

# **Are the Labour Market Benefits to Schooling Different for Aboriginal and Non-Aboriginal People?**

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## **Abstract**

It is well documented that Aboriginal people generally have lower levels of educational attainment than other groups in Canada, but little is known about the reasons behind this gap. This study is the first of two by the same author investigating the issue in detail. This initial paper focuses on one potential reason for differences in educational attainment between Aboriginal and non-Aboriginal individuals: the possibility that Aboriginal individuals reap fewer labour market benefits from additional schooling than do their non-Aboriginal counterparts. The results of this analysis, which is based on the 2006 Census of Population, show that additional schooling is generally associated with a larger decline in the probability of being unemployed for Aboriginal people compared to non-Aboriginal people. In terms of wages and salaries, additional schooling generally yields about the same benefits for both groups. The results hold whether Aboriginal people live off-reserve, on-reserve, or in northern communities. There is also no evidence that Aboriginal people who eventually choose to pursue further education following high school are a more select group than their non-Aboriginal counterparts in terms of academic performance; this suggests that the results in this study are not likely to be explained by self-selection. Furthermore, there is little evidence that perceptions of the benefits to schooling are any different for Aboriginal youth than for non-Aboriginal youth. These findings suggest that the labour market benefits to schooling are not likely to be a factor behind the lower levels of educational attainment among Aboriginal people.

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