

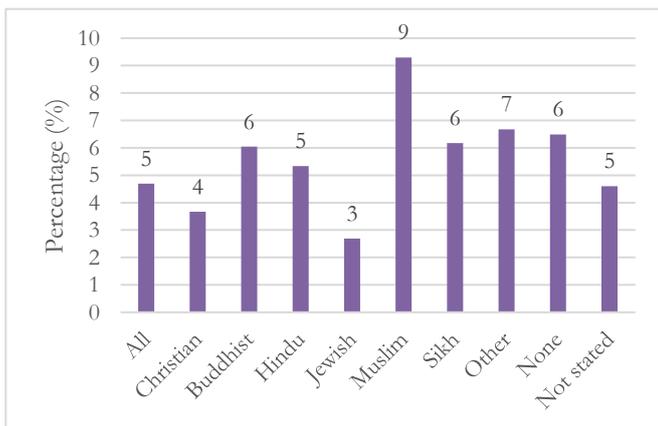
CSI 26: Do British Muslims face employment penalties?

Summary

- British Muslims have higher rates of unemployment and lower occupational status than other religious groups
- The ‘religious effect’ appears to be more important than the ‘ethnic effect’, although in practice these factors tend to co-occur
- First generation migrants and women face particular Muslim employment penalties
- Muslim employment penalties partly reflect the socioeconomic disadvantages faced by British Muslims
- Nonetheless, some penalties reflect language limitations, lack of bridging social ties, and discrimination. Particular effort is needed to address these barriers to employment

Introduction

There are 2.7 million Muslims living in Britain, and Muslims are the second largest religious group in Britain (after Christians), comprising 4.8 per cent of our population. Yet despite their high numbers, British Muslims face considerably higher levels of economic disadvantage than other groups in Britain. As Figure 1 shows, the unemployment rate among British Muslims in England and Wales is nearly twice the national average. Among those who are employed, British Muslims are underrepresented in higher



occupations: as illustrated in Figure 2, in 2011 just 6 per cent Muslims in England and Wales worked in the highest occupations, the lowest proportion of all major religious groups, and those with no religionⁱ. British Muslims also enjoy the lowest earnings of any religious group, earning £350 less each month than averageⁱⁱ. Despite Muslims facing clear disadvantages in the labour market, research has tended to focus on ethnicity and paid less attention to religious differences.

Figure 1: Unemployment rates are highest among Muslims *Source: 2011 Census*

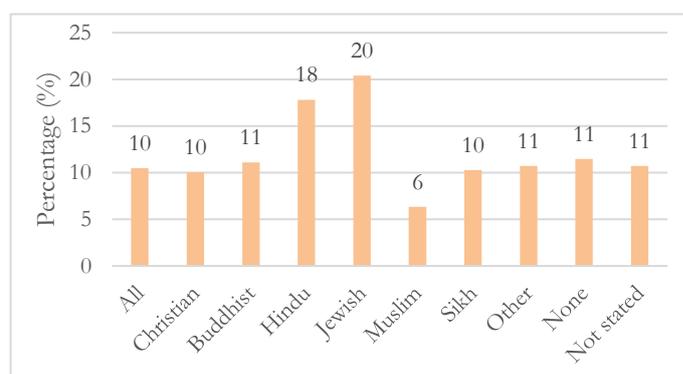
Is religion or ethnicity more important when explaining labour market disadvantage?

When attempting to compare patterns of employment between religious groups, the separate roles of religion and ethnicity must be disentangled. This is not a straightforward task because these groups overlap considerably: 97 per cent of people with Pakistani or Bangladeshi heritage living in Britain in 2005-2006 were Muslim. Conversely, 59 per cent of Muslims in Britain were from Pakistani or Bangladeshi backgroundsⁱⁱⁱ. Cultural norms that are shared by ethnic and religious groups add further to difficulties in separating the roles of religion and ethnicity.

Recent research has however begun to unpick these separate elements, identifying a strong ‘Muslim penalty’ in which Muslim men and women from different ethnic groups were more likely to be economically inactive and unemployed than people of the same ethnic group with different religions or no religion. The observation of Muslim penalties across ethnic groups can be interpreted as a shared ‘Muslim effect’ that confers penalties in the labour marketⁱⁱⁱ. Alongside religious disadvantages, it is also possible that some British Muslims face a ‘double penalty’ where they are disadvantaged by both religion and ethnicity. Further research reveals that while all Muslim groups face penalties in employment, the size of the total penalty varies by ethnicity. The largest employment penalties were experienced by Black Muslims and the smallest by Indian Muslims. Experiences that had previously been considered ‘ethnic penalties’ instead captured a combination of ‘racial’ and ‘religious’ penalties resulting from racism:

“If you are a Muslim in the United Kingdom, you are likely to face a penalty regardless of your color or geography. If you are a Christian in the United Kingdom, you are not likely to face any penalties unless you are black. If you are white you will also be protected unless you are a Muslim or to a lesser extent atheist (have no religion). The penalty will peak if you are a Muslim and black.”^{iv}

Figure 2: Muslims are under-represented in the highest occupations, Source: 2011 Census



Do Muslim employment penalties vary between generations?

The length of time spent in the UK could contribute to the labour market disadvantages faced by British Muslims^v, over half of whom were not born in Britain. We see some improvements between generations: while first generation Muslim men had unemployment rates that were twice the national average, by the second generation they were only slightly more likely than average to be unemployed. Women likewise made large gains, halving their risks of unemployment between the first and second generations. The wage gap between Muslims and White British employees also reduces among the second generation^{vi}. Less positively, the proportion of British Muslims who reported labour market discrimination increased between the first and second generationsⁱⁱ. The reason for this deterioration is not immediately clear. One possibility is that the second generation are less likely than the first generation to self-select out of employment in the belief that they might be unwelcome. This could paradoxically expose the second generation to higher risks of discrimination.

Do Muslim men and women fare equally badly?

Across religious groups, women have lower rates of economic activity and lower wages than men^{viii}, and these differences are especially stark among Muslims. The higher rates of economic inactivity among Muslims are more pronounced among women than menⁱⁱⁱ, and the gender gap within the top professions is larger for Muslims than any other religious group^{viii}. More encouragingly, however, the proportion of Muslim women working in managerial professions is increasing (although by less than women overall), suggesting small but meaningful improvements in employment among Muslim women in Britain.

Why do British Muslims face employment penalties?

Language barriers

Language barriers make a large contribution to the disadvantaged position occupied by British Muslims, among both those who were born abroad and the UK's 1.3 million British-born Muslims^{ix}. Two-thirds of Muslims speak English as an additional language, the largest proportion of any religious group, and far higher than the national average (5 per cent)^{viii}. Likewise, the proportion of people who lacked English fluency was higher among Muslims than any other religious group^x. The continued use of a minority language at home cautions against assuming that language difficulties only affect the first generation. Limitations in written English – which can partly be attributed to minority language use at home – can limit the educational success of academically able students^{viii}, with potential consequences for later employment. Language difficulties present direct challenges in finding and keeping a job^{viii}, and are therefore likely to contribute to employment disadvantages, particularly among those who moved to Britain as adults.

Poverty and disadvantage

In 2009-2011, half of Muslim households lived in poverty, more than twice the national average of 18 per cent. Muslims of all ethnic groups face higher levels of poverty than for their ethnic group overall. Poverty rates do nonetheless vary between ethnic groups and are highest among Muslims of Pakistani heritage (57 per cent) and lowest among White Muslims (30 per cent)ⁱⁱ. The relationship between poverty and employment outcomes works in both directions: unemployment and low-paid work increase the risks of living in poverty, while poverty may limit later employment opportunities for reasons including impaired education and aspirations. Evidence that rates of poverty are higher among Muslims than all other religious groups, even after accounting for other factors, does suggest particular hardship in this group.

Low educational qualifications

British Muslims also face educational disadvantage. Figure 3 shows that the overall proportion of Muslims with no qualifications was only slightly higher than average, but there are clear age differences. For all age groups except those aged 16-24, Muslims were considerably more likely to have no educational qualifications. Muslims may also hold overseas qualifications that may not be recognised in Britain. Among academically able students, decisions made by young Muslims over university and subject choice could be hampered by their parents' limited understanding of the educational system^{viii}.

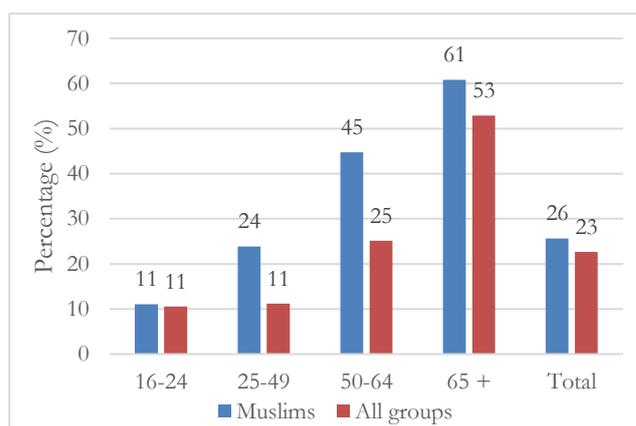


Figure 3: British Muslims are more likely to have no educational qualifications

Source: 2011 Census, over-16s

Discrimination

British Muslims may also face direct experiences of prejudice or discrimination. The perceived climate of Islamophobia in Britain may contribute to Muslims feeling less welcome in the labour market than other religious groups. In 2009-11, 4.9 per cent of British Muslims reported being turned down for a job, promotion, or training opportunity for ethno-religious reasons. This proportion was five times the national average but was nonetheless lower than that reported by Hindus, Buddhists and Sikhs, demonstrating that religious discrimination in the labour market is not confined to Muslims^{ix}. Fears about working in places where negative attitudes of minorities or faith communities might be held – defined as the ‘chill factor’^x – may also deter Muslims from seeking employment, especially in sectors such as the police and armed forces. Discrimination may also contribute to Muslim women’s double disadvantage. Wearing traditional cultural clothing, such as shalwar Kameez, and religious clothing, such as the hijab or headscarf, has a negative impact on job interview outcomes^{xii}. Evidence submitted to the House of Commons inquiry into employment opportunities for UK Muslims highlighted employers’ stereotypical views of Muslim women, including the presumption that they will need maternity leave, or not work hard^{xiii}.

Civic participation and social networks

Participation in voluntary and civic organisations is associated with labour market success due to the skills and opportunities gained in these activities. Membership of such organisations is also linked with social capital, in particular the ‘bridging’ social capital that brings people into contact with those outside their immediate social circle, which can benefit labour market outcomes by sharing information and professional development. Such networks can be especially helpful for groups such as young Muslims whose parents may be less well equipped to help them navigate the sometimes complex route into high level professions. As we see in Figure 4, Muslims had the lowest rates of civic participation of all religious groups^{xi}.

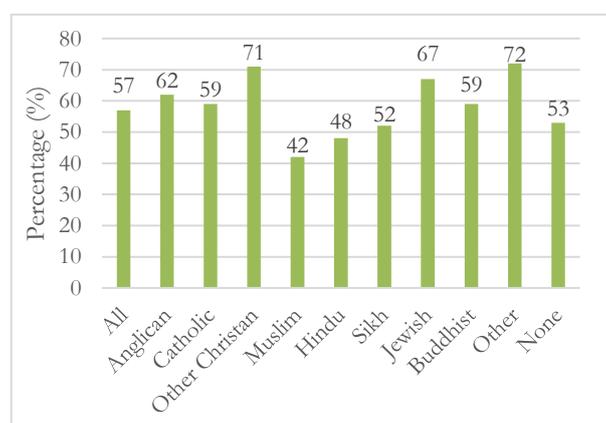


Figure 4: Muslims have the lowest rates of civic participation,

Sources: British Household Panel Study and Understanding Society, 2009-2011

Other differences in culture, attitudes and knowledge

Some of the employment disadvantages faced by British Muslims – particularly women – may reflect attitudinal differences between groups. For example, agreement with the statement “Husbands should work, wives should stay home” is higher among Muslims (38 per cent) than Christians and those with no religion (18 and 11 per cent)^{xiii}. The lower levels of employment among Muslim women may therefore in part reflect personal choice (or social pressures^{xiv}). Nonetheless, involuntary cultural differences can be detrimental to Muslims as drinking after work is an important part of networking and career advancement in some professions and might present a particular barrier to Muslims accessing the highest-level jobs^{xv}.

Conclusions

The presence of employment penalties among British Muslims suggests the existence of integration gaps between Muslims and non-Muslims in Britain. While these gaps share considerable overlap with those of different ethnic groups, it is religion, not ethnicity, that involves the larger penalties. Employment penalties are especially stark among Muslim women, and are concentrated among first generation migrants. Encouragingly, we can expect some improvements in the employment prospects of British Muslims to occur naturally as this young group becomes older and demographically more similar to the British population as a whole. However, the continued migration of Muslims to Britain demands more concerted actions to improve Muslims' employment prospects. It is important to tackle the issues that present particular barriers to Muslims, including limited English language proficiency (even among British-born Muslims), lack of bridging social ties and discrimination. A specific focus on the challenges facing Muslim women is also needed to counter the double disadvantage currently faced by this group. Although Muslims tend to hold more traditional views about work – especially women's work – considerable discrimination exists and there remains great potential to reduce this integration gap and improve employment prospects for British Muslims.

Conceptual and technical details

The overlap between people's ethnicity and religion means that care must be taken when identifying the independent role of religion on labour market outcomes. Some cultural factors – such as the expectation that women's primary responsibilities are in the home – that are shared by particular ethnic and religious groups make it difficult to disentangle their separate roles.

There exist considerable demographic differences between religious groups that also relate to their labour market outcomes. In particular, the Muslim population is younger than in Britain as a whole, and because occupational status tends to increase with age, differences in occupational status between Muslims and others will partly reflect age differences that may reduce naturally over time as the Muslim population becomes older. Although differences in occupational status are seen in all age groups, broad comparisons of employment outcomes that do not account for the age composition will nonetheless be misleading.

The length of time that people have spent in Britain also relates to employment outcomes, with second generation children who have grown up in Britain faring better than their first generation parents. Employment outcomes must therefore be explored separately for first and second generation migrants.

Author: Elisabeth Garratt, based on a submission made to the Women and Equalities Committee on Employment opportunities for Muslims in the UK by Asma Mustafa and Anthony Heath (submission MIE0008).

Publication date: September 2016

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^v Li, Y. & Heath, A. (2015) Are we becoming more or less ethnically-divided? Centre for Social Investigation briefing note 10. Available at http://csi.nuff.ox.ac.uk/wp-content/uploads/2015/03/CSI_10_Ethnic_Inequalities.pdf

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^{xi} McCrudden, C., Ford, R. and Heath, A. (2004) 'Legal Regulation of Affirmative Action in Northern Ireland: An Empirical Assessment', *Oxford Journal of Legal Studies*, 24(3), pp. 363-415.

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^{xiv} Zuccotti, C. V and Platt, L. (2016) 'Does Neighbourhood Ethnic Concentration in Early Life Affect Subsequent Labour Groups in England and Wales? A Study across Ethnic Groups in England and Wales', *Population, Space and Place*.