

Pioneering Métis Work Program Successful, Yielding \$103 Million Lifetime Fiscal Benefits

Ottawa, May 11, 2009 - Federal Aboriginal work programs, due to expire in less than a year, have produced positive results in Métis communities, a new research study shows.

The report, released by the Ottawa-based **Centre for the Study of Living Standards**, concludes that the Métis Human Resources Development Agreements result in annual fiscal savings of \$8.5 million to the federal and 5 provincial governments covered by the program, with total lifetime benefits of one year of Métis programming reaching \$103 million.

As the programs encourage permanently higher incomes, income tax revenue increases and government transfer costs and health care costs fall. The Métis Agreements are estimated to generate more than enough additional activity each year to cover their annual costs of roughly \$49 million.

“Many claim devolution of program delivery doesn’t work,” says Jean-François Arsenault, who authored the report. “This is a concrete example of it working and where all are happy with the arrangement.”

The report is the first independent assessment of the economic implications of ceding control of employment and training programs to local Aboriginal organizations in 1999, with an initial annual investment of \$350 million. The move gave Métis people unprecedented authority to plan programs that met their needs.

The government is currently evaluating the program, ahead of its possible extension or revision on March 31, 2010. It covers about 85 per cent of the Métis population, which is concentrated in the four western provinces and Ontario. In its 2009 Budget, the federal government said it planned to implement a “partnership and results based successor” to the Aboriginal Human Resources Development Strategy next year.

Moreover, Métis organizations offer employment services that have greater impact, such as skills development based on project-based training, than those offered by the province of British Columbia in the context of its Labour Market Development Agreement, a parallel program offered in B.C.

Although the level of local control varies across the provinces, the structures ensure that “service delivery responds to local needs without significantly jeopardizing efficiency or accountability,” the report states.

The report says that the fiscal benefits of the Métis Agreements outweigh the costs even though many positive impacts can’t be quantified, such as improvements to health, poverty and household stability where the Métis lag the non-Aboriginal population.

“Métis people want Métis services that are culturally sensitive, less bureaucratic and where there’s lots of cross-referencing of programming,” says Mr. Arsenault. The community-based programs can help address significant challenges in education and employment as they target the predominantly young, rural Métis, more than a third of which had not completed high school in 2006. In that year, too, just under 10 per cent of Métis people had earned a university degree.

A more employable Métis population “will play an increasingly important role in the Canadian economy,” the study asserts, noting that Métis are projected to account for 3 per cent of labour force growth in the 20 years to 2026 despite accounting for only 1.25 per cent of the Canadian population in 2006.

The report further points out that the Métis are concentrated in provinces facing significant labour supply shortages and could therefore play an important role, if measures to boost their employment participation continue. However, if labour shortages don’t materialize, the Métis will have to engage more with industry to secure jobs. The report cites the need for training and employment to focus more on employers’ needs.

- 30 -

The report is posted online at www.csls.ca

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