



Library Note

Black and Minority Ethnic People in the Workplace in Britain

On 5 February 2016, Sajid Javid, Secretary of State for Business, Innovation and Skills, made a speech in which he confirmed the establishment of a review to examine progression of black and ethnic minority (BME) people within the labour market. Baroness McGregor-Smith (Conservative) has been appointed to lead this review. Its remit includes:

- Identifying the imperative for change.
- Identifying obstacles to change.
- Assessing the impacts of these obstacles.
- Examining existing data.
- Highlighting best practice in interventions.
- Making recommendations.

The review aims to report by the end of 2016. This House of Lords Library briefing provides information on this “cross-Whitehall Ministerial taskforce” alongside other initiatives that the Government has supported to increase BME progression in the workplace.

This briefing sets out commentary from a selection of external bodies and the findings from a Government review into BME progression in the civil service. Finally, the briefing references various statistical sources of information on employment by BME status. Recently published statistics from the Department for Work and Pensions has shown that:

The employment rate gap (the difference in employment rates) between the overall population and ethnic minorities for 2015 is 11.1 percentage points. Overall, the employment rate gap has gradually been decreasing since this [data] series began in 1993. The 2015 employment rate gap of 11.1 percentage points represents a 0.5 percentage point decrease from 2014. Employment rates for ethnic minorities saw a greater increase (1.4 percentage points) than that of the overall population (0.9 percentage points).

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I. Government Policy Reviews into BME Progression in the Workplace

I.1 Baroness McGregor-Smith's Review

On 5 February 2016, Sajid Javid, Secretary of State for Business, Innovation and Skills, made a speech in which he confirmed the establishment of a review to examine progression of black and ethnic minority (BME) people within the labour market ('the Review').¹ It was also announced that Baroness McGregor-Smith (Conservative) would be leading the Review. The terms of reference were published on 1 April 2016 and include the following areas of focus:²

- **Identifying the Imperative for Change**
Examining the business and economic case for employers to seek talent and potential from the widest range of potential employees in the workforce.
- **Identifying Obstacles**
To examine what these obstacles are and whether they differ between groups and across different stages in people's working lives. Additionally, the Review will look at "cultural, conscious and unconscious factors impacting on BME progression".³
- **Assessing Impacts of Obstacles**
To examine the impacts of the obstacles identified by the Review and why these prevent individuals from gaining roles in line with their educational experience and from moving to executive positions.
- **Data**
The Review will examine existing data on progression to provide evidence to best determine which interventions may be successful.
- **Best Practice**
The Review will seek to highlight which interventions most successfully address BME issues in this area.
- **Recommendations**
The Review will make "cost-effective" recommendations to advance BME progression across both public and private organisations.⁴

The Review, which is taking the form of a "cross-Whitehall Ministerial taskforce", held its first meeting on 8 March 2016.⁵ It forms part of the Government's 'BME 2020' policy, in which Ministers across Government have been charged with:

- Increasing the proportion of apprenticeships taken up by young people from BME backgrounds by 20 percent.

¹ Department for Business, Innovation and Skills, '[Business Secretary Steps Up Fight to End Discrimination](#)', 5 February 2016.

² Department for Business, Innovation and Skills, '[Terms of Reference: Baroness McGregor-Smith's Review of Issues Faced by Businesses in Developing Black and Minority Ethnic \(BME\) Talent](#)', 1 April 2016.

³ *ibid.*

⁴ *ibid.*

⁵ Department for Business, Innovation and Skills and Department for Work and Pensions, '[Business Secretary: More Must Be Done to Ensure BME Workers Get More Job Opportunities](#)', 9 March 2016.

- Increasing the number of BME students going to university by 20 percent.
- Ensuring that 20,000 start-up loans are awarded to BME applicants by 2020.
- Increasing BME employment by 20 percent by 2020.
- Increasing the diversity of the armed forces.
- Increasing the diversity of police recruitment.⁶

Membership of the Review includes Lord Bridges of Headley, Parliamentary Secretary for the Cabinet Office, and Lord Prior of Brampton, Parliamentary Under Secretary of State for NHS Productivity, alongside ministers from other government departments. The full membership can be found on Gov.uk.⁷ Baroness McGregor-Smith is set to report by the end of 2016.⁸

1.2 Sir John Parker's Review of BME Representation on Corporate Boards

In December 2014, the then Secretary of State for Business, Innovation and Skills, Vince Cable announced that he was backing a business-led review looking at BME representation on the boards of companies.⁹ Sir John Parker, chair of Anglo American, was to lead the review. The *Guardian* wrote that Mr Cable had:

[...] enlisted Sir John Parker, the City veteran and chairman of mining group Anglo American, Trevor Phillips, the former head of the Equality and Human Rights Commission, and comedian Lenny Henry to front the 2020 Campaign.¹⁰

Trevor Phillips is also non-executive director and chair of Green Park Diversity Analytics (GPDA).¹¹ GPDA describes itself as:

[...] a subsidiary company of Green Park Interim Management & Executive Search. It contains a research and advisory capacity around promoting gender and ethno-cultural diversity for commercial advantage, chaired by Trevor Phillips OBE, that uses unique quantitative modelling to analyse the executive labour market by specific dimensions of diversity.¹²

The Government has said that Baroness McGregor-Smith's review will complement Sir John Parker's review into diversity of corporate boards.¹³ The Government also stated that Sir John Parker's review will complement the work of Lord Davies on the representation of women on

⁶ Department for Business, Innovation and Skills and Department for Work and Pensions, '[Business Secretary: More Must Be Done to Ensure BME Workers Get More Job Opportunities](#)', 9 March 2016.

⁷ *ibid.*

⁸ [House of Commons, Written Question: Directors: Females, 18 April 2016, 33088.](#)

⁹ Green Park, '[Press Release: Cable Launches New Government-Backed Target for Ethnic Diversity on FTSE 100 Boards](#)', 15 December 2014.

¹⁰ *Guardian*, '[Lack of Diversity on Boardrooms Increasing Despite Westminster Push](#)', 15 December 2014.

¹¹ Green Park, '[Trevor Philips](#)', accessed 27 April 2016.

¹² Green Park, '[Diversity Analytics](#)', accessed 27 April 2016.

¹³ Department for Business, Innovation and Skills, '[Business Secretary Steps up Fight to End Discrimination](#)', 5 February 2016.

boards.¹⁴ In answer to a written question on 18 April 2016, Anna Soubry, Minister for Small Business, Industry and Enterprise, stated:

To complement the work on Women on Boards, Sir John Parker has established a business led diversity initiative to end mono-cultural boards in the FTSE 100 boards by 2020.

The Government has also asked Baroness McGregor-Smith to undertake a review examining the issues faced by business in developing BME talent from recruitment through to the executive level. She will be reporting findings by the end of 2016.¹⁵

The House of Commons debated the issue of diversity on corporate boards on 28 October 2015.¹⁶ Chuka Umunna (Labour MP for Streatham) who led the debate, referenced research into the numbers of BME people in senior management positions in companies:

The latest annual survey of 10,000 top business leaders by executive recruiter Green Park, which has done fantastic work in this area, shows that the number of visible ethnic minority CEOs is falling, and the number of all-white boards is increasing, at a time when 14 percent of our population is from a black or minority ethnic background. Today there are just four non-white CEOs in the FTSE 100, following Tidjane Thiam's move from Prudential to Credit Suisse.¹⁷

He called for a target to be set that there be no all-white FTSE 100 boards by 2020, saying:

That is a sensible target. The 2020 campaign led by Lenny Henry, Trevor Phillips and others has suggested that. I think that is a reasonable suggestion. Secondly, in 2013 the Companies Act 2006 was amended to require companies to include a breakdown of the number of female employees on boards, in senior management positions and in the company as a whole. We should do the same for ethnicity. If businesses do not know the problem in their workplace, they cannot do anything about it.¹⁸

Responding for the Government, Anna Soubry, Minister for Small Business, Industry and Enterprise, congratulated Mr Umunna on the debate and also referenced the 2020 campaign group:

The aim of the group is to help to create the climate and conditions in which UK business leadership can take the maximum advantage of the cultural, religious and ethnic diversity available within the population. We know the figures: 98 percent of all FTSE 100 chairs are white; 96 percent of FTSE 100 chief executive officers are white; and 95 percent of the FTSE 100 chief financial officers are white. As the hon. Gentleman has said, that [research] comes from the Green Park leadership campaign and work.¹⁹

¹⁴ Department for Business, Innovation and Skills, '[Women on Boards: 5 Year Summary \(Davies Review\)](#)', 29 October 2015.

¹⁵ [House of Commons, Written Question: Directors: Females, 18 April 2016, 33088.](#)

¹⁶ [House of Commons, Adjournment Debate: Corporate Boards \(Diversity\), 28 October 2015, cols 469–76.](#)

¹⁷ [ibid, col 470.](#)

¹⁸ [ibid, col 471.](#)

¹⁹ [ibid, col 472.](#)

David Lammy (Labour MP for Tottenham) asked the Minister if she agreed that “chairmen and CEOs have to lead and say that the issue is important, and they have to mentor”.²⁰ The Minister responded that she “completely” agreed and that—referencing her experience as Defence Minister and working with the army—“after the people at the very top got it, we began to see the most astonishing progress [in increasing diversity up the ranks]”.²¹

In response to the suggestion of possible targets or quotas, Michelle Donelan (Conservative MP for Chippenham) asked if the Minister agreed that “quotas are demeaning and do not foster the necessary culture of diversity”.²² Anna Soubry replied:

I do not like quotas or targets, but that does not mean that I do not like ambitions—there is an important subtlety in that word. That is why I had no difficulty with some of the great campaigns to get more women into this place or on to boards. I have no difficulty with a hard drive behind ambition, but I absolutely would not go down the route of having strict legal quotas.²³

On the issue of incentives and action, Richard Fuller (Conservative MP for Bedford) stated that:

The hon. Gentleman (Mr Umunna) said that there has been a mixture of carrot and stick. When the Minister has finished having her conversations and looking at the information, will she at least, short of quotas and regulation, look at what sticks can be used if progress is not made?²⁴

Ms Soubry replied “I am more than happy to look at the kinds of sticks that can be put in place to encourage action now”.²⁵

1.3 Ethnic Minority Employment Stakeholder Group

The Ethnic Minority Employment Stakeholder Group (EMESG) is a body sponsored by, but not part of, the Department for Work and Pensions (DWP).²⁶ Its membership comprises volunteers from networks and organisations that represent BME interests in the UK. The EMESG’s role is to:

- Offer ministers and officials advice on the impact of DWP’s services and strategy on the employment and self-employment of ethnic minorities.
- Provide expert advice on existing and developing services, policies and strategy relating to ethnic minorities across the DWP’s key work areas.
- Advise on the labour market barriers potentially faced by ethnic minorities across Great Britain and evidence-based solutions that can help to overcome these barriers.²⁷

²⁰ [House of Commons, Adjournment Debate: Corporate Boards \(Diversity\), 28 October 2015, col 473.](#)

²¹ [ibid.](#)

²² [ibid, col 474.](#)

²³ [ibid.](#)

²⁴ [ibid, col 476.](#)

²⁵ [ibid.](#)

²⁶ Gov.uk, ‘[Ethnic Minority Employment Stakeholder Group](#)’, accessed 28 April 2016.

²⁷ Ethnic Minority Employment Stakeholder Group, [Ethnic Minority Employment Stakeholder Group: Terms of Reference](#), accessed 26 April 2016.

Gov.uk lists the following achievements by the EMESG in these areas, stating that it has:

- Carried out work to improve diversity and equality in public procurement.
- Launched '[Know yourself](#)', a free online toolkit for employers, including an interactive tool examining intrinsic bias.
- Created a free online data portal called '[How to get ethnic minority employment data](#)'.²⁸

The EMESG has also written advice for employers and public sector organisations on assisting BME people in overcoming barriers to achievement in the labour market.²⁹ Its advice includes:

- Promoting volunteering opportunities to allow BME people to gain experience of the UK workplace; to gain references; to develop networks; and to improve written and verbal language skills.
- Providing English language classes to remove the immediate communication barriers faced by some individuals.
- Providing advice on education, training and work opportunities.
- Promoting mentoring to help with job searches, CV writing and applications and emotional support.

1.4 Recent Written Parliamentary Questions

The Government states that it has introduced policies to assist in increasing BME applications to higher education institutions. In answer to a written question, Joseph Johnson, Minister of State for Universities and Science, stated that:

My right hon. Friend the Prime Minister has set a goal of increasing by 20 percent the number of BME students in higher education by 2020. Entry rates for 18 year olds in each ethnic group increased in 2015, reaching the highest recorded values for each group. Between 2009 and 2015, the entry rate for young people in the Black ethnic group increased by over 40 percent proportionally. The Government has introduced a number of policies, including those set out below, to achieve my right hon. Friend the Prime Minister's goal.

We recently announced that universities would be required to publish admissions and retention rate by gender, ethnic background and disadvantage. Greater transparency will expose where offer rates for students from the poorest and black and minority backgrounds are particularly low and help to encourage universities to take further action.

²⁸ Ethnic Minority Employment Stakeholder Group, [Ethnic Minority Employment Stakeholder Group: Terms of Reference](#), accessed 26 April 2016.

²⁹ Department for Work and Pensions and the Ethnic Minority Employment Stakeholder Group, [Engaging With Ethnic Minority Communities](#), accessed 26 April 2016.

In addition, UCAS are consulting on making applications to university name-blind from 2017 to make sure that everyone, no matter what their background, is treated equally. I have asked Universities UK to establish an expert advisory group on social mobility to provide further advice in this area.³⁰

In answer to a written question asking the Government what it is doing to increase the long-term employment of young BME people in the UK, Lord Freud, Minister of State for Welfare Reform, stated that:

The number of people from black and ethnic minority backgrounds in employment is at a near record high, with unemployment rates falling across all ethnic groups. Latest figures show that there are 129,000 more people from BME backgrounds in work compared to the same time last year, with the total number, at a near record high of more than 3 million. The employment rate has also risen by 0.7 percentage points over the last year. Unemployment has fallen for all ethnic minorities and is down by 2 percentage points (88,000) over the last year and down by 2.9 percentage points (103,000) since 2011.

The youth claimant count is at its lowest level since the 1970s. Work Coaches offer all claimants tailored support from day one of their claim. Under the Youth Contract, we are providing additional funding and Jobcentre Plus support for those who are still facing barriers to work including young people from Black and Ethnic Minority groups. We provide work experience and sector based work academy placements to give young people training and experience to help them to get into work. DWP employment programmes such as the Work Programme, Youth Contract and Mandatory Employment Programmes have been designed for all long-term claimants and are tailor made for the individual.

One of the Government's strategies for increasing ethnic minority employment and participation in the labour market is based around mainstreaming opportunity through locally delivered flexible provision. In addition, in October 2014 we introduced an intensive 3 month support package for 18–19 year olds from Day 1 of their claim in areas of high youth unemployment and the 8 highest concentrated areas of young claimants from Black and Ethnic Minority groups. This additional support will run until the end of March 2015.³¹

2. Commentary by Selected External Bodies

There are a wide range of charitable bodies, campaign groups and other organisations that have commented on the issue of BME progression and diversity in the workplace. This section of the Library briefing summarises the output of a small selection of these bodies.

³⁰ [House of Commons, Written Question: Higher Education: Ethnic Groups, 24 March 2016, 31196.](#)

³¹ [House of Lords, Written Question: Young People, 25 March 2015, HL5756.](#)

Powerlist Foundation

The Powerlist Foundation was created as a development of the *Powerlist*, “a magazine profiling Britain’s most influential black people”. The Powerlist Foundation describes its mission as:

[identifying] tomorrow’s leaders irrespective of their race, gender, faith or ethnicity; and [providing] personalised opportunities and awards to accelerate development of those leaders for whom such support is not ordinarily available.³²

Ron Shillingford, writing for the Powerlist Foundation, stated that:

The myth that black millennials only excel in sport and entertainment has always frustrated me immensely. The many negative stereotypes of black people have also been a great source of irritation. Occasionally we see a black millennial heralded in the mainstream media for academic or artistic excellence but on the whole, high achieving African and African-Caribbean millennials in these fields get little or no media praise.³³

Mr Shillingford wrote that leadership programmes such as the Powerlist Foundation “can redress the balance”.³⁴

UpRising

UpRising is another organisation that runs youth leadership programmes.³⁵ It was at an UpRising event in 2016 that Sajid Javid, Secretary of State for Business, Innovation and Skills, announced the appointment of Baroness McGregor-Smith to lead the review into BME progression in the workplace.³⁶ He said that UpRising was important because it:

[...] provides the mentors that more privileged individuals have always had access to. It gives young people a positive message, the support and encouragement that has too often been denied them because of who they are or where they come from.³⁷

Trades Union Congress

Examining data published by the Office for National Statistics, the Trades Union Congress (TUC) found that “BME workers with degrees are two and half times more likely to be unemployed than white graduates”.³⁸ The TUC’s General Secretary Frances O’Grady, spoke to the findings, saying that:

The harsh reality is that, even now, BME people, regardless of their qualifications and experience, are far more likely to be unemployed and lower paid than white people. Whether they have PhDs or GCSEs, BME workers have a much tougher time in the jobs market. Not only is this wrong, but it is a huge waste of talent. Companies that

³² Powerlist Foundation, ‘[Our Story](#)’, accessed 27 April 2016.

³³ Power List Foundation, ‘[Powerlist Foundation Millennials are Shattering the Myth](#)’, 22 April 2016.

³⁴ *ibid.*

³⁵ UpRising, ‘[Who We Are](#)’, accessed 27 April 2016.

³⁶ Department for Business, Innovation and Skills, ‘[“A Shared Taste for the Sea”: Why Britain’s Young People Need Both Opportunity and Inspiration](#)’, 4 February 2016.

³⁷ *ibid.*

³⁸ Trades Union Congress, ‘[BME Workers with Degrees Two and Half Times More Likely to be Unemployed, Finds TUC](#)’, 15 April 2016.

only recruit from a narrow base are missing out on the wide range of experiences on offer from Britain's many different communities.³⁹

The TUC has argued that the Government should:

- Urgently develop a race equality strategy, with clear targets and adequate resourcing.
- Use public sector contracts to improve companies' race equality practices.
- Ensure anonymised application forms are used as standard across the public sector, and encourage more private-sector employers to do the same.
- Encourage all employers to monitor the recruitment process for discrimination against BME applicants.
- Work with the private sector to improve the transparency of career progression.
- Have employers include staff ethnicity figures in annual reports.
- Direct the Equality and Human Rights Commission to undertake reviews of different sectors to improve BME recruitment.⁴⁰

Green Park

Amir Kabel, Head of Diversity and Inclusion at Green Park, has also written on actions that he argued would help BME people to progress in the workplace:

The diversity infrastructure requires a continued effort that has to be sustained. It should be led by a 'diversity champion'; a central role responsible for all aspects of diversity and inclusion. Every CEO should be a diversity champion, spearheading the commitment to this agenda [...]

However, he went on to state that:

There is no 'one-size-fits-all' approach and identifying the problem within an organisation creates the opportunity for an innovative solution. To do diversity well you need to be 100 percent open to the diverse global community that lies before you; step outside the box, go against the current grain, and be unapologetic in becoming a leader that creates a revolutionary business model.⁴¹

³⁹ Trades Union Congress, '[BME Workers with Degrees Two and Half Times More Likely to be Unemployed, Finds TUC](#)', 15 April 2016.

⁴⁰ *ibid.*

⁴¹ Green Park, '[Is Anyone Doing Diversity Right?](#)', 8 March 2016.

Confederation of British Industry

Responding to the announcement of the appointment of Baroness McGregor-Smith, the Confederation of British Industry's (CBI) Director-General, Carolyn Fairbairn, said:

Nurturing talent from all backgrounds makes a real difference to the success of our businesses, the economy and the UK's future place in the world. Baroness McGregor-Smith's new review marks a positive step and companies stand ready to help identify and challenge the obstacles to all forms of talent progression in the workplace.⁴²

The CBI has also interviewed Baroness McGregor-Smith about her appointment.⁴³ Baroness McGregor-Smith argued that:

There is genuine concern that we don't understand the issues faced by BMEs at every level in business, because we don't appear to have diversity at the top. We need to understand what the obstacles are and we need to take action to address them. This falls in line with the Prime Minister's commitment on his 2020 vision for the Government's BME agenda.⁴⁴

3. Research into BME Progression in the Civil Service

In 2014, as part of the '[Civil Service Talent Action Plan: Removing Barriers to Success](#)' project, the Coalition Government commissioned the research consultancy Ethnic Dimension to research the barriers facing BME staff progressing in the civil service.⁴⁵

Ethnic Dimension's 2014 qualitative research identified a number of possible barriers to BME progression in the civil service. The consultancy's main findings were that "current cultural and leadership climates are the main barriers to the progression of talented BME staff".⁴⁶ More specifically, it found:

- A lack of BME role models in the Senior Civil Service (SCS) which was "demoralising for those who are committed to a career in the civil service and want to progress".⁴⁷
- Perceptions of an 'old boys club' and a lack of diversity in the civil services' leadership.
- "Unconscious bias and discrimination persists which can block the progress of talented BME staff and means there is not always equal access to promotions, projects, senior leaders and secondments. All of this limits the aspirations and success of BME staff".⁴⁸
- Respondents were critical of the performance management review process, which was seen to disadvantage BME staff.

⁴² Confederation of British Industry, '[Appointment of Baroness McGregor-Smith to Lead New Review into BME Progression in the Labour Market](#)', 5 February 2016.

⁴³ Confederation of British Industry, '[It's Time to Tackle Obstacles to BME Progression](#)', 25 February 2016.

⁴⁴ *ibid.*

⁴⁵ Ethnic Dimension, '[Identifying and Removing Barriers to Talented BME Staff Progression in the Civil Service](#)', 26 March 2015.

⁴⁶ *ibid.*, p 4.

⁴⁷ *ibid.*

⁴⁸ *ibid.*

- Talent management schemes were seen as effective to a point, however:

[...] the reach and scope of these schemes is not sufficiently ambitious and access to them is not always fair or consistent. The lack of a structured career development process for those who complete these schemes can limit their effectiveness in developing and progressing talented staff.⁴⁹

Ethnic Dimension made ten recommendations under the headings of ‘culture’, ‘leadership and accountability’, and ‘talent processes and career development’.⁵⁰ These recommendations included:

- The building of a “critical mass” of BME role models at senior grades.
- Broadening the responsibility for diversity. Permanent Secretaries should have responsibility for delivering measurable diversity outcomes.
- Line managers should have diversity objectives built into their job descriptions.
- Face to face and experiential training should be provided to the “Top 200” to address unconscious bias.
- Consider setting aspirational goals (not quotas or targets) to “align recruitment, talent identification and development processes towards this aspiration”.⁵¹

The findings of the report informed the Government’s *Civil Service Talent Action Plan*, published in March 2015; a wider document which proposed solutions to obstacles faced by BME as well as LGBT and disabled staff (or those declaring a health condition).⁵²

In answer to a written question in December 2015, Lord Bridges of Headley, Parliamentary Secretary at the Cabinet Office, explained that the findings of the *Civil Service Talent Action Plan* outlined:

[...] clear actions to develop a greater pool of diverse talent. Specific actions include a commitment to expand the Positive Action Pathway programme, designed to identify and develop talented BME employees to secure promotion. We also plan to introduce Accelerate, an ambitious new talent programme to boost development of the pipeline for future leaders for key Director and Director General roles.⁵³

4. Statistics on BME People in Work

The Office for National Statistics (ONS) has published a range of data relevant to the subject of BME progression in the workplace. This includes regular data on quarterly labour market status

⁴⁹ Ethnic Dimension, [Identifying and Removing Barriers to Talented BME Staff Progression in the Civil Service](#), 26 March 2015, p 4.

⁵⁰ *ibid*, p 5.

⁵¹ *ibid*, p 6.

⁵² HM Civil Service, [Refreshed Talent Action Plan: Removing the Barriers to Success](#), March 2015.

⁵³ [House of Lords, Written Question: Senior Civil Servants: Ethnic Groups, 21 December 2015, HL4288.](#)

(employment, unemployment and inactivity) by ethnic group—drawn from the Labour Force Survey.⁵⁴ Extracts of these data can be found in the Appendix to this briefing.

The ONS has also analysed data from the 2011 Census, looking at ethnicity and the labour market:

- ONS, '[2011 Census Analysis: Ethnicity and the Labour Market, England and Wales](#)', 13 November 2014

This publication takes a wide look at BME employment. The ONS explain that:

The population of England and Wales has become increasingly ethnically diverse. In the 2011 Census around one in five people (19.5 percent of the population overall) identified with an ethnic minority group. Evidence has shown that patterns of economic activity vary widely across different ethnic minority groups with some groups experiencing lower employment and higher inactivity rates.⁵⁵

The Department for Work and Pensions (DWP) has also published statistics on labour market status of individuals aged 16 and over between 1993 and 2015:

- DWP, '[Labour Market Status by Ethnic Group: Annual Data to 2015](#)', 13 April 2016

The DWP explain that, according to the data for 2015:

The employment rate gap (the difference in employment rates) between the overall population and ethnic minorities for 2015 is 11.1 percentage points. Overall, the employment rate gap has gradually been decreasing since this series began in 1993. The 2015 employment rate gap of 11.1 percentage points represents a 0.5 percentage point decrease from 2014. Employment rates for ethnic minorities saw a greater increase (1.4 percentage points) than that of the overall population (0.9 percentage points).⁵⁶

It also found that:

- Headline ethnic minority employment and unemployment rates hide the variation between different sub-groups. Unemployment varies from 14 percent for the black group to 6.4 percent for the Indian group.
- Inactivity also varies widely and has very different patterns between men and women. Pakistani and Bangladeshi women have inactivity rates of 57.2 percent, compared to 19.9 percent for men of the same ethnicity. The inactivity rate for all women from an ethnic minority is 38.5 percent compared to 21.5 percent for men. This gap has been gradually decreasing since this series began.⁵⁷

⁵⁴ Office for National Statistics, [A09: Labour Market Status by Ethnic Group](#), 17 February 2016.

⁵⁵ Office for National Statistics, '[2011 Census Analysis: Ethnicity and the Labour Market, England and Wales](#)', 13 November 2014.

⁵⁶ Department for Work and Pensions, [Labour Market Status by Ethnic Group](#), April 2016, p 3.

⁵⁷ *ibid.*

The release also provides an analysis of BME employment by sector. The DWP explain that the pattern by sector is largely in line with that of the whole Great British population. However:

[...] ethnic minority groups are more likely to be employed in sectors relating to accommodation and food services; wholesale and retail trade; transportation and storage and human health and social work activities. They are less likely to be employed in the manufacturing, construction and education sectors.⁵⁸

The data for the sectors highlighted above has been extracted and can be seen in Table I below. The full data release contains data on the other employment sectors.

Table I: Employment Sector as a Proportion of Ethnic Group Employment, 2015

	Manufacturing	Construction	Wholesale and retail trade; repair of motor	Transportation and storage	Accommodation and food service activities	Education	Human health and social work activities	All other sectors
White	10.0	7.6	12.8	4.8	5.0	10.8	12.6	36.4
Black	4.0	3.2	12.1	6.6	4.2	8.2	26.3	35.4
Mixed	4.6	4.8	13.2	3.6	7.2	11.8	14.0	40.8
Indian	9.8	4.6	16.6	5.1	4.0	7.4	15.8	36.7
Pakistani	6.0	2.4	20.4	14.6	5.3	8.9	10.9	31.5
Bangladeshi	<u>3.4</u>	**	17.2	7.3	24.7	10.8	11.2	25.4
Chinese	8.8	**	17.2	**	15.6	10.0	8.9	39.5
Other Asian	4.1	<u>1.0</u>	18.0	6.6	12.0	6.0	24.5	27.8
Other	5.9	3.5	13.2	5.7	12.0	7.7	17.5	34.5
Unknown	**	**	**	**	**	**	17.4	82.6

Notes:

Underlined values represents estimates based on between 5 and 10 respondents. This should be used with caution, because sampling variability may cause this data to fluctuate even when analysed on an annual basis.

** represents estimates that are based on figures where the number of respondents was fewer than 5, and have therefore been omitted to avoid reporting estimates based on very few individual responses.

Table I should be read across the rows, not down the columns. This demonstrates that, for example:

- 14.6 percent of the people identifying as Pakistani work in 'transportation and storage'.
- 10.0 percent of the people identifying as White work in 'manufacturing'.

⁵⁸ Department for Work and Pensions, [Labour Market Status by Ethnic Group](#), April 2016, p 3.

The DWP data release is very similar to the labour market statistics published by the ONS, which is further referred to in the Appendix to this briefing.⁵⁹ The DWP explain that there is some overlap between the two publications and that it is looking at how the publications can be streamlined, with the aim of producing a single release.⁶⁰

5. Further Reading

The following sources set out additional reading on issues related to BME progression in the workplace.

- House of Commons Library, [Diversity in Broadcasting](#), 12 April 2016
- House of Lords Select Committee on Social Mobility, [Overlooked and Left Behind: Improving the Transition from School to Work for the Majority of Young People](#), 8 April 2016, HL Paper 120 of session 2015–16
- House of Lords Library, [The Level of Employment in the United Kingdom](#), 17 March 2014
- University of Manchester, [Have Ethnic Inequalities in Employment Persisted Between 1991 and 2011](#), September 2013
- University of Bradford, Dr Robert Perret, School of Management, [‘How Can We Recruit More BME Talent in the Workplace?’](#), 28 May 2013

⁵⁹ Office for National Statistics, [A09: Labour Market Status by Ethnic Group](#), 17 February 2016.

⁶⁰ Department for Work and Pensions, [Labour Market Status by Ethnic Group](#), April 2016, p 7.

Appendix: Employment Data Tables by Ethnicity

Data on quarterly labour market status (employment, unemployment and inactivity) by ethnic group—drawn from the Labour Force Survey—is published by the Office for National Statistics (ONS).⁶¹ The tables below reproduce some of these data. Please note that these data are not seasonally adjusted and that the ‘Total’ category includes people who did not state their ethnicity. The ONS also state that:

Changes were made to the Labour Force Survey ethnicity questions in January to March 2011 to bring them more in line with Census data collection on these topics. In April to June 2011 further changes were made to the ethnicity questions to bring them in line with Scottish Census data collection. As a result there may be some inconsistencies with estimates prior to 2011.⁶²

Table 2: Employment Rates, aged 16–64, Men

End of Year (Oct–Dec)	Total	White	Mixed	Indian	Pakistani	Bangladeshi	Chinese	Black/African/Caribbean	Other
2003	79.2	80.4	69.4	75.6	63.8	60.4	63.4	68.0	61.3
2004	79.6	80.7	69.5	76.4	66.6	59.5	57.3	67.6	66.2
2005	79.0	80.2	61.9	78.1	63.4	60.6	60.4	68.9	66.4
2006	79.1	80.0	63.7	79.2	66.9	66.2	58.4	68.5	71.1
2007	79.3	80.3	66.7	78.7	67.6	60.8	65.6	67.9	71.1
2008	78.2	79.2	62.1	78.9	70.3	70.7	63.9	66.9	69.5
2009	75.5	76.6	65.7	75.6	64.2	62.0	63.5	62.3	69.4
2010	75.9	76.7	68.0	79.1	67.0	70.2	60.9	66.1	66.3
2011	75.4	76.5	64.7	76.7	70.7	67.5	53.1	60.3	66.5
2012	76.6	77.8	66.0	78.2	66.3	67.6	52.9	63.1	69.6
2013	77.1	78.2	67.9	80.1	67.7	75.6	55.2	65.1	67.5
2014	78.2	79.5	66.7	78.1	67.9	78.6	54.0	65.5	67.7
2015	79.4	80.4	66.5	79.1	75.0	78.7	64.9	67.9	70.5

Table 3: Employment Rates, aged 16–64, Women

End of Year (Oct–Dec)	Total	White	Mixed	Indian	Pakistani	Bangladeshi	Chinese	Black/African/Caribbean	Other
2003	66.7	68.1	64.2	61.4	28.3	24.5	55.2	60.9	49.1
2004	67.0	68.7	61.2	60.9	24.5	20.1	50.1	58.8	49.6
2005	66.7	68.6	65.6	59.4	20.8	22.8	54.4	58.0	50.0
2006	66.8	68.6	61.8	58.5	25.8	25.0	57.6	59.8	50.9
2007	67.0	69.0	60.5	58.6	27.4	25.0	54.6	59.2	50.4
2008	66.6	68.5	61.9	62.2	25.3	27.8	64.9	57.4	52.9
2009	66.0	68.0	56.6	61.9	26.6	29.4	61.2	55.7	51.4
2010	65.3	67.2	60.9	62.0	30.1	27.3	51.5	58.6	48.4
2011	65.5	67.6	54.8	60.2	30.3	29.8	50.1	55.3	51.6
2012	66.6	68.8	59.1	63.9	30.7	30.4	48.3	61.8	47.0
2013	67.3	69.5	60.9	60.8	30.2	27.9	53.3	58.1	52.0
2014	68.7	70.9	63.3	64.7	33.7	32.1	52.2	61.4	50.5
2015	69.3	71.4	57.1	62.6	38.8	42.5	57.2	61.7	56.0

⁶¹ Office for National Statistics, [A09: Labour Market Status by Ethnic Group](#), 17 February 2016.

⁶² *ibid*, footnote to the original data table.

Table 4: Unemployment Rates, aged 16+, Men

End of Year (Oct–Dec)	Total	White	Mixed	Indian	Pakistani	Bangladeshi	Chinese	Black/African/Caribbean	Other
2003	5.3	4.7	17.2	8.6	13.1	20.5	7.9	12.8	12.3
2004	5.0	4.5	13.8	4.8	7.9	18.3	10.6	13.4	10.7
2005	5.4	4.8	15.1	6.5	12.2	18.7	9.7	14.2	12.9
2006	5.6	5.1	17.3	5.7	10.3	13.9	11.6	14.8	9.9
2007	5.2	4.7	13.5	4.9	9.3	10.2	7.3	15.0	10.0
2008	6.8	6.3	18.2	7.6	9.8	16.2	4.7	15.1	9.6
2009	8.6	8.1	15.4	8.1	15.9	17.0	5.3	18.6	11.0
2010	8.3	7.8	18.9	5.4	13.7	16.0	9.1	17.8	11.6
2011	8.8	8.2	13.1	8.1	12.8	15.2	10.5	23.5	10.4
2012	8.0	7.4	14.8	8.2	15.0	16.8	11.2	19.2	10.2
2013	7.4	6.8	16.5	6.3	14.7	13.4	6.0	18.1	9.3
2014	5.8	5.3	13.7	5.8	12.6	5.7	3.2	15.5	7.4
2015	5.0	4.5	12.8	5.7	7.0	8.4	8.1	14.8	8.0

Table 5: Unemployment Rates, aged 16+, Women

End of Year (Oct–Dec)	Total	White	Mixed	Indian	Pakistani	Bangladeshi	Chinese	Black/African/Caribbean	Other
2003	4.2	3.8	8.5	8.0	12.9	12.8	5.6	9.8	11.7
2004	4.2	3.7	9.6	6.7	21.4	11.4	8.4	10.1	9.6
2005	4.5	4.1	10.5	6.2	20.3	16.6	8.3	11.7	8.5
2006	5.1	4.4	10.6	8.7	24.7	21.4	10.3	14.1	10.6
2007	4.8	4.2	8.2	8.0	21.8	22.7	7.2	10.3	9.9
2008	5.5	4.9	11.2	7.3	17.4	15.7	5.6	12.2	12.1
2009	6.5	5.8	12.7	8.7	22.6	22.9	3.7	18.2	11.3
2010	7.0	6.3	15.6	10.5	18.5	18.8	10.2	16.5	12.4
2011	7.6	6.8	17.3	9.9	19.3	26.7	12.3	16.8	11.9
2012	7.3	6.5	16.5	8.7	24.9	26.2	7.0	12.9	15.1
2013	6.7	5.9	12.1	10.0	22.8	31.8	7.6	14.1	12.8
2014	5.3	4.6	10.0	5.3	17.9	20.3	7.2	12.5	10.5
2015	4.8	4.2	9.8	5.9	14.2	15.7	5.4	12.7	8.6

Table 6: Economic Inactivity Rates, aged 16–64, Men

End of Year (Oct–Dec)	Total	White	Mixed	Indian	Pakistani	Bangladeshi	Chinese	Black/African/Caribbean	Other
2003	16.3	15.6	15.9	17.1	26.6	24.1	31.2	22.1	30.0
2004	16.2	15.5	19.5	19.7	27.9	27.1	35.9	21.8	26.0
2005	16.4	15.7	27.1	16.4	27.6	25.4	33.8	19.7	23.6
2006	16.1	15.6	22.9	16.0	25.3	22.9	33.9	19.6	21.1
2007	16.3	15.6	22.7	17.1	25.4	32.0	29.2	19.9	20.9
2008	16.0	15.4	24.0	14.5	22.0	15.7	33.0	21.1	23.1
2009	17.2	16.6	22.2	17.6	23.7	25.3	32.9	23.6	22.2
2010	17.1	16.6	16.1	16.3	22.2	16.4	32.8	19.5	24.9
2011	17.2	16.5	25.4	16.4	19.2	20.7	40.6	21.0	25.7
2012	16.6	15.9	22.7	14.6	21.9	18.7	40.4	21.9	22.6
2013	16.5	15.9	18.6	14.6	20.8	12.7	41.3	20.3	25.5
2014	16.9	16.0	22.5	17.3	22.2	16.7	44.1	22.5	26.9
2015	16.2	15.6	23.6	16.0	19.3	14.1	29.2	20.2	23.4

Table 7: Economic Inactivity Rates, aged 16–64, Women

End of Year (Oct–Dec)	Total	White	Mixed	Indian	Pakistani	Bangladeshi	Chinese	Black/African/ Caribbean	Other
2003	30.3	29.2	29.8	33.2	67.5	71.9	41.5	32.5	44.4
2004	30.1	28.7	32.3	34.7	68.7	77.3	45.4	34.6	45.1
2005	30.1	28.5	26.7	36.6	73.8	72.7	40.6	34.3	45.4
2006	29.6	28.2	30.9	35.9	65.8	68.1	35.8	30.3	42.9
2007	29.6	27.9	34.1	36.3	65.0	67.7	41.2	33.9	44.0
2008	29.4	27.9	30.3	32.9	69.4	67.0	31.2	34.6	39.8
2009	29.3	27.8	35.2	32.2	65.7	61.9	36.5	31.9	42.1
2010	29.6	28.2	27.8	30.6	63.0	66.4	42.6	30.0	44.8
2011	29.0	27.4	33.7	33.2	62.4	59.4	42.9	33.4	41.5
2012	28.0	26.3	28.9	29.9	59.0	58.7	48.0	29.1	44.6
2013	27.8	26.0	30.6	32.6	60.9	59.1	42.3	32.2	40.4
2014	27.4	25.5	29.6	31.6	58.9	59.7	43.8	29.8	43.5
2015	27.1	25.4	36.6	33.4	54.8	49.7	39.5	29.3	38.8

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