## JRF programme paper: Poverty and ethnicity

## Poverty, ethnicity and education

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May 2011

#### This paper:

- summarises the evidence from literature, about the employment and earning benefits of education for different ethnic groups;
- explores what factors affect the employment and pay benefits (returns) for people from different ethnic groups who achieve the same qualification level, and shows that there are different attainment outcomes for different ethnic groups at every stage of the education system; and
- explores the significance of minority ethnicity in the type of higher education or training attended, attainment in higher education and, therefore, in labour market outcomes and earning capacity.

The Joseph Rowntree Foundation (JRF) commissioned this paper as part of its programme on poverty and ethnicity which aims to understand the underlying reasons for variations in low income and deprivation among different ethnic groups in the UK and the problems caused. It also aims to contribute towards solutions to these problems.

ISBN 978 1 85935 814 6

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This paper was commissioned to inform the work of the JRF poverty and ethnicity programme, which aims to understand the underlying reasons for variations in low income and deprivation among different ethnic groups in the UK and the problems caused. It also aims to contribute towards solutions to these problems.

The Joseph Rowntree Foundation has supported this project as part of its programme of research and innovative development projects, which it hopes will be of value to policy-makers, practitioners and service users. The facts presented and views expressed in this report are, however, those of the authors and not necessarily those of JRF.

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First published 2011 by the Joseph Rowntree Foundation

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ISBN 978 1 85935 814 6 (pdf)

Ref: 2608

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## **Contents**

		Page
Section 1	Introduction	3
Section 2	Experiences at different stages of the education system	4
Section 3	Post-16 and post-18 education	9
Section 4	Employer behaviour	13
Section 5	Possible recommendations and future directions	15
	Notes	17
	References	17
	About the authors	23

#### Introduction

This paper seeks to draw out what we know and what we do not know about the underlying causes of the differential employment and pay benefits (returns) of education between different ethnic groups, and the ways in which these interact with other factors which, such as gender and social class, which affect the benefits of education. Platt (2007) has highlighted the high rates of poverty among some ethnic groups, and lower employment rates for Pakistani, Bangladeshi and black African people of working age, including those born in the UK, as well as the differential benefits of degree-level education for Pakistani and Bangladeshi men and women. Strand (2008) has highlighted how the attainment of white British pupils is polarised by social class to a greater extent than any other ethnic groups. The educational under-achievement of white British pupils in inner city schools has further drawn attention to the situation of white working class pupils living in disadvantaged neighbourhoods with high levels of poverty (Demie and Lewis, 2010a).

A growing acknowledgement of in-work poverty has led to an increased emphasis on the importance of skills and qualifications to address child poverty (Bradshaw, *et al*, 2006) and labour market disadvantage (Green and Owen, 2006) and increase social justice (HM Treasury, 2006). Moreover, poverty can be transmitted across generations via educational disadvantage; childhood poverty is associated with lower educational attainment which, in turn, is associated with low income in adulthood (Smith and Middleton, 2007).

Increased education reduces out-of-work poverty by increasing the likelihood of being in paid work, and reduces in-work poverty by increasing earnings. (Smith and Middleton, 2007). Both the level and type of qualification are key influences on the probability of being in employment and lifetime earnings (Machin and McNally, 2006). The strong relationship between qualifications and wages is evident. For example, people who achieve level 2 vocational qualifications earn substantially more than those who do not (DIUS, 2007). Those from economically disadvantaged backgrounds potentially get the highest benefits from education (Machin and McNally, 2006). This paper seeks to marshal the available evidence regarding differential benefits from education by ethnicity, exploring:

- What factors affect the employment and pay returns for people from different ethnic backgrounds who achieve the same qualification level? How, and at what stage, do they have an impact? How does this impact on patterns of poverty?
- What scope is there for changing the situation so that education provides a more effective and equitable ladder out of poverty? To what extent does the capacity for change lie within or outside the education system itself?

The paper is framed in terms of the stages from early learning to higher education participation, and seeks to draw out both individual and structural factors, with a primary focus on employment and wage returns. It seeks to identify explanatory factors for differential returns and highlight priority issues for further research (Gillborn, 2010).

There is a large econometric literature exploring the returns to education. Because of the difficulties in comparing like with like even within the same family (as birth order, changes in parental income and so on affect outcomes) some studies have concentrated on same-sex twins, while others have sought to control for observed

differences by means of statistical techniques such as propensity score matching. This provides some indication of the complexities in seeking to make comparisons based on populations rather than individuals, and populations which are known to differ in many salient ways. It can also be difficult to separate the causal effect of qualifications on earnings from the fact that individuals with certain characteristics (often unobserved) may select to participate in certain types of learning. It is necessary to keep this in mind when interpreting and analysing the evidence presented (Machin and McNally, 2006).

# Experiences at different stages of the education system

Table 1 summarises the research evidence on key differentials by ethnicity, gender and social class at different stages of the educational process. Some additional issues are also highlighted in the text which follows.

Educational stage	Participation	Outcomes	Other comments
Early years	Non-white children under- represented.	Some ethnic minority groups (black Caribbean, black African and those with ESOL needs) make better progress than white British children (Sammons, et al, 2002).	Attending pre-school shows positive effects on children's later outcomes for attainment)(Strand,1999; Sammons, <i>et al</i> , 2008). Disadvantaged pupils show higher attainment later if they had previously attended highly effective pre-school.
Primary school	NA – compulsory	Children of mixed white and Asian heritage do best at this stage. Mixed white and black Caribbean children do less well than average (Tikly, et al, 2004).	Poor reading ability and social skills (more common among boys) at this stage are indicators of likely future disadvantage (Goodman and Gregg, 2010).
Secondary school	NA – compulsory	Poverty is largest driver of differential performance – three times that between different ethnic minority groups who are equally disadvantaged (Gillborn, 2008a)  Notable gender disparities with boys (especially black Caribbean boys and white boys from deprived households) doing worse (Kingdon and Cassen, 2007).	Notable decline in performance for black Caribbean boys between Key Stage 2 and Key Stage 4, indicating that potential is not being met (Kingdon and Cassen, 2007).
Post-16 education	Non-white students over- represented in FE colleges, and middle class students under-represented (Connor, et al, 2004). Middle class students more likely to attend school 6 <sup>th</sup> forms.	Pakistani and Bangladeshi young people achieve fewest qualifications at this stage (Tolley and Rundle, 2006).	Limited take-up of apprenticeships and vocational qualifications by minority ethnic groups and poor progression on completion for those who do take this route (DCSF/DIUS, 2008); Fuller and Davey, 2010).
Post-18 education	Minority ethnic groups generally over-represented, apart from black Caribbean men (Torgerson, et al, 2008). White men from lower socio- economic groups under-	Students from minority ethnic groups are less likely to achieve a higher degree class. The only exceptions to this are the 'other black', 'mixed' and 'other' groups (Broeke and Nicholls, 2007).	Black and Asian students more likely to enter via clearing (Purcell, et al, 2008).  Asian students more likely to live at home while studying (Purcell, et al, 2008).  Minority ethnic students generally older on entry to HE.
	represented (Aynsleya and Crossouarda, 2010)		Minority ethnic students concentrated in low-tariff (mainly post-1992) universities.

#### Early years education

Strand (1999) has shown that pupils with early education had higher attainment than those with no early education. The positive impact on attainment increased in relation to the amount of early education received (Strand, 1999). Recent research corroborates this, with evidence that attending a pre-school has a positive effect on children's later outcomes for attainment. In particular, disadvantaged pupils show higher attainment in Year 6 if they had previously attended an effective pre-school (Sammons, et al., 2008). Participation in good quality pre-school education is most important to those children who do not enjoy a satisfactory home learning environment (Sylva, et al, 2007). It is the quality of the pre-school attended, though, that is important. Attending a high quality pre-school leads to a stronger and more enduring effect on outcomes for attainment in English and mathematics (Sammons, et al., 2008.

Perhaps not surprisingly, the potential importance of pre-school for life outcomes has been recognised by policy-makers, for example, in establishing the Sure Start children's centres. The impact of Sure Start has been shown to be positive, on balance. Schools have reported improved attitudes to learning and social development among children who have used Sure Start services, easing their transition into primary school (Ofsted, 2009).

Some research evidence suggests there is a link, albeit indirect, between the cognitive and social competences developed in childhood and individuals' highest educational attainments, and their later employment and earning (Carneiro, *et al.*, 2006). However, Johnson and Kossykh's (2008) extensive review of literature on early years, life chances and equality found no evidence that directly linked earnings or employment rates to observed ethnic differences in early years experiences.

Despite the positive impact of early years education, it is known that fewer children from ethnic minority groups participate in formal pre-school childcare, compared with white children (Fitzgerald, et al., 2002). Johnson and Kossykh (2008) note that mothers from ethnic minority groups are more likely to stay at home to look after their children, and to rely more on a network of extended family members, friends and neighbours. This produces an interesting dichotomy, particularly as most ethnic minority children tend to have better outcomes at primary school and beyond. This, in turn, raises an important question about the extent to which ethnic minority children benefit from a positive home learning environment, which may ameliorate the possible disadvantage of not attending formal pre-school.

#### Primary and secondary school

The advantage of early years education has been shown to be visible at Key Stage 1 (age 4 to age 7); and pupils who receive early education have higher attainment than those with no early education. The key question though, is at what precise age the ethnic gaps in particular first appear. Strand's (1999) study of inner London pupils showed that black pupils with high attainment at age 4 and white pupils from economically disadvantaged backgrounds, all made less than expected progress during Key Stage 1. Indeed at this stage it was already apparent that more able black Caribbean pupils in particular made relatively poor progress, compared to their white peers. In contrast, Chinese pupils made more progress than their white peers. It is also significant that Indian pupils from low socio-economic background had the highest level of progress at primary school. Strand's study highlighted the fact that although Indian,

Bangladeshi and Chinese pupils all started their primary school education with lower attainment than white pupils, they had caught up by the end of Key Stage 1 (Strand, 1999).

On the whole, the already large gap in attainment at age five between children from the poorest and richest backgrounds appears to increase rapidly during the primary school years (Goodman and Gregg, 2010). Recent research evidence shows that overall, boys outnumber girls as low achievers by a ratio of three to two, and boys have weaker reading and writing skills at primary school. This has (negative) repercussions at later stages, as children who have poor reading and writing skills at primary school are more likely to become low achievers at age 16.

With regard to ethnicity, Chinese and Indian students are known to be the most successful in avoiding low achievement, but also have the greatest probability of escape from low achievement at age 11. Cassen and Kingdon (2007) have shown that by age 16 (Key Stage 4), almost nine out of ten (86 per cent) Indian children who at age 11 (Key Stage 2) were in the bottom 10 per cent of achievement, have climbed out of it. (Thirteen per cent of the Indian students had moved into the highest achievement category, compared with fewer than three per cent of white British students). On the other hand, Cassen and Kingdon (2007) estimate that only 59 per cent of black Caribbean boys who are in the top half of performance at Key Stage 2 remain there at Key Stage 4. (This figure is significantly lower than for pupils from the white British [76] per cent] and other ethnic groups [76.4 per cent of Bangladeshis, 78.9 per cent of Pakistanis, and 87.4 per cent of Indians]). Black African pupils present a mixed picture, with regard to attainment. At age five, they attain higher literacy scores than expected, but do worse for numeracy. By age 10, they are doing worse than expected for literacy (Sylva, et al., 2007). However, together with Bangladeshis and Pakistanis, black African students achieve higher GCSE scores than equivalent white students (Wilson, et al., 2006).

The potential explanations put forward for the decline in the performance of black pupils, particularly black Caribbean pupils, and hence the ethnic gaps, include the quality of schools attended by pupils from different ethnic groups (Cassen and Kingdon, 2007), low teacher expectations of black pupils in English schools (Gillborn, 2008b), and perceived low returns to educational qualifications in a prejudiced labour market (Kingdon and Cassen, 2007). Cassen and Kingdon (2007) suggest that school quality makes a difference to outcomes, even after taking into account students' social and economic circumstances. They argue furthermore that disadvantaged students and minority ethnic students are likely to attend worse-performing schools, which in turn affects their performance adversely. However, Strand (2010) cautions against uncritical interpretation of data from test results at Key Stage 2 as identifying low-quality schools as the cause of black pupils' underachievement. His analysis of an entire English national cohort of over 500,000 pupils shows no evidence of significant differential school effectiveness in progress by ethnicity. More particularly, there was no evidence that an ethnic gap arises from black Caribbean pupils attending poor quality or less effective schools. On the other hand, the schools that were most effective for white British pupils were also most effective for black Caribbean pupils.

In terms of benefits from education, de Coulon *et al* (2007) suggest that the best predictor of how skilled an adult will be is his or her skill level in primary school. In this regard, cognitive test scores obtained in primary school are important determinants of adult basic skills.

At secondary school, pupils are allocated to different 'tracks' at ages 12 and 13. according to their (academic) ability. The different tracks include GCSEs or equivalent qualifications such as Young Apprenticeships 1 (Newton, et al., 2007). There is increasing consideration of ability grouping or curriculum tracking as a potential factor to explain the (differential) attainment of students from different ethnic groups. Several US studies have shown that black students are disproportionately placed in low-ability groups or tracks early in their educational careers, and that such placement leads to the development of negative attitudes to learning and, consequently, to poorer attainment (Strand, in press). In the UK, there is evidence that black Caribbean pupils are disproportionately entered for lower tier maths and science examinations at age 14. Strand (in press) has shown that black Caribbean students are the only ethnic group to be consistently under-represented, relative to white students in entry to higher maths and science test tiers. Furthermore, this under-representation is not a reflection of their lower prior attainment; nor of differences in gender, social class, and a wide range of contextual variables. Strand concludes it is possible that teachers' judgements of black Caribbean students' academic potential may be distorted by perceptions of their behaviour as more problematic. This may, in turn, lead to a tendency to underestimate their academic ability.

While black Caribbean children (particularly boys) have been consistently identified as underachieving at secondary school level, it is perhaps pertinent to point out that other research shows that around half of all low-achieving school leavers are white British males (Kingdom and Cassen, 2007; Cassen and Kingdon, 2007). Indeed, Strand (2008) has noted that after all socio-economic factors are taken into account, white British pupils from low socio-economic classification (SEC) homes made the least progress over the course of secondary school (Strand, 2008). In this regard it is particularly notable that the white Traveller group are the worst performers at secondary school, with one in five (20 per cent) of Key Stage 4 takers achieving no GCSE/GNVQ passes (Cassen and Kingdon, 2007).

Research evidence also suggests that students from different ethnic groups are not evenly represented in Young Apprenticeships. It is especially difficult to encourage young ethnic minority women to participate in Young Apprenticeships (Newton, *et al.*, 2007).

The skills and qualifications gained by young people, and how these translate into adult outcomes, are also influenced by more subtle differences in secondary school experiences, relating more broadly to feelings of inclusion and opportunity. For example, staff training and provision of appropriate role models have been identified as important in meeting the needs of mixed heritage learners, and attenuating feelings of exclusion (Tikly, *et al.*, 2004).

#### Post-16 and post-18 education

Rates of staying-on in full-time education at 16 have for some time been higher among ethnic minority groups than whites (Connor, *et al.*, 2004). High rates of post-16 participation among some minority ethnic groups, such as Chinese, Indians, Pakistanis and black Africans, have been explained by differences in cultural attitudes towards education in general, and higher education in particular (Bhattachayya, *et al.*, 2003; Torgerson, *et al.*, 2008). There is also a motivation among ethnic minority groups to continue in education to gain higher qualifications rather than enter lower-skilled jobs (Howard, 2009). Linked to this is the expectation that better qualifications will reduce the effect of possible future racial discrimination in the labour market (Connor, *et al.*, 2004).

The institution attended for post-16 study is an important influence on later higher education (HE) choices (Tolley and Rundle, 2006). In this regard the significance of over-representation of minority ethnic students in further education (FE) colleges after leaving school is that university acceptances of students from FE college background are lower than for those from traditional academic backgrounds (e.g. those attending school sixth forms). As will be seen later, ethnic minority participation in post-18 education is clustered within particular HE institutions, and based mainly in London and other urban centres with large concentrations of ethnic minority populations.

Performance in post-16 and post-18 qualifications affects not only HE access, but also experiences in the labour market as a new graduate. It has been suggested that the initial higher unemployment rates experienced by ethnic minority graduates, compared with white graduates, is partly explained by, among other factors, their entry qualification and entry route into HE (Connor, *et al.*, 2004). As will be seen later, some large employers focus their recruitment on targeting graduates with traditional entry qualifications into university.

#### Vocational versus academic qualification

People who achieve any type of qualification at all are more likely to be employed than those who don't. However, it is widely recognised that some qualifications bring a greater rate of return than others. Academic qualifications are generally considered to have higher wage returns than vocational qualifications (Dearden, et al., 2000). In particular, the wage returns to vocational qualifications are known to be very variable. Jenkins et al (2007) show there are substantial returns to higher level vocational qualifications, and smaller but nonetheless significant returns to some, but not all, intermediate and lower level vocational qualifications (Jenkins, et al., 2007). On the whole, Level 2 qualifications have less earning potential compared with Level 3 (DBIS, 2010). Nevertheless, people with five or more GCSEs at A\*-C (Level 2 qualifications) earn around 9-11 per cent more than those without, and are around 3 percentage points more likely to be employed (Jenkins, et al., 2007). Even more significant, people with Level 2 Apprenticeships earn on average around 16 per cent more than those who have other qualifications at Level 2 or below (McIntosh, 2007). For individuals who leave school without five GCSEs at A\*-C, a number of vocational Level 2 qualifications offer substantial wage benefits when held as the highest qualification. Thus, BTEC First or General Diplomas have a return of around 13 per cent; City and Guilds Craft around 5-7 per cent, and RSA Diplomas (women only) around 17 per cent (Jenkins, et al., 2007).

There are mixed views about the returns to low-level vocational qualifications. Some research evidence appears to show that low-level vocational qualifications (defined as below Level 2) do not have any return (Dearden, *et al.*, 2000; Sianesi, 2003). On the other hand, de Coulon *et al* (2007) suggest there is a direct wage premium from having Level 1 numeracy, as a result of the greater increase in demand for such skills in recent years, such that an additional standard deviation in literacy results in about 14 per cent higher earnings, and about 12 per cent higher earnings for similar numeracy results.

There is variation between ethnic groups with regard to following either academic or vocational post-14 (YAs), post-16 and post-18 routes to gain further qualifications. For example, parents and young women from some Asian families have been shown to prefer A levels as a better path to further education and a 'good job'. Few consider studying for vocational qualifications (Bagguley and Hussain, 2007). It is not clear, though, whether or not this hinders success in the labour market. But there are serious issues for ethnic minority groups around gaining access to specific programmes such as apprenticeships. In comparison to their numbers in the population as a whole, ethnic minority young people are significantly under-represented in apprenticeships (Fuller and Davey, 2010). They are less likely than white British young people to gain an apprenticeship upon completion of a pre-apprenticeship course. Ethnic minority apprentices are also less likely than white apprentices to progress to a related job after completion of a framework apprenticeship (DCSF/DIUS, 2008).

#### **Higher education**

The qualification with the highest rate of return is a first degree, and it is therefore appropriate that so much emphasis should have been laid on the widening participation agenda in recent years. However, there are very large variations on the return to a first degree, depending on a range of factors which are summarised in Table 2.

Positive impact	Negative impact	Limited evidence
Pre-1992/high-tariff institution*	Post-1992/low-tariff institution*	Part-time study
Male	Studied in home town*	Mature student <sup>a</sup>
Female from higher social class background	Lower degree class*  Arts and humanities subjects**	
Maths and science subjects	Working in public sector**	
Higher degree class (males)	North or 'peripheral' UK region	
High status occupations	Limited regional mobility after	
London, south-east, south-west or east of England	graduation (including return to home town)*	
	Non-white ethnicity	
	Cohort effect – declining return as number of graduates increase	

<sup>\*</sup>High degree of correlation with non-white ethnicity

Source: Ramsey, A. (2008)

It has been clear for some years now that minority ethnic groups have higher participation rates in higher education (HE) than the white group (Connor *et al.*, 2004; Bhattachayya, *et al.*, 2003; Modood, *et al.*, 1997). However, some groups have higher

<sup>\*\*</sup>Highly correlated with female gender

participation than others, and there are significant gender differences between and within ethnic groups. The highest participation rates (over 60 per cent) are among female black and male Asian groups, compared with 56 per cent of all minority ethnic groups and 38 per cent for the white group. (It is important to bear in mind that the white group is very much larger and more diverse in composition. Connor *et al* (2004) have cautioned about distortions that can be produced by comparing student and general population figures to indicate relative HE participation of minority ethnic groups.) These overall participation figures, though, mask important differences in the participation pattern of minority ethnic groups in HE. Ethnic minority undergraduate students are on average older than their white peers (Tolley and Rundle, 2006). A number of reasons have been suggested for this, including delaying entry in order to re-sit examinations to improve grades and entering via access qualification routes.

#### Institution choice

Ethnic minority students are concentrated in the newer (post-1992) universities in urban areas. This reflects a variety of factors, including their residential concentrations in those areas, differences in entry requirements between the pre-92 (older) and the post-92 universities, the courses available in the different institutions, personal and cultural preferences for living at home or in an ethnically diverse area, student preconceptions about particular universities, and apparent bias in admissions at some institutions. (McManus, 1998; Purcell, *et al.*, 2008). Shiner and Modood (2002) found that ethnic minority candidates are penalised by old universities, although they did not find similar or evident bias among new universities. Recent work comparing high and low tariff universities has identified a strong bias towards 'traditional' entrants (with A levels, applying direct from school) in high-tariff institutions (Purcell, *et al.*, 2009).

#### Subject choice

Unpicking the reasons for subject choice is complex, although the Futuretrack research project is beginning to shed valuable light on these issues (Purcell, *et al.*, 2008). A widely noted preference for 'traditional' professional subjects among some minority ethnic groups may affect both the levels of engagement and achievement, and can lead to over-representation in certain subjects, thereby increasing competition for jobs in these areas (Bagguley and Hussain, 2007; Barer, 2002). Access to well-informed and appropriate (non-stereotyped) advice from parents and educational institutes may be important here; increasing access to such advice, differentiating it to meet the needs of boys, girls and minority ethnic groups and increasing the involvement of parents, are key recommendations of one recent review (EHRC, 2009).

#### **Output and attainment**

After controlling for factors such as type of prior institution attended, term-time employment, parental income and English as an additional language, being from an ethnic minority group remains statistically significant in explaining HE attainment. Students from minority ethnic groups are less likely to achieve a higher degree class, compared with white British and Irish students. The only exceptions to this are the 'other black', 'mixed' and 'other' groups (Broecke and Nicholls, 2007). The principal explanatory factor for the difference in attainment appears to be the differences in entry qualification into HE (Richardson, 2008a). Analysis of 2002 data on degree outcomes shows that students who entered with traditional qualifications – i.e. A levels or Highers

– were more likely to achieve a higher class of degree than those with other qualifications. Connor *et al* suggest that the way this 'lifts' achievement is more pronounced for minority ethnic than white graduates (Connor, *et al.*, 2004). This relates back to the different entry routes/qualifications of different groups. Furthermore, ethnic minority students are concentrated in post-1992 institutions, and it has been suggested that these institutions are less successful in enabling ethnic minority students to gain good degrees (Connor *et al.*, 2004; Richardson, 2008b).

#### Labour market outcomes following higher education

Li *et al* (2008) have noted that the acquisition of educational credentials facilitates entry into the labour market and enhances income levels for all equality groups. However, education protects against lower employment rates and earning levels only to a degree, and many people from ethnic minority groups experience poorer employment rates and lower incomes than white people. Full-time degree graduates from all minority ethnic groups have higher initial unemployment rates than white graduates, with the highest rates among African, Chinese, Pakistani and Bangladeshi groups (AGCAS Race Equality Task Group, 2008). A number of factors are associated with the variations in unemployment by ethnicity. They include age, choice of subject and geographical (regional) location (Connor, *et al.*, 2004).

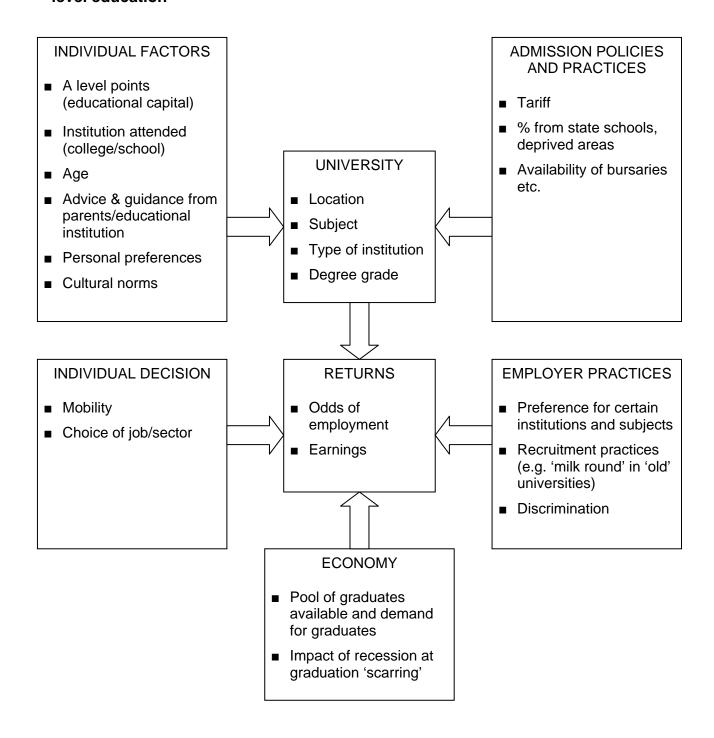
In difficult economic periods, ethnic minorities are disproportionately affected by rises in unemployment. The performance of ethnic minorities in the current difficult economic climate so far, however, is much better than in previous recessions. A TUC report suggests that although ethnic minority unemployment rose during the early months of the recession, the rise was not as steep as white unemployment (TUC, 2009). The report suggests two possible reasons for this: the fact that a large proportion of ethnic minority workers live in London, which experienced a net increase in employees in 2008 and the fact that the public sector, where ethnic minority employment is concentrated, has not seen the same extent of job loss as the private sector in the early stages of the recession. On the whole, black or black British people aged 16 to 24 years old currently have the highest rates of unemployment (48 per cent). There has also been a recent rise in unemployment for all graduates, affecting in particular those who graduated in 2009 (IPPR, 2010).

### **Employer behaviour**

Employer behaviour is a key structural factor influencing the benefits of education for different ethnic groups. There is considerable evidence that employer practices continue to disadvantage certain ethnic groups in the UK labour market. With the exception of those of Indian ethnicity there was little change in the employment position of minority ethnic groups between 1996/7 and 2004/5, and some groups such as those of black African and Caribbean ethnicity, and Pakistani and Bangladeshi women, face notable labour market disadvantage (Li, *et al.*, 2008). These can be seen in particular in pre-recruitment application processing and selection activities (Wood, *et al.*, 2009). Some research evidence has highlighted the fact that some ethnic minority groups have shown a greater propensity towards self-employment as a way of avoiding labour market discrimination (Clark and Drinkwater, 2006).

Figure 1 is a visual representation of how these many and complex factors interact to affect the returns to a first degree.

Figure 1: The impact of individual and structural factors on returns to degreelevel education



#### Possible recommendations and future directions

This paper has highlighted some key factors that appear to impact on the benefits (returns) from education for different ethnic groups. It is clear that there are different attainment outcomes for different ethnic groups at every stage of the education system. Fewer children from ethnic minority groups participate in formal early years education, but it is not clear to what extent this results in significant disadvantage in attainment for all ethnic minority groups at primary school. Chinese, Indian and Bangladeshi pupils in particular appear to make more progress and catch up with their white peers at Key Stage 1. Chinese and Indian students are also more successful at avoiding and escaping low achievement at age 11. Although black Caribbean boys in particular consistently underachieve at secondary school, it is white British males, in particular those from lower socio-economic and white Traveller groups, who are the worst performers at secondary school. Overall, ethnic minority groups also have high rates of post-16 participation, a fact attributed largely to a positive cultural attitude towards education in general, and higher education in particular. Being from an ethnic minority group, however, is significant in explaining the type of higher educational institution attended, and in attainment in higher education. This in turn has significant impact on labour market outcomes and on earning capacity.

The variations in outcomes between different ethnic groups fluctuate depending on life stage. Some ethnic minority groups have high attainment at several stages of education but this does not continue into the later stages and adulthood. Other groups have consistently low attainment at most stages of education. The attainment of the white British group is particularly strongly affected by socio-economic status, leading to polarised outcomes at each lifestage.

What emerges clearly from this analysis is that disadvantage does not necessarily stay consistent over a life course. But the evidence presented in this distillation paper nevertheless shows that there is a possible cumulative effect of poor attainment in education. Early years education appears to be critical, and a gap in performance from as early as pre-school can be exacerbated at primary and secondary school levels. Poor results at the secondary level have an adverse impact on the types of qualification taken at post-16, while relatively poor performance at post-16 has an influence on routes into HE, and subsequent graduate destinations. Although the process is not as simple and straightforward, there are nevertheless clear links between the different stages.

The evidence in this paper also suggests that the differences in the performance of different ethnic groups emerge at a very early stage of education. What is not clearly understood, though, is why or how some groups overcome the disadvantage that is evident at the early stages. Social class has been identified as one of the most significant factors that influence educational outcomes (Marshall, 2002; Cassen and Kingdon, 2007; Strand, 2008). Here too, it is less clear why and how different ethnic groups from the same or similar social class backgrounds achieve different outcomes. In particular, it is not clear to what extent the strong progress of ethnic minority pupils from lower socio-economic backgrounds, and the poor progress of white British pupils from low similar backgrounds, could be attributed to the fact that the former have good quality home learning environments and higher aspirations, especially given that they are under-represented in early education and childcare. But it has been suggested that social class seems to matter more in relation to educational attainment for white British pupils than for minority ethnic groups (Demie and Lewis, 2010a). Indeed, it has been

alluded to that in contrast with the white British, pupils from ethnic minority groups improve their educational performance because their parents and communities value education more, and see this as a way of addressing the problem of disadvantage they face in society in general. There is an implied assumption here that the persistent poor performance of white working class boys is a result of their parents not valuing education to the same or similar extent as ethnic minorities (Demie and Lewis, 2010b). The issue of 'why working class boys get working class jobs' remains a cause for concern (Li, *et al.*, 2008). Further research and policy initiatives are required on the continuing under-performance of white British pupils from lower socio-economic groups in school and work.

There is a distinct lack of analyses that provides a breakdown of outcomes in relation to social class by gender and ethnic group beyond the age of 16. Furthermore, education statistics do not often include accurate measures of social class. It is necessary to understand this better if the link between education and returns for different ethnic groups is to be fully understood (Gillborn, 2009). One possibility would be to investigate the role of multiple measures of social class together. Such an analysis could take into account the different levels of social class (e.g. geographical and parental), and how these might explain differences in returns from education for different ethnic groups.

One important way for research to examine some of the differences in returns from education for different groups is through more sophisticated longitudinal analysis. A study linking administrative pupil data through to first employment destinations, for example, would not only allow us to see what the predictors are for unemployment and low wages, but it would also enable us to see at what stages these predictors come into play. For example, Key Stage 2 (age 14) performance could be just as strong a predictor of graduate first destinations as Key Stage 4 and 5 attainment. (Examples of potential linked datasets that could be used in this type of study would be the National Pupil Database (NPD), Higher Education Statistics Agency (HESA) enrolment data and the Longitudinal Destination of Leavers from Higher Education (DLHE) survey.) A similar type of longitudinal analysis has been conducted by Chowdry et al who investigated widening participation. They found poor attainment in secondary schools to be more important than barriers at the point of entry into HE in explaining lower HE participation rates amongst students from disadvantaged backgrounds. This type of large-scale quantitative analysis would allow for the investigation of ethnicity, socio-economic status and gender and enable us to see what the wide-spread patterns are. Some of the evidence presented in this paper has highlighted the fact that different ethnic groups from the same socio-economic backgrounds have different trajectories. It would be important to include different measures of socio-economic status together as a means of getting a rounded picture of its effects as a predictor of outcomes for people from different ethnic groups. Thus, for example, geographical socio-economic indicators such as the Income Deprivation Affecting Children Index (IDACI) and Index of Multiple Deprivation (IMD) could be combined with family level indicators such as Free School Meal (FSM) status.

#### **Notes**

1 The Young Apprenticeships programme involves studying the normal curriculum at school and spending 50 days across Years 10 and 11 gaining work experience with either an employer, training company or college. During this time, students work towards work-related qualifications (e.g. National Vocational Qualifications (NVQs)). Directgov (2010), 'Work experience in Years 10 and 11'. <a href="http://www.direct.gov.uk/en/EducationAndLearning/14To19/OptionsAt16/DG\_400132\_7">http://www.direct.gov.uk/en/EducationAndLearning/14To19/OptionsAt16/DG\_400132\_7</a>.

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