ENTRY TO, AND PROGRESSION IN, WORK

What’s the issue?

People from ethnic minority groups are often at a disadvantage in the labour market. They are more likely to be unemployed than white British people, are over-represented in poorly paid and unstable jobs, and are less able to secure opportunities for job progression or employment which matches their skills and abilities.

Ways forward

School transitions

- The Department for Education should:
  - introduce a quality standard for the provision of school-based careers advice;
  - in consultation with other government departments, improve school level destination data so that schools can be held to account for students’ longer term employment outcomes.

Support for the unemployed

- The Department for Work and Pensions should make funding available to support successful outreach services for ethnic minority groups.
- The Department for Business, Innovation and Skills (BIS) should reinstate ethnic minorities as a priority group for the National Careers Service.
- The functions of the National Careers Service should be more integrated with Jobcentre Plus, with a government review into the long-term cost-effectiveness of merging the two services.
- Jobcentre Plus should provide free access to the National Recognition Information System (NARIC).

Progression in work

- The National Careers Service should provide better advice on opportunities for progression in different sectors and occupations.
- Employers should improve in-work mentoring opportunities for ethnic minority groups.
- Employers should make progression and training opportunities more transparent and objective.
- Unions and work-based mentors should encourage unionisation among ethnic minority groups.
- BIS should reintroduce funding for workplace-based courses in English for Speakers of Other Languages (ESOL), offer matched employer funding, and extend the loans available to learners.
- Employers should promote ESOL to employees and provide support. Health and social care organisations working with ‘seldom heard’ groups need to support people with dementia who wish to be involved in influencing activities to participate.

Authors

Claudia Wood and Ian Wybron, Demos

JULY 2015
BACKGROUND

This paper presents policy solutions related to supporting entry into, and progression in, work for ethnic minority groups, based on the diverse body of qualitative and quantitative evidence generated by the Joseph Rowntree Foundation’s Poverty and Ethnicity programme.

What does the research tell us?

The scale and nature of the problems related to ethnic minority groups entering into or progressing in work vary by ethnic group, gender, and region. Age, class, and migrant status (and whether someone is first, second or third generation of a migrant group) are also identified as important factors in determining employment outcomes. These factors relate to, for example, the extent of supportive social networks and access to advice, aspirations, and English language proficiency. This can make capturing a ‘whole picture’ of the challenge very difficult.

To consider the issues, we have grouped some of the key messages from the research according to life stage; younger ethnic minority groups just leaving school in the UK; unemployed ethnic minority groups (who may not have attended school or university in the UK, or who have left education years earlier); and ethnic minority groups who are currently employed.

Younger ethnic minority groups leaving school

In general, ethnic minority groups tend to have high levels of education compared with the white majority. At the top end of educational performance, 54.9 percent of Indians have a degree in contrast to only 31.6 percent of the white majority population. The Bangladeshi group is a clear exception, however, with only 25.9 per cent having a degree, and 25.4 per cent having no qualification at all (compared with 16.7 percent for the white majority) (Fisher and Nandi, 2015).

Some underperformance of ethnic minority groups at school can be attributed to a lack of aspiration or the ability to provide advice on the part of parents, though this varies by class and location. Families with greater social capital are more likely to encourage their children to achieve their potential (Lalani et al., 2014). In some groups – including Bangladeshi, Pakistani and other Asian groups – research identified a culture of needing to contribute to the family, either by working in the family business or taking on caring duties, which interfered with school work or prevented continuing education. For Muslim pupils there can be the additional effect on school achievement of attendance at madrassas (Lalani et al., 2014; Finney et al., 2015). However, overall, research suggests that pupils from Pakistani and African Caribbean backgrounds tend to have higher aspirations than their white British peers (Hutchinson et al., 2011).

Teachers’ own biases on the ability levels of pupils with an African Caribbean background in secondary school is also a factor in underachievement among this group. Strand (2012) suggests African Caribbean pupils are significantly more likely to be placed in lower tiers than their white British peers. Stereotyping of African Caribbean boys in particular was noted, with teachers pushing these pupils towards sports, lowering their aspirations and narrowing their options.

Poor provision of advice and guidance in schools regarding careers options and progression opportunities is an important factor in preventing ethnic minority groups’ successful transition from school to university or to the labour market (Hudson et al., 2013). This may have a greater impact on some ethnic minority groups who lack the social networks or whose parents lack the knowledge to provide effective careers advice. Overall, careers advice remains inadequate for many young people, and stereotyping continues to be a live issue (Lalani et al., 2014).
Currently unemployed ethnic minority groups

Many ethnic minority groups have above average unemployment rates. For example, the British Bangladeshi adult unemployment rate was 13.4 per cent between April and June 2014, the British Pakistani rate was 16.9 per cent, and the Black/African/Caribbean rate was 15.3 per cent. This compares with a rate of 5.6 per cent among white British people.1

There are many factors likely to be at play here. While higher than average unemployment rates cannot simply be explained by educational underachievement (see above), it is true that some ethnic minority groups (for example Bangladeshi and Pakistani groups) are disproportionately more likely to have few or no qualifications. Additional language and cultural barriers make it harder to not only find work but also to integrate into the workplace (Hudson et al., 2013). Indeed, research suggests having English as a first language reduces the probability of being in persistent poverty by 5 percentage points, holding education level, family type and ethnicity constant (Fisher and Nandi, 2015). Again, Pakistani and Bangladeshi groups are more likely to have English as a second language (Fisher and Nandi, 2015).

Prejudice, stereotyping or hidden biases within recruitment processes can also make it harder for some ethnic minority groups to enter the workplace, as there may be an under-recognition among employers of ethnic minority employees’ skills and experience, reducing their chances of employment or further progression when in work (Hudson et al., 2013). A lack of familiarity with formal recruitment practices among some ethnic minority groups can also play a part (Irwin et al., 2014).

Finally, there may be difficulty in translating qualifications secured in other countries to British frameworks, and a lack of employer awareness of these qualifications or their UK equivalents (Irwin et al., 2014). This can play a part in some ethnic minority groups being over-qualified (see next section).

Ethnic minority groups who are currently employed

In-work poverty is now more prevalent than poverty among people out of work, and people from some ethnic groups are disproportionately concentrated in poorly paid and poor quality employment. Ethnic minority employees are, on average, more likely to be employed below the living wage than white employees. For example, while 16 per cent of white British men work below the living wage, the figure is 39 per cent for Pakistanis and 57 per cent for Bangladeshis (Brynin and Longhi, 2015). There are also differences in employment and pay outcomes between ethnic groups, and across gender and geographical lines.

Ethnic minority groups tend to be overrepresented in low-paying occupations – for example in sales, catering, elementary personal services, hairdressing, textiles and clothing – and underrepresented in well-paid jobs. Within occupations there is relatively little inequality between ethnic minorities and white British people, but nonetheless minorities are relatively likely to be the lowest paid within their job type and in the lowest paid types of job. This double disadvantage is especially acute for Pakistanis and Bangladeshis, who have a higher probability than any other ethnic group of being paid below the living wage in all occupational classes (Brynin and Longhi, 2015). The disadvantage is likely to persist, with research showing that only a fifth of low-paid workers have escaped low pay ten years later (Barnard, 2014a).

As outlined above, ethnic minority groups taken as a whole tend to have slightly higher educational qualifications than the white majority on average – but fewer work in graduate occupations. This suggests ethnic minority groups are less likely to be making full use of their qualifications, and hence the ‘over-qualification’ of ethnic minority employees in low paying jobs is prevalent. Pakistanis and Bangladeshis are most likely to be over-qualified (Brynin and Longhi, 2015).

Ethnic minority groups also tend to have unequal access to opportunities for development, often because they don’t have clear information about training opportunities or progression routes within their workplaces. This can be exacerbated if progression relies on opaque processes or informal networks, if there is a lack of ethnic minority role models or mentors at higher levels within organisations who might provide support and advice, or if there is a gap between equality and diversity policies and practice in the workplace (Hudson et al., 2013).
Policy solutions

This section suggests ways in which the barriers outlined above might be overcome. Policies are considered to:

- improve school to work transitions for younger ethnic minority groups;
- improve employment support for unemployed ethnic minority groups (who may not have attended school or university in the UK, or who have left education years earlier);
- encourage progression in work for people from ethnic minority groups who are currently employed.

School transitions

Young people from ethnic minority groups need additional support to help them make the transition into the workplace, particularly if they lack the social networks and support at home as well as access to appropriate careers advice in school. Here we focus on measures to improve school careers advice and on improving data to track the longer term outcomes of ethnic minority pupils. It is also important to improve the breadth and quality of training and education opportunities available to young ethnic minority groups – particularly in relation to apprenticeships and internship opportunities – which is discussed at greater length in the Youth Transitions solutions paper (Hughes, 2015).

School careers advice

- The Department for Education should introduce a quality standard for the provision of school-based careers advice.

A mandatory standard for careers advice, which recognises the needs and interests of a diverse school population, should be introduced. This would mean schools not only had a duty to facilitate access to advice, but also had to ensure the advice was of adequate quality to help pupils in their career choices. In particular, links to a wide range of local businesses and a full range of university and apprenticeship options, inviting speakers who can raise aspirations, challenge stereotypes, and be role models to pupils from different ethnic minority groups, ought to be part of the mandatory minimum standard.

Since September 2012, schools have had a statutory duty to ensure students in years 8 to 13 have access to independent and impartial careers advice. However, an Ofsted review of careers advice in schools found only 20 per cent of the schools visited were meeting this criteria, and the quality of careers advice was patchy, and often poor. In December 2014 Education Secretary Nicky Morgan announced a new independent careers and enterprise company for schools. However, the Education Select Committee has questioned how quickly this new company will be able to tackle the current problems around advice services.

Poor quality careers advice has an impact on all students. But research suggests students from ethnic minority groups can be particularly poorly served, with teacher stereotyping a problem. A number of factors hinder access to careers advice from other sources for some ethnic minority groups, including a lack of social networks or limited parental knowledge (Lalani et al., 2014). Some pupils from ethnic minority backgrounds face the additional pressures of needing to work in the family business or undertaking caring responsibilities (Lalani et al., 2014, Finney et al., 2014), suggesting pupils from ethnic minority backgrounds have a real need for impartial advice that is alert to these wider issues.

There has been much debate about what professional standards should be in place for careers advisers, with Nicky Morgan stating that she will not dictate to schools on this particular point. However, to maximise the benefits of careers advice, it is important that individuals delivering it are well versed both in what opportunities are available in local labour markets – including points of entry and progression – and also issues around underrepresentation and some of the specific barriers faced by different groups of students, including different ethnic minority groups. This kind of know-how should form part of the mandatory standard for careers advice recommended above.
• **The Department for Education, in consultation with other government departments, should improve school-level destination data so that schools can be held to account for the longer term employment outcomes of their students.**

It is vital that schools are aware of their performance in helping pupils have good employment outcomes and careers, not just exam grades. Alongside mandatory quality standards, a new incentive for schools to provide more effective careers advice could be introduced in the form of longer term destination data. The current destination data, published in 2014, only looks a year immediately after pupils have completed either Key Stage 4 or Key Stage 5, with the majority continuing in some form of education.

If data were captured over a far longer period, and included work records and earnings, this would allow schools to track their performance and others (such as Ofsted) to hold them to account regarding their relative ability to ensure their students secure sustainable employment. This could be an incentive not only to improve the quality of teaching and the relevance of the curriculum, but also the work-readiness of students through advice, links to businesses, promotion of apprenticeships and other important activities that schools can overlook in their focus on exam results. If this data was published with variables such as ethnicity and free school meal status, it could help encourage schools to work harder to close the gap between ethnic minority pupils and their white British counterparts regarding longer term employment outcomes.

**Support for the unemployed**

Some gender differences aside, unemployment is generally higher among most ethnic minority groups compared with their white British counterparts. They are often also further from the job market – due to lack of job readiness and/or skills, poor knowledge of English, or limited knowledge of how to take advantage of job opportunities. Research from 2009 suggests employer discrimination against applicants with non-British names may also be a problem. The welfare to work regime therefore needs to be able to target these groups with support to overcome these specific problems.

**Jobcentre Plus**

• **The Department for Work and Pensions should make funding available to support successful outreach services for ethnic minority groups through Jobcentre Plus.**

Jobcentre Plus has adopted a variety of outreach and targeting work to boost the employment rates of ethnic minority groups. In the 2000s, these included the Ethnic Minority Outreach Scheme, the Ethnic Minority Flexible Fund, specialist employment advisers, Fair Cities and Partners Outreach for Ethnic Minorities. The National Audit Office’s review of these schemes found that the first two of these – focusing on entry into work and progress towards employment respectively – were particularly effective. For example, the Ethnic Minority Outreach Scheme, running from 2002-2006 and costing £31.5 million, more than achieved its original target by securing 13,000 job entries at a cost to the programme of £2,400 per job.2

Such schemes have all now ended, partly due to lack of funding and partly due to a move for more local discretion and autonomy for Jobcentre Plus offices. Outreach activity is now primarily at the discretion of individual Jobcentres to help particular hard to reach groups, primarily through the Flexible Support Fund (FSF).3 This level of localism means, of course, that ethnic minority groups will be competing for resources against other local priority groups, such as disabled people or particular age cohorts, and the level of support provided will be varied and not necessarily linked to an accurate assessment of local need.

Given the particular challenges facing some ethnic minority groups, it may prove more effective – and more resource effective – to issue greater direction from the centre. This can still be compatible with localism: a ringfenced fund available to Jobcentre Plus offices (and pegged to the composition of the local unemployed population) could be used in a range of locally appropriate ways to encourage ethnic minority groups and recent migrants to engage with Jobcentre Plus, and provide more personalised support.
This funding should be alongside guidance on effective best practice in helping overcome the different cultural, skills and language barriers different ethnic groups might face, using evidence from previous evaluations or international research. The Ethnic Minority Outreach scheme seemed relatively effective in the short time it was deployed, for example. With additional funding, Jobcentre Plus offices might hire an outreach worker, whose remit would be to forge links with community-based support networks and faith groups to encourage engagement with Jobcentre Plus, identify courses in English for Speakers of Other Languages (ESOL), give advice to Jobcentre Plus advisers, and work with local businesses to improve awareness of the benefits of a more diverse workforce.

In 2009, a DWP-commissioned study tested what impact non-British sounding names had on getting an interview. The study found a CV with a white British name secured an interview in every nine applications, compared with one in every 16 applications for more obviously ethnic minority names. Private and smaller employers were more likely to discriminate in this way. Outreach workers need to make Jobcentre Plus advisers aware of such issues and should be on hand to provide advice – as well as speak to local businesses – if an adviser raises concerns that this may be occurring with their ethnic minority clients.

Funding and research-based guidance would allow for local discretion to develop the right approach for each area, but would send a clear signal from government that ethnic minority groups face particular barriers which require additional resources.

The Work Programme

In terms of helping the long-term unemployed, it appears that the Work Programme (WP) is generally serving ethnic minority groups as well as white British people rather than sidelining them. This is important, as ethnic minorities are highly represented among the long-term unemployed. However, there should be continued monitoring of the extent to which voluntary groups – with expertise on the additional barriers experienced by ethnic minority groups – are being engaged on the ground by primary contractors and subcontractors for the Work Programme, especially when the current contracts come to an end in 2016. At the moment, delivery by voluntary providers accounts for only a fifth of WP activity.

The National Careers Service

- The Department for Business, Innovation and Skills (BIS) should reinstate ethnic minorities as a priority group for the National Careers Service (NCS), which should have a more proactive role in targeting these groups.

Alongside the failure of school careers services, it also appears that in the last few years less emphasis has been placed by adult careers services on the outcomes of ethnic minority groups. Under Next Steps, which became the National Careers Service in 2012, ethnic minorities were treated as a priority group, entitled to additional face-to-face sessions with careers advisors. However, in transition to NCS, ethnic minorities lost this priority status.

Given the persistently poor employment outcomes among some ethnic minority groups (both high levels of unemployment and poor pay for those in work), BIS should consider reinstating ethnic minorities as a priority group. Particular attention needs to be paid to how ethnic minorities currently access adult careers services, and whether more proactive outreach and facilitation work, perhaps on the part of Jobcentre Plus (as outlined above), could be part of the solution. Ethnic minority groups with limited English language skills, or who lack confidence in approaching phone-based or online services, might benefit from additional face-to-face advice.

- The functions of the National Careers Service should be more integrated with Jobcentre Plus (JCP), with a government review into the long-term cost-effectiveness of merging the two services.

Overall, it makes sense for the work of Jobcentre Plus and the National Careers Service to be more integrated. Both services work towards the same end of getting people into meaningful and sustained employment.
In the majority of cases, Jobcentre Plus offices have an NCS advisor on site (all London JCP offices do, for instance). But the government has recognised that such partnerships are often patchy and unreliable, funding 22 ‘Deepened Co-location’ trials in 2011. These trials experimented with different ways of bringing together the functions of NCS and JCP, to save money through streamlined services and improved employment outcomes. While these trials showed some good practice, the evaluation concluded that ‘overall, working arrangements were sub-optimal’, reporting a number of barriers to successful integration of the JCP and NCS services including a lack of shared systems and processes (such as IT systems), and shared understanding between staff.

In light of this, the government should consider making a more ambitious attempt at integration – i.e. by bringing the two services under a single departmental remit, governance structure and funding pot. The evaluation of the co-location trials stated that sharing facilities would be cost-effective over the longer term, and there are no doubt a number of costs and performance inefficiencies associated with keeping the two services funded separately under the remit of two government departments.

One of the lessons from the trials turned out to be that simple co-location (i.e. placing NCS in JCP offices) was not enough. Where NCS had been proactive in taking the service to people – in shops, community centres, fetes and so on – outcomes were better, as they were when trusted partner organisations were used to reinforce the NCS’s credibility. Some form of NCS/JCP outreach to engage with ethnic minority groups, through trusted intermediaries (which may be community or religious organisations) could be a fruitful avenue of activity. As outlined above, we recommend ringfenced funding to be available to JCPs so they can engage in such activity where necessary.

Qualifications equivalency

- **Jobcentre Plus should provide free and ready access to the National Recognition Information System (NARIC) and raise awareness of the database among jobseekers, employees and employers.**

Over-qualification is prevalent among ethnic minority groups, particularly Pakistani and Bangladeshi groups, meaning they are earning far below their potential. On the whole, ethnic minority employees tend to have slightly higher educational qualifications than the white majority, but this is not always being translated into graduate or higher earning jobs. One of the reasons behind this is the difficulty with which some ethnic minority groups – and particularly recent migrants – have in translating the qualifications they have from other countries into the UK qualifications framework.

The European Qualifications Framework (EQF) is an online tool to compare qualifications of all EU member states side by side, alongside eight EQF levels which presents a common EU standard. However, for those whose qualifications come from countries outside of the EU, the process is more complex. The Irwin et al study of social mobility among ethnic minorities in Northern Ireland found employers (Irwin et al., 2014) struggled to verify their ethnic minority employees’ qualifications, and had relatively low awareness of the qualification equivalency service available to employers through the Department for Employment and Learning (DEL). In Northern Ireland this service is free, with individuals able to go to local benefits offices and have the staff access the National Recognition Information System (NARIC) – an international database of qualifications linked to UK equivalents – to determine what the equivalents of their qualifications might be.

However, in England, there is no such process; individuals have to contact the NARIC agency directly, sending through their relevant documentation, and paying for access to the database in order to be issued with the appropriate equivalency certificates. Such a service is no doubt useful for highly skilled migrants seeking, for example, tier one and tier two visas to take up pre-arranged professional positions in the UK. However, for the majority of ethnic minority groups educated in non-EU countries and locked out of the job market, free and ready access to a more well-advertised service would be far more useful.

One obvious solution would be to follow the Northern Irish example – where the DEL pays for an organisational subscription to NARIC and then allows ready access to ethnic minority jobseekers. Jobcentre Plus could do the same, buying the subscription and signposting ethnic minority jobseekers to the NARIC database (and the EQF website) with access via the on-site computers in JCP offices. It would be vital to promote awareness of this service among jobseekers, employees and employers so
Progression opportunities
As the evidence outlined above demonstrates, progression from low-paid and low-skilled positions is just as much a challenge for some ethnic minority groups as it is getting into work in the first place. For a variety of reasons, ethnic minority groups may find it more difficult to access or identify opportunities for in-work progression. For example, many ethnic minority groups are over-represented in low-paid occupations (e.g. hospitality, retail, personal care) (Brynin and Longhi, 2015). These occupations tend to have fewer progression opportunities, or employers who do not readily provide training or support to progress (Philpott, 2014; Devins et al., 2014). Many ethnic minority groups will therefore be less likely to progress to better skilled and better paid positions, without leaving their current workplace or indeed changing occupation. Even for those in occupations or workplaces where progression routes are available, poor awareness of these opportunities due to informal or opaque practices may be a barrier for ethnic minority employees less familiar with these practices or without the social networks to take advantage of them.

Impartial careers advice
• The National Careers Service should provide better advice to ensure those entering work or who are in work and seeking promotion are made aware of progression opportunities in different sectors and occupations.

It is important that impartial advice on career progression is provided at two stages. First, when people seek to enter the job market, so they understand the potential for progression and take this into account when first deciding the occupation they might enter. For younger ethnic minority groups educated in the UK, this advice should be part of an improved school-based offer; for those entering the country and seeking work, or returning to work after a long time, this needs to be part of a more coherent NCS/JCP offer (see above).

The second point at which advice is important is for those in work and seeking promotion. Again, this should be provided by the NCS. There is some evidence to suggest information and advice can be effective as part of a range of in-work support to improve the retention of disadvantaged people, including ethnic minorities. There is also some evidence to suggest it can improve access to higher paying jobs for lower earners (Barnard, 2014a). As ethnic minority employees are over-represented in occupations with limited opportunities for progression, advice to look beyond the existing workplace, using transferable skills and identifying a new career ladder is crucial, particularly for those who have limited work experience or exposure to a range of employment types or occupations.

US evidence cited by Barnard suggests ‘career ladders’ schemes have proved effective – for example, where advice consists of a ‘road map’ describing jobs in different industries and demonstrating the ‘connection between education and training programmes at a range of levels’ (Barnard 2014a). For ethnic minority groups, who may have less of an overview of the UK labour market due to limited social networks and informal advice, such an approach could provide valuable guidance on how to create stepping stones to other jobs using transferable skills, and the relative value of different training opportunities.

In work support
• Employers should improve in-work mentoring opportunities for ethnic minority groups by including mentoring responsibilities as part of senior role progression or performance review.

For occupations and sectors that do provide substantial opportunities for progression, it is important ethnic minority groups have equal access to them. Information and advice on an organisation’s procedures for advancement are often delivered internally rather than via an external agency, and some ethnic minority groups may have less straightforward access to this information than other employees, depending, for example, on language proficiency and integration with social circles in the workplace.
One solution is for employers to encourage workplace mentoring to help some ethnic minority employees better grasp informal work practices and learn the organisation’s internal ‘ropes’ when it comes to moving up a career ladder (McCabe et al., 2013). Ideally, these mentors would be those already working within the organisation, and could be from similar ethnic minority backgrounds to mentees. In reality, a shortage of ethnic minority groups in some industries and occupations might not make this practical. Mentoring can be effective without mentor and mentee having identical backgrounds and cultural frames of reference, and indeed it could be a good model to have mentors from different backgrounds to encourage greater cultural exchange.

Employers might designate members of senior staff to help encourage progression and provide advice to all groups underrepresented in senior positions, including ethnic minority groups, women and disabled people. These mentors could work with external third sector organisations to better understand the specific challenges that face employees from particular backgrounds. Such a responsibility should be seen as a development opportunity, a sought-after work skill, perhaps integrated into performance management for senior staff so that their activities to help progress and develop lower paid staff becomes part of their own performance review.

The government might encourage employers to undertake these activities, promoting mentoring as a developmental skill, and highlighting the productivity gains of developing staff as mentees and mentors. It could offer guidance and contacts with relevant external training and support organisations to help would-be mentors with their role.

- **Employers should make progression and training opportunities more transparent and objective.**

While helping ethnic minority employees to ‘learn the ropes’ is important, it cannot take the place of tackling the wider problem of the informal and opaque nature of in-work progression found in some workplaces and sectors.

Employers must be encouraged to make progression routes more transparent and accessible, including detailing more explicitly what is required for job progression and pay rises without relying on informal ‘know-how’. This would be of obvious benefit to all employees. BIS should provide guidance on this, and could be part of a government awareness-raising campaign to encourage employers to adopt more transparent workplace cultures to improve the productivity and untapped talent of their workforce. For larger organisations, a series of ‘careers ladders’ could be created in partnership with trades unions and training providers to create established and readily adopted (perhaps even transferrable) pathways within particular industries (Owen et al., 2015). Such activity could help ethnic minority groups understand how their skills and experiences map on to new opportunities, be more confident in applying for openings or seek higher levels of pay, and move to new employment with greater confidence and understanding of set processes for progression.

- **Unions and work-based mentors should encourage unionisation among ethnic minority groups.**

Union membership can help employees when it comes to improving pay, progression, and individual advocacy in challenging discrimination. Ethnic minority employees can, therefore, particularly benefit from the support unions can provide. Unfortunately, union membership among ethnic minority groups is relatively low: the TUC reported this year that while union membership is high for the black/black British ethnic group (2.4 per cent of all employees are from this group whereas 2.6 per cent of union members are), most other ethnic groups are underrepresented: 5.1 per cent of all employees are Asian/Asian British compared with 3.7 per cent of union members; and 1.7 per cent are Chinese or other ethnic group compared with 1.2 per cent of union members. Migrant workers are also underrepresented – 8.7 per cent of employees have a non-British/non-UK nationality whereas 4.3 per cent of union members do.11 There may be a number of reasons for this, such as poor awareness of the role of unions in the UK, some ethnic minority groups not seeing unions as ‘for them’, low unionisation in the sectors many ethnic minority groups work in, and high self-employment among some ethnic minority groups. Some of these barriers require wider measures – for example, steps to help the self-employed access the same range of rights and entitlements as employees. However, in some cases poor take-up or awareness can be addressed by improved targeting by unions to engage with ethnic minority groups.
Around half of all unions engage in outreach activity to encourage ethnic minority groups to join, and only around a third do so for migrant workers. More worryingly, the TUC found that the number of race equality officers employed by large unions at regional or sectoral level has fallen from 20 per cent to 14 per cent in the last three years. Given the challenges faced by many ethnic minority groups regarding low pay, poor progression and difficulties in navigating opaque workplace practices, unions are potentially a vital form of support, and many more unions should adopt pro-active outreach activity to increase the number of ethnic minority members. This could be done by partnering with ESOL training providers and religious and community organisations, as a means of reaching these groups through trusted intermediaries. Employers – as part of their mentoring support for ethnic minority employees – should also raise awareness of the role of unions as another source of support and advice for their employees.

**Language support**

- **BIS should reintroduce funding for workplace-based ESOL, offer matched employer funding, and extend the loans available to ESOL learners.**

- **Employers should promote ESOL to employees and provide financial and non-financial support.**

Around 1 million people in England either speak poor English or none at all according to the 2011 Census. Those with low English proficiency have an employment rate 17 percentage points lower (48.3 per cent versus 65.4 per cent) than fluent English speakers. Studies have found that fluency in English improves chances of employment by 22 per cent (Dustmann and Fabbri, 2003); that the native-immigrant wage gap in the UK attributable to having English as an additional language is about 26 percentage points for males and 22 percentage points for females (Miranda and Zhu, 2013); and that non-native English speakers with a good command of English are three times more likely to work in higher professional jobs than those who struggle with English.

If we are interested in alleviating poverty among ethnic minority groups, ESOL must feature prominently in solutions targeted at migrant populations. England is currently the only UK nation not to have a national strategy for ESOL provision. Demand for ESOL is increasing, but public funding – which education providers receive through the Skills Funding Agency – has reduced by 40 per cent in the past five years.

While English language skills are vital to ethnic minority groups who are currently in work and out of work, those out of work do have access to free ESOL training if they are claiming Jobseekers’ Allowance or Employment Support Allowance. For those in work, however, this is not the case – thwarting many low-paid employees from being able to improve their language skills and their progression in work.

The government should produce a long-term ESOL strategy, alongside shorter term actions which could put ESOL on a surer financial footing – meaning better outcomes for more learners. Government, employers, and learners themselves could all have a role here, in particular:

- **BIS could reintroduce funding for workplace-based ESOL; match employer funding; and extend the loans available to ESOL learners**;

- **employers could promote ESOL to employees and provide financial and non-financial support.**

To ensure ‘buy-in’ from employers, the government’s ESOL strategy should make clear to employers the benefits of promoting ESOL in terms of productivity and staff retention, backed up with matched funding. Many employers will be familiar with the type of infrastructure that would be required for a streamlined funding model for employees wishing to access ESOL services, for example if it were based on employer contribution models used for pensions.

Local authorities and government departments should lead the way in providing comprehensive ESOL training for their employees, and again, the Public Services (Social Value) Act might come to bear in encouraging those who supply government with goods and services to help develop language skills among their employees as a means of demonstrating their social value.
Conclusion

In this paper, we have considered how policymakers, employers, Jobcentre Plus, unions, community groups, and other important stakeholders can help ethnic minority groups overcome the range of barriers they face – be they skills- or language-based, cultural or social – to entering and progressing in the workplace. However, it is important to bear in mind that many of the recommendations require active buy-in and effort on these organisations’ parts: the government cannot mandate employers to run ethnic minority mentoring schemes, nor force unions to engage with ethnic minority groups, for example. With this in mind, these policy solutions need to be considered within a wider context. This includes a shift in the policy and political narrative which places greater emphasis on tackling in-work poverty, and a greater recognition of the business case for maximising the untapped talent and boosting the productivity of ethnic minority groups. It is only with these broader changes in policy and political approach that it is likely that schools, employers, third sector organisations and unions will take all their responsibilities seriously in promoting the employment outcomes of ethnic minority groups.

Another caveat also needs to be made. In this report, we have focused primarily on policy solutions that would help ethnic minority groups first and foremost, rather than having universal benefit. However, it is clear there are larger and more structural challenges associated with the UK labour market which need addressing if the government is to tackle the growing rates of poverty, and in-work poverty. These include the rise in wage stagnation, which suggests that the UK economy’s recovery is based on larger numbers of poorer paid jobs, and low productivity. Tighter regulation of zero-hours contracts, the introduction of the living wage (particularly in key sectors like care), and smoothing the ‘cliff-edges’ associated with benefits eligibility are all options in need of serious consideration and are part of JRF’s comprehensive body of work related to creating an anti-poverty strategy for the UK. It is only by considering this wider picture that policies will be adopted which can ‘lift all boats’ – i.e. help all those struggling to enter and progress in the workplace, including ethnic minority groups.

About this paper

The policy options presented in this paper use as an evidence base the research commissioned by JRF for its poverty and ethnicity programme, summarised in Barnard, 2014b.

Notes

3 www.parliament.uk/business/publications/research/briefing-papers/SN06079/jobcentre-plus-flexible-support-fund
4 www.natcen.ac.uk/media/20541/test-for-racial-discrimination.pdf
7 www.shaw-trust.org.uk/media/294741/refinement_or_reinvention_the_future_of_the_work_programme_and_the_role_of_the_voluntary_sector.pdf
9 cfe.org.uk/dl.php?file=Emerging_findings_presentation.pptx
10 http://ec.europa.eu/ploteus/search/site?f[0]=im_field_entity_type%3A97
11 https://www.naric.org.uk/naric/
References

Barnard, H. (2014b) Tackling poverty across all ethnicities in the UK. York: JRF

FOR FURTHER INFORMATION

This summary is part of JRF’s research and development programme. The views are those of the authors and not necessarily those of the JRF.