

What have the last three Censuses told us about changes in ethnic inequalities in labour market participation?

A detailed picture of the relationship between ethnicity and labour market participation is available from the last three Censuses, covering the period 1991-2011. Over this time there have been shifts in the focus of policy discussions, with the implication that discrimination and racism are less problematic now than previously.

This briefing summarises research based on the Census, conducted by The Centre on Dynamics of Ethnicity (CoDE), on changes in ethnic disadvantage in the labour market over the last twenty years. We focus on the 25 to 49 year old age group, where economic activity is highest (over 85% compared to the national average of 63%) and there are few students or retired people.

Policy Context

Ethnic minority groups in England and Wales have a history of lower rates of employment and higher rates of unemployment than the White majority population. The Department of Work and Pensions has put in place policies to address these inequalities, with initiatives such as Ethnic Minority Outreach, Specialist Employment Advisers and Partners Outreach for Ethnic Minorities, and most recently with the establishment of the Ethnic Minority Employment Stakeholder Group. The success of these various policies and initiatives to increase ethnic minority employment has been limited, and our research shows that labour market inequalities have persisted for many ethnic minority groups.

Although unemployment figures are important, they only tell part of the story; it is also illuminating to look at the rates of participation in the labour market (so economic activity rates that include both those who are employed or looking for work) and the type of employment that people are in, to understand the nature of employment inequalities across ethnic minority groups.

Economic Activity

The most recent Census shows that in 2011, over 90% of 25 to 49 year old men were economically active (working or actively looking for work) in the Indian, White British, White Irish and Other White ethnic groups. However this equivalent figure was less than 70% for Arab and White Gypsy or Irish Traveller men. In addition, over the period 1991 to 2011, White men had a consistently higher rate of labour market participation compared with men in other ethnic groups, with the exception of Indian men.

For women in this age group, rates of economic activity varied more than they did for men across ethnic groups. Only women in the White British, Other White and the Black Caribbean group had rates that were above 80%. The rates of economic activity were very low (at around 40%) for women in the White Gypsy or Irish Traveller, Pakistani, Bangladeshi and Arab groups. In contrast to men, economic activity rates for women increased for all ethnic groups between 1991 and 2011, and the increase was greatest for women in the Pakistani and Bangladeshi groups. Nevertheless, Pakistani and Bangladeshi women continued to have the lowest rates throughout this period.

Unemployment

In 2011, there were large differences across ethnic groups in rates of unemployment among economically active 25 to 49 year olds. Rates were especially high for men in the Other Black group (1 in 5 unemployed), Black African, White

Gypsy or Irish Traveller, Black Caribbean and Mixed White & Black Caribbean groups (1 in 6 unemployed), when compared with White British men (only 1 in 17 unemployed). Between 1991 and 2001, unemployment rates decreased, and there was little change between 2001 and 2011, for all ethnic groups. This shift in unemployment rates left the relatively high rate of unemployed for Black Caribbean and Black African men unchanged, but reduced the disadvantage of Pakistani and Bangladeshi men relative to White men (from 3 times higher to about 1 ½ times). However, for both of these ethnic groups this was largely a consequence of increases in part-time employment and the higher rates of unemployment remained.

Rates of unemployment were very high for women in the Bangladeshi, Arab and White Gypsy or Irish Traveller groups (1 in 5 unemployed), compared with White British women (1 in 21 unemployed). Between 1991 and 2011, unemployment rates decreased by one quarter for the Black African, around one third for the Indian and the Pakistani, and almost two fifths for the Bangladeshi group. These large falls in unemployment, compared with a very small fall for White women, led to a decrease in the relative unemployment disadvantage for these women. However, although the unemployment gap between ethnic groups has narrowed, the disadvantage for many ethnic groups remains.

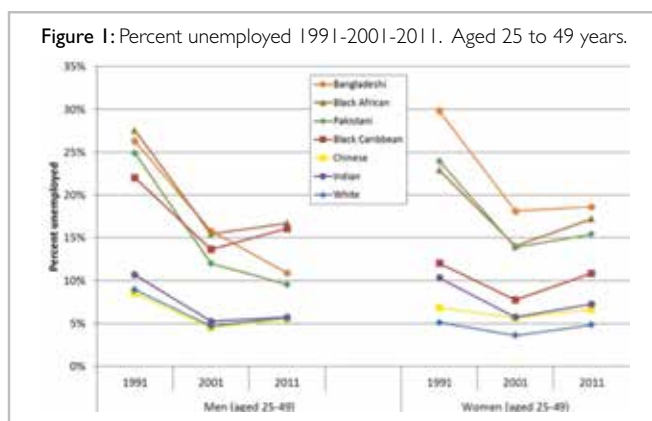
employment also have, on average, lower incomes and greater job insecurity. Our analysis shows that in England and Wales, some ethnic minority groups are over-represented in these types of jobs.

In 2011, rates of self-employment were highest for the White Gypsy or Irish Traveller and Pakistani men (36% and 28% respectively). However, for Indian, Bangladeshi and Chinese men, the higher rates that were seen in 1991 had disappeared by 2011. Overall, rates of self-employment were lower for women than men but they were particularly high for women in the White Gypsy or Irish Traveller group.

Men were much more likely to be working part-time in 2011 compared with 1991 figures and this was a pattern seen for all ethnic groups. The largest increase was seen for Bangladeshi men (an increase from just over 3% to 35%), meaning that Bangladeshi men were 7 times more likely to be in part time employment compared with White men. For women, in 2011, the part-time working rates were highest in the Bangladeshi, Pakistani, White British and White Gypsy or Irish Traveller groups. Between 1991 and 2011, all ethnic minority women saw an increase in part-time employment in contrast to White women whose rate reduced.

Conclusions

The inequalities in labour market participation have persisted for some ethnic groups in England and Wales. Many still have higher unemployment rates and lower rates of economic activity compared with the White majority group. This briefing will open debate on the policy implications of these results. Why do we continue to see such disadvantage for ethnic minority groups? How can evidence such as this be taken into consideration by policy makers?



Self-employment & Part-time employment

Alternatives to full-time employment are part-time employment and self-employment. Both of these might reflect constraints in accessing work as a full-time employee, either because such jobs are not accessible or because they allow more flexibility to meet other commitments, such as caring responsibilities. Those in part-time jobs and self-

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CoDE have produced a series of briefings (*Dynamics of Diversity: Evidence from the 2011 Census*) on the experience of ethnic minorities in England and Wales which can be found here: <http://www.ethnicity.ac.uk/census/>

You can follow CoDE on Twitter: @EthnicityUK.



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