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Harish C. Jain

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tants tels que le nombre des échelles de traitements et les clauses d'indexation des salaires. De plus, une distinction plus nette entre les augmentations individuelles et générales aurait sans doute facilité la lecture du texte. Le lecteur aurait pu également souhaiter un peu plus grand effort de quantification, par exemple, des avantages sociaux. Evidemment, de telles critiques sont faciles à exprimer par le lecteur. Cependant, il faut admettre que, dans une étude comme celle conduite par M. Bell, il n'est pas aussi facile d'en tenir compte.

## Employment Problems of the Native People in Ontario

**Harish C. Jain**

This paper describes and analyzes some of the reasons for the native peoples lack of access to economic opportunities and employment relative to the non-native population of Ontario. In order to overcome the labour market problems faced by the native people living on-reserves and off-reserves, some policy options are suggested.

### DEMOGRAPHIC CHARACTERISTICS OF THE NATIVE PEOPLE IN ONTARIO

*Population:* Status Indians accounted for approximately 1 percent (approximately 62,000) of Ontario's population and 1.4 percent (295,000) of Canada's population in 1971.<sup>1</sup> When non-status Indians are included, native people could well represent almost five percent of both Ontario's and Canada's population.<sup>2</sup>

At present, both the Ontario and the Canadian Indian population is young and growing rapidly.<sup>3</sup> This trend is expected to continue in the

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\* JAIN, Harish C., Personnel and Industrial Relations Area, Faculty of Business, McMaster University, Hamilton, Ontario.

\*\* Detailed tables on the demographic characteristics of the Native people in Ontario are provided in the report entitled *Labour Market Problems of Native People in Ontario* by Harish C. Jain, Faculty of Business, McMaster University, Hamilton, Ontario, Research and Working Paper Series 139, December 1977, pp. 124. These tables are available on request.

1 1971 Census of Canada.

2 FRIDERES, J.S., *Canada's Indians: Contemporary Conflicts*, Scarborough; Ontario, Prentice-Hall, 1974, p. 13.

3 *Ontario Statistics, 1976*, Vol. 1, Toronto, Ontario.

future; the Canadian Indians population is expected to increase by 43 percent from 1973 to 1985.<sup>4</sup> Of this increase almost 4 out of 10 Indians are expected to be in the age group under 15 and another 5 out of 10 in the age group 15 to 64.

Of the approximately 61,000 registered Indians in Ontario, 51.5 percent lived in Northern Ontario and the remaining 48.5 percent in Southern Ontario, in 1971.<sup>5</sup>

Six out of ten Indians in both Ontario and Canada lived on reserves while the remainder four lived off reserves in 1974. Slightly greater proportion of Indians lived off reserves in Ontario than in Canada as a whole.<sup>6</sup>

Even though a majority of Indians live on reserves, a growing number of Indians are moving to urban areas in both Ontario and Canada.<sup>7</sup>

*Education:* In recent years, the proportion of Indian students entering secondary and post-secondary schools has been increasing rapidly. In the 25 years between 1949-50 to 1974-75, the Indians school enrolment jumped from 330 (in 1949-50) to 3,118 (in 1974-75) in grade 9 and above in Ontario and from 739 to 11,247 in Canada.<sup>8</sup> In grade XII-XIII, the figures were 28 in 1949-50 and 365 in 1974-75 in Ontario while the figures were 50 & 992 for Canada. Despite the rise in enrolment, however, the retention rates (the number enrolled in grade one that completed grade 12) of Indians compared to non-Indians are low. The retention rate for the Province of Ontario as a whole is 64.1 percent. The dropout rates among the Indian children before the end of high school are somewhere between 70 and 95 percent;<sup>9</sup> probably one registered Indian child in 6 completes 12 grades of school and about two in five complete grade nine.<sup>a</sup> Similarly, higher education has a short history among the Indians. The proportion of Indians in professional and vocational courses and on-the-job training was only miniscule.

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a The OECD report suggests that until the present time, the majority of Indians on reserves were educated with books and other material that seldom related to their own culture, but rather reflected that of middle class Canadian society. There was lack of appropriate curricula, and inadequate participation by native people; there are still far too few (about 15%) native teachers, only 19 schools that are native controlled. It is only recently (1973) that an increasing number of bands are being allowed, by the Federal government to assume control of their schools and their educational programs.

4 *Economic Circumstances of Indians 1974*, Ottawa, Department of Indian Affairs and Northern Development, December 1975, p. 10.

5 *1971 Census of Canada*.

6 *Ontario Statistics, 1976*, Vol. 1.

7 *Census of Canada 1971, 1961, 1951*.

8 Department of Indian Affairs and Northern Development. Information is based on tables received during a visit to the Department.

9 *Reviews of National Policies for Education, Canada*, Paris, France, OECD, 1976.

*Labour Force:* There were 34,341 Indians between the ages of 15 to 64 living on reserves in Ontario and 119,123 in the nation. Of these 51 percent were males and 49 percent were females in both Ontario and Canada.<sup>10</sup>

The labour force participation rate (viz. the percentage of population that is employed plus the percentage of population that is unemployed but looking for work) for the native people in Ontario as well as Canada are at least 20 percent lower than for the total Ontario and Canadian labour force.<sup>11</sup>

*Unemployment:* In 1974-75, only 15,833 (of the 34,341 native people between the ages of 15 to 64) were members of the potential labour force in Ontario. Of these only 73 percent were employed and the remaining 27 percent unemployed in Ontario.<sup>12</sup> It is apparent that the unemployment rates for the native people are abnormally high, (even considering the present high unemployment rates for Canada as a whole, around 8 + percent).

Projections of labour force growth of the native people up to 1980 indicate that there will be a substantial growth, a net increase of 46 percent (or 34,000) for Canada as a whole.<sup>13</sup> If past trends are any indication, this means that their unemployment rates might even be higher in the future.

A part of the reason for the abnormally excessive unemployment rates of the Indians might be that an average Indian is employed only part of the year; 5 man-months in Ontario in 1974-75. Both in Ontario and Canada, the average duration of employment for the native workers is less than 6 months.<sup>14</sup>

The time of the year has a great deal of impact on the employment of Indians since primary and secondary jobs are most affected by seasonal factors, especially by winter.

*Industrial and Occupational Distribution:* Majority of Indians in Ontario and Canada are employed in primary economic activity such as agriculture, fishing, forestry, arts and crafts, wildlife<sup>15</sup> etc. and therefore they are overrepresented in primary and unskilled occupational categories (compared to non-Indians) and underrepresented in skilled, managerial and professional categories.<sup>16</sup>

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10 *Economic Circumstances of Indians 1974, op. cit.*

11 *Brief to Special Senate Committee on Poverty 1970*, Department of Indian Affairs and Northern Development.

12 For detailed statistics and testimony of officials from the Department of Indian Affairs and Northern Development, see proceedings of the first session, Thirtieth Parliament, 1974-75, issue No. 21. See specifically, page 21:7 of the text, March 25, 1975.

13 *Ibid.*

14 *Ibid.*

15 *Ibid.* Also see, *Indian Economic Activity 1972-73, 1973-74, Ontario*, Department of Indian Affairs and Northern Development, undated.

16 *Perspective Canada*, July 1974, p. 280. Also see 1971 Census of Canada.

*Earnings:* It is not surprising, therefore, that an overwhelming majority of Indians were earning poverty incomes; an annual average income of less than \$2000 in Ontario as well as in Canada in 1973-74.<sup>17</sup> There is a continuing increase in the proportion of Indians receiving welfare.<sup>18</sup>

*Location:* An important reason for the lack of participation by the Indians in industrial activity, especially in Northern Ontario, is their location, viz. the isolation and distance of Indian reserves. Much of the Indian population in Northern Ontario is spread thinly over large areas of land, which, for the most part is rugged and inaccessible. For instance, four out of ten reserves in Ontario in 1970 were accessible by water only, another three by road and rail and the remaining three by road.<sup>19</sup>

#### SOURCES OF THE LABOUR MARKET PROBLEMS OF THE OFF-RESERVES NATIVE PEOPLE

Having looked at the demographic and social characteristics of the native people in Ontario, let us turn to the employment problems of the off-reserve native people in Ontario.

As stated earlier, a growing number of the native people are moving off-reserves to urban areas. Studies of migration from reserves indicate that the most predominant reason for Indians' movement to urban areas is employment.<sup>20</sup> Yet, it is in gaining access to employment that they face serious discrimination.

Some of the job barriers that the natives face include inflated or artificial educational requirements, arbitrary test scores, occupational licensing and other restrictive entry requirements. For instance, employers demand educational requirements, even for entry-level jobs, which are high and often unrelated to actual job performance.

In a similar manner, occupational licensing and other restrictive entry requirements such as courses in the skilled trades which can only be taken upon completion of grades 11 or 12, depending on the jurisdiction, also have an adverse impact on the native people. Thus, a majority of the native people receive no training in the trades such as carpentry, plumbing etc. since their educational level attained, in most cases, is low. The main point is that the educational requirements affect the native people disproportionately relative to the non-native people, and that in most cases these requirements are unnecessary for the jobs available.

<sup>17</sup> *Indian Economic Activity 1972-73, 1973-74, op. cit.*

<sup>18</sup> *Perspective Canada*, 1974.

<sup>19</sup> *Economic Circumstances of Indians 1974*, Department of Indian Affairs and Northern Development, December 1975.

<sup>20</sup> NAGLER, Mark, *Indians in the City*, St. Paul University, Ottawa, 1970. Also see, W.T. STANBURY, *Success and Failure: Indians in Urban Society*, Vancouver, University of British Columbia Press, 1975.

In our small sample of interviews with employers in Brantford, Thunder Bay and several other rural areas (such as Red Rock, Nipigon etc.) in Northern Ontario,<sup>b</sup> it is remarkable to note that without exception employers were satisfied with the performance (viz. as measured by the rate of production, absenteeism, alcohol consumption etc.) of the native people they had hired but still held on to the stereotypes of native people as 'irresponsible', 'unreliable', 'lacking in drive', etc. They were reluctant to hire them for any supervisory or white-collar jobs. In addition, they characterized the native workers they had hired as lacking in ambition and did not anticipate promoting them.

In our interviews with the native people, we gained the distinct impression that the "hewers of wood and drawers of water" image of the native people is distorted. While the opportunity to work outdoors is important to some native people, it does not take precedence over employment and income. In fact, in a recent study, it was discovered that the opportunity to work outdoors ranks behind income, proximity to home and job regularity.

Employment discrimination is not the only culprit in keeping the native people out of jobs and from gaining access to training and promotion. Indians face disadvantages caused by inadequate preparation, education, training and investment in themselves. It is important to remember, however, that while their capacities may be limited, they nevertheless do have capacities which could be developed further, especially as they gain work experience and on-the-job training.

Thus, employment discrimination on the demand side of the labour market and lack of education, training, experience etc. on the supply side of the market add to serious unemployment and underemployment, poverty and welfare dependency among the native people.

## POLICY OPTIONS

Given the labour market problems faced by the native people who are moving off-reserves, as described above, what are some of the policy options in order to overcome these problems.

Despite the growing urbanization of the native population in both Ontario as well as Canada, it should be realized that a majority of Indians live on reserves and will continue to do so in the foreseeable future. Therefore, a range of policy options is needed in order to overcome the labour market problems of native people both on and off reserves. It is possible that the same set of policies for these two groups of people - especially those that are physically and/or culturally isolated (viz. not change oriented) - might not be workable. Therefore, an attempt will be made to distinguish among the policies for these groups.

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<sup>b</sup> In most cases, persons interviewed were personnel managers of pulp and paper, woodland operations, and mining.

*Policy Options - Indians on Reserve*

In our view, people who advocate the assimilation of Indian people in the mainstream of Canadian culture and industrial life in order to overcome the native peoples labour market problems are taking a simplistic view. Any policy based on out-migration of Indian people from reserves in order to find productive employment for them is bound to be counter productive.

There is a whole range of policy options available for overcoming the labour market problems of the native people who wish to stay on reserves. Some of these are listed below.

1. Indians on the reserves could be encouraged to gain economic independence by financial assistance in the form of loans and incentives, such as under the Economic Development Fund referred to earlier, to develop reserve based industries which utilize their traditional skills and resources in and around the reserves. This could be done by maintaining opportunities for traditional pursuits (hunting, fishing, trapping) and encouraging a shift to analogous activities (campsite supervisors, tourist guides, game and fire warden) for native peoples.

2. Commuter operations from reserves are feasible. For geographically isolated reserves, landing strips for twin otters aircrafts could be constructed to fly the natives to the place of work and back.

Communting, with rotation schedules, need to be explored with Northern reserve Indians in order to provide employment in wood-lands operations (which require living in camps for long periods of time without any family contact), pulp and paper and mining industries. Such a project by Gulf Oil Canada in Coppermine, N.W.T. did not seem to create adverse effects on family and communal life of the inuits. What needs to be examined is whether a successful transference of such a project is possible for Northern reserve residents in Ontario!

For those Indians who are change-oriented and are interested in gaining industrial employment, the following policy options and assumptions should be considered.

1. The onus of adaptation to an urban wage economy should not be placed entirely on the Native people. It should be facilitated by participation and acceptance by Indians themselves. Adaptation can only be successful if they (the Natives) could identify with the goals of the adaptation plan such as on-the-job training, etc. Governments at the various levels should encourage the development of Rivers, Manitoba type life skills training centers to help in the urban industrial adjustment of the Native people and their families.

2. Indians do not necessarily have a natural aversion to material wealth. Their rates of turnover and of absenteeism are not higher than the non-Indians rates. They could be expected to operate within a disciplined and structured work situation.

3. Indians are not averse to taking on work unrelated to their traditional employment.

*Policy Options - Natives Off-Reserve*

As pointed out earlier, it seems likely that an increasing proportion of native people will be coming to our urban centers seeking job opportunities. The single most important reason for the growing movement of natives to urban areas is to obtain employment. Some of the policy options for their gainful employment are listed below.

1. It is necessary to have anti-discrimination clauses in all contracts with the various levels of government in Ontario. In addition, programs of compensatory employment or 'positive discrimination' allowing employers in the public and private sectors to provide special training facilities to native workers and to encourage them to take advantage of opportunities for doing particular work as well as anti-discrimination legislation are also necessary in order to overcome past discrimination and barriers to employment such as credentialism.

2. Another approach which complements programs of compensatory employment is the "new Careers" approach. This is a manpower development approach which is particularly suitable to native people. It offers unemployed or underemployed persons of a disadvantaged background with an opportunity, through alternative systems of education and on-the-job training as well as work experience, to gain meaningful employment in both public and private sectors. Private sector can be encouraged to undertake programs such as "new Careers" for the native people if wage subsidy or tax incentives were made available. In the public sector, job descriptions which emphasize knowledge of native languages, the need for understanding native concepts, culture, goals and life styles can help create jobs for the natives and those acquainted with natives ways of life, especially in those departments and operations of the government that serve native populations.

3. Manpower training is a major vehicle for upgrading the productivity of the disadvantaged workers. Experience with training programs in North America suggests that many of the minority workers are isolated and alienated from the existing social and labour market institutions. They lack motivation to seek employment. This is because the job satisfaction and performance of these workers is influenced by a number of factors in the social system including the organization providing training or job, community organizations, peer groups and family circumstances. In order for such a worker to be productive, he must internalise a wide range of middle class values. His performance is a function of three major types of skills - adaptive, functional and specific. Most of the native workers probably lack adaptive skills which enable an individual to meet the demands for conformity (e.g. punctuality, dress requirements, etc.) and change due to the physical, interpersonal and organizational arrangements and conditions of a job.

4. Recurrent education and training is capable of providing continuing opportunity for those who are most disadvantaged in the labour market to have a second and even a third chance to improve their relative position in the occupational and income hierarchy rather than being dependent on early (youth) education alone.