

## - INTRODUCTION -

### 1.1 Purpose of this report

This report is part of a suite of thematic statistical briefings that individually and collectively present a portrait of economic disadvantage in the South West through the lenses of gender, age, disability and ethnicity. The work updates and extends the quantitative element of the 2003 *Moving Towards Inclusion* report and shares the aims and intended audience of its predecessor, that is to “offer as comprehensive a picture as possible of current levels of disadvantage amongst the population of the South West” with the principal aim of ensuring that ESF activity is informed by robust and accessible evidence.

Whilst those involved in the implementation, monitoring and evaluation of the ESF programmes remain key audiences for this report, it is also hoped that the focus on equality strands and indicators that provide a regional and sub-regional perspective on the work and education equality domains identified in the 2007 Equalities Review will provide a foundation for further work in this emerging area, by quantifying the scale and nature of inequality in the South West as manifested in differences in labour market performance.

### 1.2 Scope and focus

The 2003 *Moving Towards Inclusion* report provided rich descriptions of the barriers many individuals face to social inclusion. It provided a short history of the social inclusion policy agenda and described some of the problems in defining and researching what it means, or feels like to be excluded. The conceptualizations, barriers and policy issues identified in the 2003 report remain as valid today as they were six years ago and therefore the previous report is commended to those who wish to explore these issues in more detail.

This report, rather, has a quantitative emphasis and its scope and focus is informed to a large extent by the equality strands and domains that make up the Equality Measurement Framework (EMF). The report focuses on the gender, age, disability and ethnicity domains of the EMF. Faith & religion is not included because of the dearth of reliable published labour market data at the regional level – although the Labour Force Survey does collect some information. There is very little information available even at the national level about individuals’ sexual orientation and how this impacts on the extent and nature of labour market participation. Where data allows, attention within these strands has also been paid to more narrowly defined ESF priority groups, with sections on lone parents, older workers and young people at risk of exclusion as well as black and minority ethnic groups, and people with a disability. The gender section and age section also include an examination of those who do not have Level 2 qualifications.

Given the intended ESF applicability of this report, the focus is solely on the employment and, to a lesser extent, education experiences and outcomes of the working age population, as opposed to the broader dimensions of exclusion and inequity that may impact at younger and older ages.

Very broadly therefore the analysis is confined to the productive and valued activities, and education domains of the EMF. Furthermore, data limitations mean it is possible to provide only partial coverage of these two domains due to a lack of regional data. A project setting out the national indicators that will underpin the EMF has yet to set out its prescription, but provisional 'spotlight' national indicators for the productive and value activities domain are: the employment rate, risk of low earnings and the pay gap, horizontal occupational segregation, discrimination in employment and unpaid care and free time. Of these, only the employment rate, the pay gap and the share of managers and professionals in the employed workforce (a measure of horizontal occupational segregation) are readily available from NOMIS. Our analysis supplements these three indicators with indicators of part-time working, job-relating training, unemployment and receipt of out-of-work benefits, economic inactivity and highest qualification.

### 1.3 Analytical approach

The two issues – exclusion and equity – are explored together within the framework. This is done by describing for each indicator, firstly the rate or level (for example, of the employment rate) *across* equality strands, and secondly, the difference – or gap – in 'performance' on each measures *within* an equality stand. This approach is particularly helpful when making comparisons over time and determining whether an improvement, for example in the employment rate in absolute terms from say 70% to 75%, is accompanied by a narrowing of the 'gap' in employment rates of the 'best' and 'worst' performing groups.

The reliability of labour market data for equality strands at the sub-national and especially the sub-regional level is a serious impediment to drawing firm conclusions about the scale of disadvantage or inequity at the local level. This is because the information used to measure progress against many indicators comes from surveys as opposed to the Census or administrative sources. This means that the estimates – and they are only that – are subject to a margin of error. In conventional statistical terminology this is called a 'confidence interval' and refers to the range of values which includes the unknown 'true' value at any given level of confidence. Usually this is 95%, and means that if the survey was repeated 100 times, the survey estimate would lie within the confidence interval 95 times. Confidence intervals, therefore, summarize the variability in survey estimates and are important when comparing estimates over time, or between localities or within and across equality strands. Technically speaking, if two confidence intervals overlap, then the difference between the two is not statistically significant. This report contains published confidence intervals to illustrate – for the first time – how the variability of survey estimates restricts what conclusions can be drawn from the data.