

# MIDLANDS ENGINE OBSERVATORY ACADEMIC INSIGHTS

## The Impact of COVID on poverty among ethnic minorities



This summary is based on [this article](#) in The Conversation.

### Theme:

Macroeconomic changes have been precipitated by COVID-19.

### Area of Focus:

Those who are from ethnic minority communities are likely to experience higher levels of poverty due to the impact of the pandemic.

### Key Findings:

During each wave of the pandemic, those from ethnic minorities were consistently more likely to die from COVID-19. Part of the reason for this was that ethnic minority people are disproportionately employed in roles that require face-to-face contact such as social care, retail, and transport. The other reason is that poverty levels before COVID stood at 50% for Bangladeshis, 47% for Pakistanis, 40% for Black people, and only 19% for White people. Poverty is only like to get worse as the pandemic recedes as ethnic minority people were more likely to be made redundant during the crisis. Inequalities in education has also deteriorated.

The roots of systemic inequality include:

- Discrimination. People from ethnic minorities are less likely to be offered an interview, less likely to be employed or promoted, and suffer an ethnic pay gap.
- Less representation in senior management
- Difficulties accessing financial and social capital
- Concentration in low-paid work

There is evidence that training, education and skills could tackled these underlying drivers. Having quotas for ethnic minority representations on boards would may prove beneficial.

Recovery strategies offer a chance for governments to tackle numerous barriers for ethnic minorities.



### **Midlands Engine Impact:**

- The Midlands Engine has suffered the sharpest contraction in its economy of anywhere in the UK due to COVID-19, meaning the number of claimants also steeply increased.
- The Midlands saw an increase of 60.5% of claimants between March 2020 and August 2021, against a UK average of 72.3%. The youth claimants increased by 50.9% compared to 60.7% in the UK.
- Retail, Health and Care, Transport, Energy & Low Carbon, and Food & Drink manufacturing have been identified as high risk sectors due to COVID. Retail, Health & Care and Transport are considered high risk due to both COVID-19 and the EU Exit.
- 378,755 working age residents need a Level 4 + NVQ qualification to average with the UK average of 43.0%.



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