



Improving employment outcomes for young black men in London BRIEFING PAPER TWO: September 2015

HEADLINES

Employment

- 35.5% of young black men in London are in employment, compared with 56.7% of young white men.
- The number of young black men in London who are in employment has increased from the previous 12 month figure.

Unemployment

- The unemployment rate for young black men in London is 34%, compared with 15% for young white men.
- The unemployment rate for young black men in London has decreased from the previous 12 month figure.

Claimant count

- 3,375 young black men in London were claiming Job Seekers Allowance (JSA) in June 2015 (the most recent month for which figures are available).
- The number of young black men in London who are claiming JSA has **decreased** from the previous month.
- Of all young men in London claiming JSA, 30% are young black men.
- The proportion of young male JSA claimants who are black has **increased** from the previous month.
- 4.2% of all young black men in London are JSA claimants, compared with 1.6% of all young white men in London.

Employment and unemployment figures are from the Annual Population Survey for the 12 month period ending March 2015

ONE: INTRODUCTION

This is the second in a series of briefing papers on employment and unemployment of young black men in London. The briefing papers are produced by the Black Training and Enterprise Group (BTEG) to help focus discussion and services on improving employment outcomes for young black men. These briefing papers also contribute to and capture learning from the work which is taking place through the Moving on Up (MoU) initiative, a two year programme, jointly funded by Trust for London and the City Bridge Trust, to help improve employment outcomes for young black men (YBM) in London.

Key points from this Briefing Paper include:

- The London Advisory Group will be formally adopting an ambition for improving employment outcomes for young black men in London. This ambition is likely to be framed in terms of increasing employment rates, rather than reducing unemployment rates, and so information on employment rates will now be included in these Briefing Papers.
- The number of YBM in employment has increased. For the 12 month period ending March 2015, the number of YBM in London in employment was up by almost 9% on the 12 month period ending December 2014. However, this may not be good news as this increase was from people who were economically inactive moving into employment rather than from people who were unemployed.
- Because more YBM are in employment, the unemployment rate for YBM is decreasing. It has come down from 36% in the 12 month period ending December 2014 to 34% in the 12 months ending March 2015. But remains more than double the unemployment rate for young white men.
- The number of YBM claiming JSA has continued to decrease but the proportion
 of young male claimants who are black has increased. When compared with the
 proportion of YBM in the local population the over-representation of YBM in the
 claimant count has increased across London and in most of the MoU target
 boroughs, particularly in Lambeth, Hackney and Lewisham.

Within the Moving on Up programme, and in this paper, by 'young' we mean people aged 16 to 24 and within the term 'black' we include people from black British, black African, black Caribbean, other black and mixed black ethnic groups. There are slight variations in the age range and ethnic groups included within the data presented in the following sections. Please refer to the notes on pages 9 and 10 of this paper for further information about definitions and sources of data.

TWO: EMPLOYMENT RATE

The number and proportion of YBM in employment has increased. For the 12 month period ending December 2014, 32% of YBM were in employment. This rose to 36% for the 12 month period ending March 2015. However, the number of YBM who were unemployed also showed a small increase over this period. So the increasing number of YBM in employment has been from YBM who were previously economically inactive rather than those who were unemployed. As the majority of young people who are economically inactive are in full time education, further investigation of these figures is needed to identify whether the increased number of YBM in employment has been accompanied by a fall in the number of YBM in further and higher education. This will be provided in the next Briefing Paper.

Table I: Young males in London in employment, April 2014 to March 2015

		Jan to Dec 2014	Apr 14 to Mar 15	Change
Black	Number	21911	23818	+8.7%
DIACK	% within this ethnic group	31.6%	35.5%	
All young	Number	221,151	226,193	+2.3%
men	% of all young men	45.3%	46.3%	
\//b:to	Number	147822	148234	+ 0.3%
White	% within this ethnic group	56.4%	56.7%	
Mixed	Number	11530	11799	+ 2.3%
Mixed	% within this ethnic group	45.6%	43.4%	
la dia a	Number	10116	12419	+22.8%
Indian	% within this ethnic group	30.7%	32.1%	
Pakistani & Bangladeshi	Number	11188	11258	+ 0.6%
	% within this ethnic group	33.4%	34.6%	

Table II: Economic activity status of young men in London

	Jan to Dec 2014						
	Employed	Inactive					
		unemployed					
Black	31.6	17.5	51.0				
White	56.4	10.1	33.5				
ALL	45.3	11.4	43.3				

Apr 14 to Mar 15						
Employed	ILO	Inactive				
	unemployed					
35.5	18.0	46.5				
56.7	10.2	33.1				
46.4	11.9	41.7				

TWO: UNEMPLOYMENT RATE

The unemployment rate for YBM in London is continuing to decrease.

For the 12 month period ending March 2015 the ILO unemployment rate for young black men was 34%, down from 36% for the 12 months ending December 2014. The unemployment rate for young white men was unchanged at 15%.

Despite this decrease, the unemployment rate for young black men remains **more than double** the rate for young white men.

Chart I: ILO unemployment rates for young men in London by ethnic group

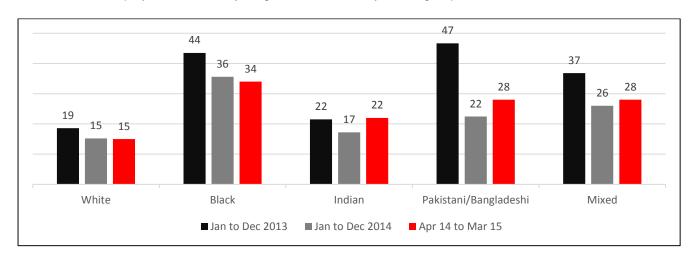
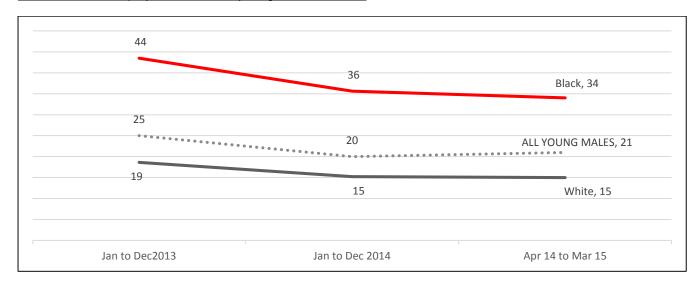


Chart II: ILO unemployment rates for young men in London



THREE: CLAIMANT COUNT

The previous Briefing Paper reported claimant count figures for March 2015. The most recent figures available for this Briefing Paper are for June 2015.

The <u>actual number</u> of YBM JSA claimants in London has <u>decreased</u>, from 3,725 in March 2015 to 3,375 in June 2015. This is a decrease of 350 YBM over the three month period, or just under 10%.

Across London, the <u>proportion</u> of young male JSA claimants who are black has <u>increased</u> since March 2015, from around 28% to around 30%. This means that 30% of all young male JSA claimants in London are black compared with around 16% of all young males in London who are black.

Table III: JSA Claimants in London (YBM includes mixed black groups)

	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015
Number of YBM claimants	3,575	3,755	3,725	3,585	3,470	3,375
% of young male claimants who are black	27.7	27.6	28.4	28.9	29.7	30.4

Table IV shows the number of YBM JSA claimants in the London boroughs which are covered by the six MoU projects. The most recent JSA figures are shown and compared with those for March 2015. The table shows that:

- The <u>number</u> of YBM JSA claimants <u>decreased</u> in Brent, Ealing, Lambeth, Newham and Southwark. There were increases in the actual number of YBM claimants in Hackney and Lewisham, and no change in Croydon.
- The <u>proportion</u> of all young male JSA claimants who are black <u>increased</u> in Croydon, Hackney, Lambeth and Lewisham.

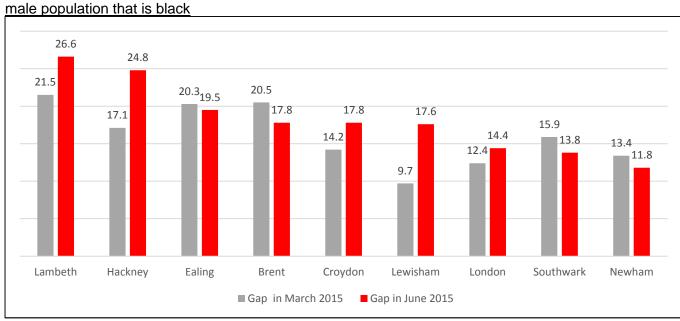
The disproportionality of YBM claimants varies from borough to borough. By disproportionality, we mean that the proportion of all young male JSA claimants who are black is greater than the proportion of the young male population who are black.

Disproportionality has increased across London and in four of the eight target boroughs since March 2015, as illustrated in Chart III. There have been big increases in disproportionality in Lambeth, Hackney and Lewisham.

Table IV: Young black male JSA claimants in London and selected London boroughs

Borough	Claimant numbers & % black	Mar 2015	Jun 2015	Change (Mar to June 2015)
BRENT	Number of YBM claimants	190	145	-45
	% of young male claimants who are black	40.4%	37.7%	7% dec
CROYDON	Number of YBM claimants	240	240	0
	% of young male claimants who are black	39.3%	42.9%	9% inc
EALING	Number of YBM claimants	175	145	-30
	% of young male claimants who are black	34.0%	33.3%	2% dec
HACKNEY	Number of YBM claimants	210	220	+10
	% of young male claimants who are black	45.2	53.0	17% inc
LAMBETH	Number of YBM claimants	320	300	-20
	% of young male claimants who are black	52.0%	57.1%	10% inc
LEWISHAM	Number of YBM claimants	235	250	+15
	% of young male claimants who are black	38.8%	46.7%	20% inc
NEWHAM	Number of YBM claimants	205	160	-45
	% of young male claimants who are black	29.7%	28.1%	5% dec
SOUTHWARK	Number of YBM claimants	265	220	-45
	% of young male claimants who are black	42.4%	40.4%	5% dec

Chart III: Disproportionality in % of young male claimants who are black and % of young



FOUR: NUMBERS OF UNEMPLOYED YOUNG BLACK MEN

To inform discussions about the actual numbers of young black men in London, and in key boroughs, who are unemployed, we need to think about how many there might be, in addition to those who are engaged with Jobcentre Plus and shown in the claimant count figures. As explained in Briefing Paper One, there are reasonable grounds for estimating that the number of unemployed YBM in London is three times higher than the number of YBM who are JSA claimants. In June 2015 there were 3,370 YBM claiming JSA in London. The Annual Population Survey shows that the number of unemployed YBM in London in the 12 month period ending March 2015 was slightly more than 12,000.

The proportion of YBM who are unemployed is greater than the proportion of young white men (YWM) who are unemployed. Table V shows the claimant rate for YBM and YWM as at June 2015 and what this represents as a percentage of all YBM and YWM (using GLA population projection data for 2015 for the key London boroughs). This table also shows the number of YBM per borough who would need to come off JSA in order to bring the YBM claimant rate down to the YWM rate.

<u>Table V: Number of young black men who need to come off JSA to reduce the YBM claimant</u> rate to the YWM claimant rate (June 2015)

	You	ng black i	men	You	ng white	men	No of	Number of
	Рор	Number on JSA	% of pop on JSA	Pop	Number on JSA	% of pop on JSA	YBM claimants if rate was same as for YWM	YBM who need to come off JSA to get to this
Brent	4,600	145	3.2	6100	75	1.2	57	88
Croydon	6,550	240	3.7	9100	190	2.1	137	103
Ealing	3,050	145	4.8	8400	115	1.4	42	103
Hackney	4,100	220	5.4	7000	90	1.3	53	167
Lambeth	5,350	300	5.6	9750	130	1.3	71	229
Lewisham	5,750	250	4.3	6850	190	2.8	159	91
Newham	5,550	160	2.9	7050	130	1.8	102	58
Southwark	6,600	220	3.3	10250	180	1.8	116	104
London	93,900	3,949	4.2	260000	4105	1.6	1483	2466

FIVE: APPRENTICESHIPS

The figures in this section are unchanged from Briefing Paper One.

The number of apprenticeship starts in London peaked in 2011/12 but has been declining since. Apprenticeship starts in London continue to be very low for the size of London's population in comparison with English regions.

Table VI: Apprenticeship starts in London

	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14
Number of starts	17,180	20,350	41,400	47,230	45,070	40,050
% of national starts	7.2	7.3	9.1	9.1	8.8	9.2

The proportion of young people starting an apprenticeship in London who are black has increased in each year to 2011/12 but declined from 2011/12 to 2012/13.

Table VII: Apprenticeship starts for young people (aged 16-24) by ethnic group, London

		2008/9	2009/10	2010/11	2011/12	2012/13
Black	Number of starts	1,280	2,030	3,670	3,830	3,450
	% of all 16-24 starts	10.8	12.3	15.6	15.7	14.7
White	Number of starts	8,240	11,020	14,200	14,750	14,510
	% of all 16-24 starts	69.4	67.0	60.2	60.4	61.7
Asian	Number of starts	1,260	1,740	3,040	3,180	2,800
	% of all 16-24 starts	10.6	10.6	12.9	13.0	11.9

Black people have the highest proportion of apprenticeship starts by older people; 59.3% of the black people who started an apprenticeship in 2012/13 were over 25. By comparison, 43.9% of white people who started an apprenticeship were over 25. Conversely, black people had the lowest proportion of apprenticeship starters who were aged under 19; 15.7% of black people starting an apprenticeship in 2012/13 were under 19, compared with 23.6% of white people who started an apprenticeship in that year.

Table VIII: Apprenticeship starts in London by age and ethnic group 2012/13

Ethnicity	16	-24	25	5+	All ages	
	Number	% within ethnic group	Number	% within ethnic group	Number	% within London total
Asian	2800	48.3	2990	51.6	5790	12.8
Black	3450	40.7	5010	59.3	8450	18.7
Mixed	1840	64.6	1010	35.3	2850	6.3
White	14510	56.1	11370	43.9	25880	57.4
London total	23520	52.1	21560	47.8	45070	

Data sources and definitions

Section One: Employment rate

Source: Annual Population Survey. Office for National Statistics. Social Survey Division, *Annual Population Survey, April 2014 - March 2015* [computer file]. Colchester, Essex: UK Data Archive [distributor], June 2015. SN: 7742, http://dx.doi.org/10.5255/UKDA-SN-7742-1

Young: people aged 16 to 24

Black: Black African, Black Caribbean or Black Other

Please note that the statistics in Sections One and Two are derived from survey samples and are subject to error. When the population of interest is very small (e.g. young black men in London) the margin of error increases. The statistics in this section indicate trends and are useful for comparisons between groups but should not be read as an exact measure of the unemployment or employment rates or numbers for young black men.

Section Two: Unemployment rate

Source: Annual Population Survey. Office for National Statistics. Social Survey Division, *Annual Population Survey, April 2014 - March 2015* [computer file]. Colchester, Essex: UK Data Archive [distributor], June 2015. SN: 7742, http://dx.doi.org/10.5255/UKDA-SN-7742-1

ILO unemployment: The internationally agreed definition of unemployment recommended by the International Labour Organisation (ILO) and used by the Office for National Statistics. The UK applies the ILO guidelines to define someone as unemployed who has actively sought work within the last 4 weeks and is available to start work in the next 2 weeks, or has found a job and is waiting to start in the next 2 weeks.

ILO unemployment rate: Proportion of economically active people who are unemployed. This is calculated by: <u>unemployed</u>
employed +unemployed

Young: people aged 16 to 24

Black: Black African, Black Caribbean or Black Other

Section Three: Claimant count

Claimant count source: NOMIS

Population data source: 2011 Census

Young: people aged 18 to 24

Black: Black African, Black Caribbean, Black Other, Mixed White & Black Caribbean, Mixed White and Black

African

Section Four: Numbers of unemployed young black men

Claimant count source: NOMIS

Population data source: Greater London Authority GLA trend based population projections for 2015 https://www.london.gov.uk/mayor-assembly/mayor/publications/gla-intelligence/demography/population

Young: people aged 18 to 24

Black: Black African, Black Caribbean, Black Other

Section Five: Apprenticeships

Source: FE Data Library at www.gov.uk

Young: people aged 16 to 24

Black: Black African/Caribbean/Black British

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