

Aboriginal Canadians Will Account for a Growing Part of Labour Force Growth in Canada

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The Centre for the Study of Living Standards (CSLS) today released a report entitled "The Contribution of Aboriginal People to Future Labour Force Growth in Canada" by Don Drummond, Alexander Murray, Nicolas Mask and Andrew Sharpe. The report contributes to the debate on closing socio-economic gaps between Aboriginal and non-Aboriginal people by projecting the contribution of Aboriginal people to future labour force growth in Canada as a whole and by region under various scenarios over the 2011-2036 period.

Key findings of the report are highlighted below:

- In 2011, the Aboriginal or Indigenous population accounted for 3.5 per cent of the total Canadian working age population and this population is growing much faster than the non-Indigenous population. In the unlikely scenario that the trend toward more Indigenous people declaring their heritage were to stop, the Indigenous population's share in the total Canadian working-age population would rise to 4.4 per cent of Canada's working-age population by 2036. If the trend continues, the share would rise to 5.6 per cent.
- The labour force participation rate of Indigenous people in 2011 was almost 5 percentage points below that of the non-Indigenous population. More critically, the gap for the 15-24 age group, which will contribute much of the future labour force growth, was 12.4 percentage points. If the Indigenous labour force participation rate gaps close and the trend toward declaring Indigenous heritage continues, Indigenous people will contribute more than one-fifth of all the labour force growth in Canada through 2036.
- The Indigenous population is much younger than non-Indigenous Canadians and this accounts for much of the Indigenous contribution to labour force growth. Among Indigenous people, 28.8 per cent were below age 15 in 2011. The

corresponding share for the non-Indigenous population was 16.6 per cent. This demographic profile illustrates how much more concentrated in the working years the Indigenous population will be over the next few decades.

- The contribution of the Indigenous people to future labour force growth in the 2011-2036 period is even starker in certain regions: 83 per cent in the Northern Region comprised by the three territories; 72 per cent in Saskatchewan and 52 per cent in Manitoba. These higher contributions reflect not only the concentration of the Indigenous population, but as well much higher-than-national labour force participation rate gaps between Indigenous and non-Indigenous people.
- The labour force participation rate is just one of the socio-economic gaps between Aboriginal and non-Aboriginal Canadians that needs to be addressed. Indigenous people also face deficiencies in hours worked, employment, income by level of education and health among others. Progress must be based on Indigenous autonomy and this in turn will require strengthening administrative and managerial capacities, most likely under new institutional arrangements.

The report is posted at http://www.csls.ca/reports/csls2017-07.pdf.

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The Centre for the Study of Living Standards (CSLS) is a national, independent, Ottawa-based not-for-profit research organization. Its primary objective is to contribute to a better understanding of trends and determinants of productivity, living standards, and economic well-being in Canada through research.