



Strategic Research La recherche stratégique

Aboriginal Women in the Canadian Economy

THE LINKS BETWEEN EDUCATION, EMPLOYMENT AND INCOME

Key Findings:

- Aboriginal women make less money, work in lower-level jobs, are less likely to find employment than non-Aboriginal women and Aboriginal men.
- Aboriginal women on reserve are particularly marginalized.
- Seventy-one percent of Aboriginal women who have post-secondary education are employed.

Introduction

Aboriginal women in Canada face many challenges. Compared to non-Aboriginal women and to their male counterparts, Aboriginal women have lower incomes. They also work in lower level occupational categories. Research demonstrates a clear link between education and income: the greater the educational attainment, the higher the resulting income.

The Strategic Research Directorate, in partnership with the Gender Issues Directorate, commissioned a study on Aboriginal women in Canada using the 2006 Census of Population. The goal of this Strategic Research Brief is to describe the relationship that education has to employment and income for Aboriginal women in Canada.

Main Findings

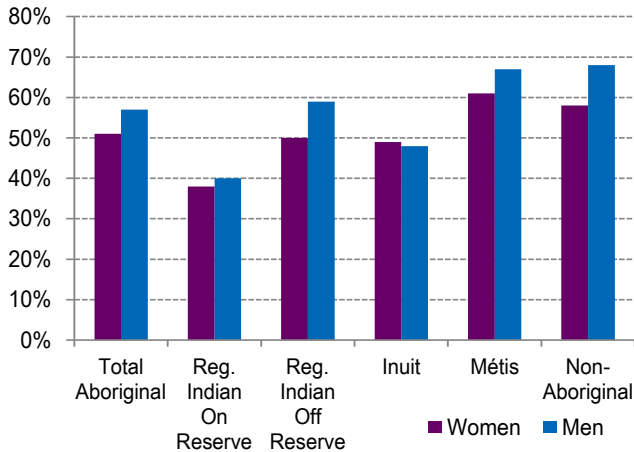
Labour force participation and employment

In 2006, Aboriginal women participated in the Canadian labour force at a rate (59%) similar to that of non-Aboriginal women (62%). Participation rates for Métis (67%), Inuit (59%) and Registered Indian women living off reserve (58%) were close to or above the rate for non-Aboriginal women. The sole exception was Registered Indian women living on reserve, whose participation in the labour force was lower (48%). Like the non-Aboriginal population, Aboriginal women participate in the labour force at a lower rate than Aboriginal men (67%). Participants in the labour force include those unemployed and actively seeking work.

In 2006, just over half (51%) of Aboriginal women in Canada were employed. This is slightly lower than the employment rate of non-Aboriginal women (58%). However, employment rates were 20 points lower for Registered Indian women living on reserve (38%). In contrast, the employment rate for Métis women (61%) was higher than that of non-Aboriginal women. The employment rate for Inuit women (49%) and Registered Indian women living off reserve (50%) was similar to that of Aboriginal women as a whole (Figure 1). The employment rate for all

groups of Aboriginal women was lower than Aboriginal males.

Figure 1: Employment Rates by Aboriginal Group and Gender, 2006



Source: Statistics Canada, Census of the Population, 2006, AANDC Tabulations

Types of work

The Canadian Census of Population uses the National Occupation Classification System (<http://www.hrsdc.gc.ca/eng/workplaceskills/noc/index.shtml>) to sort jobs into four levels, based on skill, training and experience.

- Level A – professional and management positions.
- Level B – skilled sales, senior clerical, administrative, trades and technical positions.
- Level C – semi-skilled jobs such as clerical, sales and other service positions.
- Level D – jobs in sales, service and manual labour.

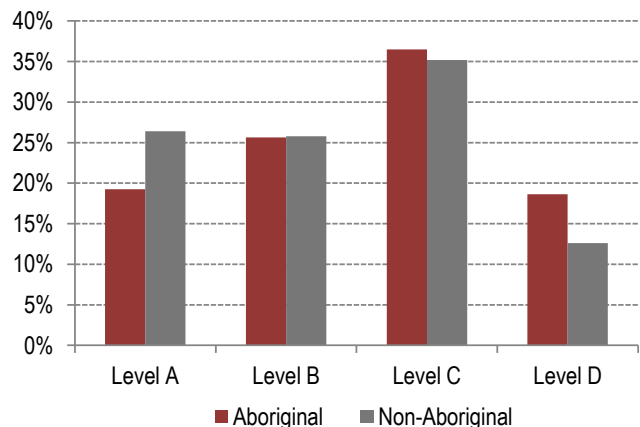
Level A requires the highest level of skill and education, and Level D the lowest.

Both Aboriginal and non-Aboriginal female workers were distributed across all occupational

levels in 2006. Most were concentrated in middle occupational levels: 37% of Aboriginal women were in Level C and 26% in Level B. Within these occupation levels, Aboriginal and non-Aboriginal representation was very similar.

By contrast, the concentration of Aboriginal women in Levels A and D differed from that of non-Aboriginal women. Aboriginal women were under-represented in Level A and over-represented in Level D. In addition, fewer Aboriginal women were found in the highest and lowest occupational categories: 19% in both Levels A and D. Compared to non-Aboriginal women, a smaller percentage of Aboriginal women were in the highest occupational category and a larger proportion in lower level jobs (Figure2).

Figure 2: Distribution of Occupational Levels for Aboriginal and non-Aboriginal Women, 2006



Source: Statistics Canada, Census of the Population, 2006, AANDC Tabulations

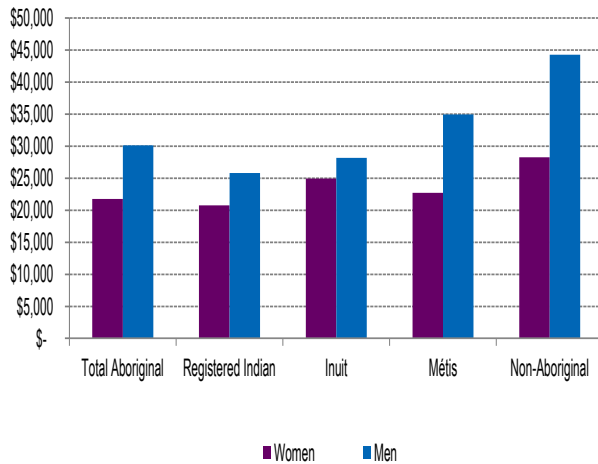
Income levels

Aboriginal women in Canada earn less than their non-Aboriginal female counterparts. In 2006, the average annual income for an Aboriginal woman was \$21,733, or 77% of the income a non-Aboriginal woman (\$28,272). This income gap was smaller for Inuit (\$24,927) and Métis

(\$22,706) women. It was larger for Registered Indian women (\$20,743) (Figure 3). Aboriginal women earned 72% of the average income of Aboriginal men (\$30,110).

Aboriginal women are much more likely to find themselves living below the Low Income Cut Off (LICO)ⁱ line than are non-Aboriginal women. In 2006, 36% of Aboriginal women lived below the LICO line excluding those living on reserve since LICO does not apply on reserve. This is more than double the rate of non-Aboriginal women (17%). At that time, Aboriginal women were also more dependent on revenue from government transfers. Seven percent of the income of non-Aboriginal women came from government transfers, compared to 10% for Métis women, 15% for both Inuit and Registered Indian women.

Figure 3: Average Individual Income for the Population 15 years and over by Aboriginal Group and Gender, 2006



Source: Statistics Canada, Census of the Population, 2006, AANDC Tabulations

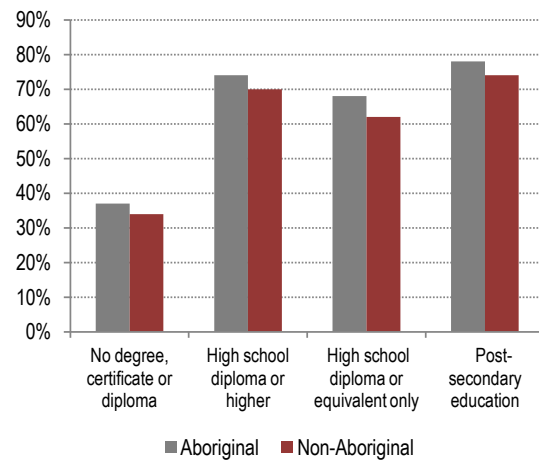
Education, employment and income

While Aboriginal women's education levels equal or exceed those of Aboriginal men, they lag far behind those of non-Aboriginal women. In 2006, 59% of Aboriginal women held a degree,

certificate or diploma, compared to 77% of non-Aboriginal women.

Gaps in educational attainment also appear at the post-secondary level. While 50% of all non-Aboriginal women in 2006 had some post-secondary certification and 19% held a university degree, only 36% of Aboriginal women had obtained post-secondary certification with 7% holding a university degree. Of all Aboriginal groups, Inuit women and Registered Indian women living on reserve had the lowest level of educational attainment. For Inuit women, 40% had a degree, certificate or diploma with just over 3% holding a university degree. For Registered Indian women living on reserve, 43% had a degree, certificate or diploma with just over 4% holding a university degree.

Figure 4: Participation Rates for Aboriginal and Non-Aboriginal Women Aged 15+ Years by Highest Earned Certificate, Diploma or Degree, 2006



Source: Statistics Canada, Census of the Population, 2006, AANDC Tabulations

Education is linked to the employment and the income of Aboriginal women. The relationship between high school completion and employment is strong. The employment rate for Aboriginal women with a high school diploma or equivalent (59%) was double that of Aboriginal women who

had not completed high school (29%). The employment rate for Aboriginal women who had some post-secondary certification was 71%. This suggests that Aboriginal women who pursue and complete secondary and post-secondary studies have improved employment prospects (Figure 4).

Education also impacts income. In 2006, Aboriginal women without any post-secondary certificate or degree reported an average income of \$12,969. This is about 67% less than the income of those with a high school diploma (\$19,215). Average income for women holding a post-secondary certification or degree jumped to \$28,464. The average income for Aboriginal women holding a university degree was \$39,830.

Conclusions

According to the 2006 Census, Aboriginal women experience lower rates of employment and lower income than non-Aboriginal women. They also have a lower employment rate and a lower income level than their Aboriginal male counterparts. However, this varies based on the Aboriginal group to which a woman belongs. For example, Registered Indian women living on reserve are employed at a lower rate than average for Aboriginal women as a whole. Métis women fare best in terms of employment rates, types of jobs and income levels.

A number of factors account for these differences. For instance, Aboriginal women's family responsibilities limit both their engagement in the labour force and their earning potential (Saskatchewan Women's Secretariat 1999). Importantly, high school completion is strongly linked to Aboriginal women's economic advancement. This leads to the conclusion that investment in Aboriginal women's high school completion is an effective way to enhance their success in the formal economy, especially for First Nations women living on reserve.

About the researcher and the Strategic Research Directorate

This Strategic Research Brief is based a study conducted by Jacqueline M. Quinless: "Aboriginal Women in Canada: A Statistical Profile from the 2006 Census." The study is available in the Departmental Library.

Quinless is a private consultant with 15 years of applied research experience in the analysis of socio-economic and demographic data. She has worked extensively within the Aboriginal community across western and northern Canada.

The Strategic Research Directorate is mandated to support the federal government's policy-making regarding First Nations, Métis, Inuit and northern peoples in Canada. It does this through a program of survey development, policy research and knowledge transfer.

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The views expressed in this report are solely those of the authors and do not necessarily reflect those of Aboriginal Affairs and Northern Development.

ⁱ The Low Income Cut Off (LICO) is defined by Statistics Canada as at a level where families are estimated to spend 20% more than the Canadian average of their income on food, shelter and clothing. It is currently set at 54.7% of family income. Because costs vary, different income levels apply according to the size of the family and the size of the city or town in which they live. This variable does not apply to people living on reserve. There are several reasons for this, including: income tax is not applicable on reserve, housing costs are not the same, data suppression due to small community size, and difficulties in securing reliable data on income on reserve among others.