

# *A Review of Unemployment, Employment, Participation, and Wage Rates for Aboriginals and Non-Aboriginals — 2007–2019*

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## **ABSTRACT**

For Aboriginals in Canada, their employment and participation rates decreased, and their unemployment rate remained the same in 2019. In contrast, non-Aboriginals' unemployment, employment, and participation rates improved. These rates and wage rates are and have historically been more favourable for non-Aboriginals than for Aboriginals. These rates are examined by gender, age, and sector, as well as for Métis and First Nations.

## **INTRODUCTION**

Employment data for Aboriginals 15 years and older living off reserves and for non-Aboriginals is presented for 2007 through 2019 to enable the reader to assess the changes over time. The focus will be on the changes from 2018 to 2019. The next section presents an overview of employment measures.

## **EMPLOYMENT, UNEMPLOYMENT, AND PARTICIPATION RATES DEFINED**

The employment rate is the percent of those working in the total population who are over the age of 15. The participation rate is the percent of those employed and those seeking to be employed over the same population. The higher these rates, in general, the better the economy is thought to be doing. In contrast, the lower the unemployment rate, the better the economy is considered to be doing. The unemployment rate is the percent of those seeking employment divided by those employed and those seeking employment. The combination of those employed and those unemployed (i.e., those seeking employment) is considered the labour force. Therefore, another way of defining the unemployment rate is the percent of

those unemployed in the labour force. Similarly, another way of defining the participation rate is the percent of the labour force in the population. It may be helpful to note that the employment and unemployment rates are not directly related, as they are measured in different ways.

## **EMPLOYMENT, UNEMPLOYMENT, AND PARTICIPATION RATES**

The unemployment rate has been at least 67.1% higher (worse) for Aboriginals than for non-Aboriginals since 2007. It was 83.6% higher in 2019, which is the largest difference since 2007. Aboriginals' unemployment rate was unchanged in 2019 from 2018 at 10.1. The non-Aboriginal unemployment rate of 5.5 in 2019 improved from 5.7 in 2018 (a decrease of 3.5%).

The participation rate has been consistently lower (worse) for Aboriginals than for non-Aboriginals. For Aboriginals it was 64.1 in 2018 and 63.9 in 2019, a decline of 0.3%. In contrast, for non-Aboriginals it increased (improved) by 0.5%, going from 65.4 in 2018 to 65.7 in 2019.

The employment rate for Aboriginals in 2019 was 57.5, and in 2018 it was 57.6, a decrease of 0.2%. For non-Aboriginals it increased (improved) by 0.6%, from 61.7 in 2018 to 62.1 in 2019. Similar to the participation rate, the employment rate has been consistently lower (worse) for Aboriginals than for non-Aboriginals.

In summary, the participation, employment, and unemployment rates improved for non-Aboriginals in 2019, while for Aboriginals their participation and employment rates worsened, and their unemployment rate remained the same. See Table 1.

## **COMPARING RATES FOR FIRST NATIONS AND MÉTIS**

In 2019 the unemployment, participation, and employment rates for First Nations worsened, while these rates improved for Métis.

First Nations' unemployment rate increased in 2019 to 11.7 from 11.2, a 4.5% change. Their participation rate decreased from 61.8 to 60.9, a decline of 1.5%, and their employment rate decreased from 54.9 to 53.8, a 2.0% decline from 2018. These rates moved in the opposite directions for Métis. Their unemployment rate decreased from 8.7 to 8.3, a decline of 4.6%, while their participation rate increased from 66.7 to 66.9, or 0.3%, and their employment rate improved from 60.9 to 61.3, a 0.7% increase in 2019 from 2018.

The Métis's unemployment, participation, and employment rates have, since 2007, been consistently better than for First Nations. In 2019 these rates were better for the Métis than for First Nations by 41%, 9%, and 12.2%, respectively. See Table 2.

## **EMPLOYMENT RATES BY AGE AND GENDER**

In 2019 employment rates improved for everyone in the 25–54 age group. This includes both Aboriginal and non-Aboriginal men and women. Employment rates also increased for non-Aboriginal men over 55, but declined for non-Aboriginal women 55 and over. They

**TABLE 1**  
**Employment, Participation, and Unemployment Rates**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**  
**15 Years and Older**

	Aboriginals											% Change 2019/2018		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		2018	2019
Unemployment rate	10.7	10.2	13.7	14.1	13.1	12.9	11.7	11.2	12.4	12.4	11.3	10.1	10.1	0.0
Participation rate	65.0	66.3	65.7	62.2	63.4	64.7	64.1	64.2	63.0	64.4	64.4	64.1	63.9	-0.3
Employment rate	58.1	59.6	56.7	53.5	55.1	56.4	56.6	57.0	55.2	56.5	57.1	57.6	57.5	-0.2
<b>Non-Aboriginals</b>														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Unemployment rate	5.9	6.0	8.2	7.9	7.4	7.2	6.9	6.8	6.8	6.8	6.2	5.7	5.5	
Participation rate	67.5	67.6	67.1	67.0	66.8	66.5	66.5	66.0	65.9	65.7	65.8	65.4	65.7	
Employment rate	63.5	63.5	61.6	61.7	61.8	61.8	61.9	61.5	61.4	61.2	61.7	61.7	62.1	
<b>% Aboriginal vs. non-Aboriginal</b>														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Unemployment rate	81.4	70.0	67.1	78.5	77.0	79.2	69.6	64.7	82.4	82.4	82.3	77.2	83.6	
Participation rate	-3.7	-1.9	-2.1	-7.2	-5.1	-2.7	-3.6	-2.7	-4.4	-2.0	-2.1	-2.0	-2.7	
Employment rate	-8.5	-6.1	-8.0	-13.3	-10.8	-8.7	-8.6	-7.3	-10.1	-7.7	-7.5	-6.6	-7.4	

**Source:** Statistics Canada, Labour Force Survey, 4ct\_abo\_main\_AN.iwt

**TABLE 2**  
**Employment, Participation, and Unemployment Rates**  
**First Nations and Métis**  
 In thousands, except for rates

	First Nations											% Change 2019/2018		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		2018	2019
Population	303.8	324.2	344.5	364.8	383.2	394.3	405.5	417.3	428.9	449.6	472.0	486.1	501.2	3.1
Unemployment rate	12.5	12.5	15.9	17.1	16.8	15.7	13.5	12.1	14.7	15.0	13.5	11.2	11.7	4.5
Participation rate	62.4	63.5	62.5	58.3	59.7	62.5	60.9	61.2	59.5	61.7	62.0	61.8	60.9	-1.5
Employment rate	54.6	55.5	52.5	48.3	49.6	52.7	52.6	53.8	50.7	52.4	53.6	54.9	53.8	-2.0
<b>Métis</b>														
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	
Population	320.7	334.7	349.8	361.6	373.2	387.3	402.3	417.5	428.8	442.7	457.6	468.8	480.5	2.5
Unemployment rate	9.2	8.0	11.6	11.4	9.8	10.5	10.1	10.2	10.2	10.0	9.1	8.7	8.3	-4.6
Participation rate	67.3	69.0	68.9	66.2	67.4	67.1	67.3	67.5	66.4	67.4	67.1	66.7	66.9	0.3
Employment rate	61.2	63.5	60.9	58.7	60.8	60.0	60.5	60.6	59.7	60.7	61.0	60.9	61.3	0.7
<b>% First Nations vs. Métis</b>														
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	
Population	-5.3	-3.1	-1.5	0.9	2.7	1.8	0.8	0.0	0.0	1.6	3.1	3.7	4.3	
Unemployment rate	35.9	56.3	37.1	50.0	71.4	49.5	33.7	18.6	44.1	50.0	48.4	28.7	41.0	
Participation rate	-7.3	-8.0	-9.3	-11.9	-11.4	-6.9	-9.5	-9.3	-10.4	-8.5	-7.6	-7.3	-9.0	
Employment rate	-10.8	-12.6	-13.8	-17.7	-18.4	-12.2	-13.1	-11.2	-15.1	-13.7	-12.1	-9.9	-12.2	

also declined for Aboriginal men and women 55 years and over. The employment rates for Aboriginal men and women 25–54 have been consistently lower than for non-Aboriginals. They have been higher for Aboriginal women 55 and over, except for 2011 and 2012. In contrast, the employment rate has been lower for Aboriginal men 55 and over since 2013. See Table 3.

## **UNEMPLOYMENT RATES BY AGE AND GENDER**

In 2019, for those in the 25–54 age group, unemployment rates declined for Aboriginal women by 5.6% but increased for Aboriginal men by 1.0%. Unemployment rates for Aboriginal women 55 and over declined by 13.6% and increased for Aboriginal men 55 and older by 27.6%. It decreased for non-Aboriginal men 55 and over by 3.6% and remained the same for non-Aboriginal men 25–54. For non-Aboriginal women 25–54 the unemployment rate decreased by 8.3%, and for non-Aboriginal men 55 and over it remained the same.

The unemployment rate for Aboriginals is 83.6% higher than for non-Aboriginals in 2019. For Aboriginal men the unemployment rate is 100% higher, that is, twice as high. For Aboriginal women it is 59.6% higher than for non-Aboriginals in 2019. These unemployment rates have been significantly higher for Aboriginal men and women in both of these age groups, and this has been the case every year since 2007. See Table 4.

## **EMPLOYMENT BY INDUSTRIAL SECTOR**

Industrial sectors are divided between goods-producing and services-producing sectors. The percent of Aboriginals employed in the goods-producing sectors increased to 23.0% in 2019 from 22.5% in 2018. It declined for non-Aboriginals to 20.7% in 2019 from 21.0% in 2018. There were corresponding changes in the services-producing sector.

The services-producing sector was where 77.0% of Aboriginals were employed in 2019, versus 77.5% in 2018. In 2019, 79.3% of non-Aboriginals worked in the service-producing sectors, which increased from 79% in 2018.

A higher percentage of Aboriginals have worked in the goods-producing sector than non-Aboriginals in every year since 2007, except in 2009. The goods-producing sector includes agricultural, mining, oil and gas extraction, utilities, construction and manufacturing. See Table 5.

## **WAGES — AVERAGE WEEKLY EARNINGS**

The inflation rate in Canada in 2019 was 1.9%, and the average weekly earnings for Aboriginals increased by 4.2% from \$907 in 2018 to \$945 in 2019. This compares to the 2018 average weekly earnings of \$986 for non-Aboriginals and \$1,018 in 2019, an increase of 3.2%. Non-Aboriginals have consistently earned more than Aboriginals. The difference in average weekly wages ranged from 6.9% in 2015 to 11.7% in 2007. In 2019 the gap between Aboriginal and non-Aboriginal earnings is the second smallest that it has been since 2007 at 7.2%. See Table 6.



**TABLE 4**  
**Unemployment Rates by Age and Gender, Canada**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**

	Aboriginals Living Off of the Reserves											% Change 2019/2018	Aboriginal vs. Non- Aboriginal 2019 %		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017			2018	2019
<b>Both Sexes</b>	10.7	10.2	13.7	14.1	13.1	12.9	11.7	11.2	12.4	12.4	11.3	10.1	10.1	0.0	83.6
15 years and over	8.9	9.1	11.5	12.1	11.1	10.8	10.1	9.8	11.0	10.8	9.6	8.4	8.3	-1.2	80.4
25-54 years	8.4	6.3	10.4	11.7	11.3	9.3	9.3	8.3	9.6	9.6	10.3	7.7	8.5	10.4	70.0
55 years and over															
<b>Men</b>	11.2	10.3	15.2	15.7	14.9	13.2	12.8	11.9	13.9	13.9	13.2	11.5	11.8	2.6	100.0
15 years and over	9.1	9.1	12.6	13.0	12.5	11.1	11.1	10.3	11.2	12.2	10.8	9.8	9.9	1.0	106.3
25-54 years	9.6	0.0	13.3	14.5	12.5	10.5	11.0	9.6	11.5	10.7	13.7	8.7	11.1	27.6	109.4
55 years and over															
<b>Women</b>	10.1	10.0	12.1	12.4	11.1	12.6	10.6	10.4	11.7	10.8	9.4	8.6	8.3	-3.5	59.6
15 years and over	8.7	9.2	10.3	11.1	9.6	10.5	9.1	9.4	10.9	9.3	8.5	7.1	6.7	-5.6	52.3
25-54 years	0.0	0.0	7.0	9.2	9.8	7.7	7.6	6.8	5.6	8.3	6.7	6.6	5.7	-13.6	26.7
55 years and over															
	<b>Non-Aboriginals</b>														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% Change 2019/2018	
<b>Both Sexes</b>	5.9	6.0	8.2	7.9	7.4	7.2	6.9	6.8	6.8	6.8	6.2	5.7	5.5	-3.5	
15 years and over	5.0	5.0	7.0	6.8	6.2	5.9	5.8	5.7	5.8	5.8	5.3	4.8	4.6	-4.2	
25-54 years	4.8	5.0	6.5	6.2	6.2	5.9	5.9	5.7	5.7	6.0	5.6	5.1	5.0	-2.0	
55 years and over															
<b>Men</b>	6.3	6.5	9.4	8.7	7.8	7.6	7.4	7.3	7.3	7.5	6.6	6.0	5.9	-1.7	
15 years and over	5.3	5.3	8.0	7.3	6.3	6.2	6.0	5.9	6.1	6.3	5.5	4.8	4.8	0.0	
25-54 years	4.9	5.2	7.4	6.9	6.7	6.2	6.3	6.3	6.1	6.6	5.9	5.5	5.3	-3.6	
55 years and over															
<b>Women</b>	5.6	5.6	6.9	7.1	6.9	6.7	6.5	6.3	6.1	6.1	5.7	5.4	5.2	-3.7	
15 years and over	4.7	4.7	6.0	6.3	5.9	5.6	5.5	5.4	5.3	5.3	5.1	4.8	4.4	-8.3	
25-54 years	4.7	4.6	5.4	5.4	5.7	5.5	5.4	5.0	5.2	5.2	5.1	4.5	4.5	0.0	
55 years and over															

**Source:** Statistics Canada, Labour Force Survey.

**TABLE 5**  
**Employment by Industrial Sector, Canada, in thousands (persons)**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**

	Aboriginals Living Off of the Reserves												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total employed	370.7	400.6	400.7	395.9	425.7	449.9	466.8	484.8	483.7	514.8	541.7	563.1	578.4
Employed in goods-producing sector*	97.1	101.4	87.3	92.2	102.1	112.8	115.6	114.4	118.4	119.7	124.1	126.8	132.8
Employed in services-producing sector**	273.6	299.2	313.4	303.7	323.6	337.1	351.2	370.4	365.2	395.1	417.6	436.3	445.6
Aboriginals employed in goods-producing sector (%)	26.2	25.3	21.8	23.3	24.0	25.1	24.8	23.6	24.5	23.3	22.9	22.5	23.0
Aboriginals employed in service-producing sector (%)	73.8	74.7	78.2	76.7	76.0	74.9	75.2	76.4	75.5	76.7	77.1	77.5	77.0
Aboriginals vs. non-Aboriginals: % difference goods-producing sector	2.6	2.0	-0.5	1.4	2.0	2.9	2.7	1.8	3.0	2.1	1.9	1.5	2.3
	Non-Aboriginals												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total employed	16390.5	16602.3	16318.7	16555.1	16781.7	16976.7	17219.9	17310.4	17451.8	17553.7	17864.0	18085.3	18463.4
Employed in goods-producing sector	3871.3	3877.0	3630.0	3630.7	3695.8	3759.2	3793.5	3780.7	3750.3	3710.9	3749.2	3799.3	3820.1
Employed in services-producing sector	12519.1	12725.3	12688.6	12924.4	13085.9	13217.5	13426.4	13529.7	13701.5	13842.8	14114.7	14286.0	14643.3
Non-Aboriginals employed in goods-producing sector (%)	23.6	23.4	22.2	21.9	22.0	22.1	22.0	21.8	21.5	21.1	21.0	21.0	20.7
Non-Aboriginals employed in service-producing sector (%)	76.4	76.6	77.8	78.1	78.0	77.9	78.0	78.2	78.5	78.9	79.0	79.0	79.3

\* Goods-producing sector includes agricultural, mining, oil and gas extraction, utilities, construction and manufacturing.

\*\*Service-producing sector includes education, health care, social assistance, public administration, insurance, leasing, wholesale and retail trade, transportation, finance, insurance, leasing, information, culture, recreation, professional, scientific, technical, management, administration, support, accommodation, food and other services.

Source: Statistics Canada. Table 14-10-0367-01 Employment by geography, Aboriginal group and industry (x 1,000).



TABLE 6

Average Weekly Earnings (Current Dollars) Canada  
Aboriginals Living Off of the Reserves and Non-Aboriginals

	Aboriginals Living Off of the Reserves													% Change 2019/2018
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Total — average weekly earnings	665	715	726	743	760	796	816	832	861	855	881	907	945	4.2
<b>Non-Aboriginals</b>														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Total — average weekly earnings	753	783	804	819	838	865	883	899	924	943	958	986	1018	3.2
% Aboriginal vs. non-Aboriginal	-11.7	-8.7	-9.7	-9.2	-9.4	-8.0	-7.6	-7.5	-6.9	-9.3	-8.1	-8.0	-7.2	-10.5

2019 Average Inflation Rate for Canada

1.9

Inflation rate based upon Statistics Canada site: <https://www150.statcan.gc.ca/n1/daily-quotidien/200122/dq200122c-eng.htm?indid=9305-1&indgeo=0>

Source: Statistics Canada, Labour Force Survey, 4ctl\_abo\_wage\_AN.ivt.

## EDUCATION LEVEL ATTAINED

One explanatory factor as to why the employment rate is and has been lower for Aboriginals may be found in the education levels attained. Aboriginals have achieved lower levels of education than non-Aboriginals, based upon data from 2016. Employment rates as well as other rates are directly related to the education level attained. Aboriginals have a higher percent of their population with lower levels of educational attainment than non-Aboriginals. This appears to partially explain why Aboriginals have a lower employment rate. Aboriginals with less than high school completion were 16.6% of their population, in comparison to 8.5% for non-Aboriginals. The percent of Aboriginals that completed post-secondary education was 51.7%, versus 65.8% for non-Aboriginals. When the employment rates are examined by the level of education attained, a different picture emerges.

Aboriginals who are high school graduates, have a post-secondary certificate or diploma and those with a university degree had higher rates of employment than non-Aboriginals with similar educational levels. (Oppenheimer, 2019)

Thus, if we compare the employment rates for those with similar levels of education, Aboriginal employment rates are higher for those with higher levels of education than for non-Aboriginals. However, the unemployment rates are still higher for Aboriginals, even when they have similar levels of education as non-Aboriginals (Oppenheimer, 2019). See Table 7.

**TABLE 7**  
Highest Level of Education Attained — 2016  
Percent Aboriginals Living Off of the Reserves and Non-Aboriginals

	<b>Aboriginals</b>	<b>Non-Aboriginals</b>
Less than High School	16.6	8.5
Completed High School	23.5	19.0
Some Post-Secondary Education	8.1	6.7
Completed Post-Secondary Education	51.7	65.8

Source: Statistics Canada, Labour Force Survey, custom tabulation 4ctl\_abo\_wage\_AN.ivt.

## SUMMARY

The employment data for Aboriginals in Canada in 2019 provides a mixed, but not a very positive, picture. Employment and participation rates decreased, which was negative, while their unemployment rate remained the same, which at best could be considered neutral, given the positive economy in 2019. On the positive side, wages increased more than twice the inflation rate and by a larger percent than for non-Aboriginals. In contrast, all four rates improved for non-Aboriginals, which are the unemployment, employment, participation, and wage rates.

Métis unemployment rates have been consistently lower, and their employment and participation rates have been consistently higher than, for First Nations.

Employment rates for both Aboriginal men and women decreased, while these rates increased for non-Aboriginal men and women in 2019. Unemployment rates for Aboriginal men increased, while they decreased for Aboriginal women. In contrast, the unemployment rate decreased for non-Aboriginal men and increased for non-Aboriginal women in 2019.

The services-producing sector employs more than three times as many people as the goods-producing section. Percentage-wise, 23% of Aboriginals were employed in the goods-producing sector, compared with 20.7% for non-Aboriginals in 2019.

Aboriginals' wages were 7.2% lower than for non-Aboriginals in 2019, which is an improvement over the 8.0% difference in 2018 and the 11.7% gap that existed in 2007. Historically, Aboriginals' wages have been lower than for non-Aboriginals.

Employment rates are higher for Aboriginals who attained higher levels of education than for non-Aboriginals who achieved the same levels of education. This is not the case for unemployment rates.

## CONCLUSIONS

The employment data for Aboriginals are, and have historically been, more negative than for non-Aboriginals. This has been the case since 2007 when these data were first available, and it applies to all four of the rates examined, which are unemployment, employment, participation and wages. The Métis rates of unemployment, employment, and participation are more favourable than for First Nations. This also has been the case since 2007.

The answer to the question of how to close the gaps in the rates between Aboriginals and non-Aboriginals is complex and multifaceted. However, one part is to develop and implement strategies that encourage and enable our youth to pursue and attain the highest level of education that is appropriate for each individual.

Education is critical. The higher the level of education completed the higher are wages, the lower the rate of unemployment and the higher the employment rates. This is the case for both Aboriginals and non-Aboriginals. Education appears to be a key determinant of employment and wage rates. (Oppenheimer, 2019)

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