**Neighbourhood effects and pension protection amongst ethnic minorities in England and Wales**

**Abstract**

Ethnic minorities are concentrated in particular geographical areas in England and Wales. The neighbourhood effects such as enclave and deprivation can impact upon the labour market performance of ethnic minorities and thus, determine their pension protection. This paper examines the neighbourhood effect on pension protection for ethnic minorities in England and Wales. We used multilevel logistic models and the UK Household Longitudinal Survey linked with a range of neighbourhood characteristics from the 2011 Census. Taking apart from the individual characteristics effect on pension protection patterns, the results show that among ethnic minorities, ethnic minorities living in areas with a high own-ethnic-group concentration is negative correlated with key indicators associated with pension protection such as being in paid employment, being an employee, and working for an employer who offers a pension scheme. Individuals who live in an area where between 6-19% of the population comes from their own ethnic group are slightly more likely to be members of an employer’s pension scheme than those living in areas where less than 5% of the population comes from their own ethnic group. The deprived neighbourhood is negatively correlated with one’s likelihood to be in paid employment; it is also negatively correlated with one’s chances of being self-employed, while individuals are less likely to be members of an employer’s pension scheme if they live in highly deprived neighbourhoods.