Engaging Métis, Inuit, and First Nations Workers: Challenges and Opportunities

Prepared by The Conference Board of Canada

A recent report from The Conference Board of Canada analyzes the challenges and opportunities employers encounter when engaging Aboriginal workers in Canada. Through a review of literature and data, telephone interviews with key industry, education and Aboriginal stakeholders, and a survey of employers, the report explores the extent to which Métis, Inuit and First Nations can help meet Canada’s current and future labour market and skills needs. The report provides recommendations on the steps that employers, Aboriginal organizations and policy-makers can take to help improve the labour market participation of Aboriginal workers.

Report overview

A recent report by The Conference Board of Canada focuses on the contribution that Aboriginal peoples can make to Canada’s ongoing competitiveness and performance. Understanding the Value, Challenges and Opportunities of Engaging Métis, Inuit, and First Nations Workers was funded by the Métis National Council and the Inuit Tapiriit Kanatami, and explores the extent to which Métis, Inuit and First Nations can help meet Canada’s current and future labour market and skills needs.
Background

Canada’s economic development and ongoing prosperity depend on having a strong and skilled workforce. In the coming years, however, Canada is unlikely to have enough workers with the right skills to meet its labour needs. Falling fertility rates and longer lifespans are aging Canada’s workforce at an accelerating rate. The result is not enough younger workers to replace those who are retiring. Further, many businesses are finding it increasingly difficult to recruit and hire qualified workers. This is particularly true in areas with small populations but high demand for skills, such as in Western and Northern Canada where primary industries including oil and gas, and mineral extraction are flourishing.

Demographic projections indicate that future population and labour force growth in Canada will come from international net migration as opposed to natural increases. However, there are important domestic sources of under-represented populations that can contribute to Canada’s current and future labour challenges, including Aboriginal peoples, women, disengaged youth and people with disabilities. Canada’s Aboriginal population is the fastest-growing population cohort in Canada, and could play a significant role in helping the country meet its labour market needs. However, the labour market participation of Canada’s Aboriginal population lags behind that of the non-Aboriginal population.

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3 Ibid.
Labour market participation challenges for Aboriginal workers

A number of factors impact the degree to which Aboriginal workers in Canada participate in the labour market. Some of these factors limit Aboriginal workers’ ability to take advantage of meaningful employment opportunities, while others create barriers for employers to find and recruit Aboriginal workers. Factors include where the Aboriginal population in Canada is located, educational levels, and language and cultural issues.

The Aboriginal population of Canada is more concentrated in the North, the Western provinces, and rural and remote locations than the non-Aboriginal population. Access to employment opportunities for Aboriginal workers living in remote, rural, or non-urban areas is generally limited to industries and organizations with local operations close to Aboriginal communities.

The Aboriginal population in Canada has lower levels of overall educational attainment than non-Aboriginal people. The 2011 National Household Survey (NHS) found that 12 per cent of Canada’s non-Aboriginal population aged 25 to 64 had not completed high school or obtained another diploma or certificate, compared with 29 per cent of the Aboriginal population (see Figure 1). Aboriginal rates of some types of postsecondary educational attainment also lag behind those of non-Aboriginal people in Canada. A notable exception is trades certificates—the Aboriginal population has attained slightly higher completion levels in this area than the non-Aboriginal population. The NHS found that 64.7 per cent of the non-Aboriginal population had completed a postsecondary certificate, diploma, or degree, compared with 48.4 per cent of the Aboriginal population. The lower overall educational attainment of Canada’s Aboriginal population can be attributed to a number of factors: generally lower socio-economic and health outcomes, more limited access to schools and culturally appropriate curricula, and the continuing impacts of residential schools.

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Lack of appropriate literacy and language skills is often a key barrier preventing Aboriginal workers from achieving their workforce potential. Aboriginal workers often face challenges to overcome the literacy barrier and develop their skills to “job standard” levels without assistance (i.e. workplace standards of at least International Adult Literacy Survey [IALS] Level 3).\textsuperscript{10}

Literacy skills include three key elements: proficiency in using documents, reading text, and solving problems; doing these things in the languages in which business is conducted in Canada; and demonstrating such skills against the backdrop of Canadian workplace culture. Racism is also a challenge facing Aboriginal workers in Canada. Negative stereotypes about

\textsuperscript{10} OECD and Statistics Canada, \textit{Literacy in the Information Age: Final Report of the International Adult Literacy Survey} (OECD and Statistics Canada, 2000). In the IALS, adult literacy is measured on a scale from one to five. Level 1 is the lowest level and Level 4/5 is the most advanced level. Level 3 is the minimum level of literacy an individual needs to function well in Canadian society.
Aboriginal people, as well as a lack of knowledge about Aboriginal people among the non-Aboriginal population can create misunderstandings and conflict in the workplace.

Increasing the participation of the Aboriginal population in the Canadian labour force will take time. It will require an array of policies, programs and practices that encourage and promote education, skills development, communications and respect, cultural awareness, and labour force attachment. It will also be important for the Aboriginal population to continue developing the right mix of skills, attitudes and behaviours needed to succeed in different occupations, industries and sectors across the country.

Further, it requires employers to be more aware of their skills needs, and to articulate these needs to educators, communities, and employment and training stakeholders. The Conference Board’s 2011 report *Building Labour Force Capacity in Canada’s North* notes that “businesses must commit to learning the culture, goals, history, and experiences of their Aboriginal and Northern workforce.” The report also points out that “Northerners [and Aboriginal people] must also learn the business culture of their employers and understand the organization’s goals.”

**Challenges, benefits and opportunities of engaging Aboriginal workers**

The purpose of The Conference Board of Canada’s recent report, *Understanding the Value*, was to gain insights into the challenges and opportunities for Aboriginal labour market development policies and programs to move forward. The research analysis was based on a review of literature and data; 13 telephone interviews with key industry, education and Aboriginal stakeholders; and an original survey of 173 employers. See box below: “Canadian Businesses Responding to the Survey” for survey methodology information.

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12 Ibid.
The report identifies the key challenges and impediments that businesses face when recruiting, hiring and retaining Aboriginal workers. In addition, the report looks at what more can be done by businesses, governments, education providers and Aboriginal communities to better support and sustain the meaningful integration of Aboriginal people into the workforce and to optimize the contribution they can make to the Canadian, regional and local economy.

Some Canadian businesses are actively engaged with the Aboriginal population and see Aboriginal workers as a valuable labour source. However, many businesses are not yet aware that hiring Aboriginal workers could potentially solve their human resources needs. Others would like to tap into this labour pool, but are unsure of where to find and how to attract Aboriginal workers.

Many of the businesses surveyed had experience employing more than one Aboriginal group within the past two years (N = 125): First Nations – 41.3 per cent of businesses; Métis – 28.6 per cent of businesses; Inuit – 19.7 per cent of businesses; Unsure – 9.7 per cent; None – 0.7 per cent.
Businesses were asked about their most pressing human resource challenges. The top challenges indicated were:

1. A shortage of qualified/skilled workers;
2. Difficulty retaining qualified/skilled workers;
3. The need to replace retiring workers, managers or leaders;
4. The need to attract under-represented workers (e.g. Aboriginal peoples, women, immigrants);
5. Transferring knowledge from retiring workers; and
6. The education system not meeting the needs of their industry.

Aboriginal Skills, Employment and Training Strategy (ASETS) agreement holders design and deliver employment programs to meet the needs of their local Aboriginal population and the local labour market. ASETS agreement holders receive and distribute federal funding for employment services to help Aboriginal people find and maintain employment. When asked about government programs, half of the businesses surveyed were aware of ASETS agreement holders. Some businesses were also aware of other government programs. However, almost one-third of businesses surveyed were not aware of any government programs to assist with the employment or training of Aboriginal workers.

Challenges with attracting and hiring Aboriginal workers

The functions of attracting and hiring workers are commonly grouped together under the term “recruitment.” Businesses were asked about their specific challenges with attracting and with hiring Aboriginal workers. “Attracting” was defined for businesses as finding Aboriginal workers or helping them find you. “Hiring” was defined as employing or onboarding Aboriginal workers into the organization.

Just over half (51.6 per cent) of survey respondents said they experienced challenges in attracting Aboriginal workers. The top challenges in attracting Aboriginal workers were said to be:

- Skill levels of potential workers are too low (skill examples: literacy, technical, leadership);
- A lack of work experience;
• Worker reluctance to move to job site/away from community;

• Language or cultural issues; and
• An inability to communicate or reach out to potential workers in Aboriginal communities.

Just under half (46.4 per cent) of survey respondents said they experienced challenges in hiring Aboriginal workers. The top challenges in hiring Aboriginal workers were said to be:

• A lack of qualifications, formal documentation or certification;
• Skill levels of new hires are too low (skill examples: literacy, technical, leadership);
• A lack of work experience;
• Differences in expectations between workers and employer; and
• Worker reluctant to move to job site/away from community.

The key challenges in attracting and hiring Aboriginal workers point to a lack of qualifications, skills, education and work experience; difficulties for employers in reaching out to potential Aboriginal workers; worker lack of awareness of employment opportunities; and worker reluctance to relocate. These issues reflect some of the reasons for lower Aboriginal engagement in the labour force, chiefly, lower education attainment levels and the location of Aboriginal populations.

Challenges with work performance and retention of Aboriginal workers
Once past the recruitment stage, some employers said they experienced challenges with Aboriginal workers’ job performance. Some were also challenged in keeping Aboriginal workers with the organization. About two-fifths (41.9 per cent) of survey respondents said they experienced challenges with the work performance of Aboriginal workers. The top challenges with the work performance of Aboriginal workers were said to be:

• Absenteeism;
• Productivity or performance issues;
• Inadequate skill levels for the workplace (examples: literacy, technical, leadership);
• Quality of work issues; and
• Substance abuse.
Just under half (45.4 per cent) of survey respondents said they experienced challenges with retaining Aboriginal workers. The top challenges with retaining Aboriginal workers were said to be:

- Limited career advancement opportunities;
- Hiring of Métis, Inuit or First Nations workers by other companies;
- Worker reluctance to move to job site/away from community;
- Lack of ongoing training or development opportunities; and
- Inadequate compensation (examples: salaries/wages, benefits and/or pensions).

The key challenges with work performance and in retaining Aboriginal workers point to education and skills issues; absenteeism; limited career advancement opportunities; substance abuse and criminal records; and language and cultural issues. These factors reflect some of the reasons for lower Aboriginal engagement in the labour force, including lower education attainment levels as well as language and cultural issues.

**Benefits of engaging Aboriginal workers**

While some employers face challenges recruiting and employing Aboriginal workers, the successful engagement of Aboriginal workers results in benefits for workers, employers and local communities. Aboriginal workers act as ambassadors for the employer organization in their home communities. As such, they may encourage others to seek employment there. Other benefits seen include:

- Aboriginal workers acting as role models in their communities;
- Organizations realizing better relationships and integration with the local community;
- Economic benefits to the community, including higher income levels and reduced local unemployment;
- Organizations increasing their understanding of Aboriginal cultural issues;
- Aboriginal workers improving their understanding of business pressures; and
- Improved employee equity and inclusion.
Those businesses that successfully employ Aboriginal workers experience a variety of benefits that go beyond simply finding qualified staff, such as reductions in skill gaps, absenteeism and staff turnover; improved quality of work and productivity; improved workplace health and safety; and increased profitability or competitiveness.

Successful engagement of Aboriginal workers

Our research sought examples of employers’ solutions and success stories in engaging with Aboriginal workers. Partners, such as educational institutions, play a key role in connecting employers with Aboriginal communities and potential workers. They help to address the challenges of outreach, building trust and cultural understanding, and bridging communications gaps. Canadian employers successfully partner with educational institutions, community organizations, band or treaty organizations, and Aboriginal labour market development organizations to recruit Aboriginal workers.

Employers also use a variety of other tools and strategies to recruit Aboriginal workers including advertising, local employment centres, mentoring opportunities, and internships or job placement programs. Offering opportunities such as mentoring, internships and job placements helps in attracting workers and ensuring a smooth transition to the organization. Forward-thinking employers offer such opportunities to position themselves as an employer of choice to prospective workers, and also to ease the school-to-work transition for Aboriginal workers.

Many businesses that actively recruit Aboriginal workers also have strategies in place to address work performance issues and to encourage the retention of these workers. Success stories speak of:

- Cultural programs, cultural support staff and Aboriginal-friendly workplace programs and/or policies: Culturally appropriate practices help in retaining workers. Examples include culturally sensitive recruitment and screening practices, cultural awareness training for staff (including non-Aboriginal and Aboriginal staff), spiritual ceremonies and cultural celebrations at job sites, and bereavement policies cognizant of Aboriginal culture. Programs such as these help to build awareness of the cultural differences within organizations. They also help to improve the understanding of expectations on all
sides (that is, the non-Aboriginal worker, the Aboriginal worker, and the employer) of what is needed on the job.

- Providing time for Aboriginal workers to participate in seasonal or traditional activities: Allowing time helps to address absenteeism and recognizes the cultural importance of these activities to the workers and their communities.
- Mentorship and internship programs: Mentoring and internships are often used to help address education and skills issues by embedding learning opportunities on the job.
- Language training: Whether an in-house program or external training provider is used, building language skills in English or French helps to close communications gaps on the job.
- Competitive compensation and benefits: Offering pay and benefits that are commensurate with other jobs in the sector or region are a means of retaining skilled Aboriginal workers.
- Career bridging programs: Providing career path planning guidance and bridging programs helps Aboriginal workers transition into new positions and see future opportunities for themselves within the organization.

**Strategies for action**

Despite successful employer-led initiatives to engage Aboriginal workers, both survey and interview evidence suggest employers in Canada face significant challenges with the attraction, hiring, work performance and retention of Aboriginal workers. Many of these challenges are due to the educational attainment of Canada’s Aboriginal population, which lags behind that of the non-Aboriginal population. In addition, some Aboriginal workers lack basic skills (e.g. literacy, numeracy and how to apply for a job) and work experience. Negative stereotypes and racism can hinder the success of Aboriginal workers in their efforts to find and keep engaging jobs. Misunderstandings between employers and Aboriginal employees about workplace expectations can also impede the labour market success of Aboriginal workers.

From the survey data, interviews and a literature review, a number of potential strategies or recommendations to improve the recruitment, hiring and retention of Aboriginal workers emerge.
Mentoring, internships and job-shadowing opportunities are ways that businesses can help Aboriginal workers to build skills and knowledge.

These strategies can help businesses to better engage with Aboriginal workers and help Aboriginal workers to better succeed in the labour market. They include:

1. **Improve educational outcomes**

   Consistently poor educational outcomes and a lack of work experience are significant impediments to Aboriginal peoples’ success in the workforce. Therefore, efforts to increase both secondary and postsecondary educational attainment among the Aboriginal population are called for. Concerted action by a number of stakeholders will be required to achieve this goal. The result will be improved access for Aboriginal people to quality secondary school education to facilitate their ability to obtain work or to enter postsecondary programs. Also critically important are opportunities for Aboriginal workers to develop basic skills including literacy and numeracy skills. Mentoring, internships and job-shadowing opportunities are ways that businesses can help Aboriginal workers to build skills and knowledge. Business can also partner with ASETS agreement holders or other organizations on training initiatives for Aboriginal workers.

2. **Increase information and best practice sharing**

   Increased opportunities for employers, training providers and other organizations to share knowledge and information would enhance their ability to assist Aboriginal workers. For instance, Aboriginal employment organizations (e.g. ASETS agreement holders) have limited opportunities to share best practices and learn from one another. Building their knowledge base would help these organizations to strengthen their ability to provide services and to exchange ideas for successful models and practices. Further research and analysis of future Aboriginal labour market development issues would also help in planning future services. Exchanging best practice information on how to market services and programs to potential employer clients would help raise awareness of available programs and services for employers.

3. **Simplify points of contact between employers and Aboriginal organizations**
There is a labyrinth of networks and contacts that employers must currently connect through in order to access potential Aboriginal workers. Some employers have difficulty engaging Aboriginal workers because of this complex web of Aboriginal organization networks that exist in Canada. Better coordination of information and services among Aboriginal organizations could make it easier for employers to engage Aboriginal workers. Improved coordination would result in simplified processes and fewer points of contact to allow employers to reach out and find potential Aboriginal workers more easily.

4. Raise awareness of Aboriginal cultures

Cultural awareness programs can help to overcome racism and misunderstandings in the workplace. They can help create more inclusive work environments by improving communications between Aboriginal and non-Aboriginal workers. Also, positive stories about Aboriginal people generated by the media, governments and industry can help to create better cultural understandings outside the workplace and can help combat negative stereotypes.

Canada’s Aboriginal population can play an important role in helping businesses meet their current and future human resources requirements. The findings of this research act as a starting point for creating a greater understanding of how to address the labour market integration challenges facing Aboriginal workers in Canada.

To obtain a copy of the full report, Understanding the Value, Challenges and Opportunities of Engaging Métis, Inuit and First Nations Workers, download it for free from The Conference Board of Canada’s website at www.conferenceboard.ca.

Bibliography


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