

Addressing child poverty through parental employment

National call for views

Submission by the Coalition for Racial Equality and Rights (CRER) – 6 April 2023

What changes to childcare provision in Scotland could have the greatest impact on child poverty?

Minority ethnic families have been designated a priority group within Scottish Government child poverty strategies. This is because Black/minority ethnic (BME) families are disproportionately at risk of poverty: data shows that people from BME groups in Scotland are twice as likely to be in poverty as their white counterparts. Children from minority ethnic households are at the highest risk of facing poverty of any of Scottish Government's child poverty priority groups, and the rate continues to rise, hitting 38% in the latest statistics (2019-22). See various CRER's blogs and research report, Ethnicity and Poverty in Scotland (2020) for more detail.

Many BME families will fall into multiple categories of priority families. For example, we know that certain minority ethnic groups are more likely to have three or more children (another of the other priority groups), with 2011 Census results analysis showing that:

- 36% of families of Pakistani origin
- 32% of families of Arab origin
- 26% of families of Bangladeshi origin, and
- 24% of families of African origin had three or more children

This compares to an overall average of 13% of families in Scotland with three or more dependent children. Parents of larger families, in particular, mothers are less likely to be in full time employment, usually due to the cost of childcare. For these parents, positive changes to increase free or subsidised childcare could give them access to more hours at work or better paid jobs.

Recently published data has also shown that for BME families, paid employment is less of a route of poverty than for white families. The poverty rate for BME children in working households is at 38%, compared to a rate of 25% for 'all children'. This could be for a variety of reasons, including increased household costs which would encompass the high costs of childcare. Research findings from England and Wales have shown that a third of BME parents spend more than a third of their salary on childcare, and one in eight (12%) have childcare costs of more than half their wages (compared to 16% and 6% of white workers) (Trade Union Congress, 2022, 1 in 3 parents with pre-school children spend more than a third of their pay on childcare). For these families, changes to childcare provision which lower costs could have a dramatic impact on poverty levels.

However, research and data has suggested that access to appropriate childcare provision may be an issue for some BME families. The Scottish Government's report 'Growing up in Scotland: Birth Cohort 2' found that families in which the respondent was white were

significantly more likely to be using childcare than those where the respondent was from a non-white ethnic background (53% vs 33% respectively).

The Scottish Government publish data on some demographic figures for early learning and childcare (ELC) registrations, however, ethnicity is not currently published. Without this, it is hard to establish a baseline of the level of access for BME families and, in the future, see how any changes to childcare impact on poverty rates. However, we understand that the ELC Data Transformation Project should contain information on ethnicity of children registered for funded entitlement in the coming years.

Data suggesting lower take up seems to chime with research from England. Research has found that there is variation on uptake by ethnicity with take-up being lower among children from Bangladeshi, Gypsy/Traveller, Roma, African and Pakistani backgrounds in a study on three-year-olds in 2010 (Campbell, Gambaro and Stewart, 2018, “Universal” Early Education: Who Benefits?). However, there was a complex relationship between ethnicity and other factors affecting take up including income-level and English as an additional language. A key finding was that either having English as an additional language or having English as a first language and being persistently poor (relevant in Scotland, as poverty rates for BME groups are more than double those of white Scottish/British groups) are both strong predictors of non-take up.

Other research in England has also found that ethnicity is a factor in free early education entitlements take up (Pascal, Bertram, and Cole-Albäck, 2021, What do we Know About the 30 Hour Entitlement?). Interestingly, this research found that whilst providers and local authorities perceived that minority ethnic communities in particular had a strong preference for choosing to keep their child at home and that parents, and in particular mothers, should care for their children, the interviews with parents showed more nuanced and mixed factors explaining take up of childcare. As well as other common factors, there were multiple specific factors including wanting to teach children about their culture and mother language and parents having concerns that childcare would not be able to cater to religious needs.

Research in 2018 by Close the Gap (Still Not Visible: Research on Black and Minority Ethnic Women’s Experiences of Employment in Scotland) highlighted how accessing affordable, appropriate childcare was identified as a significant barrier for many BME women:

- BME women find it difficult to plan work around childcare due to the inflexibility of both working practices and childcare provision
- Some BME women did not feel comfortable using formal childcare or may be unaware of the services available to them
- There were perceived difficulties in preserving minority cultures within childcare settings, for example providing books and materials that feature minority ethnic characters
- BME women reported a lack of cultural sensitivity, which in part is a cause and consequence of a lack of workforce diversity; the early years workforce in Scotland is overwhelmingly white

- 40% of BME woman said they do not use paid-for childcare because it is too expensive. This shows the great potential that free or subsidised childcare places may have for BME poverty rates

There is a current underrepresentation of BME individuals within the ELC workforce; data from 2018 suggests that only 1% of the ELC workforce are from BME backgrounds. This can affect parents' decision to use childcare for a variety of reasons, for example, they may be concerned about the presence of racism and discrimination and the ability of childcare providers to address this. Whilst studies often focus on perceptions of cultural competency as a factor limiting take up of formal childcare, when engaging directly with BME parents, we have found that underlying this perception is a fear that children will experience racism from other children and/or staff.

In our response to the recent consultation on Inspection of Early Learning and Childcare, we called for Scottish Government to strengthen the standards set out for those working in these settings to include an explicit focus on making their services and settings accessible, eliminating prejudice or discrimination and actively promoting equality and community cohesion.

A study conducted in Scotland on the take-up of places for eligible two-year-olds revealed that the largest barrier to uptake is lack of awareness (Scottish Government, 2017, Drivers and Barriers to Uptake of Early Learning and Childcare amongst 2 year olds).

Unfortunately, this study did not discuss findings in relation to minority ethnic parents. However, research from England (Ipsos MORI, 2012, Exploring the Flexibility of the Free Entitlement to Early Education) suggested that awareness of free childcare can vary by ethnicity with parents from minority ethnic groups having lower levels of awareness of entitlement (61 per cent) than white parents (85 per cent).

All the above findings have important policy implications in that, alongside changes to childcare provision, for BME families what also needs to be considered are factors concerning flexibility, accessibility, awareness and desirability.

As the Scottish Poverty and Inequality Research Unit have highlighted there is currently an inadequate evidence base that would enable us to understand the totality of the impact of childcare investment on tackling child poverty, promoting maternal employment and reducing household costs in Scotland (2022, Rapid Evidence Review on the Impact of Childcare on Parental Poverty, Employment and Household Costs). To align with child poverty objectives, any future studies/research must focus on the six priority groups, including minority ethnic families.

Who should any extension of free or subsidised childcare be offered to?

Childcare provision is only an effective policy instrument to combat in-work poverty if those people with young children who have lower levels of employment and lower earnings are reached. Within this group BME people in Scotland are likely overrepresented due to higher rates of in-work poverty for BME groups alongside the race employment gap. For example, ethnic breakdowns for the Child Poverty Measurement Framework have shown that

(Scottish Government, 2019, Every Child Every Chance, First Year Progress Report 2018-19, Annex C):

- A higher percentage of minority ethnic children live in workless households - 16.4% compared to 11.7% of all children in Scotland
- Working-age adults in working minority ethnic households with children work an average of 24 hours per week, compared to 32 hours per week for all households with children
- Minority ethnic households with children earn an average of £10.06 per hour, compared to £12.15 per hour for all households with children

Where the aim of childcare is to tackle child poverty, consideration must be given to who benefits from improvements in childcare provision. Currently it is not clear whether BME families would benefit at an appropriate rate, with data from England suggesting that uptake and awareness is affected by ethnicity. Further, the Scottish Poverty and Inequality Research Unit have highlighted how if more advantaged families are likely to benefit from childcare subsidies, then this anti-poverty strategy could undermine rather than support anti-poverty goals by reinforcing existing inequalities (2022, Rapid Evidence Review on the Impact of Childcare on Parental Poverty, Employment and Household Costs). Therefore, any new schemes or provision must be monitored by ethnicity to ensure that uptake by BME families is proportionate. Where this is not the case, clear strategies (at both national and local levels) to encourage uptake and inform of entitlement for BME communities will be necessary. Of note, many childcare providers currently don't collect ethnicity data – for example, 41% of children in Glasgow nurseries did not have their ethnicity known/disclosed or recorded (Glasgow Centre for Population Health, 2019, An evaluation of childcare in the east end of Glasgow).

What improvements to public transport could support parents?

Access to the labour market is mediated through transport options and, therefore, transport options which better met the needs of BME people could help address poverty related inequalities. This could include, for example, reductions in cost for both single journeys and season tickets.

Travel-to-work patterns have showed that people from minority ethnic groups are less mobile and were more reliant on public transport:

- Travel-to-work data from the 2011 Census showed that people from the African group were the least likely to drive to work and the most likely to take the bus
- According to the combined results of the Scottish Household Survey between 2001 and 2005, adults from minority ethnic groups are markedly less likely to hold a driving license - 48% compared to 66% for white ethnic groups
- Analysis from the 2011 Census showed that all BME groups (aside from the Pakistani group) had lower than average levels of car ownership. The African group had the lowest level of car access, with the majority (53 per cent) of people having no access to a car

This means that any improvements to cost and accessibility of public transport is likely to have a greater impact on BME poverty levels through reducing household costs and, potentially, opening up new opportunities.

Measures to improve safety on public transport will also be relevant with fears about safety influencing travel decisions. Some BME people may avoid using public transport where possible due to racism experienced on public transport; this may particularly be the case when their children are with them. Transport Scotland's Perceptions and Barriers to Bus Use Survey in 2022 found that a quarter of those from BME groups indicated that they had experienced bullying or discrimination when travelling on a bus.

What can the Scottish Government do to increase the supply of well-paid, secure employment that works for parents?

There is a known employment gap between BME people and white people in Scotland, which feeds into higher levels of poverty. The drivers of this gap are well known to the Scottish Government, summarised in the [Equal Opportunities Committee's 2016 report Removing Barriers: race, ethnicity and employment](#), the recommendations of which still need to be fully implemented.

What could the Scottish Government prioritise to help parents into work and better paid jobs?

There is much more the Scottish Government could do to help BME parents into work and better paid jobs. This includes funding of effective specialist BME services and ensuring equal access to mainstream employability support services which currently exist.

Data from Fair Start Scotland (FSS), Scotland's first fully devolved employability support service, has shown that it is not reaching minority ethnic communities. Year Three evaluation showed that whilst 10% of the unemployed population of Scotland is minority ethnic, only 4% of FSS participants were minority ethnic. The underrepresentation of BME groups was recognised within the first year of FSS (only 2% of participants were minority ethnic in the first six months). However, it seems substantial progress was not made. Employment schemes which do not reach BME communities may be both actively widening the ethnicity employment gap and increasing BME poverty.

Outwith FSS, it is generally not clear to what extent current Scottish Government measures to increase parental employment are succeeding for BME families. Therefore, a key development would be mandatory collection of ethnicity data by employment initiatives/programmes and use of this in reporting progress. For example, when designing the monitoring and evaluation plan for the Scottish Government's Parental Employability Support Fund, it will be necessary for this to include progress reporting for the priority family types, including minority ethnic families.

This approach needs to be mirrored in local level employment initiatives. CRER analysis of Local Child Poverty Action Reports found that very few were analysing outcomes, including employment outcomes, by ethnicity (CRER, 2022, A Review of Local Child Poverty Action Reports 2020/21).

Without national and local data on access to employment schemes and employment outcomes, it will not be known how well BME people are engaging with these services and to what extent they are assisting in BME parents both obtaining employment and increasing earnings.