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Ending ethnic discrimination in recruitment

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Executive Summary

New evidence from the National Centre for Social Research shows that across large UK cities, ethnic discrimination is prevalent during the application stage of recruitment into the private sector.

The experience of the public sector in largely eliminating ethnic discrimination in recruitment suggests that reaching similarly low levels in the private sector is an achievable objective for policymakers.

Potential policy responses include increasing the application of workforce diversity monitoring in the private sector, and exploring how procurement regimes within the private sector could be used to change recruitment practice. More ambitiously, private sector employers in targeted regions could be encouraged to use outsourced, online recruitment services that exclude the scope for ethnic discrimination.

Britain has a problem with ethnic discrimination in recruitment. New evidence from the National Centre for Social Research shows that ethnic minority applicants to jobs in the private sector have to send 74% more applications than equivalent white applicants to achieve the same level of success. In particular, it appears that recruiters discriminate against applicants with 'non-white' names. Despite the considerable body of discrimination law that recruitment is subject to, this particular form of discrimination against ethnic minority candidates at the application stage of recruitment is clearly persisting and 'slipping through the cracks' of the existing policy regime.

In contrast, research suggests ethnic discrimination in recruitment within the public sector has been largely eliminated. This can be related directly to the distinct legal framework and statutory duty to promote equality that public sector employers have been subject to since 2000, and the recruitment practices that have ensued.

The objective for policymakers must therefore be to drive down ethnic discrimination in recruitment within the private sector to levels that have been shown to be achievable in the public sector.

Various existing policy measures to address ethnic discrimination in recruitment, such as a legal framework within which individuals can bring litigation in response to perceived discrimination, have been ineffective in achieving this goal. Simply extending the duty to promote equality from the public to the private sector would be prohibitively expensive and unfeasible

in relation to the many small-to-medium sized enterprises that comprise much of the private sector.

Instead, policymakers need to examine the practical steps taken by employers in the public sector to promote equality, and explore how certain elements can be reproduced in the private sector. In particular, given apparent evidence that the elimination of discrimination in recruitment within the public sector has been associated with the use of standardised forms that enable 'anonymised recruitment', policymakers should collaborate with trade groups, local government and providers of outsourced, online recruitment services to compel employers to undertake recruitment in a form that excludes the scope for discrimination. In addition, a regime of randomized diversity monitoring checks would put more pressure on employers to review their recruitment practices, at little cost to the government or economy. Procurement regimes among private sector companies may also provide scope for exerting greater pressure on employers to strengthen recruitment practices.

1. The Issue – Ethnic Discrimination in Recruitment

New evidence from the National Centre for Social Research shows that across large UK cities, ethnic discrimination is prevalent during the application stage of recruitment into the private sector...

New evidence shows that ethnic discrimination in recruitment continues to be prevalent within the private sector across large UK cities. Using a ‘correspondence test’, researchers found that 74 per cent more job applications from ethnic minority candidates need to be sent for the same level of success as equivalent white applicants.

Recruitment – the process by which organisations select and engage new employees - can take two forms:

- ▶ *Informal* - word-of-mouth, speculative applications;
- ▶ *Formal* – applications to formally advertised vacancies.

Formal recruitment processes typically comprise a two-stage process:

- ▶ *Application* – submission of job application in response to an advertised notice;
- ▶ *Interview* – in which the applicant is assessed through a face-to-face or telephone meeting with an employer, sometimes involving specific tests and evaluations.

In recent decades, researchers within academia and government have sought to accurately and reliably measure levels of ethnic discrimination in formal recruitment at both the *interview* and *application* stages.

Social scientists have found the task of reliably measuring the extent of discrimination at the *interview* stage of recruitment extremely difficult. Academic reviews of the use of ‘personal approaches’ - for example, sending actors to job interviews – identified problems with motivation and matching of testers, and the possibility of unobserved differences between the

actors.ⁱ As such, researchers have largely set aside this approach.

In contrast, studies have shown it is possible to reliably measure the prevalence of discrimination in recruitment at the *application* stage through the use of a ‘correspondence test’. This technique involves written applications submitted by researchers in the name of fictitious, ethnically diverse individuals who nevertheless have qualifications and experience that are carefully calibrated to be equivalent. By comparing positive response rates to these applications, researchers can quantitatively measure the incidence of discrimination at the application stage of recruitment.

A Test for Racial Discrimination (2009)

This form of ‘correspondence test’ was undertaken by the National Centre for Social Research (NatCen) in a study of the UK labour market on behalf of the Department for Work and Pensions (DWP).ⁱⁱ

Methodology

Between November 2008 and May 2009, NatCen researchers sent a total of 2,961 applications to 987 advertised job vacancies. The five stages of the research were:

- 1) Formally advertised job vacancies were identified in seven major British cities for a set of nine occupations: IT Support, IT Technician, Accountant, Accounts Clerk, Human Resources Manager, Teaching Assistant, Care Assistant, Sales Assistant and Office Assistant.
- 2) A set of three applications were developed in response to these adverts that were closely matched in terms of their education, skills and work history.
- 3) Ethnic identity was conveyed using names found to be widely associated with the ethnic groups included in the study (black African, black Caribbean, Chinese,

Researchers can measure discrimination at the application stage of recruitment through a ‘correspondence test’, recording variations in positive response rates to equivalised ‘fictional’ applications...

Indian, Pakistani/Bangladeshi, white). These names were randomly assigned to each application (one of the three was white, with the other two from different minority ethnic groups).

4) Responses from employers were monitored, with the key positive outcome being a call-back for an interview.

5) Discrimination was measured as differential treatment at an aggregate level between the ethnic groups in the study (the fact that applications were sent for the same vacancies provided the control).

NatCen researchers found that for the 155 sets of similarly-qualified applications where one or more positive response was received, 39 per cent of ethnic minority applications received a positive response from employers, compared to 68 per cent of white applications, which is both high and statistically significantly different. Put another way, 16 applications from ethnic minority applicants had to be sent for a successful outcome compared with nine white applications. In percentage terms, 74 per cent more applications from ethnic minority candidates needed to be sent for the same level of success.

The NatCen research suggests that some recruiters discriminate against applicants with ‘non-white’ names. As such, ethnic minority job applicants are uniquely vulnerable to this form of prejudice relative to other groups that may experience discrimination, for example, based on religion or disability. This form of discrimination at the application stage of recruitment persists despite regulation seeking to prevent all types of discrimination that cover every stage of the recruitment process, for example, rules that make illegal any job adverts that seek to preclude certain groups from applying. In this sense, ‘ethnic filtering’ on the basis of a candidate’s name during the application stage of recruitment has ‘fallen through the cracks’ of existing public policy to address discrimination in recruitment.

Further key findings of the NatCen research were:

- ▶ *Gender* - levels of ethnic discrimination were high for both genders;
- ▶ *Geography* - there is no suggestion in the research findings that discrimination was significantly varied among the different cities examined;
- ▶ *Skill-grade* - there was some suggestion, albeit not statistically significant, that discrimination was higher for lower-skilled vacancies than for higher-skilled roles.
- ▶ *Application process* - there was virtually no net discrimination (one per cent) for sets of applications where the employer’s own form had been used. This compared to 38 per cent where a CV had been sent. This result may relate to employer forms often being designed so that the section containing personal details (including name) can be detached before the sifting process, which can often be a feature of larger organizations with dedicated human resources departments and well-developed procedures. However, it is impossible to know how many application forms were treated in this way.
- ▶ *Public vs. private* - public sector organizations were found to be far less likely to discriminate on the basis of ethnicity than those in the private sector (four per cent compared to 35 per cent). This difference is statistically significant. Part of the explanation for the absence of net discrimination among public sector employers may be the widespread use of standard application forms. Forms were used in 79 per cent of public sector applications compared to six per cent of those to private sector employers.ⁱⁱⁱ

Discrimination in Recruitment and the ‘Ethnic Penalty’ in Labour Market Outcomes

The NatCen research therefore provides reliable evidence that ethnic discrimination is significantly

Discrimination based on an applicant's name is more prevalent in the private sector, which is much less likely to use standardised application forms...

prevalent in private sector recruitment within large UK cities containing ethnic minority populations.

The experience of ethnic minority groups in the labour market has been the subject of considerable research in recent decades. It is therefore worthwhile putting this research finding in the context of the 'ethnic penalty': the range of observable poor labour market outcomes experienced by ethnic minorities that have been catalogued by researchers.

According to the Census, the ethnic minority population in the UK during 2001 comprised 4.6 million people. The largest minority ethnic groups are Indian, Pakistani, Black Caribbean, Black African and Bangladeshi. Around half of ethnic minorities live in Greater London, with high concentrations also resident in the West Midlands, the South East and Yorkshire & Humberside.

The so-called 'ethnic penalty', which does itself vary in incidence among different ethnic groups, comprises three principal factors:

- ▶ *Lower rates of employment* – the employment rate for ethnic minorities is 59.9 per cent compared to 74.1 per cent for the overall population.^{iv}
- ▶ *Lower earnings* – among men, but not women, most ethnic groups earn less than white British employees.^v
- ▶ *Career progression and attainment* – some ethnic minority groups typically occupy less senior positions in employment. For example, analysis of male employment for 2001-2004 found that 41.8% of white British men were in professional/managerial positions and 24.5% in (semi-) routine roles; for Bangladeshi men, the equivalent figures were 17.8% and 50.2%.^{vi}

The existence of this 'ethnic penalty' in employment outcomes imposes several direct economic costs:^{vii}

- ▶ *Public spending* – the cost of benefit payments and lost tax revenue resulting from the ethnic penalty has been estimated to be £1.3 billion p.a. by the Department for Work and Pensions;
- ▶ *Productivity* – lost output to the economy has been estimated to be worth £7.3 billion p.a.

Multiple factors have been identified as potentially causing the ethnic penalty:

- ▶ *Education* – average levels of education and skills are lower among some, but by no means all, ethnic minority groups;
- ▶ *Geography* – minority ethnic groups may live in areas of higher unemployment, or of lower-paid employment;
- ▶ *Social capital* – minority ethnic groups may lack the social networks that enable access to job vacancies and certain types of employment;
- ▶ *Self de-selection* – in some labour markets, particular groups may not apply for certain jobs in the expectation of discrimination in the recruitment process or the workplace. In Northern Ireland, this phenomenon has been referred to as the 'chill factor';
- ▶ *Discrimination in recruitment* – as described, social science research has identified significant ethnic discrimination in recruitment practices.

A range of government policies have been deployed in recent years to address the continued prevalence of this 'ethnic penalty' in employment outcomes. Some policies focus on domains outside the labour market, such as measures to increase educational attainment among certain ethnic groups and promote economic development in deprived areas. Other policy interventions have focused specifically on the labour market, such as outreach funds and specialist employment advisers.^{viii}

However, the NatCen research described above, and the significant incidence of ethnic discrimination

This form of name-based ethnic ‘filtering’ contributes to the so-called ‘ethnic penalty’ in the labour, and is falling through cracks of existing anti-discrimination policies...

among applicants to private sector jobs, suggests a clear need for government intervention focused specifically on discrimination at the application stage of recruitment. Indeed, other measures to tackle the ethnic penalty in labour market outcomes, such as targeted educational interventions, will be rendered ineffective if ethnic minorities subsequently suffer discrimination at the stage of applying to advertised job vacancies.

This report therefore sets out the different policy options available to government, evaluates their effectiveness and makes recommendations. The next chapter begins this process by defining the precise outcomes that should be the objective of government policy. Subsequent chapters explore different policy options in detail.

Key points:

- ▶ Research by NatCen has identified significant ethnic discrimination in labour market recruitment through the use of correspondence tests.
- ▶ Discrimination is far more prevalent in relation to private sector than public sector recruitment.
- ▶ Discrimination in recruitment is one factor frequently cited as a cause of the ‘ethnic penalty’ in labour market outcomes experienced by ethnic minorities.

2. The Objective

The objective for policymakers - ethnic discrimination during the application stage of recruitment into the private sector equivalent to the negligible levels observable in the public sector...

In light of the evidence described in the previous chapter identifying discrimination against ethnic minority job applicants, this chapter identifies precisely the strategic policy objective for government should be, and how this objective is coherent or conflicting with other policy aims.

Successive governments have sought to eliminate ethnic discrimination at all stages of the recruitment process, for example, outlawing job adverts that discourage certain groups from applying. The benefit of the NatGen research described in the previous chapter is that by quantifying levels of discrimination during the application stage of recruitment into the public sector, which appear to be negligible, the research provides a clear, measurable outcome to comprise the government's strategic objective: ethnic discrimination in private sector recruitment at the negligible to levels observable in the public sector. The experience of the public sector over the last decade suggests that as an objective, these outcomes are reasonable, achievable and realistic.

Beside normative considerations around fairness and social justice, why is this an important objective?

- ▶ *Cost* – as described above, ethnic discrimination, as a contributory factor toward the ethnic penalty in the labour market, imposes costs to the Exchequer and results in lost productivity;
- ▶ *Labour market efficiency* – if some applicants are excluded from jobs on account of their ethnic background, this represents a clear inefficiency in the labour market, with jobs not being undertaken by the most suitable candidates;
- ▶ *Social relations* – discrimination in recruitment may contribute to ethnic segregation, which in turn may result in a range of negative outcomes within local

communities associated with trust and social capital.

Related policy objectives

Employment and the labour market are important spheres of social and economic life subject to many types of public policy intervention and regulation. As a set of outcomes, how does the policy objective of eliminating ethnic discrimination in recruitment fit with other government strategies? Is it coherent or conflicting with related public policies? These questions are important to explore in order to evaluate the different policy options available. Various government strategies therefore need to be considered:

- ▶ Related discrimination policy:
 - *Reducing ethnic discrimination*: For several decades, UK governments have sought to reduce various types of ethnic discrimination within society, using a broad range of policy tools and interventions.
 - *Reducing all forms of discrimination*: Ethnic discrimination is not the only form of discrimination pervasive in society. In parallel to measures to eliminate ethnic discrimination, campaigners and the government have focused on reducing various other forms of discrimination including gender, disability, age and sexuality. In recent years, policymakers have sought to bring together and integrate measures to combat different forms of discrimination, as shown by the creation of the single Equalities and Human Rights Commission (EHRC) from multiple more specialist bodies. As such, measures to tackle ethnic discrimination fall within a wider strategic framework to tackle discrimination across society.

This is coherent with existing strategies to tackle discrimination; however measures enacted at the firm level may conflict with efforts to reduce the regulatory burden on business...

▶ *Labour market policy*

- *Eliminating the ethnic penalty*: As described in the previous chapter, various policies have been deployed to improve labour market outcomes for ethnic minorities, i.e. eliminating the 'ethnic penalty'. These have ranged from targeted job-matching services to encouraging employers to target recruitment at particular ethnic groups.

▶ *Business and growth policy*

- *Reducing the 'regulatory burden'*: Measures to eliminate discrimination among employers have frequently involved regulation. However, policymakers have increasingly recognised that most employment regulations impose compliance costs on organisations, which can directly affect private sector profitability, performance and behaviour. In recent years, various bodies, such as the Better Regulation Taskforce, have sought to reduce the burden of all regulation, particularly for smaller companies.

Key points:

- ▶ The strategic objective for the government must be to reduce levels of ethnic discrimination in the application stage of recruitment into the private sector down to the negligible levels observable in the public sector. The experience of the public sector suggests this is achievable, reasonable and realistic.
- ▶ This objective is broadly complementary with other policy measures to address discrimination and the incidence of the 'ethnic penalty'. However, policy measures that involve new or increased regulation of employers would be incoherent with attempts by the government to reduce the regulatory 'burden' on employers.

Government resources are finite and policies that are incoherent with other strategic objectives are likely to be ineffective and resisted. Surveying public policy, it is clear that eliminating ethnic discrimination in recruitment is coherent with labour market strategies and with wider efforts to combat discrimination. More problematic are government strategies to reduce the regulatory 'burden' on business, and to improve the business environment. Policies to combat ethnic discrimination in private sector recruitment, which must inevitably take effect at the micro level, will impact business behaviour. This analysis therefore informs the design and evaluations of different policy options described in the next chapter.

3. How has government sought to tackle ethnic discrimination in recruitment?

Governments have tried a wide range of policies to tackle broad and specific types of discrimination, including ethnic discrimination in recruitment...

This chapter evaluates existing policies for tackling ethnic discrimination in recruitment, their strengths and weaknesses, and factors that may account for their success or failure. It pays particular attention to practices deployed in the public sector that may account for the low levels of discrimination achieved in this domain.

The first chapter explored how ethnic discrimination persists at the application stage of the recruitment process within the private sector. It appears some employers filter out applications from individuals with names associated with particular ethnic groups. However, eliminating ethnic discrimination in recruitment has been an objective of government for several decades. As such, a suite of different approaches have been developed and deployed, including discrimination law, equality duties, ‘diversity monitoring’ and education campaigns. This chapter reviews these policies, their associated benefits and problems, and why they may be ineffective in tackling ethnic discrimination at the application stage of recruitment.

Legislation: discrimination law and litigation	Clarity (+) Deterrence Penalty
	Compliance costs (-) Identifying discrimination Burden of proof Complexity Costs to individuals
Legislation: Equality duties	Effective at broad (+) organisational level
	Narrow efficacy (-) Monitoring and policing cost Acceptability
Diversity monitoring	Provides hard evidence (+) Soft-coercion Scope for targeting
	Cost (-) Administration Employee resistance Ex-post response Suitability Reliability Efficacy
Education and awareness campaigns	Addresses root cause of discrimination (+) Potential for wide reach
	Targeting difficulty (-) Efficacy Difficult to measure effectiveness
‘Anonymised recruitment’	Efficacy (+)
	Cost (-) Attitudes
Public sector procurement	Targeting (+) Soft-coercion
	Scope (-) Cost Monitoring

Discrimination law relies on individuals becoming aware that discrimination has occurred, so is ineffective when individuals are applying for jobs...

A) Legislation: discrimination law and litigation

It is illegal for employers in the UK to discriminate on the grounds of race. The Race Relations Act 1976 was passed by the UK Parliament to prevent discrimination on the grounds of race. Items covered include discrimination on the grounds of race, colour, nationality, ethnic and national origin in the fields of employment, the provision of goods and services, education and public functions. The 1976 Act was later amended by the Race Relations Amendment Act 2000.

Both the 1976 and 2000 Acts have effectively been superseded by the Equalities Act 2010, which brings together equalities legislation developed over several decades in relation to race, gender, age, sexuality and disability. One objective of the 2010 Act was to simplify legislation in order to ease the costs of compliance by employers. However, in relation to private sector employers, the principal change was to compel companies to publish statistics on gender pay differentials; a measure that provoked significant opposition.

Discrimination law applies to all aspects of the recruitment process. For example, it is unlawful for a job advertisement to specify that the applicant must be of a particular gender, race, etc., unless being of that gender, race, etc is a genuine occupational requirement or qualification.

Individuals who believe they have been discriminated against, whether during employment or as part of a recruitment process, may bring a claim to an employment tribunal generally up to three months after the alleged discriminatory act occurred. For a claim to succeed, the claimant must prove the existence of facts from which the tribunal could conclude that an act of unlawful discrimination has occurred. If a claimant is able to do this, the employer must then prove to the tribunal that it did not commit the unlawful act. If an employment tribunal does conclude that unlawful

discrimination occurred, it is able to impose financial penalties on employers.

Pros:

- ▶ *Clarity* - discrimination law, particularly the Equalities Act 2010, provides clarity to all stakeholders as to acceptable recruitment practice and what constitutes discriminatory behaviour.
- ▶ *Deterrence* - the risk of being referred to employment tribunal and financial penalties may deter employers from engaging in discriminatory practices.
- ▶ *Penalty* – discrimination law ensures that where discrimination has been proved to occur, punishment follows in the form of financial a penalty.

Cons:

- ▶ *Compliance costs* – discrimination law creates compliance costs for private and public sector employers;
- ▶ *Identifying discrimination* – for any type of discrimination law to be effective, those discriminated against must be able to identify that discrimination has occurred if they are ever to subsequently bring a case. However, during a recruitment process, it may be difficult for individuals to form this judgment. In the interview stage of recruitment, individuals may be unsure whether negative treatment arose from ethnic discrimination. At the application stage, it is almost impossible for individuals to identify that discrimination has occurred when they fail to receive a positive response.
- ▶ *Burden of proof* – proving that ethnic discrimination has occurred in the context of a claims process can be extremely difficult. In advice to individuals considering action, the Equalities and Human Rights Commission (EHRC) catalogues these considerable challenges noting that evidence of discrimination is difficult to find, and witnesses are often reluctant to come forward.^{ix}

Generalised ‘equality duties’ have achieved change in the public sector, but may be ineffective, and too costly, for addressing very specific forms of discrimination...

- ▶ *Complexity* – individuals may struggle to understand the detail of discrimination law. In advice to individuals, the EHRC notes that the “law on racial discrimination is complex and you will probably need some specialist advice and assistance in preparing and presenting your case.”^x
- ▶ *Costs to individuals* - public funding (formerly known as legal aid) is only available for representation in county court or sheriff court cases, not for hearings at employment tribunals.
- ▶ *Inhibition* – individuals may not pursue discrimination claims for fear of identifying themselves to future employers as potentially litigious.
- ▶ *Attitudes* – while discrimination law can punish discriminatory behaviour, it does not of itself do anything to change discriminatory attitudes among individual employers.

Comment:

As a policy tool for eliminating ethnic discrimination at the application stage of recruitment into the private sector, discrimination law has probably reached the limits of its effectiveness. Quite besides the considerable burden of proof it requires, the nature of discrimination in recruitment makes it difficult for individuals to ever realise that they have been discriminated against. Indeed, there is evidence to suggest that many employers do not take discrimination law seriously. A bespoke survey of over 1000 thousand private sector employers for the National Employment Panel found that 83% did not believe they would face formal investigation of their employment practices, or that an employee would ever take them to a tribunal.^{xi} The financial cost of pursuing a discrimination claim can also be prohibitive to individuals, and in the context of public spending constraints, there is little prospect of greater public funding becoming available for individuals pursuing claims.

Can discrimination law be made more effective as a policy tool? The National Audit Office has recommended that Jobcentre Plus should take a greater role in making ethnic minority job applicants aware of procedures for reporting suspected cases of discrimination.^{xii} It is suggested that Jobcentre Plus should consider innovative ways to increase awareness amongst ethnic minorities of reporting arrangements where discrimination has been perceived to occur. However, even greater awareness of discrimination law would not help individuals identify that discrimination has occurred nor reduce the cost of pursuing a claim.

B) Legislation: Equality duties

The Race Relations Amendment Act 2000 included a statutory duty on *public* bodies to promote race equality, and to demonstrate that procedures to prevent race discrimination are effective. The race equality duty followed the Macpherson Report and its conclusion that institutional racism had existed in the Metropolitan Police. This led to a new approach, based not on rectifying and responding to individual incidents of racism, but rather, placing an obligation on public bodies to positively promote equality, not merely to avoid discrimination. The objective of this change was to place race equality at the centre of all policy development and decision making, resulting in organisational change.

This approach was particularly geared toward public bodies as service providers, ensuring that a tendency toward a ‘one size fits all’ approach to provision did not emerge to the detriment of different groups. Subsequently, equivalent public sector duties were introduced for gender and disability. As a result, all public bodies in England, Wales and Scotland are subject to ‘public sector duties’ (PSDs) that place on them a series of legal obligations, in relation to race,

disability and gender. These are statutory duties, and as such, are legally enforceable. The legislative framework has two main components: the *general* duty and the *specific* duties. The *general* duty sets out the main objectives of each of the duties, whilst the *specific* duties are the individual steps that public bodies have to take to help them to meet the general duty. All public bodies subject to the duties are legally obliged to pay 'due regard' to the need to take action on race, disability and gender equality.

Public sector duties therefore embody a dual approach. *Specific* duties ensure particular outcomes are achieved by requiring organizations to act in certain ways, for example, performing 'diversity monitoring' exercises. As such, *specific* duties effectively comprise a form of regulation on public sector organizations, and these duties are best considered as individual policy tools.

In contrast, *general* duties preserve the discretion of individual organizations to demonstrate that they are complying with the requirement to promote equality, and as such, the duties are also mechanisms for achieving outcome-led organizational change. Common mechanisms used to demonstrate compliance include developing an equality policy - i.e. a written document setting out an organisation's commitment to tackle discrimination and promote equality and diversity – as well as compelling employees to undergo equality training and, for smaller public sector organizations, undertaking diversity monitoring.

In July 2008 the government announced plans to introduce a new equality duty, which will come into force in 2011. This will cover all seven strands of equality covered by the Equality and Human Rights Commission, i.e. race, disability, gender, gender identity, religion/belief, age, and sexual orientation.

Although originally geared toward public sector bodies as service providers, *general* equality duties have effectively created divergent recruitment regimes across the public and private sector in relation to equality and discrimination. Inevitably, this has resulted in the argument that public sector duties, both general and specific, should be extended to the private sector.

Pros:

- ▶ *Broad efficacy* - as a policy tool, *general* equality duties have been effective in achieving organisation change in the public sector, reflected in distinct employment and recruitment practices.

Cons:

- ▶ *Narrow efficacy* - *general* equality duties would be unlikely to prevent ethnic discrimination at the application stage of recruitment given the narrow and specific nature of the problem.
- ▶ *Monitoring and policing cost* – in order to be meaningful, the application of statutory duties have to be monitored and policed.
- ▶ *Acceptability* - any attempt to enforce equality duties on the private sector would likely meet significant resistance.

Comment:

General equality duties appear to have been effective in changing organisations within the public sector, and have 'shown the way' for what can be achieved. However, the cost and potential benefit of extending equivalent statutory duties to the private sector are too uncertain for this to be pursued. Many public sector bodies, particularly service providers such as local fire services, are broadly similar in function and organisation, and highly networked, thereby ensuring considerable scope for the exchange of best practice and reducing the cost of policing and monitoring

‘Diversity monitoring’ – mandatory in much of the public sector – can be an effective and flexible policy tool, applicable in different forms...

equality duties. In contrast, the private sector involves a much greater diversity of organisations in size, form and nature, meaning that policing and monitoring costs would be more significant. It is also unclear that general equality duties could effectively address as specific a phenomenon as the discrimination described in the first chapter.

C) Diversity monitoring

On this approach, data is gathered about individual organisations regarding the proportion of employees from minority ethnic groups. Organisations with workforces containing a proportion of minority ethnic employees below average, or not reflective of the local population, can then be identified as potentially engaged in discriminatory recruitment practices by both the organisation in question, as well as outside public or regulatory bodies.

Diversity monitoring has not just been applied to ethnicity, but can also be applied to other characteristics such as age, gender and disability. The key questions for any policy of diversity monitoring are:

- ▶ *Who monitors?* – individual employers, public bodies, trade associations;
- ▶ *What is monitored?* – levels of employment, opportunities for training;
- ▶ *What is done with the data?* – who controls the data, is it made publicly available;
- ▶ *What are the consequences?* – financial penalties, ‘naming & shaming’.

In the public sector, the Race Relations Act 2000 brought in monitoring regimes via a duty requiring employers to monitor by ethnicity the numbers of staff in post and applicants for employment, training and promotion. Larger public organizations with more than 150 full-time staff are compelled to monitor the numbers of staff from each racial group who:

- ▶ Receive training;
- ▶ Benefit or suffer detriment through performance assessment procedures;
- ▶ Are involved in grievance procedures; or are the subject of disciplinary procedures;
- ▶ Cease employment.

This data must be published annually to see if differences exist in outcomes for different ethnic groups. Public sector employers must then investigate the reasons and deal with any unfairness, disadvantage or possible discrimination.

In the private sector, mandatory diversity monitoring is limited to businesses in Northern Ireland with more than ten employees who must conduct monitoring during recruitment. This legal requirement is a response to religious discrimination that has afflicted the region for decades. Outside Northern Ireland, private sector employers are encouraged to voluntarily gather and internally interpret monitoring data.^{xiii} However, such monitoring is purely voluntary. Although many large companies with dedicated human resource functions do choose to undertake diversity monitoring, this data may not necessarily be made publicly available.

Pros:

- ▶ *Evidence* – gathering data on diversity can reveal discrimination and facilitate a response from employers and other bodies to tackle the problem.
- ▶ *Soft-coercion* – knowledge that data on an organisation’s workforce is being gathered may inhibit recruiters from engaging in discriminatory practices;
- ▶ *Targeting* – where external bodies are able to access data, resources can be targeted on organisations where evidence suggests discrimination in recruitment is occurring.

Cons:

But can also be expensive, and becomes problematic when applied to small organisations without HR departments...

- ▶ *Cost* – collecting data for monitoring imposes a compliance cost for employers;
 - ▶ *Administration* – although data gathering may be relatively cheap proportional to the size of the organisation, collection can be difficult to police and potentially difficult to enforce.
 - ▶ *Employee resistance* – some employees may object to completing surveys requiring details of their ethnicity'
 - ▶ *Ex-post response* - data revealing low levels of employment of minority ethnic groups does not of itself help those that have been discriminated against;
 - ▶ *Suitability* – the number of employees in small to medium-sized organisations may create sample-size problems for identifying with certainty that employment of minority ethnic groups is statistically below average;
 - ▶ *Reliability* - data gathered from employers does not prove discrimination is occurring as multiple other factors may cause lower employment of minority ethnic groups by an organisation, such as effective 'de-selection' by individuals who expect discrimination;
 - ▶ *Efficacy* – given that data on an organisation's workforce would not of itself prove discrimination has occurred, and penalties are therefore hard to justify and impose, those employers engaged in discriminatory recruitment practices may simply ignore the entire process.
- ▶ *Public subsidy* - the cost of compliance by public sector organisations effectively falls on taxpayers with the result that there was limited opposition to these costs.
 - ▶ *Marginal cost* – for large organisations, economies of scale and the incidence of fully-fledged HR departments make diversity monitoring in recruitment feasible and affordable.

The effectiveness of ethnic minority workforce monitoring within the public sector could be tweaked in numerous way, for example, by publishing data more frequently. In relation to the private sector, various forms of diversity monitoring could be conceived. Potential policy options include:

- ▶ *Compulsory monitoring* – the Government could extend the duty for employers to monitor their workforce by ethnicity from the public to the private sector. To limit resistance, companies could retain the right to keep this data confidential;
- ▶ *Kite-marking* – the Government could develop and endorse publicly approved standards for companies that apply effective diversity monitoring schemes, as well as other measures to promote race equality, building on existing schemes such as Investors in People (IiP). This was a key recommendation of the National Employment Panel in their review of ethnic discrimination.^{xiv}
- ▶ *Targeted audits* – where the government has reason to believe that discriminatory recruitment practices may be occurring, the government could enforce workforce monitoring on specific organisations, industries, cities or regions.

Comment

Since the passing of the Race Relations Act in 2000, public sector organisations with more than 150 full-time employees have engaged in diversity monitoring, and publicly reported the ethnic characteristics of their workforces. The UK government was able to create these duties and obligations for public sector employers contained in the Act because:

However, while undoubtedly important and useful in identifying ethnic discrimination in recruitment, greater diversity monitoring in the private sector would on its own be unlikely to eliminate discrimination, particularly at the application stage. Although more stringent penalties could be applied, including exposing companies to potential naming and shaming through

Education campaigns address the root cause of discrimination – attitudes – but are difficult to focus on targeted outcomes and audiences...

making data publicly available, this measure would provoke significant private sector opposition, and would be difficult to justify given reliability problems associated with attributing the level of workforce diversity to ethnic discrimination.

D) Education and awareness campaigns

Successive governments have sought to tackle ethnic discrimination through education and awareness campaigns. These may range from generalised poster campaigns and mail-shots promoting race equality to specific material targeted at particular industries, cities, regions or organisational levels, such as company boards. For example, in recent years, multiple campaigns have sought to promote the business benefits of diversity to boards of directors. These efforts focus on changing organisational cultures, the attitudes of individuals, and the importance given to workplace diversity by those in charge of organisations.

Pros:

- ▶ *Causal response* – unlike other policies, education campaigns seek to address the root cause of discrimination in recruitment: the attitudes of individuals.
- ▶ *Reach* – as a policy measure that is not limited to certain types of recruitment, education campaigns can be effective across all types of formal and informal recruitment, including speculative application and word-of-mouth.

Cons:

- ▶ *Targeting* – it may be difficult for policymakers to target efforts on those employers engaged in discriminatory behaviour without possessing diversity monitoring data.
- ▶ *Efficacy* – individuals may be resistant to the effect of public awareness campaigns.

- ▶ *Measurement* – it is difficult to reliably measure the effectiveness of educational campaigns to change attitudes, given challenges associated with identifying outcomes resulting from particular interventions, and the multiple other influences on the attitudes that individuals hold about race.

Comment

Successive UK governments have sought to tackle racism and ethnic discrimination in society through educational and awareness campaigns, and such measures are the only policy tool available that actually seeks to tackle the fundamental cause of ethnic discrimination, i.e. underlying attitudes. In recent times, policymakers have sought to move away from a 'broad-brush' approach toward intelligent targeting, for example, persuading company boards to adopt the benefits of diversity in order to change corporate culture 'from the top'. However, the persistency of ethnic discrimination in the private sector and the absence of obvious measures to improve the effectiveness of educational campaigns do not suggest they provide significant scope for achieving the objective of eliminating ethnic discrimination in recruitment.

E) 'Anonymised recruitment'

During the formal recruitment process, many organisations separate from application forms information that may indicate the ethnic origin of the applicant, as well as other characteristics such as gender and age. In particular, this separation of personal information is more likely to occur in the public sector when employers use standardised job application forms in their recruitment.

In relation to the private sector, the government does encourage employers to adopt recruitment practices

‘Anonymised recruitment’, such as standardised application forms from which personal information can be removed are effective, but costly for some organisations...

used in the public sector. The government’s business advice and information service – Business Link – tells employers that: “it is not unlawful to ask candidates whether or not they are disabled and for their ages, ethnicities, etc. on application forms. However, you should save such questions for a diversity monitoring form that you can separate from the main application.”^{xv} Nevertheless, this remains advice only, and in the research on ethnic discrimination described in the first chapter, it was found that standardised forms were used in 79 per cent of public sector applications compared to six per cent of those to private sector employers. This difference in recruitment practice is a key facet of the different regimes that have evolved across the private and public sector in the wake of statutory duties on public sector employers to promote equality.

Pros:

- ▶ *Efficacy* – ‘anonymised recruitment’ at the application stage makes discrimination impossible: recruiters have no information regarding the ethnic origin of applicants.

Cons:

- ▶ *Suitability* - ineffective in situations where job offers result from informal recruitment, such word-of-mouth applications.
- ▶ *Cost* – implementing anonymised recruitment practices imposes a compliance cost on employers, who have to allocate staff and resources to process job applications and separate forms.
- ▶ *Attitudes* – anonymised recruitment practices do not of themselves do anything to change discriminatory attitudes among individual employers.

Comment:

The low prevalence of ethnic discrimination in the public sector does suggest that the widespread application of anonymised forms is an effective

mechanism for eliminating ethnic discrimination in recruitment. The barriers to its application in the private sector relate to cost, feasibility and, therefore, take-up. In particular, the cost of developing a standardised application form and diversity monitoring questionnaire that is separated during the selection process may deter many smaller companies from doing so. Policymakers could therefore focus on how these issues could be addressed for the private sector, and this question is explored further in the next chapter.

F) Public sector procurement

Although it is not a direct mechanism to reduce ethnic discrimination in private sector recruitment, procurement by the public sector deserves specific analysis as a mechanism used by policymakers in relation to the private sector to improve the effectiveness of government policies to reduce discrimination.

The state is the single biggest purchaser of private sector goods and services in the UK economy. As such, it is able to exert influence on its suppliers using its considerable buying power. This potentially extends to the behaviour of supplier companies in relation to ethnic employment, recruitment practices and the promotion of equality. Public sector organisations can choose to only purchase goods and services that undertake workforce diversity monitoring, or which meet certain defined criteria for ethnic employment.

In a major review of discrimination within the private sector, the National Employment panel concluded that procurement could and should be a key lever for the government to change the behaviour of private sector employers. It recommended that the government establish a public sector-wide procurement policy to use more robust pre-qualification questions and

As a major buyer of goods and services, public sector procurement can be a vehicle for pushing change within the private sector, but imposes monitoring and cost considerations...

contract conditions to promote race equality in the workplace, but without imposing burdens on small companies.^{xvi} Indeed, it is worth noting that as a tool, public sector procurement can be applied in a targeted way, for example, in specific sectors or geographical areas.

Pros:

- ▶ *Targeting* – as a policy tool, public procurement can be easily targeted at particular industries or regions.
- ▶ *Soft-coercion* – using procurement to achieve organisational behaviour change is more acceptable to interest groups.

Cons:

- ▶ *Scope* – only effective in relation to those companies that significantly rely on public sector contracts, and are therefore incentivised to enact change to their recruitment practices.
- ▶ *Cost* - to the extent that non-commercial factors are a consideration in public sector procurement decisions, this may lead to poorer value-for-money, thereby shifting some cost to the taxpayer.
- ▶ *Monitoring* – specifying supplier behaviour in relation employment and recruitment practices arguably requires some form of monitoring framework to be effective, which in turn could be potentially expensive.

Comment:

As a form of soft-coercion imposed on the private sector, the greater use of public sector procurement could be a significant tool for increasing the effectiveness of specific policies to encourage diversity monitoring, anonymised recruitment and educational campaigns. It also provides a direct mechanism for aligning commercial self-interest with the race equality objectives of policymakers. However, in a difficult fiscal climate, policymakers may re-evaluate priorities and opt to reduce the transaction costs of procuring, and

the cost of goods and services purchased by the public sector, by disregarding the recruitment and employment practices of suppliers. Nevertheless, as a form of soft-coercion, procurement practices could be developed and applied in other different ways, and this potential is explored in the next chapter.

Conclusion

This chapter has reviewed the principal policies deployed to tackle ethnic discrimination in recruitment: discrimination law; equality duties; diversity monitoring; educational campaigns, and ‘anonymised recruitment’. The application of these measures across the private and public sector has varied, reflecting the different legislative framework applied to both and the ability of governments to impose on taxpayers the (lower marginal) cost of eliminating ethnic discrimination in recruitment in the public sector.

The result of these differing regimes is that ethnic discrimination in recruitment has persisted in the private sector, which has taken limited steps to change recruitment practices. Indeed, a report for the then Department for Trade and Industry found that found that only one in five employers took steps to review the impact of their recruitment and selection procedures on race equality.^{xvii}

The guiding principle for policymakers must be to encourage the private sector to move closer to the recruitment practices observable in the public sector. The most direct measure to do this would simply be to extend to the private sector the *general* and *specific* equality duties on public sector employers to promote race equality, and to demonstrate that procedures to prevent race discrimination are effective. However, not only would such a measure be stridently opposed by interest groups and trade associations, it would impose very high monitoring and policing costs on the state, for example, in relation to small businesses. In

The guiding principle for policymakers must be to encourage the private sector to move closer to the recruitment practices observable in the public sector...

In addition, the compliance costs for the private sector would be significant, and in the case of smaller enterprises, could be fatal, creating the risk of a significant cost and impact to the wider economy.

In the absence of enforcing changed behaviour on the private sector through legislation, the next chapter therefore explores how recruitment practices could be changed through other means.

Key points:

- ▶ Some of the key policies tools available to government to address ethnic discrimination in recruitment include: discrimination law; equality duties; diversity monitoring; educational campaigns, and 'anonymised recruitment'.

4. New policies to tackle ethnic discrimination in recruitment

Three new policies to address ethnic discrimination at the application stage of recruitment into the private sector are proposed...

In light of the analysis of the previous chapter, three new policies are developed here that focus on ethnic discrimination at the application stage of recruitment into the private sector.

Research by NatCen described in the first chapter suggests that some private sector recruiters discriminate against applicants with 'non-white' names. Despite the broad range of policy interventions and approaches that have sought to address discrimination in recruitment and employment, it appears that this form of 'ethnic filtering' at the application stage of recruitment continues, effectively 'falling through the cracks' of existing public policy in this domain. Analysis of existing policy measures in the previous chapter highlighted some potential reasons for this ineffectiveness.

Building on such analysis, this chapter therefore develops three new approaches the government could implement to tackle this issue.

A) Random diversity monitoring with public subsidy

The private sector has consistently resisted the obligation to publish data on workforce diversity, citing the cost of gathering such data and issues around reliability and the scope for misinterpretation of publicly available data. Indeed, if all companies were obliged to undertake diversity monitoring, the aggregate cost to the economy would be significant.

Instead, the government should implement a new regime of random diversity monitoring, with public subsidy. On this approach, randomly selected companies would be required to undertake reviews of workforce diversity, and would be provided with financial grants to cover associated costs. Some

element of targeting could be applied, such as focusing on large cities so that resources were not used in relation to employers in geographical areas with negligible ethnic minority populations. Where appropriate, employers could use external service providers to undertake a diversity monitoring exercise.

By ensuring that all companies know that they may be subject to a mandatory monitoring exercises in which data will be collated on the workforce, policymakers can secure behavioural benefits of diversity monitoring on recruitment practices, without imposing the wider economic costs of universal compulsory monitoring. Faced with the knowledge that they may be audited at any time, companies would be more motivated than currently to review and improve recruitment practices. To ensure the regime was effective, data from such monitoring could be made publicly available, in order that companies confront the risk of being 'named and shamed'.

A key benefit of this approach is that it secures many of the benefits of a universal mandatory diversity monitoring regime, without the costs to the public purse of policing and monitoring. Because only a relatively small number of companies would be targeted at any one time, interest group opposition would be limited.

B) Private sector procurement

The previous chapter explored how public sector procurement can be used to achieve behaviour change in the private sector by policymakers seeking to eliminate ethnic discrimination in recruitment. However, the use of procurement as a tool for this purpose does not have to be limited to public sector organisations. Large private companies can also exert pressures on their suppliers by requiring that they use anonymised recruitment or undertake diversity monitoring.

Quick wins would include a new regime of compulsory diversity monitoring exercises enforced on randomly selected firms, as well as encouraging the use of procurement *within* the private sector...

Considerable potential therefore exists for private sector procurement to bring about improvements in recruitment practice and procedure. Indeed, for companies that herald their own workforce recruitment practices and equality policies, but do not ensure that their suppliers also maintain similar standards in recruitment, applying pressure on suppliers through procurement would arguably represent a logical and necessary step. The government could facilitate such changes in the private sector by making it easier for different companies to vet equality and diversity practices of suppliers.

C) Expanding 'anonymised recruitment': toward greater use of online recruitment services

As with diversity monitoring, usage of 'anonymised recruitment' through standardised application processes is more common in the public sector than the private sector. The government has been able to enforce these practices on the public sector because:

- ▶ *Public subsidy* - the cost of administering anonymised recruitment falls on taxpayers;
- ▶ *Marginal cost* - public sector organisations are typically large ensuring that economies of scale and the incidence of fully-fledged HR departments make anonymised recruitment feasible and affordable.

As research on discrimination into ethnic discrimination in recruitment has identified, the usage of anonymised recruitment and standardised application forms by the public sector has been associated with the elimination of discrimination in recruitment from the public sector. Could it be adopted more widely in the private sector? The key challenges would be associated with:

- ▶ *Feasibility* – many small employers have very limited available administrative capacity to implement anonymised recruitment procedures, in

particular, the development of standardised recruitment forms required;

- ▶ *Cost* – the effective cost of administering anonymised recruitment may be high, for example, among organisations that only recruit one new employee each year.

As such, any proposal to make anonymised recruitment mandatory in the private sector would likely be opposed by private sector representative bodies, particularly those involving smaller employers.

The challenge for policymakers is therefore to reduce the cost and administrative burden of undertaking anonymised recruitment. How can this be achieved?

The outsourcing of various human resources (HR) functions has been a growing trend over the last decade, and such services have included recruitment. Crucially, this form of business process outsourcing (BPO) can include services accessed via online portals, reducing the cost and disruption to employers significantly. By enabling companies to engage in online recruitment, which see job applicants apply using standardised web-based application forms, which can then be processed for employers with indicators of ethnic origin removed, BPO providers have actually promoted their services as a means to ensure compliance with recruitment regulations.

To eliminate ethnic discrimination by employers at the application stage of recruitment, and enable a much greater usage of anonymised recruitment practices, the Government should adopt policies to increase the usage of such BPO services by the private sector and SMEs in particular. Given that many SMEs would be deterred from such services by cost, the government should facilitate 'group-purchasing' of such services by employers. This could be achieved by grouping employers according to:

More radically, expanding the use of outsourced HR services by companies in targeted regions or sectors, which can be accessed online, offers the potential for much greater application of anonymised recruitment...

- ▶ *Sector* – encouraging greater use of HR outsourcing by sector. For example, trade associations could be enlisted to enable ‘block purchase’ of outsourcing services on behalf of multiple members.
- ▶ *Region* – as noted above, ethnic discrimination in recruitment is concentrated in larger UK cities with significant ethnic minority populations. Local authorities in these cities could therefore take the lead in organising local companies to use outsourced HR services through block-purchasing. One option would be for local government itself to shoulder the cost of purchasing these services on behalf of local companies.

More widely, the Government should work with private sector providers of outsourced BPO services to explore: what are the barriers to employers, particularly SMEs, in using online recruitment services? Have BPO service providers got the right product for SMEs, given many small companies may have limited IT capability and expertise.

Participation would be a key challenge for such a policy. Although the government could adopt a compulsory approach, less resistance would be encountered if it first explored more voluntary measures, such as ‘kite-marking’ companies that engage anonymised recruitment practices, or forms of soft-coercion that may be applied by trade groups.

Key points:

- Three new policies to address ethnic discrimination in recruitment include randomised diversity monitoring, the use of outsourced online recruitment services, and private sector procurement.

5. Conclusion

This report has analysed the ongoing problem of ethnic discrimination at the application stage of recruitment into the private sector. Research by NatCen has been able to identify and quantify this discrimination, as well as the markedly different outcomes observable in the public sector.

sector closer to those that can be found in the public sector.

Great progress has been made in relation to ethnic discrimination in employment and the labour market over the last decade. However, in critical respects, the suite of policies deployed are failing: discrimination is falling through the cracks of this regime.

In effect, the Race Relations Act 2000 created two-tier recruitment practices that almost entirely eliminated discrimination in the public sector, but has allowed ethnic discrimination to persist in the private sector. With such reliable evidence of this discrimination now available, policymakers must respond, and this report has developed a set of potential new policy levels to deploy.

Private sector interest groups have – understandably - maintained a guarded position against the growth of equalities regulation, mindful and wary of the cost and burden that regulation can impose on small organisations. This report has sought to recognise these concerns, and explore how new practices can be introduced that would impose limited new burden on employers; indeed, outsourced, low-cost recruitment services may actually reduce the costs of recruitment and prove a net gain.^{xviii}

However, such is the pernicious and persistent nature of name-based ethnic discrimination in private sector recruitment, the two-tier labour market that exists in relation to ethnic discrimination can no longer be tolerated. Imaginative and targeted policy interventions are therefore required to bring outcomes in the private

ⁱ Riach P and Rich J (2002) "Field Experiments of Discrimination in the Marketplace" in *The Economic Journal*, No. 112, F480-518; quoted in Wood M et al. (2009) *A test for racial discrimination in recruitment practice in British Cities*, Department for Work and Pensions, London

ⁱⁱ Wood M et al. (2009) *A test for racial discrimination in recruitment practice in British Cities*, Department for Work and Pensions, London

ⁱⁱⁱ Of a working-age population of 40 million people in the UK, 29 million will be in employment, of whom 6 million will be in the public sector, 20 million in the private sector and 3 million self-employed. See

http://www.padeliveryauthority.org.uk/documents/PADA_IC_Chapter_2.pdf

^{iv} Labour Force Survey (Quarter 1: 2007) quoted in National Audit Office (2008) *Increasing employment rates for ethnic minorities*, NAO: London

^v Heath A and Yi Cheung S (2006) *Ethnic penalties in the labour market: Employers and discrimination*, Department for Work and Pensions

^{vi} Ibid.

^{vii} These figures are based on the cost of the employment gap as estimated by the Department. They assume no displacement effects, as articulated in the Department's Impact Assessment for the Green Paper, *In Work, Better Off*; quoted in NAO (2008) *Increasing employment rates for ethnic minorities*, NAO: London.

^{viii} Adapted from National Audit Office (2008) *Increasing employment rates for ethnic minorities*, NAO: London

^{ix} See <http://www.equalityhumanrights.com/your-rights/race/advice-on-what-to-do-if-you-are-racially-discriminated-against/is-it-easy-to-bring-a-racial-discrimination-case>

^x Ibid.

^{xi} National Employment Panel (2007) *60/76: The Business Commission on Race Equality in the Workplace*, Department for Work and Pensions, London

^{xii} National Audit Office (2008) *Increasing employment rates for ethnic minorities*, NAO: London

^{xiii} For example, Business Link advises firms as follows: "If your monitoring reveals imbalances in staff numbers in terms of race, sex, etc you can use positive action to:

- Encourage members of the under-represented group to take up opportunities for work, eg by having job advertisements stating that applications from, for example, women, or minority ethnic groups will be particularly welcome. However, the advertisement must still state that the final recruitment decision will be based solely on merit.
- Give members of, for example, the minority sex or non-white people access to training for particular work.
- The provision of training for specific groups can help them to:
 - develop interview techniques
 - better complete application forms
 - develop confidence or assertiveness
 - develop management skills to help them to apply for promotion
 - develop skills to the required level to compete for jobs and promotion opportunities.
- You could also provide training to, for example, older workers who have out-of-date skills careers counselling and guidance for those wishing to return to work after a long break, eg women who have not worked for a long time owing to their childcare responsibilities. However, positive discrimination - eg deliberately recruiting only non-white people to reach a quota - is unlawful."

^{xiv} National Employment Panel (2007) *60/76: The Business Commission on Race Equality in the Workplace*, Department for Work and Pensions, London

^{xv} Business Link (2009) *Prevent discrimination and value diversity*

^{xvi} National Audit Office (2008) *Increasing employment rates for ethnic minorities*, NAO: London

^{xvii} Alpin, C et al (2005) *Inside the Workplace: First Findings from the 2004 Workplace Employment Relations Survey*, Department for Trade and Industry. Available to download from <http://www.berr.gov.uk/files/file11423.pdf>.

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