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THE CONTRIBUTION OF ABORIGINAL PEOPLE TO FUTURE LABOUR FORCE GROWTH IN CANADA

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The Contribution of Aboriginal People to Future Labour Force Growth in Canada

Abstract

The objective of this report is to contribute to the debate on closing socio-economic gaps between Aboriginal and non-Aboriginal people by projecting the contribution of Aboriginal people to future labour force growth in Canada as a whole and by region under various scenarios over the 2011-2036 period. We find that this contribution at the national level can be as high as 21 per cent under the scenario that age-specific participation rates between Aboriginal and non-Aboriginal population close by 2036 and ethnic mobility continues as current rates. The contributions varies greatly by region, with Aboriginal contributions to labour force growth up to 83.1 per cent, 72.9 per cent and 52.2 per cent in the three territories, Saskatchewan, and Manitoba, respectively.

The Contribution of Aboriginal People to Future Labour Force Growth in Canada

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The Contribution of Aboriginal People to Future Labour Force Growth in Canada

Executive Summary

The Government of Canada is in discussion with First Nations people on a new Government-to-Government relationship, a new fiscal relationship and closing socio-economic gaps between Indigenous and non-Indigenous Canadians. This is part of efforts to improve the lives of all of Canada's Indigenous people. There appears to be less recognition of how much is at stake for the entire Canadian economy. Indigenous or Aboriginal people will form a rapidly-growing portion of Canada's labour force. How the large Indigenous youth population in particular fares economically will determine to a very important extent how the Canadian economy fares. Addressing Indigenous issues is a win-win for all Canadians.

The objective of this report is to contribute to the debate on closing socio-economic gaps between Aboriginal and non-Aboriginal people by projecting the contribution of Aboriginal people to future labour force growth in Canada as a whole and the regions under various scenarios.

In 2011, the Indigenous population accounted for 3.5 per cent of the total Canadian working age population. A superficial reading of this statistic might suggest that Indigenous people will be at the periphery of Canadian economic growth prospects. Such a conclusion would miss several important dynamics. First, the Indigenous population is growing much faster than the non-Indigenous Canadian population. In the unlikely scenario that the trend toward more Indigenous people declaring their heritage were to stop, the Indigenous population's share in the total Canadian working-age population would rise to 4.4 per cent of Canada's working-age population by 2036. If the trend continues, the share would rise to 5.6 per cent.

Second, the labour force participation rate of Indigenous people in 2011 was almost 5 percentage points below that of the non-Indigenous population. More critically, the gap for the 15-24 age group, which will contribute much of the future labour force growth, was 12.4 percentage points. If the Indigenous labour force participation rate gaps close and the trend toward declaring Indigenous heritage continues, Indigenous people will contribute more than one-fifth of all the labour force growth in Canada through 2036.

The Indigenous population is much younger than non-Indigenous Canadians and this accounts for much of the Indigenous contribution to labour force growth. Among Indigenous people, 28.8 per cent were below age 15 in 2011. The corresponding share for the non-Indigenous population was 16.6 per cent or just above half the share for the Indigenous population. At the other end of the age spectrum, only 5.6 per cent of Indigenous people were 65 and over compared to 14.5 per cent for non-Indigenous Canadians. This demographic profile illustrates how much more concentrated in the working years the Indigenous population will be over the next few decades.

The contribution of the Indigenous people to future labour force growth in the 2011-2036 period is even starker in certain regions: 83 per cent in the Northern Region comprised by the three territories; 72 per cent in Saskatchewan and 52 per cent in Manitoba. These higher contributions reflect not only the concentration of the Indigenous population, but as well much higher-than-national labour force participation rate gaps between Indigenous and non-Indigenous people. Compared to the almost 5 percentage point national labour force participation rate gap in 2011, the differences were 23.4, 14.2 and 10.3 percentage points in the Northern Region, Saskatchewan and Manitoba respectively.

The labour force participation rate is just one of the socio-economic gaps between Aboriginal and non-Aboriginal Canadians that needs to be addressed. Indigenous people also face deficiencies in hours worked, employment, income by level of education and health among others. Progress must be based on Indigenous autonomy and this in turn will require strengthening administrative and managerial capacities, most likely under new institutional arrangements.

The Contribution of Aboriginal People to Future Labour Force Growth in Canada¹

Increasing attention is being applied to the likelihood of slower economic growth being “the new normal” for Canada and other developed countries. A major factor behind the slower growth is the ageing population slowing labour force growth.² This study demonstrates the importance of the Aboriginal population to Canada’s labour force growth and shows that raising the labour force participation rate for Aboriginal people can significantly elevate Canada’s labour force growth rate and hence overall economic growth. This is because the Aboriginal population is young and fast-growing relative to the non-Aboriginal population.

This research report develops projections of the Aboriginal contribution to Canada's labour force growth between 2011 and 2036. The first section details the assumptions and data sources that underlie the projections. The second section presents descriptive analysis of the data. The third section presents the labour force projections and the projected contributions of Aboriginal people to labour force growth for Canada and eight regions of the country.³ The fourth section concludes.

Data and Method

Data

Using the 2011 National Household Survey (NHS), we obtain population counts and labour force participation rates for Aboriginal and non-Aboriginal people aged 15 years and over in 2011, broken down by 10-year age category.

From Morency *et al.* (2015) we draw official Statistics Canada projections of the Aboriginal population levels and population shares in 2036 for Canada and the provinces and territories. These projections are produced by a microsimulation model maintained by the Demography Division at Statistics Canada. They account for a large number of variables that

¹ This report was written by Don Drummond, Chair of the Centre for the Study of Living Standards (CSLS) and Stauffer-Dunning Fellow at Queen’s University, CSLS Executive Director Andrew Sharpe, Alexander Murray, CSLS economist at the CSLS, and Nicolas Mask, a CSLS coop student. We would like to thank Statistics Canada for the provision of unpublished data. Comments are welcome and can be sent to drummond@queensu.ca or andrew.sharpe@csls.ca.

² See Drummond and Capeluck (2015) for projections of economic growth for Canada and the provinces and territories to 2038. Labour supply growth, as measured by total hours, is projected to be 0.55 per cent per year over the 2014-2038 period in Canada, down from 1.03 per cent in 2000-2014. Total hours growth is largely driven by working age population growth.

³ The small population of certain provinces and territories has for statistical reason required their aggregation into larger territorial units or regions. The four Atlantic provinces have been combined into the Atlantic region and the three territories into the Northern region.

affect population changes (e.g. fertility, mortality, migration, education, marriage patterns, etc.). We obtain five sets of projections:

1. the **Reference** projection;
2. the **Moderate fertility convergence** projection;
3. the **Constant fertility** projection;
4. the **No ethnic mobility** projection; and
5. the **No internal migration** projection.

Among many other assumptions, the reference projection assumes that Aboriginal fertility converges to the non-Aboriginal fertility rate by 2036 and that the rate of intragenerational ethnic mobility remains constant at its 1996-2011 average rate over the projection horizon.⁴ In each of the latter four projections, one of these assumptions is modified relative to the reference projection.⁵ The moderate fertility convergence projection assumes that Aboriginal fertility converges only halfway to the non-Aboriginal fertility rate by 2036. The constant fertility projection assumes that Aboriginal fertility remains at its 2011 rate over the projection horizon. The no ethnic mobility projection assumes that the rate of ethnic mobility is zero over the projection horizon. The no internal migration projection assumes that there is no movement of any region's population to another region over the period of 2011 to 2036. In all cases, the assumptions underlying the projections of the non-Aboriginal population are held unchanged and are set to be consistent with the assumptions underlying Statistics Canada's main population projections.

Morency *et al.* (2015) also provide information about the projected age breakdown of the Aboriginal and non-Aboriginal populations in 2036. Custom tabulations on population by 10-year increments were obtained from Statistics Canada to allow more detailed simulations for Aboriginal and non-Aboriginal labour force projections by region.

Method

To generate our labour force projections for the Aboriginal and non-Aboriginal populations in 2036, we use the following procedure:

⁴ Intragenerational ethnic mobility refers to changes in the Aboriginal identity category reported by a person over his or her lifetime. Ethnic mobility has accounted for a substantial share of Aboriginal population growth in Canada in recent decades. Over the 2006-2011 period, it accounted for 64 per cent of First Nations population growth (or 91 thousand persons) and 52 per cent of Métis population growth (or 35 thousand persons). See the discussion and references in Morency *et al.* (2015), and in particular their Table 6. It is not clear that such large contributions from ethnic mobility can be expected in the future, yet that is the assumption embedded in the reference projection. (Morency *et al.* stress that the reference projection is not necessarily the most likely to occur.)

⁵ The reference projection assumes annual fertility rates of 2.2 and 1.6 children per woman for the Aboriginal and non-Aboriginal populations, respectively. These are based on the 2011 NHS. For ethnic mobility, the reference projection assumes ethnic mobility rates of 0.3 per cent and 0.2 per cent for the Métis and First Nations peoples, respectively. (Ethnic mobility rates are the total flows of persons from non-Aboriginal identity to an Aboriginal identity group divided by the population of that Aboriginal identity group.) These are averages based on the 1996-2006 censuses and the 2011 NHS.

1. Use the population and labour force participation rate estimates from the 2011 NHS, calculate the labour force for Aboriginal and non-Aboriginal people, for Canada and the regions taking into account variations for each age increment.
2. Multiply the projected total population in 2036 by the projected share of the population aged 15 and over to obtain the projected working-age population. Do this for Aboriginal and non-Aboriginal people, and for Canada and the regions.
3. Calculate the projected Aboriginal and non-Aboriginal labour forces under two alternative scenarios for the groups' respective participation rates:
 - a. Scenario 1: The absolute gap between Aboriginal and non-Aboriginal labour force participation remains unchanged.
 - In this case, multiply the projected Aboriginal (non-Aboriginal) working-age population from Step 2 by the 2011 Aboriginal (non-Aboriginal) participation rates from the NHS. Thus, we assume each group's participation rates are the same in 2036 as in 2011.
 - b. Scenario 2: The gap between Aboriginal and non-Aboriginal labour force participation closes by 2036.
 - In this case, multiply both the projected Aboriginal and non-Aboriginal working-age populations from Step 2 by the 2011 *non-Aboriginal* participation rate from the NHS. Thus, we assume that the non-Aboriginal participation rates remain unchanged between 2011 and 2036 while the Aboriginal participation rates rise from the 2011 levels to the 2011 non-Aboriginal rates.

With the Aboriginal and non-Aboriginal labour force projections from Step 3, it is easy to compute the change in each group's labour force between 2011 and 2036. The ratio of the change in the Aboriginal labour force to the change in the total labour force is our measure of the Aboriginal population's contribution to Canada's labour force growth over the 2011-2036 period.

Table 1: Population Aged 15 and Over, Aboriginal and Non-Aboriginal, Canada and the Provinces, 2011 and Projection to 2036

**Panel A: Population Levels
(Thousands of Persons)**

	2011			Non-Aboriginal	2036 Projections					Difference A - D
	Non-Aboriginal	Aboriginal	% Aboriginal		Aboriginal	A. Reference	B. Moderate fertility convergence	C. Constant fertility	D. No ethnic mobility	
Canada	26,133	961	3.55	34,231	2,032	2,040	2,050	1,569	2,031	463
Atlantic region	1,844	65	3.40	1,806	122	121	122	83	139	39
Quebec	6,365	104	1.61	7,711	226	227	228	158	227	68
Ontario	10,197	219	2.10	13,903	493	494	495	333	493	160
Manitoba	803	126	13.56	1,037	250	251	254	218	259	32
Saskatchewan	696	97	12.23	829	198	201	204	189	202	9
Alberta	2,731	145	5.04	4,313	345	346	347	274	318	71
British Columbia	3,461	170	4.68	4,583	338	339	340	253	329	85
Northern region	36	34	48.57	49	61	60	61	60	63	1

**Panel B: Implied Population Growth Rates, 2011-2036
(Per Cent per Year)**

	Non-Aboriginal	Aboriginal					Difference A - D	
		A. Reference	B. Moderate fertility convergence	C. Constant fertility	D. No ethnic mobility	E. No internal migration		
Canada	--	1.09	3.04	3.06	3.08	1.98	3.04	1.06
Atlantic region	--	-0.08	2.55	2.51	2.55	0.98	3.08	1.57
Quebec	--	0.77	3.13	3.15	3.17	1.67	3.15	1.47
Ontario	--	1.25	3.29	3.30	3.31	1.68	3.29	1.61
Manitoba	--	1.03	2.76	2.78	2.83	2.20	2.91	0.56
Saskatchewan	--	0.70	2.90	2.96	3.03	2.71	2.99	0.19
Alberta	--	1.84	3.53	3.54	3.56	2.58	3.19	0.95
British Columbia	--	1.13	2.79	2.80	2.82	1.61	2.68	1.18
Northern region	--	1.22	2.38	2.32	2.38	2.32	2.52	0.07

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015). Projections for the non-Aboriginal population are from the reference projection.

Descriptive Analysis

Population

Table 1 presents population statistics for Aboriginal and non-Aboriginal people aged 15 and over (the working-age population) in Canada and broken down by the regions. Panel A shows the population levels in 2011 and the projections for 2036 under the five sets of assumptions described above. Panel B shows the implied annual growth rates between 2011 and 2036.

In 2011, the Aboriginal working-age population of Canada was 961,000. The non-Aboriginal working-age population was 26.1 million. Aboriginal people accounted for 3.5 per cent of the total working-age population in Canada, ranging from 48.3 per cent in the Northern Region to 1.6 per cent in Quebec.

The non-Aboriginal working-age population is projected to rise by 1.09 per cent per year over the 2011-2036 period and to reach 34.2 million in 2036. The reference projection for the Aboriginal population is 2.0 million in 2036 increasing to 5.6 per cent of the working-age population; the implied growth rate is 3.04 per cent per year, with Alberta, Ontario and Quebec growing above the national average at 3.53 per cent, 3.29 per cent and 3.13 per cent, respectively. Despite having the largest per cent of the work force composed of Aboriginal people compared to other Canadian regions (48.3 per cent in 2011), the Northern Region has the slowest growth rate at 2.38 per cent.

The only projection scenario that differs significantly from the reference projection at the national level is the projection with no ethnic mobility.⁶ If the rate of ethnic mobility over the projection horizon is zero, then the Aboriginal working-age population will rise by only 1.98 per cent per year and will reach 1.6 million in 2036 making up 4.4 per cent of the working-age population. This contrasts the growth rates of the other four projections which ranged only from 3.04 per cent to 3.08 per cent. What happens to the rate of intra-generational ethnic mobility will be a key determinant of the growth of the Aboriginal population in the future. In this report, we will focus on the reference projection but will also refer to the no ethnic mobility projection for comparison.

The projected growth rate of the Aboriginal working-age population differs substantially across regions under the different assumptions. Under the reference projection Aboriginal population growth ranges from 2.38 per cent per year in the Northern region to 3.53 per cent per year in Alberta.

⁶ The differences in fertility assumptions have limited effects on the projected Aboriginal working age population in 2036. The figure is only 8,000 higher in the moderate fertility convergence scenario and 18,000 higher in the constant fertility scenario, that is no convergence. In part this reflects the relatively short projection period (25 years) as changes in fertility can only affect the size of the working age population (15 and over) with a lag of 15 years. The no internal migration scenario has by definition no effect on the size of future population at the national level, but does reduce the population of regions that traditionally have a positive net balance on inter-provincial migration, such as Alberta, and increases the population of provinces and regions with a negative net balance, such as the Atlantic region.

At the regional level, without ethnic mobility Quebec and Ontario see their Aboriginal growth rates fall by almost half, while the Atlantic Regional falls by almost two thirds. In this scenario, Quebec and Ontario are projected to grow by only 1.67 and 1.68 per cent and reach Aboriginal populations of 158,000 and 333,000, respectively. This compares to the reference projection where Aboriginal population growth is 3.29 per cent in Ontario to a population of half a million and 3.13 per cent in Quebec to a population of 226,000 by 2036. Canada's Atlantic Region will experience the slowest growth of the Canadian regions without ethnic mobility at 0.98 per cent, falling from 2.55 per cent under the reference projection.

The fifth assumption of the no internal migration has no effect on the national level for population, but affects several jurisdictions. This is most notable in the Atlantic Region and Manitoba where the Aboriginal growth rates become 3.08 and 2.91 per cent compared to 2.55 and 2.76 per cent, respectively, under the reference projection.

Table 2: Age Composition of the Aboriginal and Non-Aboriginal Populations, Canada, 2011 and Projection for 2036

	2011		Non-Aboriginal	2036 Projection				
	Non-Aboriginal	Aboriginal		Aboriginal				
				A. Reference	B. Moderate fertility convergence	C. Constant fertility	D. No ethnic mobility	E. No internal migration
0-14	16.6	28.8	15.3	19.0	20.6	22.1	20.2	19.1
15-64	69.3	65.6	60.0	64.8	63.6	62.4	63.9	64.7
65+	14.1	5.6	24.7	16.2	15.8	15.4	16.0	16.2
Working-age (15+)	83.4	71.2	84.7	81.0	79.4	77.9	79.8	80.9

Source: Figures for 2011 are the author's calculations based on the 2011 National Household Survey. Projections to 2036 are from Morency *et al.* (2015), Table A-1.

Age breakdown

Tables 2 show the age breakdown of the Aboriginal and non-Aboriginal populations for Canada in 2011 and in 2036 under the five projection scenarios. The Aboriginal population skewed substantially younger than the non-Aboriginal population in 2011. Among Aboriginal people, 28.8 per cent were below age 15. The corresponding share among non-Aboriginal people was 16.6 per cent, 12.2 percentage-points lower. At the other end of the age spectrum, 5.6 per cent of Aboriginal people were aged 65 and over, compared to 14.1 per cent among non-Aboriginal people (a gap of 8.5 percentage-points). The share of the population that was aged 15-64 was slightly larger among non-Aboriginals than among Aboriginal people (69.3 per cent and 65.6 per cent, respectively) although for the Aboriginal population 52.7 per cent were below 45 years of age compared to 38.7 per cent for the non-Aboriginal aggregate of the population.

Overall, the working-age population comprised 83.4 per cent of the non-Aboriginal population and 71.2 per cent of the Aboriginal population.

The Aboriginal population is expected to remain relatively youthful in 2036, although the age distribution will move considerably closer to that of the non-Aboriginal population. Under the reference projection, the share of Aboriginal people below age 15 declines from 28.8 per cent to 19.0 per cent. As a result, the working-age population share rises from 71.2 per cent to 81.0 per cent. Thus, a substantial part of Aboriginal labour force growth over the projection horizon is expected to come from the aging of the population, with the current large cohort of people aged 0-14 moving into working-age. Among non-Aboriginal people, the working-age population share is projected to rise only slightly, from 83.4 to 84.7 per cent.

Table 3: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada, 2011

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Non-Aboriginal (thousands)	4,040	4,103	4,261	5,091	4,223	4,413	26,133
Aboriginal (thousands)	242	178	169	179	117	75	961
Share Non-Aboriginal (%)	15.5	15.7	16.3	19.5	16.2	16.9	100.0
Share Aboriginal (%)	25.2	18.5	17.6	18.6	12.2	7.9	100.0

Source: 2011 National Household Survey.

Note: See Appendix table 3a and 3b for breakdowns for each projection scenario for Canada and by region.

Table 3 displays the absolute size and distribution of the working-age population in 2011 for the five 10 year age groups from 15 to 64 and the 65 and over age group for Canada for the non-Aboriginal and Aboriginal populations. The Aboriginal working age population is much younger, with 61.3 per cent in the three youngest age groups (15-24, 25-34 and 35-44) at the national level, compared to 47.5 per cent for the non-Aboriginal population.

Table 4 shows the absolute size and distribution of the working-age population in 2036 by 10 year age groups for Canada for the non-Aboriginal and Aboriginal populations. By 2036, the aging of both the Aboriginal and non-Aboriginal population has reduced share of working age population in the 15-44 age groups to 53.0 per cent and 41.7 per cent respectively, with the gap between shares 11.3 percentage points, down from 13.8 per cent in 2011.

The effects of aging on the populations are demonstrated in Table 4 where the age breakdowns are calculated under each projection for 2036. Under the reference projection both Aboriginal and non-Aboriginal populations have the highest proportions of the working-age population in the 65+ category. The Aboriginal population is most heavily dominated at the opposite ends of the age cohorts, while the non-Aboriginal is proportioned mainly to the older end of the spectrum for each projection (with Aboriginal people having 18.3 per cent in the 15-

24 age group compared to 13 per cent at the non-Aboriginal national level under the reference projection, and 20 percent in the 65-and-over category compared to 29.2 per cent).

Table 4: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada, Projection for 2036, Reference Projection

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Non-Aboriginal	4,462	4,689	5,145	5,293	4,655	9,988	34,232
Aboriginal	371	353	352	308	242	406	2032
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Per Cent Share Non-Aboriginal	13.0	13.7	15.0	15.5	13.6	29.2	100.0
Per Cent Share Aboriginal	18.3	17.4	17.3	15.2	11.9	20.0	100.0

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Note: See Appendix table 1a to 1d for breakdowns for each projection scenario, and Appendix table 4a and 4b for the data by region.

Labour force participation rates

Table 5 presents the labour force participation rates in 2011 for the Aboriginal and non-Aboriginal working-age populations for Canada and the regions. At the national level, the participation rates were 61.4 per cent and 66.2 per cent for Aboriginal and non-Aboriginal people, respectively. The fact that the gap is only 4.9 percentage-points is a reflection of the much larger share of non-Aboriginals in the 65-and-over age category. In that age group, the participation rate is actually 0.8 percentage-points higher among Aboriginal people than among non-Aboriginal people. Within every other 10-year age category between ages 15 and 64, the participation gap is much larger than 4.9 per cent (Table 5, Panel B)

The two youngest 10-year age groups (15-24 and 25-34) exhibit the largest participation rate gaps between the Aboriginal and non-Aboriginal populations, at 12.4 points and 12.8 points respectively. The gap is 10.5 points for the 45-54 age group, 9.7 points for the 35-44 age group, and 7.0 points for the 55-64 age group. This is significant as the Aboriginal population is proportionally younger than the non-aboriginal aggregate of the population and is estimated to remain so in 2036.

Table 6 provides an estimate of what the labour force would have been in Canada in 2011 if there had been no differential in 10-year age groups participation rates between the Aboriginal and non-Aboriginal populations. This counterfactual increases the Aboriginal labour force

95,000 from 590,000 to 685,000 in 2011, amounting to a 16.1 per cent increase.⁷ The total labour force is 0.5 per cent higher.

The participation rate gaps for the working-age population as a whole are larger in the jurisdictions with larger Aboriginal presences in the population. The gap is 23.4 percentage-points in the Northern region, 14.2 percentage-points in Saskatchewan, and 10.3 percentage-points in Manitoba (Table 5, Panel B). It is smallest in the eastern provinces. The difference in participation rates is also more largely skewed in the younger age groups when comparing Aboriginal to non-Aboriginal participation rates (Table 5, Panel B).

Table 5: Labour Force Participation Rates of the Aboriginal and Non-Aboriginal Populations by Age Category, Canada, 2011

Panel A. Aboriginal and Non-Aboriginal National Participation Rates							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Non-Aboriginal	61.2	86.0	87.3	85.5	62.7	13.3	66.2
Aboriginal	48.8	73.1	77.6	75.1	55.6	14.0	61.4

Panel B. Gap between Non-Aboriginal and Aboriginal Rates							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	12.4	12.8	9.7	10.5	7.0	-0.8	4.9
Atlantic region	10.5	10.1	6.2	7.5	8.6	-1.0	1.6
Quebec	12.0	8.7	4.0	7.2	7.8	-2.0	2.9
Ontario	5.3	7.7	8.8	11.7	7.3	-0.4	2.6
Manitoba	24.8	18.5	15.5	10.9	13.2	-1.8	10.3
Saskatchewan	29.6	23.1	17.5	16.5	17.4	9.1	14.2
Alberta	17.6	12.0	10.2	12.6	10.0	2.0	9.3
British Columbia	7.1	13.6	10.7	10.9	5.1	-0.7	3.5
Northern region	18.5	16.8	16.9	22.3	14.8	22.8	23.4

Source: Author's calculations based on the 2011 National Household Survey.

Note: See Appendix table 5 for the breakdown of Panel A for each region.

⁷ The actual labour force in 2011 is the sum of the age-group populations weighted by the actual 2011 participation rates. The counterfactual labour force in 2011 uses the non-Aboriginal participation rates in place of the Aboriginal participation rates.

Table 6: Effect of Participation Rate Gap on Labour Force in 2011, Canada

Panel A: Participation Rate and Population Data by Age Group and Aboriginal Identity

	Participation Rate (Per cent)		Population (Thousands of persons)	
	Aboriginal	Non-Aboriginal	Aboriginal	Non-Aboriginal
15-24	48.8	61.2	242	4,040
25-34	73.1	86.0	178	4,103
35-44	77.6	87.3	169	4,261
45-54	75.1	85.5	179	5,091
55-64	55.6	62.7	117	4,223
65+	14.0	13.3	75	4,413

Panel B: Effect of the Participation Gap in 2011

	Aboriginal	Non-Aboriginal	Total
Actual labour force, 2011	590	17,309	17,898
Counterfactual labour force, 2011	685	17,309	17,994
Per cent change	16.1	0.0	0.5

Notes: The actual labour force in 2011 is the sum of the age-group populations weighted by the actual 2011 participation rates.

The counterfactual labour force in 2011 uses the non-Aboriginal participation rates in place of the Aboriginal participation rates.

Labour Force Projections

Table 7 presents the CSLS labour force projections for the Aboriginal and non-Aboriginal populations for Canada and the regions to 2036 based on the reference population projections.⁸ Scenarios 1 and 2 contain projections under two alternative assumptions about the evolution of the participation rate gap:

Scenario 1: the participation rate gap between Aboriginal and non-Aboriginal people remains unchanged over the 2011-2036 period.

Scenario 2: the participation rate for the Aboriginal population converges to that of the non-Aboriginal population over the 2011-2036 period.

Under scenario 1 (and using the reference population projection), the Aboriginal labour force in Canada is projected to grow by 545,400, from 590,000 in 2011 to 1,135,000 in 2036. The total labour force is projected to grow by 3,262,000. Thus, the projected Aboriginal share of

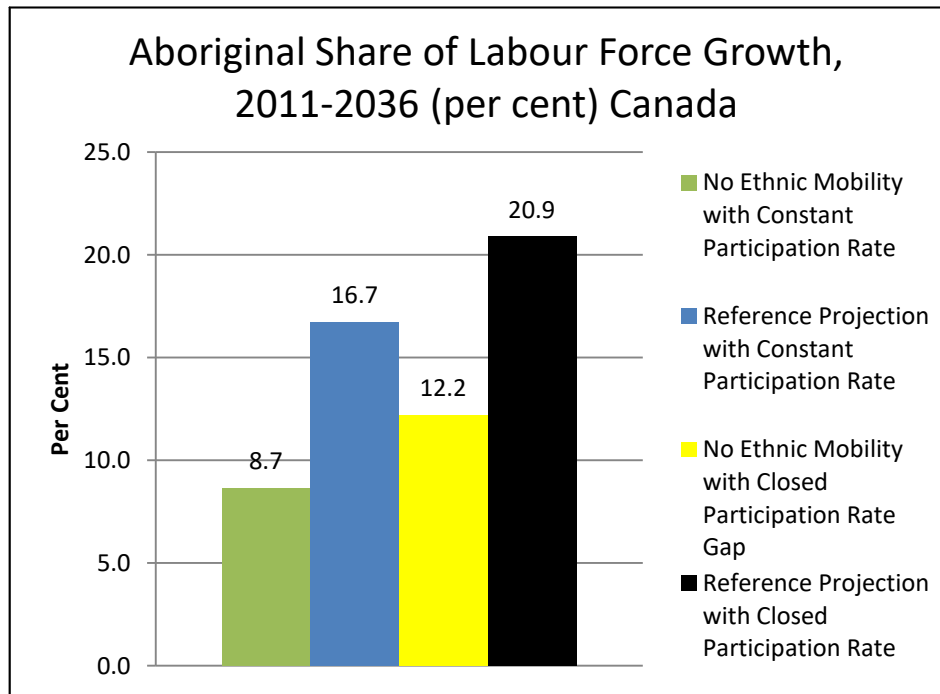
⁸ Appendix Tables 2a, 2b, 2c and 2d are based on the moderate fertility convergence projection, the constant fertility projection, the no ethnic mobility projection, and no internal migration projection respectively.

total labour force growth is 16.7 per cent. (Chart 1) This is notably greater than Aboriginal peoples' 2011 share of the working-age population in 2011 (3.5 per cent) and greater than their share of the 2011 labour force (3.3 per cent). The growth will cause the Aboriginal percentage share of the labour force to increase to 5.4 per cent by 2036.

Under scenario 2 where age-specific Aboriginal participation rates converge to non-Aboriginal rates, the Aboriginal labour force rises to 1,307,000 in 2036, an increase of 717,300 and accounts for 20.9 per cent of overall labour force growth between 2011 and 2036. The Aboriginal share of the labour force rises to 6.1 per cent.

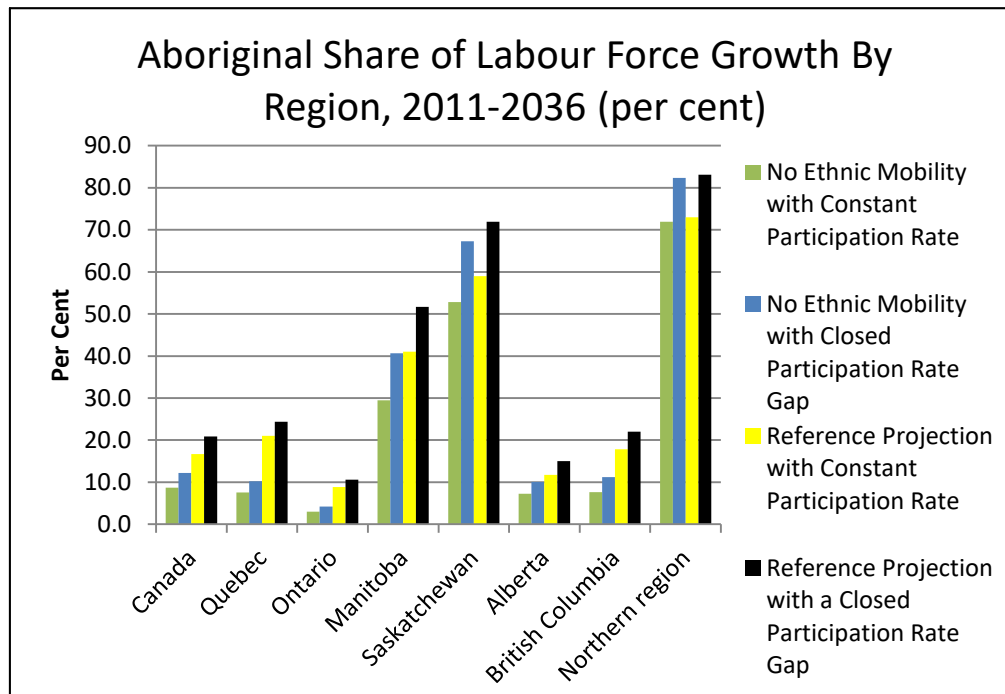
As noted earlier, the population projections from Statistics Canada are sensitive to assumptions about the rate of intra-generational ethnic mobility. The projections discussed in the preceding paragraph are based on the reference projection, which assumes that the rate of ethnic mobility remains at its average level from recent years over the projection horizon. If instead it is assumed that the rate of ethnic mobility is zero over the projection horizon, projected Aboriginal population growth is almost half as small. A high rate of ethnic mobility cannot persist indefinitely, though it may persist for some time into the future. The reference projection and the no ethnic mobility projection may represent upper and lower bounds, in these assumptions, on Aboriginal population growth over the 2011-2036 period. The comparison between these two projections under both scenarios are shown at the national level in Chart 1 and regionally in Chart 2.

Chart 1:



Source: Author's calculations based on the 2011 National Household Survey.

Chart 2:



Source: Author's calculations based on the 2011 National Household Survey.

Note: The Atlantic Region is not shown in the chart due to negative values for the Aboriginal share of labour force

Appendix Table 2c presents our labour force projections under the assumption of no ethnic mobility. Under scenario 1 (i.e. no closure of the participation rate gap), the Aboriginal labour force is projected to increase by 286,000, or 8.7 per cent of the total labour force increase for Canada (Chart 1). Under scenario 2 (i.e. the participation rate gap closes), Aboriginal labour force growth rises to 419,000, or 12.2 per cent of the total increase. The Aboriginal population represent between 4.1 and 4.7 per cent of the total labour force in 2036 in this projection. These Aboriginal contributions, while somewhat smaller than those based on the reference scenario, remain substantial relative to Aboriginal people's population share in 2011.

Regional Perspective

These projected Aboriginal contributions to national-level labour force growth are very large and convey a clear message that the Aboriginal population will be central to Canada's economic growth prospects. Yet the national numbers are dwarfed by the projected Aboriginal contributions within some provinces and territories. Under scenario 1 (i.e. no closure of the participation rate gap), Aboriginal people are projected to account for 73 per cent of labour force growth in the Northern region, 59 per cent in Saskatchewan, and 41 per cent in Manitoba. Under scenario 2 (i.e. the participation rate gap closes), these projected Aboriginal contributions rise to 83 per cent, 72 per cent, and 52 per cent, respectively.

Moreover, the Aboriginal contributions to projected labour force growth remain enormous within some jurisdictions (i.e. the Northern region, Saskatchewan, and Manitoba) even with no ethnic mobility. British Columbia, Quebec and Manitoba experience the largest drops in their Aboriginal labour force growth under the assumption of zero intergenerational ethnic

Table 7: Labour Force Projections for 2036, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Reference Projection

<u>Scenario 1: Participation Rate Gap Remains Unchanged</u>										
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			Aboriginal share of labour force growth, 2011-2036 (per cent)
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,135	20,025	21,160	545.4	2,716.6	3,262.0	16.7
Atlantic region	40	1,162	1,202	65	910	975	25.1	-252.3	-227.2	--
Quebec	64	4,113	4,178	126	4,345	4,471	61.7	231.5	293.1	21.0
Ontario	138	6,696	6,834	277	8,121	8,397	138.5	1,424.9	1,563.3	8.9
Manitoba	74	552	626	138	643	781	63.7	91.5	155.1	41.0
Saskatchewan	55	493	548	104	527	632	49.5	34.5	84.0	59.0
Alberta	93	2,017	2,110	207	2,872	3,079	113.6	855.6	969.2	11.7
British Columbia	104	2,246	2,350	188	2,633	2,821	83.9	386.8	470.7	17.8
Northern region	20	30	51	34	35	70	14.0	5.2	19.2	73.0
<u>Scenario 2: Participation Rate Gap Closes by 2036</u>										
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			Aboriginal share of labour force growth, 2011-2036 (per cent)
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,307	20,025	21,332	717.3	2,716.6	3,434.0	20.9
Atlantic region	40	1,162	1,202	73	910	983	32.6	-252.3	-219.6	--
Quebec	64	4,113	4,178	139	4,345	4,484	74.7	231.5	306.2	24.4
Ontario	138	6,696	6,834	308	8,121	8,428	169.3	1,424.9	1,594.2	10.6
Manitoba	74	552	626	172	643	815	97.8	91.5	189.2	51.7
Saskatchewan	55	493	548	143	527	670	88.4	34.5	122.8	71.9
Alberta	93	2,017	2,110	245	2,872	3,117	151.4	855.6	1,007.0	15.0
British Columbia	104	2,246	2,350	214	2,633	2,846	109.3	386.8	496.1	22.0
Northern region	20.4	30.3	51	46	35	81	25.5	5.2	30.7	83.1

Note: See Appendix for tables 2a to 2d for breakdowns for each projection scenarios growth, due to decreasing labour force numbers caused by emigration by the non-Aboriginal cohort

mobility, losing 10.2, 11.6 and 13.5 percentage-points, respectively in scenario 1 and 10.8, 11 and 14.1 percentage-points in scenario 2. These were the only Canadian regions that fell more than the national averages (4.3 percentage-points in scenario 1 and 4.5 percentage-points in scenario 2). While the Northern Region experiences almost no change, losing 1.1 and 0.8 percentage-points in the corresponding scenarios, these changes are seemingly negligible in comparison to their majority participation from their Aboriginal populations in labour force growth between 2011 and 2036.

From the projections on fertility shown in Appendix Tables 2a and 2b there is almost no change in the national level, and fertility levels do little to impact the jurisdictions with large Aboriginal labour force participation rates (as in Manitoba and Saskatchewan but with almost nothing in the Northern Regions). Appendix Table 2b shows the growth under the assumption that fertility remains at its constant 2011 level instead of converging to non-Aboriginal levels as assumed in the reference projection. Nevertheless, the changes account for only 0.5 to 1.2 percentage-point increases to Aboriginal share of labour force growth in the two regions.

Appendix Table 2d shows the no internal migration assumption has little effect nationally but it drastically affects several jurisdictions. The Atlantic Region experiences a much smaller loss of non-Aboriginal population leaving the labour force (a 129,600 person loss compared to 253,300 under the reference projection over 2011 to 2036). The regions with the highest proportional Aboriginal populations (the Northern Region, Manitoba and Saskatchewan) have much less Aboriginal-led growth under this projection. The areas' Aboriginal share of labour force growth fell 13.2 per cent, 14.2 per cent and 30.6 per cent under Scenario 1 (i.e. constant participation rate gap) and 10.4 per cent, 15.9 per cent and 30.8 per cent, respectively, under scenario 2 with a closed participation rate gap. The only area to see significant growth under this projection is British Columbia where there was an increase of 7.8 per cent and 9.1 per cent in the corresponding scenarios.

Conclusion

Using 2011 NHS data and official Statistics Canada population projections, we generated projections of the Aboriginal contribution to Canada's labour force growth between 2011 and 2036 for Canada and the regions under various scenarios. If the participation rate gap between Aboriginal and non-Aboriginal Canadians does not close, we project that Aboriginal people will contribute between 8.7 and 16.7 per cent of Canada's total labour force growth over the 2011-2036 period. If the participation rate gap does close, the projected Aboriginal contribution is 12.2 to 20.9 per cent of total labour force growth over the period. The regional data shows that the Aboriginal population will contribute as much as 73 per cent in scenario 1 and 83.1 per cent in scenario 2 for the Northern Region, or as little as 8.9 per cent to 10.4 per cent in Ontario under the corresponding assumptions.

The lower bounds of these ranges are based on the assumption of no ethnic mobility over the projection horizon; the upper bounds are based on the assumption that the rate of ethnic mobility maintains its current value over the projection horizon. The truth will probably turn out to lie somewhere between these two extreme assumptions. Reasonable point estimates are given

by the midpoints of the two ranges: Aboriginal contributions of 12.7 per cent if the participation rate gap does not close or 16.6 per cent if the participation rate gap does close.

The Aboriginal contribution will be especially important to Northern Canada, Saskatchewan and Manitoba. In those jurisdictions, Aboriginal people will contribute upwards of 50 per cent of labour force growth over the 2011-2036 period (and over 80 per cent in the case of the Northern region) if the within-jurisdiction participation rate gaps close.

This study clearly supports the notion that Canada's future economic growth rate will be heavily influenced by the Aboriginal population. That growth rate can be substantially bolstered if the labour force participation rate of all Aboriginal people is raised substantially. Of particular importance is the successful integration into the workforce of the large cohort of Aboriginal youth.

It is important to stress that the labour force participation rate is just one of the socio-economic gaps that need to be addressed. Aboriginal people also face deficiencies in hours worked, employment, income by level of education and health among others. The Centre for the Study of Living Standards (Calver, 2015) has demonstrated how addressing some of these others gaps would increase the size of the Canadian economy. Canada's Gross Domestic Product (GDP) would be \$36.4 billion greater in 2031 if the Indigenous education attainment gap and related gaps for employment rates and income by level of employment were closed.

Earlier this year Finance Minister Morneau's Advisory Council identified some of the obstacles to better economic and social outcomes for Indigenous people. Their list included the lack of predictability of funding, more of a focus on social than economic needs and lack of access to high-speed broadband in many Indigenous communities. Progress must be based on Indigenous autonomy and this in turn will require strengthening administrative and managerial capacities, most likely under new institutional arrangements.

The Prime Minister has committed to a new Government-to-Government relationship with Indigenous people, a new fiscal relationship and closing socio-economic gaps. This is the "right thing" to do. It is also smart economic policy. For Indigenous people. For all Canadians.

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Appendix Tables:

Appendix Table 1A: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Projection for 2036, Moderate Fertility Convergence Projection

Panel A. Non-Aboriginal							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	4,462	4,689	5,145	5,293	4,655	9,988	34,232
Atlantic region	188	186	220	262	268	684	1,808
Quebec	975	1,014	1,132	1,176	1,078	2,336	7,711
Ontario	1,825	1,951	2,156	2,132	1,856	3,983	13,903
Manitoba	144	142	155	162	139	296	1,038
Saskatchewan	113	104	112	133	114	254	830
Alberta	631	658	687	714	574	1,047	4,311
British Columbia	581	627	676	705	618	1,376	4,583
Northern region	7	7	8	8	8	11	49

Panel B. Aboriginal							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	380	353	352	308	242	406	2041
Atlantic region	20	18	19	18	16	31	122
Quebec	39	37	36	34	29	52	227
Ontario	86	81	84	74	61	107	493
Manitoba	48	46	45	37	29	47	252
Saskatchewan	46	37	35	29	21	33	201
Alberta	68	66	62	53	39	58	346
British Columbia	60	55	60	53	41	70	339
Northern region	12	12	11	10	6	10	61

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Appendix Table 1B: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Projection for 2036, Constant Fertility Projection

Panel A. Non-Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	4,463	4,689	5,145	5,293	4,655	9,988	34,233
Atlantic region	188	186	220	262	268	684	1,808
Quebec	975	1,014	1,132	1,176	1,078	2,336	7,711
Ontario	1,825	1,951	2,156	2,132	1,856	3,983	13,903
Manitoba	144	142	155	162	139	296	1,038
Saskatchewan	113	104	112	133	114	254	830
Alberta	632	658	687	714	574	1,047	4,312
British Columbia	581	627	676	704	618	1,376	4,582
Northern region	7	7	8	8	8	11	49

Panel B. Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	389	353	352	307	242	406	2049
Atlantic region	20	18	19	18	16	31	122
Quebec	40	38	36	34	28	52	228
Ontario	87	81	84	74	61	107	494
Manitoba	50	46	45	37	29	47	254
Saskatchewan	49	37	35	29	21	33	204
Alberta	70	66	62	53	39	57	347
British Columbia	61	55	60	53	41	70	340
Northern region	12	12	11	10	6	10	61

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Appendix Table 1C: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Projection for 2036, No Ethnic Mobility Projection

Panel A. Non-Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	4,540	4,770	5,220	5,368	4,716	10,079	34,693
Atlantic region	192	192	225	268	275	692	1,844
Quebec	987	1,025	1,142	1,187	1,087	2,350	7,778
Ontario	1,852	1,980	2,183	2,158	1,876	4,013	14,062
Manitoba	149	147	160	167	143	303	1,069
Saskatchewan	113	105	113	135	116	256	838
Alberta	645	672	699	726	583	1,058	4,383
British Columbia	594	641	689	718	629	1,394	4,665
Northern region	7	7	8	8	8	12	50

Panel B. Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	293	272	277	232	181	314	1569
Atlantic region	14	12	12	11	10	21	80
Quebec	27	26	25	23	19	38	158
Ontario	58	52	57	49	41	76	333
Manitoba	41	41	40	32	25	40	219
Saskatchewan	43	36	33	27	19	31	189
Alberta	53	53	51	41	30	46	274
British Columbia	45	41	46	39	29	53	253
Northern region	12	12	11	10	6	10	61

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Appendix Table 1D: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Projection for 2036, No Internal Migration Projection

Panel A. Non-Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	4,464	4,691	5,150	5,300	4,658	9,988	34,251
Atlantic region	220	232	267	284	273	694	1,970
Quebec	1,017	1,057	1,190	1,238	1,111	2,351	7,964
Ontario	1,788	1,905	2,118	2,085	1,825	3,978	13,699
Manitoba	167	167	185	187	152	308	1,166
Saskatchewan	135	132	142	156	124	260	949
Alberta	583	600	616	683	571	1,039	4,092
British Columbia	546	589	626	656	591	1,341	4,349
Northern region	7	8	7	10	9	18	59

Panel B. Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	371	353	353	306	241	406	2030
Atlantic region	24	22	24	21	19	31	141
Quebec	39	38	36	34	28	51	226
Ontario	85	81	85	74	61	107	493
Manitoba	50	50	47	37	29	46	259
Saskatchewan	46	39	36	29	20	31	201
Alberta	58	58	55	51	39	57	318
British Columbia	56	54	58	51	40	71	330
Northern region	12	12	11	10	7	10	62

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Appendix Table 2A: Labour Force Projections for 2036, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Moderate Fertility Convergence Projection

	<u>Scenario 1: Participation Rate Gap Remains Unchanged</u>									
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			Aboriginal share of labour force growth, 2011-2036 (per cent)
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,139	20,025	21,165	549.8	2,716.6	3,266.4	16.8
Atlantic region	40	1,162	1,202	64	910	974	24.3	-252.3	-228.0	--
Quebec	64	4,113	4,178	126	4,345	4,471	61.4	231.5	292.9	21.0
Ontario	138	6,696	6,834	277	8,121	8,398	139.0	1,424.9	1,563.9	8.9
Manitoba	74	552	626	138	643	781	64.1	91.5	155.6	41.2
Saskatchewan	55	493	548	106	527	633	50.8	34.5	85.2	59.6
Alberta	93	2,017	2,110	208	2,872	3,080	114.1	855.6	969.7	11.8
British Columbia	104	2,246	2,350	189	2,633	2,821	84.4	386.8	471.2	17.9
Northern region	20	30	51	34	35	70	14.0	5.2	19.2	73.0
<u>Scenario 2: Participation Rate Gap Closes by 2036</u>										
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			Aboriginal share of labour force growth, 2011-2036 (per cent)
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,312	20,025	21,338	722.9	2,716.6	3,439.5	21.0
Atlantic region	40	1,162	1,202	72	910	982	31.8	-252.3	-220.5	--
Quebec	64	4,113	4,178	139	4,345	4,484	74.4	231.5	305.9	24.3
Ontario	138	6,696	6,834	308	8,121	8,429	169.9	1,424.9	1,594.8	10.7
Manitoba	74	552	626	172	643	816	98.4	91.5	189.9	51.8
Saskatchewan	55	493	548	145	527	673	90.5	34.5	125.0	72.4
Alberta	93	2,017	2,110	246	2,872	3,118	152.1	855.6	1,007.7	15.1
British Columbia	104	2,246	2,350	214	2,633	2,847	109.9	386.8	496.7	22.1
Northern region	20.4	30.3	51	46	35	81	25.5	5.2	30.7	83.1

Appendix Table 2B: Labour Force Projections for 2036, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Constant Fertility Projection

	<u>Scenario 1: Participation Rate Gap Remains Unchanged</u>									Aboriginal share of labour force growth, 2011-2036 (per cent)
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,143	20,026	21,169	553.4	2,717.2	3,270.7	16.9
Atlantic region	40	1,162	1,202	64	910	974	24.3	-252.3	-228.0	--
Quebec	64	4,113	4,178	127	4,345	4,471	62.1	231.5	293.6	21.2
Ontario	138	6,696	6,834	278	8,121	8,398	139.5	1,424.9	1,564.4	8.9
Manitoba	74	552	626	139	643	782	64.9	91.5	156.4	41.5
Saskatchewan	55	493	548	107	527	634	52.0	34.5	86.5	60.2
Alberta	93	2,017	2,110	208	2,873	3,081	115.0	856.3	971.2	11.8
British Columbia	104	2,246	2,350	189	2,632	2,821	84.9	386.0	470.9	18.0
Northern region	20	30	51	34	35	70	14.0	5.2	19.2	73.0
	<u>Scenario 2: Participation Rate Gap Closes by 2036</u>									Aboriginal share of labour force growth, 2011-2036 (per cent)
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,317	20,026	21,343	727.5	2,717.2	3,444.7	21.1
Atlantic region	40	1,162	1,202	72	910	982	31.8	-252.3	-220.5	--
Quebec	64	4,113	4,178	140	4,345	4,484	75.3	231.5	306.8	24.5
Ontario	138	6,696	6,834	309	8,121	8,429	170.5	1,424.9	1,595.4	10.7
Manitoba	74	552	626	174	643	817	99.8	91.5	191.3	52.2
Saskatchewan	55	493	548	147	527	675	92.6	34.5	127.1	72.9
Alberta	93	2,017	2,110	247	2,873	3,120	153.2	856.3	1,009.5	15.2
British Columbia	104	2,246	2,350	215	2,632	2,847	110.5	386.0	496.5	22.3
Northern region	20.4	30.3	51	46	35	81	25.5	5.2	30.7	83.1

Appendix Table 2C: Labour Force Projections for 2036, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, No Ethnic Mobility Projection

	<u>Scenario 1: Participation Rate Gap Remains Unchanged</u>									Aboriginal share of labour force growth, 2011-2036 (per cent)
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	876	20,323	21,198	286.0	3,013.9	3,300.0	8.7
Atlantic region	40	1,162	1,202	42	932	973	1.6	-230.4	-228.8	--
Quebec	64	4,113	4,178	87	4,386	4,473	22.3	273.2	295.5	7.6
Ontario	138	6,696	6,834	185	8,223	8,408	46.8	1,527.6	1,574.4	3.0
Manitoba	74	552	626	121	664	784	46.7	111.9	158.6	29.4
Saskatchewan	55	493	548	99	533	632	44.6	39.9	84.5	52.8
Alberta	93	2,017	2,110	165	2,924	3,089	71.3	907.3	978.6	7.3
British Columbia	104	2,246	2,350	141	2,684	2,825	36.3	438.0	474.3	7.7
Northern region	20	30	51	34	36	70	14.0	5.5	19.5	71.9
	<u>Scenario 2: Participation Rate Gap Closes by 2036</u>									Aboriginal share of labour force growth, 2011-2036 (per cent)
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,009	20,323	21,331	419.0	3,013.9	3,433.0	12.2
Atlantic region	40	1,162	1,202	47	932	978	6.5	-230.4	-223.9	--
Quebec	64	4,113	4,178	96	4,386	4,482	31.2	273.2	304.4	10.2
Ontario	138	6,696	6,834	206	8,223	8,429	67.3	1,527.6	1,594.9	4.2
Manitoba	74	552	626	151	664	814	76.7	111.9	188.6	40.7
Saskatchewan	55	493	548	137	533	669	82.0	39.9	121.9	67.3
Alberta	93	2,017	2,110	195	2,924	3,119	101.2	907.3	1,008.5	10.0
British Columbia	104	2,246	2,350	160	2,684	2,844	55.3	438.0	493.3	11.2
Northern region	20.4	30.3	51	46	36	82	25.5	5.5	31.0	82.3

Appendix Table 2D: Labour Force Projections for 2036, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, No Internal Migration Projection

	<u>Scenario 1: Participation Rate Gap Remains Unchanged</u>									Aboriginal share of labour force growth, 2011-2036 (per cent)
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,134	20,040	21,174	544.1	2,731.8	3,275.9	16.6
Atlantic region	40	1,162	1,202	77	1,033	1,110	37.2	-129.6	-92.4	--
Quebec	64	4,113	4,178	126	4,532	4,658	61.5	419.0	480.6	12.8
Ontario	138	6,696	6,834	277	7,966	8,244	139.2	1,270.7	1,410.0	9.9
Manitoba	74	552	626	143	740	883	69.0	188.4	257.4	26.8
Saskatchewan	55	493	548	107	624	731	52.1	131.5	183.5	28.4
Alberta	93	2,017	2,110	189	2,695	2,885	95.9	678.5	774.5	12.4
British Columbia	104	2,246	2,350	182	2,473	2,656	78.2	227.4	305.6	25.6
Northern region	20	30	51	35	40	75	14.7	9.9	24.5	59.8
<u>Scenario 2: Participation Rate Gap Closes by 2036</u>										
	Labour force, 2011			Labour force, 2036			Change in labour force, 2016-2036			Aboriginal share of labour force growth, 2011-2036 (per cent)
	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	Aboriginal	Non-Aboriginal	Total	
Canada	590	17,309	17,898	1,305	20,040	21,346	715.9	2,731.8	3,447.7	20.8
Atlantic region	40	1,162	1,202	86	1,033	1,119	46.3	-129.6	-83.2	--
Quebec	64	4,113	4,178	139	4,532	4,671	74.6	419.0	493.6	15.1
Ontario	138	6,696	6,834	308	7,966	8,275	170.2	1,270.7	1,440.9	11.8
Manitoba	74	552	626	179	740	919	104.9	188.4	293.3	35.8
Saskatchewan	55	493	548	147	624	771	92.1	131.5	223.5	41.2
Alberta	93	2,017	2,110	224	2,695	2,919	130.2	678.5	808.7	16.1
British Columbia	104	2,246	2,350	207	2,473	2,680	102.8	227.4	330.2	31.1
Northern region	20.4	30.3	51	47	40	87	26.3	9.9	36.2	72.7

Appendix Table 3A: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, 2011

Panel A. Non-Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	4,040	4,103	4,261	5,091	4,223	4,413	26,133
Atlantic region	257	251	288	366	340	341	1,844
Quebec	944	1,005	993	1,238	1,070	1,115	6,365
Ontario	1,646	1,547	1,705	2,000	1,585	1,714	10,197
Manitoba	126	126	124	152	131	143	803
Saskatchewan	108	114	102	128	113	131	696
Alberta	450	525	487	528	394	347	2,731
British Columbia	504	528	556	669	583	621	3,461
Northern region	5	8	7	9	6	2	36

Panel B. Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	242	178	169	179	117	75	961
Atlantic region	14	10	13	12	10	6	65
Quebec	22	17	17	21	16	11	104
Ontario	49	40	39	44	28	19	219
Manitoba	35	25	21	21	14	9	126
Saskatchewan	29	19	17	17	9	6	97
Alberta	40	30	27	25	13	8	145
British Columbia	42	30	28	33	23	13	170
Northern region	10	7	6	6	3	2	34

Source: 2011 National Household Survey.

Appendix Table 3B: Age Distribution of the Working Age Population, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, 2011

Panel A. Non-Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	15.5	15.7	16.3	19.5	16.2	16.9	100.0
Atlantic region	14.0	13.6	15.6	19.9	18.4	18.5	100.0
Quebec	14.8	15.8	15.6	19.4	16.8	17.5	100.0
Ontario	16.1	15.2	16.7	19.6	15.5	16.8	100.0
Manitoba	15.7	15.7	15.5	19.0	16.3	17.8	100.0
Saskatchewan	15.5	16.4	14.6	18.3	16.3	18.9	100.0
Alberta	16.5	19.2	17.8	19.3	14.4	12.7	100.0
British Columbia	14.6	15.2	16.1	19.3	16.9	17.9	100.0
Northern region	14.6	21.0	18.2	25.0	16.8	4.3	100.0

Panel B. Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	25.2	18.5	17.6	18.6	12.2	7.9	100.0
Atlantic region	22.0	14.7	20.2	18.9	14.8	9.4	100.0
Quebec	21.0	16.5	16.6	19.9	15.2	10.7	100.0
Ontario	22.2	18.1	17.8	20.2	13.0	8.7	100.0
Manitoba	27.6	19.9	17.0	16.8	11.4	7.3	100.0
Saskatchewan	30.0	20.0	17.2	17.1	9.3	6.4	100.0
Alberta	27.8	20.9	18.8	17.6	9.3	5.6	100.0
British Columbia	24.8	17.6	16.7	19.1	13.7	7.9	100.0
Northern region	30.9	20.5	17.5	17.1	8.0	6.0	100.0

Source: 2011 National Household Survey.

Appendix Table 4A: Working Age Population by Age Category, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Projection for 2036, Reference Projection

Panel A. Non-Aboriginal							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	4,462	4,689	5,145	5,293	4,655	9,988	34,232
Atlantic region	188	186	220	262	268	684	1,808
Quebec	975	1,014	1,132	1,176	1,078	2,336	7,711
Ontario	1,825	1,951	2,156	2,132	1,856	3,983	13,903
Manitoba	144	142	155	162	139	296	1,038
Saskatchewan	113	104	112	133	114	254	830
Alberta	631	658	687	714	574	1,047	4,311
British Columbia	581	627	676	705	618	1,376	4,583
Northern region	7	7	8	8	8	11	49

Panel B. Aboriginal							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	371	353	352	308	242	406	2032
Atlantic region	20	18	19	19	16	31	123
Quebec	39	38	36	34	28	52	227
Ontario	85	81	84	74	61	107	492
Manitoba	47	46	45	37	29	47	251
Saskatchewan	43	37	35	29	21	33	198
Alberta	67	66	62	53	39	58	345
British Columbia	59	55	60	53	41	70	338
Northern region	12	12	11	10	6	10	61

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Appendix Table 4B: Age Distribution of the Working Age Population, Aboriginal and Non-Aboriginal Populations, Canada and the Provinces, Projection for 2036, Reference Projection

Panel A. Non-Aboriginal							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	13.0	13.7	15.0	15.5	13.6	29.2	100.0
Atlantic region	10.4	10.3	12.2	14.5	14.8	37.8	100.0
Quebec	12.6	13.2	14.7	15.3	14.0	30.3	100.0
Ontario	13.1	14.0	15.5	15.3	13.3	28.6	100.0
Manitoba	13.9	13.7	14.9	15.6	13.4	28.5	100.0
Saskatchewan	13.6	12.5	13.5	16.0	13.7	30.6	100.0
Alberta	14.6	15.3	15.9	16.6	13.3	24.3	100.0
British Columbia	12.7	13.7	14.8	15.4	13.5	30.0	100.0
Northern region	14.3	14.3	16.3	16.3	16.3	22.4	100.0

Panel B. Aboriginal							
	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	18.3	17.4	17.3	15.2	11.9	20.0	100.0
Atlantic region	16.3	14.6	15.4	15.4	13.0	25.2	100.0
Quebec	17.2	16.7	15.9	15.0	12.3	22.9	100.0
Ontario	17.3	16.5	17.1	15.0	12.4	21.7	100.0
Manitoba	18.7	18.3	17.9	14.7	11.6	18.7	100.0
Saskatchewan	21.7	18.7	17.7	14.6	10.6	16.7	100.0
Alberta	19.4	19.1	18.0	15.4	11.3	16.8	100.0
British Columbia	17.5	16.3	17.8	15.7	12.1	20.7	100.0
Northern region	19.7	19.7	18.0	16.4	9.8	16.4	100.0

Source: Author's calculations based on output from the Aboriginal population projection microsimulation model described in Morency et al. (2015).

Appendix Table 5: Labour Force Participation Rates of the Aboriginal and Non-Aboriginal Populations by Age Category, Canada, 2011

Panel A. Non-Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	61.2	86.0	87.3	85.5	62.7	13.3	66.2
Atlantic region	61.6	86.4	87.4	83.0	57.7	10.1	63.0
Quebec	61.2	86.4	88.1	85.6	57.3	10.7	64.6
Ontario	58.8	85.3	86.4	85.0	63.5	13.3	65.7
Manitoba	67.1	86.4	90.0	89.2	67.0	15.8	68.7
Saskatchewan	71.4	88.3	91.8	90.2	70.6	20.2	70.8
Alberta	67.7	87.4	88.4	87.9	72.7	20.8	73.9
British Columbia	59.4	84.6	86.1	84.7	63.7	13.4	64.9
Northern region	63.3	88.4	95.1	95.5	80.2	29.2	83.8

Panel B. Aboriginal

	15-24	25-34	35-44	45-54	55-64	65+	Working-age (15+)
Canada	48.8	73.1	77.6	75.1	55.6	14.0	61.4
Atlantic region	51.1	76.3	81.2	75.6	49.1	11.1	61.5
Quebec	49.2	77.7	84.1	78.5	49.5	12.7	61.7
Ontario	53.6	77.6	77.6	73.3	56.1	13.7	63.0
Manitoba	42.3	68.0	74.6	78.3	53.8	17.6	58.4
Saskatchewan	41.9	65.2	74.2	73.7	53.2	11.1	56.6
Alberta	50.1	75.4	78.2	75.3	62.7	18.8	64.5
British Columbia	52.3	71.0	75.4	73.8	58.6	14.1	61.4
Northern region	44.8	71.6	78.1	73.2	65.4	6.4	60.4