

Member: Jennette Arnold OBE

Are you concerned that ethnic minority graduates find it harder to find employment than their White British peers?

Context:

The average debt that students leave university with now is £16,675 per year (or £50,025 over a 3-year undergraduate course.)¹ 2012/13 data shows that, across the UK, 23.6% of all full-time undergraduate students are BAME (up from 21.5% in 2011/12).² This compares favourably to the overall UK BAME population of ~13%.³ So, excellent progress has been made in the last decade to widen access to education for all ethnic groups. Even the most unrepresented group in higher education (Bangladeshis) has quadrupled its rate of degree-level qualifications over the past 20 years – just under 5% of Bangladeshi people were recorded as having a degree-level qualification in the 1991 Census, but, by 2011, the figure reached almost 20%.⁴

But...

Higher attainment in education does not translate to the labour market, and Manchester University's new report (June 2014) shows significant employment barriers faced by all ethnic minorities, in particular young black men.

Key points:**"Better Qualified but Fewer Opportunities"**

Research shows that Chinese, Indian and Black African students outperform white peers; Black Caribbean and Pakistani students now perform just as well as their white peers and Bangladeshi students are only a few percentage points behind them (Table 1).

Table 1	Percentage of population with degrees (2011)
Chinese	42.94%
Indian	41.95%
Black African	39.99%
White	26.35% (benchmark)
Black Caribbean	25.91%
Pakistani	24.64%
Bangladeshi	19.85% (up from 5% in 1991)

At April 2014, 48.0% of Job Seekers' Allowance Claimants aged 18-24 were from BAME Groups (14,565 BAME out of 30,335 total 18-24 year olds).⁵ Manchester University's report found that unemployment rates for young ethnic minorities have, over the last 20 years, remained on average persistently higher than for white people⁶ (Table 2).

Table 2	Percentage of men 18-24 unemployed (1991-2011)
Black African	17.0%
Black Caribbean	16.0%
Chinese	11.0%
Bangladeshi	11.0%

¹ This includes £9,000 per year for tuition, plus up to £7,675 for on costs when living in London.

² Higher Education Statistics Agency (2014) [Student Population](#)

³ ONS Census 2011

⁴ Centre on Dynamics of Ethnicity at Manchester University (June 2014) [Addressing Ethnic Inequalities in Social Mobility](#).

⁵ ONS, June 2014, [Claimant Count for Job Seekers Allowance](#)

⁶ Centre on Dynamics of Ethnicity at Manchester University (June 2014) [Addressing Ethnic Inequalities in Social Mobility](#).

Pakistani	10.0%
Indian	6.0%
White	6.0% (benchmark)

Deloitte also backed this up in a 2012 study that showed that black graduates are three times more likely to be unemployed than white graduates within six months of graduation and, should they find employment, black graduates are expected to earn up to 9% less for the same work within five years.⁷

“Ethnic Penalty” – reasons that BAME graduates can’t find employment:

1. Public Sector Cuts

Ethnic minorities are employed disproportionately in the public sector.⁸

Table 3	Percentage of women working in public sector (2010)
Black Caribbean	45.6%
Pakistani	37.0%
Bangladeshi	36.4%
Black African	34.0%
White	34.0% (benchmark)

We have the lowest number of people working in the public sector on record (5.7M across the UK, or 18.8% of people in employment).⁹ High proportions of ethnic minorities working in the public sector plus mass job cuts suggests that job opportunities for ethnic minorities have also decreased.

2. Discrimination and bias in recruitment process

Much has been said about the ethnic bias in the recruitment process, which has led to calls by the Commissioner of the Metropolitan Police for positive discrimination in recruitment and for anonymous applications. Workplace figures for all parts of the GLA Group that the Mayor has oversight of does not reflect BAME working population figures for London.

	Percentage of total workforce that is BAME
Overall London Population	30.3% (benchmark) ¹⁰
TfL	27% (down from 29% last year) ¹¹
GLA	24% (majority – 60% - on lower pay grades) ¹²
Mayoral Team	11% (2 out of 18)
Met Police Officers	10.5% ¹³

Overall message: if he agrees that BAME graduates are finding it harder to find employment, then why isn't he making the GLA more reflective of London's population? Not Good Enough.

Possible rebuttal:

The Mayor has just pre-published the latest version of ‘*Equal Life Chances for All*’, his document that is the GLA's main arrangement for promoting equality. In it he talks about Apprenticeships being a means through which inequality can be addressed. But, if the Mayor talks about his support of Apprenticeships, the UK-wide and London-specific figures aren't so rosy...

⁷ Deloitte (2012) [Race to the Top The Experience of Black Students in Higher Education](#)

⁸ ONS. March 2014. [The percentage of people in employment who work in the public sector is at the lowest since records began.](#)

⁹ ONS. March 2014. [The percentage of people in employment who work in the public sector is at the lowest since records began.](#)

¹⁰ ONS (May 2014) Ethnic group (Workplace population)

¹¹ Transport for London (June 2013) [Workforce Report](#)

¹² GLA Workforce Report (June 2014)

¹³ Home Office (March 2013) [Police workforce, England and Wales](#)

1. UK-wide figures for apprenticeships are very low for all BAME groups.

	2010/11	2011/12	2012/13	2013/14 (estimate)
Bangladeshi	0.7	0.6	0.6	0.7
Pakistani	1.2	1.2	1.1	1.2
Black African	1.5	1.7	1.7	1.2
Black Caribbean	1.3	1.1	1.1	0.9
Chinese	0.1	0.1	0.1	0.1
Indian	1.3	1.2	1.2	1.1
White	89.0	89.3	89.3	89.1

Ethnicity of apprentices – UK wide (%)¹⁴

2. At the GLA, Munira Mirza wrote to Oversight (April 2013) to say that 14.8% of Apprentices – i.e. 40 out of 271 across the whole GLA Group for 2011/12 were from BAME groups. Given 44% of London’s population aged 15-29 is BAME¹⁵, 14.8% is not good enough.

3. Apprenticeships aren’t ideal for graduates. The highest tier of apprenticeship (called Higher Apprenticeships) is equivalent to a degree, so why would a graduate want to spend their time earning £2.68 an hour to get a qualification equivalent to one they’ve already got?

Additionally, the 8 ways he lists in which he will achieve his objective to ensure all Londoners have the opportunity to take part in London’s economic success (Table 1) are very loosely-defined and give no targets or details about how they will be achieved/monitored – other than to work with the London Enterprise Panel (LEP).

1.1	Work with London’s employers to maximise the number, variety and quality of jobs needed in London.
1.2	Work to close the employment rate gap between London and the national level by 2020 and maintain the London employment rate at or above the national level subsequently.
1.3	Work to ensure that all young people in London have appropriate opportunities to gain the knowledge, skills and confidence to succeed in London’s labour market.
1.4	Help people to secure and retain a job, working with the LEP and other partners to significantly improve training and employability support in London. In particular focusing on neighbourhoods with high concentrations of worklessness.
1.5	Work with the LEP and other partners to meet the aspirations of Londoners to acquire relevant skills and qualifications to progress in their careers.
1.6	Promote the London Living Wage.
1.7	Promote apprenticeships to diverse London suppliers and employers.
1.8	Publish a pan-London Digital Inclusion Strategy as part of the Mayor’s Smart London Plan

Table 1. Ways to ensure that all Londoners have the opportunity to take part in London’s economic success (from Equal Life Chances for All).

Recommendations:

1. The Labour Party have promised a "jobs guarantee" scheme for young unemployed people will last for the whole of the next parliament, if it wins the 2015 general election. Under the plan, 18 to 24-year-olds out of work for a year will be offered a taxpayer-funded job for six months. Labour says it would pay for this by taxing bank bonuses and changing tax rules for the pensions of high earners.

¹⁴ Department for Business, Innovation and Skills, January 2014

¹⁵ London Datastore, Census 2011 (April 2013) [Diversity London Data Report](#)

2. We need a Mayor that takes equality seriously. In his Education Inquiry Report, he said:
"I acknowledge the realities of ... ethnic disadvantage – but find no evidence that this holds back students who are driven by high expectations and who work hard."¹⁶

Supplementary Question:

Is the Mayor saying that it's BAME graduates' own fault that they can't find employment opportunities? Is he saying that BAME graduates work less hard than their White British peers?

3. In university league tables, we need to start monitoring the academic and employment outcomes of students by different ethnic groups.¹⁷ This would provide the intelligence we need to see exactly how BAME graduates compare with White British graduates when finding employment.

¹⁶ [The Mayor's Education Inquiry Final Report: Findings and Recommendations October 2012](#) (page 6)

¹⁷ Deloitte (2012) [Race to the Top The Experience of Black Students in Higher Education](#)