

Citizens Advice Service annual conference

Speech by Trevor Phillips, Thursday 25 September 2008

It's a privilege to address you.

I really shouldn't be here at all, and I'd like to start by apologising for my voice and my head cold. But I am here because yours is an extraordinary organization which over sixty years has grown to become a trusted and indispensable part of life in communities right across the nation. And I hope that you will become one of the most important and enduring partners of the new Commission from the very start of its life.

I have no doubt that reputation rests in large part on the well-founded assumption that any organisation that motivates thousands of people to offer their time and skills on a voluntary basis, week after week, year after year, must be a body of real worth and integrity.

You do something more than simply offer advice to citizens - it's advice to citizens from citizens - living proof that there is such a thing as society and it makes yours one of those peculiar institutions that helps to define Britain and make us proud of our country.

I must also say I admire you for the title you've chosen for this conference - 'Fit to Compete'. I don't think there's an investment bank anywhere in the world that would have the chutzpah to hold its AGM under such a banner at this moment! But can I suggest that if you want to improve your chances of attracting significant

levels of public funding in the current climate it would probably be better to change your strapline to something like 'Heading for meltdown'. That seems to get the public funds rolling. Such are the topsy turvy times we live in.

But these are the times in which what you do and what we do will become more important than ever before.

The grim economic news that we have been hearing for weeks makes this Conference more rather than less urgent. It is being reported that the banking crisis could lead to a loss of an extra half-million jobs in this country alone.

You will see the outcome in the families that will show up in your bureaux, in the phone calls in the every day story of wrecked lives. And in the anger that many people feel that after more than a decade of growth and deregulation, during which the huge rewards garnered by those in the finance sector were justified by the level of risk they took, we find that the moment that the risk fails to pay off, the liability has been transferred to the ordinary depositor, the mortgage holder and the taxpayer.

And I have no doubt that you will face day in day out the real hurt and anger of those who wonder why it is that when they never benefited from the upside they must now carry the burden of the downside. It's a good question.

And to some extent it is the question that our Commission is here to address. At the heart of our mission is simple idea - that no-one should be trapped by the accident of their birth; that no-one's destiny should be determined by their origins.

How do we deliver that mission?

Our central proposition is a simple one: that a fairer Britain is a better Britain. And when we say fairer, we mean a more equal Britain. We mean a Britain in which human rights stand for the individual against the arbitrary power of authority. And by authority I am talking of means the bureaucratic grip of public authorities which should serve but too often bully us. I am talking of neglect by institutions which should care for the most disadvantaged and neediest - the old, the young in care, the mentally ill, the victims of violence and trauma - but instead fail to show the compassion they promise. And I am talking of the selfishness and caprice of some enterprises which are interested in the consumer only as long as he or she represents a good prospect of financial return now.

We are not against the market economy; in my case quite the opposite. I believe that the market can offer dynamism to the economy, choice to the consumer and autonomy to the citizen. But it must be the servant of our society not its master.

That is why this moment is so important for all of us who care about social justice. There will no doubt be a temptation to suggest that it's time for the industry to focus on fundamentals, to stop worrying about the soft stuff, to put off doing favours to minority groups, and to ensure that we survive before concern ourselves with social justice.

Well, there are many reasons why we shouldn't buy that approach.

First, it is through the appeal to new consumers that 'businesses will survive; we cannot afford for example, to allow the one in ten of our population who are ethnic minority Britons to find satisfaction only through marginal offerings - that would be both socially destructive and economically damaging. We cannot afford to say that the majority of our potential workforce - women - are an easy come easy go employment pool to be called on when there's a tight labour market and to be dispensed with when times are slow.

Second, this is the very moment when equality and fairness become more important than ever. We know that in the past, when hard times bite the burden doesn't fall equally across all groups. Just as sixteen years of growth have provided new opportunities for women and for ethnic minorities, four or five years of retrenchment could very quickly reverse even the limited advances we've made. We know the historic rule - when belts tighten, the people who get squeezed are disproportionately minority. In practice what that means is that when the shakeout comes, unless we actively confront the position of minority professionals the words "I'm sorry but we are going to have to let you go" are more likely to be delivered by white bosses to black or brown employees than to white employees, by the non-disabled supervisor to the disabled staff member.

That is why we at the Commission will be pressing for the new Equality Bill to which I'll return at the end of my remarks to include stronger transparency provisions, so that we know who is employed, who is retained, who is promoted - and who doesn't survive the cut.

So that is why what we do is so important; and why I hope that with David and his colleagues we can find ways of working more and more closely with you to give

practical meaning to our aim of supporting those who are most likely to be hit by the economic storms up ahead.

I want to talk this morning in particular, about how our two organisations complement each other and why I believe we should aim to develop a closer working relationship in the future.

But to do that means starting with some reference to what has happened in finance markets and board rooms around the world in the last few days and weeks.

As in any crisis, there are opportunities as well as challenges to be found in the present troubles, if only we are ready to embrace them.

The focus of the Equality and Human Rights Commission, and its various predecessor bodies, has tended to be on the public sector, especially with regard to employment and access issues. I believe now is the time for us to bring fresh thinking to bear on how we engage with the private sector and with those tricky issues that are on the borderline between consumer protection and citizen's rights. With your long experience of dealing with exactly those cross-border problems, we should be making common cause - and I want to return to that in a moment.

Consumer protection is no longer a simple matter of stopping price-fixing or the sale of dud goods. We're living in a world

- in which public health is as much in the hands of the supermarket chains as it is in the hands of the NHS
- in which your personal security is as dependent on privately owned data bases as it is on the police
- in which your ability to be part of the digital world is as dependent on your having a broadband account from your telcoms and a credit or debit card from your bank as it is dependent on your having basic IT skills from school
- and, most fundamental of all, in which your right to stay in your own home may turn out not to be a right at all but a favour which is dependent on the skills and integrity of the people who run your bank.

The choices open to us - or closed to us - as consumers have profound impact on the quality of our experience as citizens.

What worries me about the near future is this: when the jobs squeeze starts, we know who are likely to be the first to go. Redundant bankers coming out of the front door with cardboard boxes in their hands is headline news. Redundant janitors, cleaners and catering staff going out of the back door with P60's in their hands is not.

If we allow it to, economic slowdown will begin to open up some of the cracks in our society that we hoped were healing. Pressure on costs may lead to redundancies; but long before it gets there it can lead to employers reducing the leeway for employment flexibility - and we know the impact of such reductions will fall mainly on women. The modest gains that have been so important for disabled employees may not be so readily available.

And when it does come to laying off some of the workforce, it is certain minority employees who are likely to be the first out of the door; and if you're lesbian or gay it will take even greater courage to come out if you feel, rightly or wrongly, that to do so is likely to mark you out as marginal and therefore dispensable.

It's not as if we've been overwhelmingly successful in pursuing an equality agenda, even in the good times. You know that better than anyone with the huge volume of benefit and debt problems you deal with every week. Our economy has become a twin track affair. Nine out of ten adults with a degree are in work, while only five out of ten adults with no qualifications are in work. And the chasm has been growing wider - even when unemployment has been low. It will almost certainly grow wider still in the months ahead.

The twin track economy becomes the twin track society. Already the Rowntree Trust tells us that the gap between rich and poor is at its widest for 40 years and growing wider. A recent British Social Attitudes Survey showed that 76% of the general public think the gap between rich and poor is now too wide. People know that is not in the public interest - and they're prepared to say so.

The danger is that we fail to move with the speed and the imagination required to seize the opportunity afforded by the present crisis to embed new thinking about what we mean by fairness and the public interest - not just for government and local authorities but also for the banks, the telcos, the supermarkets and regulators.

Our organisations both have an important role to play in this process and I want to touch on some of the areas where I believe we have common strengths and share common goals.

First of all, both our organisations enjoy, and are seen to enjoy, independence from government and independence from the market. The EHRC is one of only three publicly funded bodies with a statutory guarantee of independence from government - the other two being the Electoral Commission and the BBC. That guarantee is vital because it ensures that we can carry our mandate to promote equality, human rights and good relations without fear or favour. Your independence is of a different kind, not enshrined in law but set out in your constitution and, more importantly, in the way you work. It is your dependence on an army of volunteers that gives you a special kind of independence that people trust and respond to.

And it must be a source of great encouragement to you that your new online volunteer recruitment process is already dramatically changing the number of applications you are getting from members of the BME communities and the under-25's. That has the potential to make you even more representative of the communities you serve and provides the best possible foundation for the next stage of your FAIR campaign.

Secondly, while both our organisations deal with individual cases, we are not simply case workers. The five and a half million problems brought to your bureaux last year, the hundreds of thousands of individual cases of discrimination that were reported to us last year - these provide a platform of solid evidence from which it is possible to mount strong campaigns to change laws, habits, codes of practice and entrenched public attitudes.

At a time when the government and the main opposition parties set great store by what they love to call evidence-based policy-making, we can be and must be at the forefront of campaigning for necessary change. Here, too, let us acknowledge that the public interest is defended not only in the great overarching campaigns against discrimination and prejudice in society but also in the day to day nitty-gritty of the workplace and the marketplace. The success of some of your recent campaigns are cases in point -

- triggering the OFT investigation into payment protection insurance,

- ending the injustice of some people in rural communities having to pay to use ATM cash machines,
- better regulation of the activities and powers of bailiffs.

Thirdly, and closely related to my last point, both our organizations recognise the need for greater simplicity in the framing of legislation and regulation. The UK's anti-discrimination arsenal now includes 35 Acts of Parliament, 52 Statutory instruments, 16 European Commission Directives and 13 Codes of Practice. That's not just confusing. It's almost certainly counter-productive. Like tax laws, the more complicated we make legislation to protect individual rights, the easier it is for those who can afford a good lawyer to wriggle round it.

And the same is true of the regulations and conditions that surround so many of the important financial and employment transactions of our lives. The Financial Inclusion Fund found that a majority of those it surveyed had difficulties with comprehension and literacy when confronted with forms ... no surprises there...

The clearer the letter of the law and the clearer the principles upon which the law is based, the more authoritative it becomes. Clarity of purpose and simplicity of language contribute to making laws that are acceptable to everyone and, more importantly, accessible to everyone. Individual citizens, consumers, shareholders and employees need to feel confident that they can hold employers, companies - and government - to account. That may be to state the obvious but stating the obvious is no bad thing.

The US Declaration of Independence opens with the words "We hold these truths to be self-evident..." Our ambition should be to make the value and the applicability of the law self-evident; to support a trend, already pioneered in legislation by the present government, to put more power into the hands of individual citizens, consumers and shareholders and employees to hold employers and businesses and public authorities to account.

Fourthly, both of our organisations work to address and highlight issues of discrimination and equality right across society. We are not 'strand specific' I know that Citizens Advice was one of the first voices calling for the integrated equalities commission which is the EHRC today. That integrated approach gives us an authority and a breadth of perspective which is of enormous value.

And it is a proper perspective, because people do not live their lives in 'strands', nor do injustice, disadvantage and prejudice travel in isolation from each other.

That's one of the reasons why we are in favour of a new Equality Act to give all public bodies the power and the responsibility to promote equality, combat harassment and promote good relations. That Bill could promote good practice in the private sector, too, by requiring that where public services are being provided by private companies the standards of pay, employment and practice should conform to the standards required of the public sector itself.

Such an inclusive, across-the-board approach also gives us a solid basis for action in another way. It is no longer enough to be thinking about issues of equality and rights simply in terms of enabling minorities to overcome disadvantage and gain access to the 'norm'. There is no norm in that traditional sense any more. There is a multiplicity of different needs and aspirations. In such a pluralistic society as ours the business of safeguarding fairness for others and feeling that we ourselves are being treated fairly has got to move away from measures that simply outlaw exclusion and toward measures that positively promote inclusion.

Fairness and equality have to be 'personalised' - and that will only happen if they shift from being the exclusive concern of a few specialist and disadvantaged groups to become part of a larger national conversation.

I believe an example of that can be seen in our publication Talent not Tokenism, launched earlier this year jointly with the TUC and the CBI. Based on a series of company case studies it demonstrates how a serious commitment to tackling discrimination in employment practices has given the businesses involved a better understanding of their customers, has made it easier for them to fill vacancies with the right people possessing the right skills and, last but not least, has been a source of increased job satisfaction to their employees.

Such a positive and inclusive approach is the way to build a new consensus of support for equality and rights.

I want to see the Equality and Human Rights Commission use this time of economic slowdown to further develop and consolidate a positive agenda for change, to move the basis of equality law from the negatives of 'you must not' to 'you may', 'you can', 'you should' and occasionally 'you must'.

Let us at the same time work together to move the basis of much regulation in our society on from the negative requirement not to harm the consumer's interest to a broader and more positive agenda of requiring regulators businesses and public bodies to be actively promoting the public interest.

Thank you.