

## Paper 3

Written Submission to The Communities, Equality and Local Government Committee (CELG) inquiry:

### **‘The future of equality and human rights in Wales’.**

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#### Introduction

I am delighted to be able to contribute to discussion regarding the future direction of equality and human rights in Wales. This submission focuses on Committee interest in the link between poverty and equality and the socio-economic duty, as set out in the inquiry Terms of Reference. I will be pleased to expand on the outline provided here in oral evidence.

#### The link between poverty, equality and the socio-economic duty.

1. The purpose of a socio-economic equality duty would be to consider when social status and economic inequality coalesce, to create material advantage or disadvantage.
2. Particularly, the concern would be when social group membership confers social inferiority and contributes to poorer economic outcomes<sup>2</sup>.
3. The UK *National Equality Panel Report* (Hills *et.al.* 2010) described Britain as an unequal country, where the scale of disparity between those with least wealth and those with most (100 times difference) is greater than in many other industrial countries<sup>3</sup>.

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<sup>1</sup> Dr Alison Parken is Project Director for ‘Women Adding Value to the Economy’ (WAVE), within Cardiff University. WAVE is part funded by European Social Fund through the Welsh Government. Together with partner organisations, WAVE is working with employers to research gender pay gaps within different sectors and occupations (CU), and providing education (University of South Wales) and training (The Women’s Workshop) to address occupational segregation in employment, self-employment and training.

<sup>2</sup> Fraser 1997, 2000.

<sup>3</sup> Hills, J., Brewer, M., Jenkins, S., Lister, R., Lupton, R., Machin, S., Mills, C., Modood, T., Rees, T. and Riddell, S. (2010) *An anatomy of economic inequality in the UK: Report of the National Equality Panel*, London: Government Equalities Office. Hills *et.al.* (2010).

4. For the first time, this data analysis traced the impact of family resources (high and low), parental education and occupation, and housing tenure for conferring advantage or disadvantage in education, employment, earnings, income and wealth by ethnicity, gender, disability, age, and religion.
5. Early, identifiable disparities in educational outcomes widen over the lifetime of disadvantaged groups. While there is movement in and out of poverty, it can be transmitted between generations and lead to 'poverty of aspiration' (Hills *et.al.* 2010).
6. The picture is complex, as there are significant economic inequalities *within* social groups (for example among ethnic minority groups). If economic inequalities *between* social groups were to be eradicated, economic inequalities would still remain (Hills *et.al.* 2010).
7. Nevertheless, social markers, such as being disabled or belonging to particular ethno-religious groups, point to greater likelihood of not gaining good educational or employment outcomes. Or in the case of women, not receiving the economic returns commensurate with gaining a good education
8. In 2011, the EHRC (Wales) commissioned research to provide a similar analysis for Wales, entitled, *An Anatomy of Inequality in Wales* (Davies *et.al.* 2011)<sup>4</sup>.
9. This research demonstrated that in Wales, low educational attainment and consequently lower chances of employment and gaining decent earnings, are most prevalent amongst people living in social housing, people with Bangladeshi and Pakistani ethnicity (and by association Muslim religion), and people who have Work Limiting Illness and are

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<sup>4</sup> Davies, R., Drinkwater, S., Joll, C., Jones, M., Lloyd-Williams, H., Makepeace, G., Parhi, M., Parken, A., Robinson, C., Taylor, C., and Wass, V. (2011) *An Anatomy of Economic Inequality in Wales*, A report prepared on behalf of the Wales Equality and Human Rights Commission, Cardiff: EHRC pp. 215  
[http://www.wiserd.ac.uk/wp-content/uploads/2011/05/WISERD\\_RRS\\_002.pdf](http://www.wiserd.ac.uk/wp-content/uploads/2011/05/WISERD_RRS_002.pdf)

DDA defined disabled. Women within these social groupings were at greatest disadvantage.

10. Overall, the research showed that women were much more likely than men to be among the low-paid (that is earning less than two thirds of annual median salaries). They pre-dominate in occupations associated with low pay, and make up over 80% of the part time workforce in Wales. The Welsh economy is the third highest user of part time working arrangements in the UK.

#### The context for introducing a Socio-Economic Duty for Wales.

1. The need for such a duty may not be well understood. The National Equality Panel (Hills *et.al.* 2010) review concluded that the concept of a meritocracy in the UK is assumed to be a reality but is more accurately described as rhetoric.
2. The idea that meritocracy exists, coupled with a low awareness of the scale of economic disparity in society, has constrained attempts by policy-makers to ameliorate economic inequalities (Hills *et.al.* 2010).
3. To underpin a socio-economic equality duty in Wales, further research and analysis will be needed. Such research will need to be undertaken in *each policy field* (education, economic development, employment, health, anti-poverty strategies, community programmes), in order to understand how economic inequalities are distributed within Welsh society.
4. Such research would need wide discussion and debate to raise awareness of economic inequalities in Wales, and the importance of addressing them.
5. If implemented, the socio-economic duty would encourage policy-makers to consider *WHO* is being addressed by policy, and not only *where*. The current focus on the spatial dimension of deprivation, together with taking the household as the unit of analysis, is insufficient for nuanced targeting of initiatives. Social difference will impact on what is needed and upon how different people will engage with initiatives.

## Introducing a socio-economic duty in Wales.

1. If there was acceptance that inequality does not only mean discrimination as it attaches to individual, personal protected characteristics, there may be no need for a separate socio-economic duty - the material dimension of inequality could be woven into the existing Welsh specific equality duties under the Public Sector Equality Duty (PSED)<sup>5</sup>.
2. However, given that this is not currently the case, and that the PSED may be repealed by the Westminster government, devolution of powers with respect to the PSED is desirable. Within such a remit, the NAW could ensure that the spirit of the socio-economic duty is carried through into legislation.
3. The opportunity might also be taken to change the focus of Equality Impact Assessments (EIAs), which continue to be interpreted as a retrospective imperative for policy-makers to ensure policy does not have negative impact.
4. This approach would be insufficient for the operation of the socio-economic duty. As drafted but not commenced (Equality Act 2010), the duty requires policy makers to *promote* equality by having '*... due regard to the desirability of exercising [their functions] in a way designed to reduce the inequalities of outcome which result from socio-economic disadvantage*'.
5. New drafting, within the NAW, could emphasise the positive intent of the duty - so that each policy would show how its impact will ameliorate existing socio-economic inequalities. The explanation of how each policy will promote equality would be given in the associated Equality Impact Assessment.

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<sup>5</sup> Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011