

## **Adverse Disproportionate Impacts of Digitalisation on black & minority ethnic workers**

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### **Background**

#### **Impact of austerity and deepening racism on BME workers and communities**

The impact of austerity has seen Black & Minority Ethnic (BME) workers in the public sector in the UK, adversely & disproportionately impacted with a multiple impact on intersectional BME workers, for example BME women disabled BME people and young BME people. In 2010 I co-founded a UK national anti -austerity organisation; Black Activists Rising Against Cuts (BARAC) UK, established to respond to the adverse, disproportionate impact of austerity & cuts on BME workers, service users & communities.

**Our core belief is, as research has shown, *racial disparities on socio-economic indices expand dramatically during economic recession.***

Despite improving educational attainment, BME people are still being held back in the job market. Black, Asian and ethnic minority workers with degrees are two and a half times more likely to be unemployed than White workers with degrees. Black workers with degrees are paid 23.1% less on average than White workers with degrees.

If you are young and from an ethnic minority, your life chances have got much worse over the past decade and are at the most challenging for generations. Since 2010, there has been a 49% increase in the number of 16 to 24-year olds across the UK from ethnic minority communities who are long-term unemployed, compared with a fall of 2% if you are white. BME workers are also more than twice as likely to be in insecure forms of employment such as temporary contracts or working for an agency – which increased by nearly 40% for BME workers, compared with a 16% rise for white workers

In Britain, significantly lower percentages of ethnic minorities (8.8%) work as managers, directors and senior officials, compared with white people (10.7%). This is particularly true for African & Caribbean people (5.7%) and those of Mixed ethnicity (7.2%).

The largest sector employing BME people is the public sector, largely because the levels of discrimination in the private sector mean they can't even get a foot on the ladder & which after the Scarman report was seen as having better equality policies and more accessible to BME workers. But this is the area that has faced the deepest cuts to jobs, adversely impacting on BME people as they are more likely to work in front line & administrative roles, those bearing the brunt of cuts.

BME workers have already been decimated in the public sector over the past decade and more likely to be in precarious jobs as well as low paid, living below the poverty line & to be under employed. This has a knock-on impact on their families, standards of living & on housing standards plus life chances.

The findings of BARAC UK have been backed up by 2 recent reports by a government body, the Equality & Human Rights Commission which also makes the links between deepened racism and economic downturn.

Intersectionality is important to consider. For example, 1 in 5 BME women compared to 1 in 14 white women are unemployed. In 1 local authority BME women made up 5% of the workforce but 23% of redundancies. In another they were 31% of the workforce but 63% of redundancies.

In addition a report by the TUC which shows that BME workers are being affected by under employment, a system whereby those in employment work shorter hours than they would like. It highlights that in the first quarter of 2016, BME workers had an underemployment rate of 15.3%, compared with 11.5% for white workers. The research shows that if BAME workers had the same rate as white workers, more than 110,000 would be lifted out of underemployment.

Cuts over the past decade have seen a disproportionate number of BME workers lose their jobs. Because of discrimination in appraisal, promotion & progression, BME workers are most likely to be employed

and held back in the lowest grades, in the front-line jobs, doing roles with repetitive tasks, those at risk of automaton and digitalisation.

Digitilisation has already had an impact and it is one of the reasons BME workers are losing their jobs.

## **Case Study**

In 2017 a government non-departmental public body imposed a programme of restructuring and cuts on the organisation, failing to consult with the unions.

The reason given for these changes was digitalisation. They claimed that research showed that traditional methods of providing advice via an expert helpline was not desirable for younger people & that more advice needed to be provided via digital methods, apps, online internet tools etc. But effectively this was an excuse to cut jobs filled by one of the lowest grades.

It included a regional office closure, closure of 7 of the existing 11 regional helplines and to accommodate those losing their jobs, downgrading of some of the work done by the grade above.

The vast majority of the BME workers in the organisation were based in London & they took a decision to end the downgraded work in 2019 in London only whilst all other impacted workers retained permanent employment.

75% of the London workers were BME whilst in other regions the makeup of BME workers impacted was 5 to 0%, so white workers were 95 to 100% , so the vast majority of white workers were keeping permanent jobs whilst the vast majority of BME workers were losing their jobs, demonstrating a clear disproportionate adverse impact on race grounds.

Under the provisions of the Equality Act 2010 public sector organisations must adhere to the public-sector equality duty & foster good relations between different equality groups, those with protected characteristics under the Act. This includes on grounds of race & ethnicity.

An Equality Impact Assessment (EIA) must be conducted at an early stage & before any decision is made to identify any potential adverse disproportionate impact.

If there is any identified the public-sector organisation is required to take steps to avoid the impact and if this is not possible in their view, to provide mitigation.

In this case they had already made the decision & presented the EIA a couple of days prior to announcing their decision.

The EIA focused on the entire impact looking at the whole workforce rather than those impacted on London despite knowing they were required to carry out a local EIA.

They followed a dispute between PCS & the employer which has included strike action, action short of strike and legal action which PCS won twice. During negotiations PCS called for the London workers impacted to remain in permanent employment. This was refused & whilst PCS set out a paper with strong robust business, moral & equality arguments for protecting the jobs, the employer refused to give any mitigation or reason but eventually admitted it was cost driven. They refused to reverse the decision but agreed to review it.

The review was ignored & delayed but under pressure from PCS & a high profile campaign including Early Day Motions & written & oral questions in parliament they conducted the review & the union was able to make arguments and they reversed their original decision. But this took nearly a whole year campaigning & negotiating, causing stress & uncertainty and low moral for the staff concerned with some leaving. The wider dispute is ongoing.

## **Race impact on BME workers of digitalisation**

The government's programme of cuts includes cutting front line services in addition to 'improving efficiency and the quality of such jobs. Nearly 25000 administrative roles are seen as 'redundant' in public service delivery, many have been cut already with more planned. The four

largest areas within the sector are the National Health Service, Education, Central and local government and Police forces.

Over the past decade, BME workers together with disabled and older workers have been managed out of their jobs in order to meet headcount reduction targets, using draconian capability policies, very often these have been workers who have done the same job for many years, traditionally in administrative roles where due to digitalisation, they are told that they don't have the necessary skills to take on new jobs following restructuring. Legal challenges by unions where an adverse disproportionate impact on a larger group of workers using judicial review action often take too long, with a backlog in the courts meaning by the time a hearing date is set, the redundancies have already happened.

In the Civil Service 154000 administrative jobs are impacted and in Education 89700 jobs are.

According to research, the government aim is to fully automate these administrative roles and replace them with technology and the process has been happening systematically over the past 10 years.

The focus is on admin roles which are repetitive, that are frontline / interacting with clients / customers and cognitive roles. These are the roles traditionally filled by BME workers and roles they have been held back in because of discrimination at work and institutional racism in all aspects of training, appraisal, promotion and progression. This is backed up by research conducted by PCS including studies I have personally conducted. Being held back in such roles mean that there is little opportunity to partake in development opportunities in order to upskill and compete for jobs at higher grades. BME workers not only face a glass ceiling in public sector employment but find that ceiling barricaded.

Furthermore, when cuts started to bite, the first areas they cut were the training and education budgets. Civil Service mandatory training for example is 90% digitally delivered web-based training and without experts focused on equality in the workplace the response to meeting the provisions of the public-sector equality duty are largely a tick box approach. Plus opportunities for reskilling, upskilling and training /development is limited; 1. Because of budget cuts to education 2. Because workers in such roles are less likely to be released for development opportunities.

Those looking at the benefits of digitalisation do not have race on their agenda and how it might impact on race grounds.

The impact of digitalisation and automation is a focus of the TUC Race Relations Committee – the UK's most senior trade union body focused on race and is of such concern that it was decided that at our annual black workers conference we would facilitate a workshop focused on the issue. The impact goes beyond just the public sector.

In addition, Unite the union submitted the following motion to this year's TUC Black Workers conference which was passed with overwhelming support which instructs the Committee to undertake a series of action to address the impact.

*Conference is concerned about the speed of automation in our industries with its major impact on black workers.*

*Many sectors with a higher risk of automation are dominated by black workers including those in precarious employment.*

*Therefore, conference calls on the Race Relations Committee and affiliates to fight the threat of automation by assessing the risks and organising a campaign for the job security, terms & conditions, health & safety, new skills and training of black workers through considering the following:*

*I. Short term:*

- Assess the threat of automation*
- Collect information from reps to predict risk*
- Develop a risk register*
- Raise awareness among black members and reps*
- Bargain for job security*
- Sign new technology agreement*

*II. Long term:*

- Safeguard our unions by organising the lower risk sectors*
- Build global union power*

*III. Changes in legislation:*

- Shorter working time without loss of pay and job protection*
- Strong flexible working regulations*
- Better retirement policies*
- Jobs and/or salary guarantees based on production volumes or service delivery*
- Wide-scale sector bargaining*

- *Research and development in sectors most able to get more secure and better jobs from automation*
  - *Education and training in skills needed for the future including quality apprenticeship schemes*
- Unite the Union*

Furthermore, there is a lack of race diversity within the digital sector, data provided by the Department of Media Culture and Sport has identified that 88.8% of worker in the sector are white.

Some of the reasons for this include institutional racism;

A study by the TUC, entitled Black Qualified and Unemployed shows that:

- **BME graduates with a first degree are twice as likely to be unemployed as white graduates.**
- BME workers who have obtained vocational qualifications at HNC/HND level are almost three times as likely to be unemployed as white workers with the same level of qualification.

A government commissioned report, The McGregor review in 2017 identified that the public sector is less likely to identify BME people as 'high potential' in similar proportions as White employees

Because BME workers face discrimination in the labour market and once in employment, they are less likely to have the same opportunities in terms of experience, development and training in order to compete for digital jobs and if they lose their jobs because of digitalisation they will stay longer unemployed than their white counterparts, 1. Because of institutional racism and 2. Because there are less jobs available in the public sector

**How can we avoid a negative race impact of digitalisation?**

Structural racism and the tidal wave of hostile government policies towards migrant communities must be challenged by trade unions. Creating structures within unions where they don't exist for BME members is fundamental in ensuring they have a voice and can contribute through their first-hand experience but also we need to be present on decision making bodies.

Equality proofing policies and practices including any changes.

Accessing the existing legal frameworks to challenge structural and systemic racism at work so that BME workers are not denied opportunities for development and progression.

How we can use equality law varies from country to country, in the UK, following the racist murder of black teenager Stephen Lawrence, the inquiry into his death led to the introduction of amended race legislation and a public-sector race equality duty which was subsequently extended to other equality grounds which were incorporated into the Equality Act 2010.

Developing a framework and toolkit similar to the UK public sector equality duty and Equality Impact Assessment process for reviewing and scrutinising policies, in order to challenge any disproportionate adverse impacts and ensuring that there are policies in place at least as strong as the law, but preferably that go further so that in the event equality legislation is watered down or weakened as has happened in the UK, collective bargaining around written policies is used.

Training trade union negotiators on how to use race equality and human rights law to challenge.

One of my previous jobs was to implement Article 13 European Framework Directive Employment Equality legislation into UK law. Article 13 introduced The Race Directive 2000.

The principle rules include:

1. Implements the principle of equal treatment between people irrespective of racial or ethnic origin.
2. Gives protection against discrimination in employment and training, education, social protection (including social security and healthcare), social advantages, membership and involvement in

organisations of workers and employers and access to goods and services, including housing.

3. Contains definitions of direct and indirect discrimination and harassment and prohibits the instruction to discriminate and victimise.
4. Allows for positive action measures to be taken, in order to ensure full equality in practice.
5. Gives victims of discrimination a right to make a complaint through a judicial or administrative procedure, associated with appropriate penalties for those who discriminate.
6. Allows for limited exceptions to the principle of equal treatment, for example in cases where a difference in treatment on the ground of race or ethnic origin constitutes a genuine occupational requirement.
7. Shares the burden of proof between the complainant and the respondent in civil and administrative cases, so that once an alleged victim establishes facts from which it may be presumed that there has been discrimination, it is for the respondent to prove that there has been no breach of the equal treatment principle.
8. Provides for the establishment in each Member State of an organisation to promote equal treatment and provide independent assistance to victims of racial discrimination.

So these can be used by unions to avoid and challenge.

## **Conclusion**

The links between austerity and racism need to be made and acted upon.

Collective bargaining must include systems and checks to identify, assess and monitor any adverse disproportionate impact on race, multiple or other equality grounds. This must ensure avoidance of a tick box exercise and employers paying lip service to race equality.

Prior to any move towards digitalisation, BME workers must be equipped with training and development, including using positive action where

needed, so that they can compete for jobs on a level footing with their white counterparts and alternative secure work must be provided by employers.

Unions must take action where they identify potential or actual disproportionate impacts of digitalisation and challenge employers robustly, protecting jobs and defending services but also using the law where necessary.

### ***Further reading and references:***

***<https://www.gov.uk/government/publications/race-in-the-workplace-the-mcgregor-smith-review>***

***<https://www.tuc.org.uk/sites/default/files/BlackQualifiedandunemployed.pdf>***

***<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty#h1>***

***<http://blackactivistsrisingagainstcuts.blogspot.com/2017/01/2025-vision-for-race-equality-barac-uk.html>***

***<http://blackactivistsrisingagainstcuts.blogspot.com/2011/07/mission-statement-about-barac.html>***

***<file:///C:/Users/Zita/Downloads/ConceptpaperDigitisationemployabilityandinclusivenesstheroleofEurope.pdf>***

***<https://strongerunions.org/2016/12/14/lets-talk-about-racism-at-work/>***

***<https://www.theguardian.com/society/2014/feb/05/zita-holbourne-barac-austerity-minority-ethnic>***

***<https://www.tuc.org.uk/research-analysis/reports/insecure-work-and-ethnicity>***