Race Inequality in the Workforce

Exploring connections between work, ethnicity and mental health

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A Carnegie UK Trust, UCL Centre for Longitudinal Studies and Operation Black Vote report.

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Foreword

It’s been a great honour to work with such a dedicated group of individuals who have come together to produce this groundbreaking report that combines tackling race inequality, mental health and the precarious work market.

The findings should concern us all, as they not only lay bare the persistent racial inequalities that many face in getting access to work, but they also confirm that disproportionately many black and minority ethnic young people are working in the precarious work space, with the well-documented challenges that can bring in relation to pay, security, intensity, progression, training and opportunity. The added value of this report is that it also intersects critical mental health data that clearly outlines the link between poor mental health and working in precarious roles, which is exacerbated when seen through the lens of race inequality.

It is a societal step forward that we are publicly discussing issues around mental health more than ever. We need to continue to advocate for these issues to be given the exposure and priority that they need, in order to make the case for effective interventions, backed by sufficient resources, to help people foster positive mental health and ensure that high quality, timeous support and treatment is available. A key element of this report is that it allows us to explore elements of mental health conditions in the particular dynamic of the precarious work space.

We strongly believe that the timing of this report couldn’t be more important.

We have a new Government, with a large majority, that has indicated the desire for bold and brave ideas predicated on sound data. Therefore, on the key issues this report highlights, the Government could both intervene and facilitate wider involvement.

One of the overall conclusions of this report with all its intersecting dynamics - race, mental health, zero hour contracts - is the need for a joined up approach to policy and practice; which is able to simultaneously tackle racial disparities in the workforce whilst equipping mental health agencies and practitioners to better understand and address the dynamics of today’s labour market that may contribute to mental stress. Government has a vital role to play in connecting and leading change across these hugely important agendas.

This report is not just for central Government. Employers also have a critical role in both tackling racial inequalities across the labour market and in understanding how they can support better mental health amongst their employees. The report sets out a number of recommendations on both these agendas. Meanwhile, the relationship between mental health and ethnicity has, rightly, been subject to significant scrutiny in recent years – but there remains a huge amount of work to do to deliver change in this field. The report argues that a number of key recommendations in this regard must be taken forward with urgency.

Above all we hope this report will help to contribute to a robust conversation at all levels, in all areas of our society to address the relationship between work and mental health and close the racial work disparities, giving hope and dignity to individuals and their families.

Douglas White, Head of Advocacy, Carnegie UK Trust and Lord Simon Woolley, Chief Executive, Operation Black Vote
Executive Summary

BACKGROUND

This report is a joint initiative by Carnegie UK Trust, Operation Black Vote and UCL Centre for Longitudinal Studies. Together we recognise the changes taking place in the world of work, the growing ‘gig economy’ and the drive amongst policy organisations and campaigners to push forward changes which would better protect people’s wellbeing in circumstances where it may be compromised.

Recognising and being concerned about the over-representation of ethnic minority groups in the ‘gig economy’ and forms of precarious work more broadly, we saw potential in using the Next Steps data to find out more about these issues. Next Steps, described in detail in the full report, is an extensive longitudinal cohort study collecting data from a cohort of more than 7,000 young people about many areas of their lives. Given the over-representation of ethnic minority groups in Next Steps, this data set is a particularly robust source for this piece of work.

CONTEXT

Alongside the academic task of drawing new learning from Next Steps, this report offers some contextual summaries on the topics of race inequality in the UK, changes in the world of work, progress in advancing the ‘good work agenda’ and the experience of ethnic minority groups using mental health services. These are serious and complex topic areas which are not covered in full here; however we have attempted to draw the reader’s eye to some of the key opportunities and challenges in the areas where work, mental health and ethnicity intersect and deeply impact one another. Key contextual points to note are that:

- Racial inequalities remain a critical issue in the UK workforce.
- Progression towards ‘good work’ policies in some areas are positive, but underlying remain fundamental problems around the availability of good work and the rising numbers of people in low paid employment.
- The ‘Millennial Generation’ face a series of unique challenges, particularly in how they have entered and progressed through the labour market.
- There are well-reported but largely unaddressed issues around how ethnic minority groups access and experience mental health services.

KEY FINDINGS

1. Black, Asian and Minority Ethnic (BAME) young adults continue to be at a greater risk of being unemployed than White young adults.
2. BAME groups are more likely to be in some form of precarious work.
3. Despite a focus on the precariousness of this generation’s employment, the probability of having a permanent contract is over 80% for all ethnic groups.
4. There are significant links between employment status and mental health.
5. Some ethnic minority groups report more mental ill health than the White group, whilst other ethnic groups report less.
6. Those who reported symptoms of mental ill health at age 14 or age 16 are more likely to report mental ill health at age 25.
CONCLUSIONS AND RECOMMENDATIONS

These findings highlight that there is an important race equality dimension to labour market participation and experiences for 25 year olds in the UK. Millennials from BAME backgrounds were 58 per cent more likely to be unemployed than their White counterparts; 47 per cent more likely to be on a zero-hours contract; 10 per cent more likely to be working a second job; 5 per cent more likely to be doing shift work; and 4 per cent less likely to have a permanent contract.

As well as strongly advocating for steps to tackle these inequalities, this report demonstrates that a detailed understanding of the different labour market experiences of different BAME groups is essential. For example, although 25-year-olds from Pakistani, Black African, Other (which includes Chinese, Arab and any other Asian group) and Mixed-race backgrounds were more likely to be unemployed than their White peers; Indian, Bangladeshi and Black Caribbean adults were no more likely to be out of work. Pakistani millennials were more likely to be on a zero-hours contract, less likely to have a permanent job or be working shifts than their White peers. However, Indian and Black Caribbean workers were no more likely than their White peers to be in these types of employment. Black African and 25-year-olds whose ethnic group is classed as ‘Other’, had lower odds of being in a permanent role and were more likely to be doing shift work than White workers of the same age. But Mixed-race, Indian and Black Caribbean millennials had similar chances of being in these types of jobs. Only Black Caribbean 25-year-olds were more likely than their White peers to be working a second job. The findings hold even when other factors that could affect labour market success were taken into account, including gender, family background and educational attainment.

Interestingly the data show that although BAME young people are at greater risk of being in precarious work, there is no additional advantage or disadvantage in terms of reported mental health for ethnic minorities at age 25 who are in precarious work compared to White adults in precarious work. More broadly, the data show that some ethnic minority groups in the Next Steps cohort are less likely to report having mental ill health symptoms compared to the White group; but higher rates of mental ill health are reported among Mixed Heritage, Black Caribbean and Other ethnicity groups at age 25, compared to their White peers.

The report findings suggest that the link between precarious work and poor mental health is a concern for all, rather than having a specific ethnicity dimension, at least at age 25. Indeed, the evidence suggests that adolescent mental ill health is a strong and significant predictor of mental ill health in early adulthood. However, it is important, when considering these findings to do so in the context of the recognised difficulties in comparing mental health between different ethnic groups; and the very particular, significant and well documented challenges that BAME communities continue to experience in relation to access and engagement with mental health services.

Based on the research findings, this report makes a series of recommendations for UK Government, mental health services and employers. These can be found on page 7.
Six key findings

1. Despite a focus on the precariousness of this generation’s employment, the probability of having a permanent contract is over 80% for all ethnic groups.

2. BAME young adults are more likely to be in some form of precarious work.

3. There are significant links between employment status and poor mental health.

4. There are ethnic differences in reporting mental ill health symptoms.

5. Those who reported symptoms of mental ill health at age 14 or age 16 are more likely to report mental ill health at age 25.

6. Black, Asian and Minority Ethnic (BAME) young adults continue to be at a greater risk of being unemployed than White young adults: BAME young adults are 58% more likely to be unemployed.
Black, Asian and Minority Ethnic (BAME) young adults continue to be at a greater risk of being unemployed than White young adults: BAME young adults are 58% more likely to be unemployed compared to the White group (7.9 percentage points compared to 5 percentage points).

More specifically, the White group have a 5.1% probability of being unemployed:

- The Other group have a 9.2% probability of being unemployed.
- The Pakistani group have a 9.1% probability of being unemployed.
- The Black African group have a 8.7% probability of being unemployed.
- Those of Mixed Heritage are 8.2% probability of being unemployed.

BAME young adults are more likely to be in some form of precarious work:

- The results show that BAME young adults are 47% more likely to have a zero hours contract than the white group (6.9 percentage points compared to 4.7 percentage points).
- More specifically, those of Pakistani ethnicity are at a greater risk of being in precarious work. Pakistani young adults are more likely to be unemployed, working shifts, without a permanent contract and having a zero hours contract compared to White young adults.
- Those who identify as Black African are also in a precarious position compared to the White individuals, having a greater risk of unemployment, shift work, and not having a permanent contract.

Despite a focus on the precariousness of this generation’s employment, the probability of having a permanent contract is over 80% for all ethnic groups.

- BAME groups are 4.17% less likely to have a permanent contract than the white group (85 percentage points compared to 88.7 percentage points).

There are significant links between employment status and poor mental health.

- Being unemployed, a shift worker or on a zero-hours contract are all associated with a significantly greater risk of having poor mental ill-health at age 25.
- Those who work shifts are 7 percentage points more likely to report mental ill health compared to those who are not shift workers, a 36% difference.
- Those who have a zero hours contract are 6 percentage points more likely to report mental ill health than those without a zero-hours contract, a 30% difference.

There are ethnic differences in reporting mental ill health symptoms.

- Indian, Pakistani, Bangladeshi and Black African ethnic groups are less likely to report having mental ill health symptoms compared to the White group, this finding remains even after taking into account socio-economic status, gender and educational attainment.

Those who reported symptoms of mental ill health at age 14 or age 16 are more likely to report mental ill health at age 25.

- Those who reported symptoms of mental ill health at age 14 have a 10 percentage point higher probability of reporting mental ill health at age 25 than those with no symptoms at age 14 (a 50% increase).
- For those who reported mental ill health at age 16, the probability of reporting mental ill health at age 25 is around 16 percentage points higher (a 96% increase).
Recommendations

Based on the research findings we make the following recommendations for UK Government, mental health services and employers.

**RECOMMENDATIONS FOR GOVERNMENT**

There should be increasingly joined-up thinking in policy and practice on the themes of good work, mental health and race equality. BAME representation must be seen as a prerequisite to ensure policy plans meet the needs of intended recipients.

1. The UK Government’s Good Work Plan makes reference to “wellbeing, safety and security” and cites a civil service case study with regards to mental health. However, there are no specific recommendations in the Plan about improving or supporting good mental health in the workplace; or about tackling racial inequality in the labour market in general or in precarious work in particular. These strategic gaps should be addressed as a matter of priority and the work of both the Work and Health Unit and the Race Disparity Unit should be connected with the implementation of the Good Work Plan to ensure consistency and effective working across these three intertwining issues. In particular, we would wish to see the Good Work Plan be further developed to identify specific priorities and actions for addressing:

   - the disproportionate representation of BAME groups in precarious forms of employment;
   - the ethnic minority pay gap; and
   - the negative mental health impacts of precarious work for young workers from all ethnic groups.

2. More broadly, we advocate for the continued implementation of the UK Government’s Good Work Plan to ensure good quality work in the UK, in particular:

   - new legislation to improve clarity on employment status;
   - making Statutory Sick Pay (SSP) a basic employment right; and
   - the introduction of a set of metrics to measure success, reporting annually on the quality of work on offer in the UK.

3. The Carnegie UK Trust and RSA report *Measuring Good Work* outlines ways to better measure job quality and includes an indicator on “anxiety and depression”, which identifies whether work has been a contributing factor for those experiencing these specific mental health issues in the previous 12 months. This data is currently collected through the Labour Force Survey and is presented by industry sector, occupational group, business size, gender and age. We recommend that in future, analysis is also undertaken to present this data by ethnicity, to build further, robust, ongoing evidence on the relationship between work, ethnicity and mental health.

4. The Department for Work and Pensions and the Department for Health and Social Care are already working together in the form of the Work and Health Unit. We support many of the initiatives outlined in the Work and Health Unit’s *Improving Lives: The Future of Work*,

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Health and Disability report\(^2\). However whilst the report rightly has an emphasis on mental health, it does not tackle the specific challenges faced by ethnic minority groups. Given the labour market disadvantages commonly experienced by BAME workers, as evidenced in our research, we recommend that the initiatives of Improving Lives are reviewed with consideration given the unique needs and experiences of different ethnic minority groups.

### RECOMMENDATIONS FOR MENTAL HEALTH SERVICES

Both the link between work and mental health and the specific issues of race inequalities in mental health are well documented. Previous reports have made some important recommendations in these areas, and we echo these and would advocate for their implementation. In some cases progress has been challenging and we support a renewed focus on the advancement of these actions.

5. The 2019 Mental Health Act Review recommended the NHS develop an organisational competence framework, the ‘Patient and Carers Race Equality Framework’ (PCREF), a practical tool which enables organisations to understand what steps it needs to take to achieve practical improvements for individuals of diverse ethnic backgrounds. We would urge that this becomes a serious priority, and equally that a further framework be established to help organisations and institutions implement the recommended changes.

6. The Five Year Forward Plan for Mental Health produced in 2016 by the Mental Health Taskforce robustly acknowledges the disparities experienced by ethnic minorities in mental health services. It reflects recommendations made by The Independent Commission on Acute Adult Psychiatric Care\(^3\) advocating that patients and carers are enabled to play a greater role in their own care as well as in service design, provision, monitoring and governance, and that a Patients and Carers Race Equality Standard should be piloted in mental health. The charity Mind continues to work to support these recommendations being taken forward; however there has been no formal confirmation regarding the development of a Patients and Carers Race Equality Standard thus far. We strongly support the advancement of this proposal.

7. One of the key government initiatives linking work and mental health is Individual Placement and Support (IPS)\(^4\), which supports people with severe mental health difficulties into employment. The Five Year Forward Plan for Mental Health calls for expanded access to IPS, doubling the numbers who are able to use the service. We support the growth of this service and others like it, which offer significant tailored support to those struggling with their mental health enabling them to succeed in the workplace.

8. The 2018 Public Health England paper Local action on health inequalities: Understanding and reducing ethnic inequalities in health supports piloting culturally appropriate mental health services.

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\(^4\) Centre for Mental Health [www.centreformentalhealth.org.uk]. What is IPS?, 2019, [Accessed December 2019]
campaigns for different ethnic groups to assess whether this could improve access to services, recognising the widely reported disconnect between some ethnic minority groups and mental health services. We support the advancement of this proposal.

9. Our research suggests that adolescent mental ill health is a strong and significant predictor of mental ill health in early adulthood. Therefore we recommend that early interventions regarding promoting wellbeing and coping strategies in adolescence are supported and expanded, and that continued investment in mental health services for young people from all ethnic groups is crucial for alleviating strain on mental health services though to early adulthood. We also support the increase of mental health provisions in schools.

11. Employer organisations, trade unions and race equality bodies should work collaboratively to provide practical support and robust challenge to employers to advance action to tackle race inequality across the UK labour market.

12. Employers should make use of the growing body of resources about promoting good mental health in the workplace, including the courses offered by the charity Mind, and the Mental Health First Aid training courses.

13. Employers involve employees in consultation on these issues.

RECOMMENDATIONS FOR EMPLOYERS

The Taylor Review states that “the best way to achieve better work is not national regulation but responsible corporate governance, good management and strong employment relations within the organisation”5. In the areas of mental health and race equality, we recommend that:

10. Employers should work proactively to identify priorities for tackling race inequality in their organisation and report regularly on progress. To effectively assist change, an internal race disparity audit should be introduced. This would help to reveal any ethnic minority pay gap, along with any racial disparities in regards to senior staff, and provide a basis for proactive planning to address disparities.

Introduction

OVERVIEW

In the midst of political, social, demographic and technological changes taking place in the UK, the world of work is rapidly evolving. There are growing challenges in terms of job security, low pay, opportunities for progression and terms and conditions. Meanwhile, there is growing evidence of a rise in mental health issues; and a wider context where many ethnic minority groups have long experienced disadvantage in the labour market.

This is why Carnegie UK Trust (CUKT), Operation Black Vote (OBV) and UCL Centre for Longitudinal Studies (CLS) came together to explore the specific links between ethnicity, work and mental health; to examine these relationships and consider the steps required to ensure that fair and decent work is accessible for all.

In this report, we present new data from Next Steps, a longitudinal study of the ‘millennial generation’ in England. The work reveals persistent issues around the relationships between employment, ethnicity and mental health and underlines that there are enduring inequalities in the workforce between ethnic groups. We find that Black, Asian and minority ethnic (BAME) young adults continue to be at a greater risk of being unemployed than White young adults and that BAME groups are more likely to be in some form of precarious work. The evidence also confirms significant links between employment status and mental health, whereby being unemployed, a shift worker or on a zero-hours contract are all associated with a significantly greater risk of having poor mental ill-health at age 25.

CONTEXT – RACE DISPARITY IN THE UK

Black, Asian and Minority Ethnic (BAME) Groups account for 14% of the population in England and Wales and are over-sampled in the Next Steps dataset allowing for detailed comparisons by ethnicity.

Significant societal, legislative and institutional progress has been made on tackling race inequality in a number of areas during recent decades. However, the evidence shows that race inequality remains a significant problem in the UK. In 2017 then Prime Minister Theresa May commissioned the Race Disparity Audit, which found that “there are disparities between ethnic groups in all areas of life affected by public organisations. Some are more pronounced than others or have a greater impact on people’s life chances and quality of life. In some areas, disparities are reducing, while in others, they are static or increasing”.

The Colour of Power published by OBV and the Guardian highlighted that of 1024 of the most senior positions in 28 areas of national importance, including politics, the public sector, banking, publishing, media, law, and accountancy, only 3% were from UK BAME background, and less than 1% were BAME women.

To give an indication of the findings, the audit found that BAME groups were more likely to be in poverty, and that home ownership is substantially lower among African, Arab, Mixed White and Black African households. Whilst pupils in several minority ethnic groups were achieving and progressing better than White pupils, others such as the Black Caribbean group fell behind. There are lower levels of confidence in the police among black people, and despite a very large reduction in the use of Stop and Search among Black people, Black men remain almost three and a half times more likely to be arrested than White men. Black men are also more likely to be reprimanded in custody, rather than allowed out on bail, and Black and Asian offenders also have a longer average custodial sentence length than White offenders.

In terms of the labour market, unemployment rates are consistently higher amongst some BAME groups\textsuperscript{9}, and BAME workers are also less likely to reach the most senior positions in organisations\textsuperscript{10}. Taking the NHS as an example, in 2016, 18\% of the non-medical NHS workforce (all staff excluding doctors and dentists) were from an ethnic minority group\textsuperscript{11}; however only 7\% of very senior managers and 11\% of senior managers were from an ethnic minority group. The boards of many NHS trusts do not reflect the diversity of the NHS workforce: where ethnicity is known, 93\% of NHS board members in England are White\textsuperscript{12}.

The Resolution Foundation calculated that Britain’s 1.9 million Black, Indian, Pakistani and Bangladeshi employees are experiencing an annual pay penalty of £3.2bn\textsuperscript{13}. Kathleen Henehan, a policy analyst at the think tank, said: “Almost all BAME groups continue to face significant pay gaps, compared with White workers. What’s more, these pay penalties hold even after accounting for workers’ qualifications.”

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**ABOUT US**

One of the thematic strands underpinning Carnegie UK Trust’s strategic plan is ‘Fulfilling Work’. It recognises that a person’s income, sense of purpose, social connections and personal agency are all affected by their employment or lack thereof. Work is no longer a guarantee of greater wellbeing, with in-work poverty rates rising, precarious forms of work such as zero-hour contracts increasing, and job insecurity impacting heavily. The Trust’s Fulfilling Work theme explores the links between work and wellbeing and investigates the mechanisms for ensuring that the work has a positive influence on our wellbeing.

Operation Black Vote (OBV) aims to ensure greater racial justice and equality throughout the UK and seeks to inspire BAME communities to engage with public institutions in order to address the persistent race inequalities faced in areas such as education, health and employment. Building on 19 years of campaigning work, OBV advises at the highest level of government both nationally and locally and is viewed as a beacon of hope and support for communities.

The UCL Centre for Longitudinal Studies is home to four national longitudinal cohort studies, including Next Steps, which is tracking the lives and livelihoods of the millennial generation. Since the age of 14, the study has collected information about participants’ education and employment, economic circumstances, family life, physical and emotional health and wellbeing, social participation and attitudes. Together, the data paint a uniquely detailed portrait of a generation, and allow us to investigate the links between work, ethnicity, gender and mental health.

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\textsuperscript{9} UK Government [Accessed online at gov.uk] Unemployment and economic inactivity statistics, 2019, [Accessed July 2019]

\textsuperscript{10} British Academy of Management and Chartered Management Institute, Delivering Diversity: Race and ethnicity in the management pipeline, Chartered Management Institute: London, 2017

\textsuperscript{11} This does not include White people from ethnic minority groups such those that identify as Polish or Gypsy/Irish traveller

\textsuperscript{12} UK Government: Cabinet Office, Race Disparity Audit. UK Government: London, 2017. [Accessed online December 2019], page 15. Please note that this includes those from White ethnic minority backgrounds, e.g. Polish, Gypsy/Irish traveller

\textsuperscript{13} Henehan, K and Rose, H. Opportunities Knocked? Exploring pay penalties among the UK’s ethnic minorities, Resolution Foundation: London, 2018
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GLOSSARY

**Unemployment** is defined as a situation where someone is of working age but not working and that they are not in full-time education, training, apprenticeships, full- or part-time employment, looking after the home, voluntary work (unpaid) or long-term sick or disabled.

**Shift work** comprises recurring periods in which different groups of workers do the same jobs in relay, often involving variable hours or night shifts. It can encompass aspects of service and manufacturing jobs but may also capture people in public services such as police officers and medical staff.

**A second job** is a role that someone takes on in addition to their primary employment. It may be a marker of needing additional funds, a way to acquiring different skills or spreading the risk in case a job is lost.

**A permanent contract** is where both parties agree to do business with each other for an indefinite amount of time.

**A zero-hours contract** is the name given to a type of employment contract where the employer has the discretion to vary the employee’s working hours, usually anywhere from full time to ‘zero hours’. This is a precarious contract where the employer typically asserts that they have no obligation to provide regular work for the employee.

**Precarious labour market status** in this paper is captured by identifying whether participants are unemployed or not and if they are employed, whether they are shift workers, have a second job, have a permanent contract or have a zero-hours contract. These measures are frequently used to study the scale of inequalities between different groups within the labour market and offer a deeper contextual understanding than income.

Data provided by the ONS show that the pay gap between BAME and White groups is 3.8%\(^\text{15}\). A recent report led by Professor Anthony Heath from Nuffield College Oxford found that BAME job applicants have to send around 60% more CVs to get a job interview\(^\text{16}\). The detailed findings rule out explanations such as class, education, or unconscious bias, and identify the defining factor as being racial discrimination. A survey by the TUC reported that more than a third (37%) of BAME workers have been bullied, abused or experienced racial discrimination by their employer – and 28% of those surveyed had left jobs due to bullying or harassment\(^\text{17}\).

On an individual level, the British Attitudes Survey shows that one in four people in Britain state that they are prejudiced towards people of other races\(^\text{18}\).

While this is a significant and complex set of issues which we do not seek to address in detail here, we highlight the persistence of these problems as the wider context is fundamental to the issues examined in this report.

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15. ONS, Ethnicity Pay Gap Reference Table, 2019, Accessed October 2019

16. Centre for Social Investigation, Nuffield College. [http://csi.nuff.ox.ac.uk/], Are employers in Britain discriminating against ethnic minorities? [Accessed online October 2019]

17. TUC, Is Racism Real, TUC: London, 2017

Race Inequality in the Workforce

**NOTE ON RESEARCH LIMITATIONS**

There are some limitations of the present analysis which are important to note. Firstly, despite controlling for much of the rich background data available in *Next Steps*, this analysis may be biased by the omission of other variables, which may influence both employment status and mental health, therefore creating a spurious correlation. Thus these results cannot be interpreted as truly causal, but rather as capturing conditional relationships between social background, adolescent mental health, labour market status and adult mental ill-health. Secondly, the GHQ measure captures short-term psychiatric disorders and may not pick-up on long-standing psychiatric issues (such as psychoses), therefore these results may mask some underreported issues among the population.

**NEXT STEPS DATA**

*Next Steps* is a longitudinal cohort study which began in 2004 when the participants were aged 13 – 14 years. The participants, born in 1989/90, were followed annually by the Department for Education until they were aged 20. In 2013 the UCL Centre for Longitudinal Studies (CLS) was funded by the Economic and Social Research Council (ESRC) to restart the study. At age 25, 7,707 participants took part in a further sweep of data collection, with the plan to continue data collection through their adult lives. *Next Steps* collects information about participants’ education and employment, economic circumstances, family life, physical and emotional health and wellbeing, social participation and attitudes.

For this report, the group has undertaken new research using the existing *Next Steps* data and has focussed specifically on the relationships between employment, gender, ethnicity and mental health at age 25. This adds to existing research in a number of ways. Firstly, this paper uses prospective longitudinal data where people are questioned about their current situation rather than being questioned about their experiences in the past. Secondly, the rich data of this study allow us to control for possible confounding characteristics, where factors such as a pre-existing mental ill health condition can be statistically controlled for in order to better isolate the relationship between mental health and work. Thirdly, *Next Steps* oversamples BAME individuals, which allows for the first detailed ethnic comparisons on the mental health and labour market conditions for emerging adults in England.

The millennial generation surveyed in *Next Steps* faced a number of particular challenges as they entered the world of work: they were aged 18 at the start of the global financial crisis and confronted with higher than ever university fees and student loan debt, combined with the growing trend towards zero-hours or temporary contracts. As reported by the Resolution Foundation in their recent *Growing Pains* publication, many of this generation are over-qualified for their roles, have found routes of progression more difficult than previous generations, and have become stuck in low-pay jobs.19 This is compounded with contemporary challenges around entering the housing market. Therefore it is perhaps unsurprising that the media and popular psychology

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have described the millennial generation as confronting a ‘Quarter-Life Crisis’: “a crisis that may be experienced in one’s twenties, involving anxiety over the direction and quality of one’s life”.20

THIS REPORT

In the introductory sections of this report, we provide some background information to the Next Steps data and the specific piece of work undertaken. We then briefly summarise the well-documented changing trends in the world of work, presenting the context that the Next Steps participants find themselves in in terms of employment opportunities. We then unpack the new findings in terms of ethnicity and labour market status.

Next we explore the connections between work and mental health, and review the particular challenges that BAME communities face in terms of mental health issues. This is followed by an explanation of the ethnic comparisons on mental health in the Next Steps data. Thirdly, we bring these strands together and present the findings on the relationships between ethnicity, work and mental health taken collectively. In the final section of this report, we offer some conclusions and recommendations.

This report focuses on the variations between ethnic groups in terms of employment and mental health. You can also read the full academic paper which covers all of the findings from our research at the link below21.

20 Collins English Dictionary. Glasgow: Collins, 2018

Section 1: The evolving world of work

CHANGING TRENDS

It is well reported that the economic, social, technological and demographic changes of recent decades have significantly altered the labour market in the UK.

A range of influences, including the rise of digital technologies, has seen the emergence of employment practices such as zero-hour contracts and an increasing use of temporary contacts. The ‘gig economy’ has been the subject of significant public and political scrutiny and debate, and while some workers have reported increased flexibility in their employment terms to be beneficial to their wellbeing, there are also significant concerns over the worker/employee classification and the way in which this may be used by employers to avoid employment contracts whereby workers would be entitled to benefits such as sick pay or annual leave. Self-employment has also significantly increased – from 3.3 million people in 2001 to 4.8 million in 2017. Meanwhile the age of exiting the workforce has increased by 2 years for men and 3.3 years for women during the last 20 years.

The rise of in-work poverty presents another significant contemporary challenge to the relationship between work and wellbeing, as has been analysed and reported on by organisations such as Joseph Rowntree Foundation and the Resolution Foundation. In the three years to 2016/17 the number of people living in poverty in working families rose by over one million and two-thirds of children in poverty live in a working family. It continues to be extremely difficult to progress out of low paid work – five in every six people in low-paid work fail to escape low pay over 10 years.

Linked to these challenges, the rapid development and proliferation of digital technologies has contributed to the ongoing globalisation of many markets for products and services, and some evidence suggests that the automation of many ‘middle-tier’ jobs has led to an hour-glass effect where the number of highest and lowest paid jobs have grown, but those in-between have decreased.

A 2019 report Four Futures of Work by the RSA presents four different possible scenarios as possible results of increased automation in the working world. The Big Tech Economy scenario describes a rapid increase in technology and automation, leading to successful concentrations of tech companies, but widespread unemployment and economic insecurity. The Precision Economy is one where surveillance becomes central in the workplace, and therefore productivity is closely monitored and
controlled, and waste is minimised. This could result in fairer approaches to reward and promotion (based on output) but could also become invasive. The Exodus Economy concept sets out a scenario envisaging a further economic crash as a result of increased automation, which leads people to turn to co-operatives and mutuals and move out of urban areas to find a self-sufficient lifestyle. Lastly, the Empathy Economy describes how the growth of technology is carefully balanced with people’s wellbeing, through regulation, responsible product development and good communication with workers and unions; however the type of work that flourishes is likely to be emotionally draining. The report emphasises that all models have pros and cons, but that there is an opportunity for stakeholders such as government and employers to protect and promote good work despite those factors beyond their control.

Finally, at the time of writing, Britain is in a transition period having left the EU on 31 January 2020. The wider longer-term implications of this change for the labour market are still to be determined.

ENSURING GOOD WORK

A number of initiatives from government and civil society have sought to respond to the challenges facing the UK labour market.

In 2017, the UK Government commissioned the Taylor Review of Modern Working Practices\(^29\) to assess whether UK employment law was keeping pace with changes in the world of work. The Taylor Review outlines seven steps towards fair and decent work. It recommends a balancing of rights and responsibilities, that everyone should have a baseline of protection and that there should be routes to enable progression at work, particularly for those on the living wage. It calls for the taxation of labour to be made more consistent across employment forms, and specifically an improvement of the rights and entitlements of self-employed people.

The Taylor Review suggests that use of technology should be particularly directed towards aiding smarter regulation and flexible working and that whilst the ‘gig economy’ or platform based working has benefits for many, there must be significant improvements in terms of fair treatment. Further legal clarity is required around the status of these workers, and Taylor suggests renaming the ‘worker’ employment category with a new, more precise definition of “Dependent contractor” attracting protections that go beyond the rights of the self-employed.

The review also suggests that alongside regulation, it is important that companies take good work seriously, engage their workers and ensure responsible corporate governance. Lastly, the review also recommends a more proactive approach to workplace health\(^30\).

The UK Government responded to the Taylor Review by publishing the Good Work Plan in December 2018. This accepted nearly all of Taylor’s recommendations\(^31\), including the commitment to measure quality of work, a proposal advanced in detailed recommendations produced by a Carnegie UK Trust and RSA high-level working group that culminated in the Measuring Good Work report in 2018. If adopted fully by the UK Government, this would provide the means to evidence and track progress towards improving quality of work in the UK\(^32\).

\(^29\) UK Government [Accessed online at gov.uk], Good Work Plan, London: UK Government, 2018

\(^30\) Ibid

\(^31\) UK Government [Accessed online at gov.uk], Good Work Plan, London: UK Government, 2018

\(^32\) Carnegie UK Trust, Measuring Good Work, Dunfermline: Carnegie UK Trust, 2018
With reference to precarious work and the gig economy, individual court cases have been brought against a number of firms concerning the status and rights of the workers who were classified as self-employed. In several high profile cases, the courts ruled in the favour of the individuals, confirming their entitlement to rights such as minimum wage and holiday pay. However, the status of workers in the gig economy continues to be an area of concern for policy debate and enforcement activity.

Regarding low pay, the civil society movement, the Living Wage Foundation, has experienced significant momentum with over 4,700 employers in the UK signing up to a higher than minimum rate voluntary wage floor intended to meet the cost of living. The UK Government reflected ongoing concerns about low pay by establishing a new statutory “National Living Wage” in 2016. This is in effect a higher minimum wage for over 25s and the recently elected new UK Government has committed to increasing this wage rate further over the next five years.

Devolved governments in the UK have often been at the forefront of initiatives to promote good work. Scotland has established a Fair Work Convention and there is a dedicated Fair Work Directorate in the Scottish Government. In Wales, the Fair Work Commission published its detailed report in early 2019. At a regional level in England there are initiatives such as the development of the London Mayor’s Good Work Standard and the Greater Manchester Good Employer Charter.


Section 2: Next Steps data on unemployment, precarious work and ethnicity

In this context of labour market changes and challenges, we examined the Next Steps data to understand the experiences of young workers from different ethnic groups in relation to unemployment and different forms of precarious work. While these issues have been explored previously by different organisations, this is the most in-depth assessment that has been carried out of how different ethnic groups in this generation experience these issues.

UNEMPLOYMENT

The Next Steps data show that despite national unemployment rates being amongst the lowest for 40 years, BAME young adults continue to be at a greater risk of being unemployed than White young adults even after taking into account gender, socio-economic status and educational attainment. Figure 1 shows that the differences between the White group and those of Mixed Heritage, Pakistani, Black African and Other (which includes South East Asian, see full list below) are statistically significant, which means they are unlikely to be due to chance alone.

While the White group have a 5.1% probability of being unemployed:

- The Other group have a 9.2% likelihood of being unemployed
- The Pakistani group have a 9.1% likelihood of being unemployed
- The Black African group have a 8.7% likelihood of being unemployed
- Those of Mixed Heritage are 8.2% likelihood of being unemployed

Research demonstrates that being unemployed is likely to have an impact on a range of quality of life and wellbeing issues. A report by What Works Wellbeing found that the impacts can be wide-ranging – including the material impact of loss of income, which can affect how well a home is maintained, the quality of diet and physical health for example – and also psychological effects such as struggles with anxiety and depression. A more detailed discussion of the association between labour market status and mental health can be found in Section 3. Unemployment has also been found to impact on the wider family and can cause relationship problems.

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36 This statistical model controlled for: gender, social class background, housing tenure and equivalised household income during adolescence, GCSE attainment and degree attainment.


38 Predicted probabilities computed from logistic regression models. Statistical significance is denoted by stars: where ***p<0.001, **p<0.01, *p<0.05, +p<0.10. The reference group is White. The model controls for Gender; Social class background; Housing tenure during adolescence; Equivalised household income during adolescence; GCSE attainment; and degree attainment.


40 TUC, The Costs of Unemployment, 2010 [Accessed online August 2019]
**PRECARIOUS WORK**

**Comparison between young BAME workers and young White workers**

For the purposes of the research, precarious work is defined as including those who are shift workers, those who have a second job and those with temporary or zero-hours contracts. These measures are frequently used to study the scale of inequalities between different groups within the labour market and offer a deeper contextual understanding compared to income.

Our research found that taken together, **those from BAME groups were more likely than their White peers to be in each form of precarious work** (Figure 2). This is after accounting for gender, parental social class, housing tenure, household income during adolescence and educational attainment.

As highlighted above, there are concerns around the quality of work for those precarious forms of employment, particularly in relation to issues such as security, progression, training and entitlement to key benefits such as sick pay and annual leave. The IPPR report *Flexibility for Who?* focuses on young people and highlights that those in precarious work are often: underemployed – working fewer hours than they would like; overqualified – they are a graduate in a non-professional or managerial job; have poorer mental health and wellbeing than those in more secure work; and suffer low pay and job insecurity41. Although it is important to note that some workers favour the flexibility of these forms of employment, the fundamental issues around quality of work cannot be ignored.

The Next Steps data clearly highlight that in addition to the general challenges around precarious work there is also a significant race equality dimension: young BAME workers in the UK are over-represented in each form of precarious employment.

**Differences between different BAME groups**

While young BAME workers as a whole are more likely to experience precarious work than young White workers, it is important to note that there are variations in how different BAME groups experience precarious work at age 25.

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For example, the data in Figure 3 show that:

- Pakistani and Black African young adults are more likely to be shift workers compared to White young adults;
- Black Caribbean young adults are more likely to have a second job than White young adults;
- Those identifying as Pakistani, Black African and ‘Other ethnicities’ are less likely to have a permanent contract than those who identify as White; and
- Those who identify as Mixed Heritage, Pakistani or ‘Other ethnicities’ are more likely to have a zero-hours contract than those who identify as White.

In particular, those of Pakistani ethnicity are at a greater risk of being in precarious work. Pakistani young adults are more likely to be unemployed, working shifts, without a permanent contract and having a zero hours contract compared to White young adults. Those who identify as Black African are also in a precarious position compared to the White individuals, having a greater risk of unemployment, shift work, and not having a permanent contract. These findings remain even after taking into account gender, socio-economic status and educational attainment.

Looking at the data through a different lens, we find that the proportion of those on permanent contracts is over 80% for all ethnic groups, illustrating that despite the significant recent changes in the labour market, this currently remains the most common contract type, even for young workers (Figure 4). However the Pakistani, Black African and Other groups have a lower probability of having a permanent contract (these are significantly different from the White group), and White and Indian adults have the highest probability, net of gender, prior education and socio-economic background.

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* Predicted probabilities computed from logistic regression models. N=6,453. Statistical significance is denoted by stars: where ***p<0.001; **p<0.01; *p<0.05; +p<0.10. The reference group is White. Controls for Gender; Social class background; Housing tenure during adolescence; Equivalised household income during adolescence; GCSE attainment; and degree attainment.
**Figure 3: Indicators of precarious work by ethnicity (second job, shift work and zero hour contracts)**

*Predicted probabilities computed from logistic regression models. N=6,453. Statistical significance is denoted by stars: where ***p<0.001; **p<0.01; *p<0.05; +p<0.10. The reference group is White. Controls for Gender; Social class background; Housing tenure during adolescence; Equivalised household income during adolescence; GCSE attainment; and degree attainment.*

**Figure 4: Permanent contract by ethnicity**
Section 3: The Relationships between Ethnicity, Work and Mental Health

WORK AND MENTAL HEALTH

The World Health Organisation (WHO) defines mental health as a: “state of wellbeing in which every individual realizes his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully, and is able to make a contribution to her or his community”\(^2\). It is telling that even this high level definition makes a connection between mental health and work.

Poor mental health is one of the most pervasive public health challenges that society faces. Mental health issues are estimated to affect about 25% of the population in Europe each year\(^3\) and account for one fifth of our total disease burden, exceeded only by heart disease\(^4\). A recent report noted that one sixth of the population in England aged 16–64 has a mental health problem\(^5\) with an estimated annual cost to UK economy put at around £99bn, of which some £42bn is borne by employers.

Previous work has shown that those who are unemployed show more psychological distress than those who are employed\(^6\). Some mechanisms offered to explain the association between unemployment and mental ill-health are that when people are unemployed they have less structured time, fewer opportunities for social engagement, a lack of purpose, low status and an absence of activity\(^7\). Research has shown that when those who were unemployed find a job their mental health improves significantly\(^8\). However it is also possible that a person’s labour market position is related to mental ill health, as those who have experienced such problems have been shown to be more likely to lose their jobs, and need more time to find employment\(^9\).

Evidence around job insecurity has found that insecurity is associated with a reduction in psychological wellbeing\(^10\). Job insecurity applies to people who fear they might lose their job(s), such as those on zero-hours contracts, those who need to take a second job or those who do not have a permanent

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contract. Whilst shift work may not be an insecure form of employment per se, there is evidence which suggests that shift work can have an adverse effect on mental and physical health.\(^5\) This association may be due to fatigue, reduction in sleep quality or challenges in maintaining relationships, although it is noted that isolating the association between shift work and mental health is difficult given the complexity of intertwined factors.\(^5\)

**BAME COMMUNITIES AND MENTAL HEALTH**

There are a range of specific issues that BAME communities face with regards to mental health and access to and experience of mental health services. First turning to the prevalence of mental health issues, as one Public Health England report puts it: “assessing ethnic differences in the prevalence of mental illness is controversial and complex since rates of recognition, reporting and diagnosis are likely to vary between ethnic groups.”\(^5\) Additionally, many of the existing studies are local, small scale or not designed to recruit suitable ethnic minority samples and have limited ethnic categories.\(^5\) In terms of what we can say, analysis using the Adult Psychiatric Morbidity Survey (APMS) found little variation between White, Black and South Asian men in the rates of any common mental disorder.\(^5\) However among women, the South Asian group were at elevated risk of experiencing a common mental disorder.\(^5\) More recent data from the APMS found that common mental disorders such as anxiety and depression were more prevalent amongst Black women.\(^5\) Other studies suggest that BAME populations in the UK have a higher risk of psychosis\(^5\) and there is specific evidence of an increased risk for psychosis amongst Black African and Black Caribbean populations in Britain.\(^5\)

Ethnic minority groups differ from White groups in how they experience mental health services in the UK, and in terms

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52 Harrington, J.M. *Health effects of shift work and extended hours of work,* Occupational and Environmental Medicine, 58: 68-72, 2001


56 Ibid (McManus, 2009)


59 Ibid (Fearon et al., 2006)
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of the pathways they take through those services. Here are three key issues, which are inextricably linked:

i. There is a disproportionate representation of BAME people with mental health problems whose first point of entry to mental health services is at the severe end of the spectrum.

There is an increased risk of detention under the Mental Health Act for BAME groups and some are disproportionately represented in detentions to acute and secure inpatient services, as well as being affected by long stays. 60

Men of African Caribbean ethnic origin are twice as likely to be detained in low secure services than men of White British origin and stay for twice as long in those services on average. 61

There is an overrepresentation of Black men with mental health issues at the point of arrest, in prison and within secure treatment. 62

ii. BAME people are more likely to experience harsh treatment within police custody and in secure mental health services.

Those in the Black community more commonly report the use of force during contact with the police. There is evidence that use of force is employed disproportionately against Black individuals both by the police and in secure units. 63

In its most extreme form this is represented by repetition of deaths in custody or in secure units under restraint, for example in the case of David Bennett whose death in a secure unit was followed by an official inquiry. 64

The inquiry concluded that “institutional racism exists throughout the National Health Service, which adversely impacts on the experiences of black and minority ethnic communities, service users and their families. This was identified as taking place across a range of areas, and included inadequate diagnosis, harsher and more coercive treatment, and poorer engagement with carers and family members.” 65

In addition, there is evidence of a disproportionate use of detention and of Community Treatment Orders for Black people under the Mental Health Act. Amongst the five broad ethnic groups, known rates of detention for the ‘Black or Black British’ group are over four times those of the White group and known rates of Community Treatment Order use were over eight times the rate for ‘the Black or Black British’ group compared to the White group. 66

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60 Mental Health Taskforce, The Five Year Forward View for Mental Health, NHS England: Leeds, 2016, p8
61 Ibid, p31
63 Ibid, p8
iii. BAME people are more likely to struggle with access to adequate mental health services

There is continuing poor access to adequate mental health services across different BAME communities. Some studies have found that recognition and acceptance of mental health problems, including a negative perception of and social stigma against mental health issues can be particular challenges in some BAME communities. Compounding this are concerns that Black people specifically are more likely to be turned away from services when they seek help.

These significant issues that BAME communities in the UK experience in their engagement with mental health services have been well documented in recent years and continue to feature in media reporting. The Five Year Forward View for Mental Health published in 2016, noted that priority should also be given to tackling ethnic inequalities in mental health provision and recognised that the 5 year Delivery Race Equality programme which concluded in 2010 showed no improvement in the experience of people from BAME communities receiving mental health care. The plan recommends that more data must be made available so that there is transparency about how local areas are addressing age, gender, ethnicity, disability and sexuality in their plans; that use of the Mental Health Act should be monitored, with a focus on BAME groups; and that NHS England should work with Jobcentre Plus, to expand access to Individual Placement Support (IPS) to help more people into employment.

The report notes that while the introduction of the Workplace Race Equality Standard is positive in terms of redressing inequalities for NHS workers, there is currently no equivalent initiative in place for those accessing NHS services. The plan also supports the recommendations of The Independent Commission on Acute Adult Psychiatric Care, which suggests that a Patients and Carers Race Equality Standard should be piloted in mental health. This so far has not been implemented.

Additionally, a review of the Mental Health Act 1983 was completed in late 2018, led by Professor Simon Wessely, and acknowledged specific problems with racial inequalities in mental health services. The rules around when a person can be sectioned, restrained and put on a Community Treatment Order have been tightened in order to redress this. However the charity Mind responded that “…We are disappointed that the review has not called to scrap them. Likewise, we back the promotion of race equality in mental health services and in the use of the Act but this must come with concrete commitments, including that the NHS builds relationships with local communities.”

Therefore, there are several specific issues that BAME communities face with regards to access to and experience of mental health services. This context is an important consideration as we explore how the Next Steps participants are faring in terms of mental health.

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68 Ibid p45
70 Mind, Mental Health Act review recommendations published, 2018, [Accessed online July 2019]
71 Mind, Mental Health Act review recommendations published, 2018, [Accessed online July 2019]
Section 4: Next Steps participants and mental health

Within the Next Steps research young adults were asked questions about their mental health using the General Health Questionnaire (GHQ-12). GHQ-12 is a screening device for identifying minor psychiatric disorders in the general population and within non-psychiatric clinical settings, but they may or may not have been formally diagnosed. It concentrates on psychological ill-health, as well as general levels of happiness, depression and self-confidence. This provides the opportunity for participants to report symptoms associated with psychological distress, for example:

- Have you been able to concentrate on what you are doing?
- Have you lost sleep over worry?
- Have you been playing a useful part in things?
- Have you been losing confidence in yourself?

**PRECARIOUS WORK AND MENTAL ILL HEALTH**

Using the results from the GHQ-12 questions and combining with labour market status, the results indicate that being unemployed, a shift worker or on a zero-hours contract are all associated with a significantly greater risk of having poor mental ill health at age 25:

*Figure 5: Labour market status and mental ill health at age 25*

*Predicted probabilities computed from logistic regression models. N=6,885 for Employment model, all other models N=6,453. Statistical significance is denoted by stars: where ***p<0.001 **p<0.01; *p<0.05; +p<0.10. The reference groups are Employed; No shift work; No second job; Not permanent contract; no zero hours contract (respectively). Controls for Gender; Ethnicity; Social class background; Housing tenure during adolescence; Equivalised household income during adolescence; GCSE attainment; degree attainment; mental ill health at age 14 and 16; and income at age 25.*
Our findings were that:

- Those who are unemployed have a 42% probability of reporting symptoms of mental ill health at age 25 compared to those who are employed, who have a 21% probability of reporting symptoms of mental ill health.

- Those who work shifts have a 26% probability of reporting mental ill health compared to those who are not shift workers, who have a 19% probability of reporting symptoms of mental ill health.

- Those who have a zero hours contract are 6 percentage points more likely to have mental ill health than those without a zero-hours contract.

- Those who have a second job are 3 percentage points more likely to have mental ill health than those without, and those who have a permanent contract are 2 percentage points less likely to have mental ill health, however these differences are small and not statistically significant.

This is consistent with previous research examining the relationship between unemployment and other precarious labour market contracts and mental ill-health. These associations may be explained by increased uncertainty, less-structured time, low status, a lack of purpose and fewer opportunities for social engagement, and point to a “Quarter-Life Crisis” among members of this group. However there may also be a ‘selection effect’ present, where those with lower mental health may be more likely to enter precarious jobs. To try to address this selection effect, the research models control for adolescent mental ill-health, however there may be some unobserved forces at play.

* Predicted probabilities computed from logistic regression models. N=6,453. Statistical significance is denoted by stars: where ***p<0.001, **p<0.01, *p<0.05, +p<0.10. The reference group is White. Controls for Gender; Social class background; Housing tenure during adolescence; Equivalised household income during adolescence; GCSE attainment; degree attainment; mental ill health at 14 and 16; income at age 25.
THE INTERPLAY BETWEEN ETHNICITY AND MENTAL HEALTH

It is interesting to note that some ethnic minority groups in the Next Steps cohort, namely Indian, Pakistani, Bangladeshi and Black African are less likely to report having mental ill health symptoms compared to the White group. These findings hold even after we make all else equal by controlling statistically for parental social class, housing tenure and household income during adolescence, prior educational attainment, prior mental ill health symptoms, income at age 25 and labour market status.

On the other hand, the Mixed Heritage, Black Caribbean and Other ethnicity groups have higher rates of mental ill health at age 25 than the White group when considered descriptively, without taking into account any social and economic factors that might affect their mental health. Once we control statistically for social class, housing tenure and income during adolescence, educational attainment and income at age 25, these differences are no longer significant. That is to say the difference between the mental health of Mixed Heritage, Black Caribbean, Other and the White groups is attributable to social and economic factors rather than ethnicity by itself.

MENTAL HEALTH IN ADOLESCENCE AND ADULTHOOD

Finally, those who reported symptoms of mental ill health at age 14 have a 10 percentage point higher probability of reporting mental ill health at age 25 than those with no symptoms at age 14. Similarly, for those who reported mental ill health at age 16, the probability of reporting mental ill health at age 25 is around 16 percentage points higher. This is evidence that adolescent mental ill health is a strong and significant predictor of mental ill health in early adulthood and signals the importance of agencies and schools developing and implementing early intervention programmes and support.

Figure 7: Predicting symptoms of mental ill health at age 25, by adolescent measures*

* Predicted probabilities computed from logistic regression models. N=6,453. Statistical significance is denoted by stars: where ***p<0.001 **p<0.01; *p<0.05; +p<0.10. The reference group is No symptoms of mental ill health at age 14/16. Controls for Gender; Social class background; Housing tenure during adolescence; Equivalised household income during adolescence; GCSE attainment; degree attainment; mental ill health at 14 and 16; income at age 25.
CONCLUSIONS

Today’s emerging adults face not only a rapidly changing world of work, but also challenges that are specific to their generation which have been described in terms of a ‘quarter-life crisis’. Considering the range of inequalities that BAME communities in the UK continue to face, including in the labour market, we sought to explore the relationships between work, ethnicity and mental health amongst the Next Steps cohort, a national longitudinal study of the millennial generation.

The research found that across all ethnic groups, those who are unemployed at age 25 are more likely to report symptoms of poor mental health than those who are employed. Those 25 year olds in precarious work, specifically those who are shift workers or zero-hours workers, are also more likely to suffer poor mental health. These results remain even after we make all else equal by using controlling statistically for parental social class, housing tenure and household income during adolescence, prior educational attainment, prior mental ill health symptoms and income at age 25.

When broken down by ethnicity the data show that BAME young people are at a greater risk of being unemployed than White young people; and that BAME 25 year olds are more likely to experience each different form of precarious work than their White peers. These associations are present even after holding prior attainment and socio-economic characteristics constant, meaning that the differences between ethnic groups are driven by other factors.

These findings demonstrate that there is an important race equality dimension to labour market participation and experiences for 25 year olds in the UK. It is essential that the causes of these inequalities continue to be explored and tackled, and that questions are continued to be asked around racial discrimination and the specific challenges in accessing secure employment experienced by BAME groups.
It is also important that there is an understanding of the different labour market experiences of different BAME groups. For example, young adults of Pakistani and Black African ethnicity in the UK are particularly likely to experience unemployment and precarious work compared to their peers. Different policy responses or practical interventions may be required to meet the needs of different BAME groups.

Interestingly the data show that although BAME young people are at greater risk of being in precarious work, there is no additional advantage or disadvantage in terms of reported mental health for ethnic minorities at age 25 who are in precarious work compared to White adults in precarious work. More broadly, the data show that some ethnic minority groups (namely Indian, Pakistani, Bangladeshi and Black African) in the Next Steps cohort are less likely to report having mental ill health symptoms compared to the White group; but higher rates of mental ill health are reported among Mixed Heritage, Black Caribbean and Other ethnicity groups at age 25, compared to their White peers. Further research is needed to understand what may be driving these differences between ethnic groups.

These findings suggest that the link between precarious work and poor mental health is a concern for all, rather than having a specific ethnicity dimension, at least at age 25. Indeed, the evidence suggests that adolescent mental ill health is a strong and significant predictor of mental ill health in early adulthood. However, it is important, when considering these findings to do so in the context of the recognised difficulties in comparing mental health between different ethnic groups; and the very particular, significant and well documented challenges that BAME communities continue to experience in relation to access and engagement with mental health services.

**RECOMMENDATIONS**

Based on the research findings we make the following recommendations for UK Government, mental health services and employers.

**Recommendations for Government**

There should be increasingly joined-up thinking in policy and practice on the themes of good work, mental health and race equality. BAME representation must be seen as a prerequisite to ensure policy plans meet the needs of intended recipients.

1. The UK Government’s Good Work Plan makes reference to “wellbeing, safety and security” and cites a civil service case study with regards to mental health. However, there are no specific recommendations in the Plan about improving or supporting good mental health in the workplace; or about tackling racial inequality in the labour market in general or in precarious work in particular. These strategic gaps should be addressed as a matter of priority and the work of both the Work and Health Unit and the Race Disparity Unit should be connected with the implementation of the Good Work Plan to ensure consistency and effective working across these three intertwining issues. In particular, we would wish to see the Good Work Plan be further developed to identify specific priorities and actions for addressing:

   - the disproportionate representation of BAME groups in precarious forms of employment;
   - the ethnic minority pay gap; and
   - the negative mental health impacts of precarious work for young workers from all ethnic groups.
More broadly, we advocate for the continued implementation of the UK Government’s Good Work Plan to ensure good quality work in the UK, in particular:

- new legislation to improve clarity on employment status;
- making Statutory Sick Pay (SSP) a basic employment right; and
- the introduction of a set of metrics to measure success, reporting annually on the quality of work on offer in the UK.

The Carnegie UK Trust and RSA report *Measuring Good Work* outlines ways to better measure job quality and includes an indicator on “anxiety and depression”, which identifies whether work has been a contributing factor for those experiencing these specific mental health issues in the previous 12 months. This data is currently collected through the Labour Force Survey and is presented by industry sector, occupational group, business size, gender and age. We recommend that in future, analysis is also undertaken to present this data by ethnicity, to build further, robust, ongoing evidence on the relationship between work, ethnicity and mental health.

The Department for Work and Pensions and the Department for Health and Social Care are already working together in the form of the Work and Health Unit. We support many of the initiatives outlined in the Work and Health Unit’s *Improving Lives: The Future of Work, Health and Disability* report. However whilst the report rightly has an emphasis on mental health, it does not tackle the specific challenges faced by ethnic minority groups. Given the labour market disadvantages commonly experienced by BAME workers, as evidenced in our research, we recommend that the initiatives of *Improving Lives* are reviewed with consideration given the unique needs and experiences of different ethnic minority groups.

Both the link between work and mental health and the specific issues of race inequalities in mental health are well documented. Previous reports have made some important recommendations in these areas, and we echo these and would advocate for their implementation. In some cases progress has been challenging and we support a renewed focus on the advancement of these actions.

The 2019 *Mental Health Act Review* recommended the NHS develop an organisational competence framework, the ‘Patient and Carers Race Equality Framework’ (PCREF), a practical tool which enables organisations to understand what steps it needs to take to achieve practical improvements for individuals of diverse ethnic backgrounds. We would urge that this becomes a serious priority, and equally that a further framework be established to help organisations and institutions implement the recommended changes.


The Five Year Forward Plan for Mental Health produced in 2016 by the Mental Health Taskforce robustly acknowledges the disparities experienced by ethnic minorities in mental health services. It reflects recommendations made by The Independent Commission on Acute Adult Psychiatric Care advocating that patients and carers are enabled to play a greater role in their own care as well as in service design, provision, monitoring and governance, and that a Patients and Carers Race Equality Standard should be piloted in mental health. The charity Mind continues to work to support these recommendations being taken forward; however there has been no formal confirmation regarding the development of a Patients and Carers Race Equality Standard thus far. We strongly support the advancement of this proposal.

One of the key government initiatives linking work and mental health is Individual Placement and Support (IPS), which supports people with severe mental health difficulties into employment. The Five Year Forward Plan for Mental Health calls for expanded access to IPS, doubling the numbers who are able to use the service. We support the growth of this service and others like it, which offer significant tailored support to those struggling with their mental health enabling them to succeed in the workplace.

The 2018 Public Health England paper Local action on health inequalities: Understanding and reducing ethnic inequalities in health supports piloting culturally appropriate mental health campaigns for different ethnic groups to assess whether this could improve access to services, recognising the widely reported disconnect between some ethnic minority groups and mental health services. We support the advancement of this proposal.

Our research suggests that adolescent mental ill health is a strong and significant predictor of mental ill health in early adulthood. Therefore we recommend that early interventions regarding promoting wellbeing and coping strategies in adolescence are supported and expanded, and that continued investment in mental health services for young people from all ethnic groups is crucial for alleviating strain on mental health services though to early adulthood. We also support the increase of mental health provisions in schools.


75 Centre for Mental Health [www.centreformentalhealth.org.uk], What is IPS?, 2019, [Accessed December 2019]
Recommendations for Employers

The Taylor Review states that “the best way to achieve better work is not national regulation but responsible corporate governance, good management and strong employment relations within the organisation”\(^76\). In the areas of mental health and race equality, we recommend that:

10. **Employers should work proactively** to identify priorities for tackling race inequality in their organisation and report regularly on progress. To effectively assist change, an internal race disparity audit should be introduced. This would help to reveal any ethnic minority pay gap, along with any racial disparities in regards to senior staff, and provide a basis for proactive planning to address disparities.

11. **Employer organisations, trade unions and race equality bodies should work collaboratively** to provide practical support and robust challenge to employers to advance action to tackle race inequality across the UK labour market.

12. **Employers should make use of the growing body of resources about promoting good mental health in the workplace,** including the courses offered by the charity Mind, and the Mental Health First Aid training courses.

13. **Employers involve employees in consultation on these issues.**

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