



**Diversity Works
for London**

Introduction

Greater London is made up of 33 local authorities and has a population base of 7.5 million, representing almost 15% of the population of England. It is also one of the world's leading international business centres and is the main headquarters for 75% of FTSE 500 companies.

London is a city of contrast and although it is home to a dynamic and successful global financial centre, it is also home to some of the most deprived areas in the UK with high levels of worklessness, crime, health and educational inequalities.

Diversity Works for London seeks to put these facts into a context that can help businesses harness the potential within our communities to improve their business environment.

Ethnicity

The 2001 Census shows that almost 30% of London's population belongs to a black, Asian or minority ethnic (BAME) group, making it one of the most diverse and culturally rich cities in the world. Over 300 languages are spoken and there are over 40 non-indigenous communities of 10,000 people or more.

As the population of London becomes more diverse and reflects the changing global dynamics, so too must our approach to creating success for our local economy by harnessing the talent within our reach.

The increasing eastward shift of the centre of gravity of the world economy means that for London's businesses to stay competitive, there is a need to attract a full wealth of talent and encourage greater supplier diversity. Businesses will be better placed to attract a wider customer base across all of London's communities, including a reach into London's BAME community who have an enormous spending power of an after tax income of £16 billion.

Age

London's working age population is just over 5 million and its diversity is further reflected in the fact that 34% of the working age population are from a BAME group.

Furthermore, relative to the UK population, London has a relatively young working age with 45% under the age of 35 years. 19% are aged over 50 compared to 25% nationally.

Disability

As our working age population becomes older over time, so too will the number of those considered to have a disability. Disability is defined by the Disability Discrimination Act (2005) and covers people who say they have had a health problem or disability lasting more than a year that 'substantially limits their ability to carry out normal day-to-day activities', and the Annual Population Survey's 'work limiting' definition which includes a health problem or disability that affects either the kind or amount of paid work that a person could do. Currently disabled Londoners comprise 17% of the working age population.

Gender

Consideration of gender issues within the labour market is vital in order to understand the implications and impact to businesses and society as a whole. Around half of London's working age population are women (49%), which is similar to the national picture, however working age women have a lower employment rate (62%) compared to men (75%). The gender gap in rates is mainly due to the lower employment rate of women with children, as rates for men and women without children are similar. This is consistent with the fact that the gender gap in rates is widest for the age groups 25-49, the age where women are most likely to care for children.

Although there has been much progress on women's issues over the past 30 years, there is still a pervasive culture of inequality and discrimination within the workplace. Research does indicate that there is a detrimental cost to society with the on-going exclusion of women from managerial positions and the gender pay-gap.

On average, women working full time are paid 17% less than a man and 38% less if part time, for work that is of equal value. In London specifically, women are paid up to 23% less than men for work of like value. Research from the Office of National Statistics found that the gender pay gap jumps from 1% for women in their 20's to 20.3% for full timers aged 40-49.

Individual and structural discrimination in employment remain entrenched realities and there are some good employment practices where some London employers have conducted an Equal Pay Review, however inequalities in pay still exist as do examples of pregnancy discrimination, which in London is estimated to cost the economy at least £18.3 million.

Sexual orientation

Many leading businesses have a greater understanding of the long term business benefits that equality of opportunities can bring in terms of workforce, supplier and customer diversity. The economic value of the 'Pink pound' in the UK is estimated to be around £95 billion with a share of this value sitting with the estimated 5% of London's residents who are gay or lesbian.

Religion or belief

Religion or belief has over recent years become an ever increasing issue within the workplace among employees of various religious and non-religious beliefs. Over one half of London's population is considered to be Christian, with Muslims constituting the second largest religious group, however unemployment rates for Muslim men and women is higher than any other religious group.

It has been estimated that more than 600,000 new jobs will be created in London over the next 11 years and as the workforce identity is shaped by demographic, global economic and social trends, people from London's communities will make an important contribution to filling these jobs.

For more data on an analysis of Londoners within the labour market, further information can be found within the Annual Population Survey carried out by the Office for National Statistics.