



## Employment for all

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### The demand for action

Unless we seriously address social and economic exclusion we will be forever jump starting employment initiatives as they stall at different stages along the road in our attempts at reducing inequality in employment.

From the late 1980's urban policy appeared to be less about redistribution, social justice or improving the lives of disadvantaged people and communities. Urban policy and programmes of urban development appeared more concerned with promoting physical development. The expected 'trickle-down' benefits of regenerating communities through jobs and increased opportunities for social mobility, better health social care and housing never materialised through this top down market driven approach which failed pressing local needs (Imrie & Thomas 1999). In the mid 1990's Michael Heseltine's City Challenge Programme began the shift towards community involvement and social regeneration. Since 1997 regeneration initiatives have had a greater emphasis on community involvement and long term interventions, (SEU, 2001). This new approach was led by the Social Exclusion Unit (SEU) and the Neighbourhood Renewal Unit (NRU). And in 1998 the New Deal for Communities (NDC) was launched followed by the Neighbourhood Renewal Fund.

Increasing ethnic minority participation in the workforce is critical for the future productivity and growth of our major towns and cities (NEP 2005). Achieving the government's aspiration of 80% employment rate is highly dependent on the production of coherent policies and implementation strategies that target regional disparities and disparities within and between different communities. Despite the many programmes and initiatives that have been designed and implemented to redress the imbalance of employment there is still a 15% gap in the employment rate of ethnic minorities compared to the white community. For all ethnic minorities the level of employment is 60% whilst for the overall population it is 75% with significant variations in communities i.e. Bangladeshi employment at 44% Pakistanis 45% and Black Africans 57% (NEP 2005: 16).

Between 1999 and 2009 50% of the growth in the workforce in the United Kingdom's largest cities will come from ethnic minority communities (Strategy Unit, 2003). With the decline of young people, the skill shortages and the relative high numbers of white workers retiring, unless ethnic minorities are effectively included at all levels in our workforce we will continue to see increasing and disproportionate levels of unemployment leading to heightened poverty, social and economic exclusion.

### Why has this trend continued unchanged?

In the 1970's Men and women from ethnic communities were highly represented in manufacturing industries as these were the predominant employment opportunities available to early migrants. With

labour shortages in textile, clothing, engineering, chemicals and metal manufacturing ethnic communities took residence in the regions of the country characterised by these industries.

#### Ethnic minorities in manufacturing (1971)

	Men	Women
Caribbean	52%	37%
Indian	52%	40%
Pakistani & Bangladeshi	72%	32%
All workers	43%	29%

(DWP 2005).

Following the decline in our manufacturing industries unemployment rose and ethnic communities were disproportionately affected seeing a decline in ethnic minority employment by 41% in men and 39% of women (DWP: 2005). As new employment opportunities arose those working in manufacturing were not well placed to respond to the growing service sector. Sadly the real lasting legacy of the breakdown of the manufacturing sector has been visited on the new generations who have found themselves with few opportunities for employment, housing, leisure and inadequate education.

Government initiatives have proved largely ineffective in reducing the employment rate gap of ethnic minorities in April 2002 DWP introduced the Ethnic Minority Outreach (EMO) initiative. During the first two years (EMO) was offered in the five regions where it was estimated 75% of working age ethnic minority adults live. The results indicate that EMO failed to help those with multiple disadvantages

Other initiatives have had limited successes; since 1997 **New Deal** has helped over 1 million people from benefit to work and whilst long-term unemployment has been reduced by 75% the programme has been unsuccessful in helping ethnic minorities (DWP 2004). I welcome the changes brought in under **Building on New Deal (BOND)**, the introduction of 'Skills for Life' in 2004.

**What is required are a series of radical approaches that will transform the delivery of employment related services.**

- The mixed role played by Jobcentre Plus of procurement and provider needs to be halted. It needs a defined role; either focus on paying benefits and a public service gateway or delivering employment related services.
- Add the possibility of follow on contracts if outcome performance is good.
- Avoid short term contracts; but increase monitoring to ensure effective spend of the public purse.
- Treat issues of ethnicity as seriously as one treats issues of gender.
- We need a radical approach which sees the CRE actively using its powers and legislation to leverage change.
- The use of public procurement as a powerful lever to influence the private sector. Each year the public sector spends over £100 billion in procuring public goods.
- An acknowledgement that if we encourage skills and resources from other countries to come to the UK we must ensure that the already settled communities do not suffer exclusion, exploitation and discrimination.