

**ASSEMBLY OF FIRST NATIONS  
FIRST NATIONS LABOUR MARKET STRATEGY  
DRAFT FOR DISCUSSION – NOT FOR DISTRIBUTION  
ISSUE PAPER 3 – First Nations Labour Market Strategy and Agreement  
(FNLMS/FNLMA)**

**DESCRIPTION:** To set out the rationale for a First Nations specific strategy, allocation and agreement

**OPTIONS:**

1. Advance an agreement and strategy specific to First Nations
2. Continue with the status quo: An Aboriginal Labour Market Strategy with First Nations Agreements

**RATIONALE:**

The constitutional, administrative, geographic and socio-economic conditions of First Nations are distinct and it would be to the benefit of FNs and Government of Canada to move away from a one-size-fits-all pan-Aboriginal strategy

**CONSIDERATIONS:**

ESDC has always favoured pan-Aboriginal approaches even though since the end of the Pathways to Success strategy, agreements have been based on Aboriginal group and nation and not territorial-citizen-based ( e.g. Pathways to Success).

ESDC may consider that a pan-Aboriginal approach is like a citizen-based approach (open to all) but agreements are mainly by Aboriginal nation and Government entities. This pan-aboriginal approach makes First Nations a “labour market dis-advantaged” or “employment equity” group as opposed to a group with constitutional standing.

Since there are already a discrete number of agreements for First Nations, carving out a First Nations envelope and mandate would not be a big step for ESDC and it can be argued that the unique situations of Inuit and Métis merit distinct approaches.

Situations where First Nations are serving all Aboriginal people on a given territory would have to be addressed (Quebec, Sask) with the resources needed for capacity and the potential for developing complementary approaches to serve clients with other mandates.

**RECOMMENDED OPTION:**

A First Nations Labour Market Strategy

**DECISION:**

**DATE AND VERSION:**

Draft 2, November 23, 2016

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**Annex – Rationale for a First Nations Strategy**

If the Government of Canada is sincere in its wish to have nation-to-nation, government-to-government relations with first Nations, this should be reflected in a First Nations specific labour market strategy.

The unique conditions of First Nations further justify the need for a specific strategy.

From a pragmatic or results-based point of view, each of Canada's Indigenous groups experiences unique conditions, - governance, geographic, demographic and socio-economic, - that call for distinct approaches and design.

Areas of distinctness that argue for different approaches:

1. Governance

The Governance for each of Canada's Indigenous groups is very different.

FNLMA's are incorporated, independent, administrative (professional, expert) bodies under the political leadership of First Nation governments. Many agreements are at the Band Council level or with Tribal Councils to achieve scale and greater capacity. In Saskatchewan and Manitoba even higher levels of aggregation have been implemented.

First Nations have a long experience of administering their affairs and in dealing with other government departments and their programs creating both capacity and a potential for developing complementary approaches with other mandates under their governance.

Inuit labour market agreements are with regional Inuit associations responsible for administering the Land Claims Settlement, signing Impact Benefit Agreements, administering lands and assets flowing to Inuit from these agreements and advocating for Inuit. One and two tiered corporate structures have been implemented (under a two-tiered structure, the Inuit Association incorporates a labour market agency but is the agreement holder and names the board members).

Métis agreements are frequently at the regional (provincial) level. Métis do not benefit from INAC programs and ESDC labour market programs are key to Métis and their capacity to enjoy an area of autonomous decision making. The emphasis on PSE and higher level skills training is high for Métis agreement holders.

2. Education:

There are marked differences in educational achievement between First Nations, Inuit and Métis that impact on delivery conditions and priorities and which would benefit from different programmatic approaches. For example, the need for academic upgrading and pre-employment programming, access to funds for PSE, accessibility and success of clients in skilled training courses, partnerships and collaboration with provincial and

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territorial institutions and programs all vary given the marked difference in educational achievement.

Table

	Total Pop 15 years and over	No certificate, diploma or degree	High school certificate or equivalent	Apprenticeship or trades certificate or diploma	College, CEGEP or other non-university certificate or diploma	University certificate, diploma or degree
First Nations	100%	48%	20%	10%	13%	8%
Métis	100%	35%	26%	13%	17%	10%
Inuit	100%	61%	14%	10%	12%	4%
Canada	100%	24%	26%	11%	17%	23%
Aboriginal	100%	44%	22%	11%	15%	9%
difference: FN to Métis		40%	-22%	-21%	-22%	-17%
difference: Inuit to Métis		75%	-47%	-27%	-29%	-57%
Source: Statistics Canada, 2006 Census of Population, Statistics Canada Catalogue no. 97-560-XCB2006031.						

While all of Canada's Aboriginal populations are at a disadvantage compared to national levels of achievement, the differences between First Nation, Inuit and Métis are wide. For example, First Nations have 40% more people 15 years and over without a high school certificate and Inuit have over 75% more than Métis. This has a huge impact on program design and delivery, the type of partnerships needed with provincial or territorial governments, duration of interventions and expectations for outcomes.

3. Labour Market Issues

2.a. Employment and Unemployment:

Table: Employment Rate (Both sexes, 15 years and over)

	Working Age Pop	Labour Force	Employed	Unemployed	Employment Rate	Unemployment Rate
First Nations	473235	278455	228280	50175	48%	18%

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Métis	291330	204160	183785	20380	63%	10%
Inuit	32775	20100	16020	4075	49%	20%
Canada	25664220	17146135	16021180	1124955	62%	7%
Aboriginal	823890	519250	442395	76860	54%	15%
difference: FN to Métis					-24%	80%
difference: Inuit to Métis					-23%	103%
Source: Statistics Canada, 2006 Census of Population, Statistics Canada Catalogue no. 97-560-XCB2006031.						

Métis have an employment rate (63%) equal to the Canadian rate while First Nations and Inuit have rates (48% and 49% respectively) that are 24% and 23% lower than the Métis rate. The challenges for employment agencies seeking sustainable attachment to the labour market and earnings from employment are very different calling for different program mix (pre-employment, literacy and academic upgrading versus skills training), partnerships, duration of interventions, sequencing of interventions, and expectations of outcomes.

### 2.c. Income

Earnings from employment and income levels tell the same story of different conditions between First Nations and other Aboriginal groups. Métis have the same level of full time, full year employment as the Canadian level (36%) and more part time, seasonal employment than the Canadian level 37% versus 30%) (even so, Métis earnings from employment are below the Canadian median (84%). First Nations and Inuit have sharply lower levels of full time, full year employment. First Nations and Inuit have different levels of dependency on part time, part year employment (33% and 38% respectively). Earnings from employment are still lower than the Canadian median income from employment by 12% and 20%. These differences affect the needs, the ability to participate and the programs to be offered.

	Total Population, 15 years and over	Full time/full year employment	Part time/seasonal employment	No employment income	Median income from employment	Earnings, all sources (% of income)	Government Transfers (% of income)
First Nations	880,415	260,385	289,965	330,065	20,000	83.6	16.4
Métis	292,905	104,435	107,630	80,840	22,632	88.1	11.9
Inuit	43,350	12,050	16,475	14,825	18,000	83.4	16.6
Aboriginal	1,182,505	366,715	401,505	414,285	20,468	84.9	15.1
Canada	25,664,225	9,275,765	7,766,075	8,622,380	26,850	88.9	11.1

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	Total Population, 15 years and over	Full time/full year employment	Part time/seasonal employment	No employment income	Median income from employment (% of Canada)	Earnings, all sources (% of Canada)	Government Transfers (% of Canada)
First Nations	100%	30%	33%	37%	74%	94%	148%
Métis	100%	36%	37%	28%	84%	99%	107%
Inuit	100%	28%	38%	34%	67%	94%	150%
Aboriginal	100%	31%	34%	35%	76%	96%	136%
Canada	100%	36%	30%	34%	100%	100%	100%
Difference: FN to Métis		-17%	-10%	36%	-12%		
Difference: Inuit to Métis		-22%	3%	24%	-20%		