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Briefing **Poverty Alliance**

Ethnicity, Gender and Poverty in the United Kingdom



Despite the publication of the *Single Equality Bill*, the implications of the complex intersections between gender and ethnicity in determining the economic well-being of minority ethnic groups in the United Kingdom is still an underappreciated area for policy makers. Understanding these intersections is vital if responses to poverty and inequality are to have a real impact.

Through the analysis of primary data from 2001 Census, the 2004 Annual Population Survey and the 1994/95 to 2006/07 Households Below Average Income Surveys, this briefing, written by Akwugo Emejulu, explores how the intersection of gender and ethnicity impact on the economic well-being of minority ethnic households in terms of household size and composition, participation in the labour market and levels of income. The paper concludes by exploring some of the current policy implications arising from this complex interaction. It should be noted that the analysis is at the UK level as adequate data does not exist at the Scottish level.

	Total Total Total Population populati		Minority Ethnic Population		
	(Numbers)	(Percentages)	(Percentages)		
White	54,153,898	92.1	n/a		
Mixed	677,117	1.2	14.6		
Indian	1,053,411	1.8	22.7		
Pakistani	747,285	1.3	16.1		
Bangladeshi	283,063	0.5	6.1		
Black Caribbean	565,876	1	12.2		
Black African	485,277	0.8	10.5		
Black Other	97,585	0.2	2.1		
Chinese	247,403	0.4	5.3		
All minority ethnic pop.	4,635,296	7.9	100		
All population	58,789,194	100	n/a		

Table 1.1 Total Population by Ethnic Group

Source: Census, April 2001, Office for National Statistics;

Minority Ethnic Family Structure, Household Size and Composition

According to the most recent figures, the UK population remains overwhelmingly white; the 2001 Census indicates that 92% of the total population identified themselves as white, whilst minority ethnic groups comprise 7.9% of the population (ONS 2001). Contained within this relatively small minority ethnic population are considerable variations in family structures, household formations and household sizes. Household size and composition are important indicators of economic and social well-being in terms of care responsibilities and the demands on household income (for a detailed discussion of this, see lacovou and Berthoud 2006 and Platt 2007).

As Table 1.2 indicates, on average, Bangladeshi and Pakistani groups tend to have the largest household sizes in comparison to other ethnic groups. The differences in the size of households are due to several factors. Firstly, Pakistani and Bangladeshi groups typically have

Table 1.2 Household size: by ethnic group o	f
head of household	

	Average
	household size
	(number of
Ethnicity	people)
White	2.3
Mixed	2.4
Indian	3.3
Pakistani	4.2
Bangladeshi	4.7
Other Asian	3.1
Black Caribbean	2.3
Black African	2.9
Other Black	2.3
Chinese	2.9
Other	2.6
All ethnic groups	2.4

Source: Labour Force Survey, Spring 2002, Office for National Statistics

more children than other ethnic groups; it is worth noting that the relatively large number of children in these households is counter to the trend of most other ethnic groups of having fewer children later in life (Modood et al 1997, lacovou and Berthoud 2006 and Platt 2007).

Furthermore, the custom of 'dual households' that some Bangladeshi and Pakistani groups employ in terms of looking after elderly relatives and living in extended family structures also impacts on household size. Finally, Pakistani and Bangladeshi households are more likely to contain two parents whereas the trend for other ethnic groups is moving towards lone parent families (Modood et al 1997, Dale 2002, Platt 2007).

In Table 1.3 and in contrast to the distinct Pakistani and Bangladeshi experience of larger dual households, Black Caribbean and Black African households are disproportionately headed by lone parents compared to other ethnic groups, ranging from more than one-third of Black African families to almost one-half of Black Caribbean families. The majority of these lone parent households are headed by women and as a result, these households tend to have a higher risk of poverty (Dale et al 2006, Platt 2007). It is not clear why Black African and Black Caribbean households have a higher tendency to be headed by single women. One explanation could be the different cultural and religious expectations of these groups means that raising children outside marriage or separating when a relationship breaks down is not a cultural taboo. Regardless of this, these differences matter especially as we shall see later in this briefing, in terms of cultural expectations in relation to balancing motherhood and paid employment.

Table 1.3 Lone Parent Households by EthnicGroup

All households with dependent children

	Percentages
	Lone parent
	households
White British	22.12
Mixed	38.89
Indian	9.58
Pakistani	12.98
Bangladeshi	11.62
Black Caribbean	47.81
Black African	36.01
Chinese	15.09

Source: Census, April 2001, Office for National Statistics; Census, April 2001, General Register Office for Scotland

At this point it is important to note the unexpected outcomes that household size and composition play in terms of economic well-being for minority ethnic groups. Pakistani and Bangladeshi households are in a very insecure economic position and are more likely to face long-term deprivation. The size of Pakistani and Bangladeshi households appears to have a negative impact on the economic wellbeing for these groups in terms of incomelevels (for a more detailed discussion of this, see Bradshaw et al 2006). Larger households have a higher risk of poverty because of 'lower earning probabilities of parents...lower wages as well as extra demands on family income created by larger numbers of children' (Platt 2007, p.86-7). Although Black Caribbean and Black African households are more likely to be female-headed lone parent households subsisting on low incomes, these singleheaded households appear to be in a stronger economic position than the twoparent households of Pakistani and Bangladeshi groups.

Pakistani and Bangladeshi couples should be better off than Black single mothers but because Pakistani and Bangladeshi women are less likely to be in paid employment and care for more dependent children compared to Black Caribbean and Black African women, this places more financial pressures on the family income (for an extended discussion of this see Warren and Britton 2003 and Emejulu 2008).

Employment, Income and Poverty

With the composition and size of households influencing the economic wellbeing of minority ethnic groups, it is important to explore the diversity of experience in the labour market. It is clear that some groups are slowly but successfully chipping away at the glass ceiling and gaining access to managerial

Table 1.4 Unemployment Rates by Ethnic Gre	oup	and
Gender		
Great Britain (%)		

	Male	Female	All
White British	4.5	3.7	4.2
White Irish	4.9	3.5	4.2
Other White	6.1	6.1	6.1
Mixed	12.6	11.6	12.1
Indian	6.5	7.7	7.0
Pakistani	11.0	19.7	13.6
Bangladeshi	12.9	12.6	12.9
Other Asian	11.3	7.0	9.4
Black Caribbean	14.5	9.1	11.7
Black African	13.1	12.3	12.8
Chinese	9.7	7.1	8.5
All ethnic groups	5.1	4.3	4.7

Shaded figures indicate the estimates are unreliable and any analysis using these figures may be invalid. Source: Annual Population Survey, January – December 2004, Office for National Statistics positions while other groups continue to be underemployed or excluded from the labour market. As we can see in Table 1.4 and Table 1.5, Indian and Chinese men tend to fare the best in the labour market with relatively low unemployment rates and an even distribution throughout different occupations. Even though Indian and Chinese men have higher unemployment rates compared to white men they are well represented in professional occupations. One-fifth of Chinese and Indian men are in senior management positions in the labour It is still unclear why Indian and Chinese men perform relatively well in the labour market compared to other groups but one explanation is that Indian and Chinese men tend to have higher qualifications and these educational achievements may give them an extra advantage when competing

· · · · · · · · · · · · · · · · · · ·	4	•		Process,	
	Managers		Administrative	plant and	
	and senior	Professional	and	machine	Elementary
	officials	occupations	secretarial	operatives	occupations
Males					
White British	18.6	13.0	4.8	12.3	11.6
Indian	20.5	20.6	7.6	10.6	10.1
Pakistani	14.1	11.7	6.7	27.1	13.3
Bangladeshi	17.1	7.1	4.0	9.7	21.9
Black					
Caribbean	11.9	8.7	4.5	11.7	15.8
Black African	7.5	18.8	7.1	10.2	26.0
Chinese	20.9	24.8	5.1	5.3	12.1
Females					
White British	10.8	10.7	22.4	2.3	11.3
Indian	10.1	14.3	21.6	4.9	10.9
Pakistani	6.4	14.9	15.0	4.1	9.4
Bangladeshi	6.6	9.2	18.6	2.1	8.1
Black					
Caribbean	8.4	10.2	22.3	2.0	10.4
Black African	6.5	8.5	15.5	2.4	15.0
Chinese	12.5	16.7	14.6	1.3	16.1

Table 1.5 Occupation by Ethnic Group and Gender

Source: Annual Population Survey, January 2004 — December 2004, Office for National Statistics

market and they slightly outperform white men in this regard. Interestingly, Indian and Chinese men are less likely to be represented in low-skilled and low-paid occupations and this is a very different experience compared to other minority ethnic groups. in the labour market (Connor et al 2004). What remains unclear, however, is why other groups with good qualifications, namely African men, still perform so poorly in the job market.

The labour market experience of Pakistani, Bangladeshi, Black Caribbean and Black African men is a cause of considerable concern. In Tables 1.4 and 1.5 we can see that these groups have unemployment rates that are three times higher than whites and they are more heavily concentrated in lower paid, lower status occupations - and it is important to note that these figures are prior to the current recession. Whether these minority ethnic men leave school with no qualifications or if they are highly qualified workers they are more likely to be employed in lower skilled jobs or to be excluded from the labour market completely. The explanation for this so-called 'ethnic penalty' is straightforward: on-going discrimination. There can be no escaping the fact that endemic racism is the cause of the systemic disadvantage of these groups of men in the labour market. The persistence of both direct discrimination, in terms of the recruitment and selection of job candidates, and indirect discrimination, in terms of stereotypical judgements about a candidate's ability to fit into the work environment, results in these unequal outcomes in the workforce (Cabinet Office 2003, Kenway and Palmer 2007, Platt 2007, Emejulu 2008).

Turning to women's experiences, gender and ethnicity intersect differently. Some minority ethnic women have lower rates of unemployment compared to their male counterparts, such as Chinese and Black Caribbean women, so it seems that some women may be better able to negotiate the ethnic penalty when competing for jobs. The cause of low economic activity and high unemployment among Pakistani and Bangladeshi women appears to be the result of these groups leaving the labour market to become the primary carer at home (Bhopol 1998, Dale et al 2006, Platt 2007, Emejulu 2008). 'Marriage on its own was much more likely to reduce economic activity for Pakistani and Bangladeshi women...Pakistani and Bangladeshi women [are the] least likely to combine motherhood with paid work' (Platt 2007, p.88).

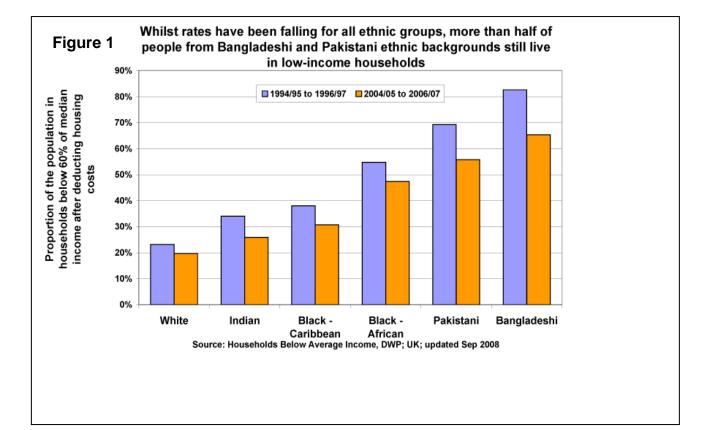
Despite the differing traditions about the role of work in women's lives and the interaction between work and motherhood that affects women's participation in the labour market, what all minority ethnic women have in common is the 'glass ceiling'—systematic labour market segregation and discrimination—which prevents them from accessing higher paid and higher status occupations. As Table 1.5 demonstrates, all women, regardless of ethnic background, are still unevenly distributed throughout occupations and they still seem to be in a pink collar ghetto—concentrated in semi-professional roles and under-represented in senior management positions.

Almost one-fifth of minority ethnic women work in some kind of administrative or secretarial role in the workplace and their participation drops significantly when moving up the occupational scale or examining 'non-traditional' roles for women as in the manufacturing sector. Similar to their male counterparts, only Chinese and Indian women are on par with white women in accessing senior positions. It is also worth noting that only African men fare equally as poorly as the rest of minority ethnic women in being disproportionately concentrated in low paid low status work.

Focusing on the experience of working age adults, the largest section of the minority ethnic population, we can explore how the intersection between ethnicity, gender and income creates significant economic inequalities for minority ethnic households. Despite different impacts of the intersection of gender and ethnicity, all ethnic minority groups are still more likely than whites to be living on low incomes (Berthoud 1998, DWP 2006a). Using the After Housing Costs (AHCs) data from the *Households Below Average Income (HBAI) from 1994/95-2006/07* survey, the most recent data available, the experience of working age minority ethnic groups demonstrates differing outcomes for minority ethnic groups in the context of economic inequality.¹

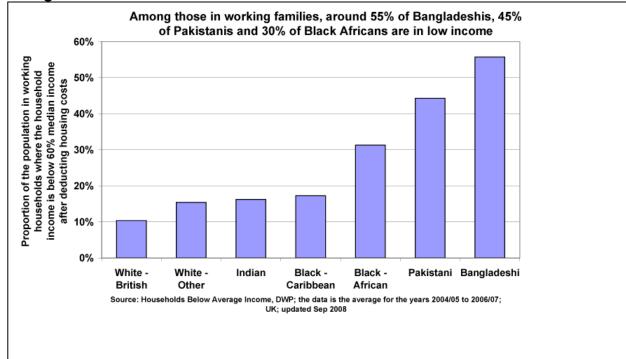
As Figure 1 indicates, ethnic minority households are at a greater risk of living in poverty.² But some minority ethnic groups appear to be doing better than others.

Indian and Black Caribbean groups are the least likely to be living on low incomes. These groups' fairly positive economic outcomes are noteworthy as it seems to demonstrate the importance of understanding the impact of intersectionality. With relatively few lone parent households, a greater likelihood of having a qualification and better access to higher earning jobs for both men and women, the positive economic well-being of Indians is perhaps unsurprising.



However, the Indian experience contrasts sharply with that of Black Caribbeans, since these households are more likely to be living in female lone parent households. However, what makes Black Caribbean households noteworthy is that women have relatively high employment rates. Since low-waged or unemployed men are not typically present in these households, Black Caribbean women seem to be able to balance the double responsibility of care and work and thus maintain relatively lowlevels of poverty in comparison to the majority of minority ethnic groups. Thus, what Indian and Black Caribbean households share, which may help to explain their relatively low-levels of poverty, is the presence of a significant proportion of working women. What seems to set Indian and Black Caribbean households apart is that women are more likely to combine paid employment and motherhood (Platt 2007).





The groups, however, that are in the most vulnerable position based on household income are Black Africans, Pakistanis and Bangladeshis; these households are living on the lowest incomes. Black Africans, Pakistani and Bangladeshi groups are more likely to be living on the lowest incomes given their larger household sizes, their over-concentration in the lowest occupational sectors and high levels of male unemployment. Crucially, as discussed earlier in the briefing, because Pakistani and Bangladeshi women are the least likely to combine marriage, motherhood and paid employment, this means that these households are overreliant on an unstable combination of lowincome male earnings and state benefits. Although not as stark, Black African women are in a similar position to Pakistani and Bangladeshi women of not combining motherhood and work. These factors add up to entrenched poverty among Black African, Pakistani and Bangladeshi groups which places them in a precarious economic situation and makes these groups extremely vulnerable to downturns in the economy and reforms to the state benefit system.

Conclusions

Finding policy solutions to deep-rooted poverty among minority ethnic groups is made more difficult by the current policy trend of employment-led routes out of poverty, as seen in current proposed changes to the benefits system (DWP 2008). However, measures that might have the most impact on supporting adequate incomes and tackling labour market discrimination are neither straight-forward nor popular in the current thinking on antipoverty policies.

Ongoing gender and racial discrimination in the recruitment and retention of women and minority ethnic workers is a significant barrier to the economic well-being of theses groups. However, with over 25 years of research findings and reports discussing the persistence of labour market discrimination and occupational segregation, and despite equal opportunity and positive action measures, it remains to be seen how this embedded inequality will be systematically addressed (Modood et al 1997, Parekh 2000, Pilkington 2003, Cabinet Office 2003). Due to the lack of action to root out racism and sexism in the labour market women and minority ethnic

groups are left in a precarious and dubious position of negotiating institutionalised discrimination on an individual basis.

As long as the discourse on routes out of income poverty are centred on getting individuals back into work then the issues to do with accepting, recognising and supporting difference in household compositions will remain unaddressed. Certainly a key area for investigation is about creating space and support for different types of family formations and supporting those choices that different minority ethnic groups make regarding their household compositions. By not understanding and recognising difference, structural inequalities are re-enforced. For instance, in addition to negotiating the ethnic penalty in the labour market, minority ethnic groups are further penalised in their private lives for the different decisions they make. The active choice of some minority ethnic women to stay at home and look after children or elderly relatives should not reduce their chances for economic stability but the evidence suggests this is exactly what is happening. Being a single parent with dependent children should not prevent women from climbing the employment

ladder and accumulating wealth but the likelihood is that these types of households will disproportionately be living in poverty.

Policy solutions to date have emphasised conformity to a work-based model as an effective route out of poverty. Perhaps it is time to reconsider this approach and instead explore ways in which support can be given to households as they actually exist rather than how policy makers would wish them to be in order to effectively support the economic well-being of minority ethnic groups.

Akwugo Emejulu is a lecturer in Community Education at the University of Strathclyde and course director of the PgDip/ MSc in Equality and Discrimination. She can be contacted at <u>a.emejulu@strath,ac,uk</u>

Notes

1. Due to small sample sizes, Chinese households will not be analysed in this section.

2. Figures 1 and 2 have been created by the New Policy Institute and are available through the website <u>www.poverty.org.uk</u>

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