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Aboriginal Youth, Education, and Labour Market Outcomes¹

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Introduction

Recently, there have been many concerns raised in Canada about labour market shortages and the aging of the labour force. Various potential solutions to these problems have been discussed, including reliance on immigration and retaining older workers in the work force. Within this discussion little attention has been paid to another potential resource—the Aboriginal population. Compared to the general Canadian population, the Aboriginal population is young and growing, and it has the potential to partially meet some of the emerging labour market. In some parts of the country, the Aboriginal population makes up a significant share of the potential labour force, especially when demographic trends are projected into the future. In order to fully take advantage of this resource, however, continued improvements will be needed in the education and training of the Aboriginal population. This chapter illustrates another cost associated with lower educational attainment for Aboriginal peoples.

The Aboriginal Population: Younger and Growing

The age structure of the Aboriginal population² is very different from that of the general Canadian population, as can be seen in **Figure 13.1**. In this figure the pyramid of the Aboriginal population is super-imposed on the general Canadian population³ pyramid as of 2001. While the largest age groups among the Canadian population were 35–49 years old, the largest Aboriginal age groups were within the 0–14 age range in 2001. The Canadian population is much older and there are smaller proportions of children in the population, compared to older age groups. By the year 2021 the largest Canadian age cohorts will be over the age of 55. In contrast, the largest Aboriginal age cohorts in 2021 will be 20–34 years old, the ages when people enter the labour force and begin their careers.

The Aboriginal labour force population is projected to grow much more rapidly than the general Canadian population. If these projections hold, the Aboriginal population 15–64 years old will increase rapidly and continuously after 2001, so that by 2026 it will have increased by 48%.⁴ During this same 25 year period, the other Canadian population is projected to increase by 18%. In contrast to the Aboriginal population, the other Canadian labour force will reach its peak in about 2016, after which it is not expected to grow. (See **Figure 13.2**.)

Figure 13.1: Population Pyramids: Aboriginal and Canadian Populations in 2001

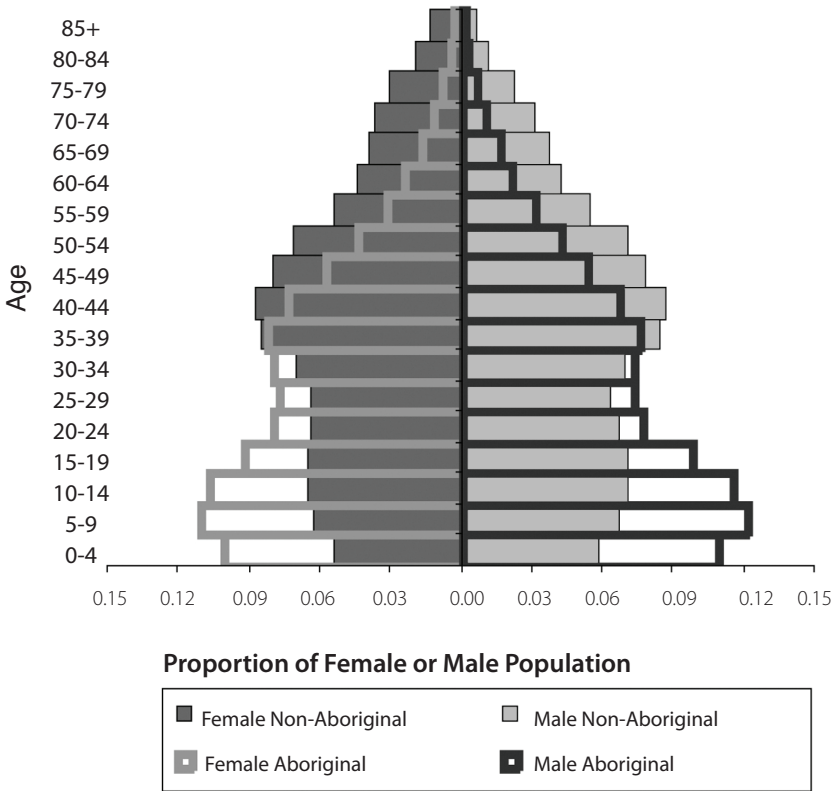


Figure 13.2: Projected Cumulative Growth in the Population 15–64 Years Old by Aboriginal Identity, Canada, 2001–2026

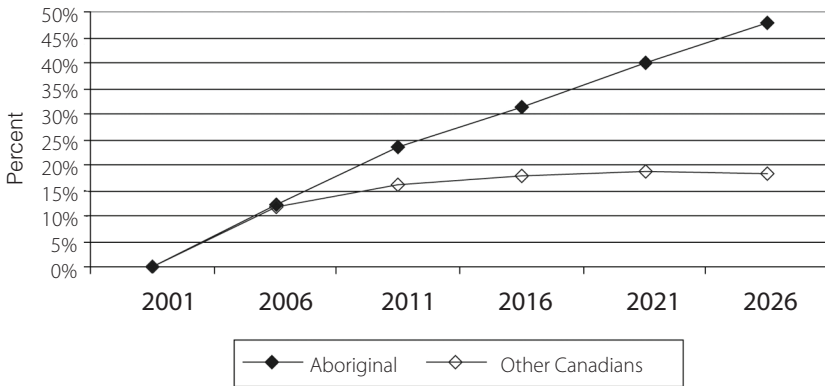
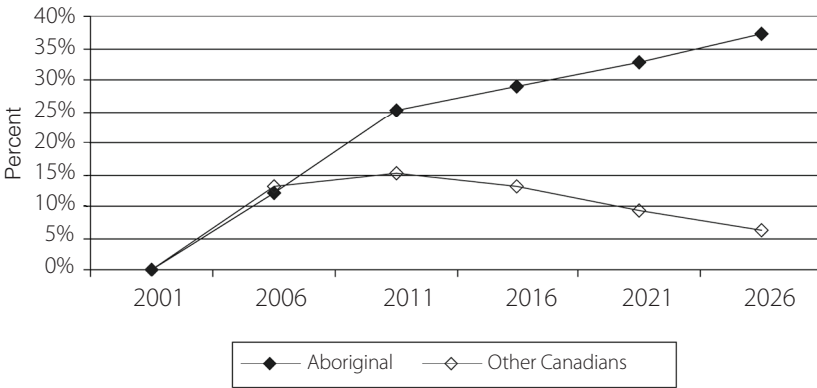
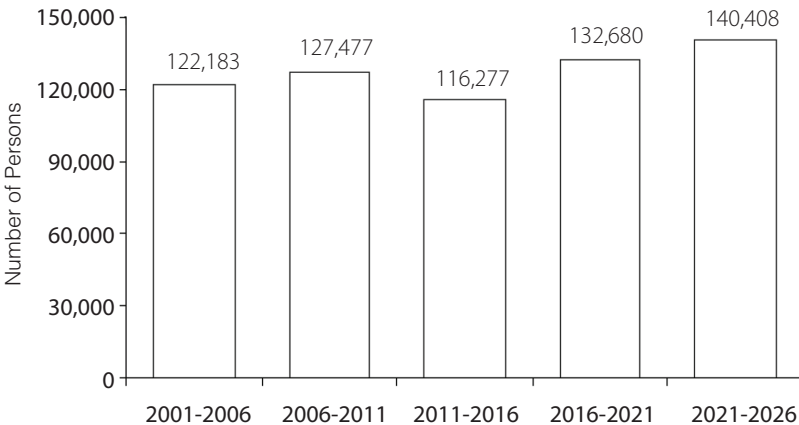
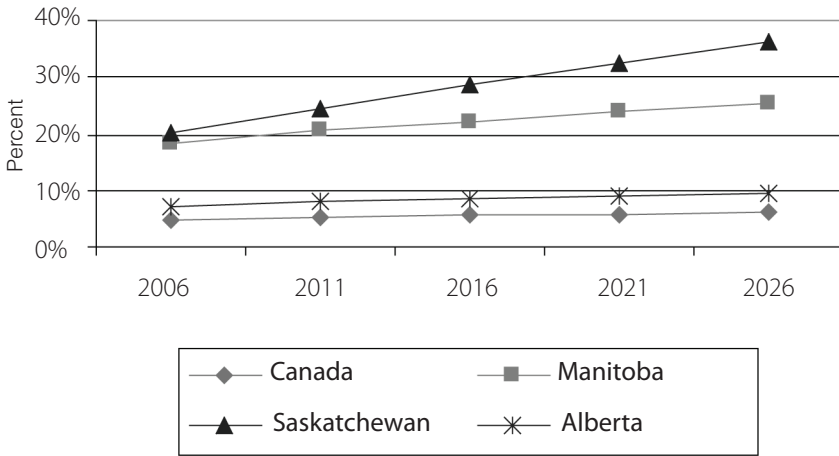


Figure 13.3: Projected Cumulative Growth in the Population 15-29 Years Old by Aboriginal Identity, Canada, 2001–2026**Figure 13.4: Projected Aboriginal Population Turning 15 Years Old per Five-year Time Period, Canada, 2001–2026**

As **Figure 13.1** indicates, the younger Aboriginal population, 15-29 years old, is a relatively large and growing proportion of the population. The population pyramids indicate larger proportions of the Aboriginal population are found in younger age groups. In 2001, 39% of the Aboriginal labour force population⁵ was in the 15 to 29 age range, compared to 29% of the other Canadian labour force population. Among the Aboriginal population the younger segment of the labour force, ages 15 to 29, is projected to grow rapidly from 2001 to 2011, and then a little more slowly from 2011 for the next 15 years. By 2026, the younger Aboriginal population is expected to be 37% larger than in 2001. During this same period, the other Canadian population in the 15 to 29 age range is expected to peak in 2011 and then to decline so that it will be only 6% higher in 2026 than it was in 2001. (See **Figure 13.3**.)

Figure 13.5: Projected Aboriginal Share of the Population 15–29 Years Old, Canada and the Prairie Provinces, 2006–2026

Across Canada it is estimated that about 25,000 Aboriginal youth are turning 15 each year, or more than 125,000 every five years. At this age, most youth are still in school, but they are likely to enter the labour force as they leave school over their next five to ten years. As shown in **Figure 13.4**, the number of Aboriginal youth entering the labour market age population is expected to increase through 2026. Over the course of the twenty-five year period, 2001–2026, more than 600,000 Aboriginal youth will come of age to enter the labour market, with the potential to make a major contribution to the Canadian economy. In each of five provinces—Ontario, Manitoba, Saskatchewan, Alberta, and British Columbia—nearly 100,000 or more Aboriginal youth will turn 15 over the twenty-five year period.

The Aboriginal Population in the Provinces

In 2001, the Aboriginal population was about 4% of the labour force age population, 15–64 years old, in Canada. As described above, the Aboriginal population will grow more quickly than the general Canadian population, but it will still only reach about 5% of the total potential labour force by 2026. However, the Aboriginal population is a much larger component of the population of some provinces and regions, especially Saskatchewan, Manitoba and northern Canada. In Saskatchewan, the Aboriginal population already makes up a large share of the total labour force population, and is projected to be 28% of the labour force age group by 2026. In Manitoba, this proportion is expected to reach 22% in 2026, while in Alberta it is expected to reach 8%. In northern Canada, including Yukon, the Northwest Territories and Nunavut, the Aboriginal population makes up a large majority across the whole population.⁶

Figure 13.6: Projected Growth of the Population 15-64 by Identity, 2001-2016, Provinces and Regions with Larger Aboriginal Share of Population Growth

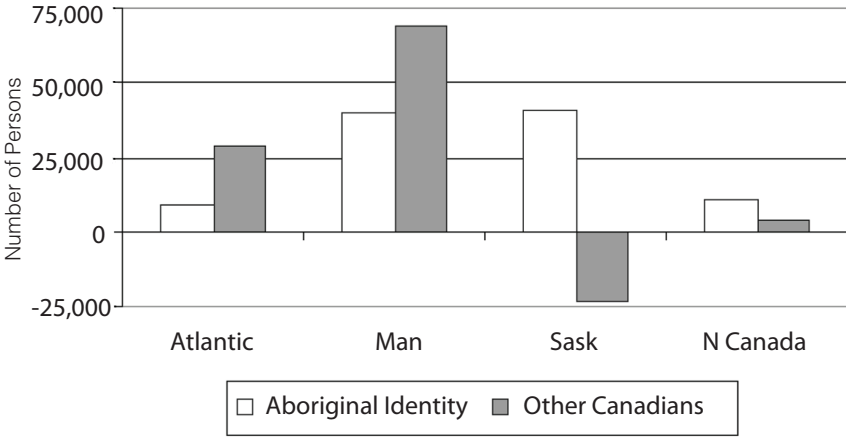
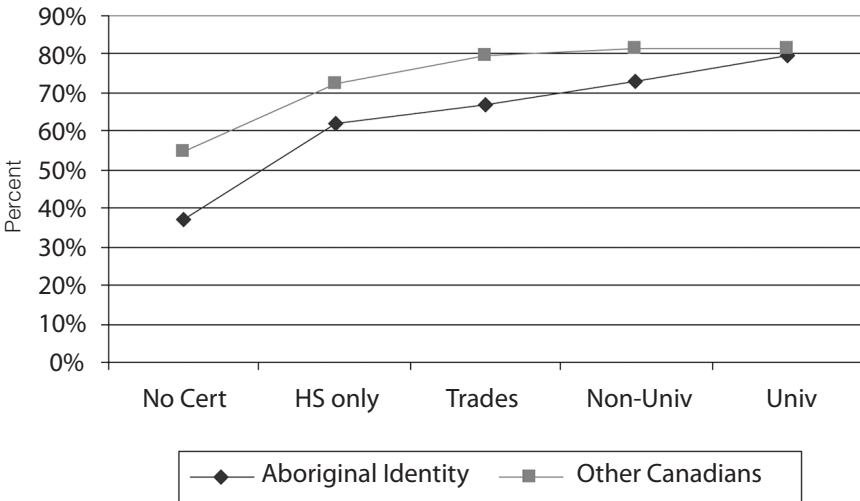
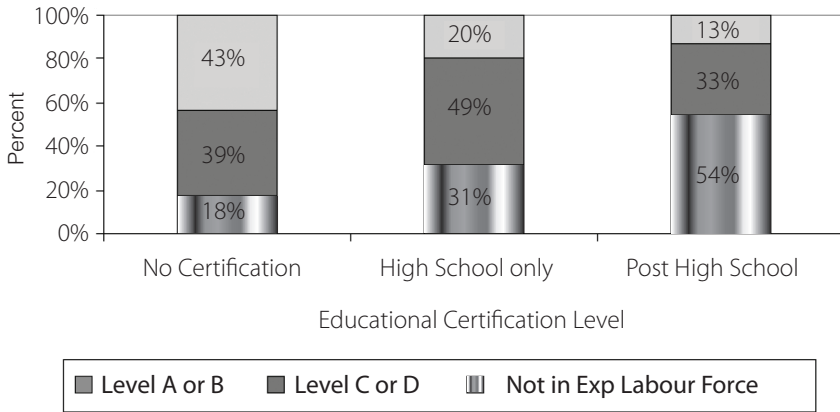


Figure 13.7: Employment Rate of the Population 15-64 By Educational Certification and Identity, Canada 2001



The Aboriginal proportions of the younger age group, 15-29 years old, are even larger. As Illustrated in **Figure 13.5**, 36% of the young labour force population in Saskatchewan is expected to be Aboriginal in 2026. In Manitoba, this proportion is projected to be 28%, while in Alberta, with its larger non-Aboriginal population, it is projected to be 9%. In addition, provincial immigration trends are quite different in these provinces. In Saskatchewan, there would be a projected net loss of labour force age groups if it were not for Aboriginal population growth.

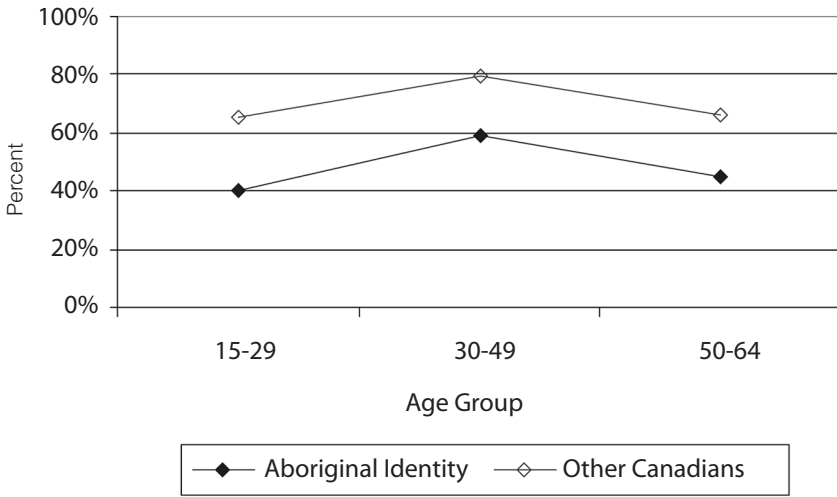
Figure 13.8: Occupational Level of the Aboriginal Population 15-64 Years Old by Educational Certification, Canada 2001



Another way of looking at the importance of the Aboriginal labour force is to consider the Aboriginal component of projected labour force growth. This approach shows that growth of the Aboriginal labour force will make up a substantial part of labour force growth in the Atlantic region, as well as in Saskatchewan, Manitoba and northern Canada between 2001 and 2016. During this period, the Aboriginal component is expected to be about 24% of total labour force population growth in the Atlantic region, about 36% of growth in Manitoba, and about 74% of growth in northern Canada. In Saskatchewan, without Aboriginal population growth there would be a projected decline in the labour force population (see **Figure 13.6**). In other provinces the Aboriginal share of population growth is smaller: 10% in Alberta, 4% in Québec, 3% in British Columbia, and 2% in Ontario. However, a closer look at the regions within these provinces would certainly show that the Aboriginal labour force will be quite important in selected urban and rural areas.

The Role of Education in Labour Market Activity

Past research has shown a strong relationship between education and labour force activity for the Aboriginal population, as well as for the general population (White, et al. 2006). To a large degree, educational attainment reduces the employment gap between the Aboriginal and general Canadian populations. In addition, it has been shown that the key factors are completion of various levels of educational certification, such as a high school graduation certificate or a post-secondary certificate or degree.⁷ As illustrated in **Figure 13.7**, the employment rate among the Aboriginal population increases with educational certification, reaching parity with the general population for those with university degrees or certificates, equal to the employment rate of the general Canadian population with this level of education. At lower levels of education, however, there is a gap between the Aboriginal and

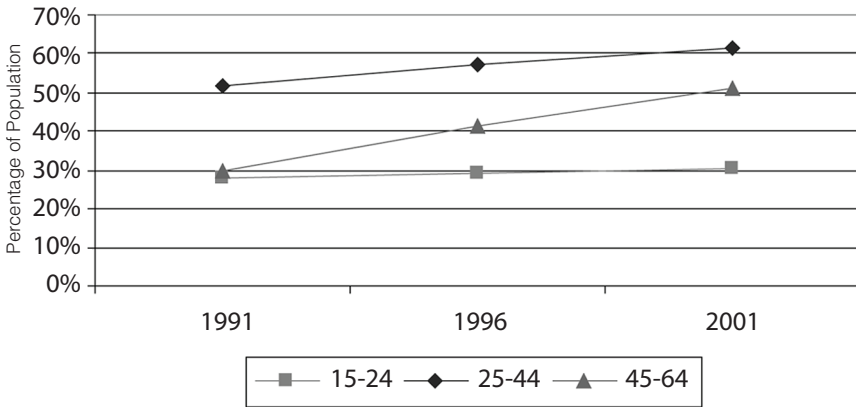
Figure 13.9: Percentage of the Population with High School or Higher Certification by Age Group and Identity, Canada 2001

other Canadian employment rates, especially among those without any type of high school or post-secondary certification.

Occupational Skill Levels Are Also Strongly Influenced by Educational Certification

Occupations are often viewed in terms of their required skill levels. These skill levels are closely related to educational qualifications. Levels A and B include management, professional, para-professional, technical, and trades occupations, while levels C and D include semi-skilled and lower skill levels, such as many sales, service, and clerical occupations, processing, assembly, and unskilled labourer occupations. Generally, level A and B occupations require high school completion and either post-secondary training, apprenticeship or other extensive experience and on-the-job training. The relationship between educational certification and occupational skill levels is shown at a broad level in **Figure 13.8**. Among the Aboriginal population without any certification, only 18% have worked in level A or B occupations. Among those with a high school certificate this increases to 31% of the population, while among those with post-secondary certification, the proportion in level A or B occupations increases to 54%. It can also be seen from **Figure 13.8** that a large proportion of those without certification, 43%, were not in the experienced labour force at all, that is they had not been employed during the year prior to the Census.

Figure 13.10: Registered Indian Population with any Secondary or Post-Secondary Certification, Canada, 1991–2001, by Age Group



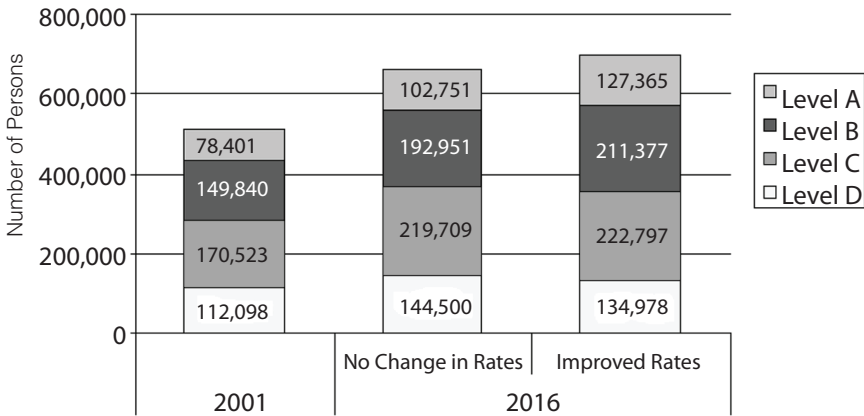
Rates of Educational Certification Among Aboriginal Youth

As can be seen in **Figure 13.9**, the proportion of the young, Aboriginal population with high school or higher levels of certification is low in comparison to the proportion of other Canadians with educational certification. In 2001, only 40% of Aboriginal youth, ages 15–29, had high school or higher certification, compared to 65% of other Canadian youth.⁸ Among both the Aboriginal population and other Canadians, these proportions are much higher for those who are 30–49 years old, and the gap between the Aboriginal population and others is somewhat smaller for this age group. Within this age group, 59% of the Aboriginal population and 79% of the other Canadian population have some type of educational certification. This reflects educational patterns in Canada, where many people continue to pursue educational qualifications throughout their lives. This is especially the case among the Aboriginal population, as other research has shown (Hull 2004).

Trends in Educational Attainment

Studies of Aboriginal educational attainment over the past fifteen years have consistently shown increasing educational levels among the Aboriginal population and increasing numbers of Aboriginal students completing high school and attending post-secondary colleges and universities. (See White and Beavon, Chapter 1 and Clement, Chapter 5.) These educational trends are different for different age groups, and are most apparent among the Aboriginal population over the age of 25. As illustrated in **Figure 13.10**, the proportion of the Registered Indian population⁹ with any type of secondary or post-secondary certification has been increasing, at different rates, among all age groups. The 25–44 year old population has shown a substantial improvement, while the youngest cohort has

Figure 13.11: Projected Aboriginal Experienced Labour Force 15-64 Years Old in 2016, Comparing Educational Certification Scenarios, Canada



shown a more moderate change. In addition, the trend is that as the older the population group, the higher the proportion who have achieved certification. This shows that the population continues to increase their educational attainment as they age.

Labour Force Participation Increases with Education

When looking at the future Aboriginal labour force it is important to take into account the impact of educational levels. One way to do this is by looking at different scenarios. One scenario would be to assume that Aboriginal educational certification stays at its current level; a second scenario would be to assume Aboriginal educational levels increase as they have done over the past ten years. **Figure 13.11** shows the numbers of Aboriginal people that would be in the labour force in 2016, based on these two scenarios. In 2001 there were about 510,000 Aboriginal people in the experienced labour force.¹⁰ Assuming that the proportions of the Aboriginal population with various levels of education remain the same, it is projected that there will be a little more than 650,000 Aboriginal people in the experienced labour force in 2016. However, if it is assumed that the educational levels of the Aboriginal population will continue to rise as they have over the previous ten years, it is projected that there will be 690,000 Aboriginal people in the labour force in 2016. In other words, there will be approximately 40,000 more Aboriginal people participating in the labour force if Aboriginal educational levels continue to improve than there will be if educational levels do not improve.

The same trend is repeated in the various provinces and regions when we use our two scenarios. The projected numbers of Aboriginal labour force participants in each province or region are shown in **Figure 13.12**. For each province or

Figure 13.12: Projected Labour Force Participants by Educational Scenario, Province or Region, 2001-2016

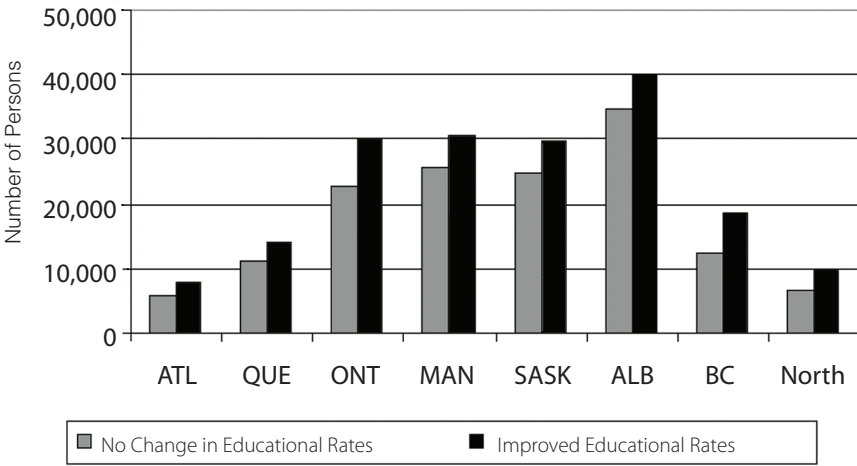
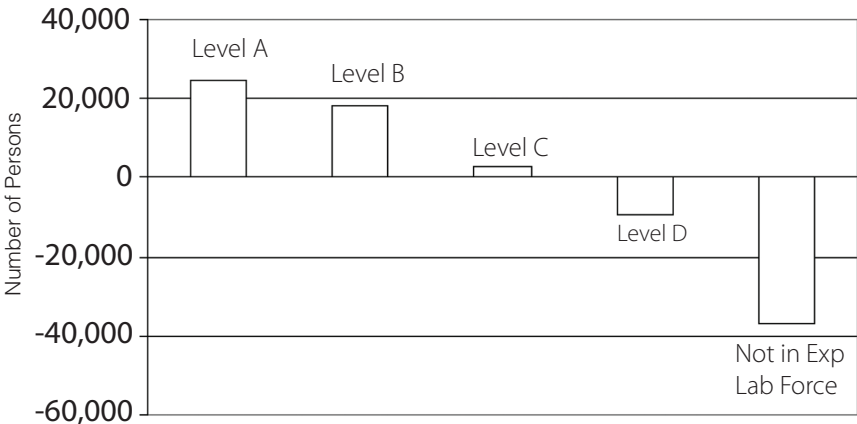


Figure 13.13: Projected Incremental Increase or Decrease in Aboriginal Labour Force Participants Resulting from Improved Educational Certification By Occupational Level, Canada 2001-2016



region the different projections for the two educational scenarios are shown. The improved educational scenario is projected to increase the number of Aboriginal labour force participants by more than 7,000 in Ontario by 2016. In the four western provinces, improved educational levels will result in between 5,000 and 6,500 additional Aboriginal labour force participants per province. In northern Canada, the impact is projected to be about 3,000 additional labour force participants, while in Quebec and the Atlantic region, the impact will be about 2,700 and 2,000 respectively.

The Occupational Distribution and Education

Not only will higher educational levels lead to more Aboriginal people in the labour force, it will also lead to increased numbers in higher skill level occupations, and lower numbers in lower skill level occupations. As shown in **Figure 13.13**, the increasing educational levels scenario would result in about 25,000 more Aboriginal people in level A occupations, 18,000 more in level B occupations, and a reduction of about 10,000 in level D occupations. Since the occupations that are most likely to be in demand or to experience labour shortages are in the higher level occupations, the educational trend will help determine the extent to which Aboriginal labour can help meet the need.

Conclusions

We have seen that the Aboriginal labour force is a significant potential resource within Canada. Increased levels of educational certification among the Aboriginal population will pay dividends to the Canadian economy by improving the availability of skilled labour and reducing labour shortages. These improvements will be especially important in certain provinces and regions, particularly in Saskatchewan and Manitoba, northern Canada, Alberta and the Atlantic region. Aboriginal youth, to an even greater degree than other youth, are taking an increasingly long time to complete their education and training, and they continue to both change occupations and upgrade their skills throughout their lives.

Clearly, if we can encourage youth to stay in school and improve the graduation rates, the difficulties that Aboriginal youth experience in entering the labour market will be reduced. As well, various types of post-secondary and adult education need to be made available to the Aboriginal population over the course of their employment and training careers. While post-secondary education institutions and programs have become increasingly flexible in making programs available to mature students, more attention needs to be paid to employer-based training programs that can help integrate Aboriginal youth into the labour force.

We would also argue that a great deal more research needs to be done, particularly industry-specific analyses. This will allow the development of the strategies required to more precisely look at expected skilled labour shortages within local and regional labour markets and target opportunities for recruitment of Aboriginal labour to fill the anticipated demand. Such an analysis would identify specific skills required in the high demand occupations and ways in which the movement of the Aboriginal labour force into high demand occupations can be facilitated, such as through targeted training, recruitment efforts, and removal of job entry barriers.

Endnotes

- 1 This summary is based largely on the research report, “Aboriginal Youth in the Canadian Labour Market,” prepared by Jeremy Hull for Indian and Northern Affairs Canada, Strategic Research & Analysis Directorate, June, 2006. Data for the study are derived from Clatworthy 2007, Statistics Canada 2005 and from the 2001 Census of Canada.
- 2 Unless otherwise stated, the Aboriginal population referred to in this paper is the population who identified themselves as Aboriginal on the Census of Canada.
- 3 The Canadian population is the total population, less the Aboriginal population of Canada, and is often referred to as the “other Canadian” population within this article.
- 4 Preliminary analysis of the 2006 Census of Canada indicates this trend has continued or even slightly sharpened.
- 5 The term “labour force population” refers to persons potentially available to become participants in the labour force. This is usually defined as the population between 15 and 64 years of age.
- 6 Differences in projection methods for the Aboriginal population (Clatworthy) and the Canadian population (Statistics Canada) make it difficult to directly compare these two sets of projection numbers in the North.
- 7 Other factors, such as age, gender, and geographic location are also important (see Hull 2004).
- 8 Editor’s Note: We use the age range beginning at 15 years as this is recognized as the lower limit for labour market participation. However at this age there are a vast majority of youth that cannot have finished secondary school. This depresses the numbers in the illustration with high school completion.
- 9 This figure focuses on the population defined as “Registered Indian,” that is, those identifying themselves on the Census as registered under the *Indian Act* or a member of a First Nation. This population has been chosen because of the difficulty of comparing the broader Aboriginal population from one census year to another.
- 10 Editor’s Note: By experienced labour force we mean having worked in the previous year.

References

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