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BULLETIN

ABORIGINAL PARTICIPATION IN MINING

JUNE 2005

The Minerals and Metals Sector of Natural Resources Canada promotes the participation of Aboriginal communities in minerals and metals activities across Canada.

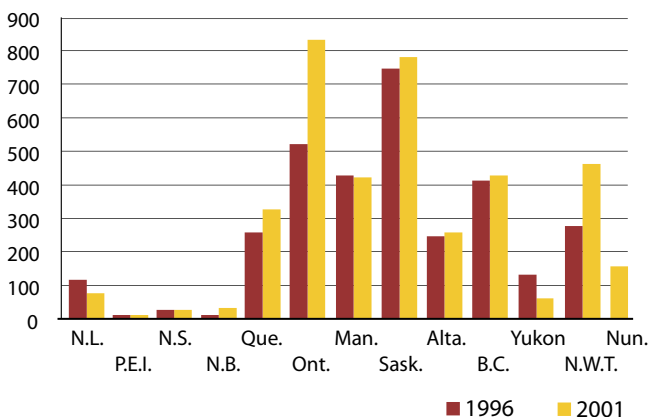
The participation of Aboriginal people⁽¹⁾ in the minerals and metals industry is increasing. From 1996 to 2001, the mining sector has seen a 21% increase in its Aboriginal work force.

Aboriginal participation in the mining sector is on the rise.

According to the 2001 Canadian Census, Aboriginal employment accounted for 5.3% of the total mining labour force, compared with 3.6% in 1996. Men represented 89.6% of total Aboriginal workers in the mineral industry in 2001.

Of the 3840⁽²⁾ Aboriginal people working in the Canadian mining sector (excluding oil and gas) in 2001, the highest mining population density was reported in Ontario (22%), followed by Saskatchewan (20%) and the Northwest Territories (12%) (Figure 1).⁽³⁾

Figure 1. Aboriginal People in Mining Work Force, 1996 and 2001



Source: Statistics Canada, Census 1996 and 2001.

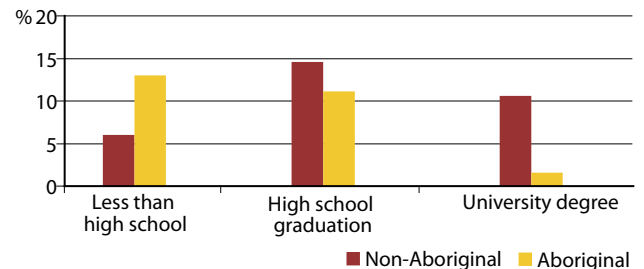
The Aboriginal unemployment rate in mining is high.

Despite substantial growth in Aboriginal participation in the mining sector in 2001, the unemployment rate of Aboriginal people in mining remained twice as high as the non-Aboriginal rate (15.1% compared to 7.8%, respectively).

The educational level of Aboriginal people in mining is still below that of non-Aboriginal people.

In 2001, 35.5% of Aboriginal people employed in mining had post-secondary qualifications, compared to 49.7% of non-Aboriginal people. Less than 2% held a university degree, compared to 10% for their non-Aboriginal counterparts (Figure 2).

Figure 2. Share of Work Force in Mining by Level of Education, 2001



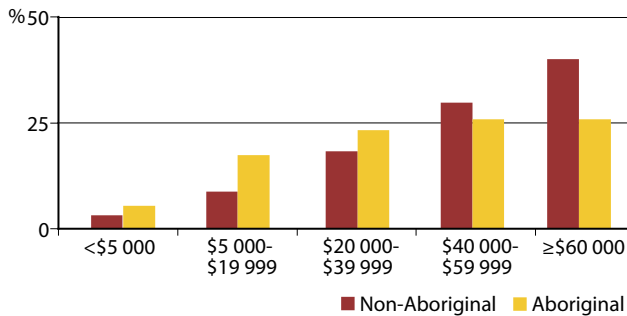
Source: Statistics Canada, Census 2001.

The income of Aboriginal people in mining is lower than that of non-Aboriginal people.

The average salary in the minerals and metals industry is very competitive. Aboriginal people working in that sector have an average employment income almost twice that of the average for total Aboriginal people.

The average annual income for Aboriginal people in mining in 2001 was \$40 259, an increase of 17.1% over 1996. However, Aboriginal people earned approximately \$12 000 less than their non-Aboriginal counterparts (Figure 3).

Figure 3. Share of Population by Income Range in Mining Sector, 2001

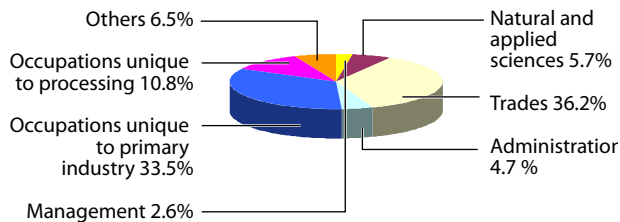


Source: Statistics Canada, Census 2001.

Aboriginal people in mining are predominantly employed in trades.

The majority of Aboriginal people working in the mining industry are employed in the trades sector; only 2.6% are in management (Figure 4).

Figure 4. Proportion of Aboriginal Work Force in Mining by Occupation, 2001

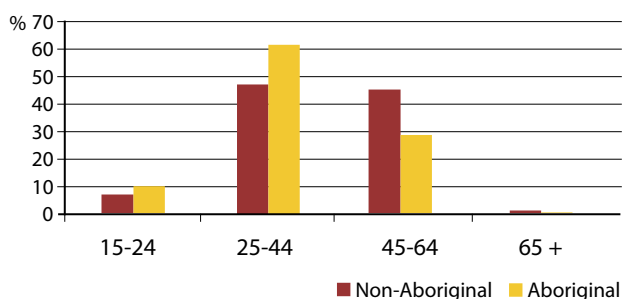


Source: Statistics Canada, Census 2001.

The Aboriginal work force in mining is young and growing rapidly.

In 2001, the proportion of people under the age of 25 in mining's Aboriginal work force was 9.9%, compared to 6.7% for non-Aboriginal people (Figure 5).

Figure 5. Share of Mining Work Force by Age Group, 2001



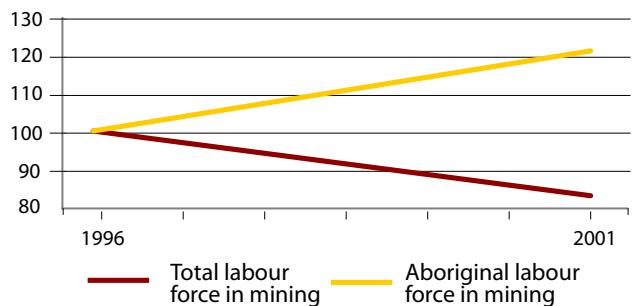
Source: Statistics Canada, Census 2001.

Challenges and Opportunities

The mining industry is expected to face a labour shortfall that will create a shortage of workers at all skill levels. An aging and retiring work force has been identified as one of the major challenges facing the mining industry. More than half of the current work force will be eligible to retire in the next 5 to 10 years. (4)

According to the 2001 Census, a 17% decline in the total labour force in mining was recorded between 1996 and 2001. On the other hand, the mining sector has seen an increase of 21.1% in its Aboriginal work force compared to 1996 (Figure 6).

Figure 6. Change in Labour Force in Mining (1996=100)



Source: Statistics Canada, Census 1996 and 2001.

The proximity of Aboriginal communities to major exploration and mining projects presents a window of opportunity for both Aboriginal people and industry. Aboriginal communities are increasingly becoming recognized as key contributors to the minerals and metals sector for labour and supply, especially in remote areas. However, there are still improvements needed to narrow the gap between Aboriginal and non-Aboriginal people in mining. Aboriginal employment in the mining sector tends to be more predominant in less skilled and lower-paying jobs. To address the anticipated skills shortage, as well as the industry's demand for better-educated and better-trained workers, the development of effective Aboriginal education and training strategies will be of considerable importance.

The minerals and metals sector offers tremendous opportunities for Aboriginal communities. In addition to the development of the Aboriginal labour force in the area, the mineral industry is also contributing to the economic development of the region, providing lasting benefits to Aboriginal communities.

- (1) Aboriginal people refers to the definition of "Aboriginal Identity" from Statistics Canada.
- (2) Censuses experienced undercoverage and incomplete enumeration that was considerably higher among Aboriginal people than among other segments of the population. The impact of missing data is small at the national and provincial level, but it may be significant for small areas (Statistics Canada, 2003, "Aboriginal Peoples of Canada: A Demographic Profile").
- (3) The current data based on the latest Census conducted in 2001 do not cover the more recent projects and therefore may not reflect exactly the present situation.
- (4) Minerals and Metals Industry Sector Study (MITAC), 2004.

For more information on Aboriginal communities and mining, please visit www.nrcan.gc.ca/mms or send an e-mail to info-mms@nrcan.gc.ca