



The Contribution of Indigenous People to Future Labour Force Growth in Canada: AN UPDATE

This report focuses on quantifying the potential contribution of Indigenous People to labour force growth in Canada from 2021-2041, using population growth scenarios and projections.



2021 Census Labour Market Participation Rates:

- Non-Indigenous at **63.9%** participation
- Indigenous at **59.9%**

By 2041, Indigenous participation is projected to be:

- **56.9%** if the gap remains unchanged (*Scenario 1*)
- **65.8%** if the gap closes (*Scenario 2*)



Closing the gap would not only increase Indigenous participation but also **improve Canada's overall labour force participation outlook.**

- If the gap remains unchanged, **Canada's overall participation rate would fall from 63.7% in 2021 to 60.7% in 2041**
- If the gap closes, it would **instead be 61.2%**
- That **offsets 0.5 percentage points**, or about **one-sixth**, of the projected decline



Projections by Province and Region

Even with a constant participation rate, Indigenous people account for **22% of labour force growth in Quebec, 17% in Saskatchewan, and 27% in Manitoba.**

In Ontario, Alberta, and British Columbia, the contribution of Indigenous Peoples to the labour force growth is **slightly below the national average** (due to the non-Indigenous population growing relatively quickly).

Atlantic and the North:

The situation is more complex. The overall labour force is set to **decline rather than grow** due to the decline in the non-Indigenous labour force. This leads to **projection numbers for all populations to be on the decline in comparison to 2021.**



Projections Under Different Scenarios



Across low-, medium-, and high-growth scenarios, Indigenous people remain a significant contributor.

- If the gap remains unchanged, the Indigenous share of labour force growth ranges from **6% to 15%**
- If the participation gap closes, it rises to **10% to 19%**
- Closing the gap increases the Indigenous contribution by about **4 to 5 percentage points** in each scenario



KEY TAKEAWAYS

- Results show that Indigenous people are projected to contribute a disproportionate share of Canada's future labour force growth.
- **Over the next 25 years, Indigenous people will play an increasing role in Canada's labour market, helping to offset the challenge of an aging population.**

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