Question #71511, Math / Statistics and Probability

An insurance company collects data on seat-belt use among drivers in a country. Of 1400 drivers 30-39 years old, 18% said that they buckle up, whereas 379 of 1100 drivers 55-64 years old said that they did. Find a 98% confidence interval for the difference between the proportions of seat-belt users for drivers in the age groups 30-39 years and 55-64 years.

Construct a 98% confidence interval.

The 98% confidence interval for P1-P2 is from _ to _

Answer.

 $\hat{p}_1 = 0.18$, $n_1 = 1400$, $\hat{p}_2 = \frac{379}{1100} = 0.34$, $n_1 = 1100$.

$$\begin{aligned} 98\% CI &= \\ &= \left(\widehat{p}_1 - \widehat{p}_2 - z_{0.01} \sqrt{\frac{\widehat{p}_1(1 - \widehat{p}_1)}{n_1} + \frac{\widehat{p}_2(1 - \widehat{p}_2)}{n_2}}, \widehat{p}_1 - \widehat{p}_2 + z_{0.01} \sqrt{\frac{\widehat{p}_1(1 - \widehat{p}_1)}{n_1} + \frac{\widehat{p}_2(1 - \widehat{p}_2)}{n_2}} \right) = \\ &= (0.18 - 0.34 - 2.326 \sqrt{\frac{0.18 \times 0.82}{1400} + \frac{0.34 \times 066}{1100}}, \ 0.18 - 0.34 + 2.326 \sqrt{\frac{0.18 \times 0.82}{1400} + \frac{0.34 \times 066}{1100}}) = \\ &= (-0.16 - 0.04, -0.16 + 0.04) = (-0.20, -0.12). \end{aligned}$$

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