ABORIGINAL EMPLOYMENT Improved in 2011, but still has a ways to go

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ABSTRACT

Employment is an important indicator of economic development. The Aboriginal employment rate in Canada increased to 55.8 in 2011, from 53.7 in 2010. This was an increase of 19,700 jobs. It increased more for Aboriginal men than for women in 2011. The strong relationship between higher levels of education and employment highlights a clear path for improving employment rates. Ontario experienced the greatest increase in employment with 8,800 new Aboriginal jobs in 2011, with employment growing in every province except Prince Edward Island, where it was flat. It was basically stable in the three territories. The sectors experiencing the greatest increases in employment were in retail trade and in manufacturing.

INTRODUCTION

The State of the Aboriginal Economy may be evaluated, in part, by the level of employment. Data on employment is provided by Statistics Canada for Aboriginals living off reserves. Unfortunately, it is not available for those living on reserves. In this paper the data from Statistics Canada is used to examine employment from a number of perspectives. The overall employment picture improved in 2011, compared to 2010; however, in this article we are able to see considerable differences when we look at the patterns based upon age, gender, educational level, province and territory and industrial sector. The purpose of this is to provide a clearer picture of employment within Canada.

AN OVERVIEW

The employment rate for Aboriginals in Canada, living off reserves, has improved by 3.9 percent;

from a rate of 53.7 in 2010 to 55.8 in 2011. This increase compares favourably with the increase for non-Aboriginals. Their overall employment rates were 62.0 in 2011 and 61.8 in 2010, an increase of .3 percent. Historically, non-Aboriginal employment rates have been higher and the narrowing of this gap may be seen as encouraging, even though there is still a long way to go.

To better understand the numbers that will be discussed it is helpful to know the basis for the terms used by Statistics Canada and referred to in this paper. The employment rate is the percent of the population that is employed. The total Aboriginal population in Canada's ten provinces (living off reserves) over the age of 15 was 670,500 in 2011 and the number of those employed in 2011 was 374,500. The number employed, 374,500, divided by the population, 670,500, is the employment rate, 55.8.

The unemployment rate is not the opposite of the employment rate. This is because to be

TABLE 1
Labour Force Estimates for Canada
2010 and 2011 annual averages, in thousands (except the rates)

	Non-Abo	riginal	Abort	iginal	Non-Aboriginal	Aboriginal	
	2010 2011		2010	2011	% Change in 2011		
Population	26997.5	27316.6	660.6	670.5	1.2	1.5	
Labour force	18110.3	18268.7	413.8	430.1	0.9	3.9	
Employment	16684.5	16931.9	354.8	374.5	1.5	5.6	
Full-time employment	13452.0	13696.2	283.8	297.6	1.8	4.9	
Part-time employment	3232.5	3235.7	71.0	76.9	0.1	8.3	
Unemployment	1425.8	1336.8	59.0	55.7	-6.2	-5.6	
Not in labour force	8887.2	9047.9	246.8	240.4	1.8	-2.6	
Unemployment rate	7.9	7.3	14.3	12.9	-7.6	-9.8	
Participation rate	67.1	66.9	62.6	64.1	-0.3	2.4	
Employment rate	61.8	62.0	53.7	55.8	0.3	3.9	

Note: Data based on 10 provinces, 15 years and older, and living-off reserve.

Source: Statistics Canada, Labour Force Survey.

considered unemployed one needs to be in the labour force and those who are not looking for a job are not considered to be in the labour force. The labour force of 430,100 in 2011 consists of those who are employed (374,500) and those who are unemployed and looking for work (55,700). To calculate the unemployment rate, 12.9, the number of unemployed, 55,700, is divided by the labour force, 430,100. This is an improvement from the 2010 unemployment rate of 14.3. However, when contrasted with the unemployment rates for non-Aboriginals of 7.3 in 2011 and 7.9 in 2010, it says that a lot more needs to be done.

The participation rate of 64.1 is the labour force (430,100) divided by the population (670,500). The Aboriginal labour force increased by 16,300 in 2011 (430,100) over that in 2010 (413,800) while the population increased by 9,900 (670,500 in 2011 and 660,600 in 2010). This resulted in the participation rate increasing to 64.1 in 2011 from 62.6 in 2010. This is generally considered positive as a greater percent of the population was seeking to be employed. The 2011 gap in the participation rate between Aboriginals (64.1) and non-Aboriginals (66.9) is not that wide and maybe seen as positive.

EMPLOYMENT RATES BY AGE AND GENDER

The growth in employment came from both men and women in all Aboriginal age groups, except women over 55. However, this group remains the only age and gender category in which the employment rate is higher for Aboriginals than for non-Aboriginals. Further, the gap between the employment rate for Aboriginal and non-Aboriginals narrowed for each gender and age category in 2011 compared to 2010, except for women over 55. Meaningful increases in employment rates occurred for men in the 15 to 24 age group (45.3 in 2010 to 48.4 in 2011, a 6.8% increase). The increase for men above 55 was huge (30.4 in 2010 to 37.7 in 2011, a 24.0% increase). Employment rates are still considerably higher for the corresponding non-Aboriginal age and gender categories; nonetheless, the improvements are encouraging.

UNEMPLOYMENT RATES BY AGE AND GENDER

Examining the unemployment rates by age and gender provides a basis for better understanding specific areas of concern. The unemployment

TABLE 2 Labour Force Estimates for Canada Employment Rates

		Percent I	Employed				
	Non-Ab	original	Abori	ginal	Non-Aboriginal	Aboriginal	
	2010	2011	2010	2011	% Change in 2011		
Both sexes							
15 years and over	61.8	62.0	53.7	55.8	0.3	3.9	
15–24 years	55.3	55.8	45.0	47.3	0.9	5.1	
25–54 years	80.9	81.3	65.8	67.8	0.5	3.0	
55 years and over	33.7	34.1	30.3	33.3	1.2	9.9	
Men							
15 years and over	65.6	66.0	56.0	59.1	0.6	5.5	
15–24 years	53.7	54.7	45.3	48.4	1.9	6.8	
25–54 years	84.3	85.1	69.8	71.7	0.9	2.7	
55 years and over	39.5	39.7	30.4	37.7	0.5	24.0	
Women							
15 years and over	58.1	58.0	51.6	52.8	-0.2	2.3	
15–24 years	57.0	56.9	44.7	46.3	-0.2	3.6	
25–54 years	77.4	77.6	62.1	64.2	0.3	3.4	
55 years and over	28.6	29.1	30.3	29.3	1.7	-3.3	

rates for, those 15 to 24, are significantly higher than for others and is considerably worse for Aboriginals (21.1 in 2010 and 19.2 in 2011), when compared with non-Aboriginals (14.6 in 2010 and 14.0 in 2011). The unemployment rates for women are lower than for men. Aboriginal women, aged 15 to 24, had unemployment rates of 18.3 in 2010 and 16.1 in 2011. This improvement may be compared with the lack of change for non-Aboriginal women in the 15 to 24 age group, which remained at 12.2 in 2010 and 2011.

The age and gender group with the highest unemployment rate is men between 15 and 24. Aboriginal men in this group had unemployment rates of 23.8 in 2010 and 22.2 in 2011. Non-Aboriginal men had unemployment rates of 16.9 in 2010 and 15.6 for 2011. Although these rates show an improvement, they once again highlight the need to take further action to address this unacceptably high level of youth unemployment.

On a more positive note, the unemployment rates dropped for both men and women in

each of the age groups for Aboriginals and non-Aboriginals, except for non-Aboriginal women over 55 when 2011 is compared to 2010.

EMPLOYMENT AND EDUCATION

When educational levels are examined, the 6.2 difference in employment rates between Aboriginal and non-Aboriginals may be better understood (55.8 and 62.0 respectively, in 2011). Rates of employment are related to educational levels. In almost all cases, the higher the level of education, the higher is the employment rate. The one exception, which applies to both Aboriginal and non-Aboriginals, is for those who receive some post-secondary education, but do not obtain a post-secondary certificate, such as a trade certificate or college diploma. The difference in employment rates for this group is 5.6 and it is the largest gap in the employment rates between Aboriginal and non-Aboriginals, when examining education levels (54.9 and 60.5 respectively, in 2011). The next largest difference is

TABLE 3
Labour Force Estimates for Canada
Unemployment Rates

		Percent U	nemployed				
	Non-Ab	original	Abori	ginal	Non-Aboriginal	Aboriginal	
	2010	2011	2010 2011		% Change in 2011		
Both sexes							
15 years and over	7.9	7.3	14.3	12.9	-7.6	-9.8	
15–24 years	14.6	14.0	21.1	19.2	-4.1	-9.0	
25–54 years	6.8	6.1	12.3	11.0	-10.3	-10.6	
55 years and over	6.3	6.3	12.4	11.4	0.0	-8.1	
Men							
15 years and over	8.6	66.0	15.8	14.7	-10.5	-7.0	
1524 years	16.9	54.7	23.8	22.2	-7.7	-6.7	
25–54 years	7.2	85.1	13.3	12.5	-13.9	-6.0	
55 years and over	7.0	39.7	14.9	12.7	-5.7	-14.8	
Women							
15 years and over	7.1	58.0	12.7	11.0	-2.8	-13.4	
15–24 years	12.2	56.9	18.3	16.1	0.0	-12.0	
25–54 years	6.3	77.6	11.3	9.5	-6.3	-15.9	
55 years and over	5.4	29.1	9.9	9.8	7.4	-1.0	

4.4, with Aboriginals having a higher employment rate. This is for those with a University Degree, a Bachelor and higher, where the employment rate was 78.9 for Aboriginals and 74.5 for non-Aboriginals in 2011.

The reason the difference in employment rates is 6.2, when the largest gap by educational level is 5.6, is that a much larger percent of Aboriginals, 31.8%, have less than a high school education, than do non-Aboriginals, 19.2%. The employment rate for those with less than high school is 33.3 for Aboriginals and 33.6 for non-Aboriginals. This compares to the employment rates for those who have graduated high school or higher, which in 2011 was 66.4 for Aboriginals and 68.7 for non-Aboriginals. This is a difference of only 2.3 (68.7 - 66.4) versus the overall difference of 6.2 (62.0 - 55.8). A reasonable conclusion is that further action should be taken to ensure that more students complete high school and pursue and obtain higher levels of education.

EMPLOYMENT BY PROVINCE AND TERRITORY

Ontario is the province with the highest number of Aboriginals living off reserves. It had the highest increase in Aboriginal employment growing from 81,300 in 2010 to 90,100 in 2011. This 8,800 increase in employment accounted for 44.7 percent of the 19,700 increase in Aboriginal employment from 2010 to 2011. The next largest increases were in Manitoba and Saskatchewan both seeing an increase of 2,600 in employment for Aboriginals. Quebec followed with an increase of 2,300 and Alberta and British Columbia had increases of 1,000. Despite having an increase in employment of 1000, Alberta experienced a decline in its employment rate. This is because its population grew at an even faster rate.

The largest increase in the rate of employment for Aboriginals occurred in Newfoundland and Labrador, with an increased rate of 6.5,

TABLE 4
Labour Force Estimates for Canada by Highest Level of Educational Attainment 2010 and 2011 annual averages — Population in thousands

	Non-Aboriginal		Aboriginal		Non-Aboriginal	Aboriginal	
	2010	2011	2010	2011	% Change	in 2011	
Total, all education levels							
Employment rate	61.8	62	53.7	55.8	0.3	3.9	
Population	26997.5	27316.6	660.6	670.5	1.2	1.5	
Percent of total population	100.0	100.0	100.0	100.0	0.0	0.0	
Less than high school							
Employment rate	33.7	33.6	32.2	33.3	-0.3	3.4	
Population	5363.2	5236.3	219.5	213.3	-2.4	-2.8	
Percent of total population	19.9	19.2	33.2	31.8	-3.5	-4.2	
0–8 years							
Employment rate	19.8	19.7	17.5	15.9	-0.5	-9.1	
Population	1763.9	1715.2	46.1	46.6	-2.8	1.1	
Percent of total population	6.5	6.3	7.0	7.0	-3.1	0.0	
9 to 10 years							
Employment rate	35.7	35.8	31.5	34.2	0.3	8.6	
Population	2219.6	2161.7	103	103.5	-2.6	0.5	
Percent of total population	8.2	7.9	15.6	15.4	-3.7	-1.3	
11 to 13 years non-graduate							
Employment rate	48.1	47.4	42.8	44.7	-1.5	4.4	
Population	1379.7	1359.3	70.4	63.1	-1.5	-10.4	
Percent of total population	5.1	5.0	10.7	9.4	-2.0	-12.1	
High school graduate							
Employment rate	61.7	61.7	59.9	62.7	0.0	4.7	
Population	5321	5412.3	126.1	132.6	1.7	5.2	
Percent of total population	19.7	19.8	19.1	19.8	0.5	3.7	
Some post-secondary							
Employment rate	60.8	60.5	58.4	54.9	-0.5	-6.0	
Population	2222.6	2166.3	69.9	71	-2.5	1.6	
Percent of total population	8.2	7.9	10.6	10.6	-3.7	0.0	
Post-secondary certificate							
Employment rate	70.9	71.0	66.2	69.1	0.1	4.4	
Population	8350.7	8541.3	195.2	200.4	2.3	2.7	
Percent of total population	30.9	31.3	29.5	29.9	1.3	1.4	
University Degree Bachelor and		746	77.0	00.2	0.5	4.3	
Employment rate	75.3		77.0	80.3	-0.7	4.3	
Population	5739.9	5960.4	49.9	53.3	3.8	6.8	
Percent of total population	21.3	21.8	7.6	7.9	2.3	3.9	
High school and above	(0.0	60 7	(1.4	CC 1	0.4	2.1	
Employment rate	68.8	68.7	64.4	66.4	-0.1	3.1	
Population	21634.3	22080.3	441.1	457.2	2.1	3.6	
Percent of total population	80.1	80.8	66.8	68.2	0.9	2.1	
Employment	14877.6	15173.4	284.1	303.5	2.0	6.8	

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improving from 46.6 in 2010 to 53.1 in 2011. This was an increase in employment of 1,400, from a base of 9,000 in 2010. In percentage terms this was an increase of 15.6 percent. The next highest percent increase in employment was the 9.6 experience by Ontario. All provinces experienced an increase in Aboriginal employment in 2011, except Prince Edward Island, which remained the same. The employment in the territories was stable. Nunavut gained 100 jobs, Yukon was flat and the Northwest Territories lost 300 jobs.

EMPLOYMENT BY INDUSTRY

When considering employment by industry it is necessary to examine the number of people employed and not the rates of employment as there is no set population per industry and therefore, no rates of employment. Statistics Canada provides data for the goods producing sector in which 24.1 percent of employed Aboriginals worked in 2011 and the services producing sectors, where 75.9 percent worked. The two largest areas of employment for Aboriginals within the goods producing sector are in con-

TABLE 5
Labour Force Estimates for Canada, by Province and Territory 2010 and 2011 annual averages — Aboriginals living off-reserves Population in thousands

	Non-Aboriginal		Aboriginal		Non-Aboriginal	Aboriginal
	2010	2011	2010	2011	% Change	in 2011
Canada (Ten Provinces)						
Employment rate	61.8	62	53.7	55.8	0.3	3.9
Population	26997.5	27316.6	660.6	670.5	1.2	1.5
Employed	16684.5	16931.9	354.8	374.5	1.5	5.6
Newfoundland and Labrador						
Employment rate	51.8	52.8	46.6	53.1	1.9	13.9
Population	408.9	409.1	19.2	19.9	0.0	3.6
Employed	211.8	216.1	9.0	10.4	2.0	15.4
Prince Edward Island						
Employment rate	60.4	60.5	49.7	48.3	0.2	-2.8
Population	116.1	118.3	0.9	0.9	1.9	0.0
Employed	70.1	71.5	0.5	0.5	2.0	0.0
Nova Scotia						
Employment rate	58.3	58.2	56.5	58.0	-0.2	2.7
Population	762.9	764.7	14.1	14.4	0.2	2.1
Employed	444.9	444.9	8.0	8.4	0.0	4.9
New Brunswick						
Employment rate	57.8	56.9	49.2	52.6	-1.6	6.9
Population	607.8	610.3	9.0	9.1	0.4	1.0
Employed	351.5	347.2	4.4	4.8	-1.2	9.1
Four Atlantic Provinces						
Employment rate	56.9	56.8	50.7	54.4	-0.2	7.2
Population	1895.7	1902.4	43.2	44.3	0.4	2.5
Employed	1078.3	1079.7	21.9	24.1	0.1	9.9
					C	ontinued

	Non-Aboriginal		Abori	ginal	Non-Aboriginal	Aboriginal
	2010	2011	2010	2011	% Change	in 2011
Quebec						
Employment rate	60.3	60.2	45.0	48.7	-0.2	8.2
Population	6449.5	6515.1	60.8	60.8	1.0	0.0
Employed	3884.1	3921.7	27.4	29.7	1.0	8.4
Ontario						
Employment rate	61.4	61.7	49.9	54.7	0.5	9.6
Population	10627.4	10761.4	162.8	164.7	1.3	1.2
Employed	6530.3	6642.0	81.3	90.1	1.7	10.8
	0.550.5	0012.0	01.0	70.1	1.7	10.0
Manitoba	66.6	((2	50 F	50.0	0.6	0.7
Employment rate	66.6	66.2	58.5	58.9	-0.6	0.7
Population	848.4	858.6	92.6	94.7	1.2	2.3
Employed	564.9	568.7	36.6	39.2	0.7	7.1
Saskatchewan						
Employment rate	67.2	66.5	53.6	56.2	-1.0	4.9
Population	722.5	730.2	68.4	69.8	1.1	2.0
Employed	485.6	485.9	36.6	39.2	0.1	7.1
Alberta						
Employment rate	68.4	70.0	60.9	60.2	2.4	-1.1
Population	2839.9	2882.6	120.9	124.0	1.5	2.6
Employed	1942.9	2018.7	73.6	74.6	3.9	1.4
British Columbia						
Employment rate	60.8	60.4	53.6	54.3	-0.7	1.3
Population Population	3617.2	3666.3	111.9	112.4	1.4	0.4
Employed	2198.5	2215.3	60.0	61.0	0.8	1.7
	2170.0	2213.3	00.0	01.0	0.0	1.7
Yukon	72.0	76.6	46.2	51.1	<i>5</i> 1	10.6
Employment rate	72.9	76.6	46.2	51.1	5.1	10.6
Population	20.7	21.8	5.2	4.7	5.3	-9.6
Employed	15.1	16.7	2.4	2.4	10.6	0.0
Northwest						
Employment rate	83.1	84.1	50.6	54.1	1.2	6.9
Population	16.0	17.6	16.2	14.6	9.9	-9.9
Employed	13.3	14.8	8.2	7.9	11.3	-3.7
Vunavut	Non-	Inuit	Inuit			
Employment rate	89.5	89.2	46	46.2	-0.3	0.4
Population	4.6	4.7	16.3	16.4	2.2	0.6
Employed	4.2	4.2	7.5	7.6	0.0	1.3
Yukon, Northwest, Nunavut	Non-First	Peoples	First P			
Employment rate	78.9	81.0	48.0	50.1	2.6	4.4
Population	41.31	44.1	37.7	35.7	6.8	-5.3
Employed	32.6				9.5	
⊇πριογ ε α	32.0	35.7	18.1	17.9	9.3	-1.1

TABLE 6
Employment for Canada by industry
2010 and 2011 annual averages, in thousands

	Non-Ab	original	Abort	iginal	Non-Aboriginal	Aboriginal	Non-Aboriginal	Aborigina
	2010	2011	2010	2011	% Change	in 2011	% Employed	in 2011
TOTAL EMPLOYED	16684.5	16931.9	354.8	374.5	1.5	5.6	100.0	100.0
Goods-producing sector	3657.2	3713.7	82.6	90.3	1.5	9.3	21.9	24.1
Agriculture	296.9	300.8	3.4	4.4	1.3	29.4	1.8	1.2
 Forestry, fishing, 								
mining, oil and gas	312.0	319.0	17.6	18.5	2.2	5.1	1.9	4.9
• Utilities	144.8	135.6	3.6	4.2	-6.4	16.7	0.8	1.1
 Construction 	1183.1	1225.6	34.7	36.4	3.6	4.9	7.2	9.7
 Manufacturing 	1720.5	1732.7	23.2	26.8	0.7	15.5	10.2	7.2
Services-producing sector	13027.4	13218.2	272.1	284.1	1.5	4.4	78.1	75.9
• Educational services	1196.8	1197.5	21.7	22.0	0.1	1.4	7.1	5.9
• Health care and social								
assistance	1983.4	2043.6	46.6	48.1	3.0	3.2	12.1	12.8
• Public administration	925.9	942.3	31.1	29.5	1.8	-5.1	5.6	7.9
 Wholesale trade 	618.7	623.8	9.8	8.7	0.8	-11.2	3.7	2.3
• Retail trade	2007.3	1988.8	41.0	48.6	-0.9	18.5	11.7	13.0
Transportation and								
warehousing	786.6	823.9	18.9	19.3	4.7	2.1	4.9	5.2
Finance, insurance, real								
estate and leasing	1080.2	1070.2	15.3	13.4	-0.9	-12.4	6.3	3.6
Professional, scientific								
and technical services	1255.3	1297.0	11.2	12.3	3.3	9.8	7.7	3.3
• Management of								
companies and other								
support services	655.8	660.5	16.5	16.8	0.7	1.8	3.9	4.5
Information, culture								
and recreation	752.2	769.2	13.6	15.6	2.3	14.7	4.5	4.2
 Accommodation and 								
food services	1028.1		30.4		3.2	5.9	6.3	8.6
 Other services 	737.3	740.7	16.1	17.6	0.5	9.3	4.4	4.7

struction and manufacturing. These accounted for 9.7% and 7.2%, respectively, of employed Aboriginals in 2011. Manufacturing experienced the largest increase in employment in the goods producing sector. Employment rose by 3,600, from 23,200 in 2010 to 26,800 in 2011, which was a 15.5% increase. In agriculture, Aboriginal employment increased by 1,000 in 2011. It grew from 3,400 in 2010 to 4,400 in 2011. This was a 29.4% increase, the largest percentage increase of any of the sectors.

In the service-producing sector the largest increase in numbers and percentages in Aboriginal employment in 2011 occurred in the retail trade. Employment rose by 7,600, from 41,000 in 2010 to 48,600 in 2011, which was an increase of 18.5%. The next largest increases in employment were 2,000 for information, culture and recreation, 1,800, for accommodation and food services, 1,500 in health and social services as well as in a category called other services and then 1,100 for professional, scientific and technical

services. Three areas experienced decreases in Aboriginal employment in 2011. The declines were 1,900 in finance, insurance, real estate and leasing, 1,600 in public administration and 1,100 in wholesale trade.

Employment has improved throughout the goods producing sectors and in most of the service producing sectors. When comparing the percent of increases, Aboriginal employment has improved more than for non-Aboriginals in thirteen of the seventeen sectors. The four that did not were the three in which decreases occurred and in the transportation and warehousing sector.

CONCLUSION

The employment rate for Aboriginal men and women in Canada increased in 2011 and the unemployment rates decreased. Both these rates improved more for Aboriginals than for non-Aboriginals. Yet both the employment and unemployment rates are considerably worse for Aboriginals. When we analyzed employment by educational level we determined that the gap is significantly smaller. This is partly explained by the fact that a significantly higher percent of Aboriginals have not completed high school,

compared to non-Aboriginals. There is a clear relationship between employment and educational level, with those who have completed higher levels of formal education having higher rates of employment. If actions were taken that ensured that more Aboriginals graduated from high school or above, the employment rate would increase.

Aboriginal employment increased in every province except the smallest, Prince Edward Island, where it remained the same. Ontario experienced the largest increase in Aboriginal employment in 2011. The number of Aboriginals employed in Alberta increased, as elsewhere, but the population increased at a faster rate, causing Alberta to experience a decrease in the employment rate. The increase in Aboriginal employment occurred in fourteen of the seventeen industrial sectors analyzed by Statistics Canada.

The employment picture has improved in Canada in 2011. The rates of employment are higher and the rates of unemployment are lower. However, there is still a long way to go.

REFERENCE

Statistics Canada, Labour Force Survey, 2012, personal correspondence.