

Press release: Support for ethnic minority entrepreneurs helps 11,000 businesses get off the ground

- Around 11,000 start-up companies have benefited from loans of up to £25,000 since 2012 according to figures published today
- government is tackling inequality by helping ensure all entrepreneurs can access the finance they need regardless of their background

More than 11,000 black, Asian and ethnic minority (BAME) entrepreneurs have received government-backed [Start Up Loans](#) since 2012 according to research published today.

Start Up Loans were introduced to tackle inequality in society by ensuring that people from all backgrounds can access the money they need to start a business.

Since the [scheme](#) began in 2012, more than 55,000 businesses have been supported – equivalent to around 25 every day. More than £400 million of finance has been provided and helped create more than 66,000 jobs. 1 in 5 of the loans have gone to BAME recipients.

The findings underpin the value which BAME citizens add to the UK's economy. They also highlight how the government is working to create a strong entrepreneurial business environment and a fairer society.

Business Minister Richard Harrington said:

Through our efforts to create a fairer society, we are ensuring that entrepreneurs from all backgrounds can access the finance they need to make their businesses grow and succeed.

The government is continuing to look at new ways to tackle racial inequality in our society and make sure that everyone has the same opportunities to progress.

The Prime Minister has previously made clear as part of the Race Disparity Audit launched in 2016 that if an ethnic disparity cannot be explained then there must be a change and we, as a society, must take action to tackle injustices.

In 2017, nearly 8% of the ethnic minority population were involved in starting or running a new business – compared to 14.5% of the white population.

According to data published last year, 15% of workers in the UK were self-employed in 2018. While Pakistani and Bangladeshi workers were most likely to

be self-employed, black workers were least likely to be.

While there are less black and ethnic minority entrepreneurs in the UK, the new data shows that from 2013 to 2017, ethnic minority entrepreneurs received start-up loans at a higher rate. Last year, 5.7 black entrepreneurs per 10,000 people received a start-up loan, compared with 2.4 white entrepreneurs per 10,000 people.

This data shows that the government is taking action to support BAME entrepreneurs as it works to build a society that works for everyone, regardless of their background.

Research reveals 5% of the UK's small businesses were majority-led by someone from an ethnic minority group with 90% being led by someone from a white group. 13% of the UK population belong to a black, Asian, mixed or other ethnic group, according to government [data](#).

The World Bank ranks the UK one of the best places in the world to start and grow a business with 1,100 businesses starting every day in Britain – or 1 every 75 seconds. Small and medium size businesses support more than 13 million jobs across the UK.

Notes to editors

1. Research forms part of Race Disparity Audit to tackle injustices and inequality in society.
2. Statistics correct as of June 2018.