



Fast

FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES – MANITOBA

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Increasing Aboriginal Labour Market Participation: Making a case for Labour

The Conference Board of Canada recently published a report titled *Understanding the Value, Challenges, and Opportunities of Engaging Metis, Inuit, and First Nations Workers*.

Organizations like the Conference Board are paying close attention to the fact that Canada's Aboriginal population is growing at a much faster rate than the non-Aboriginal population. They recognize that the Aboriginal population will be a significant source of labour in Canada's future yet Aboriginal participation in the labour market "lags behind that of the non-Aboriginal population." This is true of Canada as a whole, but particularly so in Manitoba where Aboriginal people make up 15 percent of the population. Aboriginal people in Manitoba are also generally much younger with a median age of 26.5 compared with 39.5 for the population as a whole, and the Aboriginal population is growing fast. It is estimated that the number of Aboriginal adults between ages 20 and 29 will increase by over 40 percent by 2017 compared with a 9 percent growth rate among the same age cohort in the general population.

Given the demographic trend, it is understandable why Aboriginal labour force participation has become a focus of attention for business organizations like the Conference Board.

As a result of surveys of employers, the Conference Board recommends the need to "simplify points of contact between employers and Aboriginal organizations." It falls short of prescribing solid solutions, calling for the need

for more "in-depth" research on the most effective strategies to recruit and retain Aboriginal workers.

Some of this research has in fact been done.

The case for Aboriginal Labour Market Intermediaries (LMIs)

Two research studies conducted by the Canadian Centre for Policy Alternatives have demonstrated how LMIs can provide a necessary bridge for successful transition into the labour market of people who have had little or no previous workplace attachment. In the case of Aboriginal people, a LMI can serve the specific purpose of matching employers with employees. A LMI can also provide cultural awareness to employers and ongoing support to both employees and employers. These kinds of supports have been found to be necessary to help address some of the challenges identified by the Conference Board, as well as some of the more complicated issues that Aboriginal people describe when asked about their experiences finding meaningful employment and opportunities for advancement.

At the moment, however, there remains a divide between employers and potential Aboriginal workers, and there is a clear need for solutions. The LMI model is one such solution.

There are many organizations providing training opportunities for Aboriginal people. These organizations are typically not funded beyond the training stage.

there is an alternative.

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A LMI is essentially a one-stop shop that connects employers with individuals who have had difficulty finding and keeping good jobs, and provides the full range of supports that are necessary for successful attachment to the labour market. The LMI continues to support both employer and employee through the transition from unemployment to work. Establishing a LMI for Aboriginal people seeking employment, and employers seeking to hire Aboriginal workers, could help to address some of the complex issues identified by prospective employers and Aboriginal workers.

Similar models have worked well with marginalized groups in other jurisdictions. For example, the Centre for Employment and Training (CET) in California works closely with marginalized workers and employers and has been shown to be a success. A 2004 report by The Aspen Institute titled *Grow Faster Together, or Grow Slowly Apart*, provides other examples of success in the U.S.A.

A 2005 study by Loewen & Silver published by CCPA-Manitoba showed that LMIs are most successful when they collaborate with community-based organizations (CBOs) and other education and training institutions working with marginalized people; connect job seekers with jobs that pay a living wage, and include benefits and opportunities for advancement; provide comprehensive and ongoing supports for individuals and employers to ensure successful workplace transition; and include the full involvement of unions in organized workplaces.

Given the under-representation of Aboriginal people in the labour market and the ongoing challenges described above, it makes sense to develop labour market intermediaries that focus on the specific needs of Aboriginal workers and the employers seeking to hire them. While the majority of Aboriginal people successfully find employment without the need of an LMI, CBOs have found that many graduates of their programs have little or no employment history and many challenges, making the transition to

employment more complicated. They also note that employers often have unrealistic expectations of individuals who often have no previous attachment to the labour market

MacKinnon and Silvius (2011) recommend a model that was developed through consultation with Manitoba employers and CBOs familiar with the challenges many Aboriginal people face. This model would:

- Build on the long established relationships between CBOs and the target population;
- Simplify relationships between employers and participating service organizations;
- Simplify relationships between government and CBOs by filtering information, reporting and expectations;
- Employ personnel dedicated to managing the multiple referrals and services that any one individual may require;
- Establish a governance structure including representatives from employer groups, labour, education and training programs, Aboriginal CBOs and government institutions;
- Dedicate resources to bring together the expertise that exists among community-based service agencies;

The challenges that the Conference Board identifies are not new. They have long been a concern of employers, trainers and Aboriginal workers alike. The continued low labour force participation rates of Aboriginal people suggest that we need to find new ways to make employment work for Aboriginal people. The Labour Market Intermediary model is a cost efficient solution that makes sense.

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