

Moving to Inclusion

Focus on...Ethnicity

A statistical examination of economic
exclusion in the South West of England

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May 2009

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OVERVIEW

- The South West is one of the least ethnically diverse regions of the UK, with 5% of its resident population from a (non-white) minority ethnic group compared to 31% in London (the most diverse) and 12% across England as whole.
- Only one of the South West's 45 lower tier local authority areas – the City of Bristol – has a higher proportion of ethnic minority residents than the national average. One-fifth of the region's minority ethnic population live in the City of Bristol (compared to 7% of the region's white population).
- More than one-third (35%) of the South West's minority ethnic population are Asian or Asian British (with over half of this group, Indian), one-quarter are of mixed ethnic origin, one-fifth are Black or Black British, one-tenth 'other' and one-eighth, Chinese.
- The majority of the population of all ethnic groups are of working age although this varies from just over half (53%) of the mixed ethnic group to more than four-fifths (83%) of residents of 'other' origin. All minority groups have a considerably smaller share of pensionable-age residents than the white group.
- Ethnic minority groups accounted for just over half (54%) of the region's increase in population between 2002 and 2007.
- People from an ethnic minority group account for less than one-in-ten (9%) of the UK employed working age population. They are less likely to be in employment than the white population with rates varying considerably across the minority groups. Pakistanis/Bangladeshis have the lowest UK employment probabilities with employment rates 24 percentage points lower than Indians, who have the highest rate among minority groups.
- UK employment rates for ethnic minorities have increased at a faster rate than the overall employment rate, therefore closing the ethnic minority employment gap¹.
- 70% of the economically active ethnic minority population in the South West is in employment. Despite being subject to a relatively wide confidence interval the estimate is statistically different to - that is, lower than - the rate for the majority White group. It is not possible to conclude whether the rate has changed since 2004/05.

¹ Note that the employment rate gap here is the difference between the employment rates of ethnic minority groups with the overall rate not that for the white population.

- Comparing ethnic minority employment rates across higher tier local authority areas of the South West reveals that the only statistical differences are between the area with the highest rate – North Somerset – and the area with the lowest rate – Plymouth (Figure 8).
- UK unemployment rates vary considerably across ethnic groups with the highest – for the White and Black Caribbean group – more than three times that for the lowest group – Other White. The gap in unemployment rates between white and ethnic minority groups is five percentage points.
- The ethnic minority unemployment rate currently stands at 3.7% in the South West. This is statistically higher than the rate for the White ethnic group but is not statistically different from the UK ethnic minority rate.
- The overall economic inactivity rate in the UK is 21% but this varies considerably by ethnic group. Pakistanis and Bangladeshis have the highest economic inactivity rates and in particular Pakistani and Bangladeshi women whose economic inactivity rates are 64% and 68% respectively.
- Ethnic minority groups account for 5% of the economically inactivity population in the South West. The economic inactivity rate of ethnic minority groups in the South West is not statistically different from Whites although the rate is lower than the UK average.

1. 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.

2. POPULATION CHARACTERISTICS

2.1 Introduction

In this section:

- Ethnic minority population;
- Age structure;
- Trends.

2.2 Ethnic minority population

Office for National Statistics' (ONS) experimental² statistics provide the most up-to-date, detailed breakdown of the ethnic group of the resident total and working-age population. According to this source, the South West is one of the least ethnically diverse regions of the UK, with 5% of its resident population from a (non-white) minority ethnic group compared with 31% in London (the most diverse) and 12% across England as whole. Ten of the South West's 45 lower tier local authority areas have a minority ethnic population comprising less than 5% of the total population and one, the City of Bristol has a proportion higher than the national average.

More than one-third (35%) of the South West's minority ethnic population are Asian or Asian British (with more than half of this group, Indian); one-quarter are of mixed ethnic origin, one-fifth are Black or Black British, one-tenth 'other' and one-eighth, Chinese. Compared to the ethnic minority population nationally, the South West has more residents of mixed origin (25%, compared with 15%) and fewer residents in every other minority group but most notably Asian or Asian British (more than half the ethnic minority population nationally are from this group).

One-fifth of the region's minority ethnic population live in the City of Bristol (compared with 7% of the region's white population). Bristol is home to 25% of the region's Black and Black British residents, 23% of Asian and Asian British residents (rising to 31% of the Pakistani population), 19% of Chinese residents and 16% of residents of mixed ethnic origin.

² <http://www.statistics.gov.uk/CCL/nugget.asp?ID=173>

Table 1: Resident population by ethnic group, South West and England, Mid-2007

	South West		England
	Number	%	%
White: British	4,763,100	92.0	83.6
White: Irish	35,900	0.7	1.1
White: Other	134,800	2.6	3.5
Mixed: White and Black Caribbean	18,800	0.4	0.6
Mixed: White and Black African	7,300	0.1	0.2
Mixed: White and Asian	18,200	0.4	0.5
Mixed: Other	14,300	0.3	0.4
Asian or Asian British: Indian	42,400	0.8	2.6
Asian or Asian British: Pakistani	18,900	0.4	1.8
Asian or Asian British: Bangladeshi	9,100	0.2	0.7
Asian or Asian British: Other	12,700	0.2	0.7
Black or Black British: Black Caribbean	19,800	0.4	1.2
Black or Black British: Black African	24,400	0.5	1.4
Black or Black British: Other	4,300	0.1	0.2
Chinese or other: Chinese	30,00	0.6	0.8
Chinese or other: Other	23,300	0.4	0.7
All Groups	5,178,00	100	100
<i>White</i>	<i>4,933,800</i>	<i>95.3</i>	<i>88.2</i>
<i>Mixed</i>	<i>58,620</i>	<i>1.1</i>	<i>1.7</i>
<i>Asian or Asian British</i>	<i>83,100</i>	<i>1.6</i>	<i>5.7</i>
<i>Black or Black British</i>	<i>48,500</i>	<i>0.9</i>	<i>2.8</i>
<i>Chinese</i>	<i>30,700</i>	<i>0.6</i>	<i>0.8</i>
<i>Other</i>	<i>23,300</i>	<i>0.4</i>	<i>0.7</i>

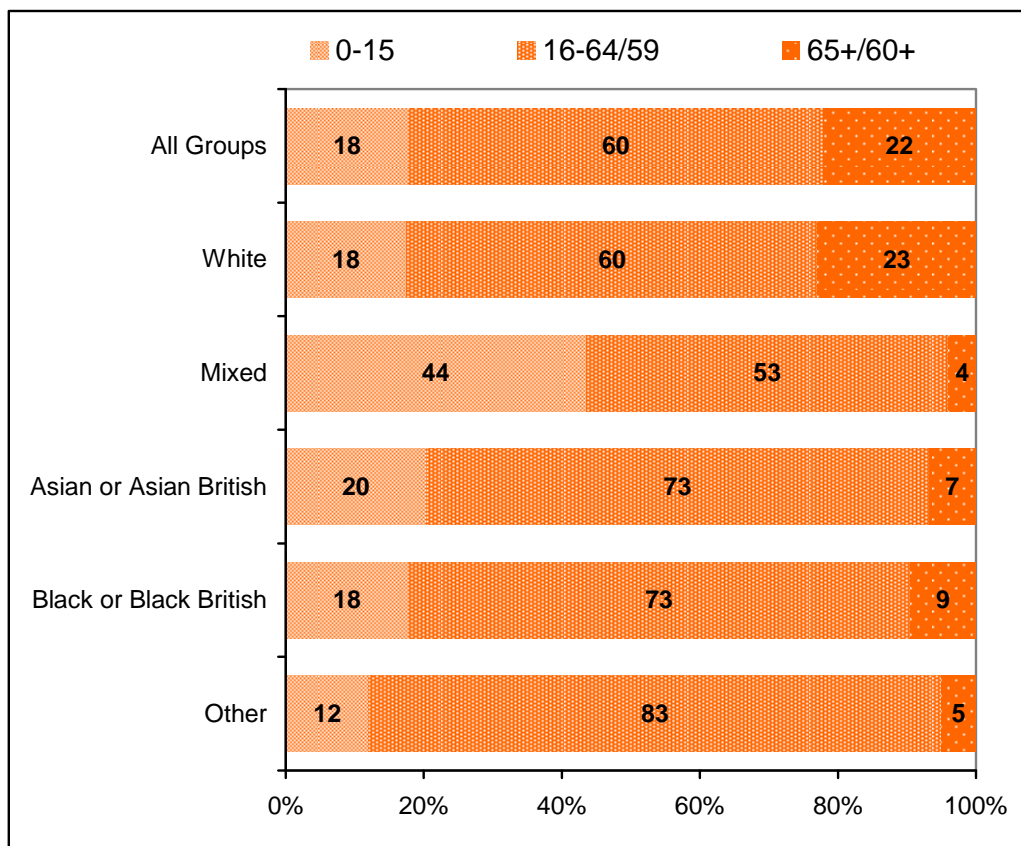
Source: ONS (Experimental Statistics).

http://www.statistics.gov.uk/downloads/theme_population/Tables_EE1-EE6_2007.xls

2.3 Age structure

The majority of the population of all ethnic groups are of working age although this varies from just over half (53%) of the mixed ethnic group to more than four-fifths (83%) of residents of 'other' origin. All minority groups have a considerably smaller share of pensionable-age residents than the white group, with residents of mixed origin likely to be younger than other groups due to their relatively large share of children (under 16 years).

Figure 1: Board Age Structure of the resident population by ethnic group, South West, 2007



Source: ONS (Experimental Statistics)

The ONS experimental statistics put the ethnic minority population of working age at 171,500 in mid 2007, equivalent to 5.5% of the population of this age. The Labour Force Survey (LFS) estimate for September 2007 to October 2008 is lower, both in terms of the estimated number of residents (almost 60,000 lower, at 111,700) and the share of the working-age population (3.6%).

2.4 Trends

Ethnic minority groups accounted for just over half (54%) of the region's increase in population between 2002 and 2007 (Table 2). This is because, while the majority White population increased only marginally over the period, the minority ethnic population increased by 84%. The mixed ethnic population increased at less than half the rate of other ethnic groups and within this the fastest growing groups were Black African (180%), Pakistani (115%), Other Asian (112%) and Indian (111%).

Table 2: Population change between 2002 and 2007 by ethnic group, South West

	Mid-year estimate		Change 2002-07		Share of growth
	2002	2007	Level	%	
White	4,840.4	4,933.8	93.4	1.9	46
Mixed	40.5	58.6	18.1	44.7	9
Asian and Asian British	40.5	83.1	42.6	105.2	21
Black and Black British	25.3	48.5	23.2	91.7	11
Chinese	15.3	30.7	15.4	100.7	8
Other	11.4	23.3	11.9	104.4	6
All groups	4,973.4	5,178.0	204.6	4.1	100

Source: ONS (Experimental Statistics)

3. EMPLOYMENT AND JOB QUALITY

3.1 Introduction

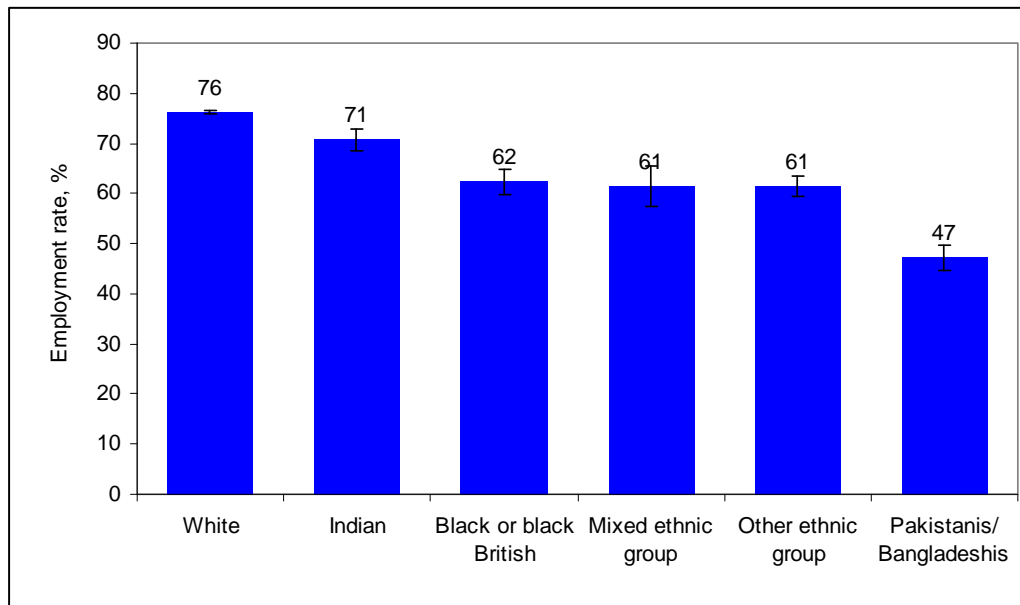
In this section:

- UK employment trends;
- South West employment gap;
- Job quality.

3.2 UK employment trends

People from an ethnic minority group accounted for less than one-in-ten (9%) of the UK employed working age population during September 2007 to October 2008. Taken as a whole, ethnic minority groups are less likely to be in employment than the majority White population (Figure 2) with rates varying considerably across the minority groups. Pakistanis/Bangladeshis have the lowest employment probabilities with employment rates 24 percentage points lower than Indians, who have the highest rate among minority groups. Black or Black British, mixed ethnic and other ethnic groups have rates that are statistically indistinguishable from each other.

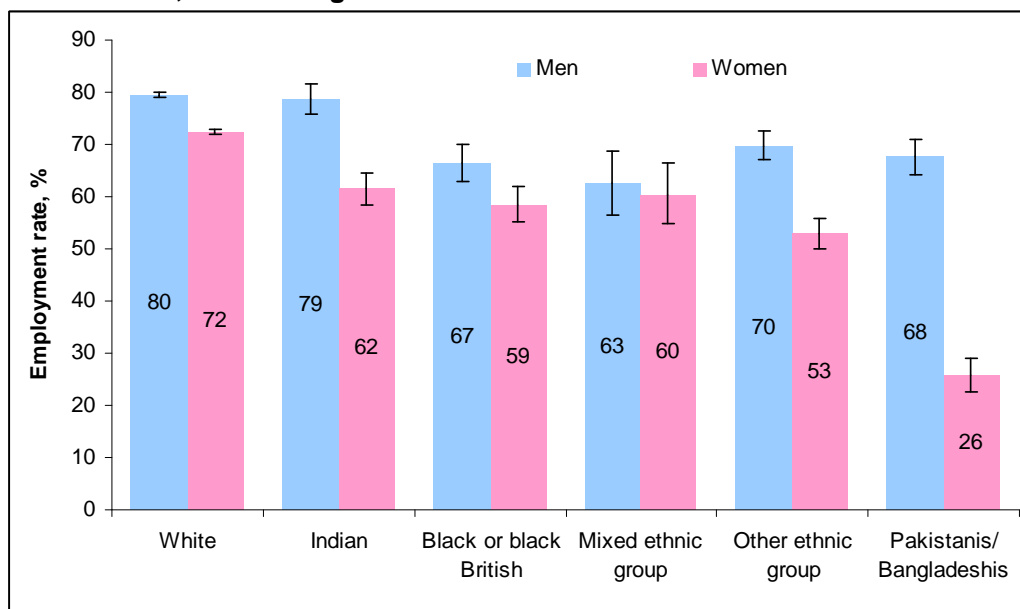
Figure 2: Employment rate by ethnic group, September 2007 to October 2008, United Kingdom



Source: Annual Population Survey (NOMIS)

Disaggregating the employment rates further by gender reveals that: female employment rates are lower than those for men for all ethnic groups except the mixed ethnic group where they are the same. Pakistani/Bangladeshi women have the lowest employment probabilities by a considerable margin although employment rates for Pakistani/Bangladeshi men are equivalent to, or at least not statistically different from, men of other ethnic minority origin, besides Indian (Figure 3).

Figure 3: Employment rate by gender and ethnic group, September 2007 to October 2008, United Kingdom

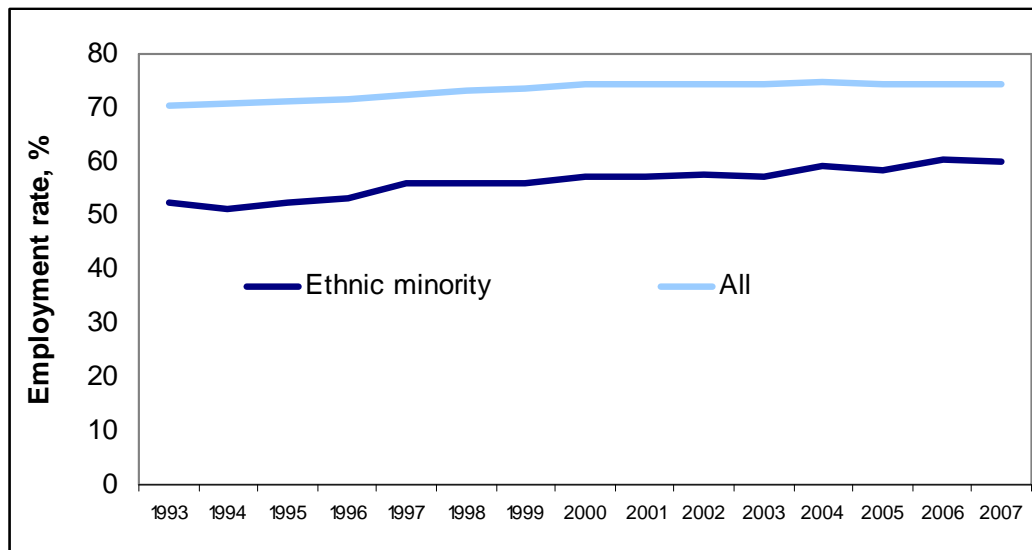


Source: *Annual Labour Force Survey*

Employment rates of ethnic minorities have increased at a faster rate than the overall employment rate, therefore closing the ethnic minority employment gap³ (Figure 4).

³ Note that the employment rate gap here is the difference between the employment rates of ethnic minority groups with the overall rate not that for the white population.

Figure 4: Employment rate of all ethnic minority groups compared to overall rate, 1993 to 2007, Great Britain

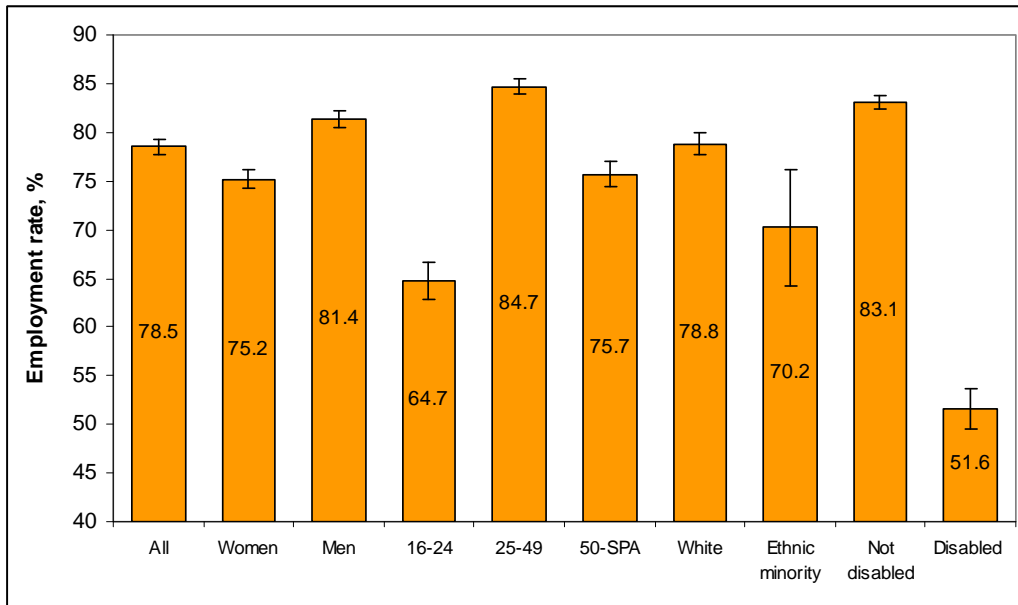


Source: *Opportunity for All* report (<http://www.dwp.gov.uk/ofa/indicators/indicator-19.asp>)

3.3 South West employment gap

The employment rate for ethnic minority groups in the South West was 70% during September 2007 to October 2008. Despite being subject to a relatively wide confidence interval, the estimate is statistically different from – that is, lower than – the rate for the majority White group. The ethnic minority rate is higher than that for disabled people but is not statistically difference to that of other equality strands.

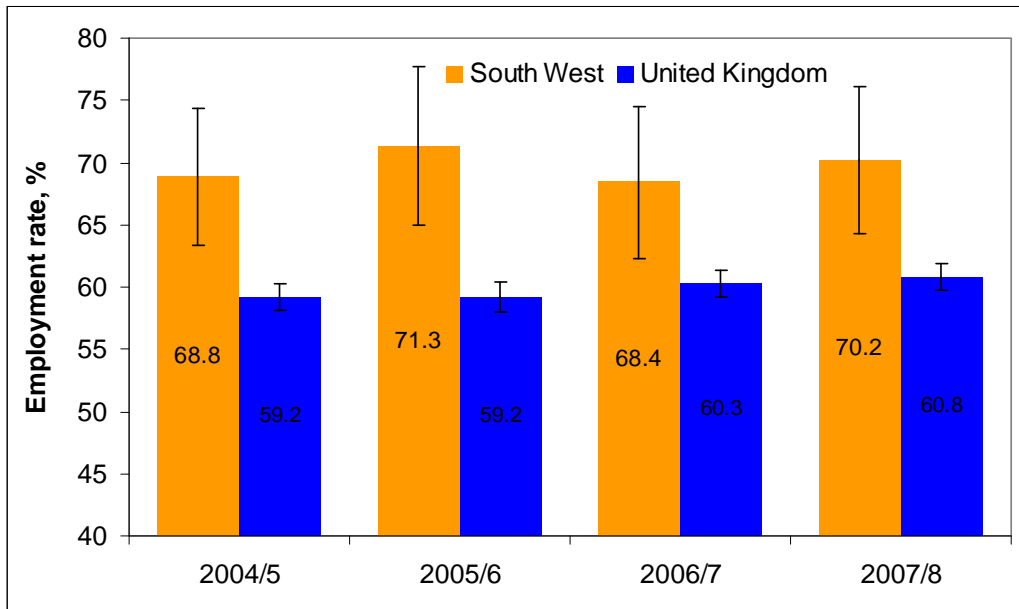
Figure 5: Employment rate by selected population groups, September 2007 to October 2008, South West



Source: Annual Population Survey

The wide confidence intervals attributable to the estimates mean that it is not possible to conclude with any degree of certainty whether the ethnic minority employment rate has increased in the South West between 2004/5 and 2007/8. As percentage point increases in the employment rate at the national level were also relatively small, they too are within the confidence intervals and therefore not statistically significant. It is possible to conclude, however, that the ethnic minority employment rate is higher than the UK average (Figure 6).

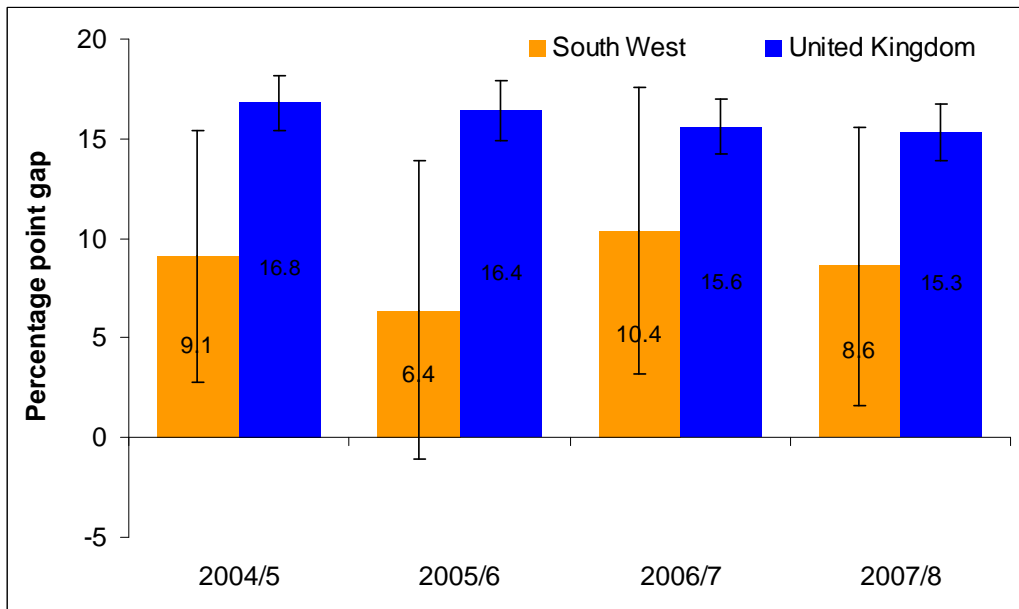
Figure 6: Employment rate for ethnic minority groups, October to September, 2004, 2008, South West and United Kingdom



Source: Annual Population Survey

The ethnic employment gap in the South is less than nine percentage points. This is not statistically different from the UK gap or that for the South West for preceding years (Figure 7).

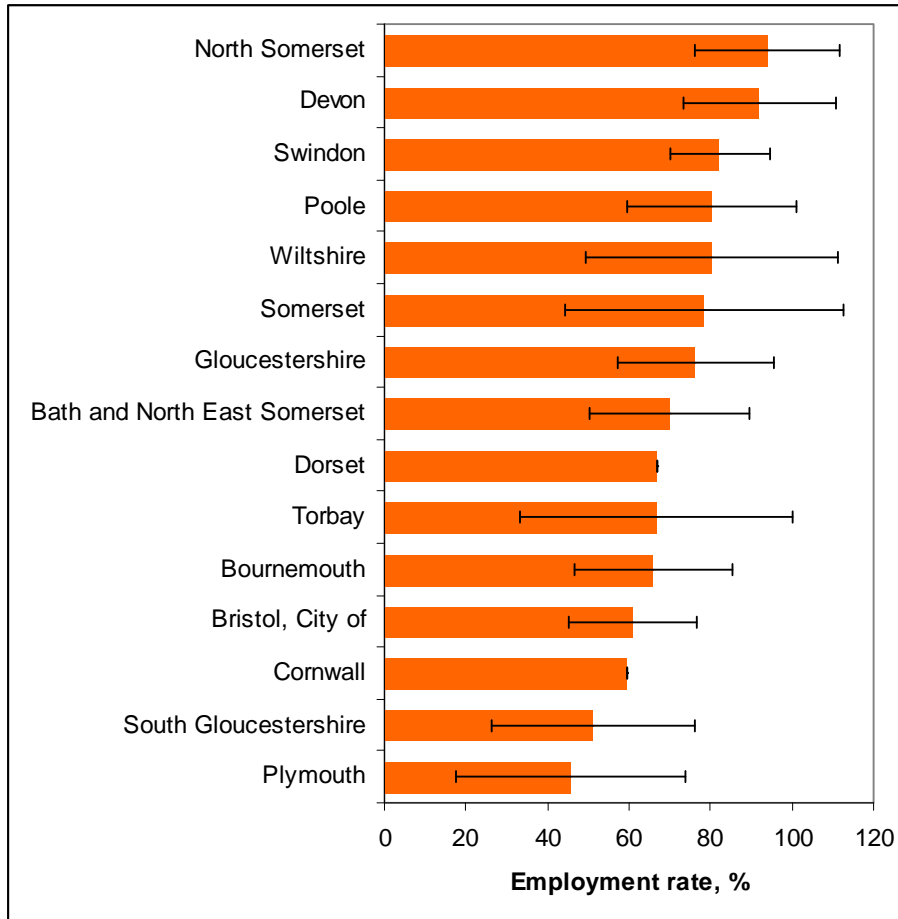
Figure 7: Employment gap for ethnic minority groups, October to September, 2004 to 2008, South West and United Kingdom



Source: Annual Population Survey

Comparing ethnic minority employment rates across higher tier local authority areas of the South West reveals that the only statistical differences are between the area with the highest rate – North Somerset – and the area with the lowest rate – Plymouth (Figure 8).

Figure 8: Ethnic minority employment rate, higher tier local authority area, September 2007 to October 2008, South West



Source: Annual Population Survey (NOMIS)

3.4 Job quality

3.4.1 Managerial and professional occupations and part-time working

The proportion of the employed ethnic minority workforce working in professional and managerial occupations (27%) or working part time (also 27%) is not statistically different from Whites (28%, and 30%) or ethnic minorities nationally (28%, and 24%). On these blunt measures of job quality at least, there is little evidence to suggest that ethnic minority workers as a whole have poorer labour market outcomes than White workers.

Exploring UK data in more detail, however, reveals differences between ethnic minority groups. For example, at 39% the proportion of Chinese workers in managerial or professional occupations is considerably higher than the proportion of Black or Black British workers in these occupations (23%). Almost one-fifth (19%) of ethnic minorities who work part-time are doing so because they could not find full-time work, compared with 9% of White part-time workers. The comparable figures for the South West are 17% and 8%.

3.4.2 Job-related training

At 27% the percentage of employed ethnic minorities in the UK taking part in job-related training in the last 13 weeks is identical to the rate for the White employed population (Annual Population Survey (APS), September 2007 to October 2008). The percentage of the South West ethnic minority population participating in job-related education or training was much higher – at 36% – although this estimate will be subject to relatively large but unspecified confidence intervals.

4. WORKLESSNESS

4.1 Introduction

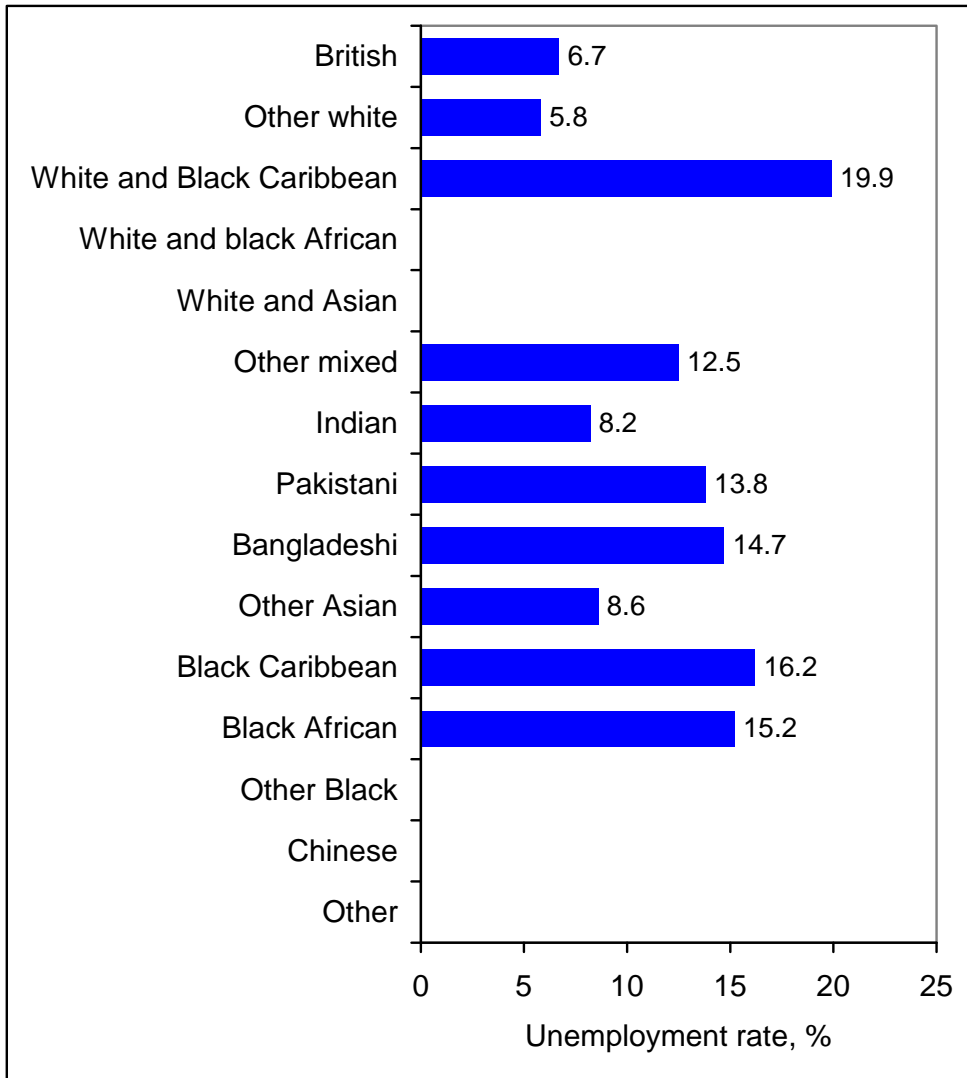
In this section:

- Unemployment;
- Economic inactivity.

4.2 Unemployment

Unemployment rates vary considerably across ethnic groups with the highest - for the White and Black Caribbean group – more than three times that for the lowest group – Other White. The gap in unemployment rates between White and ethnic minority groups is five percentage points.

Figure 9: Unemployment rate by ethnic group, January to March 2009, United Kingdom



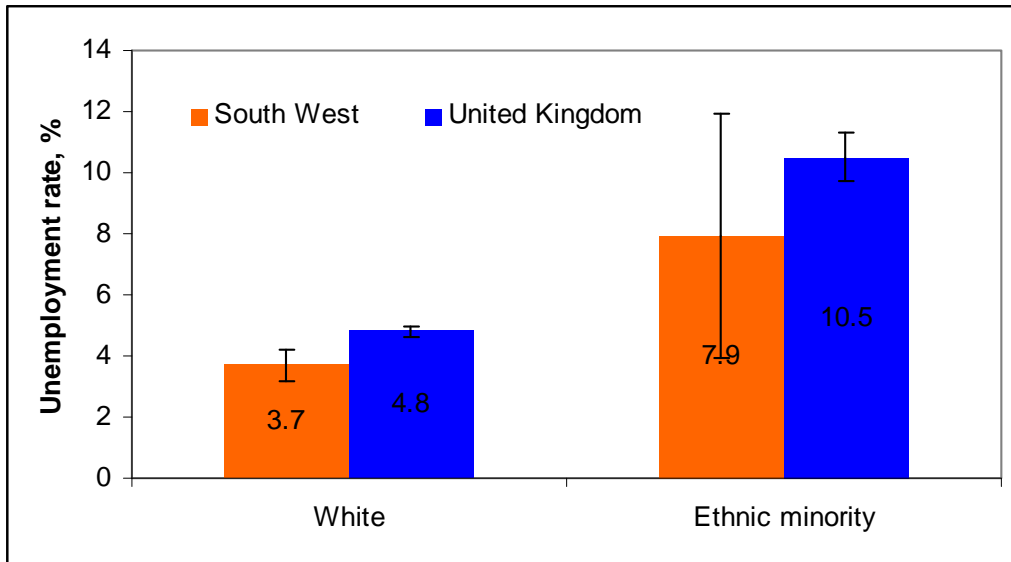
Source: Labour Force Survey

http://www.statistics.gov.uk/downloads/theme_labour/LFSHQS/2009/2009_LFS_HQ_S_CQ.pdf

Over the last 12 months the overall unemployment rate rose by 1.9 percentage points: 0.5 percentage points for all ethnic minority groups and two percentage points for all white ethnic groups. Within the ethnic minority groups, unemployment is rising fastest among Black Caribbeans (3.1 percentage points), White and Black Caribbeans (3.1 percentage points) and Black Africans (2.1 percentage points). By contrast the unemployment rate for Bangladeshis (3.4 percentage points), Other Asian (1.7 percentage points) and Pakistanis (1.6 percentage points) actually fell.

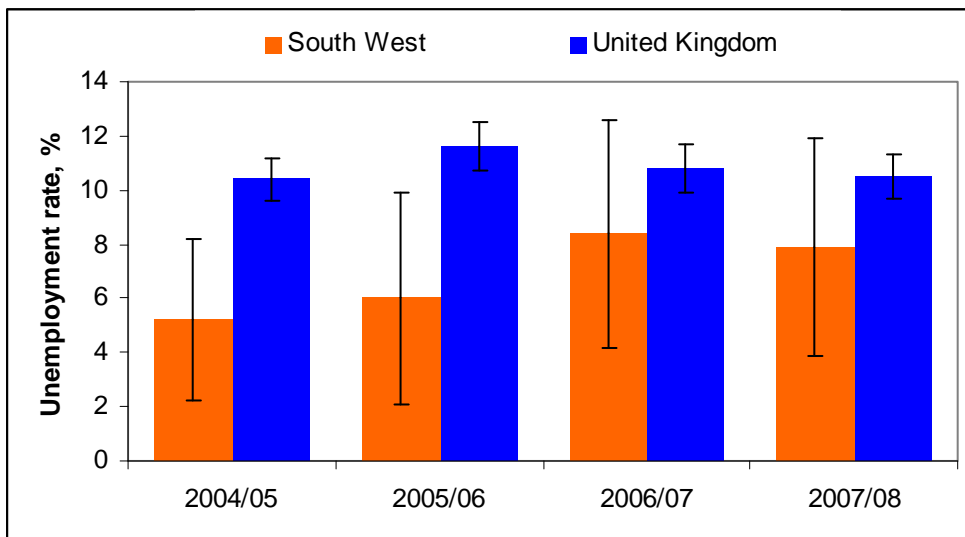
The ethnic minority unemployment rate currently stands at 7.9% in the South West (Figure 10). This is not statistically higher than the ethnic rate nationally, or the rate for the White ethnic group in the South West. (Figure 10). Changes over time (Figure 11) are also statistically insignificant.

Figure 10: Unemployment rate by ethnic group, September 2007 to October 2008, South West and United Kingdom



Source: Annual Population Survey

Figure 11: Unemployment rate by ethnic group, September 2007 to October 2008, South West and United Kingdom

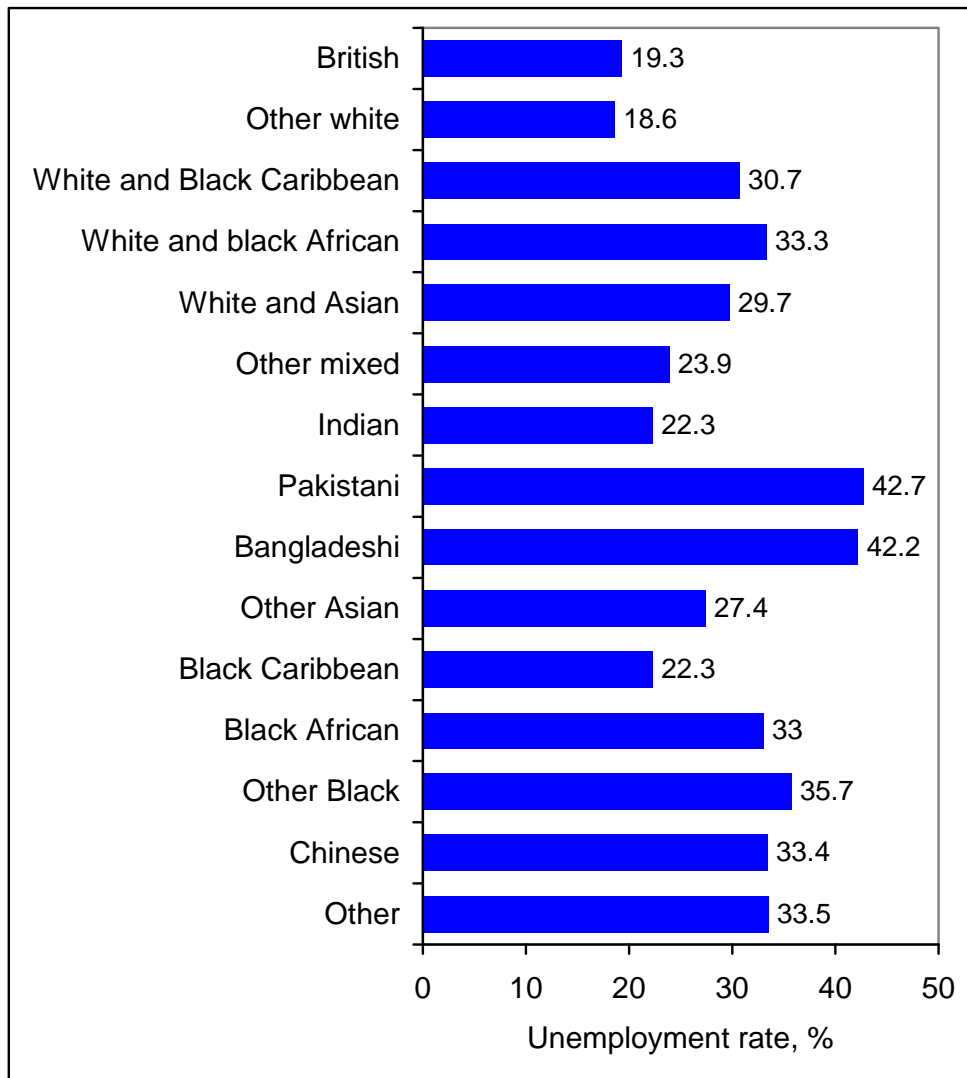


Source: Annual Population Survey (NOMIS)

4.2.1 Economic inactivity

The overall economic inactivity rate in the UK is 21% however this varies considerably by ethnic group. Pakistanis and Bangladeshis have the highest economic inactivity rates and in particular Pakistani and Bangladeshi women whose economic inactivity rates are 64% and 68% respectively. The Other White and British groups have the lowest economic inactivity rates, closely followed by Indians, Black Caribbeans and other mixed groups.

Figure 12: Economic inactivity rate by ethnic group, January to March 2009, United Kingdom

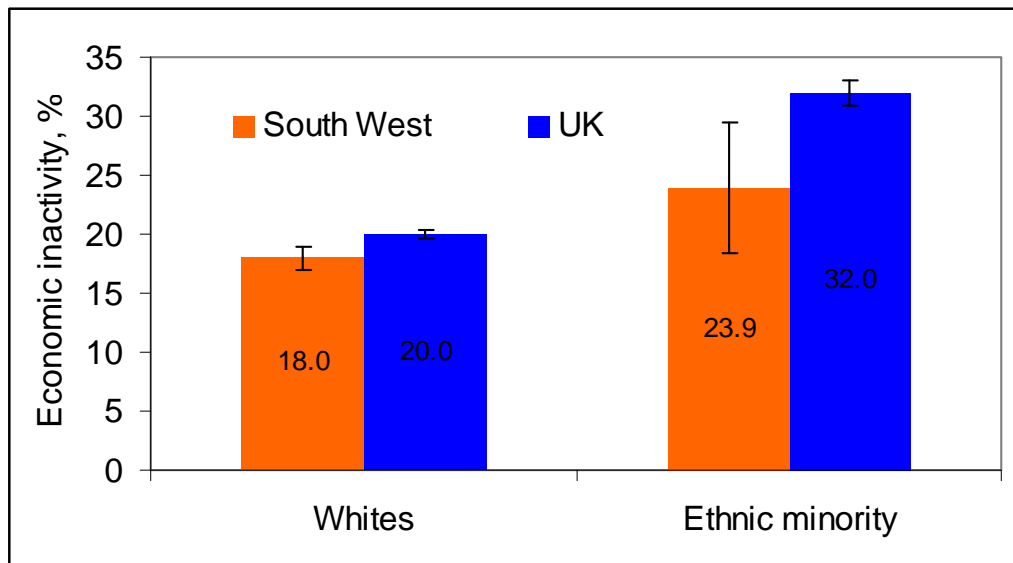


Source: Labour Force Survey

The overall economic inactivity rate in the UK fell slightly over the previous 12 months (-0.2 percentage points). This suggests that recent increases in unemployment are a result of more people being made unemployed – who were previously in work – but also more people looking for work who were previously economically inactive. The White and Black Caribbean and Bangladeshi groups recorded the largest decline in employment, in both cases driven solely by a decrease in economic inactivity amongst men. By contrast, the Other Black group recorded the largest increase in economic inactivity.

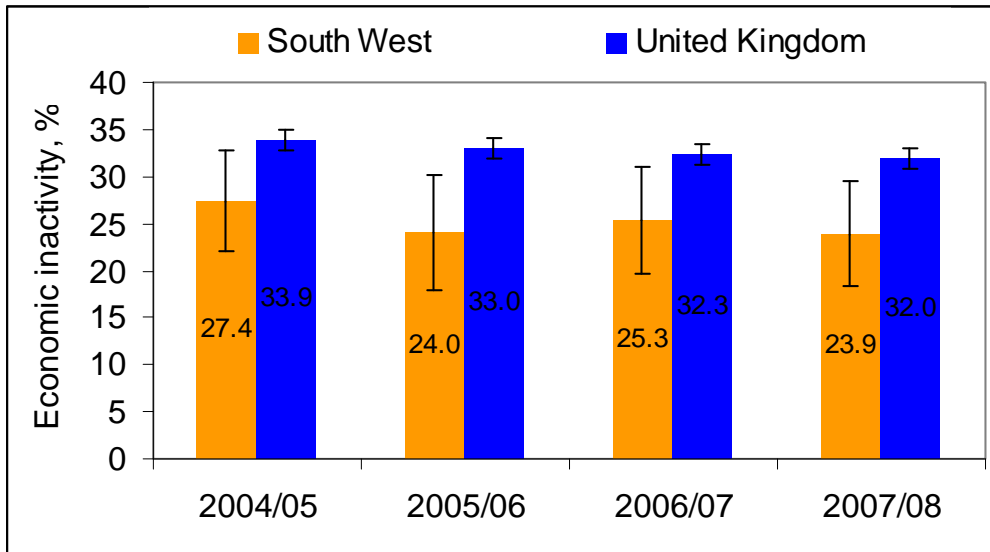
Ethnic minority groups account for 5% of the economically inactive population in the South West. The economic inactivity rate of ethnic minority groups in the South West is not statistically different from Whites although the rate is lower than the UK average (Figure 13).

Figure 13: Economic inactivity rate by ethnic group, September 2007 to October 2008, South West and United Kingdom



Source: Annual Population Survey (NOMIS)

Figure 14: Ethnic minority economic inactivity rates, September 2007 to October 2008, 2004.5 to 2007/08, South West and United Kingdom



Source: Annual Population Survey

Almost half (45%) of economically inactive ethnic minority South West residents are inactive because they are students and a further third (35%) are inactive because they are looking after a home and/or family. One-in-ten is sick or disabled. Compared to Whites, ethnic minority groups are more likely to be students or home-makers, and are less likely to be sick or disabled, retired or economically inactive for some other reason. This reflects, in part, the younger age distribution of the ethnic minority population. Around a quarter (24%) of economically inactive ethnic minorities of working age would like a job. This is slightly less than the proportion of Whites who would like to work (28%).