



2009 CANADIAN CHAMBER OF COMMERCE RESOLUTION * **Aboriginal Labour Force Strategy: Tapping Into An Underutilized Pool Of Labour Supply**

The economic slowdown that hit the global economy in 2008 will have a substantive short-term impact on the demand for labour. However, over the long-term, demographic changes and economic expansion will continue to drive demand for labour in Canada. It is imperative, therefore, that Canada position itself to tap into existing underutilized pools of labour in anticipation of the next economic surge.

The Aboriginal population represents the largest untapped labour force in the country: The Aboriginal population is younger than the population at large. In 2006 approximately one in three Aboriginal people were less than 15 years of age, compared to fewer than one in five non-Aboriginal people. Aboriginal people also exhibit a greater propensity to participate in the labour force, but lack success in securing and retaining employment. In 2006 Aboriginal employment rates were 15.8 per cent below the population at large – at parity, this translates into an additional 88,000 workers for the Canadian economy.

Fully engaging Aboriginal people and communities in the economy and labour force creates a compelling case for Canadian businesses.

- The combination of underemployment, a younger than average population, and individuals rooted in the local community make the Aboriginal population an ideal pool of talent for long-term engagement.
- Employing Aboriginal people in the workplace creates genuine business advantages such as access to the growing Aboriginal market, and improved market knowledge of the local consumer base.
- Aboriginal engagement and employment programs help gain public and regulator support for projects, alleviating avoidable project delays and establishing a reputation for corporate social responsibility.
- Improving Aboriginal employment outcomes will increase employment income tax revenues and reduce excess government spending on remedial health and social support programs – ultimately reducing the tax burden on all Canadians and businesses in Canada.

Much of the Aboriginal/non-Aboriginal labour market disparity is linked to education. Approximately 50% of Aboriginal people possess less than a high school diploma, compared to 30% of the general population. As Aboriginal education levels improve, so too do employment outcomes. However, education in and of itself does not necessarily guarantee improved Aboriginal labour market outcomes. For all levels of education, Aboriginal unemployment rates continue to be higher than non-Aboriginal unemployment rates. Poor Aboriginal education and labour market outcomes are also linked to the unique cultural, social and structural characteristics that distinguish Aboriginal people from the population at large.



- Culturally, Aboriginal people have unique histories, customs, values and protocols that impact how they interact in the workplace. Consensus building as an approach to decision making; working and learning styles that emphasize oral techniques and hands-on instruction; and a flexible approach to scheduling and task management are all characteristics that can influence an Aboriginal person's approach to the workplace.
- Socially, Aboriginal people exhibit poorer health status and higher rates of homelessness, addiction and poverty, and more likely to come from single parent households, relative to non-Aboriginal people. These factors adversely impact an individual's ability to successfully secure and retain employment.
- Structurally, Aboriginal people, particularly those of First Nations ancestry, have historically resided in reserve communities that are separate and distinct from the mainstream. As a result, Aboriginal people in reserve communities may face structural barriers to employment due to a lack of economic opportunities, and those who move to urban areas may experience difficulty in developing the life skills (e.g. establishing credit, obtaining identification, managing finances, securing stable housing and child care, accessing transit, and connecting with community/social supports) necessary to succeed.

Consequently, improving Aboriginal labour market outcomes requires a holistic approach that involves government, the business community, Aboriginal community stakeholders, individuals, and service providers. The Calgary Chamber of Commerce report entitled *Completing the Circle: Realities, Challenges and Strategies to Improve Aboriginal Labour Market Outcomes in the Calgary Region* identifies the following strategies to improve Aboriginal economic and labour market outcomes.

Align Business, Government and Aboriginal Priorities

Businesses and government agencies seeking to work with Aboriginal communities need to align their objectives with those of Aboriginal communities. This means approaching issues in a manner that considers the perspectives, interests and culture of the community, and then assessing how the business opportunity can align with these values.

Single Access Point for Aboriginal Employment Services

Multiple Aboriginal career and employment service providers exist to service particular client groups, however, these organizations do not fully coordinate in linking and referring clients to services. What is needed is an integrated access point to connect Aboriginal people to the services, training, programming and employment opportunities they need to succeed in the workplace. In particular, the process for connecting employers to prospective employees needs to be as streamlined, accessible and coordinated as possible.

Workplace Preparation and Support

Cross cultural awareness training is critical to Aboriginal employment success. For Aboriginal employees, this is manifested in pre-employment preparation training regarding workplace etiquette and expectations. From an employer perspective, Aboriginal awareness training is an effective approach to improve Aboriginal employee retention in the workplace.

Skills Development and Business Capacity Building

Education is strongly linked to employment, however, education levels on-reserve are well below those of the population at large. Success has been demonstrably achieved with provincial involvement in Aboriginal education through tripartite agreements between the



federal and provincial governments and Aboriginal communities. Engaging Aboriginal youth, however, also requires the use of new media. This means overcoming current tendencies to favour traditional forms of communications in education delivery and government funding decisions.

While improved educational attainment, skills training, and a more accepting and inclusive work environment are beneficial, a major barrier to improved labour market outcomes continues to be the level of economic development on-reserve. It is imperative that government, Aboriginal communities and businesses work together and adopt business friendly, flexible approaches to improve access to economic development opportunities on-reserve.

Recommendation

That the federal government work with the business community, the provinces, Aboriginal communities and Aboriginal service providers to:

1. Coordinate efforts to improve Aboriginal economic and labour market outcomes on and off-reserve, and strengthen off-reserve network linkages to better connect clients to services and employers (with a focus connecting to Aboriginal youth electronically).
2. Develop and market accessible, competency-based Aboriginal awareness programming to small- and medium-sized businesses, and that this training serve as recognition of these organizations as Aboriginal employers of choice.
3. Continue to support industry and service providers in the delivery of Aboriginal workplace preparation, education and safety programs.
4. Continue to work through tripartite agreements between the federal government the provinces and Aboriginal communities, to achieve meaningful gains in Aboriginal K-12 outcomes – with a focus on electronic delivery on-reserve.
5. Prioritize high school upgrading and literacy as key components of federal Aboriginal human resource programs.
6. Develop business-friendly governance and regulatory practices within Aboriginal communities, and adopt flexible funding approaches that encourage successful economic development partnerships.