

DEVELOPING A COMMUNITY BASED MODEL TO IMPROVE LABOUR MARKET OUTCOMES FOR ABORIGINAL¹ PEOPLE IN WINNIPEG

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Aboriginal people in the Canadian context

Aboriginal people in Canada continue to measure poorly on several social and economic indicators when compared with non-Aboriginal people. For example, Aboriginal people generally have lower education levels, lower income levels and weaker attachment to the labour market. The 2011 National Household Survey (NHS) shows Aboriginal people to be faring poorly when compared to non-Aboriginal people across Canada generally and in Manitoba, where the percentage of Aboriginal people is particularly high.

Table 1: Median Income Aboriginal and Non-Aboriginal Canada and Manitoba

Age 15 and over	Total Income Canada	Employment income Canada	Total Income Manitoba	Employment Income Manitoba
Aboriginal Identity	\$20,701	\$24,481	\$17,690	\$24,456
Non-Aboriginal	\$30,195	\$31,908	\$30,709	\$31,314

2011 National Housing Survey: Data Tables. Selected Demographic, Income and Sociocultural Characteristics (109), Income Statistics in 2010 (3) and Income Sources (16) for the Population Aged 15 Years and Over in Private Households of Canada, Provinces, Territories, Census Metropolitan Areas and Census Agglomerations

While these statistics demonstrate the serious disparity, it should be noted that they are likely far worse given the NHS global non-response rate of 26.2 percent.

Census 2006, the most recent mandatory census data collected, shows the median total income of the Aboriginal population aged 25 to 54 was \$22,000 in 2005, compared to over \$33,000 for the non-Aboriginal population in the same age group. In 2006, one-third of Aboriginal adults

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¹ For the purposes of this paper Aboriginal includes First nations, Metis and Inuit.

aged 25 to 54 had less than a high school education compared to nearly 13 percent of the non-Aboriginal population, a difference of 20 percentage points (Statistics Canada Census 2006)². Government and business sectors are increasingly taking notice of the statistics that describe the social and economic outcomes of Aboriginal people. In part, this is because the Aboriginal population will be a significant source of labour in Canada's future. Statistics show that the Aboriginal population is growing at a faster pace than the non-Aboriginal population. According to Canada's 2011 National Household Survey (NHS), Aboriginal people accounted for 4.3 percent of the population in 2011. This is an increase from 3.8 percent of the population in the 2006 Census, 3.3 percent in the 2001 Census and 2.8 percent in the 1996 Census.

The Province of Manitoba has among the highest percentage of Aboriginal people in Canada. Fully 16.7 percent of the population of Manitoba's and 11 percent of Winnipeg, Manitoba's largest urban centre, identify as Aboriginal. Manitoba's Aboriginal population has increased from 15 percent in 2006 and Winnipeg's Aboriginal population from 10 percent. According to the NHS, the metropolitan area (CMA) of Winnipeg has the highest number of Aboriginal people of all CMAs in Canada and this population is expected to grow further. Statistics Canada estimates by 2031, between 18 percent and 21 percent of Manitoba's population will identify as Aboriginal.

Aboriginal people in Manitoba are also generally much younger than the non-Aboriginal population. In 2011, Aboriginal children aged 14 and under represented 28.7 percent of the total Aboriginal population in Winnipeg and 18.1 percent of all children in Winnipeg. By comparison, non-Aboriginal children aged 14 and under accounted for 16 percent of the non-Aboriginal population. The median age of the Aboriginal population is 21 years, almost half that of the non-Aboriginal population of 39 years. The Aboriginal population is also growing very quickly. Statistics Canada estimates 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.

The increasing number of Aboriginal people in Winnipeg is also the result of migration from reserve communities (First Nations) as individuals and their families relocate to Manitoba's largest city in search of better opportunities. Unemployment in First Nations is extremely high and poverty is rampant—fully 62% of First Nations children in Manitoba live in poverty (MacDonald and Wilson, 2013).

² Data on Aboriginal income and education is not yet available from The National Housing Survey (2011). The government of Canada no longer requires residents to complete census data therefore once data is received it will be difficult to compare with data previously collected through the mandatory census.

Of all CMAs, Winnipeg has the highest population of First Nation people living off reserve. Many of these families settle in Winnipeg's inner city and north end communities. According to most recently available neighbourhood data (Census 2006) 21 percent of the inner-city population identify as Aboriginal and in some inner-city neighbourhoods more than 50 percent of residents are Aboriginal. Within these neighbourhoods Aboriginal people are also among the poorest and most marginalized. For example, 65 percent of inner-city Aboriginal households have incomes below Canada's Low Income Cut Off measure (LICO).

Labour Market Participation

While the Aboriginal population in Manitoba grows, Aboriginal participation in the labour market continues to lag far behind that of the non-Aboriginal population. In 2010, the employment rate for the non-Aboriginal population (off reserve) aged 25 – 54 yrs was 86.5% compared with 71 percent for Aboriginal people. The unemployment rate for Aboriginal people was 9.3 percent compared with 3.8 percent for non Aboriginal people and the participation rate was 89.9 percent compared with 78.3 percent. The employment rate for non-Aboriginal people aged 15 24 was 63.5 percent in 2010 compared with 45.7 percent for Aboriginal people in this age group. Fully 70.4 percent of non-Aboriginal people participated in the labour market compared with 57.1 percent of Aboriginal people.

Governments, the business community and civil society groups recognize the need to improve labour market outcomes for Aboriginal people. The majority of Aboriginal people will access education and employment without great difficulty— highly educated and skilled Aboriginal people are in very high demand. However, the legacy of colonization and continued systemic racism in Canada has left many Aboriginal people with a host of barriers holding them back from reaching their full potential. Improving labour market outcomes will require that we rethink existing interventions.

In the past 10 years, two research studies have been conducted by the Canadian Centre for Policy Alternatives (CCPA) – Manitoba Research Alliance (MRA) in collaboration with community-based organizations. This research has involved interviews and focus groups with several employers, government officials, educators and those providing employment training and support services for individuals with marginal labour market attachment. Participants agreed that there are currently many opportunities for Aboriginal people to access labour market training and many employers seek to hire program graduates. However, there continues to be several challenges for individuals after they are employed.

Through this research we have concluded that a community-based labour market intermediary, specially designed to meet the needs of Aboriginal people and employers wanting to hire them, would best serve the needs of employers and prospective employees.

Labour Market Intermediaries (LMIs) can provide a necessary bridge for successful transition into the labour market of people who have had little or no previous workplace attachment. Successful models in the United States demonstrate that LMIs are most effective when they integrate on-the-job training and supports for both employers and prospective employees (Harrison & Weiss, 1998; Silver & Loewen, 2005).

In the case of Aboriginal people, a LMI can serve the specific purpose of matching employers with Aboriginal employees but they can also assist in easing the transition to work by providing ongoing supports with an emphasis on cultural reclamation for program participants and cultural competence training for employers.

Understanding challenges, needs and opportunities

An Aboriginal LMI can provide an important role in response to the challenges identified by the business community and in response to what Aboriginal people tell us when asked about their experiences finding meaningful employment and opportunities for advancement in their workplaces.

In a recent report titled *Understanding the Value, Challenges, and Opportunities of Engaging Metis, Inuit, and First Nation Workers* published by the Conference Board of Canada, the authors (Howard, Edge & Watt, 2012), report on findings from surveys of business that showed challenges in two key areas—attracting and hiring Aboriginal workers and work performance and retention. With regard to attracting Aboriginal workers, survey respondents noted challenges including low skill levels; lack of work experience; reluctance to relocate; language or cultural issues; and inability to communicate. Regarding work performance and retention, survey respondents noted absenteeism, productivity or performance issues; quality of work issues and substance abuse issues as particularly challenging.

There is a host of research looking at these and other challenges in an attempt to understand the root causes of some of these challenges — notably a history of colonial policies designed to assimilate indigenous people by stripping them of their identity and culture; continued institutional racism and the intergenerational poverty that has resulted from a misguided policy agenda.

At the moment, however, supports to ease the transition are minimal at best. This has resulted in continued challenges for employers and Aboriginal trainees. In Winnipeg there are many organizations providing training opportunities for Aboriginal people wanting to enter the labour market. They are making great gains; however, they tell us that once the training phase is complete, they have limited capacity to assist their trainees in the transition to employment. This is because training organizations are typically not funded beyond the training stage.

This creates a critical gap in service for at least three important reasons. First, many of the individuals who participate in training have had no previous attachment to the labour market. For these individuals, the adjustment to work life can be extremely difficult. Related to this, the second challenge is that employers are often not prepared for this type of worker: they expect workers to be “job ready”. Most employers assume that workers will have had some experience with work and will have a sense of what the culture of the typical workplace is like. This is not the case for many Aboriginal workers who have returned to training as adults wishing to enter the labour market, but having not experienced the culture of paid employment. These individuals have much to learn beyond the job-training phase. Third, there continues to be a cultural divide between Aboriginal and non-Aboriginal people. Racism remains prevalent in the workplace. This is a problem in its own right, but one that makes it especially difficult for Aboriginal workers first entering the labour market. Many simply give up and walk away from their jobs.

To better address the gap between training and employment for Aboriginal people who have been excluded from the labour market, researchers, employers and community training and other service providers have proposed an Urban Aboriginal LMI that could be a comprehensive point of service connecting employers with individuals who have had difficulty finding and keeping good jobs by providing a full range of supports that have been identified as necessary. The LMI would continue 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.

Features of a Labour Market Intermediary

A LMI is essentially a one-stop shop that connects employers with individuals who have had difficulty finding and keeping good jobs. It provides the full range of supports that are necessary for successful attachment to the labour market beyond the training stage. 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 titled *Grow Faster Together, or Grow Slowly Apart* (Elwood, 2004) 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 these 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 for the many graduates of their programs who have little or no employment history and many challenges, making the transition to employment is far more complicated. They also note that employers often have unrealistic expectations of individuals who often have no previous attachment to the labour market.

Small, Safe and Culturally Aligned

When considering an LMI that would best address the transition to employment for multi-barriered Aboriginal people it is useful to turn to the research examining the experience and outcomes for those who have made a successful transition. Aboriginal people who have returned to school as adults are more likely to succeed in environments that take a holistic approach to education and training. Ideally they are small programs where students or trainees build trusting relationships with program staff; they have program staff available to assist them access supports such as housing, income supports, childcare and counseling. An extremely important feature is the integration of healing and cultural reclamation. The legacy of colonization runs deep. Generations of Aboriginal people are paying a painful price as a result of government policies including those which gave us the residential school system – a means by which children were removed from their families and placed in state and church-run schools aimed at “removing the Indian from the child” (www.trc.ca) and the Sixties Scoop – the practice of removing children from their families and placing them in homes with non-Aboriginal families. While these practices have been abolished, systemic racism continues to be very real and many Aboriginal people continue to be oppressed and marginalized.

Aboriginal students and trainees speak to the need to “heal the spirit first” and this begins with understanding the history of colonization and its continued effects. (MacKinnon, 2011, 248). Integrating “decolonizing pedagogy” into the education and training experience is fundamental. As stated by one Aboriginal woman who returned to school as an adult to obtain her grade 12 certificate followed by a university degree, both obtained through small community based programs built from a decolonizing philosophy, the impact is “huge”.

...[without it] there is a piece missing. You can take lots of different bring and go out there and get a job and you can earn money and you do this and that, but you know- your' still ashamed of being an Indian. I had the benefit of experiencing something different, and if I had not, I would not be talking about this. For 44 years I walked around with my head up my ass because I'm supposed to be all those terrible tings and I'm not all those terrible things. I come from tribes of people that were amazing. But I never knew. (Mackinnon, 2011, 250).

For those Aboriginal people who are fortunate enough to participate in education and training that integrates decolonizing pedagogy, the transition from training to employment is easier. However many Aboriginal people seeking employment have not benefitted from this experience and even those who do are faced with racism when they enter the labour market.

It follows then that a LMI that integrates cultural reclamation for trainees in addition to education and awareness of the effects of colonization for employers is a critical component. Silvius and MacKinnon (2012) recommend a model that builds from earlier research and through consultations held in 2011 with Manitoba employers and CBOs familiar with the challenges many Aboriginal people face. The recommended model would be community-based and it would:

- Build on the long established relationships between CBOs and Aboriginal people;
- Simplify relationships between employers and participating CBOs;
- Simplify relationships between government and CBOs by tracking outcomes through the LMI;
- Employ personnel dedicated to supporting employers and employees and coordinating 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 already exists within CBOs, especially those that have integrated decolonization into all that they do. The LMI would not duplicate services that already exist.

An Aboriginal focused LMI would integrating the same concepts that we know work best for Aboriginal people who have dropped out of school and returned as adults—small, safe and centred on trusting relationships. (Silver, 2006; MacKinnon, 2011)

Current Status

In spite of what we have learned we have yet to see a LMI dedicated to marginalized and/or Aboriginal workers in Manitoba. There are several obstacles:

1. Funding. We have proposed a funding model that brings government and large employers to the table. We believe this to be an efficient solution. Many large employers have hired recruitment or community outreach workers to specifically reach out to Aboriginal organizations and communities in search of Aboriginal workers. It seems that a better approach might be for these employers to provide financial support to an LMI that has established relationships with training organizations and other stakeholder community organizations. The provincial government, the level of government responsible for training, has expressed some interest but has been slow to respond.
2. The changing policy landscape. Provincial governments are currently responsible for the delivery of training, however they rely on funding from the federal government. Until recently, labour market agreements with the federal government allowed for some flexibility so that federal funding could have potentially been provided to a LMI. However, the federal government recently announced a major policy change with the establishment of the Canada Job Grant (Mendelson & Zon, 2013). The parameters of the new program will make it more difficult if not impossible to allocate training funds to a LMI. This means that the provincial government will need to find funds elsewhere if they choose to commit to the LMI model we have proposed.
3. Local challenges. One reason the province may be hesitant to respond is because there is not full agreement on where such an entity should be located, both geographically and institutionally. Some existing organizations believe that they are well placed to provide the service of a LMI if they were properly funded to do so. Other community based training organizations are not completely convinced of the LMI model and believe that all community based training organizations should be provided with sufficient funds to deliver the kinds of transition services described by the LMI model. We have proposed a model that we believe can be effective and beneficial to governments, industry, training organizations and most important, to Aboriginal people with challenges transitioning into the labour market. We believe a LMI situated in Winnipeg is a good start because it is the major urban centre in the Province and the location that holds the most opportunities. We also believe that a model that brings together all of the key stakeholders, including training organizations, service providers, employers, governments and labour will provide

the best service to trainees and employers. Since there is no obvious and agreed upon home for a LMI, we continue to recommend a new entity be developed that brings together all of the pertinent stakeholders as equal partners. Unfortunately there may not be consensus from all of the stakeholders therefore it is incumbent upon the provincial government, if serious, to make a decision based on what will best serve the Aboriginal people seeking to find work and the employers interested in hiring them.

To our dismay, the provincial government appears to be taking a different course that in our view fails to capture the spirit of the LMI model. The Province of Manitoba takes the position that they can take aspects of the LMI approach and integrate them into a government-centred model that currently focuses on their relationship with industry sector councils. Sector councils are organizations that bring together businesses that work in related areas. However, they do not include CBOs and they tend not to fully understand the deeply rooted challenges facing many Aboriginal workers. CBOs working with Aboriginal and other marginalized workers seem to agree that the government/sector based model has serious limitations and moves too far from what the research on LMIs shows is required. In fact, research shows:

- a. That labour market-focused training alone will not be sufficient for many Aboriginal people. A process of healing that allows for the reclamation of indigenous identities and cultures is a critical component.
- b. That community-based models work well for those who have been socially and economically excluded and have had negative experiences with government systems leading to distrust. There is precedence for government supported community based models on this premise. For example, the government of Manitoba has long supported Supporting Employment and Economic Development (SEED) Winnipeg, Inc. A primary function of SEED is to assist low-income individuals start their own businesses. Similar supports are offered through the government based Canada/Manitoba Business Services Centre (CMBSC). However, the Province of Manitoba has recognized that many of the individuals assisted by SEED Winnipeg would be hesitant to access the CMBSC for the same reasons that marginalized people have difficulties with mainstream job search agencies.

Conclusion

The continued low level of Aboriginal participation in the labour market and the over representation of Aboriginal people among those with low-education, low-wages with few opportunities for advancement suggests that we are failing to meet the needs of many

Aboriginal people. We must therefore find new policy and program responses to better assist Aboriginal people transition into employment that provides a path to better social and economic outcomes.

There is much evidence to show that the Labour Market Intermediary model has been a success for marginalized workers and employers in other jurisdictions. It is a cost efficient solution that makes sense.

Further, the specific challenge and needs of Aboriginal people who have been deeply damaged by colonial policies, continued racism, and the effects of intergenerational poverty that result calls for a LMI that is specially designed for and by Aboriginal people in collaboration with partners committed to improving the social and economic outcomes of Aboriginal people.

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