Scottish Government
Riaghaltas na h-Alba

A Fairer Scotland for All:

An Anti-Racist Employment Strategy

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Contents

Ministerial Foreword

Richard Lochhead,
Minister for Just Transition,
Employment and Fair Work

Addressing inequality in the workplace involves everyone that contributes to and makes decisions within our labour market and economy. Commitment to diversity and inclusion will not only help us to build a wellbeing economy, but it will also help us towards becoming a leading Fair Work nation, benefiting employers, workers and wider society. The Scottish Government wants Scotland to be a place where every person has the same opportunities to enter, sustain and progress their careers in a safe, diverse and inclusive labour market.

Recognising the potential, skills and experience of current and future workers should apply to everyone who is part of the working age population of Scotland. We have in Scotland seen continued and steady improvement in addressing the gender pay gap and the disability employment gap and we will continue our efforts on these important issues. We have however sadly seen less progress in addressing racial inequality in the work place with, for example, the employment gap for 'minority ethnic' workers remaining stubbornly high.

That is why this strategy is needed to make greater strides in addressing racial inequality in the workplace. We need to understand what can be done to make progress and to challenge our thinking on how systemic inequalities exist and operate that prevent our fellow Scots from racialised minorities from reaching their potential in securing and succeeding in the work place and in turn from our economy benefitting fully from that potential.

This strategy recognises that there are many good examples of employers taking forward work to address institutional racism and challenge the systems and processes in the workplace that can embed and perpetuate inequality. Much of this is offered in more detail within the accompanying appendices. In order to make progress, it will be necessary for us all, government, employers, workers representatives and fellow colleagues and workmates to understand the issues, learn from others about what works and what can be done.

Ministerial Foreword

To do that effectively we need also to approach and learn about issues and lived experience in a safe and trauma-informed way, and to be comfortable with what may be new or uncomfortable. Without understanding what institutional racism is and how it can drive labour market inequality, we will not effectively address all forms of racism in the workplace.

Addressing institutional racism through a commitment to diversity and inclusion benefits everyone. It can help recognise and attract the potential and skills of hidden talent pools and drive productivity and can enable more people to contribute to the economy through active labour market participation.[1]

We recognise the economic challenge and uncertainty of recent years following the pandemic and now with the current cost crisis and financial pressure on households and businesses. There will always be variables that affect our economy but addressing inequality should always remain a constant. For us to deliver on our aim for Scotland to become a leading Fair Work nation by 2025, we must collectively and constantly look at the multiple barriers that affect experiences of work for racially minoritised people, how these can be addressed and how we measure the impact of our actions.

I look to employers to demonstrate bold, transparent leadership; to be the agents for change; actively challenging and addressing structures of inequality in our institutions. The actions, support, and advice in this strategy, aligned with and incorporated into our wider refreshed Fair Work Action Plan, provide a means to help deliver this. I look forward to working with you as we implement this strategy.

I wish to thank the members of our Short-Life Working Group for their input to date and whose range of expertise helped to shape the strategy, as well as stakeholders from a range of other backgrounds through the related process to refresh the Fair Work Action Plan. They have helped us to understand the impact of racism on people and communities who are marginalised in the labour market and the anti-racist approach that employers can take to address institutional racism. Going forward, we will continue to engage with our stakeholders and those that represent the voice of lived experience to ensure this strategy helps shape a fairer Scotland.

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1   **Delivering growth through diversity in the workplace | McKinsey**

Executive Summary

A Fairer Scotland for All: An Anti-Racist Employment Strategy is a call for action and a guide to address the issues and disadvantage experienced by people from racialised minorities[2] in the labour market in Scotland. It is a key component in achieving our ambition to become a leading Fair Work Nation by 2025 and in turn an important element in our National Strategy for Economic Transformation with its emphasis on growth, opportunity, productivity, and inclusivity.

The disadvantages and barriers that affect racialised minorities are so entrenched that we need to take an anti-racist approach. This means proactively challenging the systems and processes that create racial inequality in the workforce.

Labour market data shows that:

- The employment rate for the minority ethnic group aged 16 to 64 was estimated at 62.1 per cent in 2021, lower than the rate for the white group (73.9 per cent), resulting in an **employment rate gap of 11.7 percentage points** (p.p.).

- While this gap is narrower than the gap in each year from 2012 to 2019, it is wider than the gap in 2020 (9.7 p.p.) and also **wider than the gap ten years earlier** (9.4 p.p. in 2011).[3]

- Racial inequality affects some racially minoritised groups more than others. Disaggregated data from the 2011 Census showed **higher rates of unemployment among African, Gypsy/Traveller, Arab and Caribbean or Black ethnic groups**.[4]

Levels of pay are lower too, with minority ethnic workers earning less on average than white workers, as reflected in the 'ethnicity pay gap'. The ethnicity pay gap represents the difference between the average hourly earnings of white workers and minority ethnic workers as a proportion of white workers average hourly pay. Estimates from the Office for National Statistics show that **Scotland's ethnicity pay gap was 10.3% in 2019 and 10.2% in 2018**.[5]

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2   We are using the terms "adversely racialised communities", "racially minoritised/racialised minorities", and "racialisation" to show that it is systems and structures that do not work for those who are categorised on the basis of "race", and because of this are sometimes treated differently or disadvantaged. These terms are becoming more widely used across Scottish Government, in line with our acceptance that racism is a structural issue. We support everyone's right to self-identify according to the term they relate to or are most comfortable with. Terminology changes as societal and systemic understanding grows. It should be noted that in labour market data analysis, the term minority ethnic is used and in reserved legislation such as the Equality Act (2010), the term "race" is used . These terms are not helpful to understand how racialised inequity impacts on those who experience systemic, institutional or interpersonal racism.

3   **Annual Population Survey, Jan-Dec datasets, ONS**

4   **5. Employability, Employment and Income – Race equality framework for Scotland 2016 to 2030 – gov.scot (www.gov.scot)**

5   **Ethnicity pay gaps – Office for National Statistics (ons.gov.uk)**

Executive Summary

Further, evidence continues to show **over-representation of racialised minorities in work that is low paid or precarious** in terms of contracts and conditions, while under-representation is seen at senior levels. There is evidence that racially minoritised groups are more likely to be employed on zero hours contracts.[6] Further evidence comes from the Parker Review report in 2020, which shows that **37% of FTSE 100 companies surveyed (31 out of 83 companies) do not have any ethnic minority representation** on their boards.[7]

Bias in recruitment processes are apparent where a study by the Department of Work and Pensions has shown that **74% more applications needed to be sent from racialised minority applicants in order to generate the same success rate as applicants with a white-sounding name**.[8]

Whilst there are many examples of good practice across employers in Scotland, and these are included as case studies in the appendices, we believe that persistent inequality across the labour market for racialised minorities is a reflection of the existence of institutional racism.

In 2020 the Scottish Parliament Equalities and Human Rights Committee employment inquiry highlighted that there are different levels of understanding of the term institutional racism. Its existence was documented extensively in the Stephen Lawrence Inquiry report.[9]

The Committee's inquiry report stated that the way an employer interprets or understands institutional racism can have an impact on the experiences and opportunities of racialised minorities in the workplace.[10] It is therefore important that there is a shared understanding of institutional racism if we are to address it.

Racism, in its different forms, affects and influences how our workplaces operate, the systems and processes that are used and workplace cultures – such as how we recruit, develop and promote staff. It can be experienced as traumatic and have long-term, negative impacts on the mental health and wellbeing of people affected. The disadvantage experienced by racially minoritised people leads to poor outcomes in terms of job and career goals and a loss of opportunity to contribute economically. It is also a loss for employers faced with the increasing challenge of raising productivity and filling skills gaps in a fast changing and wider competitive environment.

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6   **Fair-Work-in-Scotland-Report.pdf (fairworkconvention.scot)**
     BME workers on zero-hours contracts | TUC
7   **Ethnic diversity of UK boards: the Parker review – GOV.UK (www.gov.uk)**
8   **Race in the workplace: The McGregor-Smith review (publishing.service.gov.uk)**
9   **The Stephen Lawrence Inquiry – GOV.UK (www.gov.uk)**
10   **Race Equality, Employment and Skills: Making Progress? (azureedge.net)**

Executive Summary

The Scottish Government recognises its role in demonstrating leadership in advancing activity to address inequality. **Meeting our aim to become a leading Fair Work Nation by 2025 means going beyond minimum statutory employment obligations and looking at what more can be done**.

The strategy includes guidance, advice, and examples of good practice for employers and sets an expectation of leadership by the Scottish Government and public sector in line with our wider approach to Fair Work. We want to see positive changes in data such as seeing employment and pay gaps narrowing and evidence showing inequalities being proactively addressed. This will require long-term effort and on-going commitment to diversity and inclusion that is explicit in how racial inequality in the workplace is being addressed.

With this strategy, we want to see a change. A change in workplace culture, where trauma-informed approaches are embedded throughout; a change in our systems – how policies are developed; and a change in attitudes of staff at all levels. We want to see this change through challenging and changing the disadvantage experienced by racialised minorities as well as the multiple barriers that can be associated with other aspects of people's identity such as gender, religion, disability, and age.

The strategy is developed around 4 key areas of focus:

- Knowing your workforce through data
- Action on recruitment and representation
- Driving cultural and attitudinal change
- Fair Work policy context and legislation

There are gaps in data in terms of how racialised minorities are represented in the workforce and their experience of work. This is both at a national and organisational level. Data is a key theme that runs through a number of our actions we intend to take forward for the strategy.

The role of public sector leadership is key in this. The Scottish Government will demonstrate this by monitoring progress against our own Race Recruitment and Retention Action Plan,[11] and developing and building capability of employers by sharing and learning from effective practice.

Racialised minorities are not a homogenous group. Different racialised minority groups will have different experiences in the workplace. As part of this strategy, we are looking at how we can increase the data and evidence base available to policy makers and employers to help identify and respond better to specific issues.

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11   The Race Recruitment and Retention Action Plan (RRRAP) uses the term 'minority ethnic', reflecting the Scottish Government's position on terminology at the time of its publication in 2021, and which is in line with the Office of National Statistics' terminology. This position is under review and may change as our understanding of racism and racial inequality develops.

Executive Summary

Through the Public Sector Equality Duty review, we will shape how the reporting requirements under this can be used to drive change. We will also encourage and support local authorities in their work to improve data disclosure on ethnic background. We will also disseminate, and raise awareness among employers, of national data.

There is greater awareness among employers of the benefits to business in having diverse and inclusive workplaces and of having workforces that are representative of the population. For example, Business in the Community's Race at Work 2021 Scorecard Report notes that the number of organisations voluntarily capturing their ethnicity pay gap data has increased from 11% in 2018 to 19% in 2021.[12] Diversity and inclusion was also a key theme which was identified in responses to the Fair Work Consultation.[13] Our Fair Work First criteria for organisations seeking public sector grants and contracts will also continue to encourage and support this further.

Ensuring that recruitment, retention and progression overcome the embedded disadvantages and barriers for racialised minorities is a key element in the strategy. Specific actions include:

- Taking account of the review of a community engagement pilot project to inform future policy interventions on recruitment, retention and progression.

- Reviewing and promoting the use of the Scottish Government's Minority Ethnic Recruitment Toolkit.

- Disseminating learning and best practice from the delivery of the Workplace Equality Fund in 22/23-23/24.

- Supporting work within the public sector and to take a targeted approach on the recommendations of the Equalities and Human Rights Committee's inquiry report into race equality, employment and skills. This will include our work to engage with the public sector focussing on different aspects of recruitment and retention practice.

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12 **Race At Work 2021: The Scorecard Report – Business in the Community (bitc.org.uk)**

13 **Supporting documents – Becoming a Fair Work Nation: consultation analysis – gov.scot (www.gov.scot)**

Executive Summary

There is a **unique role for senior leaders to lead on changing workplace culture and attitudes**. In the Scottish Government as part of our own Race Recruitment Retention Action Plan,[14] we want senior leaders to have confident and anti-racist mindsets to be able to change systems, culture, and attitudes. We recognise that this capability needs to be built and we will facilitate that through engaging with employers on the strategy.

Employers across the economy can use their understanding of institutional racism and how it can affect those who are racially minoritised such as when accessing jobs and trying to stay or progress in jobs or a sector. This understanding will support them to take an anti-racist approach to their policies and practices to ensure that racialised minorities are not disadvantaged or face unintended consequences when accessing, staying in or progressing in employment.

Actions we have to facilitate this:

- Work with partners to establish senior leadership networks across the economy to build capability and understanding of racism and racial inequality and intersectionality.

- Build capability by developing jointly with stakeholders, an intersectional and anti-racist workplace training framework.

Equality law is a matter reserved to the UK Government. However, we will use the levers within our devolved competence to support the implementation of the strategy and deliver the actions within our Fair Work Action Plan.

Through the Scottish Government's review of the Public Sector Equality Duty, we will look to improve the Scottish Specific Duties, which includes extending the existing gender pay gap duty to ethnicity and disability for public bodies.

The new multi-treaty Human Rights Bill to be introduced in this parliamentary session will strengthen legal protections for racialised minorities by making these human rights enforceable domestically and embed human rights culture across Scotland.

Through our Fair Work Action Plan, and as we continue to make the wider case for independence as set out in our Building a New Scotland series,[15] we will:

- Update the Fair Work First criteria to better reflect priority action required to address labour market inequalities experienced by women, racialised minorities and disabled people, and ensuring people can enter, remain, and progress in jobs.

- Continue to press for the full devolution of employment powers to the Scottish Parliament and push for changes to reserved legislation to advance the Fair Work agenda in Scotland including mandating ethnicity pay gap reporting.

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14   **Race recruitment and retention – an instigation for change: action plan – gov.scot (www.gov.scot)**
15   **Building a New Scotland**

Executive Summary

It is of course not enough to provide guidance and support; real impact needs to see delivery and implementation. The strategy sits alongside the refreshed Fair Work Action Plan which sets out actions under the themes of public sector and the role of leadership; expectations of and support for employers; and building the evidence base from an anti-racist perspective to support the implementation of this strategy.

The refreshed Action Plan will be subject to regular monitoring and reporting. The actions from the strategy will be incorporated in to the action plan and will focus on achieving the following outcomes:

- The number of people entering the labour market and staying in and progressing in an organisation is closer to and representative of that organisation's local population.

- The number of employers taking action to remove intersectional barriers in their workplaces has increased. This means more actions to prevent the compounded disadvantage experienced by people with multiple protected characteristics e.g. race, gender, and disability.

- The number of employers proactively creating safe, diverse and inclusive workplaces has increased. This means more safe spaces such as staff networks, where staff do not experience discrimination, bullying or harassment and feel safe and supported to challenge inappropriate behaviour.

- An increase in the number of employers taking evidenced based actions to improve fair work conditions for workers from all backgrounds. This means an increase in the number of employers assessing the impact of policies and processes on recruitment, retention and progression to ensure equal outcomes for all members of staff.

These outcomes will be measured through a measurement framework, which will monitor and evaluate the actions from the strategy and refreshed Fair Work Action Plan.

The strategy and its actions have been informed by the following impact assessments.

- Business and Regulatory Impact Assessment (BRIA)

- Child Rights and Wellbeing Impact Assessment (CRWIA)

- Data Protection Impact Assessment (DPIA)

- Equality Impact Assessment (EQIA)

- Fairer Scotland Duty Assessment (FSDA)

- Islands Communities Impact Assessment (ICIA)

- Strategic Environment Assessment (SEA)

These assessments will be kept under review, with new data analysed and continued stakeholder engagement planned for post publication, to ensure we improve the evidence base for continuous learning and development to monitor the impact of the strategy on workers, employers and wider context in which they operate.

Introduction

This strategy has been developed in response to the persistent inequality that exists within the labour market for racialised minorities. There is recognition that more needs to be done to address this and the systemic and structural issues that reinforce it.

The strategy takes an anti-racist and intersectional approach. An anti-racist approach means it is no longer enough to be just against racism, but to be active in taking steps to challenge and address it. This applies to both people and organisations. It means challenging and changing organisational structures, policies, practices, and attitudes so that nobody is discriminated against in the workplace. Taking an intersectional approach means people recognise, and policies reflect, that racism does not sit in isolation and that other inequalities can exist which make entering and progressing in the workplace more difficult.

An anti-racist approach is the reason for the strategy adopting terms such as racialised minorities when referring to those impacted negatively because of their race or ethnicity. It recognises that our systems and processes in society, including the labour market, are structured in a way that disadvantages certain groups. This disadvantage affects those from different ethnic backgrounds.

"**Racialisation** is the process by which groups of people are given racial identities and placed within the hierarchy based on their presumed superiority or inferiority to one another."[16]

It is this process within society and in our systems which have historically created and reinforced racial inequality. We see racial inequality in the labour market through the employment gap and the ethnicity pay gap, which indicate a variety of issues experienced by racialised minorities in the labour market.

We recognise this terminology will be new to some. We are using it because it is important to highlight this process of racialisation and how it impacts and affects different groups in our society. Through highlighting it, and encouraging other employers to understand it, **it forces the onus on systems, institutions, policies and practices to change to address inequality rather than on those impacted by it**.

Using these terms within our strategy does not change our position of respecting everyone's right to self-identify according to the term they relate to or are most comfortable with, such as minority ethnic or black and minority ethnic or a person of colour.

Employers should use the terms that work for all staff in their organisation and be able to explain the reason for the terms they use (e.g. it's what their staff feel is most appropriate). This is likely to differ across employers and their workforces.

16   Fields, Barbara, 2001 "Whiteness, Racism and Identity," International Labor and Working-Class History: p.48).

11

Introduction

The evidence base for this strategy

There is substantive labour market data which shows inequality for racialised minorities.

It should be noted that the term 'minority ethnic' is used in labour market analysis, equality analysis and statistical indicators such as the ethnicity pay or employment rate gaps, and not 'racialised minorities'.

The ethnicity pay gap and employment rate gap are useful high level indicators of inequality and a reminder of the persistent disparities that exist between white workers and 'minority ethnic' workers.

Ethnicity pay gap and median hourly pay by ethnicity, Scotland
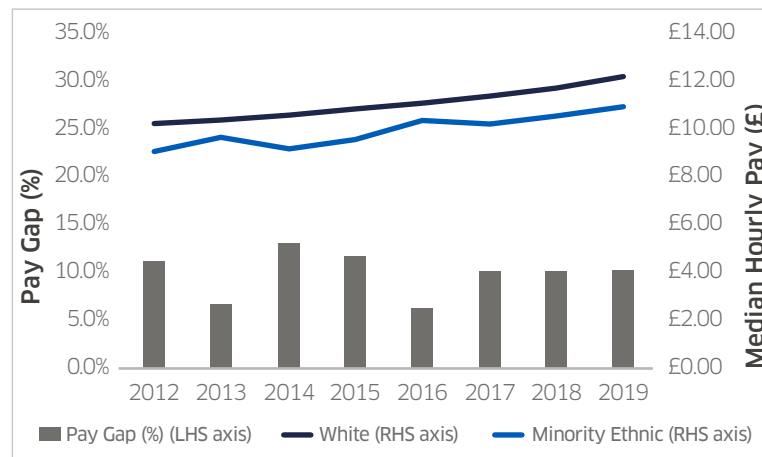
Source: Annual Population Survey, Jan-Dec 2012-2019

Employment rates (%, 16-64), white and minority ethnic, and minority ethnic employment rate gap (percentage points), Scotland
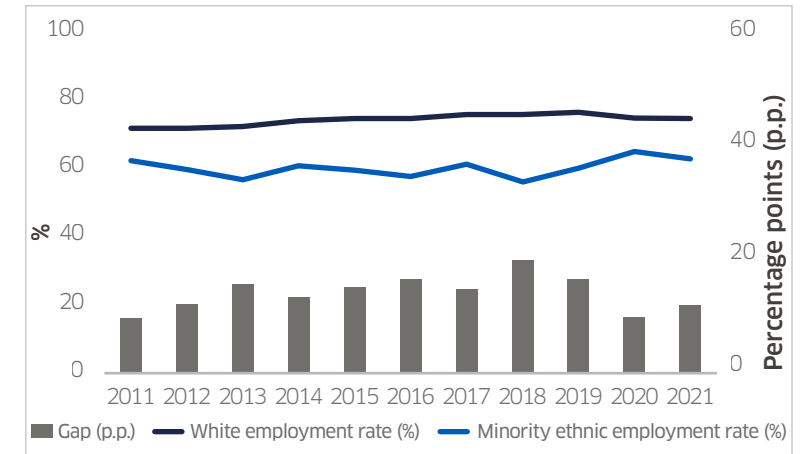
Source: Annual Population Survey, Jan-Dec 2011-2021

Introduction

The importance of addressing racial inequality

Employers should see the benefits of addressing racial inequality in many ways. In becoming a leading Fair Work Nation, it will not just mean employers taking forward fair working practices in terms of pay and job security but also having workplaces that are truly inclusive and reflective of Scotland's diverse population. It is right that the labour market should have the conditions that mean everyone is treated fairly and equally.

There will always be a moral imperative to ensuring everyone in Scotland is treated fairly in the labour market. That should always be the first and most important consideration.

In doing this employers are also making good business choices that lead to better outcomes. This includes:

- **Greater profitability**

Research has shown that **companies in the top-quartile for ethnic/cultural diversity on executive teams were 33% more likely to have industry-leading profitabilit**y. A diverse workforce makes good business, economic and societal sense.[17]

- **Reduced economic loss** because there is the full participation of racialised minority individuals, including better staff retention and engagement.

"The potential **benefit to the UK economy from full representation of BME individuals across the labour market, through improved participation and progression, is estimated to be £24 billion a year**, which represents 1.3% of GDP [Gross Domestic Product]."[18]

- **Improved corporate reputation**

Research has shown that people want to work for employers with good employment practices. In a UK survey by the Institute of Business Ethics, **85% of female millennials say that an employer's policy on diversity, equality, and workforce inclusion are important factors when deciding whether or not to work for them**.[19]

Our aim
The aim of this strategy is to:

- Address issues experienced by racialised minorities that lead to inequality in the labour market

- Increase the number and impact of actions that employers are taking to address racial inequality in their workplace.

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17 **Delivering growth through diversity in the workplace | McKinsey**
18 **Race in the workplace: The McGregor-Smith review (publishing.service.gov.uk)**
19 **Changing attitudes to business - why millennials matter - Blog post**

Introduction

We will do this by:

- Establishing a suite of actions for the Scottish Government, supported by employers across the economy.

- Providing employers with practical steps, guidance and resources to take a proactive approach on this agenda.

What success will look like:

- The number of people entering the labour market and staying in and progressing in an organisation is closer to and representative of that organisation's local population.

- The number of employers addressing intersectional barriers in their workplaces has increased. This means an increase in the number of employers implementing or improving policies and processes across recruitment, retention and progression, to prevent the compounded disadvantage experienced by people with multiple protected characteristics e.g. race, gender and disability.

- The number of employers proactively creating safe, diverse, and inclusive workplaces has increased. This means an increase in the number of employers creating workplaces where racialised minorities have safe spaces such as staff networks, where they do not experience discrimination, bullying or harassment and where they can feel safe and supported to challenge inappropriate behaviour.

- The number of employers taking forward informed and evidence-based actions, that lead to improvements in pay, commitment and conditions for the entire workforce, has increased. This includes seeing an increase in the number of employers impact assessing policies and processes across recruitment, retention and progression to ensure equal outcomes for all members of staff.

The strategy will complement existing activity by employers across the UK who are working to address racial inequality, such as reporting and acting on their pay gaps to increase representation and support progression and retention.

For employers who operate across the UK, we encourage and expect them to take the Fair Work approach for operations in Scotland. Fair Work principles and supporting guidance should be taken account of when bidding on public contracts, for example. This will be actioned through our commitment to strengthen Fair Work First criteria.

Section 1: Knowing Your Workforce through Data

Knowing your workforce and the community it is drawn from is the first step in ensuring that your workforce is representative. It can also identify gaps in representation, including across pay bands and responsibilities in the organisation.

Data is therefore a key theme that runs through a number of the actions we intend to take forward for the strategy. This is because better data can inform more effective action. Yet there are gaps and limitations with the data that exists.

Scotland's minority ethnic population is a relatively small group. In 2021, minority ethnic groups accounted for around 5% of Scotland's population (16-64 years) compared with around 15% for the UK as a whole. This means that sample sizes are small, leading to a high degree of variability in national-level estimates over time.

The ethnicity pay gap is a statistical measure which shows the difference in the average pay between white employees and racialised minority employees in the workforce, expressed as a percentage. It is indicative of a variety of factors such as occupational segregation, underrepresentation in senior roles, overrepresentation in lower paid/entry level roles; inflexible work; the lack of quality part-time work; racialised minority women's experiences of gender-based violence, and pay discrimination. The pay gap relies on self-reported pay and is based on a survey sample, rather than being collected through more accurate pay systems.

The ethnicity pay gap is different from the employment gap:

Pay Gap	The **difference in the average pay** between minority ethnic employees and white employees.
Employment Gap	The **difference in the employment rate** of the 16-64 minority ethnic group and the 16-64 white group.

Organisations that report their pay gap use their analysis to:

- **Understand inequalities that exist in their workforce**; drive strategies for recruitment, retention, and progression.

- **Demonstrate their organisation's commitment** to, and accountability for, equitable employment outcomes.

- **Understand the extent of occupational segregation in their workforce** where one demographic group is overrepresented or underrepresented among different kinds of work or different types of roles.

Section 1: Knowing Your Workforce through Data

Pay gap reporting can also be limited in terms of what it shows.

- **It does not show who is most affected by the gap** and the term ethnicity is a homogenous categorisation that will not show pay disparities that may disproportionately affect particular ethnic groups more than others.

- **A small or negative gap can be misleading if representation is low in an organisation** and that representation falls within higher paid positions. Low representation is far more likely in rural and lower population centres. If a gap is based on a small sample size, the data is more easily skewed. The gap is therefore not always a clear indication of the experience of racialised minorities in the workplace or the organisation's commitment to equality and diversity.

There are instances where a short-term widening of the gap is reflective of positive changes in an organisation, such as in cases where a greater number of racialised minority workers have entered the workforce on entry-level pay grades, in comparison to those who have been in the organisation longer and who are on a higher pay grade within the same salary range.

All employers can take steps in relation to their data, but these steps can vary according to the size or location of the organisation, for instance those in rural and island communities.

As a starting point, **all employers can look at how they are collecting and analysis data on their workplace profile**. They can also look at whether their data shows representation of racialised minority staff. This information could contribute to an employer's further work on reporting the pay gap, but it can also be used to understand where there are gaps in representation and to take action to address those gaps. Data **actions will be proportionate to the size and experience of the employer and may differ between micro/small and medium employers, and large corporate or public sector employers**.

Gathering and analysing data can be done in different ways:

Quantitative data can be gathered to understand the staff profile according to ethnicity category, e.g. the number of staff who are Asian and where they are represented across roles in the organisation.

Qualitative data can tell you about staff experiences of the workplace and this could be gathered through staff surveys or focus groups.

Both data types will provide insights that help to improve policies and practices.

Section 1: Knowing Your Workforce through Data

The Scottish Government as an employer collects pay gap information but it is only one part of the picture that helps us determine how we can address structures and processes that enable and embed institutional racism. Alongside this we analyse data from other sources, including our annual Civil Service People Survey, which helps us understand workers' workplace experiences.

A key theme in the refreshed Fair Work Action Plan is around building the evidence base. This acknowledges that data gaps exist. Activity is underway both at a Scotland and UK level to improve the data quality of labour market statistics including improved estimates for protected characteristic groups.[20] In 2021 the Equality Data Improvement Programme was launched by the Scottish Government, setting out our approach to improving Scotland's equality evidence to support inclusive policy design and delivery.

To help improve the evidence base at an organisational level, we are taking forward the following:

- **Encouraging and supporting local authorities in their work to improve data disclosure.**

- **Disseminating and raising awareness among employers the availability of national data.**

- **Demonstrating use of data in positive action measures through guidance that will be developed with partners and stakeholders.**

It is important that employers across all organisations begin to build their evidence base in order to take actions that are informed by data. **Within our refreshed Fair Work Action Plan we will be pushing for the UK Government to mandate ethnicity pay gap reporting across the economy**. This in itself will help to build evidence both nationally and at organisational levels.

Within these actions, we will also focus, as far as possible, on intersectional analysis of data to understand workers that face multiple intersectional barriers and where barriers are presented for different people. This includes within the Scottish Government's workforce, and that is why another of our actions includes conducting **an equal pay audit examining pay gaps by race which will inform Scottish Government's recruitment and retention policies to address workplace inequalities**.

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20 **Labour market transformation – update on progress and plans**

Section 1: Knowing Your Workforce through Data

Actions for employers

All employers can start somewhere on data. Below is one approach that can be taken.

Assess – Plan – Action – Review

Assess – what data can you collect?

- Collecting whatever data you can is better than collecting none at all.
- Consider available sources of quantitative (e.g. ethnicity workforce data) and qualitative data (such as anonymised surveys or focus groups) to get a comprehensive picture of how staff are represented and how they feel about working in the organisation.

Plan – how will you collect it?

- Ensure there is anti-racist messaging tailored for the whole workforce to support any mechanisms put in place for collecting both quantitative and qualitative workforce data and that these mechanisms are accessible and can be used in safe spaces.

Action – what do you do with the data?

- Gather the data.
- Analyse the data you receive. Keep it proportionate: start by looking at white versus non-white groups, and disaggregate all groups where the data allows.
- Conduct intersectional analysis that takes account of other characteristics (such as gender, disability, age and religion) where the data allows.
- Determine what action you can take based on the data you have collected and impact assess policies and practices to identify barriers for equalities groups.

Review – monitor and evaluate your actions

- Review and evaluate the effectiveness of actions.

Section 1: Knowing Your Workforce through Data

All data should be collected and used in line with data protection legislation. Data protection is not a barrier to collecting data, but offers a framework for how data can be used, and helps to protect individuals who could be harmed by the misuse of their data. The Information Commissioner's Office is the regulatory body for data protection in the UK, and provides extensive guidance for organisations on how to follow data protection legislation.[21]

Further information including case studies can be found in the Knowing Your Workforce Through Data Appendix.

21　**For organisations | ICO**

Section 2: Action on Recruitment and Representation

Employers' recruitment, retention, and progression policies and practices are key to changing representation in a workplace. Changing the practices in each of these areas can in turn change what a workforce looks like across the whole organisation. It can potentially change what a workplace culture feels like if there are more racially minoritised staff represented across the organisation including at senior level.

"Research has shown that companies in the top-quartile for ethnic/cultural diversity on executive teams were 33% more likely to have industry-leading profitability. A diverse workforce makes good business, economic and societal sense."[22]

Greater awareness and emphasis is being placed on creating diverse and inclusive workplaces as both moral and economic imperatives. Employers can begin to consider what kind of anti-racist practice could be taken forward in their organisation and measures that could be implemented at each stage of the employment journey.

Employers should focus on practice that challenges and changes policies and processes that disadvantage and create barriers within their organisation. Policies and processes can be reviewed and challenged at each stage of the employment journey. This includes for example:

- Branding and communication in advance of a recruitment campaign

- Accessible language in advertised vacancies

- Targeted marketing

- Flexible working

- Commitment to diversity and inclusion

Employers that ensure equality and diversity training has been undertaken by interviewers, which includes an understanding of the impact of trauma, can help to reduce bias at interview stage. Bias can also be removed if applications are anonymised. Research has shown that racialised minorities have to send 74% more applications in order to generate the same success rate as applicants with a white-sounding name.[23] Diverse interview panels and reviewing interview questions for cultural bias/knowledge and assumptions can ensure a more equitable interview process.

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22 **Delivering growth through diversity in the workplace | McKinsey**
23 **Race in the workplace: The McGregor-Smith review (publishing.service.gov.uk)**

Section 2: Action on Recruitment and Representation

Inclusive employers use a number of ways to ensure they retain their staff and that their staff feel supported and able to develop and progress. This includes:

- Establishing and supporting staff networks, taking steps to learn to be an inclusive employer, and to develop an anti-racist culture.

- Raising awareness of the harms of racism, including hate crime; supporting and promoting anti-racist campaigns such as National Hate Crime Awareness week.

- Increasing leadership messaging that challenges discrimination and racism.

- Implementing flexible working.

- Providing relevant training to deal effectively with incidents of bullying and harassment.

- Embedding trauma-informed and responsive practice in the workplace, which promotes the principles of safety, trust, choice, collaboration, and empowerment.

The role of lived experience

The voice of lived experience can help to identify barriers and challenges for racialised minority workers. Embedding this into every policy, process, and decision made in the organisation will ensure that these processes are informed.

Employers who have feedback from those with lived experience use this to inform and influence organisational decisions. Those who give feedback will have a clear overview of how their information will be used to inform action.

Responsibility is therefore placed on employers, leaders, and institutions to address issues and inequality, not on racialised minorities.

Organisations that engage with each other to determine whether information is already available can help avoid making repeated asks of those with lived experience or their representative organisations.

Section 2: Action on Recruitment and Representation

To support employers improve the recruitment and representation of racialised minorities and as part of our actions in the Fair Work Action Plan, we will:

- Review our Minority Ethnic Recruitment Toolkit to ensure it remains useful and relevant for employers.[24]

- Use the learning from a pilot project to improve engagement of employers and employability services with racialised minority communities to inform policy interventions.

- Disseminate learning and best practice where employers have shown improvement in their processes to increase representation of racialised minorities. This relates to the delivery of our Workplace Equality Fund where projects focus on improving workforce diversity and positive action on progression in the workplace.

- Continue to support work within the public sector and to take a targeted approach based on the findings of the Scottish Parliament Equalities and Human Rights Committee's inquiry report into race equality, employment and skills.

Key actions for employers

- Analyse and assess data gathered to determine where there is inequality in outcomes between different groups according to race. This includes pay disparities and disparities in the number of staff recruited, retained, and progressed in the organisation. It also includes disparities in workplace experiences such as bullying and harassment and discrimination.

- Assess what measures could be taken in your organisation against the examples given in the **Appendix 2: Action on Recruitment and Representation** and adapt to suit your organisation.

- Use positive action measures as per the Equality Act 2010 to address under-representation in your organisation. Look at ways in which you can target your recruitment campaigns to attract racialised minorities.

- Work across your sector/locale to share and learn practice.

- Assess the impact of any action you have undertaken to understand its effectiveness.

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24 **Scottish Government's Minority Ethnic Recruitment Toolkit**

Section 3: Driving Cultural and Attitudinal Change

Racism is a sensitive and complex issue. For many, it is a difficult topic to discuss. Institutional racism is a term that can generate a visceral reaction when the topic is broached or, as we have seen through the Scottish Parliament Equalities and Human Rights Committee's inquiry, it can be dismissed as not being an issue in a workplace.

The Scottish Government uses the following definition of institutional racism from the Stephen Lawrence Inquiry Report:

"The collective failure of an organisation to provide an appropriate and professional service to people because of their colour, culture or ethnic origin. It can be seen or detected in processes, attitudes and behaviour which amount to discrimination through unwitting prejudice, ignorance, thoughtlessness, and racist stereotyping which disadvantage minority ethnic people"[25]

It is the unwitting behaviour that makes the issue problematic to discuss and we need to move towards being aware of the ways in which actions, values, and beliefs can perpetuate institutional racism. It can be confused with deliberate and intentional individual racist behaviour, but it is more about the policies and processes in organisations that lead to unintended consequences and disadvantage for racialised minorities.

At a national level institutional racism is evidenced by inequalities in employment and pay gaps and other employment outcomes such as over and under-representation across the labour market.

One of the key messages for this strategy is that everyone has a part to play, and that includes understanding what institutional racism is. Senior leaders have a key role in this as they are in positions of power and can make decisions that could lead to changing workplace culture and attitudes. Senior leaders that understand how institutional racism operates and how it impacts on racially minoritised people, will proactively challenge and interrogate their organisation's processes and practices.

As part of the Fair Work Action Plan, we have committed to establishing senior leadership networks to build capability and understanding of racism and racial inequality in the workplace whilst also considering how other characteristics such as gender, age, disability, and religion can worsen inequality.

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25   **Paragraph 6.34 of the Stephen Lawrence Inquiry Report**

Section 3: Driving Cultural and Attitudinal Change

Organisations that understand how institutional racism operates will:

- Work to ensure that policies and processes are impact assessed and considered in terms of the impact on racially minoritised staff and service users.

- Work to ensure that their workforces are representative of the population they serve.

- Invest in the work to make their workplaces inclusive and trauma-informed.

- Focus on addressing occupational segregation where there is high representation of racialised minorities in entry level jobs.

- Call out racism and racist behaviours in the workplace including microaggressions and casual remarks that may go unchecked.

- Consider ways to support racially minoritised staff so that they can share and voice their concerns and experiences and be confident that something will be done about it.

Employers looking at addressing racial inequality and institutional racism are likely to ask key questions of themselves such as:

- *Is my organisation diverse and inclusive? How do I know this? Is it representative of the local population?*

- *Are all policies and practices across the organisation assessed for the impact they have on all current and future employees and service users? What is the impact on racialised minorities? How do I find this out?*

- *Do I know what the experiences of racialised minorities are like in the organisation? Is there bullying and harassment? How do I know this? What action has been taken to address it and how do I know the action is leading to a reduction?*

There is a unique role for senior leaders to lead on changing workplace culture and attitudes. Leaders can use their power to influence and act as a driver to shape the culture of an organisation.

The Scottish Government has a responsibility to lead employers to address racial inequality in the workplace. We recognise that as an organisation we are not immune to the processes and policies that enable and embed it. In the Scottish Government, we want senior leaders to have confident and anti-racist mindsets to be able to change systems, culture and attitudes and we recognise that this capability needs to be built.

Section 3: Driving Cultural and Attitudinal Change

The Scottish Government has two published Employer Equality Outcomes in its **Equality Outcomes and Mainstreaming report 2021: Mainstreaming Report:**

- Outcome 1: By 2025, our workforce will have increased in diversity to reflect the general Scottish population.

- Outcome 2: By 2025, workforce culture will be more inclusive with employees from all backgrounds and characteristics and experiences reporting they feel increasingly valued.

What we have learned so far:

- Identifying actions is the easy part. Measuring the impact of these actions is much harder.

- Decisions as to whether to stick with actions that are not showing notable impact in timescales anticipated can be difficult.

- This is a journey; it is not about the quantity of actions but the impact they have. Some actions may be more slow burning and not evident until further passage of time. But the fact of their existence is both positive in itself and an indicator of attempts to deliver positive change.

With each equality issue, consideration is given to other equality issues. Intersectionality is a term used to describe how ethnicity, socio-economic background, gender, and other characteristics intersect with one another and overlap. A single individual may have more than one protected characteristic that affects their experience of work.

"It is not just about one barrier, there could be others such as disability and age. This can make it really difficult. It's important that the work environment enables concerns to be addressed."
(Member of the Minority Ethnic Disability Network, Glasgow Disability Alliance)

An intersectional approach "requires thinking about the lived experience of those experiencing compounding, multiple discriminations, it collects and analyses disaggregated data about those experiences; and designs and delivers systems which are non-hierarchical and respond to the needs of those often ignored." **(Talat Yaqoob, Independent Consultant)**

Employers with an awareness and understanding of intersectionality will be more informed in developing more diverse and inclusive workplaces that acknowledge the diverse characteristics and traits that one person will bring to their workplace. They will also have an understanding of the impact that the experience of trauma, including discrimination, may potentially have on their day-to-day lives.

The Scottish Government's Race Recruitment and Retention Action Plan, for example, aims to address barriers, including intersectional barriers, facing racialised minority groups. Where the data allows, we conduct intersectional analysis and we take an intersectional approach to the delivery of the Plan.

Section 3: Driving Cultural and Attitudinal Change

Figure 1: The Diversity Wheel demonstrates how personal characteristics intersect with systems and structures to shape a person's experience.[26] (For more information on the terms within the diagram, please refer to the report footnoted below.)

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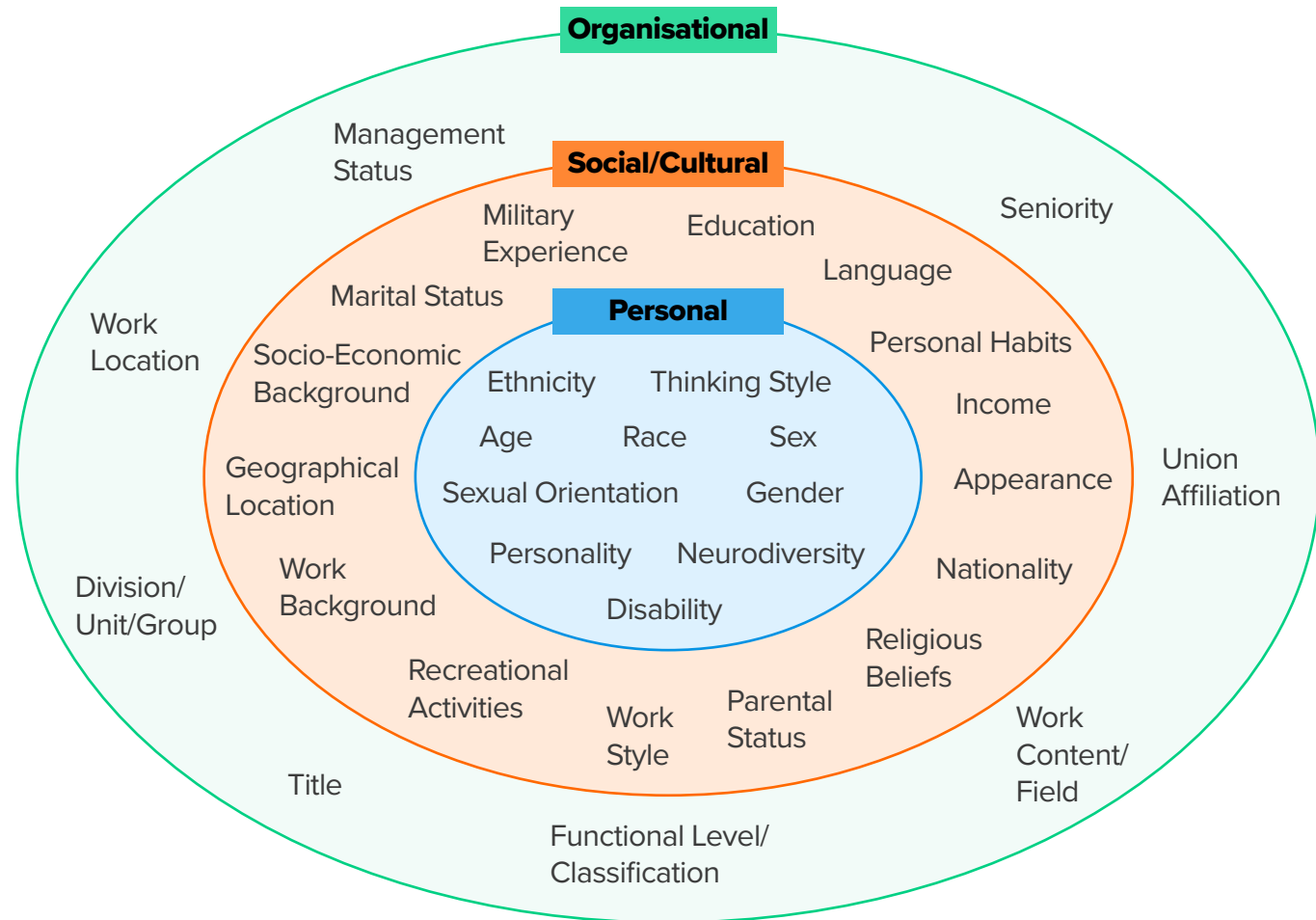
26   **Using intersectionality to understand structural inequality in Scotland: evidence synthesis**

Section 3: Driving Cultural and Attitudinal Change

As part of the Fair Work Action Plan, we will:

- **Work with partners to establish senior leadership networks to build capability and understanding of institutional racism and racial inequality in the workplace, whilst also considering how other characteristics such as gender, age, disability, and religion can also affect inequality.**

- **Work with equality organisations and employers to develop an intersectional and anti-racist workplace training framework for employers by which to assess their training needs.**

What employers can do to change workplace culture and attitudes:

- Consider every decision taken and check how it will affect different people with particular protected characteristics (race, sex, age, disability for example) and where these might overlap.

- Enable space for senior leaders to talk about issues and issues that are seen as taboo.

- Support the establishment of staff support networks (such as an allies network) or networks of organisations for learning and sharing.

- Establish mutual and reverse mentoring schemes between senior leaders and racially minoritised staff to build knowledge and understanding.

- Break down any data collected as far as possible. If it is limited, consider at least one intersection e.g. ethnicity and gender. Once broken down, see what the data is telling you about your workforce and its composition (numbers and roles/responsibilities) in terms of race and where it overlaps with other characteristics.

- Take action to address under-representation and over-representation.

- Undertake focus group sessions with staff and consider how the evidence will inform policies and practices to address racial and other inequalities that are experienced.

More information including case studies can be found in the **Driving Cultural and Attitudinal Change Appendix**.

Section 4: Fair Work Policy Context and Legislation

This strategy contributes to the Scottish Government's agenda on Fair Work as well as the wider policy landscape. As well as the many voluntary commitments we are making and showing how employers across the economy can help, there are a number of specific opportunities to address racial inequality. This will be through updating existing Fair Work First conditionality attached to government funding, through wider government policy that has a bearing on anti-racist and fair work outcomes, and through legislative measures.

Addressing racial inequality through Fair Work

The strategy sits within the broader context of our ambition to be a leading Fair Work Nation. Addressing racial inequality contributes to being a Fair Work employer and this is set out below in relation to the five dimensions of Fair Work.

Fair Work is defined in the Fair Work Convention's **Framework** as work that offers effective voice, fulfilment, opportunity, respect and security. Each of these dimensions are considered for their potential to address racial inequality in the workplace.

Effective Voice

The COVID-19 pandemic highlighted, and in many ways exacerbated, the inequalities which are experienced by racialised minorities.[27] **Effective voice is central to Fair Work**. As a dimension of fair work it can include approaches to trade union recognition and collective bargaining; direct and indirect involvement and participation; and communication and consultation arrangements and procedures that give scope to at both an individual and collective level for views to be aired, listened to and outcomes influenced. Ensuring an effective voice for workers can help to mitigate wider societal impacts and can provide a way for employers to understand intersectional and compounding barriers.

Decision-making processes in the workplace should take account of the views of all workers. **Channels for effective voice both collectively and individually, can ensure workers are able to express their concerns, raise and help resolve issues**. Experiences and concerns will differ across all workers – where there is targeted support available, workers should be supported and encouraged to participate through these channels. Good employer practice would be to have a route for flagging workplace issues early, inclusively, and informally where appropriate.

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27   **Coronavirus (COVID-19): economic impact of labour market effects – gov.scot (www.gov.scot)**
      Inequalities by ethnicity in the context of COVID-19 (slide-pack) – gov.scot (www.gov.scot)

Section 4: Fair Work Policy Context and Legislation

There is also a statutory requirement for a formal grievance procedure, but where voice channels are effective, valued and genuine, there should be less usage of such procedures, which can be daunting for all concerned. Fostering a trauma-informed environment where workers' views are actively sought, listened to and acted upon will demonstrate an employer's commitment to providing effective voice and lead to a happier and inclusive working environment.

Fulfilment

Work that is fulfilling will impact on a worker's well-being, sense of job satisfaction and commitment to a job. This dimension would not be realised if a worker's experiences fall short of this aspect of fair work due to underemployment i.e. not being employed in jobs that maximise their skills and qualifications. This has been highlighted as an experience faced by racialised minorities[28] and that racialised minorities feel overlooked for development opportunities.[29] **Work that is fulfilling builds on knowledge and qualifications and give workers an opportunity to use their skills effectively**. Employers that apply this dimension in practice will ensure that racialised minorities are benefitting from Fair Work.

Opportunity

Fair opportunity allows people to access and progress in work and employment.[30] **Employers that address the bias and discrimination experienced by racialised minorities that are looking to enter, sustain, and progress in employment, will be embedding this dimension in practice**. This could include anonymising applications. Studies have shown that job applications with a name associated with a racialised minority group are less likely to be successful at getting to the shortlist stage of recruitment.[31] This dimension relies on the effectiveness of recruitment practices and policies. Where positive action is used, employers can consider this in the context of this dimension and build capability among their workforce to understand opportunity in terms of equity.

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28 **Race in the Workplace: The McGregor-Smith Review**
29 **Policymakers (closethegap.org.uk)**
30 **Opportunity – The Fair Work Convention**
31 **Race in the Workplace: The McGregor-Smith Review**

Respect

"Fair work is work in which people are respected and treated respectfully, whatever their role and status. **Respect involves recognising others as dignified human beings and recognising their standing and personal worth**." (**Fair Work Framework**) This dimension resonates strongly with the outcomes we want to see for racialised minorities. Microaggressions, discrimination, bias, cultural and language assumptions, and assumptions on job roles are all connected to the absence of respect for racially minoritised workers. Proactively challenging these behaviours will support this dimension of Fair Work and will impact positively on mental health and wellbeing.

Security

A Fair Work employer will advertise and have jobs that incorporate the characteristics of secure work, e.g. **contracts should be fair and not one-sided; wages should be stable and predictable; and hours should be agreed and predictable and should allow people to earn a decent living**. This will benefit racialised minorities who have experienced lower incomes, higher risks of poverty, and insecure work.[32] Employers that take an intersectional approach in the jobs they advertise will have considered flexible working policies, workplace adjustments and accessibility.

Addressing racial inequality in the workplace is consistent with the Fair Work objectives for supporting employers to provide accessible, fair, flexible and inclusive workplaces. Fair Work policies and practices are critical for achieving equality, inclusion, and diversity.

We will continue to lead this agenda and through our refreshed Fair Work Action Plan; **we will update Fair Work First criteria to better reflect priority action required to address labour market inequalities**.

This strategy is also aligned to our continuing work to meet other equalities targets such as halving the disability employment gap and reducing the gender pay gap. This work has also been brought into the refreshed Fair Work Action Plan.

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32   **Poverty and Income Inequality in Scotland 2016-19 – gov.scot (www.gov.scot)**

Wider policy and legislative context

The strategy supports the **National Performance Framework** (NPF) outcome to "Have thriving and innovative businesses, with quality jobs and fair work for everyone"[33] and contributes to a number of policy agendas.

It supports the aims set out in the **Covid Recovery Strategy** to address the systemic inequalities made worse by COVID-19' and also the need to take account of the impact of COVID-19' including on racialised minority groups, women and disabled people.[34] The Covid Recovery Strategy also highlights the worsening of poverty levels among equality groups, including racialised minorities:

"We know that many people were living in poverty before the pandemic: more than one million people were living in poverty, including around 240,000 children (two thirds of children in poverty living in a household where at least one person works), and people from Black, Asian, and Minority Ethnic backgrounds were more than twice as likely to be living in poverty than people from a White British background."

The strategy also supports wider Scottish Government work to develop and implement an equality and human rights mainstreaming strategy to be in place by the end of 2024.

It also contributes to the vision in the **Race Equality Framework for Scotland 2016-2030** that states:

"Minority ethnic people have equal, fair and proportionate access to employment and representation at all levels, grades and occupation types in Scotland's workforce and experience fewer labour market, workplace and income inequalities."

This strategy recognises the link between employment, income and poverty, and that some racialised minority communities experience the highest rates of poverty in Scotland.

Work continues to support the Race Equality Framework for Scotland and its vision for employment. Work to realise this vision is detailed in the **Immediate Priorities Plan** which reflects work across the Scottish Government to ensure a fair and equal recovery from the COVID-19 pandemic. Recommendations provided by the **Expert Reference Group on COVID-19** and ethnicity shape and inform our recovery, which also covers our ongoing anti-racist work.

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33   **What it is | National Performance Framework**
34   **Covid Recovery Strategy**

We recognise that addressing systemic inequality in employment will potentially impact on racialised minority families, and in particular racialised minority women, who experience higher levels of poverty. Increasing income from employment – be that moving into employment, progressing in employment or securing employment commensurate with skills, experience and qualifications – is one of the key drivers of reducing poverty, and supports our commitment to tackle child poverty. This strategy contributes to the vision in **Best Start, Bright Futures,**[35] the tackling child poverty delivery plan 2022-2026. Data shows that 38% of children in racialised minority families, one of the plan's six priority groups, are in relative poverty, significantly higher than the average 24% for all children in Scotland. The actions that employers can take in this strategy are critical to tackling poverty in racialised minority families.

This strategy is also aligned to the Scottish Government's retail strategy – **Getting the Right Change,**[36] which has Fair Work at its core. Embedding Fair Work in retail, one of the largest workforces to our economy with around 10% of Scotland's total employment,[37] will be an important contributor in addressing racial inequality in the workplace as there are more minority ethnic workers in the retail sector, one of the sectors

with a great number of low-paid roles, than the national average – 5.3% of all workers compared to 4.3% nationally.

Workforce diversity is also the focus for Scotland's teaching profession. Teachers from a racialised minority background are chronically underrepresented across the profession, and particularly within promoted posts. Data related to this can be found in the Scottish Government's annual data report.[38]

In November 2018 the **Diversity in the Teaching Profession Working Grou**p, chaired by Professor Rowena Arshad CBE, published its report entitled **'Teaching in a Diverse Scotland'**,[39] with a follow up report published in March 2021.[40] The Scottish Government fully accepted the report's recommendations and the commitment to more than doubling the number of racialised minority teachers by 2030.

The Scottish Government remains committed to addressing this important issue and work is underway, as part of the **Race Equality and Anti-Racism in Education Programme** (REAREP) and the Diversity in the Teaching Profession and Education Workforce subgroup, to increase diversity within the teaching profession and wider education workforce.

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35   **Best Start Bright Futures: Tackling Child Poverty Delivery Plan 2022 to 2026**
36   **Getting the Right Change – Retail Strategy for Scotland (March 2022) – gov.scot (www.gov.scot)**
37   **Business Register and Employment Survey 2021 Data**
38   **Diversity in the teaching profession: annual data report – May 2022 – gov.scot (www.gov.scot)**
39   **Teaching in a diverse Scotland: increasing and retaining minority ethnic teachers**
40   **Teaching in a Diverse Scotland – increasing and retaining minority ethnic teachers: 3 years on**

Section 4: Fair Work Policy Context and Legislation

The Scottish Government is also working in collaboration with NHS Education Scotland and others to design and deliver the **Leading to Change Programme** which was launched on 3rd October 2022 to support compassionate and collaborative diverse leaders at all levels across health, social work and social care in Scotland. This work will deliver the commitments made in the upcoming Scottish Government's Improving Wellbeing and Workforce Culture Strategy.

The Scottish Government's ambition, shared with COSLA, is for a trauma-informed workforce and services across Scotland, supported by our National Trauma Training Programme. Scotland was one of the first countries in the world to publish a **knowledge and skills framework** for psychological trauma, developed by NHS Education for Scotland (NES). This framework sets out the knowledge and skills needed by everyone in the Scottish workforce to be able to recognise where an individual may be affected by trauma, such as experiences of racism either in or outside the workplace, and to adapt their practice accordingly in order to minimise distress and support recovery through a safe and compassionate response.

While this strategy aims to address the systemic issues that drive labour market inequality for racialised minorities, this sits within a wider societal equality issue of racism and its associated harms.

Research into recorded hate crime in Scotland shows that 64% of race aggravated hate crimes in 2019-20 had "a victim from a visible minority ethnic group".[41] Hate crime is defined as both criminal and rooted in prejudice, which has a hugely damaging and corrosive impact on victims and communities. The Scottish Government has committed to publishing a new Hate Crime Strategy, which will set out our key priorities for tackling hatred and prejudice in Scotland. The strategy will build upon the Tacking Prejudice and Building Connected Communities Action Plan[42] and will support the implementation of the **Hate Crime and Public Order (Scotland) Act 2021**.

Legislative context

Human rights are the foundation for this strategy and is consistent with the United Nation's Universal Declaration of Human Rights, which includes: the right to work, to free choice of employment, and to just and favourable conditions of work.

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41 **Police Recorded Hate Crime in Scotland**
42 **Tackling Prejudice and Building Connected Communities Action Plan Overview of Implementation December 2021 (www.gov.scot)**

A new multi-treaty **Human Rights Bill** will be introduced in this parliamentary session. This Bill will incorporate the following four United Nations Human Rights treaties into Scots Law, as far as possible within devolved competence:

- The International Covenant on Economic, Social and Cultural Rights

- The Convention on the Elimination of All Forms of Racial Discrimination (CERD)

- The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)

- The Convention on the Rights of Persons with Disabilities (CRPD)

Incorporating CERD, alongside these other human rights treaties, will strengthen legal protections for racialised minorities by making these human rights enforceable domestically.

This Bill will be a high-level framework Bill, and also aims to help embed a human rights culture across Scotland. It is envisaged that it will help to support and complement the aims of the strategy.

More specific legislative context within the public sector is the **Public Sector Equality Duty (PSED)**. The purpose of the public sector equality duty is to ensure that public authorities and those carrying out a public function consider how they can positively contribute to a more equal society through advancing equality and good relations in their day-to-day business, to:

- Take effective action on equality

- Make the right decisions, first time around

- Develop better policies and practices, based on evidence

- Be more transparent, accessible and accountable

- Deliver improved outcomes for all

It requires equality to be considered in all the functions of public authorities, including decision-making, in the design of internal and external policies and in the delivery of services, and for these issues to be kept under review.[43]

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43   **essential-guide-public-sector-equality-duty-scotland.pdf (equalityhumanrights.com)**

The **Public Sector Equality Duty** (or general duty) in the Equality Act 2010 came into force in 2011. It means Scottish public authorities must have 'due regard' to the need to:

- Eliminate unlawful discrimination

- Advance equality of opportunity

- Foster good relations

In 2012 Scottish Ministers used their powers to make regulations that place specific duties on Scottish public bodies to help them meet the general duty. These are also known as the **Scottish Specific Duties**.

The Scottish Government is currently reviewing the operation of the Public Sector Equality Duty in Scotland with a view **to improve the Scottish Specific Duties**.

We have consulted on proposals which include extending the existing gender pay gap duty to ethnicity and disability for public bodies, and creating a more cohesive and action-focussed regime where the public bodies are required to report on how they have implemented the duties they are subject to.

Extending the duty to report on ethnicity and disability pay gaps will further emphasise the role of data that we have highlighted in our strategy.

The PSED applies across Great Britain to public bodies listed in Schedule 19 of the Equality Act 2010, and to any other persons or organisations when they are carrying out public functions. Accordingly, the PSED can cover public

bodies not listed in Schedule 19 of the Equality Act 2010 and private organisations, but only in relation to any public functions they exercise. For private and voluntary sector employers (and certain specified public sector employers) with a workforce of 250 or more employees, gender pay gap reporting is mandatory under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. Although evidence continues to build in support of ethnicity pay gap reporting, it is currently not mandatory.

However, other legal requirements on employers include:

- Ensuring they comply with the equal pay for equal work provisions of the Equality Act 2010 i.e. they pay men and women the same for doing the same (or equivalent) jobs.

- They do not discriminate against job applicants or staff when it comes to recruitment, benefits, promotion, and other workplace matters.

Building a New Scotland: A stronger economy with independence was published in October 2022. The paper sets out the Scottish Government's proposals for the economy of an independent Scotland, including a range of significant measures aimed at establishing a new, fairer labour market model. In the absence of powers to realise this ambition, **we will continue to press for the full devolution of employment powers to the Scottish Parliament and push for changes to reserved legislation to advance the Fair Work agenda in Scotland, including mandating ethnicity pay gap reporting**.

Section 5: Resources for Employers

Recruitment and Retention

Scottish Government Minority Ethnic Recruitment Toolkit

This toolkit is for recruitment managers in the public sector looking to improve the diversity of their workforce by recruiting more racialised minorities. This toolkit includes a range of suggestions and ideas for organisations who will appreciate some initial guidance. It is not intended to be prescriptive and some of the guidance will depend on the specific context in which organisations are working. While a lot of the content has been drawn from practice that is used in parts of the public sector, the information in this toolkit may be equally useful to employers in other sectors.
Minority Ethnic Recruitment Toolkit (www.gov.scot)

Skills Development Scotland Guide to Engaging with BME Communities

This resource guide has been developed to help Skills Development Scotland training provider partners attract applicants from racialised minority communities and identify the support available to enable entry and progression on Scottish Apprenticeships.
Guide to Engaging with BME Communities

Skills Development Scotland Guides to Diversifying Your Workforce

In these guides there are practical and free/low-cost measures to source, attract, and retain employees that might have been otherwise overlooked. The guides offer tips on how to widen the search for candidates and ensure that selection processes are fair to all applicants. They also give examples of the resources available to help make the most of a new hire's abilities.
Diversify your workforce: Equality and diversity guidance for employers

Scottish Government Race Recruitment and Retention Action Plan

Our Race Recruitment and Retention Action Plan details the action we will take to deliver our vision to be a world-leading diverse employer where racial equality is achieved. The Plan's anti-racist approach covers five priorities to redistribute power and foster cultural change. We hope that this will prove a helpful reference point when considering action within your organisation.
Race Recruitment and Retention Action Plan

Section 5: Resources for Employers

Anti-Racist and Intersectional Approaches

BITC – Toolkit – Mental Health and Wellbeing for Ethnically Diverse Women

A self-care toolkit, this guide aims to contribute towards the growing effort to educate and support managers with practical techniques to build authentic relationships and foster a deeper appreciation of the unique mental health challenges that may be faced by the racialised minority employees in their teams. **BITC – Toolkit – Mental Health and Wellbeing for Ethnically Diverse Women**

CIPD Anti-racism Hub

As a means of addressing the barriers to change, CIPD, the professional body for HR and people development, has set out its anti-racism policy, supported by a new anti-racism hub, which includes a host of webinars, FAQs, and practical guides. **Tackling racism in the workplace | CIPD**

Social Mobility Commission – Social Mobility Toolkit

This Toolkit offers practical help and ideas. It's been created with and for cross-industry, larger employers. It supports those addressing a new frontier in their diversity and inclusion agenda to find, attract, and develop employees from all socio-economic backgrounds. **Social Mobility Toolkit**

Close the Gap – Research into black and minority ethnic women's experience of employment in Scotland

This research provides a range of lived in experiences to inform employer practice. A summary of their research findings can be found on page 3, section 2).

Close the Gap's research into Black and minority ethnic women's experience of employment in Scotland

Close the Gap – Guidance on Taking an Anti-Racist Approach to Tackling Women's Workplace Inequality

This guidance supports employers to take an anti-racist approach to addressing racism and sexism in the workplace, and the barriers faced by racially minoritised women. **Guidance for employers on taking an anti-racist approach to tackling women's workplace inequality.**

Glasgow Disability Alliance – Ending Poverty and Removing Barriers to Work for Disabled People in Glasgow beyond COVID-19

The report highlights the intersectional barriers that disabled people from minority ethnic groups face that are reflected in the lower employment rates and their thoughts on the actions that employers need to take to address these barriers. **Ending Poverty and Removing Barriers to Work for Disabled People in Glasgow beyond COVID-19 • Glasgow Disability Alliance (gda. scot)**

Section 5: Resources for Employers

Fair Work

Fair Work First Guidance

This guidance outlines the Scottish Government's Fair Work First approach and exemplifies the Fair Work First criteria in practice. It should be used by those involved in awarding public sector grants, sponsorship and other funding, and contracts, and those seeking to access/accessing such funding and/or contracts. **Fair Work First Guidance.**

Employers are also encouraged to use the **Fair Work Employer Support Tool** to understand their Fair Work' practices and access support to enable them to strengthen their approach. Similarly, employers should encourage their employees to use the Fair Work Convention's **Employee Self-Assessment Tool** to assess their own experience of Fair Work and be willing to engage with workers and unions in responding to the findings of these assessment tools.

Pay Gap Reporting

Close your Pay Gap Tool

This resource helps employers take steps to reduce the Gender Pay Gap. It also has a guidance section with topics such as flexible and part-time working, and recruitment and promotion. **Close your Pay Gap Tool**

CIPD – Ethnicity Pay Gap Reporting Guide

This guide seeks to encourage more employers to publish their ethnicity pay data voluntarily; facilitate this process by recommending the most appropriate and effective approach to categorising and reporting their data; and support analysis and use of the resulting information to produce effective action plans to address the ethnicity pay gaps and inequalities revealed. **Ethnicity Pay Gap Reporting Guide - CIPD**

PricewaterhouseCoopers – Ethnicity Pay Gap Reporting

This short guide provides an overview of how employers can prepare for mandatory ethnicity pay gap reporting. **Ethnicity Pay Gap Reporting Guide - PricewaterhouseCoopers**

Section 5: Resources for Employers

Positive Action

Positive action | Equality and Human Rights Commission (equalityhumanrights.com)

Employment Statutory Code of Practice

Skills Development Scotland – A Guide to Positive Action
This Skills Development Scotland guide provides an overview of what positive action is, with examples and suggestions to increase diversity in the workforce.
A Guide to Positive Action

Private Sector

Representative organisations such as CBI, Federation of Small Businesses (FSB) and Institute of Directors (IoD) have various resources on their websites and share learning from their work on addressing racial inequality.

CBI – Bridge the gap: practical ways to close your ethnicity pay gap | CBI

FSB – Small Business Skills Hub | Articles, Guides, Training | FSB | FSB, The Federation of Small Businesses

IoD – Institute of Directors | Business Networking, Events & Training (iod.com)

Trade Union Engagement

Trade Unions play a key role in addressing racial inequality in the workplace and on building diverse and inclusive workplaces. Employers should work actively with Trade Union representatives. More information on how employers can get involved can be found here:
TUC Anti-Racism Taskforce | TUC

Training

Equality and Human Rights Commission: Unconscious Bias Training – An Assessment of the Evidence of Effectiveness

This report looks at the effectiveness of unconscious bias training. It makes recommendations for employers, policymakers and HR professionals to use the training effectively in the workplace to create more inclusive workplaces. **Unconscious bias training: An assessment of the evidence for effectiveness**

Coalition for Racial Equality and Rights

This report outlines standards to provide the consistency and solid foundations needed to ensure anti-racist training within organisations can make a real difference in addressing racism and racial inequality. **Ten standards for training from an anti-racist perspective**

Section 5: Resources for Employers

Trauma

The National Trauma Training Programme provides accessible, evidence-based **trauma training resources** developed by NES and informed by experts by experience, including a trauma-informed leaders component. Support for training and implementation, across all sectors of the workforce, is provided by a team of Transforming Psychological Trauma Implementation Co-ordinators (TPTICs).

Further references

The Runnymede Trust – a race equality think tank (publications include a focus on employment)

https://www.runnymedetrust.org/

Diversity UK

Think Business, Think Equality (thinkbusinessthinkequality.org.uk)

Section 6: Glossary and Abbreviations

The glossary compiled for key terms that are used in the strategy have been drawn from published sources and external sources with specific expertise. This has been provided as a reference of the terms that are used in this document, accompanying appendices and sources that are referenced.

Anti-racist/anti-racism

One who is supporting an antiracist policy through their actions or expressing an antiracist idea.

"The opposite of racist isn't 'not racist'. It is 'anti-racist'. What's the difference? One endorses either the idea of racial hierarchy as a racist, or racial equality as an anti-racist. One either believes problems are rooted in groups of people, as a racist, or locates the roots of problems in power and policies, as an anti-racist. One either allows racial inequities to persevere, as a racist, or confronts racial inequities, as an anti-racist. There is no in-between safe space of 'not racist'.[44]

"Anti-racism is a process of actively identifying and opposing racism. The goal of anti-racism is to challenge racism and actively change the policies, behaviours, and beliefs that perpetuate racist ideas and actions. Anti-racism is rooted in action"
Kendra Cherry

BAME

Black, Asian and Minority Ethnic

BME

Black and Minority Ethnic

Caste

Caste is defined in the Explanatory Notes of the Equality Act 2010 as a "hereditary, endogamous (marrying within the group) community associated with a traditional occupation and ranked accordingly on a perceived scale of ritual purity. It is generally (but not exclusively) associated with South Asia, particularly India, and its diaspora."[45]

This form of social stratification is found across Hindu, Muslim, Sikh, Christian and other religious communities, and is referred to in some communities as a 'jati' or 'biradari', the latter literally translating as 'brotherhood'. Communities considered to be of low caste status are known as Dalit. In Scotland, caste stratification can be observed in how South Asian communities and places of worship are organised, as well as through marriage practices, including prevalence in South Asian matrimonial services and dating apps. Caste pride, predominantly driven by people with caste privilege, is also highly present in popular culture in the South Asian diaspora.

(Provided by Sikh Sanjog)

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44   How to be an Anti-racist, p9, Kendi, Ibram X.
45   Equality Act 2010: Explanatory notes Section 9: Race paragraph 49, p15

Section 6: Glossary and Abbreviations

Caste discrimination

Discrimination based on one's caste and is manifested similarly to discrimination based on belonging to a racialised minority; it is based on prejudiced views and is targeted at those considered belonging to a lower or inferior caste.

Direct discrimination

When you are treated worse than another person or other people because:

- you have a protected characteristic

- someone thinks you have that protected characteristic (known as discrimination by perception)

- you are connected to someone with that protected characteristic (known as discrimination by association).[46]

Ethnicity

A large group of people with a shared culture, language, history, set of traditions, etc., or the fact of belonging to one of these groups.[47]

Ethnicity pay gap

A statistical measure for the difference between the median hourly earnings of the white workforce and the minority ethnic workforce as a proportion of the median hourly earnings of the white workforce.[48]

Equity/Equality

Equity refers to the manner in which individuals are treated that is just and fair. Equality is defined as the state where everybody will be on the same level playing field. Equity is a process or procedure, whereas equality is the end result. Equity is person-centred; it is not about treating everybody the same, but fairly, so that everyone can achieve the same outcomes. Inequities cause inequality and are avoidable.

Gender pay gap

A statistical measure for the difference between the median hourly earnings (excluding overtime) of men and women as a proportion of the median hourly earnings (excluding overtime) of men.[49]

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46 **What is direct and indirect discrimination? | Equality and Human Rights Commission**

47 **https://dictionary.cambridge.org/dictionary/english/ethnicity**

48 **Ethnicity pay gaps – Office for National Statistics**

49 **Annual survey of hours and earnings 2022, ONS**

Section 6: Glossary and Abbreviations

Indirect discrimination

Being treated in what is seen as neutral but which disadvantages someone with a protected characteristic.[50]

Individual racism

Individual racism refers to an individual's racist assumptions, beliefs, or behaviours, and is "a form of racial discrimination that stems from conscious and unconscious, personal prejudice."[51]

Institutional racism

Discrimination or unequal treatment on the basis of membership of a particular ethnic group (typically one that is a minority or marginalized), arising from systems, structures, or expectations that have become established within an institution or organization.[52]

In relation to this strategy we are looking at institutional racism as the policies and processes that can disadvantage, discourage, and create obstacles that inhibit racialised minority jobseekers and employees.

Intersectionality

A term used to describe how ethnicity, class, gender, and other characteristics intersect with one another and overlap.

Islamophobia

The Scottish Parliament's Cross Party Group on Tackling Islamophobia refers to the All-Party Parliamentary Group's definition of Islamophobia -

"Islamophobia is rooted in racism and is a type of racism that targets expressions of Muslimness or perceived Muslimness" (All-Party Parliamentary Group, 2017: 11)

ME

Minority Ethnic

Microaggressions

A statement, action, or incident regarded as an instance of indirect, subtle, or unintentional discrimination against members of a marginalized group such as a racial or ethnic minority.[53]

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50 https://www.equalityhumanrights.com/en/advice-and-guidance/what-direct-and-indirect-discrimination
51 Henry & Tator, 2006
52 https://www.lexico.com/definition/institutional_racism
53 https://www.merriam-webster.com/dictionary/microaggression

Section 6: Glossary and Abbreviations

Minority ethnic employment rate gap

A statistical measure for the difference between the employment rate of minority ethnic people and white people aged 16 to 64 years. It is calculated as the white employment rate minus minority ethnic employment rate.[54]

Proselytising

To induce someone to convert to one's faith; to recruit someone to join one's party, institution, or cause; to recruit or convert especially to a new faith, institution, or cause.[55]

In the context of this strategy, the term is used for where it is being complained about i.e. the act of attempting to or trying to convert/recruit.

Protected characteristics

The Equality Act 2010[56] specifies nine characteristics that are protected under that Act, including against discrimination. These are known as the "protected characteristics" and they are as follows: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Race

One of the main groups to which people are often considered to belong, based on physical characteristics that they are perceived to share such as skin colour, eye shape, etc.

The idea that people can be divided into different groups based on physical characteristics that they are perceived to share such as skin colour, eye shape, etc., or the dividing of people in this way

A group of people who share the same language, history, characteristics, etc.[57]

Race discrimination

Being treated differently because of your race either directly or indirectly, in one of the situations covered by the Equality Act 2010 protections against discrimination.[58]

Racial inequality

Racial inequality is a disparity in opportunity and treatment that occurs as a result of someone's race.[59]

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54 **Scotland's Labour Market: People, Places and Regions – Protected Characteristics. Statistics from the Annual Population Survey 2021 – gov.scot (www.gov.scot)**

55 **https://www.merriam-webster.com/dictionary/proselytize**

56 **https://www.legislation.gov.uk/ukpga/2010/15/part/2/chapter/1**

57 **RACE | English meaning – Cambridge Dictionary**

58 **Race discrimination | Equality and Human Rights Commission**

59 **https://www.yourdictionary.com/racial-inequality**

Section 6: Glossary and Abbreviations

Racialisation

A process of assigning race to a group. It involves categorising, marginalising or regarding according to race.[60]

Racialised minority

A term used to reflect the process of placing people in set categories and who subsequently experience negative effects from being in a certain category because of the way different groups are assigned different identities as decided by society.[61]

Racism

Treating someone unfairly because of their race, colour, nationality, or ethnic or national origins.[62]

Religious discrimination

This is when you are treated differently because of your religion or belief, or lack of religion or belief, in one of the situations covered by the Equality Act 2010 protections against discrimination.[63]

Structural inequality

Structural inequality refers to a system where prevailing social institutions offer an unfair or prejudicial distinction between different segments of the population in a specific society.[64]

Structural racism

Structural racism shapes and affects the lives, wellbeing and life chances of people of colour. It normalises historical, cultural and institutional practices that benefit white people and disadvantage people of colour. Structural racism refers to wider political and social disadvantages within society which shapes and affects the life chances of people of colour.[65]

Unconscious bias

Unconscious (or implicit) biases, unlike conscious biases, are the views and opinions that we are unaware of; they are automatically activated and frequently operate outside conscious awareness and affect our everyday behaviour and decision making. Our unconscious biases are influenced by our background, culture, context and personal experiences.[66]

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60 **https://www.merriam-webster.com/dictionary/racialization**
61 **The Canadian Encyclopedia - Racialised Minorities**
62 **equalityhumanrights.com**
63 **https://www.equalityhumanrights.com/en/advice-and-guidance/religion-or-belief-discrimination**
64 **Arctic Centre Toolkit for Structural Inequality**
65 **https://theconversation.com/structural-racism-what-it-is-and-how-it-works-158822**
66 **Unconscious bias training: An assessment of the evidence for effectiveness**

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Any enquiries regarding this publication should be sent to us at

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

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