

# Poverty or Prosperity

Indigenous Children in Canada

David Macdonald and Daniel Wilson





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**Save the Children**

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# Executive Summary

CANADA CANNOT AND need not allow yet another generation of Indigenous citizens to languish in poverty.

At a time when workforce replacement and skilled labour shortages occupy the attention of both business and government alike, the youngest and fastest growing demographic in the country struggles in poverty. But that poverty is neither inevitable nor immutable.

Transformative change is clearly possible, desirable and required. It is a question of will on the part of all Canadians. The will to learn the full history of this country and its legacy, to understand the positive role governments can play, and to advocate for an end to the poverty experienced by Indigenous children. It is up to all of us.

While direct investment to alleviate the burden of poverty is part of the answer, other solutions exist.

The wealth of natural resources and the jobs that go with development can be shared with far greater equity.

Entrepreneurial activity in Indigenous communities, already on the rise, can be nurtured.

First Nations can be supported in pursuing self-government, leading to better accountability.

Canada can enable economic growth and better governance for Indigenous communities, empowering them to control their own destinies and to reach their full potential. Eliminating poverty among Indigenous children is a crucial step toward unlocking that potential.

As the most vulnerable members of any community, children have a fundamental right to protection and survival. This right is broadly acknowledged.

For children living in poverty, the vulnerability runs much deeper. It is well established that poverty is linked to a variety of physical, social and economic disadvantages later in life. Children living in poverty require greater support to live and to fulfil their potential, a challenge that can only be met with assistance from the broader community.

Despite repeated promises from federal and provincial governments to address the issue — including a 1989 commitment by all Parliamentarians to eliminate child poverty by the year 2000 — Canada ranks 25<sup>th</sup> among the 30 countries in the Organization for Economic Co-operation and Development with regard to child poverty. Recent modest declines in rates cannot hide the fact that over a million children in Canada still live in poverty.

More troubling, however, is the reality facing Indigenous children in Canada. Based on data from the 2006 census, this study found that the average child poverty rate for all children in Canada is 17%, while the average child poverty rate for all Indigenous children is more than twice that figure, at 40%.

In fact, even among children living in poverty in Canada, three distinct tiers exist.

The first tier, with a poverty rate of 12%, excludes Indigenous, racialized and immigrant children. This is three to four times the rate of the best-performing OECD countries.

The second tier of child poverty includes racialized children who suffer a poverty rate of 22%, immigrant children whose poverty rate is 33%, and Métis, Inuit and non-status First Nations children at 27%.

Most shocking, however, is that fully half — 50% — of status First Nations children live below the poverty line. This number grows to 62% in Manitoba and 64% in Saskatchewan.

Some of these differences in child poverty appear to be a matter of jurisdiction. The provinces provide social services to all but status First Nation children on reserve, children who fare considerably better than their counterparts under federal responsibility.

For status First Nations children living on reserves, the federal government is responsible for funding social services, health care, education and income supports. Transfer payments for these social services on reserve have increased by a mere 2% per year since 1996, unadjusted for population growth or need. The removal of this cap on funding growth and an adjustment of transfers for need could reduce the alarming rate of status First Nations households living in poverty. It is a matter of choice.

The federal government can also have an impact on child poverty rates among children under provincial jurisdiction. Increasing the National Child Benefit Supplement (NCBS) so that the total benefit from the NCBS and the Canada Child Transfer total \$5,400 for the first child would reduce that child poverty by approximately 14%.

To bring all children in Canada up to the poverty line would cost \$7.5 billion, \$1 billion of which is required for Indigenous children. Of that, \$580 million would be required to lift status First Nations children to the poverty line, which equates to 11% of the budget of Aboriginal Affairs and Northern Development Canada for the comparable year.

Although these investments are significant, the cost of continuing neglect is higher, both to Canada's economy and to the children.

The Royal Commission on Aboriginal Peoples estimated "the cost of doing nothing" – representing lost productivity and increased remedial costs – at \$7.5 billion annually back in 1996, a figure that would be much higher today. And a study by the Centre for the Study of Living Standards projected a \$115 billion cumulative benefit (2006–26) for federal and provincial governments from equivalent educational attainment and labour market outcomes for Indigenous people.

Indigenous children trail the rest of Canada's children on practically every measure of wellbeing: family income, educational attainment, poor water quality, infant mortality, health, suicide, crowding and homelessness. For example, Status First Nations children living in poverty are three times more likely to live in a house that requires major repairs compared to the non-Indigenous children of families with similar income levels, and five times more likely to live in an overcrowded house.

The failure of ongoing policies is clear. The link between the denial of basic human rights for Indigenous children and their poverty is equally clear. Failure to act will result in a more difficult, less productive, and shorter life for Indigenous children.

The choice is ours.

# Notes

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## On Terminology

Indigenous peoples are far from a homogeneous group. Personal identity, legal status, and national histories all play into a complex dynamic under this broad term.

For the purposes of this paper, we have used a blend of language to describe these different peoples, partly driven by Statistics Canada's terminology in the census, which is the principal source material for data.

Indigenous peoples in Canada include three broad groups with Aboriginal rights described in Canada's constitution, First Nations (Indian), Métis and Inuit. First Nations people may include both status Indians and non-status Indians. However, only status First Nations people are subject to the Indian Act and only their communities live on reserve. Because of these facts and the significantly different findings for this group of people, this paper discusses status First Nations separately and apart from the Métis, Inuit and non-status First Nations peoples, for whom there is no appropriate collective term. For reasons of statistical validity and ease of comprehension, we have grouped the Métis, Inuit and non-status Indian peoples together, and under the collective short-form term "MInSI" where necessary.



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## On Measuring Poverty in Canada

When assessing poverty rates, there are two main sets of data that can be used: the Survey of Labour and Income Dynamics (SLID) and the census. The SLID reports yearly, but excludes persons living on reserve which makes it ineffective to study Indigenous child poverty. This report will use the 2006 census because it does include persons living on reserves, even though there are some reserves that were not enumerated. The exclusion of some reserves may have an impact on the aggregate child poverty rate (see Appendix 1 for a discussion of on reserve census enumeration).

This report uses the After Tax-Low Income Measure (AT-LIM) poverty line to be consistent with international standards (see Appendix 2 for a discussion of various poverty lines and the calculations involved in the AT-LIM).

Child poverty in Canada as defined by the after tax Low-Income Measure (AT-LIM) has been generally flat over past 35 years<sup>1</sup> fluctuating between 14% and 17%.

While the SLID reported child poverty in Canada at 15.7% in 2005, the 2006 census reported child poverty at 17.0% in 2005 (incomes in the 2006 census are from the 2005 calendar year). Given the fact that the census does include status First Nations children, its higher estimate of child poverty is likely closer to the truth.

# Introduction

CHILDREN ARE THE most vulnerable members of any community. They all require help to survive and to thrive, help that families and societies willingly provide.

Children living in poverty are at even greater risk than others. Our actions as a society will impede or enable their prosperity.

This report reinforces the imperative and urgency to act if we want to prevent future generations from paying the price.

The fact that poverty trends and levels differ markedly across countries and regions tells us that poverty is neither inevitable nor immutable. Different trajectories and rates of progress make it clear that the effects of poverty can be managed. National policy decisions can make a world of difference.

Poverty is deeply rooted in a country's history, politics and governance. It manifests itself in a lack of resources, power, voice, agency and access to services.

As in many countries, poverty in Canada differentiates based on race, it disproportionately affects Indigenous people as well as immigrant and racialized Canadians.<sup>2</sup>

First Nations, Métis and Inuit children trail the rest of Canada's children on practically every measure of wellbeing: family income, educational attainment, crowding and homelessness, poor water quality, infant mortality, health and suicide.<sup>3</sup>

Poverty among Indigenous children is closely linked to the legacy of colonialism and to current underfunding of basic services, particularly on

reserves. Despite repeated warnings from various quarters, including Canada's Auditor General, progress in providing basic services for Indigenous peoples such as safe water, good-quality education and adequate housing remains disturbingly slow.

Ending child poverty requires a commitment to defend the rights of the poorest and most vulnerable children.

A focus on alleviating poverty must be augmented by a common commitment to tackle inequities in both opportunities and outcomes.

A sustainable society requires a more inclusive approach to economic development and a more equitable approach to how the benefits of that development are shared.

No matter the economic circumstance facing Canada, children only develop once, and children living in poverty are much more likely to have poor outcomes as adults.

Canada must seize the opportunity to harness and develop its greatest resource, the potential of all its children.

# Key Findings

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## Three Tiers of Child Poverty

Overall, Indigenous child poverty rates are much higher than the average child poverty rate in Canada. Disaggregating the 17% child poverty rate for children in Canada, Indigenous children suffer a poverty rate of 40% compared to 15% for all other children in the country. However, looking more deeply into these numbers reveals an even more telling story.

There are three clear tiers of child poverty in Canada.

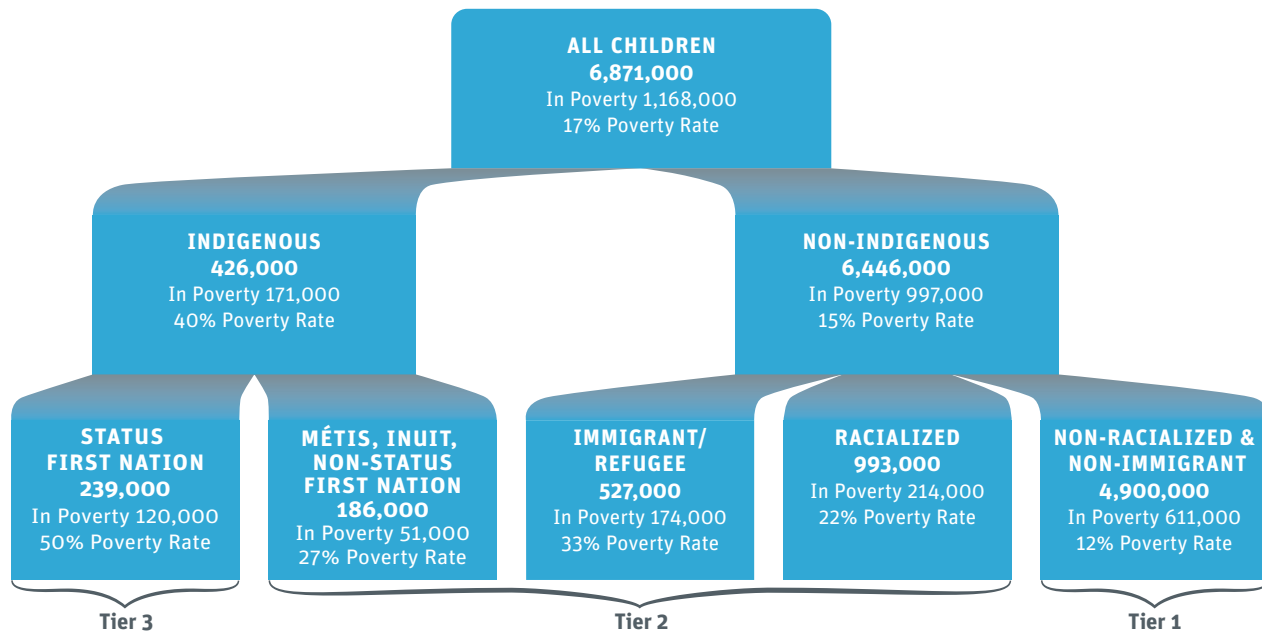
The first tier, with a poverty rate of 12%, excludes Indigenous, racialized and immigrant children.

The second tier of child poverty includes racialized children who suffer a poverty rate of 22%, first generation immigrant children whose poverty rate is 33%, and Métis, Inuit and non-status First Nations (MInSI) children at a poverty rate of 27%.

The third tier is perhaps the most shocking, where is that fully half – 50% – of status First Nations children live below the poverty line.

Recalling that the provinces provide the bulk of social services to citizens while the federal government maintains jurisdiction for “Indians and lands belonging to Indians,”<sup>4</sup> the striking difference between poverty rates for status First Nations children compared to Métis, Inuit and non-status First Nations children suggests that the government jurisdiction under which they fall is a significant factor in the poverty of status First Nations children.

**FIGURE 1** Child Poverty Among “Disadvantaged” Groups in Canada



Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

On-reserve social services from health care to education, from housing to social assistance, are funded by the federal government with complex arrangements as to how those services are delivered on the ground. The provinces and territories provide most social services to the rest of the Canadian population including Métis, Inuit and non-status First Nations citizens.

While Métis, Inuit and non-status First Nations citizens fall under the same jurisdiction for social services and taxation as do all other Canadians, their child poverty rate is approximately twice that of non-Indigenous children.

Interestingly the poverty rate for Métis, Inuit and non-status First Nations children is similar to that of other disadvantaged children who also fall under provincial jurisdiction.

The child poverty rate for first generation immigrants and refugees is 33%, while child poverty among racialized children excluding first generation immigrants and refugees, sits at 22%. These are roughly equidistant from the MInSI child poverty rate of 27% and roughly twice the 12% poverty rate among Canadian children when Indigenous, immigrant and racialized children are excluded.

The divergence between status and other disadvantaged groups is likely due in part to the different jurisdictions they fall under for social services. However, the similarity between Métis, Inuit and non-status First Nations children and other disadvantaged children may be due to the challenges their caregivers face obtaining good employment. Racism in Canada has an economic impact that is not sufficiently discussed in Canadian society and insufficiently addressed by policy at all levels of government.

The federal government has been alerted frequently to the fact that the quality of education, support for adequate housing, and the provision of basic services for status First Nations is insufficient. What the comparison of poverty rates between First Nations and other children and the analysis of jurisdictional responsibility would suggest is that the lack of equity in the funding levels between federal and provincial jurisdictions is reinforcing inequalities between First Nations children and all other children in Canada, while the complicated structures built around accountability and responsibility do little to improve results on the ground with the funds that are available.

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## **An International Perspective**

The Organization of Economic Co-operation and Development (OECD) tracks child poverty rates internationally. The OECD originally reported Canada's child poverty rate at 15% for 2005. However, they appeared to be using the SLID data that excludes children living on reserve. Using the 2006 census data that includes children on reserves and the accordingly adjusted child poverty rate of 17%, Canada finds itself in 25<sup>th</sup> out of 30 countries.<sup>5</sup>

Canada compares particularly unfavourably to Nordic countries like Denmark, Sweden, Finland and Norway which have 4% or fewer of their children living below the poverty line, while performing slightly better than the United States, Mexico and Turkey.

If disadvantaged groups and Indigenous children are excluded, Canada's child poverty rate is still at 12%. Even excluding the worst examples of child poverty in the country, Canada exactly matches the OECD average and has a child poverty rate three to four times higher than that of the Nordic countries.

However, the status First Nation child poverty rate of 50% is off the chart when compared to any other OECD country's general child poverty rate, including that of the worst performer, Turkey, where 25% of children live

**FIGURE 2** OECD Child Poverty Rates<sup>6</sup>

Child Poverty Rate (%)		Child Poverty Rate (%)	
Denmark	3	OECD — Total	12
Sweden	4	Luxembourg	12
Finland	4	Greece	13
Norway	5	Japan	14
Austria	6	New Zealand	15
France	8	Italy	16
Iceland	8	Germany	16
Hungary	9	Ireland	16
Switzerland	9	<b>Canada</b>	<b>17</b>
Belgium	10	Portugal	17
United Kingdom	10	Spain	17
Czech Republic	10	United States	21
Korea	11	Poland	22
Slovak Republic	11	Mexico	22
Netherlands	12	Turkey	25
Australia	12		

Source Organization of Economic Co-operation and Development AT-LIM

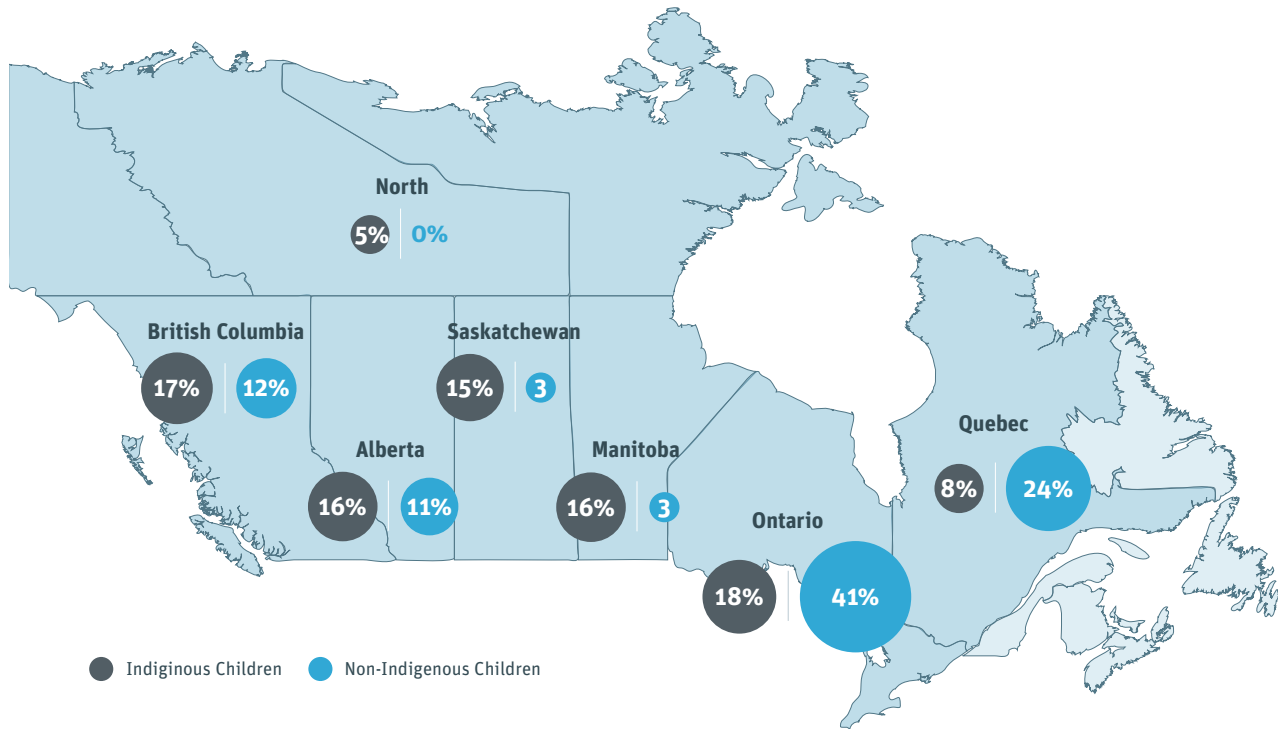
below the poverty line. Even the MInSI child poverty rate of 27% is worse than Turkey's.

## Regional Variations in Child Poverty

While Indigenous people represent only 3.8% of the total Canadian population in the 2006 census, Indigenous children make up 6.2% of all children in the country.

The geographical distribution of Indigenous children in Canada is different from that of non-Indigenous children. Roughly the same percentage of Indigenous children live in Saskatchewan, Manitoba, Alberta, BC and Ontario. Fewer Indigenous children live in Quebec and the North, with relatively small numbers living in the Maritimes. The majority of non-Indigenous children live in Ontario and Quebec with Alberta and BC well behind. The balance of the provinces and territories have quite small child populations.

**FIGURE 3** Child Location in Canada (Map)



Source 2006 Census Individual Public Use Microdata file (PUMF)

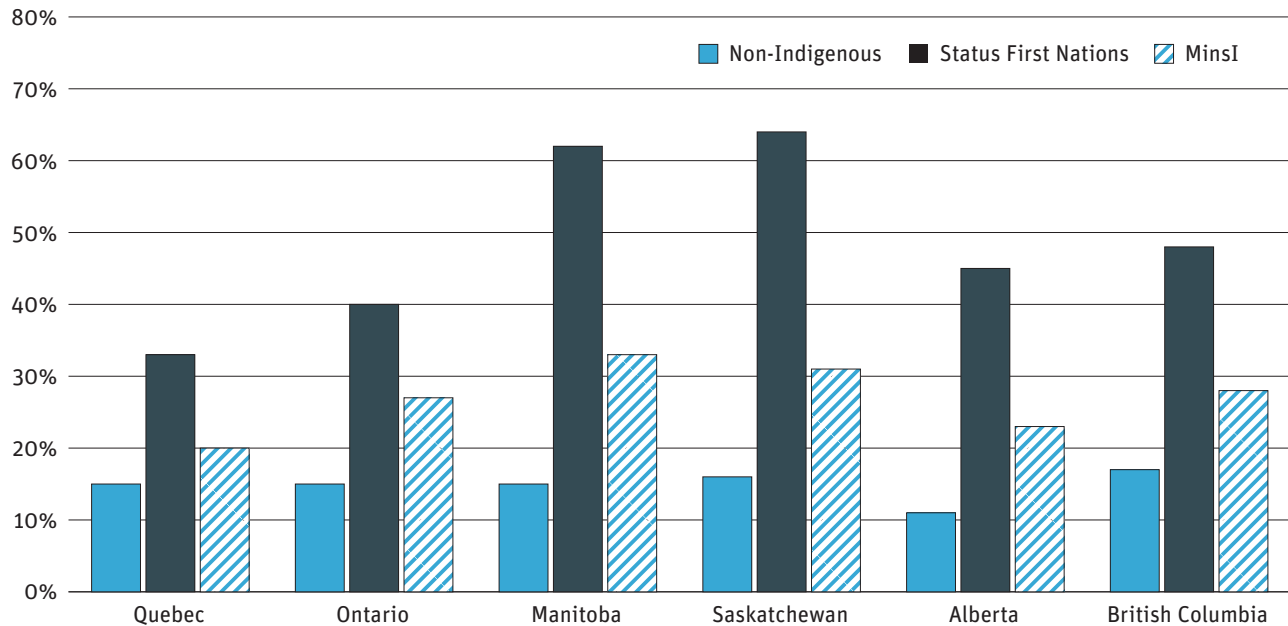
It is notable that the prairies (Alberta, Saskatchewan and Manitoba) as well as the North have a significantly higher proportion of Indigenous to non-Indigenous children.

While child poverty rates for Indigenous children vary by identity and status, there are also substantial regional differences. The national non-Indigenous child poverty rate is relatively consistent when broken down by province with two exceptions; Alberta having a lower rate of 11% and BC with a slightly higher rate at 17%. There is much less provincial consistency for Indigenous child poverty rates.

By far the worst area in the country for status First Nation child poverty is the prairie provinces of Manitoba and Saskatchewan where almost two-thirds live below the poverty line (62% and 64% respectively). This compares to the non-Indigenous child poverty rate of 15% and 16% respectively in those provinces.



**FIGURE 4** Regional Child Poverty in Canada<sup>7</sup>



Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

Similar to Alberta, the status First Nations child poverty rates in Manitoba and Saskatchewan are about four times higher than the non-Indigenous rates, while in Ontario, Alberta and BC they are approximately 3 times higher.

The large variance in Alberta is in part due to that province's standing in Canada as the jurisdiction with the lowest non-Indigenous child poverty rate. Lower non-Indigenous child poverty in Alberta is no doubt related to the resource boom allowing more parents to be employed. However, the impact of resource development that benefits many non-Indigenous children has entirely evaded status First Nations, despite the fact that reserves are often much closer to resource extraction points.

Quebec has the lowest concentration of status child poverty at 33%, although this is double the non-Indigenous child poverty rate in that province of 15%. It should be noted though that Quebec contains a relatively small proportion (8%) of the Indigenous child population.

MinsI child poverty rates follow a similar geographic pattern to those of status First Nation child poverty rates, although they are lower, with Saskatchewan and Manitoba having the worst results at just over 30%. BC and Ontario are next with rates just under 30%.

Interestingly the lowest MInSI child poverty rates are found in Alberta and Quebec at 23% and 20% respectively. As above, there are relatively few of these children living in Quebec compared to other provinces.

In contrast to the situation with status First Nations children in Alberta, it appears that Métis, Inuit and non-status First Nations children are doing proportionally better in Alberta than in most other provinces. This may mean that Métis, Inuit and non-status First Nations parents have been better able to take advantage of the Alberta resource boom than status First Nations parents, or it may be a reflection that the eight Métis Settlement Areas in Alberta are functioning to greater advantage. Unfortunately, the data does not allow for greater precision on this question, though it may be a valuable area for additional study.

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## Depth of Poverty

The poverty rate only determines what proportion of the population is below the poverty line. In that way it is binary and can only be either true or false. It does not reveal how far families are below the poverty line and how much additional income it would take to get them over the poverty line. Two additional measures, the depth of poverty and the poverty gap, attempt to answer those questions.

The poverty gap is a measure of what percentage a given family is below the poverty line. As the poverty line adjusts for family size, a percentage difference from the adjusted poverty line is the preferred measure compared to an absolute difference in dollars. However, the data shows no statistically significant differences between the groups measured on this issue.

And while there may be substantially more Indigenous versus non-Indigenous children that live below the poverty line (i.e. a higher poverty rate), depth of poverty analysis also shows the amount that Indigenous children live below the poverty line is not consistently different from that for non-Indigenous children (i.e. a similar poverty gap).

The total depth of poverty for children in Canada is \$7.48 billion. Of that \$1.0 billion applies to Indigenous families below the poverty line. This means with an additional \$7.48 billion in income, whether through employment or from government transfers, all families with children could be brought up to the poverty line. It should be noted that this figure only applies to families with children and does not estimate the amount needed to bring all Can-

**FIGURE 5** Depth of Poverty by Group

Group	Depth of Poverty (\$mil)
Status Indian Children	\$580
MInsI Children	\$420
Non-Indigenous Children	\$6,470
Total All Children	\$7,470

Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

adians up to at least the poverty line (including low-income seniors, families without children and individuals).

To lift only status First Nations households with children above the poverty line would cost \$580 million. Indian and Northern Affairs Canada<sup>8</sup> spent \$5.14 billion for the comparable year of 2005–06.<sup>9</sup> Therefore, an increase of departmental spending of 11% devoted specifically to child poverty would lift all status children out of poverty.

## Other Elements of Indigenous Child Poverty

Poverty is not solely a question of income levels. Status First Nations children, in addition to a higher poverty rate, often live in communities that are without comparison in Canada when it comes to the impoverishment of services and infrastructure. This has as deep an affect on the lives of these children as the amount of money their parents earn.

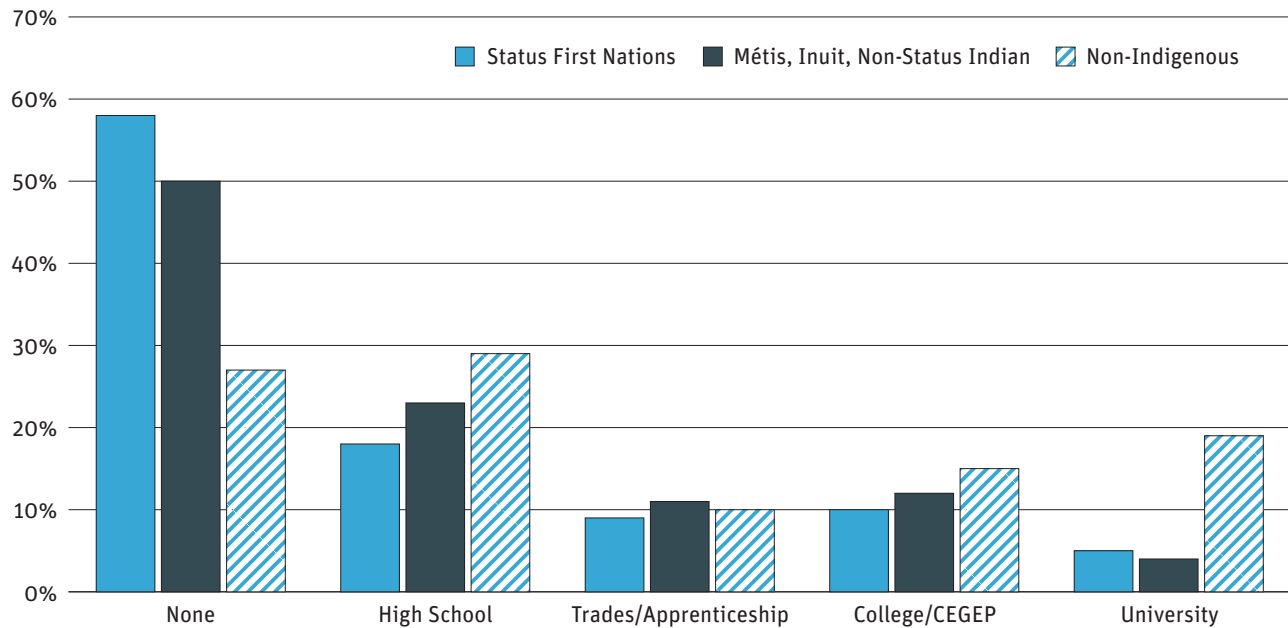
Indigenous children trail the rest of Canada's children on practically every measure of wellbeing: family income, educational attainment, crowding and homelessness, poor water quality, infant mortality, health and suicide.<sup>10</sup>

Status First Nations children living in poverty are three times more likely to live in a house that requires major repairs compared to the non-Indigenous children of families with similar income levels and five times more likely to live in an overcrowded house.

More than half of all water systems on First Nation reserves pose a risk to those using them.<sup>11</sup>

Many Indigenous children face nutritional challenges due not only to a lack of income, but also due to the loss of traditional foodstuffs and the high cost of imported foods in remote and northern communities. One of the

**FIGURE 6** Highest Education Level of Adults With Low-Income Children



Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

effects of this circumstance is an age-adjusted rate of diabetes 3 to 5 times higher for First Nations than for the general population.<sup>12</sup>

First Nations youth suffer suicide rates that are five to seven times higher than those for non-aboriginals.<sup>13</sup>

The Canadian Human Rights Tribunal is currently hearing a case concerning the 22% deficiency in funding for First Nations child welfare services compared to other Canadian children.<sup>14</sup>

A closer examination of education and housing data helps to elucidate the issue.

Examining the education levels of adults that live in low-income households with children, there is a striking difference between Indigenous and non-Indigenous education levels.

Almost 60% of status First Nations parents do not have even a high school education. The situation is almost as bad with Métis, Inuit and non-status First Nations parents, where 50% do not have a high school education. In contrast, among non-Indigenous adults from low-income households with children, approximately one quarter do not have a high school education.

**FIGURE 7** Number of Children Per Low-Income Household

	Indigenous	Non-Indigenous
Quebec	2.0 <sup>16</sup>	1.8
Ontario	2.2	1.9
Prairies	2.3	1.9
British Columbia	2.2	1.8

Source 2006 Census Hierarchical Public Use Microdata file (PUMF) AT-LIM

At the opposite end of the spectrum, 5% or less of low-income Indigenous parents had a bachelor degree or better. This compares to almost 20% of non-Indigenous adults with children in low-income households that have a university education.

That so many low income parents of Indigenous children have no high school diploma will likely make continued efforts at raising incomes through employment difficult. To address the immediate crisis, focus on developing income opportunities for adults living on remote reserves and on-the-job training for low income Indigenous parents who have access to the general job market is one avenue that may help to overcome the very low levels of basic education. We also must address the education and opportunity gap today for the adults of tomorrow.

Improving access, relevance, cultural appropriateness and the quality of education available to Indigenous children is necessary to ensure that the opportunities of Indigenous children are equitable.

Indigenous children have dreams no different from non-Indigenous children. To fulfill those aspirations and to ensure that youth are not forced to leave their communities in order to receive a decent education or to find dignified work requires a holistic approach. The underlying causes of poverty, including access to education and employment opportunities, training in entrepreneurship and ending racism among the non-Indigenous population must all be tackled if we are to end Indigenous child poverty.

To consider the housing issue, we must begin by looking at the size and make-up of households. Indigenous households below the poverty line tend to be larger than non-Indigenous households in the same circumstances. With more people in a family, more income is required to support them and the poverty line adjusts accordingly.

In all of the major provinces where Indigenous children live, low-income Indigenous families have more children than low-income non-Indigenous

**FIGURE 8** Number of Adults Per Low-Income-Household With Children

	Indigenous	Non-Indigenous
Quebec	1.7 <sup>18</sup>	1.6
Ontario	1.4	1.8
Prairies	1.6	1.6
British Columbia	1.7	1.8

Source 2006 Census Hierarchical Public Use Microdata file (PUMF) AT-LIM

**FIGURE 9** Proportions of Low-Income Households by Household Type

	Status Indian Children	MInsI Children	Non-Indigenous Children
One Family Married Couple	20%	20%	43%
One Family, Common-law	21%	18%	10%
On Family Lone Parent	46%	56%	43%
More Than One Family in the Household	11%	5%	2%

Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

families.<sup>15</sup> In both Ontario and Quebec the margin of error on the estimated number of children is large enough that the Indigenous and non-Indigenous averages are not distinguishable. The spread is largest in the prairies where low-income Indigenous families have 0.5 more children than low-income non-Indigenous families. It is also in the prairies where Indigenous child poverty is the highest.

When more than one adult caregiver lives in a household, there is a greater possibility of more market income, at least in regions where there is a viable job market. In terms of the number of adults<sup>17</sup> in low-income households with children, there does not appear to be a consistent pattern between Indigenous and non-Indigenous households. In Quebec, low-income Indigenous households with children have more adults than low-income non-Indigenous households. However in Ontario and BC, there are slightly fewer Indigenous adults in low-income households with children than in non-Indigenous families. In the prairies where Indigenous child poverty rates are the highest, the number of adults is the same between Indigenous and non-Indigenous low-income households.

Whether Indigenous or not, a large proportion of low-income households with children are headed by a single adult, the situation is similar

**FIGURE 10** Proportion of Low-Income Children by Household Repairs Needed

	Status Indian Children	MInsi Children	Non-Indigenous Children
Only Regular Maintenance	30%	39%	56%
Minor Repairs Needed	32%	35%	31%
Major Repairs Needed	38%	26%	13%

Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

**FIGURE 11** Proportion of Low-Income Children in Houses Requiring “Major Repairs”

	Status Indian Children	Non-Indigenous Children
Quebec	25%	15%
Ontario	33%	12%
Manitoba	43%	14%
Saskatchewan	41%	16%
Alberta	43%	12%
British Columbia	32%	11%

Source 2006 Census Individual Public Use Microdata file (PUMF) AT-LIM

between low-income status children and low-income non-Indigenous children. However, this number is higher for Métis, Inuit and non-status First Nations children, 56% of whom have only one parent at home.

The other stark difference between low-income Indigenous and non-Indigenous children is the number of families living under one roof. A total of 11% of low-income status First Nations children live in households with more than one family. This compares to only 2% of low-income non-Indigenous children. Low-income status First Nations children are over 5 times more likely to live in a house with multiple families. Low-income Métis, Inuit and non-status First Nations children also experience this crowding effect, although to a somewhat lesser degree, with 5% living in these circumstances.

Having a higher number of families in a house is likely an indicator of overcrowding. Children growing up in such households are not only experiencing poverty but overcrowding affects other aspects of their lives, like finding the space to study and complete homework for instance. Even in the case where non-Indigenous children experience poverty, they don't experience overcrowding at nearly the same rate.

Indigenous children in poverty are much more likely to live in houses that require “major repairs” compared to low-income non-Indigenous children.<sup>19</sup> The situation is worse for status First Nations children, almost 40% of whom live in houses that require major repairs. This compares to only 13% of non-Indigenous low-income children who live in housing in need of major repairs, meaning that status First Nations children are three times more likely to live in housing in need of major repairs. Low-income Métis, Inuit and non-status First Nations children fare somewhat better, being only twice as likely to live in housing in need of major repairs.

The housing quality disparity is worse in the prairies with more than 40% of low-income status children in Manitoba, Saskatchewan and Alberta living in houses requiring major repairs. For low-income non-Indigenous children in those provinces, only 16% or fewer live in poor quality houses. The disparity is smaller in Ontario, Quebec and BC where 33% or less of status First Nations children live in poor quality homes. However, even in these better performing provinces, the likelihood of low-income status First Nations children living in poor quality homes is two to three times that of low-income non-Indigenous children.

Both the overcrowding and poor quality housing are additional burdens that low-income Indigenous children bear, in addition to financial poverty. These do not affect low-income non-Indigenous children at nearly the same rate.



# Analysis and Recommendations: What Can be Done?

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## Métis, Inuit and Non-Status First Nations Children

Canada has little to be proud of in a child poverty rate of 17%, nor can the 12% rate for children in poverty that excludes Métis, Inuit and non-status First Nations children, racialized children, and immigrant and refugee children, be considered an accomplishment when it is three to four times higher than the child poverty rate in some other countries of the OECD.

For children in the first and second tiers of poverty, the responsibility for most such programs falls to provincial and territorial governments, the federal government can also make a difference. Campaign 2000<sup>20</sup> has advocated for an increase in the combined NCBS/CCTB total to \$5,400 for the first child by increasing the NCBS portion. Based on tax modelling, this change in 2005 would have reduced immigrant child poverty from 31% to 27% in that year.<sup>21</sup>

Unfortunately, the tax modelling does not allow for a specific examination of the impact on Indigenous child poverty.<sup>22</sup> The tax modelling explicitly excludes status First Nations children and does not separately identify Métis, Inuit and non-status First Nations children. Examining the provinces with large Indigenous populations may provide some indication of the im-

**FIGURE 12** Improvement in Child Poverty Rates After NCBS Change<sup>23</sup>

	Child Poverty Before NCBS Change	Child Poverty After NCBS Change	% Change in Child Poverty Rate
Ontario	15%	13%	-12%
Manitoba	19%	17%	-10%
Saskatchewan	22%	19%	-13%
Alberta	11%	9%	-16%
British Columbia	19%	17%	-9%
<b>Canada</b>	<b>15%</b>	<b>13%</b>	<b>-14%</b>

Source SPSD-M AT-LIM

pect of improving the NCBS, particularly for Métis, Inuit and non-status First Nations children, but with limited specificity.

Using these tax modelling changes to NCBS, Alberta would see the largest reduction in general child poverty of 22% and 16% respectively. However, these two provinces had the lowest MInSI child poverty to begin with. Manitoba and Saskatchewan which have the highest MInSI child poverty would see smaller improvements of 10% and 13% respectively. These preliminary results of changes to the NCBS model are not particularly promising when it comes to addressing MInSI child poverty.

Beyond improving government transfers to low-income children through NCBS for instance, barriers to improved market income and therefore job prospects need particular attention. The gap between Métis, Inuit and non-status First Nations children and the general population remains, even including changes to the NCBS. The labour market challenges can be quite varied. For Indigenous people (whether status or not), limited educational attainment remains a significant impediment to improved employment prospects.

Child poverty in the general population (excluding Indigenous, immigrant and racialized children), remains significantly above Nordic countries like Denmark where rates are at or below 4%. The NCBS changes above would reduce this child poverty from 12% to 10%, or slightly below the OECD average.

As such, targeted government support programs can only go so far in lifting children up and over the poverty line in Canada. Larger trends, like growing income inequality, declining social assistance and the shift towards more precarious employment all likely playing a role in making it harder for families with children, whether Indigenous or not, to stay out of poverty.

Beyond this, the federal government has other responsibilities toward the Métis, the Inuit and non-status First Nations citizens.

Regarding the Inuit, there are four comprehensive claims agreements covering traditional Inuit territories and the vast majority of the population. It has been noted by Inuit organizations on many occasions that these agreements are not being implemented as anticipated, and steps to do so could assist in addressing child poverty among the Inuit.

For both the Métis and for non-status First Nations citizens, the recent decision of the Federal Court of Canada in *Daniels v. The Queen* directly challenges the federal government's historic insistence that programs and services these people are strictly a provincial responsibility. That decision is now under appeal and could have a significant affect on the relationship between Canada and both of these groups of citizens in the future.

More broadly, there are some federal services, such as funding to friendship centres that address the reality for urban Indigenous people in Canada. These too can be sources for action to help alleviate the burden of a 27% child poverty rate.

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## Status First Nations Children

Most of the measures that might help other children living in poverty in Canada will not help status First Nations children living in the third tier of child poverty, particularly those living on reserve. For one thing, the administration of social services is completely different. Beyond that, however, is a set of larger issues pertaining to the historic struggles of First Nations in Canada.

The administration of services like health care and education are provided by First Nation governments on-reserve, funded and directed by the federal government. Provincial income supports are not available on-reserve. Many federal income supports administered through tax benefits, while they may be available, have low take up rates on reserve as they are linked to filing taxes which isn't required for those living and working on-reserve. As such, modification to federal programs like CCTB or NCBS that focus on low-income children will have little effect on status First Nations children. Instead, the immediate focus for the worst child poverty in Canada must be on social transfers to First Nations.

Since 1996, transfers for core services to reserves have been capped at 2%. While this matches inflation, it does nothing to keep up with population growth and is unadjusted for need. Under such constraints, there is lit-

tle that First Nations can do to ameliorate conditions, outside of limited opportunities for own-source income.

Federal programs like CCTB adjust for increased need in areas like child poverty. A hard cap of 2% on transfers for core social services on-reserve does not adjust for need. The introduction of “workfare” on reserves in the most recent federal budget will likely further restrict access to income supports. Moving to a system that adjusts core transfers based on need instead of a hard cap will go much further to addressing status First Nations child poverty.

The absolute cost of lifting all status children out of poverty is not prohibitive. With an 11% increase in Aboriginal Affairs and Northern Development Canada’s budget, the worst child poverty among status First Nations children could be completely eliminated in Canada. In fact, these costs are more than offset by the benefits to Canada’s economy from investing in better outcomes for Indigenous children.

The Royal Commission on Aboriginal Peoples estimated “the cost of doing nothing” – representing lost productivity and increased remedial costs – at \$7.5 billion annually back in 1996,<sup>24</sup> a figure that would be much higher today. And a study by the Centre for the Study of Living Standards projected a \$115 billion cumulative benefit (2006–26) for federal and provincial governments from equivalent educational attainment and labour market outcomes for Indigenous people.<sup>25</sup>

While direct investment to alleviate the burden of poverty must be part of the answer, other solutions also exist. There are ways to enable economic growth and better governance for Indigenous communities. The wealth of natural resources and the jobs that go with development can be shared with far greater equity. Entrepreneurial activity in Indigenous communities, already on the rise, can be cultivated. First Nations can be supported in pursuing self-government, leading to greater electoral and financial accountability. Indigenous communities can be empowered to take control of their destinies.

At a time when workforce replacement and skilled labour shortages occupy the attention of both business and government alike, the youngest and fastest growing demographic in the country struggles in poverty. Almost half (48%) of Indigenous people are under the age of 25. The population is growing six times faster than that of the non-Indigenous population. Indigenous youth will be maturing and entering the workforce. As such, equipping them with the tools for success – or withholding those tools – will deter-

mine either the contribution or the costs associated with young Indigenous populations seeking work as adults.

Sustainable economic development requires improved educational outcomes and measures to increase market incomes. Improved, accessible, culturally relevant education, more local employment and entrepreneurship opportunities, and better infrastructure must be available to on-reserve families if we are to end poverty for these children.

Adults in low-income status First Nation households have a woefully low level of education, with 60% lacking a high school diploma. As such, any programs to increase labour force participation will likely need to be paired with a substantial focus on on-the-job training both on an upfront and on-going basis to overcome the barriers of low education levels.

Given the proximity of many reserves to resource extraction sites, particularly in the prairie provinces where status Indian child poverty is the highest, opportunities exist for better labour market integration as well as longer term revenue sharing agreements.

Impact-benefit agreements are becoming more common when resource extraction overlaps with First Nation communities. These agreements between private industry and First Nation governments often specify that a certain proportion of the workforce for new extraction sites will come from First Nation communities and can provide an opportunity for employment. Unfortunately, it is all too common for there to be escape clauses whereby, if sufficiently well trained Indigenous workers are not found, non-Indigenous workers are substituted. Given that development is occurring now, in circumstances where education levels are so low, such agreements frequently provide few, if any jobs. Impact benefit agreements usually also fail to address other concerns such as co-management to address environmental impact and remediation, and they provide little long-term funding, lasting a portion of the lifetime of a particular development project.

A longer term fix for chronic underfunding of social services on-reserve is through resource revenue sharing for those communities that consent to development where Indigenous rights or title are implicated. In contrast to impact-benefit agreements, resource revenue sharing involves federal, provincial and First Nations governments in cooperative agreements that can provide equity interests and other long term funding, enabling improved health care, education, housing and other social services. The effects of resource sharing are long-term, and properly negotiated, they can provide “social license” to outside actors for resource extraction in First Nations territories.

Another area for focus is support to the welcome growth in Indigenous entrepreneurial endeavours. The Canadian Council for Aboriginal Business says that, “According to the 2006 Census, there are more than 37,000 First Nations, Métis and Inuit persons in Canada who have their own businesses, a significant increase of 85 percent since 1996.”<sup>26</sup> Interestingly, women own over half of these businesses in whole or in part, a higher proportion than in the broader Canadian public.<sup>27</sup> They provide jobs to Indigenous workers with employers who understand the challenges facing those workers, as well as the opportunities such investment provides.

Along with direct investment in transfers, support for business development and resource sharing agreements, all of which can increase the level of funding available to address poverty among status First Nations children, there must be a new approach to governance and accountability that helps to make government transfers more effective.

Existing accountability structures fail because those with authority pay no consequences for bad decisions and gain no benefits from poor ones. Those who write the legislation, develop the policies, set the level of funding, and determine the administrative and accountability structures for First Nations are disconnected from the communities for whom they are making decisions. These facts have been a driving factor in decades of poor governance.

Excepting the 18 First Nations with completed self-government agreements<sup>28</sup> (modern treaties), the federal government considers First Nations governments as subordinate levels of government to the federal authority and determines the legislative, policy, and accountability structures in place for administering the funding that it determines will be available.

Without personal or political consequences for decisions that impact the community, whether negatively or positively, the accountability of the federal government is extremely limited.

Similarly, without the authority over the decisions they administer, First Nations governments have limited accountability for the results of those decisions. The accountability mechanisms that are in place focus on command and control over spending authorities. Reporting goes from First Nation governments to the federal government, leaving the citizens out of the accountability relationship. Limited information on results is collected, meaning that performance measurement and evaluation cannot be done effectively, which makes improvements difficult to identify and implement.<sup>29</sup>

The net result of this dysfunctional accountability structure amplifies the negative consequences of the underfunding to programs and services discussed earlier.

To raise status First Nations children above the poverty line will require that federal, provincial, territorial and First Nation governments work together. Tackling the underlying conditions that lead to multi-generational poverty certainly will require policy change, but to take that change from words on paper to lived reality requires non-Indigenous Canadians to join in this national project.

# Conclusion

ALL CHILDREN HAVE basic rights, including the right to live free from poverty. Their development can be thwarted by a collection of circumstances. A hungry child won't learn much in school, and she won't stay there long enough to benefit if she has to work to help support her sick mother. She has a right to her heritage and culture that will give her the foundation on which she can build her future.

While action on all child poverty is needed urgently, the mere existence of three distinct tiers of poverty should give impetus to focused action with regard to Indigenous child poverty and the poverty experienced by racialized and immigrant communities more broadly.

In Canada, Indigenous children are at greater risk than any others. In the case of status First Nations children, at an elevated rate that makes their circumstance wholly unique. There is a demonstrable link between Indigenous child poverty and government policies, policies that have failed. Moreover, this situation is a denial of basic human rights for Indigenous children.

The risk to another generation of Indigenous children and to Canada as a whole is clear.

Direct investment is needed, but other solutions exist and merit pursuit. Eliminating poverty among Indigenous children is a crucial step toward unlocking their potential and can be achieved.

To end child poverty in Canada and ensure that the rights of Indigenous children to life, education, health and opportunity, a holistic approach that strengthens all determinants of success must be taken.



This report is a first step in understanding some of these interconnected and interdependent issues. It points toward concrete action that can and must be taken for the sake of the country and for the sake of the children.

# Appendix 1

## Indigenous Peoples Excluded From the 2006 Census

SEVERAL RESERVES ARE excluded from the 2006 Census because those bands refused access to Statistics Canada data collectors and other challenges reaching those communities with the census. The exclusion of these reserves may affect the conclusions in this report, along with any other conclusions about Indigenous people based on the 2006 Census. Despite this exclusion, Statistic Canada has provided model-based estimates for population size on the excluded reserves. The total population estimates then yield estimates of the child population in the same year. Given that the figures in the “Excluded Reserve Populations” table below are estimates, conclusions based on this information should be made with caution.

If the child poverty rate of the excluded Indigenous children on-reserve is substantially different than the general status First Nations population, the child poverty rate for First Nations and Indigenous peoples generally may be incorrect.

For example, one of the largest excluded reserves in Ontario is Six Nations of the Grand River. It is located in south-eastern Ontario close to major population centers. This would likely result in lower child poverty due to increased access to employment for those residents. Excluding Six Nations children from the census could therefore over-estimate the true status First Nations child poverty in Ontario and potentially the country if the number is large enough and the location has a disproportionate impact on child poverty.

**FIGURE 13** Excluded Reserve Populations

	Number of Excluded Reserves	Total On-Reserve Excluded Population	Excluded On-Reserve Children (Estimated)
Quebec	7	16,600	6,477
Ontario	10	15,392	6,005
Saskatchewan	1	739	288
Alberta	3	7,271	2,837
British Columbia	1	113	44
<b>Total</b>	<b>22</b>	<b>40,115</b>	<b>15,651</b>

Source Statistics Canada<sup>30</sup> and author's calculations<sup>31</sup>

**FIGURE 14** Indigenous Children Included and Excluded From the 2006 Census

	Excluded On-Reserve Child Estimate	First Nations Child Population Census	% of First Nations Children Excluded	Indigenous Children 2006 population	% Indigenous Children Excluded
Quebec	6,477	20,939	24%	34,183	16%
Ontario	6,005	56,861	10%	78,650	7%
Saskatchewan	288	44,948	1%	69,772	0%
Alberta	2,837	38,918	7%	62,225	4%
British Columbia	44	48,278	0%	69,439	0%
<b>Canada</b>	<b>15,651</b>	<b>274,093</b>	<b>6%</b>	<b>425,512</b>	<b>4%</b>

Source Author's calculations

The majority of the excluded children are in Quebec and Ontario at 41% and 38% respectively. Alberta contains 18% of the excluded children. The other provinces with large Indigenous child populations: Manitoba, Saskatchewan and BC have few if any excluded children. As the children being excluded are by definition on-reserve, it is assumed that they are status Indians.

Quebec has proportionally the highest estimated excluded children with an estimated 24% of status children missing from the census figures. Compared to the larger Indigenous child population, a smaller 16% of Indigenous children are missing due to excluded reserves.

BC is second highest with 15% of status children excluded, while in Ontario an estimated 11% of status children are not in the census. However, where status Indian child poverty rates are the highest, in Manitoba and Saskatchewan, essentially all status children are included in the census.

Across the country an estimated 6% of First Nations children were excluded from the census. For the larger Indigenous population, that amounts to 4% missing due to excluded reserves.

As such, there is little probability that the estimates of status Indian child poverty in Manitoba and Saskatchewan would be affected by children living on excluded reserves. However, the estimates of status child poverty in Quebec, Ontario and Alberta may be affected by missing children if poverty rates are substantially different there.

# Appendix 2

## Poverty Lines in Canada

IN CANADA, THERE is no official “poverty line” below which Canadians are “low-income” that is published by Statistics Canada. Instead, the agency publishes “low income lines [that] are to provide some indication of the extent, nature, and evolution of persons with low-income who may be said to be at-risk of poverty.”<sup>32</sup> As a measure of poverty is an inherently political concept, Statistics Canada attempts to stay agnostic as to when Canadians and their families are officially “low-income”.

Nonetheless, Statistics Canada publishes two measures of “low income” that stand in for measures of poverty for Canadians and their families. The first is called the “Low Income Cut-off” (LICO) below which a family devotes a larger share of its income to necessities of food, shelter and clothing than the average family.<sup>33</sup> The LICO is adjusted yearly by the value of inflation and is calculated for various community and family sizes. The LICO is calculated both before and after taxes.

However, the last time it was “rebased” or the basket of goods that families are purchasing was updated was in 1992 making it an outdated measure of low-income.<sup>34</sup> In the past, rebasing was more frequent, usually every 5 years, thereby keeping pace with “the average family.” However, the LICO hasn’t been rebased in 20 years. If previous rebasing provides any indication, a rebasing today would likely push the LICO up by approximately 20%.<sup>35</sup> In other words, the current 1992 based-LICO is approximately 20%

below what a 2010 based-LICO would be. The LICO is available in the Census microdata file.

Statistics Canada also published the “Low Income Measure” (LIM) whose threshold is 50% of the “adjusted” median income of Canadian households. Income is “adjusted” for the number of people in the household.<sup>36</sup> The LIM is the more common measure of poverty internationally as it simplifies the data requirements. It is recalculated yearly thereby eliminating the rebasing issues present in the LICO and Market Basket Measure. The LIM is calculated for household before tax income and after tax income. While the LIM is not available in the Census microdata file, it is relatively easy to calculate.

The Human Resources and Skills Development department of the federal government calculates its own low income threshold named the Market Basket Measure (MBM) which is similar to the LICO measure in that it represents a basket of goods. The MBM was more recently rebased in 2008 and includes a finer differentiation between geographical locations. Its reference family is for two adults aged 25–49 and two children (aged 9 and 13) and the MBM is calculated based on after-tax disposable income only.<sup>37</sup> The MBM is not available in the census microdata file and its requirement of detailed community size data makes it impossible to calculate from the census Public-Use Microdata file.

In this report, child poverty is represented by the after-tax low income measure (AT-LIM) given its simpler structure and international comparability. The Low-Income Cut Off (LICO), although more widely used in Canada, cannot be compared to rates in other countries. Given that its basket of goods hasn’t been rebased (or updated) in 20 years, it doesn’t correctly represent a current basket of goods for an average Canadian family. Finally, the MBM isn’t included in the census Census Public Use Micro-data files (PUMF) and cannot be calculated given its requirement for detailed community size information.

While the methodology for the LIM is straightforward, two different Statistics Canada surveys can be used to estimate it. The Survey of Labour and Income Dynamics (SLID) is a yearly survey of income and other variables. While it is executed yearly, it explicitly excludes reserves making it a poor measure for Indigenous poverty. As well, the sample size for the SLID is relatively smaller than that of the long-form census.

Additional complications emerge in the two formats of the 2006 PUMF the individuals file and the hierarchical file. In each the income data is derived from the 2005 calendar year.

**FIGURE 15** Comparison of After-Tax LIM (2005)

Measure	Number Below LIM	Total Population	Poverty Rate
SLID (<18 yrs) <sup>38</sup>	1,063,000	6,770,701	15.7%
Census (<18 yrs) Individuals (Range represented by midpoint)	1,167,956	6,871,113	17.0%
Census (<20 yrs) Hierarchical	1,273,863	7,532,253	16.9%
Census (<18 yrs) Individual (Range represented by hierarchical median)	1,279,753	6,871,113	18.6%
Census (<18 yrs) Individual (Range represented by upper bound of range)	1,002,590	6,871,113	14.6%

The individual file has more records than the hierarchical file and therefore leads to lower coefficient of variation (CV) values for smaller subgroups, like Indigenous children. The individual file has an age breakdown that matches the under 18 requirement for international child poverty comparisons. However, the after-tax household income in that file is not the actual income value but instead is a set of ranges, each between \$2,000 and \$5,000 at lower incomes. Since the AT-LIM is not pre-calculated in the PUMF, transforming this income range into a specific income by record requires additional calculations and assumptions.

For this report, each individual in the individual file is assigned the midpoint of the after-tax household income range for AT-LIM calculation. This could be problematic if more individuals are at the upper or lower end of the income range instead of evenly spaced. To test out these possibilities several alternative methodologies are also examined below.

The hierarchical PUMF does allow for the calculation of the exact dollar value of after-tax income for a household. However, its age ranges force the definition of “child” from <18 years old, the international standard, to <20 years old. As such, AT-LIM poverty rates based on this file are slightly different from both the SLID and the individual PUMF.

AT-LIM child poverty as estimated by SLID is 15.7%, the lowest of the three estimates. This is to be expected as it excludes on-reserve children and has a smaller sample size that is less likely to correctly represent small populations, like Indigenous children that have higher poverty rates. There is good agreement between the individual file (with income ranges represented by the midpoint) and the hierarchical file at 17% and 16.9% respectively; this despite the fact that the hierarchical AT-LIM estimate includes slightly more youth and so the population size is slightly larger.

In order to determine if using the midpoint of the income range as the income in the individuals file is best, several other possibilities are exam-

ined. Using the upper-bound of the income range in the individuals file as the income for that record results predictably in a poverty rate that is likely too low at 14.6%, below the SLID AT-LIM rate despite the census having better sampling and including children on reserve.

Using the hierarchical file it is possible to determine the median for each of the income ranges in the individuals file. Then the hierarchical median is used as the income for the individual files with that income range. This approach produces a child poverty rate of 18.6%, substantially higher than hierarchical estimate, the individuals file estimate (range represented by the midpoint) and the SLID. As such, income ranges in the individuals file are represented by the midpoint of those ranges for the AT-LIM calculations in this report.



# Notes

- 1** The low-income measure calculates a household size adjusted line that is 50% below the median household income.
- 2** For the purposes of this paper, “racialized” is equivalent to the “visible minorities” definition in the 2006 Census
- 3** Assembly of First Nations, “Fact Sheet: The Reality for First Nations in Canada”. Available online at [http://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=oCCYQFjAA&url=http%3A%2F%2F64.26.129.156%2Fcmslib%2Fgeneral%2FRFNC.pdf&ei=uvFNULWJLMvyyAHXnoHYCw&usg=AFQjCNFQ\\_9M-cDaNWtKOfIXmmfEQg-z1A](http://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=oCCYQFjAA&url=http%3A%2F%2F64.26.129.156%2Fcmslib%2Fgeneral%2FRFNC.pdf&ei=uvFNULWJLMvyyAHXnoHYCw&usg=AFQjCNFQ_9M-cDaNWtKOfIXmmfEQg-z1A)
- 4** Canada, *Constitution Act*, 1867, S.91(24).
- 5** The reported OECD poverty rate for Canada in 2005 was 15.0%. This appears close to the SLID AT-LIM child poverty rate for the same year of 15.7%. Unfortunately, the SLID does not capture persons on Indian reserves. The census, with on-reserve sampling is more likely to fully capture children in poverty including Indigenous. Within the table, Canada has been re-ranked given its Census AT-LIM ranking.
- 6** The OECD child poverty rates uses the after-tax LIM methodology as the basis for their measurement that is 50% of median income of households adjusted for household size ([http://stats.oecd.org/OECDStat\\_Metadata/ShowMetadata.ashx?Dataset=CWB&Lang=en&Coords=\[INDICATOR\].\[MATERIAL\\_IND2\]](http://stats.oecd.org/OECDStat_Metadata/ShowMetadata.ashx?Dataset=CWB&Lang=en&Coords=[INDICATOR].[MATERIAL_IND2])). Children are from the ages of 0–17. Figures in this table are from 2005. See <http://stats.oecd.org/Index.aspx?QueryId=20190>
- 7** The Atlantic provinces are excluded from regional comparisons as their Indigenous populations are small and the CV on such calculations often spikes above 16.5%.
- 8** The equivalent department at the time of writing is named Aboriginal Affairs and Northern Development Canada.
- 9** Public Accounts of Canada, 2005–06, Indian Affairs and Northern Development pg 15.17
- 10** Assembly of First Nations, “Fact Sheet: The Reality for First Nations in Canada”. Available online at <http://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=oCCYQF>

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MvyyAHXnoHYCw&usg=AFQjCNFQ\_9M-cDaNWtKOfflXmmfEQg-z1A

**11** Auditor General of Canada “Status Report: Chapter 4: Programs for First Nations on Reserves”, 2011, pg 15.

**12** Public Health Agency of Canada, “Diabetes in Canada – Second Edition”, Chapter 6, <http://www.phac-aspc.gc.ca/publicat/dic-dac2/english/5ochap6-eng.php>

**13** Public Health Agency of Canada, <http://www.hc-sc.gc.ca/fniah-spnia/promotion/suicide/index-eng.php>

**14** First Nations Child and Family Caring Society of Canada, “Wen: De” report, 2005, pg. 115.

**15** Children here are defined as those under 20 years old given age definitions in the hierarchical PUMF.

**16** This figure has a CV of 16% approaching the high end of Statistics Canada acceptability range.

**17** Adults here are defined as those 20 years or older

**18** This figure has a CV of 16% approaching the high end of Statistics Canada acceptability range.

**19** <http://www.statcan.gc.ca/pub/89-645-x/2010001/c-g/c-g007-eng.htm>

**20** Campaign 2000, *Needed: A Federal Action Plan to Eradicate Child and Family Poverty in Canada, 2012 report card on child and family poverty*, Family Service Toronto, November 2012

**21** This analysis is based on Statistics Canada’s Social Policy Simulation Database and Model (SPSD-M). The assumptions and calculations underlying the simulation results were prepared by David Macdonald and the responsibility for the use and interpretation of these data is entirely that of the authors. SPSD-M data is based on the SLID survey. SPSD-M and the census define immigrant children with the census counting over 500,000 children as immigrants or refugees. SPSD-M counts only 98,000 children as immigrant. However the poverty rates in both cases are similar at 33% and 31% respectively.

**22** The lack of Indigenous data is due to SPSD-M’s database being derived from SLID data that does not track Indigenous identity or status. Furthermore SLID explicitly excludes all persons on reserves thereby skipping the worst instances of child poverty.

**23** Note that figures in this table are based on SPSD-M’s population database derived from the SLID. All figures are from 2005. As the underlying micro-data derives from a different source, this table differs from the “Regional Child Poverty in Canada” table above which is based on the more inclusive Census 2006 Individual PUMF.

**24** Canada, Report of the Royal Commission on Aboriginal Peoples, 1996, volume 5, chapter 2.

**25** Centre for the Study of Living Standards, *The Effect of Increasing Aboriginal Educational Attainment on the Labour Force, Output and the Fiscal Balance*, May 2009, pg. vii.

**26** <http://www.ccab.com/uploads/File/CCAB-businesssurvey-F2-singles.pdf>

**27** [http://business.financialpost.com/2013/01/11/we-are-businessmen-first-nations-entrepreneurs-far-from-idle/?\\_lsa=5b96-8c83](http://business.financialpost.com/2013/01/11/we-are-businessmen-first-nations-entrepreneurs-far-from-idle/?_lsa=5b96-8c83)

**28** <http://www.aadnc-aandc.gc.ca/eng/1100100016293/1100100016294>

**29** [http://www.oag-bvg.gc.ca/internet/english/parl\\_oag\\_201106\\_04\\_e\\_35372.html](http://www.oag-bvg.gc.ca/internet/english/parl_oag_201106_04_e_35372.html)

**30** Incompletely enumerated Indian reserves and Indian settlements, Census 2006, Appendix 3, <http://www12.statcan.gc.ca/census-recensement/2006/ref/notes/Indigenous-autochtones-eng.cfm>

**31** The child population is estimated at 39% of the total population utilizing the First Nation national ratio of children to total population as seen in table “Indigenous Children and Adults by identity” above

**32** Brian Murphy, Xuelin Zhang and Claude Dionne, “Low Income in Canada: a Multi-line and Multi-index Perspective,” Statistics Canada, March 2012.

**33** Specifically that it devotes 20 percentage points more than the average family on food shelter and clothing. For more detail see Statistics Canada, “Low Income Lines, 2009–2010,” 75F0002M (002), 2011. Pg 7.

**34** Re-basing means that the 20 percentage points more than the average family calculation is performed anew based on the rebasing year’s expenditure figures. Re-basing would ideally occur every several years to keep up with changes in the basket of goods and of the average income of families of various types. However, that rebasing hasn’t happened now for 20 years.

**35** Richard Shillington, “Defining Poverty and Determining the Number of Poor – Long-Term Trends”, Tristat Resources, September 2011, pg 12.

**36** Specifically, the Low Income Measure’s income threshold is 50% of the median adjusted income where income is adjusted by the square root of the number of persons in the household. For more details see: Statistics Canada, “Low Income Lines, 2009–2010,” 75F0002M (002), 2011. Pg 10.

**37** See Statistics Canada, “Low Income Lines, 2009–2010,” 75F0002M (002), 2011. Pg 11.

**38** Cansim 202-0802 (<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=2020802&paSer=&pattern=&stByVal=1&p1=1&p2=37&tabMode=dataTable&csid=>)



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