities and minorities. The plurality of the population refers to the group with the largest number of people but not necessarily the majority - in other words, the predominant subgroup of the area's overall population. Significantly this moves Northern Ireland towards a position in which *everyone is in a minority* and one in which everyone may well have a selfish and strategic interest in equality protections.

We get a useful sense of the trajectory of this demographic transition by looking at the current composition of Northern Ireland schools. Ethnicity is an entirely separate category from ‘community background’ in DENI recording. But in combination, DENI figures provided some evidence of the breakdown across the contemporary school population.

| Ethnicity in Northern Ireland Schools by ‘community background’ and ‘colour’ | | | | |
|---|------------|----------|--------|---------|
| | Protestant | Catholic | Other | Total |
| Non-white | 1 438 | 4 684 | 5 013 | 11 135 |
| White | 113 877 | 160 998 | 36 649 | 311 524 |

Source: DENI information request, September 2015



This data is particularly important because it raises the question of 'dealing with the future' in the context of contemporary peacebuilding. The data gives some sense of the complex ethnic mix that increasingly constitutes Northern Ireland. This is the ethnic demography which provides the context for equality and peacebuilding in the future.

In terms of contemporary demography, however, the baseline data for the *whole population* is presented by the 2011 census as *45% Catholic, 48% Protestant and 7% 'other'*. This means – all other things being equal – that the random distribution across different indices should find around 45% Catholic, 48% Protestant and 7% 'other'. Anything significantly different to this distribution should signal concern that there is some process of advantage/disadvantage at play. This does not, of course, mean that such an imbalance indicates discrimination – there are lots of other, more benign explanations for such distributions. Nevertheless, given the history of discrimination and conflict outlined above, evidence of significant disproportion should trigger concern and further inquiry.

There is a significant quantity of data from statutory sources to help make sense of these kinds of patterns of disadvantage, discrimination and inequality. Thus we can trace expected and actual distributions of Catholics and Protestants across many different social indices – including employment, health, education and welfare.²⁴

²⁴ The range of NISRA equality data can be accessed at <http://www.equality.nisra.gov.uk/index4.html> The index for issues relating to 'religion' is at <http://www.equality.nisra.gov.uk/default.asp130.htm>

3.3 Labour Market

Historically the Northern Ireland labour market was probably the most contested area of all in terms of discrimination and inequality. This aspect of equality received the most robust legal intervention through the Fair Employment Act and subsequent legislation and the most robust administrative intervention through Fair Employment Authority/Fair Employment Commission and Fair Employment Tribunal system. The most recent overview of trends in the labour market is provide by the *Labour Force Survey Northern Ireland Religion Report 2014* (OFMDFM 2016, 2016a).²⁵ This suggests a continuing *convergence* in the labour market across most indices (2016: 3-4). In other words, this analysis suggests that the stark inequalities that incontrovertibly existed between Protestants and Catholics in the labour market in 1972 – and to a lesser extent in 1998 – have reduced or are reducing.

The most recent ECNI data on the Northern Ireland workforce and community background *A Summary of Northern Ireland Monitored Workforce Returns 2013* also suggests a continuing convergence across the whole workforce.²⁶ In 2013, the whole workforce had a 53/47 Protestant/Catholic percentage split – this was mirrored in the private sector while the public sector has a 52/48 split (ECNI 2014: 7). This research also suggests that Catholics are more likely to be employed part-time than full-time but that this difference is relatively small. It bears emphasis once again that these ECNI figures ignore the ‘other’ section of the workforce completely. Nevertheless, they confirm the LFS suggestion that there has been broad dovetailing of Protestant and Catholic experience across the Northern Ireland economy.

As we have seen there have been significant changes in the demography of the Northern Ireland labour market. The 2011 census suggests that the point at which Catholics form the majority of the working age population has already been reached - 40% of the working age were Protestant, 41% were Catholic and 19% were ‘other/non-determined’ (OFMDFM 2016: 10). The *LFS Religion Report 2014* (OFMDFM 2016, 2016a) suggests:

The difference between the proportion of Protestants and Catholics in the working age population has fallen from 13 percentage points in 1990 to one percentage point in 2014. In 1990 the religious composition of the population of working age was 54% Protestant, 41% Catholic and 6% ‘other/non-determined’. In 2014 the corresponding figures were 44%, 43% and 13%. (OFMDFM 2016: 10)

In other words, the proportion of the population reported as ‘other/non-determined’ has more than *doubled* over this period (OFMDFM 2016: 3). Since Protestants remain heavily over-represented within the retired population, the labour force itself is at least approaching the point at which it is majority Catholic (OFMDFM 2016: 10-11).

²⁵ Accessible and downloadable at: <http://www.ofmdfmi.gov.uk/labour-force-survey-religion-report-2013.pdf>

²⁶ Accessible and downloadable at: <http://www.equalityni.org/ECNI/media/ECNI/Publications/Delivering%20Equality/FETO%20Monitoring%20Reports/No24/MonitoringReportNo24.pdf>

Excluding the other/non-determined category, in 2014 the working age economically active population was 51% Protestant and 49% Catholic. Breaking this down by gender we find 52% of economically active working age *males* were Protestant while 48% were Catholic; 51% of working age economically active *females* were Catholic while 49% were Protestant (OFMDFM 2016: 21). This ongoing demographic shift changes the arguments around sectarian differentials in very profound ways – for example, when roughly a third of the Northern Ireland workforce was Catholic, the fact that a majority of the unemployed was Catholic was evidence of profound structural discrimination; in a context in which more than half the Northern Ireland workforce is Catholic, we would expect Catholics to form a proportionate majority among the unemployed. In reality, 45% of the unemployed were Protestant and 55% were Catholic in 1992 while these proportions were 44% and 56%, respectively in 2014 (OFMDFM 2016: 33).

We need, therefore, to engage with the data with a degree of caution. This acknowledged there are two key structural trends: first, the Catholic proportion of the workforce is growing; second, there has been a general dovetailing of the profile of Protestants and Catholics over time. This dovetailing – characterised as ‘convergence’ by the LFS (OFMDFM 2016: 2-3) – holds across most *but not all* indicators. Between 1992 and 2014, there has consistently been a higher level of *working age economic activity* among the Protestant community compared to the Catholic community. But this difference has decreased substantially. In 1992, 77% of Protestants were economically active, compared to 66% of Catholics – an 11 percentage point difference. By 2014, 72% of working age Protestants were economically active compared to 71% of working age Catholics (OFMDFM 2016: 19).

Between 1992 and 2014, Catholics consistently experienced higher rates of *working age economic inactivity* than Protestants. However, the percentage point difference between the inactivity rates of Catholics and Protestants has decreased markedly, from ten to two, over this period. In 1992, 34% of working age Catholics were economically inactive compared to 24% of working age Protestants, while in 2014 the corresponding figures were 28% and 29% (OFMDFM 2016: 25).

Between 1992 and 2014, a consistently higher proportion of working age Protestants has been in employment compared to their Catholic counterparts. This difference has also decreased markedly over time. In 1992 the difference was 16 percentage points (70% for Protestants and 54% for Catholics). This had decreased to one percentage point by 2014 (67% for Protestants and 66% for Catholics) (OFMDFM 2014: 38).

Between 1992 and 2014, Catholics consistently experienced higher rates of *unemployment* than Protestants. The ‘unemployment gap’ - the percentage point difference in unemployment rates between Protestants and Catholics - and the ‘unemployment differential’ - the ratio of these unemployment rates – have both been central to discussion of inequality in the labour market in Northern Ireland.

In the GFA, the British Government explicitly committed to, ‘measures on employment equality ... a range of measures aimed at combating unemployment and progressively eliminating the differential in unemployment rates between the two communities by targeting objective need’. Tracing this differential over the period since 1992, the LFS figures provide no cause for complacency. In 1992 the differential was 2 (2.4 for male and 1.3 for female); this rose to its highest point of 2.3 in 1997 and 2005. It then fell to its lowest point of 1.2 in 2011 and 2012 before rising again to 1.5 in 2013 and 1.3 in 2014 (OFMDFM 2016a, tables A5.1, A5.8).

The numbers unemployed for both communities have also fallen over this period (from 36,000 to 22,000 for Protestants and from 45,000 to 28,000 for Catholics). However, unemployment rates and the number unemployed have risen for both communities since 2008 (OFMDFM 2016: 33). Catholics, however, remain much more likely to be long-term unemployed. The unemployment rate is also higher among younger Catholics than Protestants; 22% of Catholics and 19% of Protestants aged 16 to 24 were unemployed (OFMDFM 2014: 39).

| Religious composition of the unemployed (short-term or long-term), 2014 | | |
|--|-------------------|-----------------|
| | Protestant | Catholic |
| | % | % |
| Short-term unemployed (under 12 months) | 49 | 51 |
| Long-term unemployed (12 months or more) | 41 | 59 |
| All unemployed | 44 | 56 |

Note: The short-term unemployed are defined as those who have been unemployed for less than 12 months. The long-term unemployed are those who have been unemployed for 12 months or more.

Source: OFMDFM 2016a Table A5.7

In other words, unemployment remains disproportionately concentrated among the Catholic community and the differential has fluctuated since the GFA and shows only partial evidence of ‘progressive elimination’.

The proportion of working age economically active Protestants and Catholics with higher qualifications (i.e. above A-level) has increased between 1993 and 2014. In 1993, 17% of both Protestants and Catholics had higher qualifications. By 2014 the proportion with higher qualifications had increased to 32% for Protestants and more than doubled to 37% for Catholics (OFMDFM 2016: 52). Over the same period, the percentage of working age economically active Catholics with no qualifications has decreased from 32% to 12%, and the percentage of working age economically active Protestants with no qualifications has decreased from 30% to 12% (OFMDFM 2016: 53).

Thus, although differences are now relatively small, we can identify some of the reasons for concern around Protestant educational achievement – Catholics are now ‘better qualified’ (albeit marginally) than Protestants at both ends of the qualification spectrum. More broadly, the educational attainments of *both* populations are increasing.

We find some further perspective on differences in economic status and occupational status between Protestants and Catholics from the *Family Resources Survey Northern Ireland 2012/13* (NISRA 2014). This suggests very little difference between Protestants and Catholics in terms of the make-up of the Northern Ireland workforce. The analysis of working adults by religion and Standard Occupational Classification suggests no striking sectarian differentials (NISRA 2014: 127). In contrast, gender is a much more significant indicator of differences within the labour market. In other words, being a woman or a man is much more likely to determine location within the labour market than being a Protestant or a Catholic – for example, women are significantly underrepresented in ‘Skilled Trades, and ‘Machine Operatives’ but significantly over-represented among ‘Professional’, ‘Administrative and Secretarial’ and ‘Sales and Customer service’ (NISRA 2014: 126). This level of analysis does indicate some sectarian differentials – for example, Catholic women are under-represented with regard to Protestant women among ‘Admin and secretarial’ and Protestant men are under-represented with regard to Catholic men among ‘Processing Plant and Machine Operatives’. By and large, however, the data suggests broadly similar patterns of occupation for Protestants and Catholics with the broader pattern of gender differences.

In general, therefore, the notion of labour market convergence holds in the face of the contemporary evidence. It bears emphasis, however, that there is a marked difference between ‘converging’ and ‘converged’. Northern Ireland is some way away from the point at which there are no significant differences between Protestants and Catholics across the labour market. There are some more marked differences within the unemployed population; Catholics remain more likely to be unemployed and more likely to be long term unemployed. Likewise, there are significant differences within the ‘economically inactive’ population: Protestants are more likely to be retired than Catholics; Catholics are more likely to be students or permanently sick or disabled. Generally, however, most of these differences are relatively small and appear to be reducing over time.

Importantly, therefore, while there are still differences and inequalities across the Northern Ireland labour market, contemporary data broadly suggests that fair employment legislation and interventions *are working*. Certainly the broad trend in inequalities is downwards and the broad trend in experiences is towards *convergence* between both communities, in a context in which the Protestant community as well as the Catholic community as a whole has benefited from lower unemployment and greater academic attainment. This is a ‘win-win’ peace-building approach and in some ways a remarkable achievement: it would appear largely to have been achieved because economic growth coupled with equality measures has seen a general improvement which has worked to simultaneously eliminate communal differentials.

We are now closer to the point at which there is no statistical significance in terms of the correlation between being Protestant or Catholic and labour market status – whether someone is employed or unemployed, economically active or inactive.

In this sense, the labour market interventions in support of equality between the two communities have been broadly successful. The new political settlement outlined in the GFA has not just reduced violence but it has addressed one of the root causes of the conflict. However, statistics from 2008 onwards indicate the capacity for austerity measures to reverse the situation. As we suggest later, police equality figures provide a particularly cautionary tale against assuming that these changes will be resilient in the face of austerity. There are also some negative long-term trends in the overall labour market regarding Protestants – a decreasing economic activity rate, an increasing economic inactivity rate and a decreasing employment rate. These are relatively minor shifts but they require ongoing monitoring (OFMDFM 2014: 2). There is nothing that would justify any reduction in equality safeguards.

In terms of the differentials it is worth emphasising that they remain greater in the private than public sector – this leads NERI to conclude: ‘If the aim of the voluntary redundancy policy [of the SHA] is to “re-balance” the Northern Ireland economy, policies would be more efficiently focused on the gaps between outcomes in the private sector in Northern Ireland rather than the public sector’ (2015: 4). Certainly, any change in the balance between the two sectors will have to address the reality that sectarian differentials are greater in the private sector than the public sector with particular imbalances in particular workforces (ECNI 2014a, 2014b). This too has specific implications in terms of sectarian inequality – the areas that rely most on public sector employment are places like West Belfast and Derry are also disproportionately Catholic.

It bears emphasis, however, that acknowledging that the labour market in Northern Ireland is ‘fairer’ than it was twenty or forty years ago, is not the same as suggesting that it is ‘fair’. Marked imbalances and disproportions remain. We can suggest that employers with less than 30% of Protestants or Catholics in their workforce continue to present a *prima facie* case for concern (bearing in mind that ‘travel-to-work’ areas and qualifications also play a key part in this process). In this context, the public sector is ‘fairer’ than the private sector.

Looking at the most recent figures from the ECNI, in the public sector ‘specified authorities’ there are *16 with less than 30% Catholic employees and 7 with less than 30% Protestant employees* (ECNI 2014a). Among these, however, only two are employers with more than 1000 employees (Northern Ireland Policing Board with 20% employees Catholic and PSNI with 29.6% employees Catholic). Local councils also perform poorly on this measure - with nationalist councils generally employing low proportions of Protestants and unionist councils generally employing low proportions of Catholics (ECNI 2014). Generally, however, public sector employers have relatively minor disproportions between Catholics and Protestants – while this process is far from finished, their trajectory is towards ‘fair employment’.

The private sector exhibits more profound evidence of 'unfair employment'. Using the 30% indicator again, *there are 267 firms with less than 30% Catholic employees and 161 firms with less than 30% Protestant employees* (ECNI 2014b). Many of these are significant employers recognised for their 'outstanding success' despite their palpable challenges in terms of employment equality. For example, Shorts Brothers PLC is Northern Ireland's second largest employer and characterised by the BBC as, 'a jewel in the crown of the Northern Ireland economy'. Shorts has a workforce that is only 17% Catholic despite its being situated in Belfast which – excluding the 'other' category – has a working age population that is 55% Catholic. Another of Northern Ireland's largest and most high profile companies – Wrightbus Ltd – has only 11% Catholic employees. Several other large employers have less than 10% Catholic employees. In contrast, Norbrook Laboratories – characterised by the BBC as, 'the holy grail for economic development in Northern Ireland ...locally owned, hi-tech, export-focused firms which employ lots of skilled people' has only 18% Protestant employees. As these examples might suggest, there is some evidence of a post-GFA 'balancing' of unfair employment, with more employers with disproportionate numbers of Catholic employees 'matching' employers with continuing disproportionate numbers of Protestant employees. It bears emphasis, however, that this balancing of inequality provides no easy or principled calculus for 'fair employment'. Until all employers employ fairly, there is every danger in a strategy focussed on private sector growth leading to further sectarian disproportion. In other words, any strategy for growth focussed on the private sector in Northern Ireland will need to pay particular attention to its implications in terms of equality *since it will build upon existing inequalities*.

In summary, the Northern Ireland labour market has been 'heading in the right direction' on most indicators of sectarian equality since the GFA. There is, however, no cause for complacency nor any reason to excuse anything other than the most rigorous attention to labour market equality in peacebuilding. There are continuing concerns regarding the unemployment differential and *increasing* proportions of Catholics among the long term unemployed. The differential remains the 'gold standard' benchmark mentioned in the GFA against which sectarian inequality is measured and assessed – as we have seen the GFA committed the British government to, '*progressively eliminating the differential in unemployment rates between the two communities by targeting objective need*'. The explicit commitment to eliminate the sectarian differential in unemployment remains one key tangible indicator of whether the commitments of the GFA have been met. More broadly, fair employment remains a key element of the 'unfinished business' of the GFA.

3.4 Income

The *Houses Below Average Income* Report (HBAI) provides the most up-to-date data on this issue (DSD 2015). The HBAI report provides a detailed breakdown of income and poverty in relation to 'religion' as well as a range of other equality

indices.²⁷ In terms of the *whole population*, in 2013-14 the average (median) household income in Northern Ireland, before housing costs, was £404 per week or £21,100 per year. This represents a small decrease of approximately 1% from the previous year. Some 376,000 people were in relative poverty in 2013-14, around one fifth of the population of Northern Ireland. This is an increase from the previous year. Of all the family types, single parent families with children experienced the highest levels of poverty. Regional poverty levels were highest in the west of Northern Ireland, with over one fifth of individuals considered to be in relative poverty. In comparison, around a sixth of individuals living in both the east and Belfast were in relative poverty.

When these data are broken down in terms of Protestant and Catholic differentials we find significant differences. In terms of *households*, in 2013-14, a greater number and a greater proportion of Catholics than Protestants lived in low income households. In 2013-14, 23% of Catholics and 20% of Protestants lived in relative poverty before housing costs. After Housing Costs those who considered themselves to be 'no religion' recorded the highest levels of relative poverty, at 28%, compared to 19% of Protestants and 23% of Catholics (DSD 2015: 38-9). This could well reflect high levels of poverty among certain status groups within the BME population – refugees, asylum seekers, people with no recourse to public funds and undocumented workers. Finally, in terms of older people, there was little difference in the proportion of Protestant and Catholic pensioners in relative poverty.

There has been a convergence in terms of *sources* of income for Protestants and Catholics. The Family Resources Survey (FRS) *Sources of total weekly household income by religious denomination of head* analysis suggests little difference between Protestants and Catholics on this issue (NISRA 2014: 45). Likewise, the FRS *Households by religion and total weekly household income* analysis suggests broad equality on incomes (NISRA 2014: 46). Certainly, this suggests a marked convergence in *levels* of Protestant and Catholic family incomes since the early 2000s (Borooah 2000; Robinson 1999). This is further supported by the latest data from the FRS. Comparison of data from 2002/3 and 2013/4 suggests that significant differences between Protestants and Catholics remain – Catholics are disadvantaged vis-à-vis Protestants whether this is measured in terms of equivalised income or poverty or earnings (Department for Social Development's Family Resource Survey, NI 2013/14).

In particular, it bears emphasis that these household incomes are 'shared' by younger and larger Catholic families in contrast to older, smaller Protestant families. There are also persistent geographical imbalances with straightforward implications in terms of sectarian differential. For example, as PPR (Participation and the Practice of Rights) suggests:

²⁷ Once again the notion of 'religion' requires a strong caveat. The terms are defined in 'Other definitions used in HBAI' thus: 'Religion is based on all adult respondents. Protestants are classified from 'Presbyterian', 'Church of Ireland', 'Methodist', 'Baptist', 'Free Presbyterian', 'Brethren', 'Protestant - not specified'. Other includes 'Other Christian' and other non-Christian beliefs e.g. Jewish, Hindu, Muslim etc. Mixed is classified as being at least one Protestant respondent and at least one Catholic respondent (DSD 2015: 154).

This pattern of areas experiencing long term structural neglect and deprivation impacts on both communities, but continues to disproportionately impact the Catholic community. Of the top 10 most deprived areas of Northern Ireland, 8 of those areas have a population that is at least 90% Catholic. Similarly, of the top 50 most deprived areas in Northern Ireland, 38 of those areas have populations that are at least 90% Catholic. Two of the top 10 most deprived areas in Northern Ireland have populations that are at least 90% Protestant, while the top 50 most deprived areas in Northern Ireland, 7 have populations that are at least 90% Protestant. These trends have largely remained unchanged since the signing of the Agreement in 1998. (2015, original emphasis)

The poverty gap has also risen in recent years. The Poverty and Social Exclusion Northern Ireland survey indicates that the poverty gap between Catholics and Protestants has increased between 2002 and 2012 with, 32.5% of Catholics and 18.5% of Protestants in poverty (Kent, 2016).

In summary, some of the differences in terms of relative poverty and deprivation can be explained in terms of demographic and geographic differences – Protestant households tend to be older and smaller with fewer dependents. But this in turn raises questions about public policy and support for children and people with children and areas of deprivation– these too have immediate equality implications in Northern Ireland. In particular child poverty raises serious questions about efforts to realise GFA commitments on equality. Any ‘mitigation’ of the negative implications for equality embedded in the SHA/Fresh Start would require addressing these significant demographic differences between Protestant and Catholics.

3.5 Child Poverty

The experience of children in contemporary Northern Ireland has a particular relevance in terms of equality issues. These are the ‘children of the peace process’ the generation of young people for whom the GFA promised a better, more peaceful, more equal future. When we turn to the likely impacts of the SHA on equality, specific attention should be paid to the implications of contemporary policies for this next generation of citizens of Northern Ireland. Any analysis of child poverty in Northern Ireland with regard to community background, takes place against a more general increase in child poverty. As the Institute of Fiscal Studies (IFS) in an analysis broadly supportive of ‘welfare reform’ concludes:

We show that the reforms introduced since April 2010 account for almost all of the increase in absolute child poverty projected over the next few years; relative child poverty would actually have fallen in the absence of reforms. The increase in working-age non-parent poverty as a result of reforms is projected to be significantly smaller. In both cases, the impact of the reforms on poverty rates is larger in Northern Ireland than in the rest of the UK. (2013: 36)

This analysis makes plain the unlikelihood of targets being met:

The Child Poverty Act 2010 sets the UK Government legally binding targets to reduce relative child poverty to 10% and absolute child poverty to 5% by 2020–21. Our 2020–21 projections for these indicators under current policies are 23.5% and 27.2% respectively. It therefore seems almost certain that the targets will be missed by a substantial margin. It is not the case that tax and benefit reforms introduced since 2010–11 have made it impossible for these targets to be hit: even without these changes, they would still have been missed by a considerable distance. We recommend that the UK Government either reveals a credible plan for meeting the targets that it has signed up to, or that it sets different objectives which reflect its view of what is both desirable and achievable and explains how it plans to meet those – ideally, verified using a quantitative modelling exercise such as this one. (IFS 2013: 37)

The IFS is clear that the trajectory of child poverty in Northern Ireland is upwards:

We now expect child poverty in Northern Ireland to increase from 20.5% in 2012–13 to ... 21.8% by 2015–16 and 26.0% by 2020–21 using the headline relative low-income measure and from 22.0% to 25.3% by 2015–16 and 29.3% by 2020–21 using the headline absolute low-income measure. (2014: 2)

The most recent figures for child poverty in Northern Ireland - from the 'child poverty' section of the NI Poverty Bulletin released in June 2015 confirm this reality. While there are small fluctuations year on year, child poverty rates in Northern Ireland have not decreased since they were first measured in 2002/3. This is in contrast with figures from England and Wales which, until recently, have shown a gradual downward trend.

Within this broad trajectory in Northern Ireland, Catholic children remain disproportionately living in poverty. In relation to religious background, the most recent statistics confirm this across different indices (DSD 2015: 70, 73, tables 4.4 and 4.7). Looking at the 60% median for relative poverty, this is true both in terms of 'composition' and 'risk' (AHC). Of all children in poverty in NI, 48% were from households where the head of household was Catholic and 36% from Protestant households. 16% were other/ mixed/no religion. In terms of 'risk', 28% of Catholic children (i.e. living in households where the head is Catholic) are in poverty, and 23% of Protestant children. Although the data on child poverty can vary hugely across different sources, the sectarian differential remains a constant.²⁸ Some of these data, however, also suggest a convergence on child poverty.

²⁸ The relative poverty measure is accepted to be the main measure, and this is the one we use – the issue is whether you use the After Housing Costs (AHC) measure (i.e. after removing housing costs) or the Before Housing Costs (BHC). The UK government tends to use BHC – and NI figures are higher compared to GB for BHC, but arguably the AHC is a more meaningful measure as this accounts for regional variations in housing costs. The NI Children's Commissioner used the AHC measure in its report to the UN Committee on the Rights of the Child.

For example, 2010 figures from the FRS suggest 32% of children in Catholic families living in poverty in contrast to 18% of children in Protestant families.

Other data also illustrates how this poverty is geographically concentrated. We can also use proxy indicators to provide some geographical detail to these patterns. While geography is only a proxy indicator of the correlation between child poverty and community background, we get some sense of how marked this is by looking at the proportion of Catholics in the constituencies with the highest levels of child poverty. In this context, the GFA reference to the areas that 'suffered the worst impact of the violence' appears particularly poignant. We find West Belfast 80% Catholic with 40% of children in low income families; North Belfast 47% Catholic with 35% of children in low income families and Foyle 75% Catholic with 34% of children living in low income families.²⁹

This geographic concentration of child poverty is particularly striking of course because it speaks to the experience of Northern Ireland citizens born *after* the GFA. The continuing sectarian differential cannot be dismissed as a legacy of conflict. It may also be a poignant portent of why the failure to deliver equality threatens the stability of the new political dispensation.

3.6 Health

The NHS Inequalities Monitoring System (IMS) comprises a basket of indicators which are monitored over time to assess area differences in mortality, morbidity, utilisation of, and access to, health and social care services in Northern Ireland. The most recent *Second Update Bulletin (2007)* reported the following points in terms of 'religion':

The proportion of Catholics in the worst affected areas for each IMS indicator considered was higher than the proportion in Northern Ireland overall (with only the proportion for waiting times and the standardised death rate due to respiratory diseases being less than 5 percentage points higher than the NI proportion). For the overall and emergency hospital admission rate as well as admission rate due to respiratory disease, the proportion of Catholics in the areas with the worst outcomes was more than 20 percentage points higher than NI as a whole. (2007: 87)

This inequality holds across most areas of health provision:

For all facilities under consideration, (with the exception of GPs, pharmacies and hospitals providing learning disability outpatient services) the proportion of persons in the areas with worst access times that were Catholic was higher than the overall proportion of Catholics in NI. (2007: 90)

²⁹ Source: House of Commons Library BRIEFING PAPER Number 7096, 11 September 2015 'Poverty in the UK: statistics'; NISRA Northern Ireland Census 2011 'Parliamentary Constituencies'.

This of course raises broader questions about health and inequality. Shortly after the GFA and the establishment of the Assembly, the Executive published *Investing for Health* described by Sir Donald Acheson (former Chief Medical Officer in England) as ‘the best health policy document, at national level from a country in the English-speaking world, I have seen’.

The then Health Minister, Bairbre de Brún stated:

The evidence is clear - there is a direct correlation between poverty, social disadvantage and your health. Those in poverty have less to spend on the physical determinants of health, such as good food and quality housing. Children from disadvantaged backgrounds are less likely to achieve the educational qualifications which are the key to improving their social status. People from lower social classes often live and work in more difficult conditions and suffer from poorer mental health. These factors all bear on the same group of people, and the damage they do to their health is cumulative. These inequalities result in a health gap between rich and poor which is unacceptable and needs to be urgently addressed.

David Trimble and Mark Durkan (First and Deputy First Minister) confirmed this assessment: ‘It is through improving the living and working conditions of the most disadvantaged in society that we can make great improvements in health. This Strategy is therefore wholly consistent with, and complements, the Executive’s commitment to New Targeting Social Need and our Equality Agenda.’

Investing for Health recognised that much better use could be made of existing data within the health and social care services. The 2013 WHO Europe review of social determinants and the health divide in the WHO European Region emphasised the need to monitor access and use of services in disaggregated manner, and exploring interlinkages – the review emphasised age, gender and socioeconomic determinants, but also issues of ethnicity, sexuality, and disability. More data in some of these areas is urgently needed but much greater use can be made of existing data. The regular reports from the DHSSPS Inequalities Monitoring System are useful, but they fail to disaggregate data adequately. One independent report published through the Belfast HSC Trust – *Patterns and trends in the use of hospital services in Northern Ireland, 1998/9-2006/7* – showed how more detailed disaggregated analysis was possible. In evidence to the Health Committee in 2010 Evan Bates drew on the report to highlight evidence of unmet need, growing access gaps, and inequitable resource allocation. Despite requests, the DHSSPS has failed to develop this type of analysis.

Thus the early promise of the post-GFA health equality agenda was never delivered. New Targeting Social Need was abandoned - or ‘successfully mainstreamed’. Investing for Health targets to close gaps in mortality rates were missed, with gaps unchanged or widening some 10 years later. The current public health strategy, *Making Life Better*, gives a commitment to monitor these gaps at a socioeconomic level, but with no target to reduce them. Few analyses have attempted disaggregation of health need or service use by community background.

The most recent analysis was in the 2012 Department of Health, Social Services and Public Safety *Inequalities Monitoring Report - A Section 75 Analysis of Mortality Patterns in Northern Ireland 2003-2007*. This research found that its data:

Replicates the previous findings of O'Reilly and Rosato that those with a Catholic community background, both males (998 deaths per 100,000 population) and females (692 deaths per 100,000 population), had the highest ASMR [age standardised mortality rate]. The ASMR among Catholics males and females was 6.2% and 8.2% higher respectively than their counterparts in the Protestant and other Christian group. (2012: 13)

In other words, while there is a clear need for further and more consistent data, the existing evidence suggests that profound sectarian differentials remain in the provision of healthcare.

3.7 Education

The Department of Education provides useful data on different aspects of the school population. These include analysis of Free School Meal (FSM) entitlement – this is a useful proxy indicator for income and poverty. It is a key mechanism to identify objective need in the education system. A breakdown of free school meal entitlement by religion for all pupils in primary, post-primary and special schools is as follows:

| | Protestant | Catholic | Other | Total |
|-------------------------------------|------------|----------|--------|---------|
| FSM entitled | 28 006 | 55 597 | 11 819 | 95 422 |
| Not FSM entitled | 87 309 | 110 085 | 29 843 | 227 237 |
| Total | 115 315 | 165 682 | 41 662 | 322 659 |
| Percentage | 36 | 51 | 13 | 100 |
| Source: Information request to DENI | | | | |

In other words, there are nearly twice as many Catholic children qualifying for free school meals as Protestant children. The proportion of children qualifying *within* the two communities is also different – roughly one third of all Catholic and one quarter of all Protestant children qualify for free school meals.

| Percentage of <i>all</i> school leavers achieving at least 5 GCSEs A*-C including GCSE English and maths by gender and religion of pupil 2013/2014 | | | | | | |
|--|---------------|----------|---------------|----------|---------------|----------|
| | BOYS | | GIRLS | | TOTAL | |
| | Number | % | Number | % | Number | % |
| PROTESTANT | 2521 | 57.1 | 3008 | 68.9 | 5529 | 63.0 |
| Total | 4415 | | 4368 | | 8783 | |
| CATHOLIC | 3464 | 59.2 | 3894 | 69.6 | 7358 | 64.3 |
| Total | 5856 | | 5593 | | 11449 | |
| OTHER⁽³⁾ | 835 | 61.4 | 651 | 62.4 | 1486 | 61.8 |
| Total | 1361 | | 1043 | | 2404 | |
| ALL RELIGIONS | 6820 | 58.6 | 7553 | 68.6 | 14373 | 63.5 |
| Total | 11632 | | 11004 | | 22636 | |

Source: Source: Table 10 DENI Qualifications and Destinations 2013/14³⁰

DENI also offers a perspective on achievement by community background. There is broad equality in achievements across the categories Protestant and Catholic (with Catholics achieving slightly better). Girls also significantly outperform boys.

These generalisations mask a more profound inequality among poorer students. While we would usually expect a correlation between poverty and achievement, this does not hold simplistically in Northern Ireland where gender and community background also show a profound effect. In fact, poorer Protestant children achieve disproportionately less well than their Catholic counterparts. Existing sectarian inequalities in education are already a topic of much discussion. The current data suggests that this is a significant issue, while overall Protestant disadvantage is small it is growing:

In terms of religion and educational attainment, Protestants persistently have lower levels of attainment than Catholics at GCSE and A Level. Despite overall increases in the attainment levels of all students, there is a persistent and overarching trend of higher proportions of Catholics achieving the education targets in all three areas (GCSEs, GCSEs including English and Maths, and A Levels), than both Protestants and 'Others'. Furthermore, between 2007/08 and 2011/12, the gap between Catholics and Protestants widened for all three education targets. This is a persistent, and increasing, inequality. (ECNI 2015: 29)

The specific underachievement of poorer Protestant boys is also a real phenomenon. This issue has attracted a great deal of attention and discussion, most recently in the ECNI *Key Inequalities in Education* Report:

³⁰ 21 May 2015 Qualifications and Destinations of Northern Ireland School Leavers 2013/14

When looking across the gender and religious categories, and measures of social disadvantage, Protestant male pupils entitled to free school meals (a measure of social disadvantage) have the lowest rates of attainment in respect to GCSE and A Level results. They also have the highest proportions of non-attainment, and the lowest proportions of school leavers moving on to higher education. (ECNI 2015: 30)

The LFS, however, suggests a slightly different picture. For example, over the period 1993-2013, the percentage of economically active working age Protestants with no qualifications has decreased from 30% to 12% and the percentage of economically active working age Catholics with no qualifications has decreased from 32% to 12% (OFMDFM 2016: 53).

| Highest level of qualification (working age economically active persons), 2014 | | | | | | |
|---|--------------|----------|----------------|----------|-------------------|----------|
| | Males | | Females | | Both Sexes | |
| | P | C | P | C | P | C |
| Higher (all above A level) | 27 | 32 | 39 | 42 | 32 | 37 |
| A-level (or equivalent) | 17 | 14 | 18 | 22 | 17 | 18 |
| Trade Apprenticeships | 13 | 14 | * | * | 7 | 8 |
| GCSE (or equivalent) | 22 | 17 | 27 | 21 | 24 | 19 |
| Other qualifications ³¹ | 4 | 6 | 6 | 4 | 5 | 5 |
| No qualifications | 15 | 15 | 8 | 9 | 12 | 12 |

Source: 2014 Labour Force Survey, Northern Ireland Religion Report Table A7.3

While there is ‘equality’ among those without qualifications, however, Catholics are identified as doing better at the highest levels. From this perspective, the starkest difference is actually between Protestant and Catholics at the higher qualification end – a gap of 5% points which holds across gender. Put broadly, therefore, Catholic children present to the education system with disproportionate disadvantage in income but emerge with a slight advantage in qualifications. Catholic children are generally poorer – but generally, if slightly, better qualified at the end of their education.

3.8 Housing

There are neither definitive datasets nor analysis on the NI wide situation in terms of inequality in housing.³²

³¹ Other qualifications include CSE below grade 1, GCSE below grade C, BTEC First or General certificate, City and Guilds foundation/Part 1 and YT/YTP certificate.

³² Relevant data was requested from the Housing Executive in the context of this research but none was forthcoming.

The way in which the NIHE (Northern Ireland Housing Executive) collects and presents its data has increasingly obscured the identification of inequalities. However, pre-2008 ring-fencing of new build social housing units for north and west Belfast and Derry was in place in acknowledgement of sectarian inequality concentrated in these geographical areas. The removal of this approach did not coincide with the eradication of inequality – rather there was growing housing need. In the absence of reliable data, this is a worrying indicator that housing inequality may have deepened and worsened across Northern Ireland. There is nothing to suggest that the broader sectarian segregation of public housing across Northern Ireland has changed in recent years (Shuttleworth and Lloyd 2007, 2009). At the very minimum we might expect ongoing statistical analysis that would allow us to trace the dynamics of public housing provision and community background over time. Certainly the North Belfast case study – as documented in forensic detail by Participation and the Practice of Rights (PPR) – would suggest that profound concerns remain in terms of sectarian inequality in housing (PPR 2013).

There have been extensive and ongoing allegations of ‘gerrymandering’ in North Belfast from ‘both sides’.³³ The one thing that emerges with clarity is that there is a large and growing demand for housing for Catholics in North Belfast that is not being met by the statutory sector. In that sense, if nothing else, the situation is disturbingly redolent of the 1960s when one of the principle mechanisms for maintaining a gerrymander was simply refusing to build any houses *at all*. Housing in North Belfast has attracted the attention of the United Nations equality mechanisms in *two* specific interventions:

The Committee is concerned about the chronic shortage of housing, in particular social housing, for the most disadvantaged and marginalized individuals and groups, such as...Catholic families in Northern Belfast, in spite of the financial resources provided, and other measures taken, by the State party in this regard. ‘Concluding Observations of the United Nations Committee on Economic, Social and Cultural Rights, May 2009’

This specific North Belfast dynamic continues to raise serious questions in terms of equality between the two communities. But it also illustrates some of the difficulties of finding a ‘discourse’ for this in the context of contemporary attitudes to naming Catholic or Protestant disadvantage. Infamously, Ivan Lewis – former Labour Shadow Secretary of State – suggested “nobody talks like that anymore” in response to homeless mothers from the Catholic community in North Belfast asking him to address sectarian inequality. As one member of the Equality Coalition puts it:

The issue was in reality that no party had raised it with him in their briefings. It is not regarded as a political priority. The urgency to include equality standards in the GFA reflected the political priorities of the time and this was based on robust data.

³³ Documents reveal DUP lobbying over North Belfast housing and "allegations of gerrymandering" Barry McCaffrey, 13 May 2014. <http://www.thedetail.tv/articles/documents-reveal-dup-lobbying-over-north-belfast-housing-and-allegations-of-gerrymandering>

Remove the robust data and remove the political priority, and you're just left with the homeless Catholic mothers – a problem incapable of being named officially because to do so would demonstrate the failure of the GFA to deliver on its commitments.

In failing to 'talk like this' anymore, the outcomes in terms of sectarian discrimination and disadvantage also remain unchallenged. As another member of the Equality Coalition records:

We tend to see it in the out-workings - a homeless person from a Protestant community background will get housed much quicker than someone from a Catholic background (the difference in places like north and west Belfast is stark - it's the difference between weeks and years). And it makes it ridiculous to argue with someone about the Section 75 category their inequality slots in to. But it is unmistakable that their homelessness is being exacerbated because of state policy which deprioritises their needs (in the case of housing in Belfast it is blatant sectarian interference from the likes of the DUP).

More generally this begins to signal the palpable failure to address housing equality issues in the wake of the GFA. It is truly shocking that in many ways this situation appears to have worsened.

The contemporary Housing Executive stands out as an example of the failure to address the question of what it means to service a client base that is increasingly Catholic, not just in North Belfast but across Northern Ireland. The demographic transition outlined above – a growing Catholic and 'Other' population alongside a declining Protestant population coupled with historic patterns of social division that impacts on provision of housing stock – is arguably the most important challenge facing housing provision in Northern Ireland. Racism and sectarianism still play a determining role in where Protestants, Catholics and Black and minority ethnic people can live safely. The tacit acceptance of existing patterns of Protestant/Catholic public housing distribution becomes even more problematic in a context in which the majority of the population is Catholic and 'Other' and yet the majority of the public housing stock is 'Protestant'.

Put simply, a plurality of estates and housing across Northern Ireland should now be accessible to Catholics and, if that is not the case, then NIHE should be actively pursuing policies and practices to change that reality. This was an institution that was brought into existence because of institutionalised sectarianism in the provision of public housing. It is an institution that currently administers a housing stock that is profoundly structurally segregated – often bounded by 'peace walls' – with areas continually reinforced by sectarian intimidation and violence. Yet it can produce a report entitled *Demographic Change and Future Housing Need in Northern Ireland* (2014) without any mention of Protestant and Catholic dynamics in public sector housing – let alone any acknowledgment of the fact that it has now entered an entirely new phase in which an increasingly large proportion of its clients and potential clients are Catholic (and 'Other') rather than Protestant. This gives some indication of just how far the equality agenda in housing has fallen from the commitments embedded in the GFA.

3.9 Equality Data

The woeful absence of appropriate data on housing, begs the question of data provision across the whole of the public sector. There is some monitoring of this process. For example, the UK statistics authority 2012 is tasked with assessing the robustness of official statistics. Their analysis often provides evidence of room for improvement:

[Publications should provide] additional information about sources of non-sampling error, including information about community response rates [and] Inform users about the introduction of a second question about religion, the reasons for this, and the plans for consulting users [and] Reproduce the actual questions that are asked about religion [and] Provide more information about the composition of respondents whose religion is classified as 'other/non determined' [and] Improve the commentary in the release so that it aids user interpretation of the statistics. (2012:1,2)

There is also a general sense that the framing of some of the data needs to be made much more user friendly. For example, this is made abundantly clear by the UK Statistics Authority in its assessment of OFMDFM (Office of the First Minister and Deputy First Minister) research on the labour market:

The release is clear and factual, but does not present any information about why an analysis of labour market statistics by religion has been produced, and does not explain how the statistics are used. The release does not provide information about the current policy context, for example, about steps that have been taken to prevent discrimination on religious grounds in the labour market. It does not discuss any of the factors that may contribute to different labour market outcomes for each community, or identify factors that may help to explain long term trends. As part of the designation as National Statistics, OFMDFM should improve the commentary in the release so that it aids user interpretation of the statistics. (2012: 6)

In other words, part of the job of statutory statistics is to guide ordinary people through the policy context of the statistics. There is a general and palpable failure to do with this with data that helps to illustrate the present state of equality and inequality. This acknowledged, it is also important to emphasise that the provision of such data is closer to the commitments of the GFA on equality, than the performance of institutions that fail to provide *any* analysis of community background. The UK Statistics Authority also provides a useful costing of different research. For example:

The *Religion Report* is published annually, usually in the November or December after the calendar year to which the survey data relate. The estimated annual cost of the report is £5,000. This covers analysis of the data and publication of the report, but not the data collection costs. (2012: 4)

It bears emphasis that £5000 to monitor the success or otherwise of a key GFA commitment looks like very good value from even the most austere of perspectives.

On the whole the collection and analysis of equality data – in particular disaggregated data in relation to religion or ‘community background’ – tends to be poor across the public sector. On one level – and despite equality legislation, policy mainstreaming and a regulatory system in place – public officials may not see the relevance of collecting/analysing such data to target resources. On a more malign level, there may be political interference in data collection/analysis.³⁴ In general most statutory-sector statisticians are cooperative and helpful in providing additional data. But there is a disturbing absence of proactive equality-focussed research presented in the kind of accessible language advocated by the UK Statistics Authority.

³⁴ For example, one of our data requests indicated that OFMDFM ‘clearance’ would be required for the release of some relevant NISRA data.

4. THE STORMONT HOUSE AGREEMENT - AN INEQUALITY AGENDA?

The Stormont House Agreement (SHA) intended to 'stabilise and complete' the peace process in Northern Ireland. Meghan O'Sullivan (who co-chaired the Haass talks) characterised it as, 'a new way forward for Northern Ireland and its people'. It dealt with issues that were understood to be 'unresolved' by previous agreements and that had capacity to undermine the political institutions and stability in Northern Ireland. However, between the Haas blueprint of a year earlier, and the SHA, the central destabilising factor as regards the political institutions was the incapacity to agree on social security reform, and the way in which this had led to complete log-jam of the power-sharing political process. While the power-sharing mechanisms create the potential for log-jam it is worth noting that in a major review, McCrudden *et al* reviewed these instruments as working fairly well (2013; 2014).

By 2014, stabilising the institutions therefore demanded, not just dealing with long-standing root causes of conflict, but dealing with the de-stabilisation caused by requiring an ideologically (as well as ethnically) split power-sharing executive to agree to implement UK-wide austerity cuts. It is worth pointing out, that this was a 'new problem', rather than one of 'unfinished business'. In a context in which each ministry operates in some senses as a part-political fiefdom, introducing radical austerity without contemplating how it would affect the business of government, was itself a failure to understand the political bargaining that necessarily underlies power-sharing and the ways in which austerity would destabilise a political settlement that while relatively successful was far from resilient.

Alongside the notion that it was about re-envisioning the peace process, the SHA therefore also dealt with public sector reform and rationalisation. There were two key flaws in this approach. First, the financial package of the SHA failed to deal with the fundamental tension between centrally imposed austerity and Northern Ireland's political settlement at the level of the political institutions where cross-party agreement on financial policy between parties with very different economic philosophies. Second, the SHA failed to integrate consideration and promotion of equality to its measures and so stood in contradistinction to the GFA, and stood to undermine rather than consolidate GFA successes. As we have emphasised, the equality agenda was central to the GFA and any change in this approach is in itself problematic.

In short: the SHA represents a negative paradigm shift in the dynamics of peacebuilding in Northern Ireland. It does so without any apparent understanding that it is so doing, and so no ameliorating measures have been put in place. As a result, a real risk is created that, even if the political institutions manage to sustain through this 'outside shock' (compounded by ongoing internal threats to peace), some of the measures are likely to generate further sectarian inequality and therefore undermine the peace process. At the very least, the different elements of the SHA need to be equality proofed as far as is possible.

We would have expected this to happen *anyway* in the context of the commitments of the GFA; since it does not appear to have happened through EQIA process, we have to provide a best guess approach in terms of the equality impacts of different possible outcomes from the SHA proposals.

However, in our view the approach to the financial package should go further. The SHA and more particularly its financial annex provide for significant changes to the economic and public sector model in Northern Ireland including: ‘public sector reform and restructuring’; a voluntary exit scheme for an estimated 20,000 jobs in the public sector; implementation of wide-reaching changes to the welfare state introduced in Great Britain under the Welfare Reform Act 2012; and devolution of powers over Corporation Tax’. Other elements of ‘re-balancing are included more cryptically – for example: ‘Executive departments should also consider how best to realise the value of their capital assets through reform or restructuring to realise income and longer term savings’. This was read by many observers as an instruction to privatise public assets like Belfast Port. The OECD was integrated as having a strategic role in reviewing this process of ‘rebalancing’.

In practice this SHA package is focused on implementing austerity. In other words, the paradigm which gives it shape is first Con/Lib and then Conservative ‘austerity’ policies rather than the commitments made by the British Government (and Irish Government) in the GFA. The British Government makes this clear in its conclusion to the financial annex:

An implementation plan for the delivery of the commitments made must also be agreed with the Government and this will include the efficiency measures needed to put Executive finances on a sustainable basis for the future.

Thus the whole agreement was defined by the commitment to ‘efficiency measures’ not equality (nor indeed either of the other pillars of the GFA, human rights and security).

Moreover, while none of the four packages of measures in itself *guarantees* deepening inequality, in practice they all seem likely to. For example, public sector reform *might* actually remove some sectarian inequalities at senior management level by retiring a senior management level that arguably remains disproportionately Protestant. However, some approaches to redundancy, for example last-in-first-out, have long been recognised to stall or even reverse equality.

It bears emphasis that a time of difficult economics does not entail inequality. Famously the British NHS was constructed at a time of ‘austerity’. However, times of austerity, particularly in Northern Ireland, do require an even more rigorous commitment to structures of discrimination and disadvantage. It is generally easier to increase equality in a context in which, ‘a rising tide raises all ships’. Attention to equality is not only important in terms of Northern Ireland’s particular history, it is crucially important to the ‘growth of the private sector’ ambitions of the SHA financial package itself. As many experts have indicated – not least the OECD (Organisation for Economic Cooperation and Development) and IMF (International Monetary Fund) - *equality is a necessary component of economic growth* (IMF 2015; OECD 2015).

The signals from the SHA on this are not good, of course. The economic model explicitly adopted by the Conservative government in the UK and embedded in the financial annex is also broadly the one endorsed by OECD and IMF. This model has not been supportive of equality generally – inequality has risen starkly nationally and globally over the past thirty years. More specifically we might expect some indication of how the model will lead to growth since equality is now regarded as essential to growth; more narrowly we might expect a more rigorous attention to this element in Northern Ireland since equality – and the absence of it – is so central to political stability. There is very little in the OECD paradigm and similar approaches to show how equality might be achieved, except as an unintended consequence of other policies.

There are significant dangers in rushing headlong into the SHA Financial Annex project without any proper assessment of the equality impacts. As we have detailed above, inequality between Protestants and Catholics was a key element in conflict. The acts of discrimination that reproduced this inequality were often unobvious and personal but more recently inequality has been sustained by structural factors. Changing this reality was always understood as crucial to addressing a root cause of the conflict. Inequality and discrimination was something that had to be ‘put right’ in order to stabilise the Northern Ireland state. Decades of reform under Direct Rule took on an added impetus in the context of the peace process where it became linked to a revised political settlement. The key indicators of sectarian inequality – like unemployment differential and Protestant/Catholic differentials in employment - retained a high profile. The commitment to equality and human rights was thus central to the Good Friday Agreement. Alongside security, these were two of the three pillars of the Agreement. *The commitment to equality was unambiguous.*

There may also be specific impacts on groups with particular experiences of the conflict, including the bereaved, injured or former prisoners, all of which are particularly vulnerable to cuts in social security. A significant reduction in public sector jobs, unless careful planning and mitigating action is taken could fall more heavily on one side of the community than another with consequent impacts on inequality, as could consequent reductions in the reach and scope of public services. Real or perceived inequality or disadvantage within the local context has the potential to increase resentment, stereotyping and fuel conflict between the two main communities.

A number of the above policy changes are tied to an overall objective of increasing private sector growth as a mechanism to ensure prosperity. Any such growth itself could assist in alleviating inequality, however this will not be the case if planned investment is only concentrated in particular areas, predominantly advantaging ‘one side’ of the community. We further consider these matters below with specific reference to the key elements in the SHA.

4.1 Private Sector Growth and the OECD

The SHA explicitly commits the parties to, 'address the longer term structural financial difficulties in the Northern Ireland budget'. A key element in this process was the announcement of an 'independent strategic review of public sector reform conducted by OECD will report by the end of 2015'. This economic model has widespread implications in terms of Protestant/Catholic equality. Over the period 2001- 2013, the Catholic and Protestant shares of private sector jobs have fluctuated. Broadly, however, private sector employment broadly mirrors contemporary demography in Northern Ireland. In other words, if the economic paradigm of moving from public to private sector jobs works, then the broad impacts should not be markedly discriminatory (bearing in mind again that Catholics are much more likely to be unemployed and more likely to be economically inactive). If, however, growth in the private sector were to be distorted in some way – for example, concentrated geographically in the West or East, concentrated in security-related industries or in the legal profession – then this might well impact disproportionately on either Protestants or Catholics.

The ECNI suggests that in broad terms the community composition of the private sector mirrors the monitored workforce as a whole. The community background composition of the monitored workforce by employment sector and employment type also suggests no marked disparities between public sector and private sector and between full-time and part-time employment (ECNI 2014: 7). As Catholics begin to constitute the largest proportion of the labour force, however, contemporary private sector figures continue to fall somewhat short of 'fair employment'. In this context, anything short of 50% Catholic representation begins to indicate a *prima facie* case of continuing imbalance:

In 2013, [53.4%] of private sector employees were Protestant; while [46.6%] were Roman Catholic.... The Roman Catholic share increased by [0.4 pp] from [46.2%] in 2012. This represents a continued gradual increase of the Roman Catholic share during the period 2001-2013, by [6.2 pp] from [40.4%] in 2001, although in more recent years this rate has slowed (an average of [0.5 pp] per annum has been observed during the period 2001-2013). (ECNI 2014: 11)

Thus, even if the economic logic of the 'rebalancing' is accepted, its equality implications need to be foregrounded rather than ignored. For example, existing investment policy presents a fairly straightforward sectarian differential:

Inequalities in investment patterns continue to impact negatively in the areas of Northern Ireland which were traditionally the most economically deprived, both during the conflict and now 17 years after the Good Friday Agreement.... In the three years [2011-14] Invest NI provided £211.4m of investment to the Belfast area. North Belfast received £17.4m (8%) and West Belfast received £11.5m (5%) while East Belfast received £54.3m (26%) and South Belfast received £128.2m (61%). *Together the typically more affluent areas of East and South Belfast received 87% of investment while the deprived areas of North and West received only 13%....* A similar pattern emerges on

consideration of the number of jobs created in each parliamentary Constituency Area by Invest NI. The majority of jobs created are in East and South Belfast. *Looking at the figures for 2011-2014, 830 (14%) of jobs were created in North Belfast and 451 (7%) jobs created in the West of the city, whereas 2160 (36%) jobs created in East Belfast and 2570 (43%) in the South. This means 79% of jobs created by Invest NI in this period were in East and South Belfast.* (PPR 2015, original emphasis)

In this context, the abandonment of the equality agenda is not just bad politics, it is bad economics. Given the centrality of the role of the OECD to the SHA, its position on this is salutary. The recent OECD report *In It Together: Why Less Inequality Benefits All* is unambiguous – *inequality is bad for growth* (2015). It is also worth remembering the OECD's approach to restructuring in the context of peace processes – in publications like *Empowerment in fragile states and situations of fragility* – while addressed at much more calamitous state failure than Northern Ireland, nonetheless remain relevant in pointing out that all interventions post-conflict need to take account of the nature of the new political settlement if they are to be effective and not counter-productive (OECD 2012).

A general convergence of opinion on the *economic* as well as social costs of inequality is a recent development which brings the possibility of new alliances and incentives to promote equality. The IMF and OECD now routinely accept that inequality is bad for economic growth (IMF 2015; OECD 2015). There is a developing consensus that increasing inequality has a negative effect on economic development. Conversely, equality is increasingly regarded as supportive of rather than antithetical to growth. This is true even though opposition to equality interventions was traditionally (and has often remained) couched in terms of their negative economic impact. This emerging consensus supports a more nuanced human development approach to economic growth that was largely missing from the economic logic of the SHA. There is also an unmet challenge for organisations like the IMF and OECD. Since they now make clear that equality is important for growth, it is essential to ask what is it about their approach that promotes equality? Where and how is the equality agenda embedded in the austerity paradigm? This question should be central to the 'strategic' role of the OECD in the ongoing SHA process.

4.2 Public Sector Reform

The SHA makes its approach to public sector reform clear from the start:

2. In particular there is a need for measures to improve the efficiency of the civil service and wider public sector and reduce administrative costs....
5. The Executive will adopt in January 2015 a comprehensive programme of Public Sector Reform and Restructuring which will encompass a wide range of strategies, including measures to address structural differences in relation to the cost of managing a divided society, reduce pay bill costs, such as a reduction in the size of the NICS [Northern Ireland Civil Service] and the wider public sector, and the extension of shared services.

An independent strategic review of public sector reform conducted by OECD will report by the end of 2015.

So what can be said about the demographic profile of this sector that is to be 'reduced'? In line with the broad labour market profiles outlined above, current public sector employment currently broadly reflects the two communities (bearing in mind again that Catholics are disproportionately likely to be unemployed and economically inactive). Since Catholics are slightly more likely to be represented in the public sector than the private sector (ECNI 2014: 7), any 'rebalancing' of the private sector/public sector division in Northern Ireland involving a pro rata reduction in the public sector will impact disproportionately on the Catholic population. The key issue, however, in terms of equality impacts will be found in the where and how 'reductions' are to be made.

The most recent monitored workforce return (ECNI, 2014) provides a useful overview of the contemporary Northern Ireland public sector. This suggests that during the period 2001-2013, Protestants have held a larger share of the public sector workforce, although this has been gradually decreasing since 2001 when it stood at 59.8%. In 2013 the Catholic share was 47.6% in 2013 (an increase of 7.4% from 40.2% in 2001). For the second consecutive year, Catholics comprised a greater proportion of public sector applicants than did Protestants (the ratio was 52%/48%), with the Catholic share increasing from 2012. For the fourth consecutive year, Catholics [54%] comprised a greater proportion of public sector appointees than did Protestants [46%]. (ECNI 2014: vii)

We also know broadly *where* Protestants and Catholics are located within the public sector. The ECNI indicates:

In terms of the sub-components of the public sector, the Roman Catholic composition of each sector is: Health [51.0%]; Education [49.6%]; District Councils [43.4%]; Civil Service [46.6%]; Security-related [25.1%]; and 'Other Public Authorities' [47.3%]. (2014: vii)

In other words, 'cuts' across the whole public sector will impact disproportionately negatively on Catholics but, all things being equal, the disproportion will be fairly small. If, however, the impact falls more heavily on some of these components, this could impact more negatively on the overall numbers of Protestants and Catholics employed in the public sector.

This becomes clear once the geographical impact of any potential 'rebalancing' is addressed. As the NERI Institute signals:

Public Sector jobs account for 31% of overall employment across Northern Ireland, but ... there is a wide geographical spread. Breaking it down into parliamentary constituencies, five areas have above average public sector employment. In descending order these are West Belfast, Foyle, South Belfast, West Tyrone and East Belfast. Of these West Belfast would be the most vulnerable constituency with over 45% of total employment in the public sector. North Belfast, East Londonderry, Newry & Armagh, South Antrim and Upper Bann all come in at around the national average of 31%.

North Antrim and South Down are just below the average figure whilst Mid-Ulster at 21% is has the lowest proportion of public sector employment in Northern Ireland. Even if we assume a uniform take-up of redundancy across Northern Ireland, some regions will feel a greater impact than others. Beyond the vulnerability of particular regions there is also the question of how local economies would be able to replace such employment from existing private sector industries. In all of the three most vulnerable constituencies, public sector industries together represent the largest sector of employment. (2015: 3)

It bears emphasis that this issue of *where* reductions take place – both geographically and in which parts of the public sector - is absolutely crucial in terms of impact and the consequences for reconciliation and peace building.

4.2.1 Policing: A Cautionary Tale

As noted, the sectarian differential was a key leitmotiv of conflict and ‘putting these right’ was central to the GFA and the wider peace process. The most notable example of this was in terms of policing. The need to create a police force that was more representative of the communities it was policing was central to the GFA. This was arguably the flagship GFA intervention on employment disparity – central not just to equality but also to peacebuilding and reconciliation. This meant that unusually interventionist corrective recruiting was adopted in the wake of the Patten process:

The Patten Report made a number of recommendations which focused on reducing the overall police officer headcount whilst at the same time addressing the historical community background imbalance. In summary, the recommendations focused on:

- Creating the capacity to address the existing community background imbalance by introducing a voluntary severance scheme for police officers;
- Addressing the community background imbalance through the implementation of 50:50 recruitment (50% Roman Catholic, 50% non-Roman Catholic) for all police officer recruitment processes and larger police staff processes;
- Reducing the number of regular police officers to approximately 7500;
- Reducing the number of senior officer posts;
- Taking action to address the community background imbalance among staff;
- Civilianising functions performed by police officers that did not require the specific exercising of police powers;
- Outsourcing of PSNI support services and functions;
- Phasing out the FTR [Full Time Reserve]; and

- Increasing the number of Part Time Reserve (PTR) officers and utilising them in their local communities. (PSNI 2015: 12)

This model may well have important lessons in terms of how to maintain equality protection in the context of an ‘austerity’ programme but there is little sense of the lessons being drawn across any of the proposed SHA mechanisms.

This process of addressing imbalance – in place from 2001 to the present - has not led to a perfect balance but the Catholic proportion of the PSNI is significantly higher than that of the RUC. The recent update provides: ‘a breakdown of police officers and staff by perceived community background, gender and ethnicity’.³⁵ This suggests a roughly 70/30 Protestant/Catholic split (although, once again, women are even more underrepresented than Catholics):

| PSNI Workforce Composition Figures | | | | | | | |
|---|------------------------------|----------------------------|-------------------------|-----------------|---------------|--------------------------|--------------|
| | %Perceived Protestant | %Perceived Catholic | % Not determined | % Female | % Male | % Ethnic Minority | Total |
| Police Officers | 67.32 | 31.13 | 1.55 | 28.05 | 71.95 | 0.54 | 6838 |
| Police Staff | 78.31 | 19.61 | 2.08 | 63.12 | 36.88 | 0.51 | 2356 |

There is, therefore, both evidence of progress towards fair employment and also a great deal of further work to be done – despite the radical use of the 50/50 recruitment mechanism. Yet in this context, the PSNI have suggested that austerity may mean an end to these measures. For example, the recent *Workforce Plan* (2015) from the PSNI suggested:

Ultimately the PSNI’s ability to alter the representativeness of the workforce is significantly influenced by the availability of funding and appetite to change the workforce mix. (2015: 7)

This is put in context in the following terms:

In addition to the outworking of two major severance schemes the PSNI has, since 2006, in common with the whole public sector, felt the impact of considerable reductions in funding brought about as a consequence of the global economic crisis. Cuts within the NI public sector block grant combined with the declared spending priorities of the Northern Ireland Executive have led to significant uncertainty in funding provision which has necessarily prompted a cautious approach to permanently increasing staff and officer

³⁵ Figures accurate as at 01.02.16 <https://www.psnipolice.uk/inside-psni/Statistics/workforce-composition-statistics/>. As of 1 October 2008 all Police Staff are permanent employees of the NIPB and under the direction and control of the Chief Constable.

headcount. This has consequently impacted on the ability to develop a longer term skills management strategy to deal with the accelerated level of skills deficit within PSNI that resulted from implementation of the 'Patten' recommendations. (2015: 10)

The argument then suggests that 'In the face of this financial uncertainty and depleted skills base':

The PSNI sought to utilise temporary workers as a method of supplementing the existing workforce and skills base. The use of temporary workers within the PSNI has been subject to a number of reports and reviews including the most recent, Northern Ireland Audit Office (NIAO) Report, *The Police Service of Northern Ireland: Use of Agency Staff in October 2012*¹. The criticism focused primarily on numbers used and the absence of any equality monitoring of them. In this latter regard, there were concerns expressed that there was an adverse impact on the PSNI's representativeness goals. Similarly there has also been criticism in regards to the representativeness of the overall workforce. (2015: 10)

When the PSNI is benchmarked against other employment sectors, it is clear that the PSNI - as well as other *public sector security-related employers* in Northern Ireland - are less reflective than other employers, who are broadly reflective of the composition of the monitored workforce (2015: 54-5).

As we have seen, the latest figures indicate that in comparison to the general Northern Ireland population the PSNI as an organisation continues to show an under-representation of Catholic employees. Whilst representation within the officer group has improved as a result of the 50:50 recruitment programme, there has been a less dramatic change on the staff side, with only an 8% increase in the 14 years since publication of the Patten Report (2015: 56). Even more worryingly, the recent trends on this have been negative. Between 2011 and the present less than 20% of appointees were Catholic (2015: 18). If this pattern continues the Catholic percentage may well drop below 30% again. The 'employment gap' for the PSNI already appears as 70.4% Protestant and 29.6% Catholic in the most recent ECNI figures (2014a). This reversal of 'convergence' is acknowledged by the PSNI:

The statistics from the most recent recruitment campaigns indicate that those applying and being appointed to the role of constable are predominantly Male Protestants. This is despite the recruitment contractor undertaking specific actions to target applications using Social Media, information and familiarisation events. Given that the PSNI is currently losing more officers than it is appointing and the historical baseline of a predominantly Male Protestant officer workforce the effects of the current intakes on representativeness of the workforce are unlikely to become fully apparent until more Females and Roman Catholic officers attain 30 years' service. This long lead in period is therefore masking the impact on representativeness of the current Student Officer in-takes, which if not corrected could ultimately result in a reversal of the progress achieved through the Patten reforms. (2015: 65)

This is a foreboding analysis in the context of the notion of the SHA ‘completing’ the work of the GFA. The SHA made a commitment on the PSNI budget that in light:

...of the importance placed by the Government on security, the Government expects Executive parties to protect PSNI budgets (and community policing in particular) from significant reductions.

However, the SFA said nothing about the future of the PSNI representativeness project, which remains far from complete. In the light of the demographic transition outlined above, a PSNI committed to ‘reflecting the community it serves’ should be anticipating a Catholic plurality among its workforce in the near future. Instead the SHA shows no appetite for addressing the existing imbalance. In other words, if the flagship equality project of the peace process is being undermined in the context of austerity, then none of the equality achievements associated with the GFA can be taken as a given. The Chief Constable has already complained about enormous cuts to policing - so the policing budget seems unlikely to be protected despite the SHA ‘expectation’.³⁶ There is some mitigation in the Fresh Start agreement whereby the UK government commits to an additional £160 million in security funding over the next five years to support the PSNI (Section D, paragraph 8.1). It remains to be seen whether there will be any proactive steps to harness this additional resource to further representativeness. If not essentially one of the least representative of public services is that which has its staffing structure best protected under a Fresh Start.

4.3 Voluntary Exit Scheme (VES)

The core proposals on the voluntary exit scheme appear in the Financial Annex under the heading ‘Restructuring - a voluntary exit scheme’:

The Government will allow £700m of RRI capital borrowing to be used to help deliver a voluntary exit scheme. Whitehall departments have been expected to deliver equivalent schemes from their current expenditure. This offer protects £700m of resource spending that would be needed to fund the scheme. This would be £200m in 2015-16, £200m in 2016-17, £200m in 2017-18 and £100m in 2018-19. This flexibility is only available to fund a voluntary exit scheme. The Government believes that this remains an effective way to deliver the proposals. Each £100m of borrowing will cost between £3-4m a year in loan repayments, but will yield annual savings in excess of £50m. These are savings that could be used to deliver other priorities including investment in social outcomes projects.

The situation with regard to the Civil Service is helped by the existence of periodic equality statistics. The Civil Service was one of the key institutions for complaint under the old Stormont; and the Direct Rule period saw strenuous attempts by the British Government to improve its record on the employment of Catholics and the grades and contexts in which they were employed.

³⁶ See, for example, ‘PSNI a ‘blue light’ service after cuts’ *UTV News* 2nd October 2014.

This involved not only the application of new fair employment legislation but also proactive policy engagement within the Civil Service itself – for example, at one time the Equal Opportunities Unit which was driving change within the Civil Service had more workers than the FEC which was responsible for equality in the entire labour market. It is clear that these efforts led to a radically changed workforce. But it is also clear that this remains vulnerable and may well be influenced by the proposed ‘voluntary exit scheme’.

There a clear need to pre-assess the risks to equality of any strategy, part of this assessment should involve a more transparent approach to how statistics are presented by NICS. Witness the NICS assessment of the current situation in 2012:

In general, the more senior the level of the job the lower the representation of females. A similar pattern was evident, but less marked, in the case of community background, with the proportion of staff who were Catholic being highest in the most junior grades and lowest in the most senior grades. (2012: 1)

While in 2014 the NICS suggests:

The overall composition of the Northern Ireland Civil Service (NICS) in terms of community background – 52% Protestant, 48% Catholic – was broadly in line with the appropriate labour market comparator. There were, nonetheless, considerable imbalances in a number of occupational groups. The largest imbalance was amongst the 18,600 General Service staff, with some 950 fewer Protestants/more Catholics employed than would be the case if this occupational group matched the comparator population. The next biggest imbalance was amongst the 1,600 staff in Prison Grades, with a shortfall of around 500 Catholics. The community background composition of senior grades was broadly reflective of the labour market comparator for these grades. (2014: 1)

Either the situation had objectively transformed in the course of two years or the framing of the key issues had. In the context of the 2012 analysis, the SHA voluntary exit scheme presents a danger of reinforcing the disproportionately low numbers of Catholics at senior grades as well as an opportunity to rectify this disproportion. In the context of the 2014 analysis, however, the scheme may compound the disproportionately low numbers of Protestants amongst General Service staff as well as offer an opportunity to rectify this disproportion. Depending on the profile of the work force across grades, reduction of the Civil Service has the potential to both correct and exacerbate sectarian differentials. The most recent ECNI figures provide a markedly different take on the overall composition of the ‘Civil Service’ (disaggregated from DFP) with a 62% Protestant/38% Catholic breakdown which would suggest a very different challenge in terms of equality and restructuring (2014a). There can be no better example of the need for a rigorous equality impact assessment *before* such decisions are made and implemented, and of transparent publically available statistics to be available.

We can also trace some of the processes which have led to changes in the Protestant/Catholic ratio across the civil service:

Protestants had a similar resignation and health leaving rate to Catholics, but a noticeably higher retirement rate than Catholics. (2014: 35)

In other words, if the voluntary scheme mirrors current resignation patterns, we would expect it to have little impact on the current differential. If, however, the scheme mirrors retirement, then it may increase the Protestant underrepresentation in parts of the service.

However, there are variations across sectors in the Civil Service: if reductions were focused on Custody Officers, they might offer an opportunity to equalize the workforce.

Likewise, there is some data to suggest continuing inequalities of process:

Analysis of recruitment competitions which had a closing date in 2012 indicates that more Protestants were successful than would have been expected if within each competition there had been equality of outcome in terms of community background. There were two high volume recruitment competitions in 2012: one for Custody Officers in the NI Prison Service and the other for the NICS Fast Stream. In the Custody Officer competition, Protestants were substantially more successful than Catholics in being appointed, and candidates under 40 were substantially more successful than those aged 40 and over. There were no significant differences in outcomes in the Fast Stream competition. (NICS 2014: 1)

Of course this disproportionate appointment does not prove discrimination; there may be other more benign explanations. But it does signal areas of concern and underline the need for continuing monitoring and evaluation rather than suggest there is no longer any need to address inequality in the civil service. None of this is an exact science but we can begin to see how attention to equality issues and the impact of significant changes in recruitment or leaving thereon can have significant impacts on 'community background' and representativeness. The key issue in terms of civil service redundancies and their equality impact is the question of community background of those that are leaving and whether these are likely to be disproportionately Protestant or Catholic.

This process also obviously impacts across a range of other equality constituencies – including gender in which the inequality of women remains much more marked. As the NERI institute highlights:

The public sector gender pay gap for full-time employees at UK level is 15.7% compared to a 25% gap in the private sector. In Northern Ireland the public sector gender pay gap is actually -4.6%, indicating that the median female public sector wage is higher than that of males. This compares to a 20% gender pay gap within the private sector.

As with the geographical impacts, how public sector redundancies will be distributed by gender cannot be forecast, but a shift from the public to the private sector within female employment will almost certainly re-open the gender pay gap. (2015: 4)

As this analysis suggests, there is no clarity around whether and how this restructuring is to be implemented – we have no demographic profile of those people who are presently awaiting notification on redundancy - but there has been little analysis of the risks that they present to stalling or even reversing inequality between the two main communities or other equality dynamics.

At present even those best placed to guestimate this effect, find it difficult to assess. Thus one of the key trades unions involved – also a member of the Equality Coalition - suggests:

Our analysis has been primarily in respect of the loss of public sector jobs via the VE Scheme and any consequential cuts arising from the reduction in corporation tax. Our understanding is that there is no plan to analyse the numbers from each community going on VE as the scheme is purely voluntary. I think they will probably pick this up post the staff leaving. Essentially decisions on who goes is purely down to cost. There will be 4 tranches of VES in the NICS. The first tranche has commenced and 800 out of 1200 (which was the max the NICS said they could cope with) who expressed an interest have been advised they are going in September [2015] pending resolution of the Stormont House Agreement. The second tranche is in the 10 day phase where the 1200 who expressed an interest have received their estimates and will then determine within this period if they are still interested in going out on VES.³⁷

One related but crucial issue is that it is civil servants who are most likely to continue the reform of previous equality agendas – in other words, we would expect an *increase* in equality monitoring to fulfil obligations. It certainly would be specifically counterproductive to lose any civil servants who are currently involved in equality work.

There is also a whole different angle on this that is more difficult to quantify – although an EQIA on who is leaving might help illustrate this. The scheme is not just about employees, there is also the impact on service users of public services – disproportionately the disadvantaged. If thousands of public servants are to go – presumably they do something that will no longer be done. Furthermore, it is also not just the voluntary redundancy scheme; it is the whole downsizing of the public sector due to cuts that lead to people not being replaced.

³⁷ Secretary of State Villiers subsequently said she will release monies for the redundancy scheme regardless of the broader SHA being implemented.

None of these dimensions is factored into the proposals in the SHA. As the NERI Institute concludes: 'The current proposal for a voluntary redundancy scheme would benefit from a full cost-benefit analysis, before any conclusion is made about the impact it would have on the Northern Ireland economy. Geographical and equality concerns need to be factored in to this process' (2015: 4).

4.4 Corporation Tax

The details on changes in corporation tax are laid out in the financial annex under the heading 'Corporation Tax':

In view of the progress made in the talks, including agreement on measures to secure the long term sustainability of the finances of the Executive, legislation will be introduced as soon as Parliament returns to enable the devolution of corporation tax in April 2017. This legislation will devolve the power for the Assembly to set a rate of corporation tax for trading profits with the responsibility for allowances and credits remaining at Westminster. The block grant will be adjusted to reflect the corporation tax revenues foregone by the UK Government due to both direct and behavioural effects but it will not take into account second round effects on other taxes. Progress of the legislation through Parliament this session will proceed in parallel with implementation of key measures to deliver sustainable finances, including: a) agreement in January 2015 on a final balanced budget for 2015-16 with a clear commitment to put the Executive's finances on a permanently sustainable footing for the future; and b) progress on welfare reform in January with the Welfare Bill passing through Consideration Stage in the Assembly before the end of February. The legislation to devolve corporation tax will also include a commencement clause. The powers will only be commenced from April 2017, subject to the Executive demonstrating that its finances are on a sustainable footing for the long term including successfully implementing measures in this agreement and subsequent reform measures.

While reduction in Corporation Tax has been a key demand in the light of low corporation taxes in the Republic of Ireland, it is not at all clear that it will pay a dividend to Northern Ireland's public purse sufficient to off-setting welfare reform. Not all the benefits of the reduction go to Northern Ireland, even if the policy is successful in attracting companies. The reduction in Corporation Tax is likely, at least in the short-term, to require further reductions in public spending or alternative revenue raising.³⁸ Since sources of additional revenue seem non-existent, further austerity seems inevitable.

³⁸ In this regard, it may prove emblematic that one of the leading campaigners for the reduction in corporation tax was recently arrested for tax evasion. BBC News 2015. 'Four KPMG partners in Belfast arrested in HMRC tax evasion investigation' 26/11/2015. <http://www.bbc.co.uk/news/uk-northern-ireland-34931675>

4.5 Social Security ('Welfare')

The financial annex outlines the framework for social security reform in the SHA under the heading 'Welfare':

The Government welcomes the progress made by party leaders in developing proposals for a local welfare regime which meets local requirements. It also welcomes the fact that the party leaders recognise that the Executive will be responsible for the costs associated with the welfare regime where it differs from that in GB (including AME savings foregone, changes in claimant behaviour and further administrative costs). Consistent with this understanding the savings foregone will continue to accrue until welfare changes are implemented. This means the deduction from the block grant of £114m for 2015-16 remains due. To help ease the pressure on the resource budget, the Government is willing to provide flexibility on how this deduction is taken and will allow capital funds to be used, freeing up £114m of resource funding for the other priorities. If the implementation of welfare reform is completed during 2015-16 (including the relevant secondary legislation) the £114m deduction will be reduced to reflect the proportion of the year prior to implementation of the measures. This financial package is subject to the Welfare Bill being reintroduced in January, progressing through Consideration Stage by the end of February, and full implementation of Executive led measures by 2016-17.

The welfare elements in the proposals include a fund which promises to address the most egregious of need. NIPSA (Northern Ireland Public Service Alliance) provide a useful overview of the political confusion that this created:

At present the Stormont House Agreement proposes the full introduction of Welfare Reform with a "hardship fund" to be paid from the Block Grant. Earlier negotiations between NI Executive parties and the 2015/16 Budget made an allowance for a "hardship fund" of £26.9m. A lack of clarity i.e. there was no indication of whom or what would be covered by a "hardship fund", it can be argued, led to the subsequent unravelling of the deal, in particular what would constitute "a commitment to protect existing and future claimants" a constituency that is inherently unquantifiable. For example, the State can only roughly estimate how many people will require such help in the future and an "open-ended" commitment would place significant strain on block grant funding not designed for this type of spending commitment. If this was the row waiting to happen, the UK government has made it clear that it is up to Northern Ireland's politicians to agree on how to "reform" our welfare system. (2015: 2)

Even if this 'hardship fund' 'works', the approach looks more like a temporary stalling of the cuts rather than a continuation of the social security commitments of the welfare state - people need to be truly desperate to qualify for support. And the sectarian implications of this are clear – NICVA's (Northern Ireland Council for Voluntary Action) *The Impact of Welfare Reform on Northern Ireland* has already identified that the most adversely affected local government district will be Derry-

Strabane. Gone is any attempt to establish access to welfare support as a *right*, or target resources on human need – another central plank of the GFA. With this strand of the SHA, the implications are clear – welfare reform will impact on poorer Protestants and Catholics but it will also impact disproportionately on the whole Catholic community.

As NICVA have made clear:

The report shows that Northern Ireland will be the worst affected region in the UK, with £750m a year taken out of the local economy. Within Northern Ireland, the District Council areas of Derry, Strabane, and Belfast will experience the most severe losses of income. The reforms therefore promise to widen the economic gap between Northern Ireland and Great Britain, as well as richer and poorer parts of Northern Ireland. (2013: 3)

This analysis provides further detail which offers a fairly accurate proxy indicator for the disproportionately negative impact of reform on the Catholic population:

Northern Ireland has not been singled out as the target for welfare reform. However, the figures here indicate that it is being hit harder than any other part of the UK. The impacts of the reforms on Northern Ireland are very substantial – an estimated loss of income of £750m a year once all the reforms have been fully implemented, or an average of £650 a year per adult of working age. For some of the individuals affected by the changes the loss of income is much, much greater. What is also clear is that the financial losses arising from the reforms will hit some parts of Northern Ireland especially hard. Derry, Strabane and Belfast are the worst affected of all. Indeed, as a result of the reforms, Belfast loses more money per adult of working age than any other major city in the UK. The large loss of income to Northern Ireland will have knock-on consequences for local spending and thus for local employment, which will add a further twist to a downward spiral. A key effect of welfare reform will therefore be to widen the gap in prosperity between Northern Ireland and the rest of the UK. (2013: 22-3)

There is also some analysis of the impact on different geographical areas. Once again these will impact disproportionately on the Catholic community:

In terms of the financial impact, Northern Ireland districts occupy three of the four top spots across the whole of the UK, seven out of the top 20 and eleven out of the top 50.... this is a disturbingly high representation.³⁹ (2013: 5)

This analysis also provides some detail in terms of more specific impact:

- The biggest financial losses to Northern Ireland arise from reforms to incapacity benefits (£230m a year), changes to Tax Credits (£135m a year), the 1 per cent up-rating of most working-age benefits (£120m a year) and reforms to Disability Living Allowance (£105m a year).

³⁹ These districts were from the old 26 councils across Northern Ireland, rather than the 11 new ‘super-councils’.

- The Housing Benefit reforms result in more modest losses – an estimated £20m a year arising from the ‘bedroom tax’ for example – but for the households affected the sums are nevertheless still large.
- Some households and individuals, notably incapacity and disability claimants, are hit by several different elements of the reforms.
- The exceptionally large impact of the reforms on Northern Ireland owes much to the UK’s highest claimant rates of incapacity benefits and Disability Living Allowance, two of the main targets for reform. (NICVA 2013: 5)

More generally there is little evidence of the equality-proofing of the proposed welfare cuts. For example, the Institute of Fiscal Studies (IFS) analysis of some of the implications of welfare reform *Universal Credit in Northern Ireland: What will the impacts be, and what are the challenges?* (2013a) offers no analysis in terms of equality at all – let alone potential impacts in terms of community background – even though it is at pains to emphasise that it has been commissioned by OFMDFM - the ‘department with policy responsibility for equality and social need in Northern Ireland’ (2013a: 5). This deficit was compounded by what has been characterised as a ‘sham EQIA exercise’ on welfare reform by the DSD (Department of Social Development), as CAJ notes:

However implementation of this public sector equality duty has been sidelined throughout the welfare reform process, with the purpose or effect of disguising the equality impacts of the welfare reform agenda. The government ministry responsible for social security policy in Northern Ireland (the Department for Social Development) in its equality impact assessment on the bill missed out four of the nine discrimination categories (namely religious belief, racial group, political opinion and sexual orientation). Among other matters this means, in the context of a divided society, there was no proper analysis of the impact of welfare reform on Northern Ireland’s two main communities. (2015: 2)

The CAJ also noted the failure of the ECNI – an institution explicitly created to underwrite the equality commitments of the GFA – to challenge this failure:

The Equality Commission for Northern Ireland is the official equality authority and is also a product of the implementation legislation for the 1998 Belfast/Good Friday Agreement. The Commission did share the above concerns that the Department for Social Development had failed to comply with its duties relating to equality impact assessing the welfare reform bill. However, despite repeated requests from trade unions and civil society to do so the Equality Commission declined to use its enforcement powers against the Department. There are therefore significant gaps in the official data which the [UN ICESCR] Committee requested the UK provide. (2015: 2)⁴⁰

⁴⁰ A response from the Equality Commission indicates that the Committee ‘concluded that an investigation would not be the most effective way to pursue and secure appropriate action, advising the DSD that it needed

The IFS does, however, make explicit the connection between the Welfare Reform Act (2010) and increased poverty in Northern Ireland:

This difference in the timing of poverty changes between Northern Ireland and Great Britain likely arises because of the delays to the implementation of certain poverty-increasing changes to benefits in Northern Ireland, resulting from the lack of political consensus over the Welfare Reform Bill (IFS 2014: 2).

In this context, 'welfare reform' unambiguously heralds 'poverty-increasing changes'. Since poverty is already disproportionately located in the Catholic community, it seems inevitable that this will impact negatively in terms of the sectarian differential and poverty. As the CAJ suggests:

The areas hardest hit by conflict and deprivation will also be those hardest hit by the implementation of the UK government's welfare reforms. It is therefore no exaggeration to raise concerns that 16 years on from the Belfast/Good Friday Agreement, which envisaged frameworks to break from the historic patterns of discrimination and disadvantage particular to Northern Ireland, that welfare reform will in fact entrench and exacerbate these very patterns of inequality. (CAJ 2015: 3)

In the absence of any evidence to the contrary, it is clear that the welfare reform elements of the SHA will *increase* poverty in Northern Ireland and seem likely to increase sectarian differentials within different indices of poverty.

The 'Fresh Start' led quickly and directly to an investigation and report into the welfare dimensions of the SHA through the *Welfare Reform Mitigations Working Group* (2016):

As part of the Fresh Start agreement the Executive also agreed to establish a small Working Group ...to bring forward recommendations to the Northern Ireland Executive on how the impact of the Welfare Reform (Northern Ireland) Order 2015 and the Welfare Reform and Work Bill (Great Britain) 2015 could be mitigated within the financial envelope. (2016: 21)

The report of the Working Group does not mention equality or inequality nor does it mention sectarian differentials in welfare or differences between Protestants and Catholics. In this sense it is not an equality-proofing at all – even though it focuses on the 'protection of vulnerable groups'. In other words, while its recommendations in terms of mitigation may well impact on these differentials, it offers no analysis of its equality implications in these terms. In this sense it remains to be seen whether mitigation has any impact – negative or positive – on equality between Catholics and Protestants. But it bears emphasis once again that if an equality issue – like the potential differential impact of welfare cuts on Protestants and Catholics – is not addressed at all, it is extremely unlikely to be 'mitigated'.

to focus on improving its work to ensure that it adequately addressed the equality implications and takes mitigating measures where necessary.' (Email to authors dated, [])

4.6 Nobody Talks Like That Anymore

Thus *Welfare Reform Mitigations Working Group* (2016) provides the one tangible attempt to address the issue of ‘mitigating’ the negative impact of the SHA. It also provides a textbook example of how the issue of equality between the two communities - centre stage in the GFA - is no longer addressed at all. This is a much broader problem which remains central to the question of how inequality between the two communities might be ‘mitigated’. As we have seen, when the issue of sectarian inequality in housing was raised, the political response was ‘nobody talks like that anymore’. This kind of silencing seems to have informed much of the approach to equality and the SHA – as well as subsequent analysis. For example, in the context of the crucial issues of welfare reform, a DSD official could suggest to the Assembly Committee that no adverse impacts on religious grounds were identified due to the failure to monitor community background. This removal of *any* focus on equality between the two main communities has much wider implications. There is a tendency to regard any discussion of equality as no longer part of the mood music of peacebuilding in Northern Ireland. We are left with a problem incapable of being named officially because to do so would demonstrate the failure of the GFA to deliver on its commitments and require concerted political action to address.

Perhaps most bizarrely of all, the Equality Commission’s ‘key statement of inequalities’ – ‘key thematic issues for further attention’ - avoids specific mention of Catholic inequality. The sole exception in terms of equality between the two main communities is its reference to the educational attainment of Protestant boys (2007). This reading of key equalities stands in stark contrast to, for example, the reading presented in the *CRC Peace Monitoring Report* in which: ‘Catholics still experience more economic and social disadvantage than Protestants ... are more likely to be unemployed ... are more likely to be in poor health and ... out-score Protestants on almost every measure of social deprivation. (2014: 13). The Equality Commission silence on this is particularly disturbing since it comes from an institution created by the GFA and charged with addressing equality between the two main communities. Catholic inequality was central to creating the conditions for the conflict and remedying this reality was central to the peace process and the GFA. While it is true that equality issues change over time, we are some distance from the point at which Catholic equality can be regarded as anything other than a ‘key issue’ within broader equality concerns. The gap in naming Catholic inequality in the Commission’s statement of key inequalities was criticised in CAJ’s 2013 ‘Unequal Relations?’ research report, which recommended that the Commission review the statement “to remedy the omissions in relation to inequalities between the two main communities” (CAJ, 2013a). Since this time the Commission has begun revising its statement of key inequalities and in March 2016 published research and draft statement into housing inequality, which did name Catholic inequality (ECNI, 2016).

The SHA does nothing to challenge this broader tendency, given its own silence on equality. Of course it bears emphasis that some statutory organisations do continue to ‘talk like that’. Data and analysis from the OFMDFM, PSNI, ECNI, NI Civil Service (NICS) and DFP (Department for Finance and Personnel) continue to provide important critical analysis of Northern Ireland’s path towards equality.

While the UK Statistics Authority has sometimes been critical of the framing of these data, most of the time it has also recognised generally that the statistics, ‘are readily accessible, produced according to sound methods and managed impartially and objectively in the public interest’. (The Statistics Authority must confirm this in order for Northern Ireland-specific data to be designated as ‘National Statistics’.)

The Authority’s overall objective is to promote and safeguard the production and publication of official statistics that ‘serve the public good’. There is a pressing need for statistics that serve the public good in addressing the situation of the ‘two main communities’ across the rest of the statutory sector in Northern Ireland. There is also a specific onus on the statutory sector to begin to unpack the ‘other’ category.⁴¹ For example, the UK Statistics Authority has insisted:

The proportion of respondents whose religious affiliation is classified as ‘other/non determined’ has increased over the years and currently accounts for around one in ten of the working age population. This group includes people who belong to a non-Christian religion, people with no religion at all and people who refused to answer the question, but the number in each of these categories is not provided... OFMDFM should ... provide more information about the composition of respondents whose religion is classified as ‘other/non determined’. (2012: 4-5)

Moreover, it is not just the statutory sector that fails to address the specificity of sectarian differentials – in their important contributions to the implications of the SHA; most NGOs make no mention of the specific issue of Protestant/Catholic equality. There is probably a myriad of reasons for this – people may see it as divisive – particularly if their work includes substantial numbers of Protestants and Catholics; they may see it as bad for good relations; they may just think ‘we don’t talk that way anymore’. However, the GFA did ‘talk this way’ and it is necessary for peace-building.

It bears emphasis that we have to find some way of ‘talking about this’ – the issue that constitutes the core focus of this research. One thing that is certain is that not addressing equality between Protestants and Catholics will not lead to greater equality. Moreover, it may well allow people to lurch into increasing inequality since no-one is tracking trends and no-one is identifying issues. Measuring, highlighting and addressing inequality was central to the GFA. Neither peacebuilding nor reconciliation can proceed without this core commitment to equality - and in this sense the SHA/Fresh Start gets it profoundly wrong.

⁴¹ The ECNI notes that it, ‘has recommended an extension of the monitoring requirements under the fair employment legislation to cover the additional grounds of nationality and ethnic origin. Further information on this is available on our website’ (Research communication 5/11/2015).

5. CONCLUSIONS: EQUALITY, RECONCILIATION AND PEACEBUILDING NORTHERN IRELAND

We recognise that neither recession nor austerity guarantees inequality. However, the most likely outcome of the package of proposals in the SHA, its financial annex and 'A Fresh Start' is that inequality between the two communities will increase in a range of ways. If austerity in its current form is implemented without rigorous attention to its impact in terms of equality, the approach does in effect guarantee deepening inequality. The threat is therefore clear – the SHA approach has decoupled equality from 'peace'. Underlying the SHA is an assumption that the peace process will remain secure despite increased inequality or poverty. History does not bear this out. It has been well accepted from all political sides of the conflict that addressing inequality was critical to addressing the root causes of the conflict.

Right up to the GFA the British Government acknowledged 'on all socio-economic indicators Catholics remain worse off'. Changing this reality was placed at the heart of the civil rights movement as well as other reform, and was central to the resolution of the conflict in the GFA. There have been significant achievements and improvements since 1998. But this process is far from complete – despite the continuing broad convergence in the labour market suggested by the *2013 Labour Force Survey Northern Ireland Religion Report*. As Paul Nolan's suggested in his Peace Monitoring Report: 'Catholics still experience more economic and social disadvantage than Protestants ...are more likely to be unemployed ...are more likely to be in poor health and ...out-score Protestants on almost every measure of social deprivation'. The poverty gap between Catholics and Protestants has also widened in recent years. Compounding rather alleviating these differences is unlikely to offer 'a new way forward for Northern Ireland and its people', because it will undermine what have been determined, costly and effective steps towards peacebuilding and reconciliation.

The SHA/Fresh Start exists because the post-GFA Northern Ireland state was – and arguably remains – in crisis. The institutions that emerged from the GFA proved increasingly incapable of governing effectively with 'sufficient consensus' – at least against a backdrop of UK government austerity policies. In this sense there was clearly a need for something like the SHA to put these things 'right'. But the mood music of the SHA appears very distant from the reality of Northern Ireland in 2016.

With regard to the specific state of equality between Protestants and Catholics, it is safe to suggest three things about sectarian discrimination and inequality. *First*, there is less evidence of overt anti-Catholic discrimination. In many ways, Northern Ireland is *less* unequal than it was fifty years ago. *Second*, Catholics continue to be unequal in a whole range of ways. There is a great deal more work to be done as well as a danger that this inequality may increase in the context of austerity. *Third*, in the context of political and demographic changes, equality is likely to become an increasingly important issue for Protestants.

In the longer term, we can suggest that the gradualist, reformist approach from the GFA (and earlier British state interventions) has been *working* - in the narrow sense that the sectarian differential is gradually reducing across different aspects of the Northern Ireland labour market. This confirms the effectiveness – at least in part – of the sustained state-led interventions in fair employment since 1976. At the same time, however, indices like youth unemployment and long term employment may challenge the official narrative of ‘convergence’.

Other indicators – particularly those less directly measuring employment or unemployment – suggest continuing or deepening inequalities. This challenges any simplistic convergence thesis and suggests that Catholics remain markedly economically disadvantaged. Moreover, as we have seen, it seems inevitable that SHA reforms will reverse the convergence trend in a range of ways. There is no doubt that welfare reform will impact negatively and disproportionately on the Catholic community across Northern Ireland.

Alongside this reality it bears emphasis that even in the areas in which convergence is real, the gradual improvements since the 1970s have taken place under a heavily interventionist state. The OECD and the UK Conservative government are unlikely to regard this level of state intervention as a positive model and so risk unravelling all the improvements of the last forty years in a post-conflict context that should continue to focus on consolidating and extending equality gains.

There are further important caveats in terms of convergence. *First*, at times the reality of convergence has been little more than a tendency towards ‘equality of misery’. In other words, convergence has happened because of the structural shifts in the labour market that saw the decline of sectors that were disproportionately Protestant (and male) like ship building, heavy engineering and policing. The ongoing issues with education attainment among sections of the Protestant community may well contribute further to this process. There is little economic justice or reconciliation in unemployment - even if equal numbers of Protestants and Catholics are unemployed. The kind of equality envisioned in the GFA has to represent an equality between Protestants and Catholics (and ‘others’ of course) that includes an acceptable ‘standard of living’ and ‘quality of life’, not simply an end to the statistical significance of the sectarian differential. All of the evidence suggests there are substantial and growing numbers of Protestant and Catholic people living in poverty. Children in particular have an increasing likelihood of living in poverty. Moreover, this phenomenon is concentrated geographically – most shockingly of all nearly half of all children in West Belfast are living in poverty. It seems unlikely that most people who supported the GFA would agree that ‘equalizing’ this misery would be a desirable social goal. For example, if austerity were to result in disproportionate numbers of Protestants becoming pushed into unemployment or poverty, this might be ‘equal’ but not very good for most citizens and not very good for peace and transformation.

Second, equality measured in terms of this Catholic/Protestant differential is often a zero sum game. From this perspective, if Catholics are doing 'better', then Protestants are doing 'worse'. None of this obviates the need for equality measures – any measures intended to reduce inequality based on direct or indirect discrimination will end the unfair advantages of the more advantaged group – this is true whether we mean men and woman, black people and white people or able-bodied and disabled. Nevertheless, it seems likely that some of the Unionist and Loyalist disquiet about the peace process – flags protests and issues around marching – reflects precisely this ending of unfair advantage for sections of the Protestant population. This reality – in combination with the minoritisation of the Protestant community – has implications well beyond the issue of the continued relevance of sectarian differentials. But it does bear emphasis that equality between Protestants and Catholics in Northern Ireland will not have been achieved when Protestants and Catholics are immiserated in equal proportions but rather when these identities have no bearing on a citizen's life chances.

In this context and with the reference to the special context of peace processes – the limitations of an 'equality of misery' approach take on a particular and potentially dangerous significance. In other words, if the outcome is to be stability and growth, the vision has to repudiate 'equality of misery' and envision something like 'equality of affluence'. If the GFA commitments on equality between the two communities in horizontal terms remain 'unfinished business', this is true also of vertical inequalities framed by *the Joint Declaration by the British and Irish Governments April 2003* as, 'those many disadvantaged areas, including areas which are predominantly loyalist or nationalist, which have suffered the worst impact of the violence and alienation of the past'. These communities have still not experienced a 'proportionate peace dividend' and while the most deprived remain disproportionately Catholic, it is the failure to address disadvantage and objective need *rather than the failure to focus on sectarian differentials* that most obviously characterise continuing inequality in terms of life chances.

Another striking aspect of contemporary Northern Ireland is that it has failed to come to terms with the demographic transition outlined above. It is no longer a state with a clear Protestant majority. It is a state in which increasingly the plurality of the population – in schools, among people joining the workplace, in the workplace, across Belfast- is Catholic. While the failings of the Housing Executive appear particularly striking given its history as a mechanism to address sectarian inequality in housing, there is a palpable sense in which most institutions have not begun to address the question of what it means to serve a population and a client base that is becoming primarily Catholic. Not one statutory institution appears to have addressed this issue as a core part of its planning for equality. Section 75 and mainstreaming provided the state with both the obligations and the legal powers to adjust to this demographic change through non-political and administrative processes. But this would require decisions around promoting equality and tackling need to be based on robust data and effectively insulated from political interference.

This demographic transition provides a key challenge for any contemporary equality agenda. More specifically it is the context in which we need to assess the potential equality impacts of the SHA. But this does not, of course, mean that Northern Ireland is becoming a 'Catholic state'. Rather it is a *state of minorities* – in which three defining elements of its contemporary ethnic demography – Catholic, Protestant and a multifarious BME/'Other' – are all in different ways vulnerable and subject to inequality and disadvantage. From this perspective, the current situation provides more opportunities for equality than threats. It is possible to envisage - or perhaps re-envision - an equality agenda in Northern Ireland – premised on the commitments made by the two governments and other parties to the GFA – which protects the interests of *everyone* in Northern Ireland.

In conclusion, as we have suggested, it is difficult to provide a hypothetical equality impact assessment on the different aspects of the SHA/Fresh Start. Until the measures are made tangible and take shape we can say with confidence that they are likely to impact negatively in terms of equality between the two communities. Moreover, we would expect government to be already paying much more active attention to this question than it seems to be doing. Without paying attention to the relationship between public spending, equality and the stability of the political settlement, there is a real risk of different elements of the SHA/ Fresh Start defeating each other. For the equality and human rights constituencies there were significant differences in the tone of the SHA. Most concern related to the absence of equality and human rights language. Arguably all three keystones of the GFA had gone – neither human rights nor equality nor security - the paradigm was now about austerity and economic development.⁴² So there is a profound problem in terms of approach – before we even engage with the substance of the SHA.

For all our caveats in terms of the lack of clarity around the details of SHA implementation, it bears emphasis that the implications of the SHA are profoundly worrying for equality and peace. This holds at two levels – *first* because it assumes peace can be delivered without equality and *second* because its policy impact threatens to actively undermine some of the achievements for equality as well doing nothing to address continuing inequalities. It is true that a minority of the Protestant and Catholic populations did not sign up to the GFA - but *nearly everybody else did*. Moreover, the DUP only became the largest Unionist political party when it committed to working within the framework of the GFA. It is profoundly dangerous to swap the universal principles of justice and equality grounded in international law that were embedded in the GFA for pork barrel politics at Stormont. Put together with the proposed repeal of the Human Rights Act 1998, the SHA /Fresh Start suggests a new British Government strategy is replacing consolidation of the last 20 years of peace building with a move away from key elements of the GFA. The hegemony of austerity threatens the whole raft of GFA reforms. In other words, *none* of the equality achievements associated with the GFA can be taken as a given – they must continue to be supported and defended.

⁴² Although, as we have seen, the financial annex did retain a commitment on security: 'In the light of the importance placed by the Government on security, the Government expects Executive parties to protect PSNI budgets (and community policing in particular) from significant reductions'.

Equality was not an optional extra to the GFA – it was the principle on which reconciliation and peacebuilding was to be built. This is as true in 2015 as it was in 1998 - anyone who ignores this risks sleepwalking into the past.

Our analysis has focussed on the ‘two main communities’. It bears emphasis, however, that the whole of Northern Ireland is affected by these issues and the likely impacts of the SHA/Fresh Start. This holds for each of the ethnic communities we have identified, and for women. The issues for Catholics remain tangible: poverty, inequality and disadvantage remain disproportionately located among Catholics, despite equality mechanisms and despite the evidence of convergence in the labour market. Equality for Catholics in Northern Ireland remains unfinished business. The issues for Protestants are two-fold. First, in terms of the broad demographic shift, there is an increasingly minoritisation of Protestants in many areas of the labour market and wider society. While this does not guarantee inequality, it does change the dynamic around equality. In areas like education and parts of the labour market there is some evidence of growing Protestant disadvantage. In other words, Protestants may increasingly have an interest in equality mechanisms for reasons of practice as well as principle. The growing ‘other’ community also has profound equality concerns. Given its complexity, the ‘other’ category contains people at both the top and bottom ends of the labour market. The people at the bottom of this pyramid – refugees, asylum seekers, people with ‘no recourse to public funds’ and undocumented workers have the starkest issues of all in terms of poverty and inequality. More generally, as the SHA *does* recognise, women remain profoundly unequal and disadvantaged across many aspects of Northern Ireland life.

Each of the three ethnic blocs we have identified – Protestant, Catholic, and ‘Other’ – has specific reason to support equality protections. All three have specific reason for profound concern at the absence of any equality agenda within the SHA. More positively, each of these has a reason for a practical as well as principled commitment to a renewed equality agenda grounded in the spirit and the letter of the Good Friday Agreement. As the GFA suggested, ‘a peaceful and just society would be the true memorial to the victims of violence’. And as the late Inez McCormack, paraphrasing Albert Einstein, so often reminded us, ‘peace is not the absence of conflict but the presence of justice’.

6. RECOMMENDATIONS

We suggest that if the SHA/Fresh Start is to be successful in stabilising the political institutions and ‘completing’ the peace process, the approach to public spending and austerity outlined in the SHA financial annex needs to be significantly revised in terms of the goals and gains of the GFA, as at present it is likely to be self-defeating. To that end, we make the following recommendations intended to re-centre equality in the processes emerging from the SHA, which we hope can frame public deliberation of how best to move forward in a challenging economic context. These are presented to the Equality Coalition and other actors as a framework for discussion and development:

1. Local political actors, alongside the UK and Irish Government, and relevant international actors, should make a public political commitment to directly prioritise and fix structural issues which are prolonging and deepening inequality, deprivation and poverty in the most deprived areas of NI.
2. There should be full proofing of the SHA/Fresh Start financial package in terms of equality. This could take the form of a full Equality Impact Assessment by DFP – as the lead department. This should both evidence how the different proposals of the SHA will impact on existing inequalities - positively or negatively - and identify mitigating measures/alternative proposals in line with statutory guidance where these fail to address any existing inequalities. This would also form a baseline against which the next programme for government should be developed.
3. When the parties are preparing the next programme for government in particular, issues relating to the implementation of welfare cuts, full anticipation and mitigation of equality issues, both in terms of the impact on the different groups in Northern Ireland and in terms of the impact on the least well off, should be introduced as an integral part of the programme of government.
4. There should be an external audit and advice on transparency of statistics within public sector workforces, broken down by grades, to inform the process. In particular, the Labour Force Survey should follow up questions regarding religion/community background to enable a proxy indicator to be used - as in the census - to ensure inequalities are not being missed and give full detail to the Protestant/Catholic/Other categories.
5. There should be pre-modelled figures for planned cuts which would provide a basis for comparing the equality impact of different forms of severance in terms of (a) impact on structural transfer of wealth through public money, and (b) impact on relevant work force.

6. The Executive should develop a revised anti-poverty strategy on the basis of objective need –as characterised in the St Andrews Agreement - which deals with how need can be targeted in an era of cut-backs.
7. There should be a review of fair employment laws to ensure that they fully permit approaches to restructuring and severance that are targeted to avoiding reintroducing sectarian differentials in work forces, even for employers whose work force is currently balanced. The Equality Commission should publish clear guidance on good practice and affirmative action when downsizing.
8. There should be public civic dialogue with OECD, in terms of the relationship between the reduction of the public sector and Northern Ireland’s particular post-agreement political settlement that understands how OECD recommendations aim to ensure that new inter and intra community equality differentials are not perpetuated or exacerbated.
9. There should be a new section 75 appraisal of key policies in the areas of public services, health, and education, as regards how to service a broader community made up of three distinct ethnic segments, none of which is in a majority, and the extent that this requires new approaches to housing stock and so on. Here the interventions of key ‘guarantors’ of equality in the GFA have been ignored. For example, two separate UN interventions, Council of Europe HR Commissioner, NICCY and NIHRC have called for housing inequalities to be addressed, yet they are not even officially recognised by the governments and relevant agencies. The depth of this denial makes a mockery of any previous or subsequent commitments to target inequality.
10. Continued pressure on equality should be asserted by all the Agreement’s guarantors. In particular:
 - a. The British and Irish governments should publicly recognise that equality is itself a piece of ‘unfinished business’ and commit to approaches that will ensure that equality gains are not undone but are built on, even in the difficult context of shrinking public resources.
 - b. Those who have provided important pressure for equality internationally, from the EU and the UN human rights bodies to the MacBride signatories should recognise and address the current threat to equality.

Finally, given our last recommendation, it seems apposite to suggest that in the event of any suspension of the Executive or any of its welfare-related powers, the two governments move to a fundamental British and Irish Review of the GFA as provided for in the event of the Agreement’s break-down by the GFA itself.

This review should ensure, as one of its key purposes, that any welfare cuts and 'austerity' policies imposed during any new direct rule period which have capacity to impact on equality between 'the two main communities' are dealt with on the same bi-lateral (and in UK Parliament non-partisan) basis as the Agreement. We suggest this type of wider approach to any future impasse within the Northern Ireland Executive would be fundamental to a more lasting stability.

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