

# Towards Justice:

Tackling Indigenous Child Poverty in Canada

The ongoing exclusion of First Nations governments from a fair share in the wealth of their lands must end. It's time.



**Natasha Beedie**

**David Macdonald**

**Daniel Wilson**



**upstream**

The logo for 'upstream' features three overlapping semi-circles in green, purple, and pink above the word 'upstream' in a bold, lowercase, sans-serif font.

## ABOUT THE PHOTOGRAPHER

*"I love who I am, where I come from, my people, my communities, my culture and being connected to anything and everything that connects me spiritually.*

*After all, we are all spirits and that is always my intent, to show peoples' spirit."*

—Melody Charlie  
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## About Upstream

**Upstream** is a national communications think tank working with a growing movement of people who recognize that social, ecological, and economic conditions shape people's health and the wellbeing of our communities.

## Acknowledgements

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# Towards Justice: Tackling Indigenous Child Poverty in Canada

July, 2019

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First Nations children are far and away the most marginalized and economically disadvantaged...

## Executive Summary

This report provides the third installment in a series of papers that track the gap between Indigenous children and other children in Canada, using the after-tax Low-Income Measure (LIM-AT). That snapshot provides a disturbing picture of child poverty in Canada: one where First Nations children are far and away the most marginalized and economically disadvantaged. Tracking Indigenous child poverty and non-Indigenous child poverty trends between Census 2006 and Census 2016, it's clear that these differences have not markedly changed over that 10-year period.

Broadly speaking, child poverty on reserves has remained almost unchanged for a decade. Little improvement has been registered for Inuit or non-status First Nations children either. Comparing urban areas, poverty rates have fallen for Indigenous children in the western cities of Edmonton, Regina, Winnipeg, and, particularly, Saskatoon. Nevertheless, more than half of status First Nations children in Regina, Winnipeg, and Saskatoon continue to live below the poverty line. Poverty rates amongst Métis children have improved, however, these improvements may be influenced by changes in self-reporting and require further study.

### This report identifies three tiers of poverty:

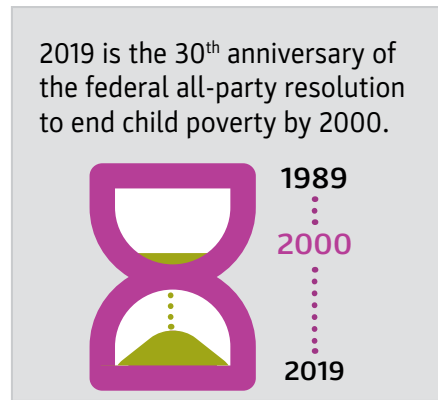
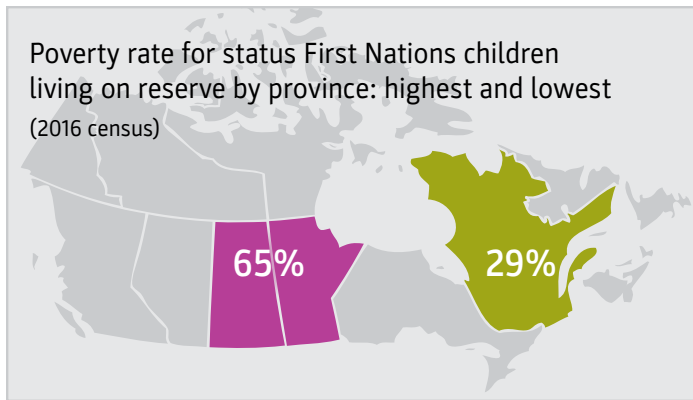


**Tier 1:** In the highest tier of poverty, 47% of status First Nations children live in poverty (53% for those living on reserve and 41% for those living off reserve).

**Tier 2:** In the second tier, 25% of Inuit children live in poverty, 22% of Métis children live in poverty, and 32% of non-status First Nations children live in poverty. The second tier also encompasses racialized and recent immigrant children, whose average poverty rates are 22% and 35%, respectively.<sup>1</sup>

**Tier 3:** The third tier of poverty captures poverty rates among non-racialized, non-recent immigrant, non-Indigenous children, who register the lowest rate of child poverty: 12%, which is one quarter the rate for First Nations' child poverty.

<sup>1</sup> However, some sub-groupings of racialized groups, notably of Arab and West Asian backgrounds, can have much higher child poverty rates, over 50%.



Comparing tiers 1, 2, and 3, we see the prevalence of poverty among status First Nations children is 3.8 times higher than non-racialized, non-Indigenous children. For non-status First Nations children, it's two-and-a-half times higher and for Inuit and Métis children, it's twice as high as non-Indigenous children.

How does that compare to changes over time? There is modest improvement in Indigenous child poverty rates, but it's happening at a glacial pace of change: Status First Nation child poverty rates have fallen from 52% in Census 2006 to 47% in Census 2016. This decline is largely due to the proportion of these children living off reserve. Status First Nations children living on reserve have seen only a small decline in child poverty since Census 2006.

Looking provincially, Quebec retains, by far, the lowest child poverty rate for status First Nations children living on reserve, at 29%, driven by the 15% poverty rate among the children of the James Bay Cree (Eeyou Itschee) of Northern Quebec. Saskatchewan and Manitoba have the highest child poverty rate for status First Nations children living on reserve—an astounding 65% of these children live in poverty.

How have things changed over time by geographic location? The poverty rate for status First Nations children living off reserve has improved in all western provinces, with the most gains made in Saskatchewan, with rates falling from 61% in Census 2006 to 50% in Census 2016. This was driven by a decline in status First Nations child poverty in Saskatoon, where rates fell from 69% in Census 2006 to 51% in Census 2016. Large declines in status First Nations child poverty were also registered in Edmonton and Winnipeg between Census 2006 and the 2011 National Household Survey, although Regina lost some of its gains since the 2011 National Household Survey. Alberta has seen the least improvement of the western provinces, although rates there were relatively lower to begin with. Progress on Inuit child poverty was mixed, with Inuit children in Quebec faring slightly worse while those in Nunavut showed an improvement. Newfoundland and Labrador and the Northwest Territories also showed improvements for Inuit children.

Métis children experienced a sustained decline in child poverty, falling from 27% in Census 2006 to 22% in Census 2016. However, this occurred while the population self-identifying as Métis grew by 30% between Census 2006 and Census 2016. Given the population growth, it is unclear whether declining poverty rates are due to improved economic circumstances or higher incomes of those newly identifying as Métis.

As troubling as these numbers are on their own, the ongoing discrimination against status First Nations children—highlighted in cases brought before the Canadian Human Rights Tribunal that resulted in four different compliance orders against the Government of Canada—reinforces the observation that structural and legislative forces require a broader range of targeted solutions. Likewise, the continued challenges of inadequate and insufficient housing, non-potable water, inferior education and health services, among other matters, points to the urgent need for increased financial investment to alleviate the surrounding environment of poverty Indigenous children face.

In addition, the existence of such significant child poverty rate differences—where the main characteristic is identity—suggests that we must, as a society, continue to investigate, challenge, and respond to the role of racism as a driver of child poverty in Canada.

Over the past 50 years, a large number of studies have pointed to self-determination, supported by changes to the fiscal and jurisdictional relationship between Canada and First Nations, as the foundation for progress. Moreover, specific evidence referenced in this paper concerning the Eeyou Itschee suggests the income available from revenue sharing, as was the original intent of the treaties between Canada and First Nations, can be a significant and effective part of that foundation.

First Nations parents desire nothing less for their children than do other parents in Canada: to provide them with good health and the best opportunity for success. Similarly, First Nations governments seek nothing less than other governments: to care for their communities and citizens as best the resources at hand allow. The ongoing exclusion of First Nations governments from a fair share in the wealth of their land must end. It is time to reconcile this.

Any level of poverty for children is unacceptable. Eliminating that poverty is a goal that everyone in this country can share. It is incumbent on us to recognize that the differences identified in this paper point to different causes and different policy solutions. Last but not least: 2019 is the 30<sup>th</sup> anniversary of the federal all-party resolution to end child poverty by 2000 (which at this time has not been achieved).

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## Upstream: Social Determinants of Health



Indigenous Frameworks for the determinants of health often emphasize access to land and resources as well as a relationship to language, culture, and ceremonies as central determinants of individual and community wellness. These are aspects of health that are not often emphasized in mainstream social determinant of health models. Learn more: [http://ccsdh.ca/images/uploads/Frameworks\\_Report\\_English.pdf](http://ccsdh.ca/images/uploads/Frameworks_Report_English.pdf)

## Introduction

There is ample evidence demonstrating the disproportionately poor health outcomes of Indigenous Peoples. In August 2018 the federal government proposed the first federal poverty reduction strategy, with specified goals for poverty reduction from the 2015 base year of 20% by 2020 and 50% to 2030.<sup>2</sup> Bill C-87, An Act Respecting the Reduction of Poverty, would support the government's continuous efforts to reduce poverty and monitor poverty reduction in Canada by designating the Market Basket Measure (MBM) as Canada's official poverty line.<sup>3</sup>

While a federal commitment to reduce poverty is laudable, additional work must be undertaken to determine how poverty is measured, experienced, and understood by Indigenous peoples. Given the breadth of the topic of poverty and its intersectional nature, this examination into poverty should not be considered exhaustive. Rather, this work is intended to provide a broad look at the complexity of Indigenous peoples' child poverty within the contemporary context.

This report is the third installment of a series that seeks to measure poverty rates among Indigenous children using data from the 2006 Census, the 2011 National Household Survey (NHS), and the 2016 Census. Indigenous identity, data on reserves and in the territories are only available in census years. With the 2016 Census, a fairer comparison can be made to the 2006 Census, given the anomaly of the voluntary 2011 NHS.

With renewed federal interest in poverty reduction, it will be worth continuing to examine those who are excluded from Canada's poverty counts through the federal government's use of the MBM. Neither Canada's territories nor its First Nations reserves have costed-out MBM baskets, although efforts are underway to develop a northern basket.

As this report and our previous reports have shown<sup>4</sup>, First Nations reserves and the three territories contain some of the highest poverty rates in the country. This third report provides an update on poverty rates for Indigenous children, including data from the 2016 Census.

### Social Determinants of Health.

“Any reasonable approach to building a healthy society, especially one informed by social accountability or social justice, means improving conditions among the poorest in our society must be top priority. The foundation of a healthy society must be built among those who find themselves at the bottom. This is where addressing the determinants of health will have the greatest impact.”

—Ryan Meili, *A Healthy Society: How Can a Focus on Health Can Revive Canadian Democracy*. Purich Publishing Ltd. 2012.



<sup>2</sup> Employment and Social Development Canada. *Opportunity for All – Canada's First Poverty Reduction Strategy*. August 22, 2018. (<https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/reports/strategy.html>).

<sup>3</sup> The MBM is a measure of low income based on the cost of a specified basket of goods and services representing a modest, basic standard of living. Statistics Canada. *Market Basket Measure*, Dictionary, Census Programs. 2016. (<https://www12.statcan.gc.ca/nhs-enm/2011/ref/dict/pop165-eng.cfm>).

<sup>4</sup> David Macdonald and Daniel Wilson. *Poverty or Prosperity: Indigenous Children in Canada*. Canadian Centre for Policy Alternatives. June 2013. David Macdonald and Daniel Wilson. *Shameful Neglect: Indigenous Child Poverty in Canada*. Canadian Centre for Policy Alternatives. May 2016.

As in previous reports, we have continued to use a blend of language to distinguish between groups, recognizing the complex historic and contemporary dynamics that have led to differences in personal identities and legal statuses. This report distinguishes status First Nations persons from non-status, if only to provide a picture of the policies and programs that underline experiences of poverty.

For the 2016 Census data, Aboriginal identity is derived from data collected in three questions: Aboriginal group, Registered or Treaty Indian status, and membership in a First Nation or Indian band.

## Child poverty rates by broad identity categories

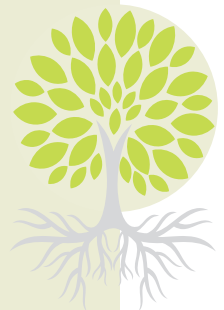
All figures in this report are based on the after-tax Low Income Measure (LIM-AT). They are based on data compiled from the 2016 Census and compared with data from 2011 and 2006. Income data reported on the 2016 census comes from the 2015 year, as the census itself was conducted in May of 2016 and the last full year of income data was in 2015. Income data is only collected on reserves in census years, resulting in a five-year gap between data for poverty rates. As noted in Appendix 2, poverty rates aren't applied on reserves, nor have they been applied in the territories, although this changed for the territories as of 2018. For the purposes of this paper, we custom requested the application of poverty lines on reserves and in the North, even though it has not been Statistics Canada's policy to publish this data. All aggregated figures in this report include both reserves and the territories.

In Canada in 2015, 17.6% of children—roughly one in five children—lived in poverty, according to Census 2016 (including reserves and the North). This is a higher percentage than the Canada Income Survey, the annual income survey, which recorded the child poverty rate at 15.2%.<sup>5</sup> The official poverty rate from the census, excluding reserves and the North, was 17%, as poverty rates are higher in those areas.<sup>6</sup> As Figure 1 illustrates, child poverty rates vary according to identity.

Poverty among non-Indigenous, non-racialized, non-recent immigrant children was much lower (12%) for the 4.5 million children in that group—well below the national average. This group of children can be found in the third tier of child poverty, which excludes historically racialized and culturally disadvantaged groups.

### Social Determinants of Health.

According to the 2012 Aboriginal Peoples Survey, the following variables predict poor health outcomes for First Nations off-reserve: daily smoking, being overweight or obese, living in a home in need of major repairs, having less than a high school education, being unemployed, having an annual household income in the lower third of the income spectrum, experiencing food insecurity, having unmet health needs, and having no one to turn to for support in a time of need. The greater the presence of these factors, the more likely the respondent reports poor health outcomes.<sup>7</sup>



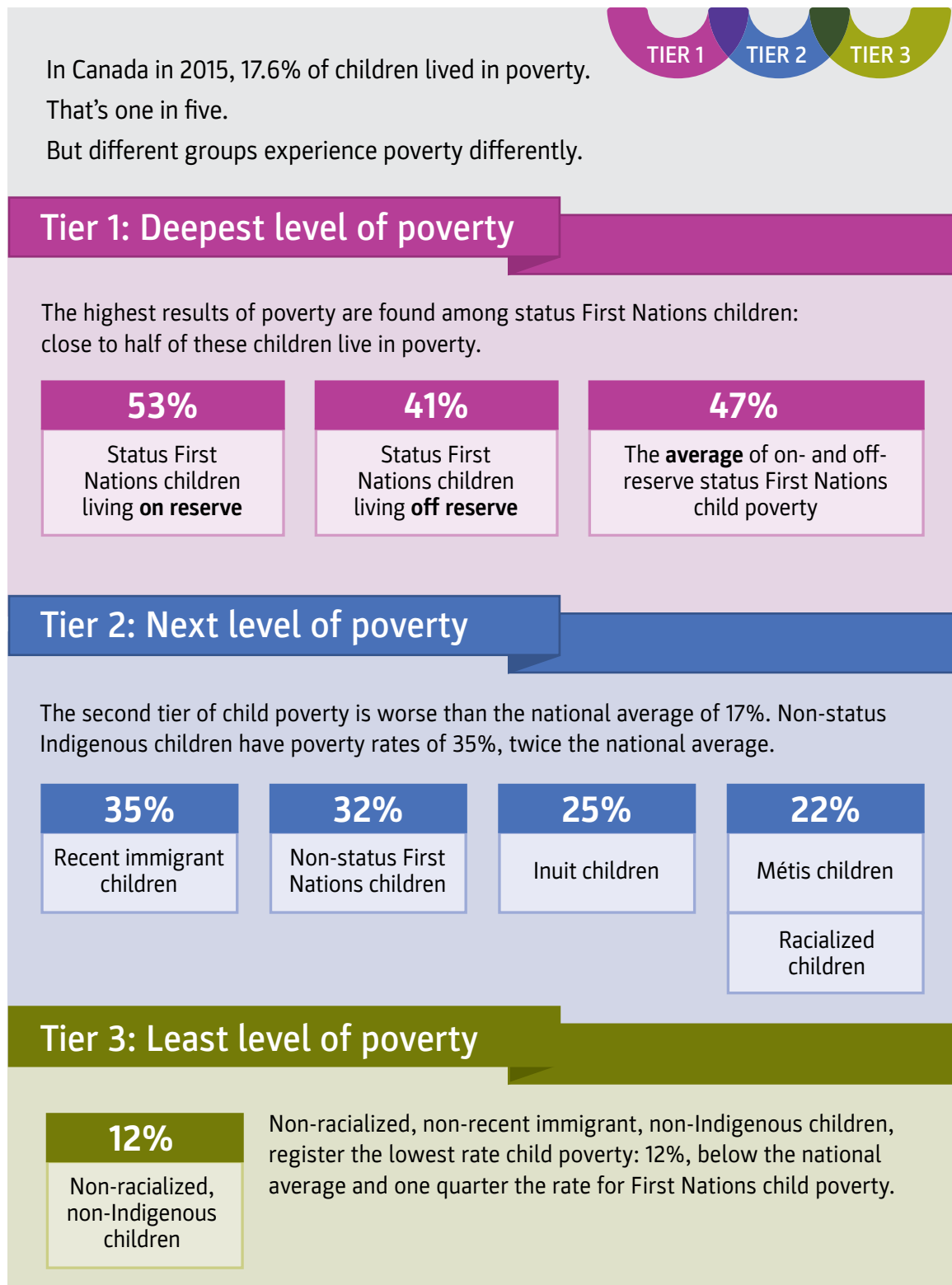
5 Compared to 2015, data from the Canadian Income Survey reported here: Statistics Canada. Table 11-10-0135-01. *Low-income Statistics by Age, Sex and Economic Family Type*.

6 Statistics Canada. *Income Highlight Tables, Population in Private Households for Income Status, Number of Persons in Low Income, Prevalence of Low Income Based on the Low-Income Concept*. Census 2016. (<https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/hlt-fst/inc-rev/Table.cfm?Lang=Eng&T=301&S=99&O=A&RPP=25>).

7 Statistics Canada. *Social Determinants of Health for the Off-Reserve First Nations Population, 15 Years of Age and Older, 2012*. Aboriginal Peoples Survey 2012. April 12, 2016 (<https://www150.statcan.gc.ca/n1/pub/89-653-x/89-653-x2016010-eng.htm>).



Figure 1: Three tiers of child poverty in Canada (2015)\*



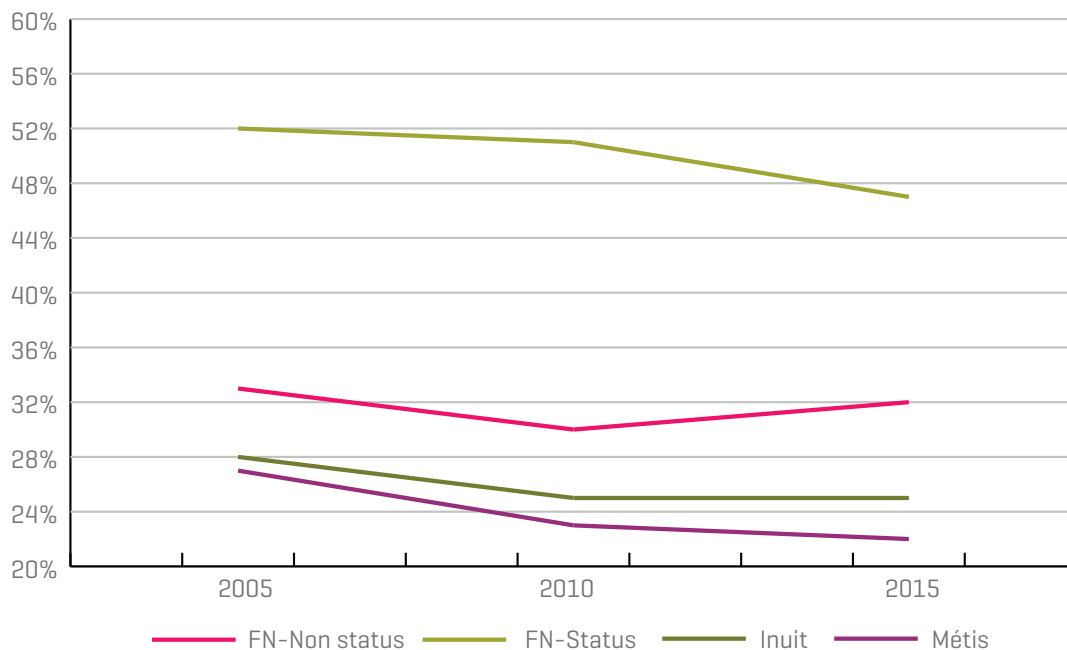
\* For population numbers see Appendix 3, page 24

The second tier of child poverty is worse than the national average and ranges from poverty rates of 35%, twice the national average, to 22%, which is just above the national average. At the higher end, it includes recent immigrant children, whose poverty rate is 35%, followed closely by non-status First Nations children, with a poverty rate of 32%. Inuit, Métis, and racialized children are at the lower end of this tier, experiencing poverty rates above 20%.

Following this group is a first tier of child poverty, where we find the highest results of poverty among status First Nations children. “Status” or “registered” indicates that these children are connected to the reserve system in Canada, although they may not necessarily be physically on a reserve. In this first tier of poverty, almost half of these children live below the poverty line. Examining children living on or off a reserve yields even higher poverty rates on reserve, at 53%—the highest rate of poverty compared to any other group examined in this report. It is worth noting that under the present Statistics Canada definition, none of these children on reserve are identified as living below the poverty line because poverty lines have not been applied on reserves. For First Nations children off reserve, the poverty rate is slightly better, at 41%, but it is still twice as high as the national average.

These tiers of poverty graphically illustrate the wide variances between Indigenous identities. More research is needed to assess the availability and effectiveness of policies, programs, and services focusing on reducing Indigenous poverty.

**Figure 2: Child poverty rates by Indigenous identity (LIM-AT)**



Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

The first time Canada collected after-tax income data was in Census 2006, providing the first year in which poverty rates on reserves and in the territories could be examined. With three censuses with such data, trends can now be examined for the first time.

As noted earlier, poverty rates for Métis children are the lowest of the Indigenous identities examined, although rates remain much higher than national average. Examining Figure 2, it can be observed that child poverty rates in this group have fallen from 27% to 22% since Census

2006. While this may appear to be a positive trend, the finding is muddled by a substantial increase in the Métis population over the past five years.<sup>8</sup>

Inuit child poverty rates have seen little change since Census 2006. Rates initially fell from 27% in Census 2006 to 23% in the 2011 NHS. However, rates rose again, to 25%, in Census 2016, showing little long-term progress. With half of the Inuit population living in the territories, the inclusion of this region is vital; without it, there would be no statistical evidence that confirms the existence of poverty among the Inuit.

Non-status First Nations children saw population growth of 10% a year between the 2006 and 2011, much more than would likely be possible through increased birth rates. Over the past five years, the non-status First Nations group grew by 3% a year, which could plausibly have resulted from increased birth rates. This population increase appears similar to the rise in the number of Métis children between 2011 and 2016. Despite the substantial influx of new people, there is little evidence of a trend in child poverty. When comparing the data, non-status First Nations child poverty stood at 33% in Census 2006, fell to 30% in the 2011 NHS (with a large influx of new self-identified respondents), then rose to 32% by Census 2016, showing little improvement from a decade earlier.

For status First Nations children, about half live on reserve and half off reserve. There has been a steady decline in child poverty, dropping from 52% in Census 2006 to 47% in Census 2016. As in the territories, it is worth noting that since half of status First Nations children live on reserve, they are also not identified as living in poverty because Canadian poverty lines have not been applied to reserves. While the slight decline in child poverty rates is certainly good news, the bad news is that it remains 2.6 times higher than the Canadian average and four times that of non-Indigenous, non-racialized children.

There are also substantial geographic variations, as we examine in the next section.



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8 Kathleen Martens. "Métis Nation Disputes Census Data." APTN National. October 25, 2017. (<https://aptnnews.ca/2017/10/25/metis-nation-disputes-census-data/>).

## Child poverty rates by region

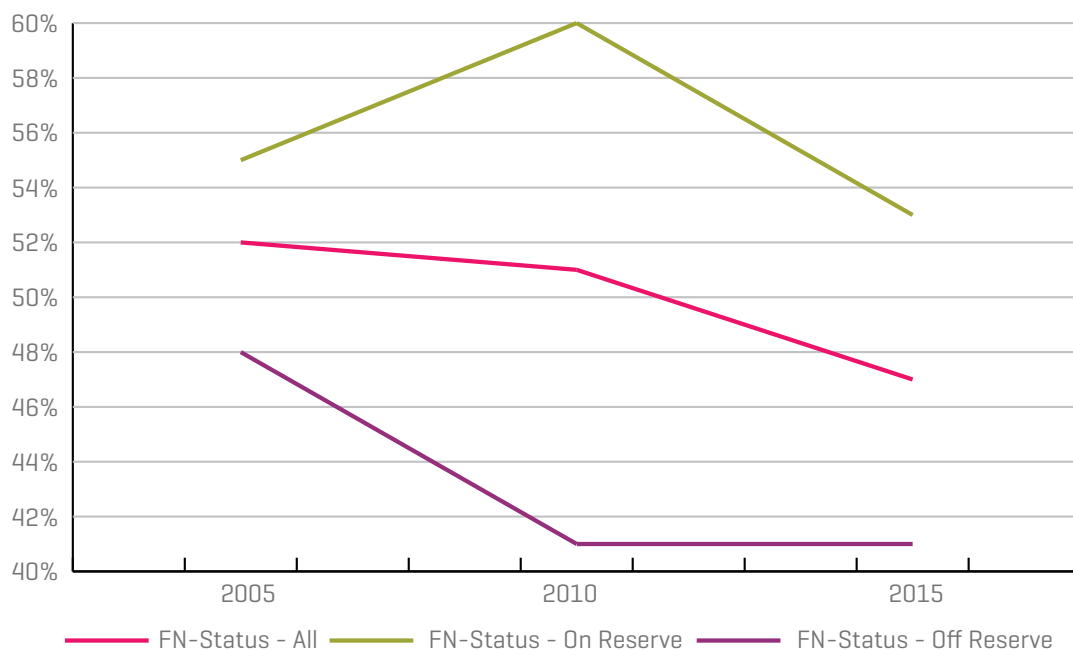
### Status First Nations children

We will now dive deeper into child poverty rates by region to see if national averages obscure important regional or city differences.

As noted earlier, status First Nations children experience the highest poverty rate among the identities examined, with children on reserve experiencing a poverty rate of 53% in Census 2016. This is an improvement from the 60% rate documented in the 2011 NHS, but isn't much of an improvement from the 55% rate documented in Census 2006. Simply put, little has changed over the past decade for children living on reserves in Canada. The population of children on reserve has also remained almost entirely stagnant, at just over 120,000, since 2006. The lack of change over the 10-year period points to a failure to undertake effective solutions.

When examining the data in Figure 3, status First Nations children living off reserve are faring better, with a poverty rate of 41% in Census 2016. This is down from 48% in Census 2006, although little has changed over the past five years. While the population of children living on reserve has been stagnant since 2006, all population growth among status First Nations children has been off reserve, where growth has averaged 3% a year. The stagnation of the on-reserve child population and the growth of the off-reserve population, in part, could ostensibly be a reaction to chronic federal underfunding of key public services in areas like education, housing, and health care. Better funded provincial services may be driving families with children off reserve.

**Figure 3: Child poverty rates for status First Nations, on and off reserve (LIM-AT)**

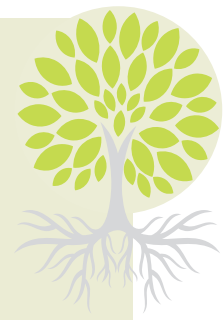


Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

The national average for on-reserve child poverty obscures substantial regional variations across the provinces. Each province in Figure 4 contains roughly an equal number of children—about 20,000—living on-reserve. Several of the provinces show a spike in on-reserve child poverty rates in the 2011 NHS, with moderation since then. This is particularly true in Manitoba, Quebec, and Alberta. Manitoba's high 76% on-reserve child poverty rate in the 2011 NHS has fallen to 65% in Census 2016, which is similar to what it was a decade earlier. Similarly, Saskatchewan has a poverty rate of 65% in this category, although the rate has gone down to 69% over the past decade. British Columbia has also shown some consistent improvement, with on-reserve child poverty rates falling from 53% in Census 2006 to 47% in Census 2016.

### Social Determinant of Health: Adequate Housing.

According to 2016 Census data, status First Nations living on reserve are more than three times likely to live in a dwelling that needs major repairs. 44.2% of respondents on reserve indicate their dwellings need structural repairs to walls, floors, or ceilings or repairs to correct defective plumbing or electrical wiring, compared to 14.2% of the off-reserve population.<sup>9</sup>



Resource-revenue sharing between the Government of Quebec and First Nations governments...went a long way to countering chronic federal underfunding. Much lower child poverty rates appear to be one of the key achievements.

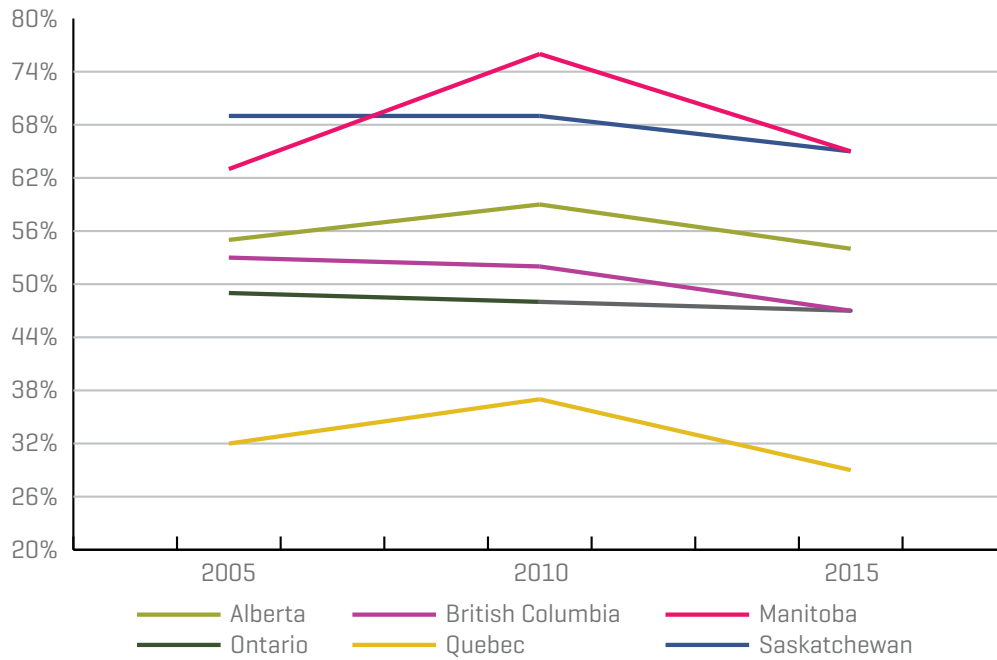
Quebec saw a spike in on-reserve child poverty in the 2011 NHS, like several other provinces. However, rates were lower in Census 2016, at 29%, than a decade ago and on-reserve child poverty in Quebec is the lowest of any province. The lower on-reserve child poverty rate in Quebec is due, in part, to the low child poverty rate among the Eeyou Itseechee (James Bay Cree) of northern Quebec.<sup>10</sup> The status First Nations child poverty rate among the reserves of the James Bay Cree was 15% in Census 2016, down from 19% in Census 2006. This relatively low rate is below the general national child poverty

rate. Given the very low population density and remoteness of these fly-in communities along the northern coast of Hudson Bay, Quebec, this stands as a unique and important achievement. Resource-revenue sharing between the Government of Quebec and First Nations governments, as a result of hydroelectric projects, went a long way to countering chronic federal underfunding. Much lower child poverty rates appear to be one of the key achievements of this agreement.

Not all First Nations are counted in every census. Several reserves have opted out. Ontario is particularly affected by varying inclusion of reserves by census year. The impact on other provinces is more muted. Figure 4 isolates the counts for any given census even though reserves opted in or out. Restricting measurement to only reserves that were counted in both censuses and the NHS, child poverty rates actually rise slightly in Ontario, instead of falling, as it does in Figure 4. In either case, the absolute level remains similar to the status First Nations poverty rate for children living on reserves in Ontario—between 45% and 49% over the 10-year time frame, whether using the total count or restricting to just reserves that are included in all three censuses.

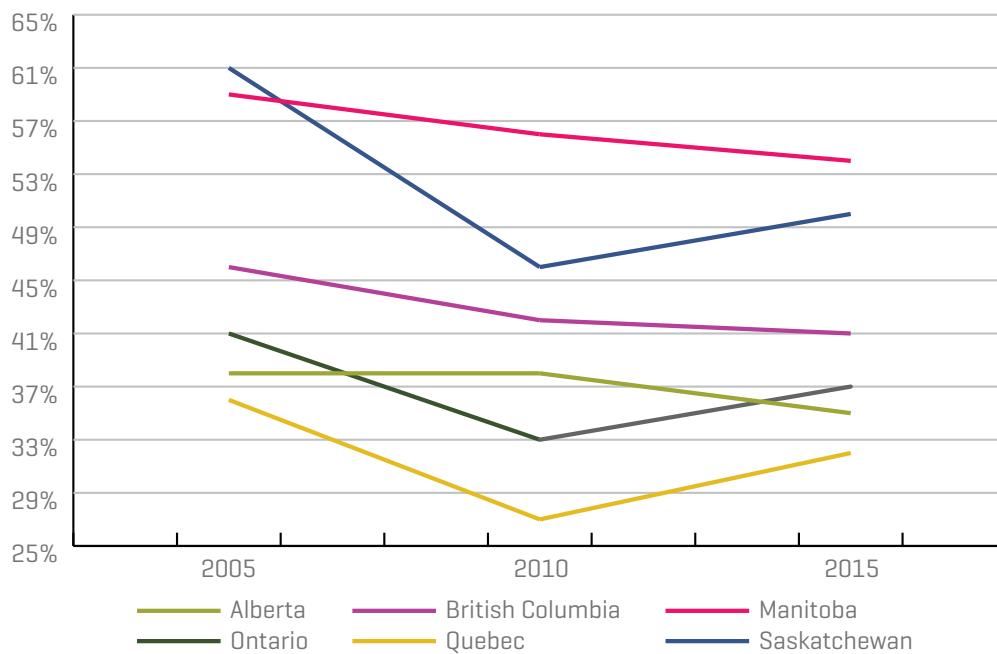
9 Statistics Canada. *The Housing Conditions of Aboriginal People in Canada*. October 25, 2017. (<https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016021/98-200-x2016021-eng.cfm>).

10 Specifically examining the on-reserve child poverty rates for the Abitibi-Baie-James-Nunavik-Eeyou electoral district, which encompasses all of northern Quebec.

**Figure 4: Child poverty rates, status First Nations on reserve by province (LIM-AT)**

Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

Child poverty rates for status First Nations children are generally much lower off reserve than on. This is true everywhere but in Quebec, where children living on reserve have lower poverty rates, likely as a result of hydroelectric project funding. For status First Nations children living off reserve in other provinces, there has been universal improvement in poverty rates at the provincial level since the Census 2006, but Saskatchewan, Ontario, and Quebec have given up those gains since the 2011 NHS.

**Figure 5: Child poverty rates status, First Nations off-reserve, by province (LIM-AT)**

Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

## Social Determinant of Health: Childhood Experiences.

Living in poverty includes an increased likelihood of child welfare involvement and placement. First Nations children are 6 to 8 times more likely to be taken into care than non-Aboriginal children.<sup>11</sup>

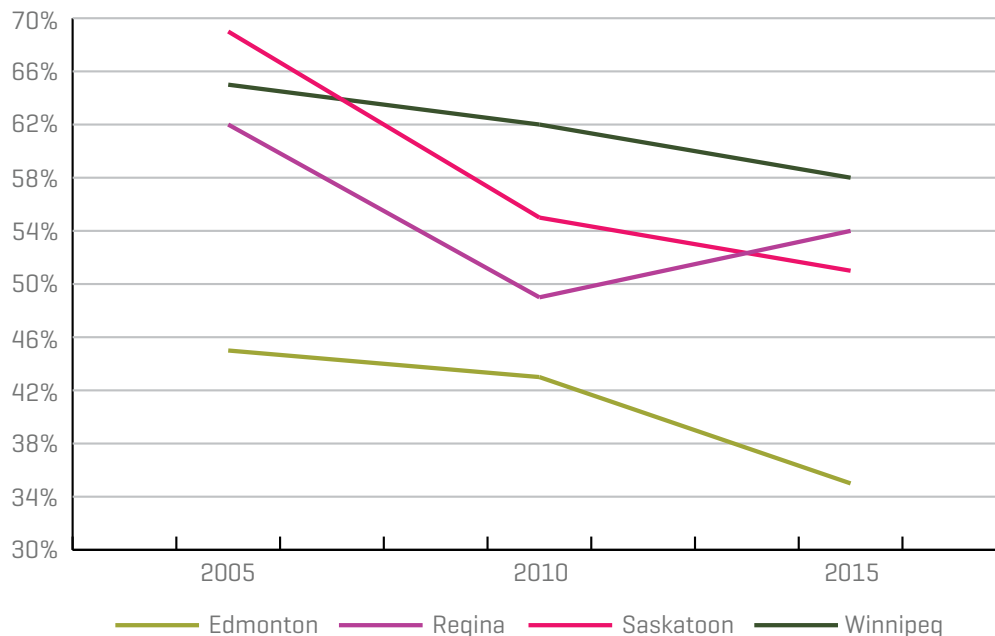


Several cities in western Canada have large status First Nations populations and merit closer scrutiny. In several of those cities, child poverty rates have improved over the past decade. Saskatoon, for instance, has seen a steady decline in child poverty, from 69% among status First Nations children in Census 2006 to 51% in Census 2016. Winnipeg (58%) and Edmonton (35%) have also seen a decline in status First Nations child poverty over this period, dropping by 7 and 10 percentage points respectively, as illustrated in Figure 6.

The status First Nations child poverty rate in Regina (54%) is lower now compared to 62% in Census 2006, but some of the gains captured in the 2011 NHS (49% poverty rate) declined by Census 2016. As such, more than half of status First Nations children in Regina live below the poverty line.

While the rate of First Nations child poverty has declined since Census 2006, it is still multiple times higher than the Canadian average. In fact, the cities of Regina, Saskatoon, and Winnipeg have status First Nations child poverty rates that are higher than the national on-reserve average.

**Figure 6: Child poverty rates status, First Nations, by city (LIM-AT)**



Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

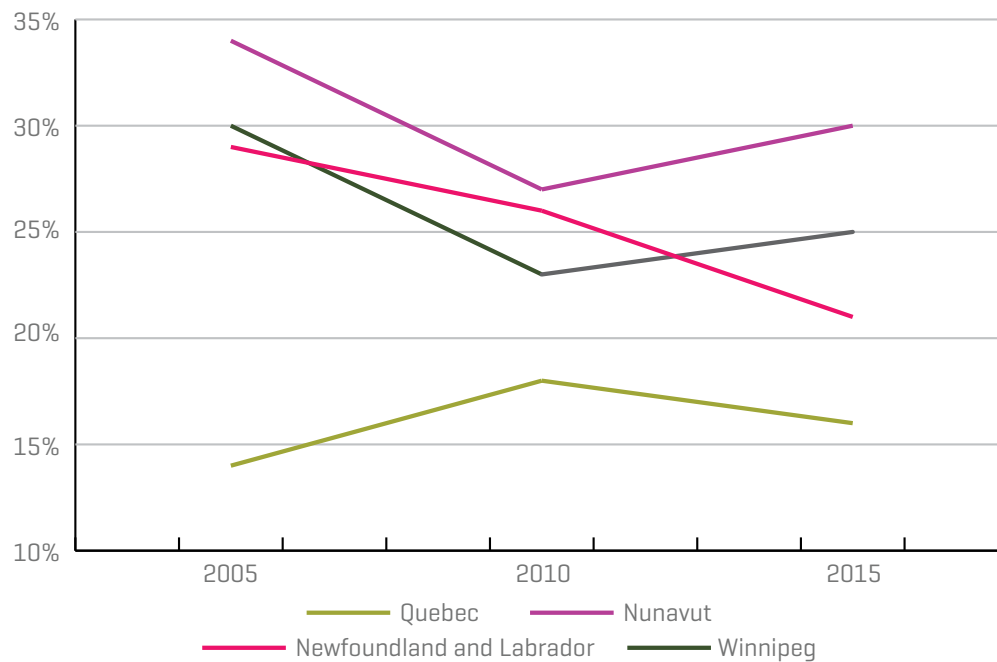
<sup>11</sup> Office of the Auditor General of Canada. *Report of the Auditor General of Canada*. May 2008. ([http://www.oag-bvg.gc.ca/internet/English/parl\\_oag\\_200805\\_04\\_e\\_30700.html](http://www.oag-bvg.gc.ca/internet/English/parl_oag_200805_04_e_30700.html)).

## Inuit children

Inuit populations are concentrated in northern Quebec, northern Newfoundland and Labrador, as well as the Northwest Territories and Nunavut. As with anyone living on reserve, no one living in the territories can be measured or identified as living below the poverty line, since no poverty lines officially apply in the North. Despite that, if the lines are applied unofficially, the two territories with large Inuit populations register the highest rates of Inuit child poverty.

Nunavut remains the territory with the highest Inuit child poverty rate, at 30% in Census 2016. This is down slightly from the 34% child poverty rate experienced a decade earlier, but it is slightly worse than the 2011 NHS. The Northwest Territories has a lower Inuit child poverty rate compared to Census 2016, but it is slightly worse than in 2011 NHS.

**Figure 7: Inuit child poverty rates, by province/territory (LIM-AT)**



Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

For its part, Quebec's Inuit child population has maintained a relatively low child poverty rate, as seen in Figure 7. The Inuit of northern Quebec occupy the Nunavik region. In fact, similar to the First Nation of Eeyou Itschee of northern Quebec, the Nunavik Inuit benefit from resource-revenue sharing, which has resulted in a 16% child poverty rate among Inuit there—lower than the Canadian average. This is all the more remarkable when considering the rural and remote nature of the Nunavik region, comprising fly-in communities along Quebec's northern coast with Hudson Bay and the Hudson Strait.

### Social determinant of health: Food insecurity.

Almost two-thirds of children under the age of 18 in Nunavut live in food-insecure households<sup>12</sup>. Households greatest at risk of food insecurity appear to be those with access to fewer economic resources (indicated by accessing benefits from social assistance<sup>13</sup>). There is a correlation between those living in poverty and the inability to purchase food for their households, regardless of ability to access traditional foods.





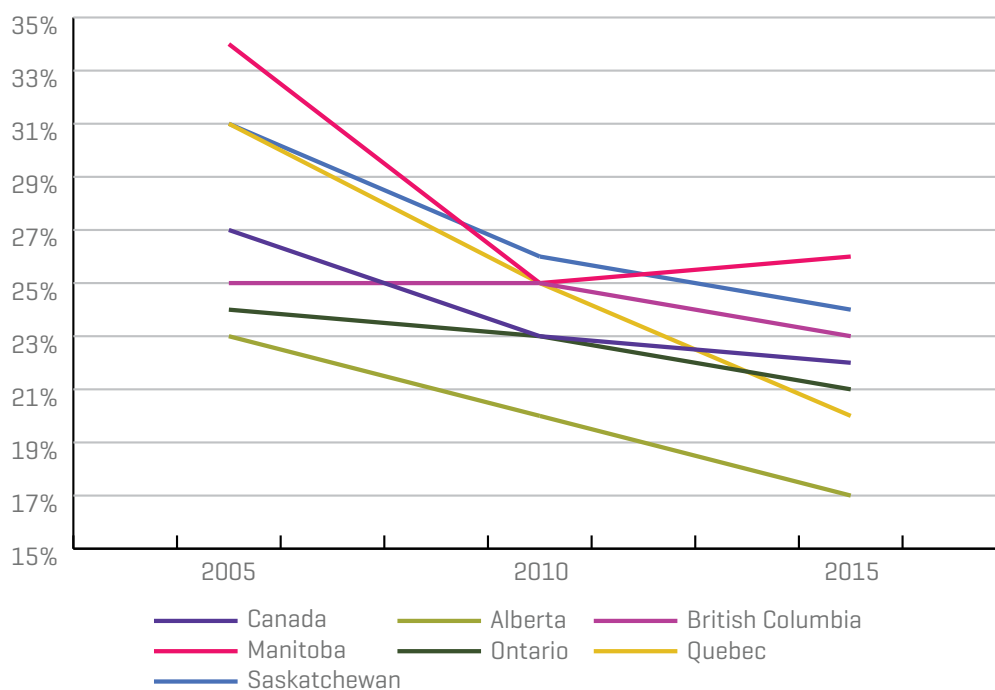
The much lower child poverty rates among the Eeyou Itschee (15%) and the Nunavik Inuit (16%) suggests that additional resources for Indigenous governments can have a substantial impact on child poverty, even in some of the most remote areas of Canada. Both benefit from hydroelectric resource revenue. However, similarly situated First Nations in Ontario or Inuit communities in Nunavut that do not have access to similar resource-revenue sharing register much higher child poverty rates.

## Métis Children

Métis children have seen a fairly steady decrease in child poverty in almost every province except New Brunswick, where the population is relatively small. Examining the western cities of Calgary, Edmonton, Vancouver, and Winnipeg—which have large Métis populations—similar downward trends in Métis child poverty can be observed.

The lowest Métis child poverty rates are found in Alberta. The worst Métis child poverty rates are found in Manitoba and Saskatchewan, although this provincial ranking is similar to what other Indigenous identities experience.

**Figure 8: Métis child poverty, by province (LIM-AT)**



Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

While falling poverty rates among Métis children may appear to be a good news story, the statistics are complicated by substantial population growth over the past five years. The population growth is far higher than would be possible through births exceeding deaths. Indigenous identity is a self-identified characteristic on the census. There were many more people who selected that self-identification in 2016 compared to 2011, creating a substantial increase in the officially reported population.<sup>14</sup> Those who newly checked that Métis box likely did so for one of two reasons: identity discovery or the changing legal framework for Métis peoples in Canada.

<sup>14</sup> The growth in the Métis population is not without controversy. See, for instance, Darryl Leroux and Adam Gaudry. *Becoming Indigenous: The Rise of Eastern Métis in Canada*. The Conversation. October 2017. (<http://theconversation.com/becoming-indigenous-the-rise-of-eastern-metis-in-canada-80794>).

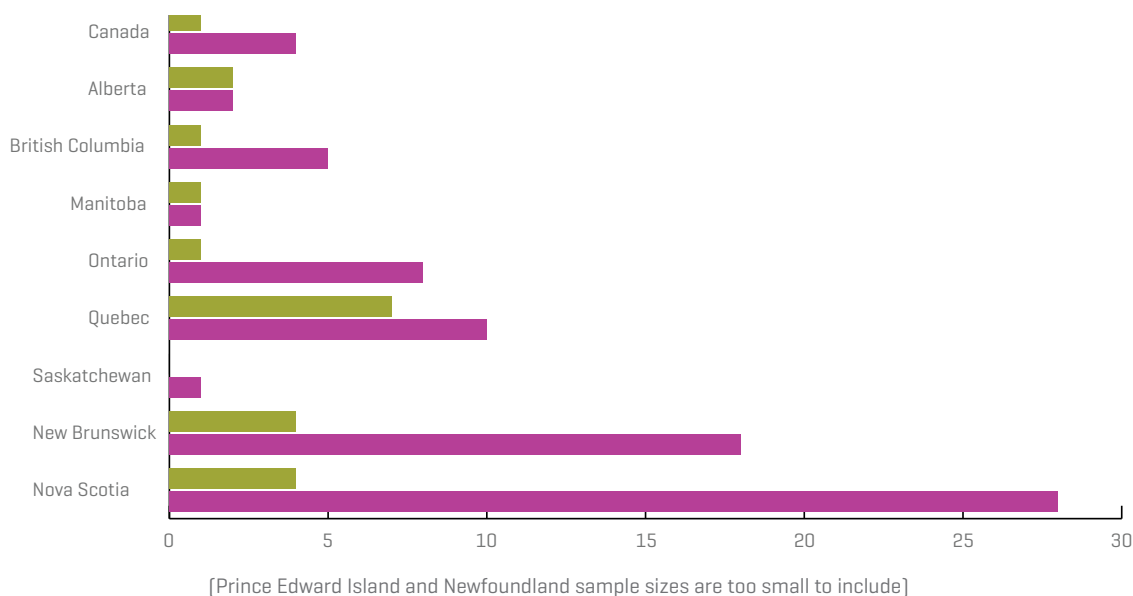
With the advent of rapid DNA testing and online family trees, it may be that more people are discovering their Métis heritage and selecting it on the census. There have also been important changes to the legal framework for Métis peoples in Canada between 2011 and 2016, resulting in more people officially identifying as Métis. In 2016, *Daniels v. Canada* ruled that Métis and non-status First Nations were “Indians” for the purpose of section 91 (24) of the Constitution Act.<sup>15</sup> This case was preceded by other monumental cases upholding the rights of the Métis, including *Manitoba Métis Federation Inc. v Canada* (2013) and *R. v. Powley* (2003).

Rapid population expansion alongside rapidly improving child poverty rates may be a causal relationship. If newly identified Métis families and children generally have higher incomes and lower poverty rates than those who identified as Métis in 2011, they may be artificially bringing up average incomes. As such, it’s unclear whether the declining Métis child poverty rate is because there is less poverty among Métis children or because there are more Métis children in families with higher incomes who self-identified in the 2016 census.

The Métis child population grew by 22% between 2011 and 2016, at an annualized rate of 4%. Growth was much higher in both Nova Scotia and New Brunswick, suggesting that identity discovery is the source of this population increase. Despite this high rate of growth, populations in the Atlantic provinces remain relatively small in the Canadian context.

Only in the Prairie provinces of Manitoba, Saskatchewan, and Alberta is population growth low enough to be consistent with births alone. In these provinces, the Métis child poverty rates also declined. These declines lend some credence to improvements in economic conditions as the source of declining child poverty rates, rather than identity discovery.

**Figure 9: Métis child population growth**



Source: Custom tabulation Census 2006, 2011 NHS, Census 2016

15 *Daniels v. Canada* (Indian Affairs and Northern Development). 2016 SCC 12.

## Conclusion

Data continue to indicate a stark, longstanding trend: Indigenous children experience higher rates of child poverty than non-Indigenous children. This issue is most severe on reserves, where the highest rate of child poverty in Canada is found. First Nations children living on reserve have endured the callous underfunding of basic public services since 1996, when budgets were locked to inflation and were not adjusted based on need or population growth. When it comes to funding public services, reserves are also exclusively under federal jurisdiction, therefore the responsibility for these shortfalls rests squarely with the federal government.

Broadly speaking, child poverty on reserves has remained almost unchanged for a decade. Little improvement has been registered either for Inuit or non-status First Nations children. Comparing urban areas, poverty rates have fallen for Indigenous children in the cities of Edmonton, Regina, Winnipeg, and, particularly, Saskatoon. Nevertheless, more than half of status First Nations children in Regina, Winnipeg, and Saskatoon continue to live below the poverty line. Poverty rates amongst Métis children have improved, however, these improvements may be influenced by changes in self-reporting and require further study.

The cause of poverty for Indigenous peoples is a complex affair without a single solution, given the diversity and interconnected nature of identity, geography, and policies relating to First Nations, Inuit, and Métis peoples. In some instances, Indigenous communities have worked with partners to create comprehensive programs and policies that have reduced poverty. This work will undoubtedly continue.

First Nations and Inuit in northern Quebec illustrate how adequate funding—in this case, through Hydro Quebec resource-revenue sharing—can have a substantial impact on child poverty rates. While transfers to low-income households can impact poverty rates, deploying strategies to employ local people can also reduce household poverty. Additionally, high quality, adequately funded, culturally appropriate public services to support Indigenous children would directly benefit children in their early years.

The cause of poverty for Indigenous peoples is a complex affair without a single solution, given the diversity and interconnected nature of identity, geography, and policies relating to First Nations, Inuit, and Métis peoples.



As the federal government embarks on a poverty reduction strategy plan that sets out specific measures and goals, it is time to officially acknowledge that poverty exists on reserves and in the territories. It should be tracked and reduced—in full partnership with First Nations, Inuit and Métis rights holders. The causes of poverty among Indigenous peoples are varied. Solutions must address this complexity. A necessary first step requires a clear set of goals with transparent criteria.

**The following straightforward recommendations should be included in the federal government’s poverty reduction plan:**

1. Low-income lines, including the Market Basket Measure (MBM) and the after-tax Low Income Measure (LIM-AT), should be applied on reserves and in the territories;
2. Reserves, conditional upon the agreement of First Nations governments, should be included in annual income surveys, as has already begun to occur in the territories;
3. The federal government should commit to a 20% reduction in MBM poverty on reserves between 2015 and 2020 and 50% reduction between 2015 and 2030.<sup>16</sup> This is in line with the national goals, but should be evaluated separately for reserves;
4. The federal government should commit to supporting self-determination, both financially and jurisdictionally, with an emphasis on revenue sharing.

Moving forward, a national poverty strategy must recognize the special relationship that Canada has with First Nations, Inuit and Métis peoples. For Indigenous peoples, there is no single way in which poverty is experienced. Therefore, there will be no single mechanism or strategy to eradicate poverty among First Nations, Inuit and Métis peoples. This requires a multi-pronged approach.

In any case, the exclusion of First Nations, Inuit, and Métis peoples who are living on reserve and in the territories from basic statistical information has gone on for too long. It is time to utilize data that has already been collected to better analyze poverty on reserves and among Indigenous identities so that that poverty can be reduced and, ultimately, eliminated within a targeted timeline.

<sup>16</sup> Other sub-groups living with high poverty rates—for example, certain groups of racialized Canadians—should also have sub-group specific targets for poverty reduction.

# Appendices

## Appendix 1: Methodology

This paper applies the after-tax Low Income Measure (LIM-AT) line to all people living on reserves and in the territories, even though this isn't how these lines are applied from Statistics Canada's definitions. The household size, adjusted to the LIM-AT line, is the same one applied to all other households in the 2016 Census. However, the inclusion of new households in the LIM-AT would also modify the LIM-AT line itself, in this case reducing it as the additional households have a higher prevalence of low income. There are relatively few new households that would be included nationally and so there is likely little effect on national figures. However, in provinces with large on reserve populations relative to their total population, like in the Prairies, the LIM-AT rate would likely be slightly lower as a result of the inclusion of reserves.

Prior to 2018, Statistics Canada's annual Canadian Income Survey (CIS) was not conducted on reserves and in the territories. In 2018, the CIS was extended to the territories, but it still does not include reserves and there are no plans to do so. As a result, the only years in which income data is available for these areas with large Indigenous populations are census years. Census 2006 was the first to include after-tax income and is, therefore, the starting point for this analysis. In 2018 and thereafter, it will be possible to calculate the annual poverty rate in the territories, even if this isn't official Statistics Canada policy. However, for the foreseeable future, income and poverty rates on reserves will still only be accessible in census years.

It should be noted that a version of the LIM-AT is calculated annually on reserves and for the North in Statistics Canada's T1 Family Form (T1FF) dataset, which is based on taxfiler data. This Census Family Low income Measure After Tax (CFLIM-AT)—which is based on family, and not household, size—allows the tracking of on reserve poverty rates. Unfortunately, Indigenous identity isn't available within this dataset and it is difficult to determine whether families live on reserve or not in some cases.

The LIM-AT is calculated at the household level. This report focuses on child poverty, but if the child in a household is below the LIM-AT line, everyone else in that household lives below poverty too.

The LIM-AT threshold is based on half of the median household adjusted income. If a household is below this LIM-AT threshold, after adjusting for household size, they are living in poverty—if they are above the threshold, they are not. The median income for households has been rising

The after-tax Low Income Measure (LIM-AT) is calculated at the household level. This report focuses on child poverty, but if the child in a household is below the LIM-AT line, everyone else in that household lives below poverty too.

since 2005, even after adjusting for inflation. As such, being in LIM-AT poverty is relative to an upward moving threshold.

Challenges in data collection in low-population areas, like some reserves or in the north, do exist. However, Statistics Canada has worked hard to collect high-quality data on reserves, including in-person enumeration, which is not the norm for the rest of the country. The result in the 2011 National Household Survey (NHS) was a global non-response rate on reserves that was actually better than the Canadian average.<sup>17</sup> In general though, Statistics Canada cautions users about comparing NHS data to census data as different methodologies were used: a voluntary survey for the NHS and a mandatory survey for the census.<sup>18</sup> Such cautions are also worth heading within this report, particularly off reserve for Indigenous children. In most cases where NHS data is provided in this report, the 2006 poverty rates are also presented to provide a more appropriate baseline. Although the 2016 mandatory census provides better data than a voluntary survey, deriving correct income levels can remain a challenge, particularly for on reserve populations.<sup>19</sup>

Given a fraught history between First Nations and the Canadian government, some First Nations have decided not to take part in one or several of the past three censuses/household surveys. The reserves that are included or not included may change depending on which census or household survey we are examining. As such, changes in poverty rates may be due to surveying different on reserve groupings and not due to changes in economic circumstances. As a check on this possibility, data was analyzed both in absolute terms and including only reserves that participated in all three of the past censuses/household surveys. There is an impact from different reserves being included in different censuses/surveys, but the impact is mostly limited to Ontario. The impact in other provinces and territories has little impact on the statistics presented in this report.

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17 For the 2011 National Household Survey (NHS) estimates, the global non-response rate (GNR) is used as an indicator of data quality. Statistics Canada. *NHS Profile, 2011 - Global non-response rate (GNR)*. NHS Profile, Global non-response rate (GNR). 2016. (<https://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/prof/help-aide/gnr-tgn.cfm?Lang=E>).

18 Statistics Canada. *Income Reference Guide, Census of Population, 2016*. November 2017. (<https://www12.statcan.gc.ca/census-recensement/2016/ref/guides/004/98-500-x2016004-eng.cfm>).

19 Ibid. The linking rate for T1s (containing tax filings) to census-enumerated people on reserves or in remote areas was only 64%, far below the Canadian average of 85%. The linking rate from Canada Revenue Agency records to enumerated persons rose to 82% by including payments through benefit programs and tax slips. However, this is still far below the Canadian linking average of 95% in general.

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## Appendix 2: Measuring Poverty in Canada

Statistics Canada’s policy, to date, has been the exclusion of both “Indian reserves” and the territories from all the low-income lines under the following provision:

The low-income concepts are also not applied in the territories and in certain areas based on census subdivision type (such as Indian reserves). The existence of substantial in-kind transfers (such as subsidized housing and First Nations band housing) and sizeable barter economies or consumption from own production (such as product from hunting, farming or fishing) could make the interpretation of low-income statistics more difficult in these situations.<sup>20</sup>

The assertion that those who are living on reserve and in the territories benefit from in-kind transfers and participation in informal economies to the degree that the data becomes unreliable has not been demonstrated empirically. Moreover, the off-reserve population benefits from participation in subsistence economies. There is a substantial barter or grey-market economy throughout the country. In Canada’s rural areas, outside of reserves or the North, there is plenty of hunting, farming, and fishing. Major cities often have substantial amounts of social housing that would constitute a substantial in-kind transfer. Nonetheless, low-income lines are applied in Canada’s big cities. This policy of excluding First Nations reserves and the territories continues despite a lack of evidence that these issues exist to any different degree than elsewhere in Canada.

Change must focus on reducing poverty and inequality: for Indigenous peoples, this means working with governments to affirm Indigenous self-determination and eradicate poverty.

Lastly, measuring poverty for Indigenous peoples based on a technical definition of income or expenditure does not allow for a multidimensional approach to understanding poverty and its elimination. Research has shown that poverty is inextricably linked to high rates of incarceration, child apprehensions, unemployment, lower rates of educational attainment, and health issues.<sup>21</sup> Longstanding colonial policies and practices perpetuate the experience of poverty by Indigenous peoples, creating emerging contemporary issues.

Recognizing that existing policies have led to the concentration of poverty based on racialization, feminization, and geographic concentration, the City of Toronto’s Poverty Reduction Strategy recognizes that “actions that drive systematic change must focus on creating an accountable and participatory government wherein reducing poverty and inequality is an integral part of day-to-day business.”<sup>22</sup> For Indigenous peoples, this means working together with federal and provincial governments to create laws, policies, and practices that recognize and affirm Indigenous self-determination and adopt a holistic approach to defining and eradicating poverty.

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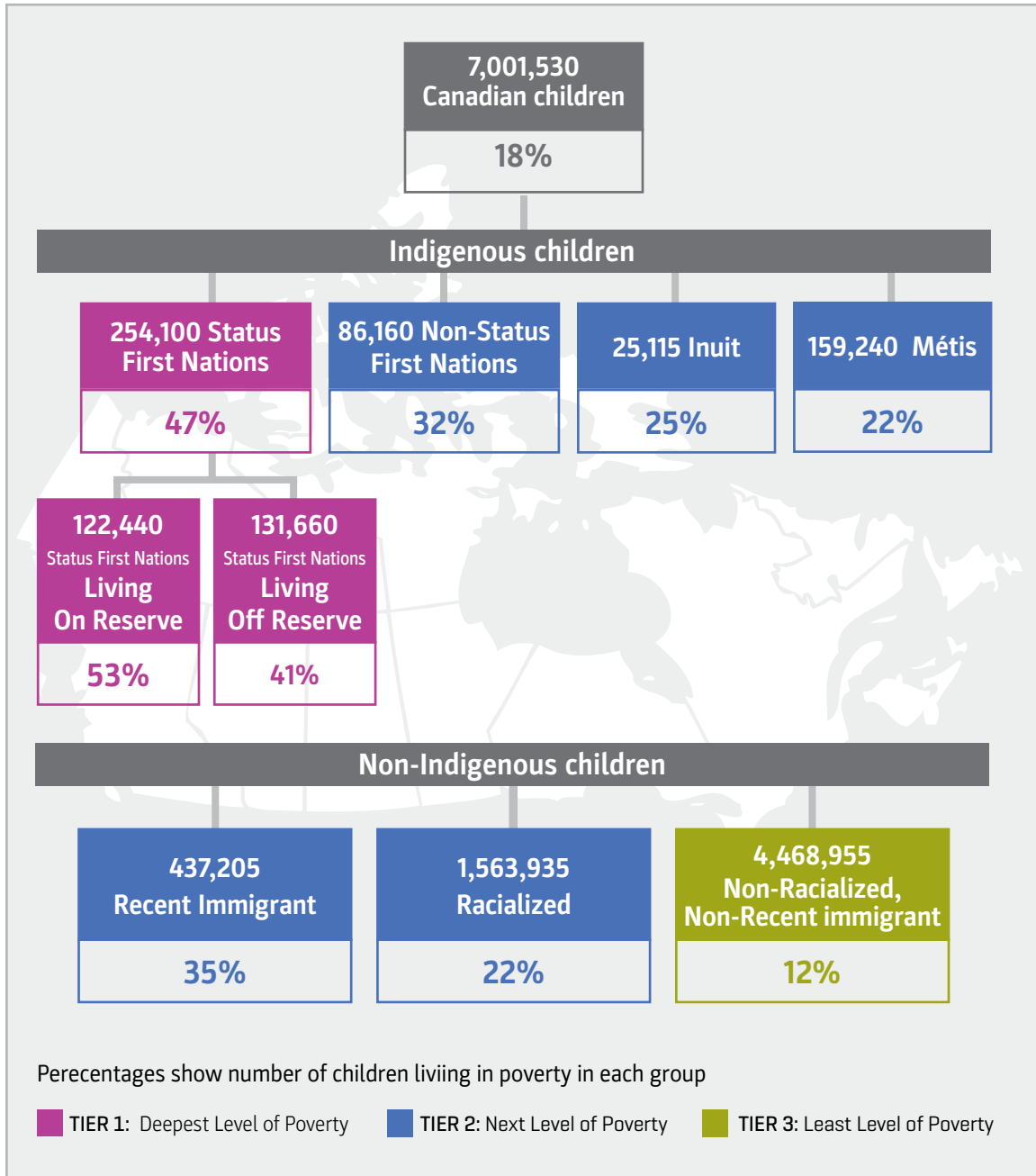
20 Statistics Canada. *Low-income measure, after tax (LIM-AT)*. Dictionary, Census of Population. 2016. (<https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/fam021-eng.cfm>).

21 *First Nations Mental Wellness Continuum Framework*. January 2015.

22 The City of Toronto. *To Prosperity: Toronto Poverty Reduction Strategy*. 2015. ([https://www.toronto.ca/wp-content/uploads/2017/11/9787-TO\\_Prosperty\\_Final2015-reduced.pdf](https://www.toronto.ca/wp-content/uploads/2017/11/9787-TO_Prosperty_Final2015-reduced.pdf))

## Appendix 3

Figure 10: Total number of children, by group, and percentage of child poverty within each group



Source: Custom tabulation Census 2016



# Towards Justice:

Tackling Indigenous Child Poverty in Canada

July, 2019



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