

# Aboriginal people and the labour market

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The Aboriginal population in Canada has historically had lower labour force participation and employment rates, and a higher unemployment rate, than the non-Aboriginal population. These trends were exacerbated during the economic downturn of 2008/2009. According to key labour market indicators, Aboriginal people were affected more severely, and for a longer duration, by the recent recession than their non-Aboriginal counterparts. However, their employment and participation rates recovered swiftly between 2010 and 2012, reaching pre-recession levels and remaining that way until 2014. While the unemployment rates of both Aboriginal and non-Aboriginal people decreased between 2010 and 2014, neither returned to pre-recession levels.

The period of 2014 to 2015 saw some deterioration in employment, unemployment, and participation rates for the Aboriginal population—both in absolute and relative terms. This deterioration was concentrated among certain segments of the Aboriginal population, notably women and First Nations people. Geographically, it was concentrated in Alberta and Quebec.

The findings come from a new report, "[Aboriginal people living off-reserve and the labour market: Estimates from the Labour Force Survey, 2007-2015](#)", released today. Using data from the Labour Force Survey, and focusing mainly on people aged 25 to 54 in Canada's 10 provinces, this report provides an overview of labour market indicators for the Aboriginal population living off-reserve, compared with the non-Aboriginal population.

## Higher levels of educational attainment partially insulate Aboriginal people from labour market disadvantage

While just over half of Aboriginal people had a postsecondary certificate/diploma or university degree in 2015, about 7 in 10 non-Aboriginal people did. Higher levels of educational attainment partially insulate Aboriginal people from labour market disadvantage, and they do so to a greater extent for Aboriginal people than non-Aboriginal people. For example, the employment rate of Aboriginal people who completed postsecondary education was 78.4%, compared with 42.8% for those with less than high school (a difference of 35.6 percentage points). The employment rate for non-Aboriginal people who completed postsecondary education was 85.9%, compared with 60.5% for those with less than high school (a difference of 25.4 percentage points). However, even among those who completed postsecondary education, the employment rate of Aboriginal people was 7.5 percentage points lower than that of non-Aboriginal people.

## Aboriginal people are less likely than non-Aboriginal people to work in most "knowledge occupations"

In 2015, Aboriginal people were underrepresented in most "knowledge occupations"—that is, professional, managerial and technical occupations, which tend to require post-secondary education and generally pay better. Specifically, Aboriginal people were less likely than non-Aboriginal people to work in management occupations (7.1% vs. 9.5%); business, finance and administration occupations (14.4% vs. 17.0%); natural and applied sciences and related occupations (5.5% vs. 9.3%); and health occupations (6.8% vs. 8.0%); and occupations in art, culture, recreation and sport (1.9% vs. 2.7%). The only group of knowledge occupations in which there was a greater proportion of Aboriginal people than non-Aboriginal people was education, law and social, community and government services (15.1% vs. 12.8%).

Conversely, Aboriginal people were more likely than non-Aboriginal people to work in trades, transport and equipment operators and related occupations (20.1% vs. 14.8%); natural resources, agriculture and related production occupations (4.0% vs. 1.7%); and sales and service occupations (20.9% vs. 19.7%). Aboriginal and non-Aboriginal people were almost equally likely to work in occupations in manufacturing and utilities.

## Aboriginal employees working full-time earn less than their non-Aboriginal counterparts

Aboriginal employees working full-time earned an average of \$26.00 per hour in 2015, while their non-Aboriginal counterparts earned an average of \$27.41 per hour.



Lower levels of educational attainment among Aboriginal people largely explain their lower wages. Aboriginal people with a postsecondary certificate/diploma or university degree earned at least as much as their non-Aboriginal counterparts.

### Note to readers

Annual estimates from the Labour Force Survey (LFS) are averages of 12 monthly estimates.

In the LFS, information on the Aboriginal group to which a respondent and/or members of his/her household belong is collected through the following question, asked when the country of birth was reported to be Canada, the United States or Greenland: "Is ... an Aboriginal person, that is, North American Indian, Métis or Inuit?" A person belongs to an Aboriginal group when he/she reports being North American Indian (hereafter referred to as First Nations), Métis or Inuit.

The term "Aboriginal people", as used here, includes those who reported belonging to one or more Aboriginal group(s).

The **employment rate** is the number of employed people as a percentage of the population 15 years of age and over. The rate for a particular group (for example, youth aged 15 to 24) is the number of people employed in that group as a percentage of the population for that group.

The **participation rate** is the number of employed and unemployed people as a percentage of the population.

The **unemployment rate** is the number of unemployed people as a percentage of the labour force (employed and unemployed people).

For more detailed information, see the Guide to the Labour Force Survey (71-543-G).

### Definitions, data sources and methods: survey number 3701.

"Aboriginal people living off-reserve and the labour market: Estimates from the Labour Force Survey, 2007-2015" is now available online in the *Aboriginal Labour Force Analysis Series* (71-588-X).

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