

1. INTRODUCTION

Discussions of Aboriginal conditions in Canada have long depended on detailed studies of an ever increasing array of measures of relative poverty and inequity. By emphasizing that most Aboriginal people are experiencing worse conditions than the average, these studies have tended to leave the impression that the Aboriginal population is uniformly disadvantaged. The reality is much more complicated. Aboriginal people include those living on reserves, in rural towns and large urban areas. Some Aboriginal people are poor, some have middle incomes and some are wealthy. Some are highly educated while others have minimal education. The majority are in the work force. Occupations range from resource-based occupations to services, trades, professions and management. There are substantial differences between status or “registered” Indians, non-status Indians and Métis.²

While previous studies have described many characteristics of Aboriginal people which show their socioeconomic position relative to Canadian averages, the studies have not often discussed the class position of Aboriginal people. Use of the term “class” immediately raises questions of definition. Because an analysis of the class position of Aboriginal people may help to illuminate Aboriginal political and development issues, this study will attempt to address it directly. The study will em-

ploy both neo-marxist and socioeconomic status (SES) approaches to provide a more complete understanding of Aboriginal circumstances. While each approach has its limitations, when combined the two approaches complement each other and enrich our understanding of the situation.

The study emphasizes the situation among the population living on reserves for two reasons. First, it is easier to obtain data for this population because reserves are discrete census subdivisions and because over the years data have been maintained and reported for the registered Indian population living on reserves by the federal government. Second, the most prominent Aboriginal political organizations and institutions are reserve-based. These organizations have taken the lead in advocating and developing the concept of Aboriginal self-government, no doubt because reserves and the registered Indian population are legally defined and have a historic, colonial-style relationship with the federal government. For these reasons, the population living on reserves is more separate and distinct from the mainstream of Canadian society than other components of the Aboriginal population, both in terms of socioeconomic and cultural characteristics, and in terms of political institutions. Indeed, one of the themes of the study concerns how these separate institutions and circumstances have affected the class position of the reserve population.

The emphasis on the registered Indian population on reserves is not meant to suggest that other segments of the Aboriginal population are less important. Data have been obtained and presented for the total Aboriginal population of Manitoba to the extent possible within the limits of this study. However, as will be seen, the readily available data for the Aboriginal population do not always address those aspects which are of greatest significance to people's class position. In short, there is much more to be done to refine the view of class among Manitoba's Aboriginal population.

One important theme which emerges from this study is the issue of dependency. This refers to the economic dependency of both individuals and communities, and how this dependency affects individuals, communities, and classes. There is ample evidence that high levels of dependency among Aboriginal people have implications for efforts to improve Aboriginal conditions. It is argued here that this dependency has its roots in the structure of the welfare state, especially the relationship between the Canadian government and registered Indians.

Accordingly, this study addresses the following questions:

- What is the position of Aboriginal people in the Canadian social class system, and what are the implications of this for Aboriginal politics and development?

- What are the effects of the dependent economic position of Indian reserves on the governance and social structures of these communities and on their populations? What impact does the dependency of reserves have on the total Aboriginal population of Manitoba?
- To what extent do economic and social disparities exist within the Aboriginal population? How do different segments of the Aboriginal population differ from one another in terms of social and economic status?

It is the purpose of this study to take a new look at the circumstances of Aboriginal people in Manitoba with these questions in mind. The study will begin by providing a brief explanation of the concepts of class and dependency which will be used in the analysis. This will be followed by a two-part analysis of the class position of Aboriginal people, first using a neo-marxist framework and then using a SES framework. The final section of the study will provide a summary of findings and a discussion of the implications of these findings.

Concepts of Class

The concept of class has often been operationalized as socioeconomic status (SES). Over the years a number of studies have documented aspects of the SES of the Aboriginal population of Canada and Manitoba.³ Educational attainment, employment, income and oc-

occupational distribution among the Aboriginal population have been analyzed in some detail in relation to such factors as Aboriginal group, geographic location, gender, age and household or family type. The characteristics of the Aboriginal population have then been compared to the characteristics of the general population to identify differences and levels of disparity. These studies have often been based on data from the Census of Canada or other population surveys, including the Aboriginal Peoples Survey and regional human resource surveys.

The findings from these studies are usually interpreted in terms of socioeconomic status. Aboriginal people are more likely to be in lower SES categories or to have lower incomes or employment rates than others, and this is explained by such factors as lack of education, lack of access to jobs or training, geography, historical factors, cultural adjustment or conflict issues, and racial discrimination. There has also been investigation of the impact of a family's SES or other characteristics on educational or employment outcomes of children. SES categories or classes are often operationalized by using the Blisshen ranking of Canadian occupations which is based on education and income.

The Marxist approach defines classes in terms of the relationship of segments of the population to the means of production. In a capitalist society the four major classes are: business owners, those

who are self-employed owner-operators of businesses, those who are hired by the owners to produce goods and services (workers), and those who neither own nor work in the production process. Because economic activity is central to society and to individuals, the classes into which people fall define their objective interests and are a major determinant of their behaviours and well-being. In particular, the working class is in an ongoing struggle with the business-owning class over the income generated by their labour and over control of the work place or production process.

Structural Dependency of Reserves

Most Indian reserves are economically dependent on the Canadian state and produce relatively little wealth from within their communities. This has profound effects on the class structure as well as the politics of the reserves. Because there are few productive businesses on reserves there are also few business owners and a relatively small proportion of the population in the labour force. In other words, the number of business-owners on reserves is very small, and the number of workers is also relatively small and is concentrated in public sector administration and services. On the other hand the class of chronically unemployed is very large.

Given the large role of government funding and employment, the chief and council on reserves may be seen as brokers whose job it is to secure government

funding and benefits and distribute them to the community. Residents look to the local government to provide for most of their needs, and hold that government accountable in terms of how much money it is able to get out of Ottawa and how the benefits are distributed in the community. This leads to intense competition within the reserve for limited jobs and other benefits as well as a type of electoral patronage system. Under this system the elected leaders are expected to reward their supporters by ensuring the equitable distribution of jobs and other benefits to them.

Two features of this system make it very different from the type of patronage politics that takes place in general Canadian society. First, the benefits to be distributed through the patronage system on reserves are greater than the benefits available through other means, such as employment in non-government jobs or self-employment. Second, the funds which fuel the system are generated outside the community. The reserve residents, therefore, have no incentive to place limits on spending or to hold their local governments accountable for overspending. On the other hand, they have a strong incentive to hold their local governments accountable for unfair or inequitable *distribution* of the benefits.⁴

It follows that reserve governments do not need or want the kind of financial accountability which is normally required by federal government departments when they provide grants to or

organizations. The interests of the chief and council are to maximize funding received from the federal government and distribute it in a way that will satisfy their constituency generally, and their political supporters in particular. In order to do this they are, in theory at least, required to satisfy federal government financial accounting requirements, but as will be shown below, they often do not. Instead, the chief and council often argue that inadequate government funding is the underlying problem preventing them from providing more effective programs on reserves. The chief and council may also argue that they need less rigid accountability requirements because of the special needs of Aboriginal people and the governmental status of Indian bands⁵. Ultimately, the chief and council are likely to use their status as elected representatives of an impoverished minority to bargain both for improved funding and relaxed accountability rules.

The halting and ambiguous development of the concept of Aboriginal self-government may be seen in this light as well. Over the years, Aboriginal politicians at the provincial and federal level have advocated for greater degrees of Aboriginal self-government or self-determination, defined in various ways. Gradually, the federal government has responded and now provides various mechanisms ranging from increased control by band governments over their budgets to autonomous self-government

through legislation. However, most band governments are reluctant to give up their role as brokers by committing themselves to these forms of self-government. As of the end of 1998 self-government legislation had been passed on behalf of only ten bands across Canada (INAC, 1999). Band governments fear that they will be locked into inadequate levels of program funding and that they will lose their ability to apply to the federal government for additional funding if they overspend their budgets. (Office of the Auditor General, 1996, 33-14.)

The New Class on Reserves

Because reserves are economically and socially very different from the rest of Canada, the applicability of class categories on reserves may be questioned. It is often alleged that reserves are controlled by a small political elite who reap advantages for themselves and dispense these to their friends and relatives in order to bolster political support. In recent years organizations representing reserve residents or members of various bands have emerged to protest inequities within the reserve system. Questions of accountability have often been raised by these groups which are sometimes specific to a particular community and sometimes more broadly based.⁶ A critical Aboriginal-run press has now emerged which is much more critical of these practices than was evident in the Aboriginal press of the past.⁷

These considerations have led to a new way of conceiving of ownership classes within the context of Indian reserves. In addition to the class of business owners, which is small to non-existent within many reserves, and the self-employed, it is suggested that the local political and managerial elite form another ownership class on reserves. This group of people has previously been described as a group occupying a "contradictory class location," who do not have ownership of the means of production and are not policy-makers, but who hold positions of authority and have power over hiring, funding and sometimes of coercion (Loxley, 1981). In light of the growth of the size of the Aboriginal government sector over the past 20 years, and the increasing scope of Aboriginal government organizations (local, regional, and provincial), the present study views this group as forming a virtual ownership class within the reserve political and economic system.

Loughran (1990) has suggested that reserve economies are dominated by a "social welfare mode of production" which is a production system designed to funnel government money into the reserve to provide for basic necessities consumed by the population. Within this context the political and managerial class who have control of the main economic flows into the community have virtual ownership of the means of production, that is, the local government apparatus. In this analysis this class will be referred

to as the “new class”, borrowing a concept originally put forward by Milovan Djilas in a very different context (Djilas, 1957). Djilas described the controlling Communist class within Yugoslavia in the 1950s as a “new class” with de facto ownership of the means of production within the Communist state. That concept seems to apply to the situation found on reserves in Manitoba today.

2. ANALYSIS OF ABORIGINAL CLASS STRUCTURE

In the previous section it was suggested that because a large proportion of the resources of Indian reserves is funneled through local governments (chiefs and councillors), members of these local governments are part of a “new class” on reserves. It is part of the purpose of this study to test this hypothesis to the extent possible using Census and other available data. In addition the study will explore the extent to which there is evidence that the new class may be a part of the class structure among Aboriginal people living off-reserve in Manitoba. In particular, the following questions will be addressed:

- Is there a “new class” living on Indian reserves who have control of a large proportion of jobs and expenditures?
- If so, how is the population of the reserves distributed among the

classes as defined? How do men and women and various Aboriginal and non-Aboriginal groups differ?

- Using these class definitions, how is the Aboriginal population living off-reserves distributed?

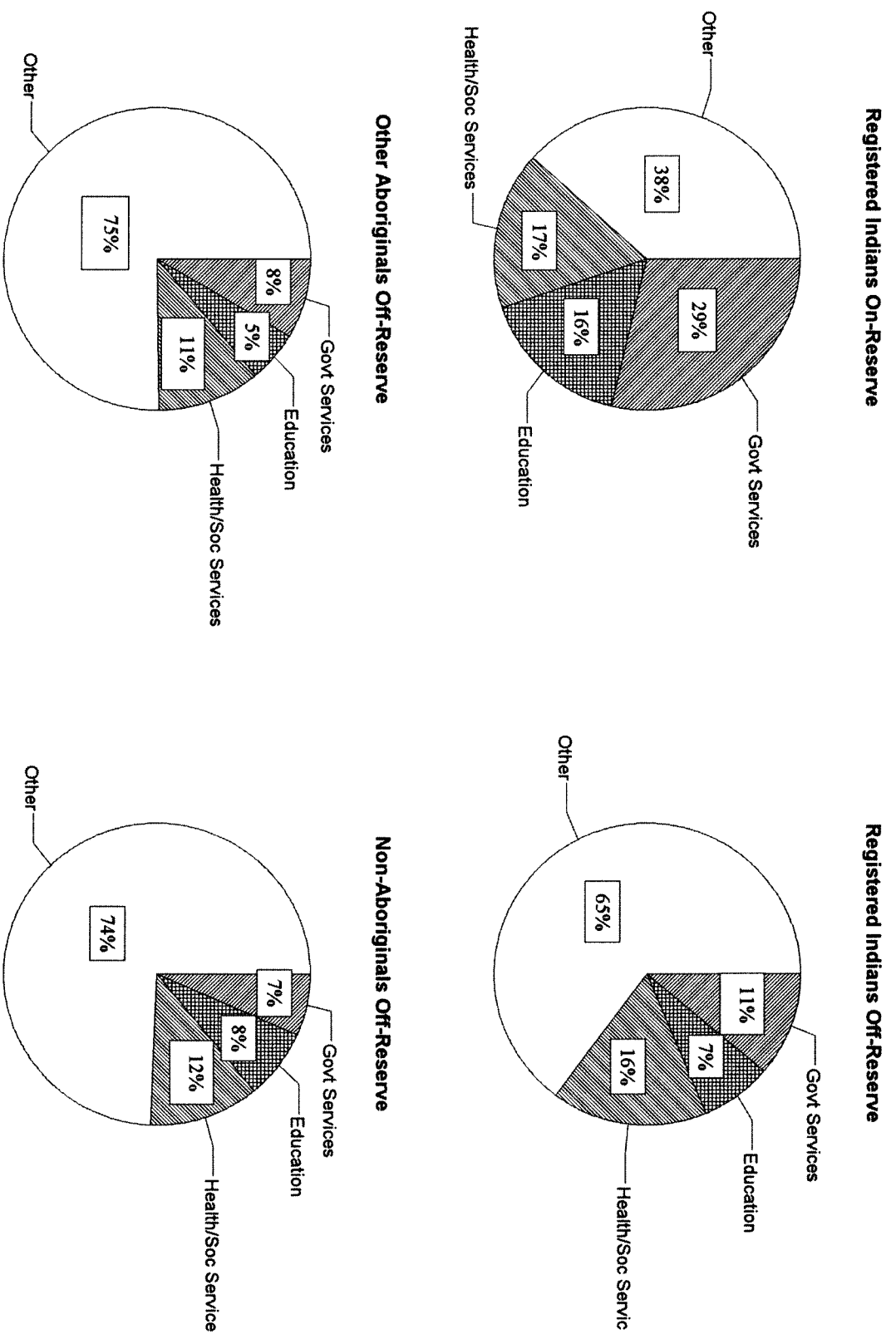
While it will not be possible to fully address these questions using available data, a substantial amount of evidence will be provided concerning these questions. In passing, some light will also be thrown on issues of gender inequality, family structure, differences between on and off-reserve populations, differences between registered Indians and other Aboriginal groups, and trends over time.

Local Government Employment

Previous research has documented the extent to which public sector employment dominates the labour market on reserves. Using 1986 Census data McBride, et. al. (1990) found that 48% of registered Indians living on reserves across Canada were employed in public administration, most of them in local government and education. Clatworthy, et. al. (1995) also found that 47% of the on-reserve labour force was in the government service, education or health and social service industries, based on 1991 Census data.

The on-reserve labour market in Manitoba is even more concentrated in the public sector, according to 1996 Census data. By far the largest share of the registered Indian labour force living on reserves is found in three public sector

Figure 1
Experienced Labour Force by Industry, Identity Group & Location, Manitoba, 1996



industries: government services, educational services, and health & social services. Together these three industries account for 60% of the on-reserve registered Indian labour force in Manitoba. (See Figure 1.) As shown in Table 1, the only other substantial components of the on-reserve labour force are in the construction and retail trade industries. Virtually all construction on reserves is

made up of government-funded public works including housing, schools, roads and community recreation and health facilities. Therefore close to 70% of the reserve labour force in Manitoba works in jobs which are publicly funded.

Within the registered Indian population there is a large difference between the on-reserve labour force and the off-reserve labour force. While 62% of the

Table 1
Distribution of the Labour Force by Industry
Selected Groups and Locations, Manitoba, 1996

Industry	Registered Indians		Other Aboriginals	Non-Aboriginals
	On-Reserve	Off-Reserve		
Agriculture & Related	1.2%	1.8%	3.5%	7.5%
Fishing & Trapping	2.7%	1.0%	1.1%	0.1%
Logging & Forestry	1.7%	1.7%	1.5%	0.3%
Mining & Oil	0.3%	1.9%	1.5%	0.8%
Manufacturing	1.0%	7.9%	9.3%	11.6%
Construction	8.4%	6.2%	7.7%	4.7%
Transportation	3.0%	5.7%	6.8%	5.5%
Communications & Utilities	3.8%	3.7%	3.8%	3.6%
Wholesale Trade	0.4%	2.6%	4.6%	5.1%
Retail Trade	8.4%	8.2%	10.8%	11.7%
Finance & Insurance	0.2%	1.3%	2.0%	3.4%
Real Estate	0.5%	1.4%	1.4%	1.7%
Business Services	0.6%	3.7%	2.9%	4.5%
Government Services	28.7%	11.2%	8.6%	6.6%
Education	16.0%	7.5%	5.6%	7.6%
Health & Social Services	16.9%	16.4%	10.9%	11.6%
Accommodation, Food & Beverage	2.5%	8.9%	10.0%	6.8%
Other Services	3.7%	8.6%	7.8%	7.0%
Total Experienced Labour Force*	11,035	8,580	19,095	515,170

* Labour force participants who worked in 1995.

on-reserve labour force is found in public sector industries — government services, education, health and social services — only 36% of those off-reserve are in these industries. Registered Indians living and working on-reserve are more than twice as likely to be in government services as registered Indians living and working elsewhere in Manitoba, and are almost twice as likely to work in education services. About the same proportion of the registered Indian labour force is

found in health and social services among those living on and off-reserve.

The distribution of registered Indians living off-reserve is closer to that of the general labour force, although it is still more weighted towards public sector industries. While about 25% of the non-Aboriginal labour force living off-reserve are in public sector industries, 35% of the registered Indian labour force are in these industries. This difference is due to higher proportions of registered Indians working in health and social

Table 2
Distribution of the Experienced Labour Force
by Aboriginal Identity and Location Manitoba, 1996

Identity Group & Industry	Northern Manitoba		Southern Manitoba		
	On-Reserve	Off-Reserve	On-Reserve	Rural	Winnipeg
A. Aboriginal Population					
Agriculture & Related	0.7%	0.4%	4.2%	7.8%	0.6%
Fishing & Trapping	3.2%	3.0%	2.4%	1.0%	0.1%
Logging & Forestry	3.7%	2.2%	0.4%	1.1%	0.2%
Mining & Oil	2.2%	0.3%	0.4%	1.5%	0.4%
Manufacturing	2.2%	1.2%	0.4%	9.1%	10.6%
Construction	6.9%	8.2%	9.1%	8.7%	7.1%
Transportation	4.2%	3.1%	3.0%	5.9%	6.9%
Communications & Utilities	4.2%	4.2%	2.0%	3.0%	4.2%
Wholesale Trade	0.6%	0.1%	1.0%	3.3%	5.4%
Retail Trade	9.4%	9.4%	5.7%	9.9%	10.1%
Finance & Insurance	0.4%	0.1%	0.0%	1.2%	2.6%
Real Estate	0.7%	0.4%	0.4%	0.6%	1.9%
Business Services	0.9%	0.6%	0.8%	2.2%	4.4%
Government Services	22.2%	28.2%	29.1%	9.1%	9.0%
Education	13.9%	16.0%	16.2%	5.4%	5.3%
Health & Social Services	14.5%	16.4%	17.8%	13.5%	12.6%
Accommodation, Food & Beverage	6.0%	3.0%	1.8%	9.8%	8.9%
Other Services	4.1%	3.1%	5.7%	6.7%	9.6%
Total Labour Force*	8,910	4,650	2,475	8,820	13,850

* Those who had worked since Jan. 1, 1995 at the time of the 1996 Census (May, 1996) and for whom a usual occupation was identified.

Source: 1996 Census of Canada

services and in government services. Other Aboriginals living off-reserve (not including registered Indians) are very similar to non-Aboriginals in their industrial distribution.

The pattern of dependence on the public sector extends to the Aboriginal population living in the north generally, including those living off-reserve. As shown in Table 2, the industrial distribution of the labour force is much the same among Aboriginals living on-reserve in the north, those living on-re-

serve in the south, and those living off-reserve in the north. Public sector employment in southern off-reserve areas is much lower. The industrial data therefore provide support for the view that both the reserves and other northern Aboriginal communities are highly dependent on government funding.

More to the point for the purposes of this study, much of the public sector employment on reserves is direct employment by local governments and their agencies, such as their education

Table 2, Continued
Distribution of the Experienced Labour Force
by Aboriginal Identity and Location Manitoba, 1996

Identity Group & Industry	Northern Manitoba		Southern Manitoba		
	On-Reserve	Off-Reserve	On-Reserve	Rural	Winnipeg
B. Non-Aboriginal Population					
Agriculture & Related	1.4%	1.4%	***	18.9%	0.5%
Fishing & Trapping	0.3%	0.3%	***	0.1%	0.0%
Logging & Forestry	2.3%	2.3%	***	0.3%	0.1%
Mining & Oil	14.1%	14.5%	***	0.6%	0.1%
Manufacturing	9.7%	9.9%	***	9.1%	13.4%
Construction	3.3%	3.3%	***	5.9%	4.1%
Transportation	5.9%	6.0%	***	5.3%	5.6%
Communications & Utilities	4.0%	4.1%	***	2.7%	4.1%
Wholesale Trade	2.4%	2.5%	***	4.7%	5.5%
Retail Trade	12.2%	12.2%	***	10.8%	12.2%
Finance & Insurance	1.9%	2.0%	***	2.4%	4.1%
Real Estate	1.2%	1.2%	***	1.1%	2.1%
Business Services	2.0%	2.1%	***	2.6%	6.0%
Government Services	6.2%	6.2%	***	5.7%	7.2%
Education	10.6%	9.3%	***	6.8%	7.8%
Health & Social Services	10.6%	10.6%	***	11.1%	11.9%
Accommodation, Food & Beverage	6.6%	6.7%	***	6.2%	7.2%
Other Services	5.2%	5.3%	***	5.6%	8.0%
Total Labour Force*	525	17,390	75	195,075	302,095

* Those who had worked since Jan. 1, 1995 at the time of the 1996 Census (May, 1996) and for whom a usual occupation was identified.

*** Sample size too small for a reliable estimate.

Source: 1996 Census of Canada

authorities, or is contracted by local government. This includes most of those working in educational services on reserves, as well as most of those in the construction industry. A detailed analysis of the relationship between employment and the public sector on reserves was provided in a study done in eight northern Manitoba Aboriginal communities, including five reserves and three adjacent non-reserve communities in 1983. (Hull, 1984) The study found that 45% of those who had worked in the previous year had been directly employed by local band or community governments. Moreover, at the time of the survey, 53% of those who were currently working were employed by local governments. Government employment dominated almost all the major occupational groups, and accounted for 80% of

managers and professionals, almost 90% of construction trades, 45% of clerical, sales and service jobs, and just under 50% of jobs in trapping, fishing and forestry.

It is possible to obtain a rough estimate of the proportion of the Aboriginal population employed by local government in 1996 using various estimates of local government employment as a percentage of total government employment, as shown in Table 3 below.

These proportions underestimate the total amount of employment controlled by local government as previously described, since much local contract work in construction and road maintenance, for example, is contracted by local governments. Therefore, local government employment represents a substantial portion of employment among Aboriginal people living on reserves, and among

Table 3
Estimated Local Government Employment Among the
Aboriginal Population By Location, Manitoba, 1996

Location	% in Govt. Services And Education 1996	Local Govt as % of Total Govt Services And Education	% of Labour Force Employed by Local Govt
Northern Manitoba[®]			
On-Reserve	46.1	71%*	33%
Off-Reserve	44.2	63%**	28%
Southern Manitoba[®]			
On-Reserve	45.8	71%*	33%
Off-Reserve, excl. Winnipeg	14.5	63%**	9%
Winnipeg	14.3	45%**	6%

Source: 1996 Census of Canada.

Notes: [®] Northern Manitoba includes census divisions 19, 21, 22 & 23; southern Manitoba includes all other census divisions in the province.

* This is the proportion reported for reserves by McBride et. al., 1990.

** These proportions are based on calculations from 1996 industry tables showing employment by industry groups for Manitoba and Winnipeg (Statistics Canada, Nation Series).

the Aboriginal population living in the north generally.

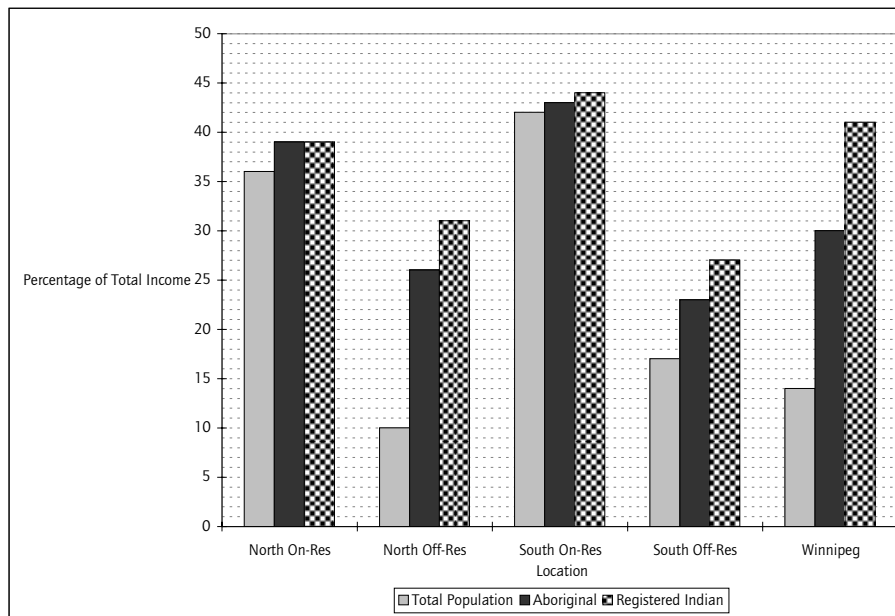
Local Government Control of Operational Budgets

In addition to the control of employment, local governments on reserves have control of the distribution of many other program expenditures, including such things as social assistance, education, adult education, recreation, economic development, road maintenance, sanitation, water delivery, etc. Nationally, more than 80% of the operations funds for Indian Affairs sponsored programs are administered by the bands themselves. In 1996/97 this amounted to more than \$3 billion in program expenditures nationally, or an estimated \$545 million in Manitoba.⁸

The social assistance program budget is one of the largest components of the operational budget. According to Lithman, a portion of the social assistance budget is not discretionary and is not politicized, but another portion is part of the reserve government's system of political distribution of resources. For example, while basic welfare closely follows guidelines laid down by the federal government, the awarding of subsidized housing is much more discretionary and is subject to political influence. (Lithman, 1985)

According to the 1996 Census, a much larger proportion of the income of Aboriginal population comes from government transfer payments, such as employment insurance and social assistance, than among the non-Aboriginal

Figure 2
Government Transfer Payments as a Percentage of Total Income
By Identity Group and Location, Manitoba, 1995



Source: 1996 Census of Canada.

population. For Manitoba as a whole, 31% of Aboriginal income came from government transfers, compared to 15% of the income of the total population of Manitoba. Among the registered Indian population the proportion was 38%.

As shown in Figure 2, in 1995 the extent of dependence on transfer income was greater for those living on reserves, than for those living off-reserves. Aboriginal dependency on government transfers was lowest among those living in southern towns or rural areas. However, in Winnipeg, dependency on government transfers among registered Indians was as high as it was on reserves. Registered Indians living off-reserve generally had a higher level of dependency on government transfers than other Aboriginal people.

Dependency on social assistance among the on-reserve population has been increasing over the years. As Figure 3 shows, the average number of individuals⁹ who were dependent on social assistance on reserves in Manitoba has increased from about 20,000 per month in 1981 to more than 30,000 per month in 1995. Assuming that government funding policies and programs remain the same, it is expected that these numbers will continue to rise because of the combination of population growth and an increasing social assistance dependency rate. As Figure 4 shows, the proportion of the on-reserve population who are dependent on social assistance has fluctuated between 50% and 60%.

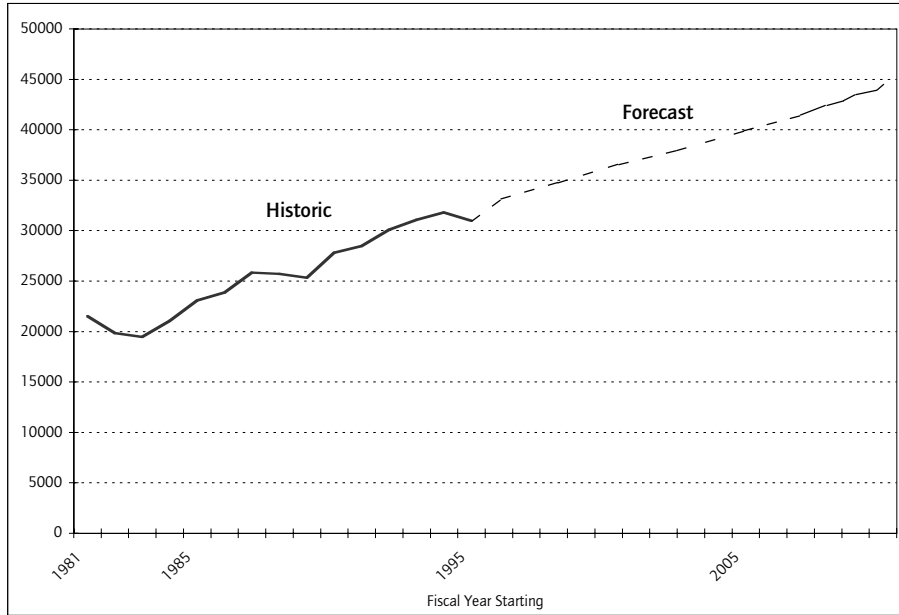
The long term trend in this rate seems to be upward, based on a regression of the historic rates from 1981 through 1995. (In the figure, the forecast trend is based on this regression line.)

This level of welfare dependency is an indication that the well-being of the population is to a large extent dependent on policies and decisions made by government officials. This, in turn, affects local politics. When the distribution of these resources is also largely in the hands of local politicians then the basis exists for the new class.

Band Capital Budgets

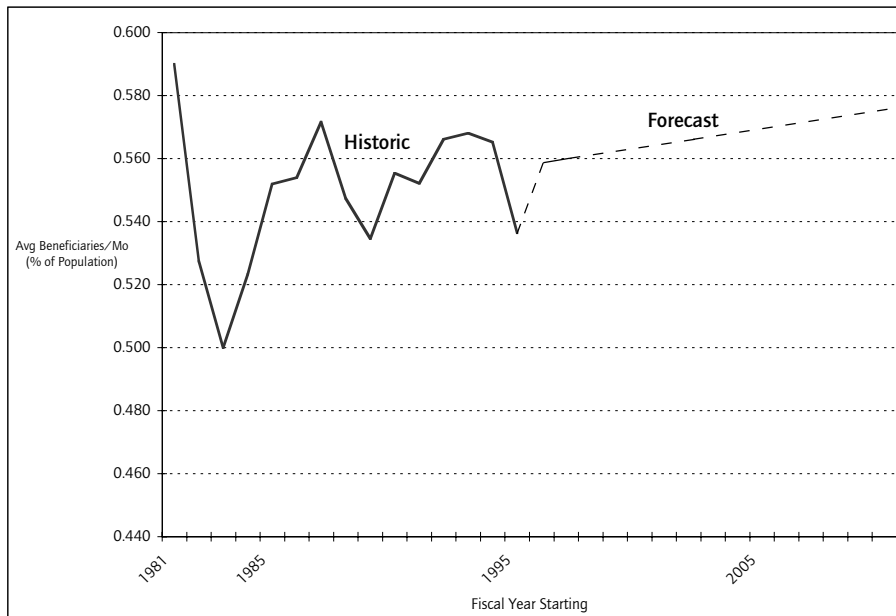
Band governments also have a level of control over capital expenditures on their reserves, including expenditures on housing, schools, community facilities and infrastructure. For smaller construction projects, including housing construction and renovation, bands or their corporations normally act as the construction contractor. For larger projects, such as schools, arenas, or health centres, an outside contractor is usually hired. Often, however, there is some involvement of the band or its development corporation. There is usually an explicit requirement in these projects to maximize local employment, and band officials are generally involved in identifying candidates for jobs. Often larger projects provide for a local project manager who is selected by the band, even if the manager is employed by an outside contractor. In other cases, there are joint

Figure 3
Historic and Forecast On-Reserve Federal Social Assistance Beneficiaries Manitoba, 1981-2010



Source: Four Directions Consulting Group, 1997, Appendix A.

Figure 4
Historic and Forecast On-Reserve Federal Social Assistance Dependency Rate On Manitoba Reserves, 1981-2010



Source: Four Directions Consulting Group, 1997, Appendix A.

ventures between band development corporations and outside contractors, or the band development group is inserted as the overall project manager, but hires a general contractor to organize and undertake most of the work.

The extent of capital budgets which are controlled or influenced by bands is substantial. In 1995/96 about \$975 million was spent on capital on reserves across Canada. Manitoba's share of expenditures is estimated at about \$145 million in that year.¹⁰

Band Governments and Financial Accountability

One indicator of the way in which band governments reflect the politics of dependency is their lack of adherence to principles of responsible, accountable government. In 1996 the Canadian Auditor General undertook a review of funding arrangements for bands. It was found, among other things, that more than one third of Indian bands across Canada were either operating under a "remedial management plan" or were in need of one. This means that their financial management practices were inadequate in a variety of ways. The Auditor General undertook case reviews of 48 bands and found that the required financial audits had been done in 44 of the cases, that 34 of audits were unqualified, and that 10 were qualified. In other words, acceptable audits were completed for 70% of the bands, leaving 30% with qualified audits or no audits at all.

Band financial management in Manitoba appears to be in somewhat worse shape. As of June, 1999 32 of 61 Indian bands were required by Indian Affairs to operate under remedial management plans. All 61 bands completed audits for the 1997/98 fiscal year. Of these, 31% received qualified audits and 18% were denials. Just over half (31 or 51%) were unqualified.¹¹ In November, 2000 it was reported that 9 of Manitoba's 62 bands (15%) were in receivership, the highest proportion of any region in Canada.¹²

In 1986 the Department of Indian Affairs put in place the Alternate Financing Arrangements program (AFA) allowing bands to administer their budgets more flexibly than had previously been possible. Under AFA the band is not tied to spending its allocations on specific activities, but may allocate its global budget as it sees fit. If the band has a surplus at the end of the year it is not required to return this amount to the federal government, but if the band overspends the budget it is not entitled to additional funding to cover the shortfall.

Ten years after the introduction of this program, in 1996, only about 47% of bands had opted to take part in this program or its successor.¹³ The majority of bands continued to operate under less flexible financing arrangements which provided them with the safety net of being able to recover costs from the government for eligible expenditures if they go over budget. (Office of the Auditor General, 1996, page 33-14.)

Progress towards more autonomous Aboriginal self-government in Manitoba has been slow. All the Indian bands in Manitoba except one are participating in a collective process by which they are negotiating a self-government framework agreement with the federal government. The 1994 work plan describing the self-government process, known as the Framework Agreement Initiative (FAI) optimistically envisioned a complete take-over of Indian Affairs responsibilities by 1996, but this was quickly seen as unrealistic. In its second year, as a result of complaints from the chiefs about its “top down” approach, the FAI shifted half of its budget into a community consultation process, hiring coordinators in each reserve community. A 1999 review of the process found that, among other things, self-government was seen as a major risk by many of the people interviewed (stakeholders and representatives of various bands). The review reported that 150 years of colonialism have resulted in “a situation of dependency and suspicion of government which must be overcome if people are to ... embrace self government in their communities.”¹⁴ The review suggested that a long term capacity building process would be required to prepare the bands for self-government, and suggested reducing the emphasis on dismantling Indian Affairs in favour of greater emphasis on long term capacity building. It was found that measurable goals had not been defined and that data required to measure results had not been

collected. All of this suggests that there is continuing reluctance on the part of many of the residents of the reserves and their leaders to move away from their dependency on the federal government.

Class Composition

The evidence presented above has shown that there is a high level of dependence of reserve governments on federal government funding as a result of, first, the lack of economic self-sufficiency of the reserves, and second, the support provided by the federal government for local programs, services and infrastructure. The situation of community-level dependence translates into a high level of control of local economic activity and well-being by the local band government which has control over a substantial portion of the jobs and expenditures on reserves. There is a desire on the part of those in band governments to have the kind of self-government which maintains the position of control of band governments. So long as this position is maintained, the main form of accountability of band governments will be the political accountability to their band members concerning how well they have done in securing funding from the federal government and in distributing the resulting jobs and other benefits among the population.

Given this understanding, the population living on the reserves may be seen in terms of five classes. The way in which

each these classes have been operationally defined is described below.

Politicians and Senior Managers (The New Class)

The 1996 Census uses the Standard Occupational Classification which includes “Senior Managers” as an occupational group. These senior managers are not specific to a particular industry or profession and are at the highest skill level in the occupational classification system.¹⁵ It safe to assume that the vast majority of senior managers living on reserves are chiefs, councillors, or local government program directors, who would correspond closely to the group described above as the new class.

Business Owners/Employers

There are very few privately owned businesses operating on reserves which are large enough to employ more than a few employees. Using a variety of data we have estimated the number of such Aboriginal-owned businesses in Manitoba as about 500, representing about 0.6% of the adult Aboriginal population. (See appendix A.) For this purpose employers were defined as those who own businesses with more than 5 employees. The estimated number of on-reserve individual business owners was 138 in 1996, an average of two individuals per reserve.

Self-Employed

The 1996 Census identifies those who are self-employed. This is a wide-ranging group that includes professionals, fishers, trappers, and business owner-operators. From this group the larger business owners (as described above) have been subtracted, leaving the estimated number of self-employed. This group would be composed of self-employed professionals, hunters, trappers, self-employed tradespeople and small contractors who may hire others occasionally.

Others in the Labour Force

The remainder of those who are participating in the labour force are neither senior managers nor self-employed. This covers a wide range of occupations, but it was not possible to provide a further break down of this class with the data available for this study. (Part 3 of this study provides more detailed information on occupational distributions.)

Others not in the Labour Force

The Census makes the distinction between those who are in the “experienced labour force” and those who are not. The experienced labour force is defined as those who were participating in the labour force at the time of the Census and had worked since January 1, 1995. For the purposes of this analysis, three adjustments have been made. A number of procedures were followed in order to remove the population attending school full time, the population over

the age of 65, and unemployed spouses in families with other employed family members from these estimates. These procedures and the nature of the associated errors are described in the appendix.

This classification system was applied to the adult Aboriginal identity population living on and off reserve, between the ages of 15 and 64 and not attending school full time. The resulting distribution is shown in Table 4.

As the table shows, the largest class on reserves is the working class, making up over 52% of the Aboriginal population. The percentage of non-participants is somewhat smaller, at about 44% of the on-reserve Aboriginal population. Off-reserve the working class makes up almost two thirds of the Aboriginal population. Still there is a substantial non-participant class, estimated at about 29% of the off-reserve Aboriginal population.

The table also shows that the new class is a larger proportion among Aboriginal people living on-reserve than among those living off-reserve, and is also larger than the tiny employer class on-reserve. Off-reserve the Aboriginal business-owner class is larger than the new class which is very small. Among the off-reserve Aboriginal population, the proportion of self-employed is much larger than the new class and the business owners combined. It may also be seen that these three elite classes make up a small minority of the population—less than 4% of the reserve population, and 5.5% of the off-reserve Aboriginal population.

The most striking aspect of the table is that the working class is larger than the unemployed, even on reserves where employment and social conditions are thought to be least favourable. In general, the table is consistent with the view that the new class is more significant on

Table 4
Estimated Class Distribution of the Aboriginal Identity Population 15-64
Not Attending School Full Time, by Location, Manitoba, 1996

Class	On-Reserve	Off-Reserve	Total
New Class	2.0%	0.4%	1.0%
Business Owners	0.7%	1.0%	0.9%
Self-employed	1.1%	4.1%	3.1%
Working class	52.5%	65.8%	61.2%
Non-participants	43.7%	28.7%	33.9%
Total	20,632	38,861	59,493

Sources: 1996 Census of Canada; Clatworthy et. al., 1995; Aboriginal Peoples Survey.

reserves than the business owners. It should also be kept in mind that there is likely to be substantial overlap between these two classes on reserves. Indeed, because of the dominating political position of band governments, and their ability to block new enterprises from being established on reserve land if they wish, business owners must necessarily cooperate with band governments in order to operate successfully on reserves. Private businesses established on or adjacent to reserve land, therefore, are often run by former band employees who have the support of at least some of those in the council and senior management of the band. In some cases, the main customer for these businesses is the band itself or the activity generated by the band, as in the case of local motels and cafes, construction companies and stores. Anecdotal evidence suggests that senior band officials are sometimes owners of businesses which may be frequented by band members and staff. In practice it would be difficult to identify distinct groups who are part of the new class as opposed to those who are business owners.

Membership in these classes is affected by gender and Aboriginal status as well as location, as shown in Table 5. (In this table the business owners and the self-employed are combined.) Registered Indians are more likely to be part of both the new class and the non-participant class than other Aboriginals, both on-reserve and off-reserve. Aborigi-

nal men are also more likely than Aboriginal women to be part of the new class, especially on reserves, and Aboriginal women are more likely to be non-participants. For comparative purposes the table also shows the distribution of the non-Aboriginal population in Manitoba. (The numbers of other Aboriginals and non-Aboriginals living on reserves are very small, and these estimates should not be given too much weight.) Among the various groups, non-Aboriginal men have the highest proportion in the business owners and the lowest proportion of non-participants. The estimates for the "other Aboriginals" are generally between those for registered Indians and non-Aboriginals. Other Aboriginals tend to be more like non-Aboriginals in the proportion who are in the working class or non-participant class. For both the other Aboriginals and the non-Aboriginals living off reserve, the working class is much larger than the non-participant class, but among registered Indians living off reserve the non-participant class is relatively larger, particularly among registered Indian women among whom the non-participants are estimated to be 52% of the population. Unlike the men, registered Indian women living off reserve are more likely to be non-participants than those living on reserve. Figures 5-8 provide a graphic presentation of the information from Table 5.

It must be kept in mind that the concept of the "new class" is not generally

applicable in an off-reserve setting, except perhaps in remote northern communities where the position of local governments may be similar to those on reserves. To some extent the provincial government plays a similar role in these communities to the role of the federal government in Indian reserves by providing funding for a variety of local services and infrastructure. As in the case of the reserves there is provision for these communities to become more autonomous, but little incentive to do so. The first northern community to take advantage of this provision was South Indian Lake, which incorporated in 1998.

To a limited extent the influence of reserve-based government extends off reserve. This can be seen in the location

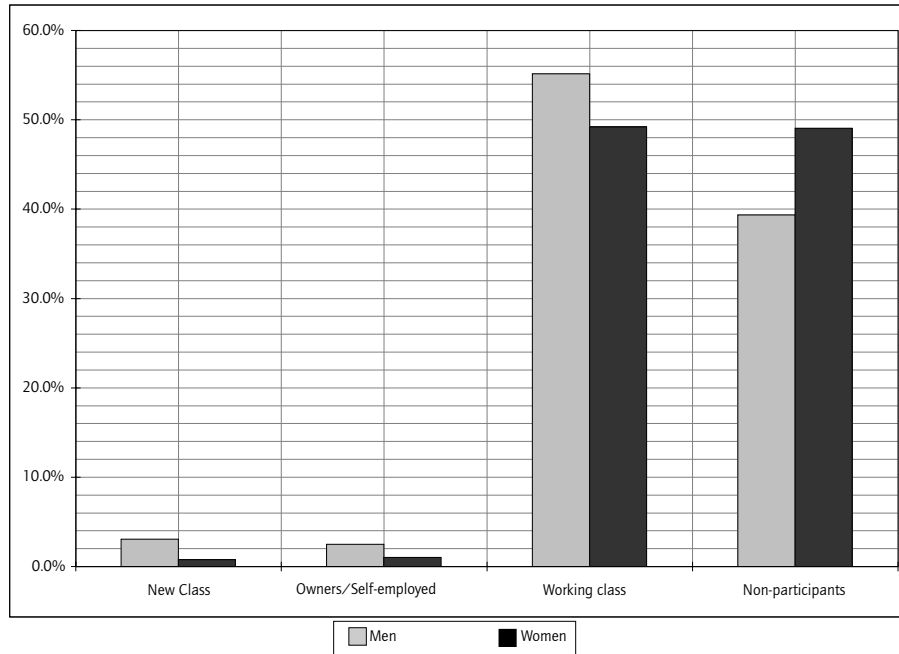
of many reserve-based political and service organizations, such as chiefs' organizations, tribal councils, child and family service organizations, and educational organizations, located in Winnipeg as well as other regional cities and towns such as Brandon, The Pas, Dauphin and Thompson. These various organizations provide services to their members living off-reserve, administer regional or province-wide programs, promote reserve and off-reserve economic development, and act as political lobbying organizations on behalf of the reserves. Their influence on the off-reserve registered Indian population is much smaller than the influence of local government on reserves, but they do have control over some of the resources

Table 5
Estimated Class Distribution of the Population 15-64
Not Attending School Full Time By Location, Gender and
Aboriginal Identity Group, Manitoba, 1996

Class	Registered Indian		Other Aboriginal		Other Non-Aboriginal	
	Men	Women	Men	Women	Men	Women
ON-RESERVE						
New Class	3.1%	0.8%	2.1%	0.0%	0.0%	0.0%
Owners/ Self-employed	2.4%	1.0%	4.1%	3.1%	6.7%	0.0%
Working class	55.0%	48.9%	64.3%	69.7%	67.3%	43.6%
Non-participants	39.5%	49.4%	29.5%	27.3%	26.0%	55.4%
Total	11,029	9,200	242	162	451	540
OFF-RESERVE						
New Class	1.0%	0.3%	0.4%	0.3%	1.2%	0.3%
Owners/ Self-employed	4.0%	1.6%	8.4%	5.2%	19.3%	9.9%
Working class	64.2%	46.1%	78.4%	69.6%	73.2%	80.0%
Non-participants	30.9%	52.0%	12.9%	24.9%	6.3%	9.8%
Total	6,688	9,236	12,029	10,907	266,454	237,212

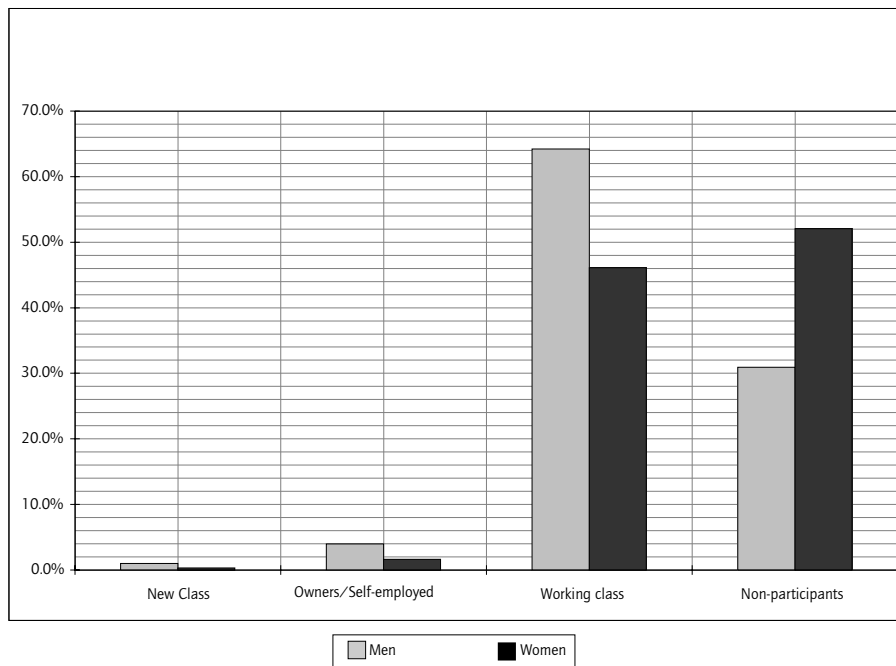
Source: 1996 Census of Canada. (See procedural notes in the appendix.)

Figure 5
Classes Among the Aboriginal Population
Living On Reserves Manitoba, 1996



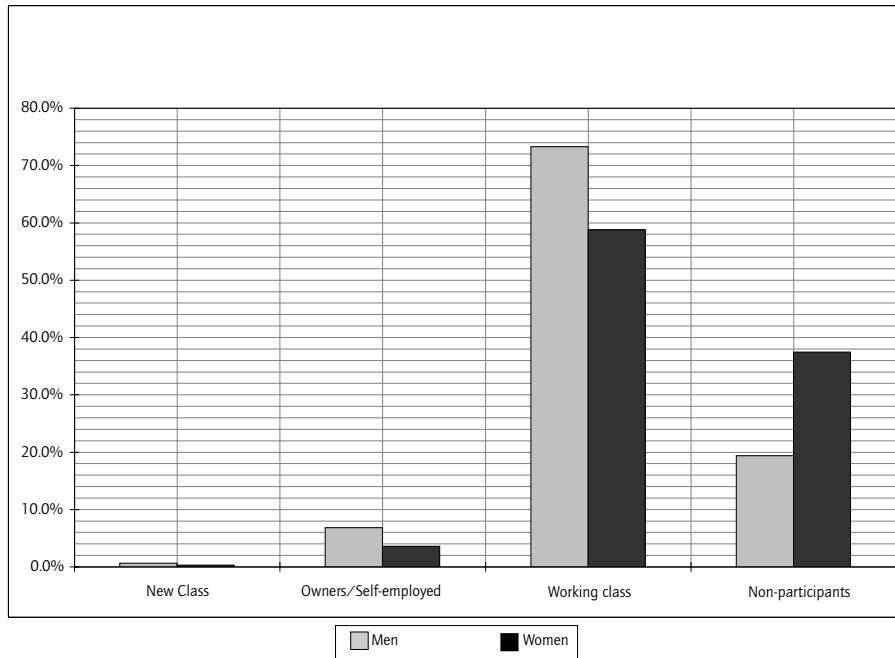
Source: 1996 Census of Canada. (See procedural notes in the appendix.)

Figure 6
Classes Among the Registered Indian Population
Living Off Reserves Manitoba, 1996



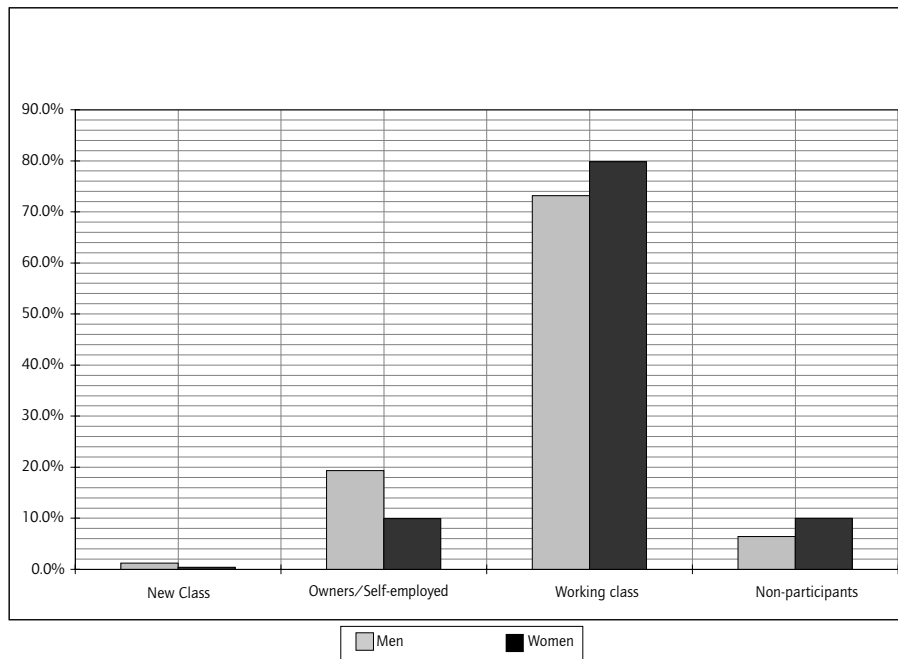
Source: 1996 Census of Canada. (See procedural notes in the appendix.)

Figure 7
Classes Among the Other Aboriginal Identity Population
Living Off Reserves Manitoba, 1996



Source: 1996 Census of Canada. (See procedural notes in the appendix.)

Figure 8
Classes Among the Non-Aboriginal Population
Living Off Reserves Manitoba, 1996



Source: 1996 Census of Canada. (See procedural notes in the appendix.)

sought by some of the off-reserve Aboriginal population, such as funding for post-secondary education, provision of child welfare services, training and employment.

Aboriginal organizations may also account for a substantial portion of the managerial and professional jobs filled by Aboriginal people off reserves. In a 1995 study of Winnipeg's North Main Street area, 78 organizations run by, or providing services primarily to, Aboriginal people were identified.¹⁶ Of these, 22 were extensions of reserve-based governmental services. Total employment among these organizations is not known, but it is likely that most employees would be Aboriginal, including most of their senior managers.

Beyond this, there is clearly a relationship between registered Indian status and class structure as shown above, which extends off-reserve. Class distribution among the off-reserve registered Indian population is remarkably similar to their distribution on reserves, especially in contrast to other Aboriginal groups. This seems consistent with past research in Winnipeg and other urban areas which has suggested that Aboriginal people do not improve their occupational or employment circumstances simply by virtue of living in the city (Trovato et.al., 1994, p. 28).

It may be concluded that the Aboriginal population living on reserves are distributed in a class system which includes the traditional Marxist classes as well as a group referred to here as the "new

class." This new class sits at the top of the social hierarchy on reserves and has a controlling influence over much of the community's economic life. Most of the reserve population, however, is part of the working class or non-participant class. The off-reserve registered Indian population has a similar class distribution to that of the on-reserve population. In their class distribution, other Aboriginals find themselves in the middle between the registered Indian population and the general Manitoba population. In particular, the working class is by far the largest class among the other Aboriginal population, in contrast to the registered Indian population where the percentage of non-participants is also large.

3. DESCRIPTION OF SOCIOECONOMIC STATUS

The previous section looked at the issue of class structure, using a neo-marxist approach. While that approach provides a way of looking at class interests among different population groups, it has some limitations. In particular, the broad classes do not provide an understanding of the variations within classes. The self-employed, for example, vary greatly in terms of skill levels, income and education. Doctors and accountants are lumped with owners of corner stores, farmers, fishers and trappers. The working class has an even broader range of occupations, skill levels, education and incomes. These differences affect peo-

ples' interests, behaviour, status, and politics.

Past research on socioeconomic status (SES) has established that occupation, education and income can be used to define a person's relative SES and that these variables are related to a wide range of behaviours such as demand for social or health services, political preferences, and the success of children in school, among others. For example, a recent study of the impact of parents' education on their children's educational attainment found that young adults whose parents did not complete high school had one less year of schooling than those whose parents graduated from high school. (De Broucker and Lavallée, 1998)

Similarly Hull (1987b) found a greater likelihood of high school completion among children whose parents were in occupations which were ranked higher in SES, and this was found to be true among registered Indians as well as other Canadians. The same study found that the income level of the household was also related to children's educational attainment among registered Indians and others, both on and off-reserve.

This section of the study will describe a number of aspects of Aboriginal socioeconomic status, including employment, occupation, income, education and relationships among these variables. These factors will be analyzed

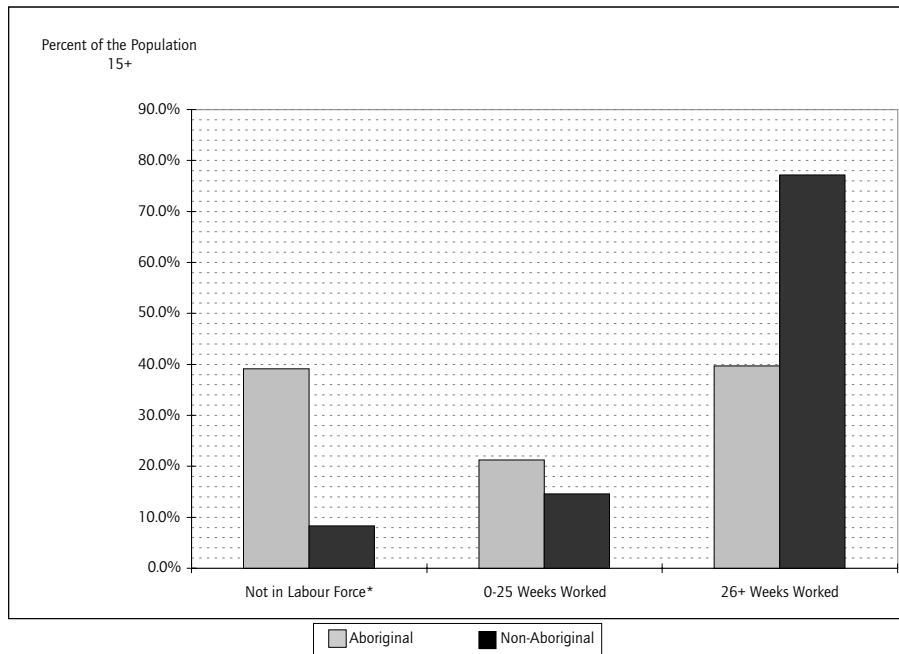
in terms of gender, Aboriginal group and location.

Participation in Employment

The extent of paid employment has a major impact on status and income. In order to look at this question data was obtained from the 1996 Census showing the numbers of Aboriginals and others who were employed by number of weeks employed in 1995. People were identified in two categories: those who worked part or full time for at least 26 weeks, and those who worked for less than 26 weeks in 1995. Those who were not in the labour force at all were also identified.¹⁷ As shown in Figure 9, about 39% of the Aboriginal population of Manitoba did not participate in the labour force at all in 1995, compared to only 8% of the non-Aboriginal population. Another 21% of the Aboriginal population worked for less than half the year, and only 39% worked for at least 26 weeks or more in 1995. In comparison, more than three quarters of the rest of Manitoba's population worked, either full time or part time, for half of the year or more.

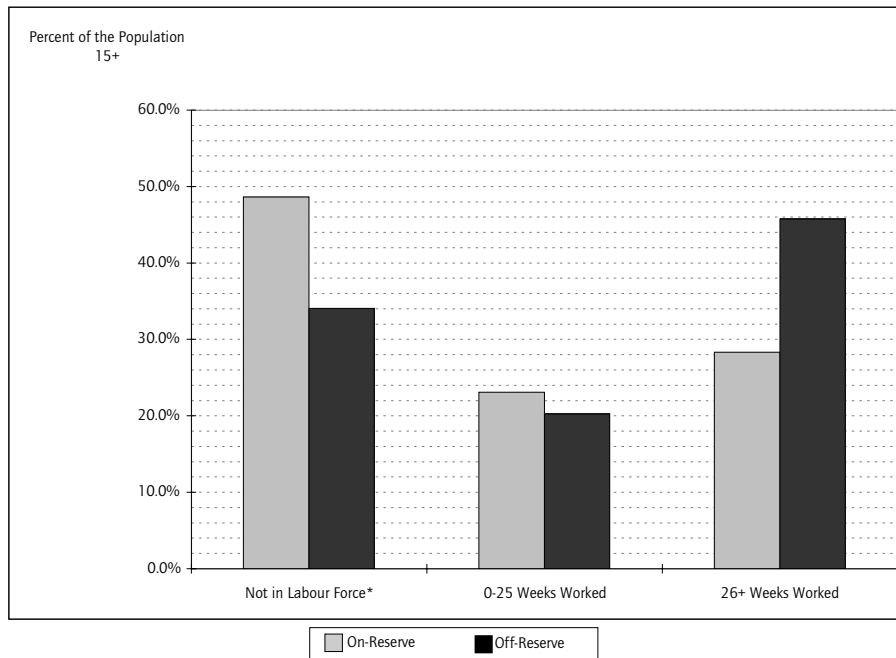
The on-reserve employment situation is even less favourable for the Aboriginal population. 49% of Aboriginals living on reserves did not participate in the labour force in 1995, while only 28% worked for at least half of the year. (See Figure 10.) The off-reserve Aboriginal population was somewhat better off, but still one third were not in the labour

Figure 9
Labour Force by Aboriginal Identity and Weeks Worked, Manitoba, 1995



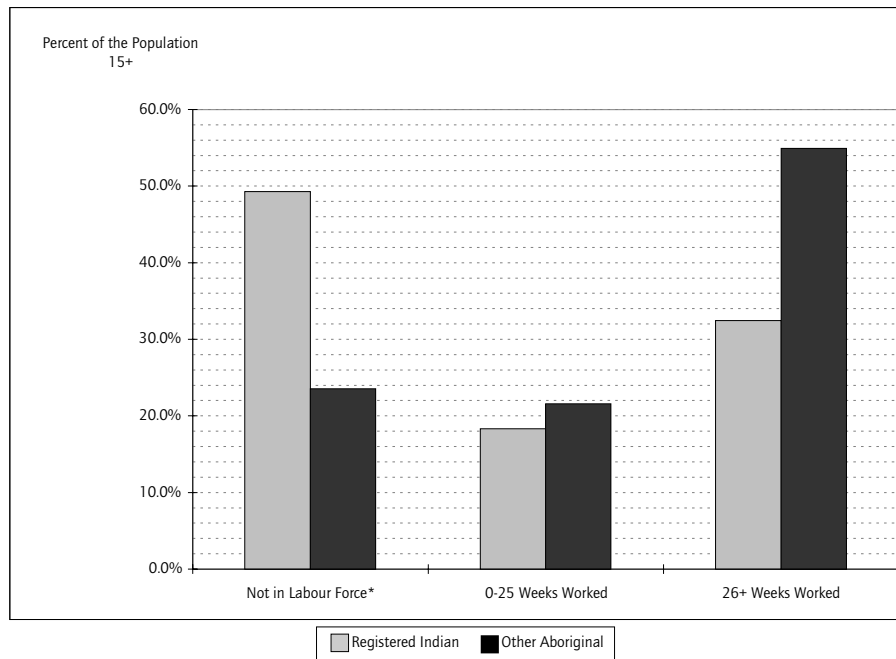
* Full time students, spouses with an employed family member, and those over 65 are excluded.
 Source: 1996 Census of Canada. (See procedural notes in the appendix.)

Figure 10
Aboriginal Labour Force by Weeks Worked and Location, Manitoba, 1995



* Full time students, spouses with an employed family member, and those over 65 are excluded.
 Source: 1996 Census of Canada. (See procedural notes in the appendix.)

Figure 11
Labour Force Off Reserve by Aboriginal Group and Weeks Worked, Manitoba, 1995



* Full time students, spouses with an employed family member, and those over 65 are excluded.
 Source: 1996 Census of Canada. (See procedural notes in the appendix.)

force, and less than half were employed for half of the year or more. Among the off-reserve Aboriginal population, registered Indians were much less likely to be employed than other Aboriginals. (Figure 11) The employment profile of registered Indians living off reserves was similar to that of the Aboriginal population living on reserves (most of whom are registered Indians).

Table 6, below, provides a further breakdown of the extent of employment participation among different populations on and off-reserve. It may be seen from the table that Aboriginal people living in Winnipeg were less likely to be employed than those living in rural areas or smaller cities. Among registered Indians living in Winnipeg,

the majority were not in the labour force and only 16% worked more than half the year in 1995. Other Aboriginals, on the other hand, had somewhat greater levels of employment, especially off reserves where more than half were employed for 26 weeks or more. Generally the employment characteristics of other Aboriginals are mid-way between those of registered Indians and those of the non-Aboriginal population.

The employment rate among the Aboriginal population is also much lower than the rate among the rest of Manitoba's population, and this is true both for men and women. (The employment rate is the number employed divided by the total population.) As shown in Figure 12, the employment rates of

Table 6
Extent of Employment Among the Population 15+
By Aboriginal Identity and Location, Manitoba, 1995

Extent of Employment	On Reserve	Off-Reserve Rural	Winnipeg	Off-Reserve Total	Manitoba Total
Registered Indian					
Not in Labour Force*	49.0%	39.9%	55.7%	49.3%	49.1%
0-25 Weeks	22.9%	22.0%	15.8%	18.3%	20.9%
26 or More Weeks	28.1%	38.1%	28.5%	32.4%	30.0%
Total	21,650	6,845	10,057	16,902	38,557
Other Aboriginal					
Not in Labour Force*	30.3%	19.4%	27.3%	23.5%	23.7%
0-25 Weeks	30.2%	23.6%	19.7%	21.6%	21.7%
26 or More Weeks	39.5%	57.1%	53.0%	54.9%	54.6%
Total	481	11,602	12,913	24,515	25,016
Non-Aboriginal					
Not in Labour Force*	23.4%	4.2%	10.3%	7.9%	8.3%
0-25 Weeks	16.2%	15.6%	14.0%	14.6%	14.6%
26 or More Weeks	60.4%	80.2%	75.7%	77.5%	77.1%
Total	803	221,743	336,947	558,690	561,744

* Excludes full time students, those over 65, and spouses who live with an employed family member.

Source: 1996 Census of Canada

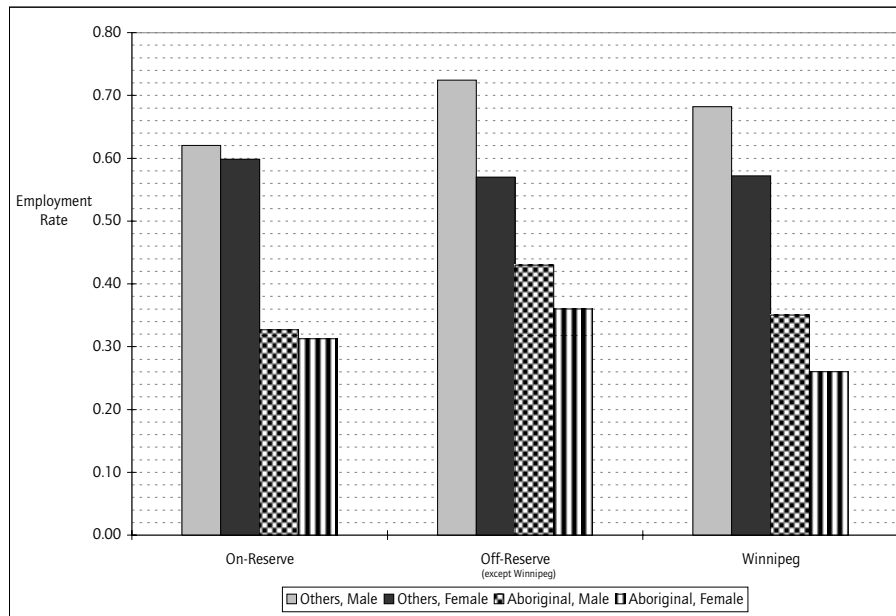
Aboriginal men and women living on reserves were about 30% when the 1996 Census was taken. The employment rates of Aboriginal men and women living in rural areas and small towns and cities (other than Winnipeg) were somewhat higher at about 42% and 36% respectively. In Winnipeg, the employment rate of Aboriginal men was about 35%, but the employment rate among Aboriginal women was below 30%.

Employment rates have generally been increasing among women in Manitoba and decreasing among men, and this is true among the Aboriginal population as well. As shown in Figure 13, the

employment rate among registered Indian men fell from about 38% to 35% between 1981 and 1996. During the same time period the employment rate among registered Indian women increased from about 23% to 30%, so that the employment rates of registered Indian men and women were much closer together by 1996. The same trends occurred among the general population during this period, however the employment rates of non-Aboriginal men and women remained much higher than those of Aboriginal men and women.

Among those who are employed, Aboriginal people are more likely than

Figure 12
Employment Rate by Aboriginal Identity, Gender and Place of Residence
Manitoba, 1996



Source: 1996 Census of Canada

others to work part-time, part of the year, or both. Only 37% of Aboriginal men and 40% of Aboriginal women who were employed in 1995 worked full-time, compared to 62% of other men and 46% of other women. As shown in Figure 14, Aboriginal men living on reserves were least likely to be employed full time, while Aboriginal men living off-reserve in southern Manitoba, either in Winnipeg or in small towns and rural areas, were most likely to be working full-time. Even so, the majority of Aboriginal men in all areas of the province who were employed were working part-time or part of the year. Among Aboriginal women there was less variation among regions, with about 35% to 40% of employed Aboriginal women working full-time in the various regions. In all regions

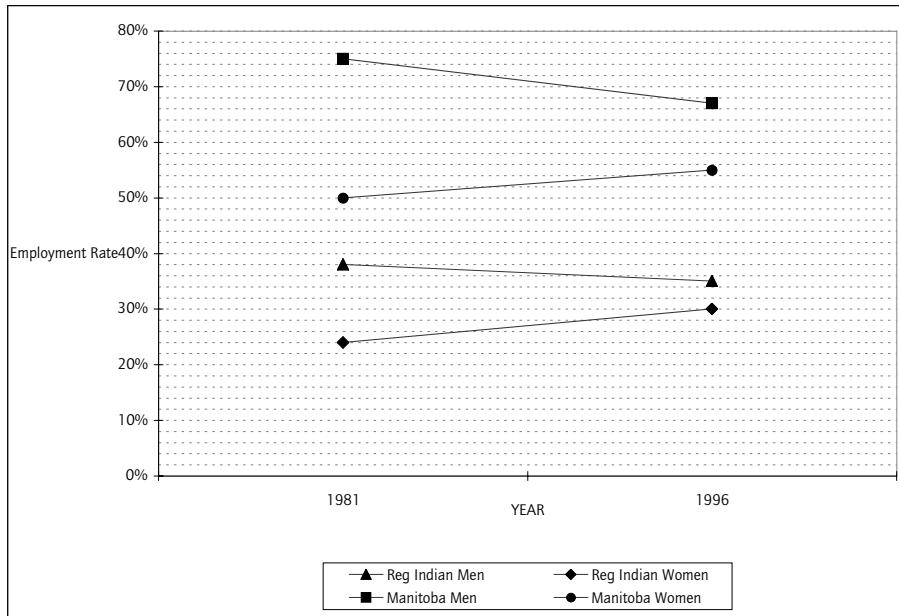
Aboriginal men and women were less likely than others to work full-time, and in all regions non-Aboriginal men were much more likely than others to work full-time.

Occupational Patterns

For the sake of looking at occupational distributions among the labour force the detailed list of occupations of the Standard Occupational Classification (as reported in the 1996 Census) has been reduced to six occupational groups which go from higher to lower levels of pay, skill and/or responsibility. These occupational groups are:

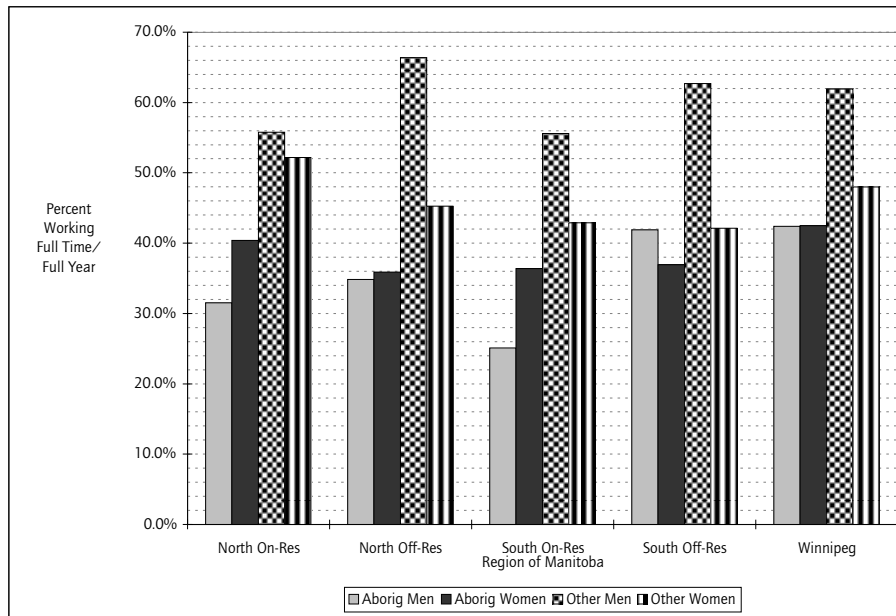
1. Senior Managers
2. Middle Managers
3. Professionals

Figure 13
Employment Rate Trend Among Registered Indians
and Other Manitobans 1981 - 1996



Sources: Census of Canada, 1981 and 1996.

Figure 14
Percent of the Employed Population Working Full-Time for the Full Year
By Aboriginal Identity and Gender, Manitoba, 1995



Source: 1996 Census of Canada.

4. Skilled Trades and Technical Occupations
5. Intermediate Level Occupations
6. Support Workers and Labourers

As shown in Table 7 below, Aboriginal women were most likely to be found in the lowest skill and pay level occupations, followed by other women and Aboriginal men. (See also Figures 15 and 16.) Non-Aboriginal men had the largest proportions of the labour force in skilled and technical occupations and middle management, but women were more likely to be in professional occupations than men. While senior managers made up a very small segment among all the population groups, they formed a larger segment among Aboriginal men than among any other group, and a larger segment among Aboriginal women than among other women. It is clear that a combination of factors related to gender and Aboriginal identity are at work such that Aboriginals and

women tend to be in lower pay and skill-level occupations, but that there is a small elite of senior managers among the Aboriginal population which is proportionately larger than among the general population.

As shown in Table 8 below, Aboriginal occupational distribution is related to on- or off-reserve residency. (See also Figures 17 and 18.) Surprisingly, the Aboriginal labour force living on-reserve was more likely to be found in higher skill level or better paid jobs than the Aboriginal labour force living off-reserve. This was especially true for senior management occupations which were more than four times as common among the reserve labour force as among the off-reserve labour force. At the same time the Aboriginal population living on reserves was less likely to be in the labour force as was described previously. Therefore, the on-reserve Aboriginal population is both more likely to be in

Table 7
Occupational Distribution of the Labour Force 15+
By Gender and Aboriginal Identity, Manitoba, 1996

Occupational Group	Aboriginals		Non-Aboriginals	
	Men	Women	Men	Women
Senior Management	2.1%	0.8%	1.1%	0.4%
Middle Management	3.9%	3.6%	8.9%	4.8%
Professionals	5.3%	11.7%	11.3%	15.9%
Skilled/Technical	25.8%	14.4%	28.3%	14.7%
Intermediate Level	22.6%	20.7%	21.4%	18.6%
Support/Labour	40.3%	48.8%	29.0%	45.6%
Total (N)	21,335	17,325	278,120	237,040

Source: 1996 Census of Canada

Table 8
Occupational Distribution of the Aboriginal Labour Force 15+
By On/Off-Reserve Location, Manitoba, 1996

Occupation	On-Reserve		Off-Reserve	
	Men	Women	Men	Women
Senior Management	5.3%	1.4%	0.7%	0.5%
Middle Management	3.9%	3.0%	3.9%	3.9%
Professionals	6.6%	14.9%	4.8%	10.5%
Skilled Trades and Technicians	24.6%	14.7%	26.3%	14.2%
Intermediate Level Workers	21.3%	25.6%	23.1%	18.8%
Support Workers and Labourers	38.4%	40.3%	41.1%	52.2%
Total (N)	6,550	4,855	14,785	12,470

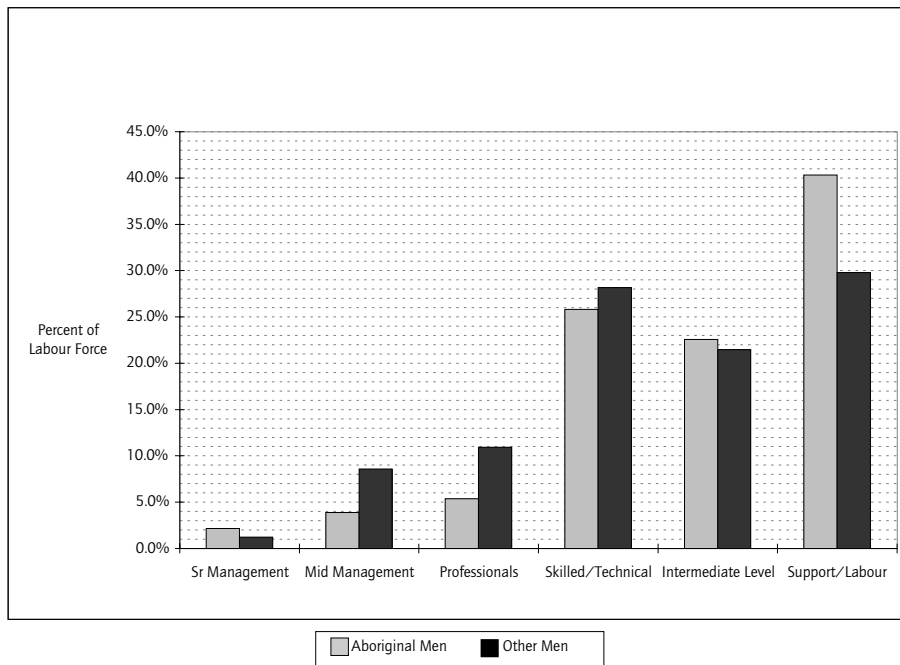
Source: 1996 Census of Canada

higher level occupations, *and* to be non-participants in the labour market. It can be concluded that there is a greater level of disparity, at least in terms of employment and occupational status, among the on-reserve Aboriginal population than among the off-reserve Aboriginal population.

The off-reserve Aboriginal labour force has been further sub-divided into registered Indians and other Aboriginals, and men and women, as shown in Table 9. This shows that, among registered Indian women who were in the labour force, there was a much higher proportion of professionals compared to registered Indian men. Registered Indian women were also more likely than registered Indian men to be in middle management and in support and labour occupations. Registered Indian women were less likely than registered Indian men to be in senior management, and skilled and technical occupations.

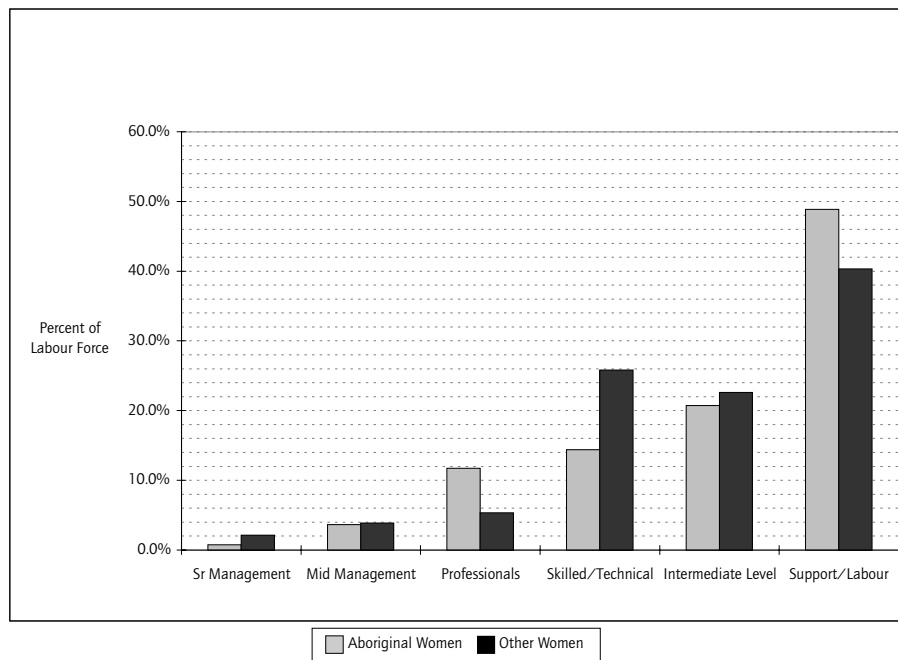
Other Aboriginal women living off-reserve were also more likely than other Aboriginal men to be in professions and support occupations. However, compared to registered Indian women they were less likely to be in professions and more likely to be in support occupations. The main differences between registered Indian men and other Aboriginal men was that registered Indians were more likely to be in senior management and professional occupations and less likely to be in middle management occupations. In general, then, Aboriginal women living off-reserve have a greater tendency to be in professions and support occupations, while Aboriginal men living off-reserve have a greater tendency to be in skilled and technical occupations. Registered Indians living off-reserve are generally more likely to be in professions and senior management but less likely to be in middle management than other Aboriginals.

Figure 15
Male Labour Force by Occupation and Aboriginal Identity, Manitoba, 1996



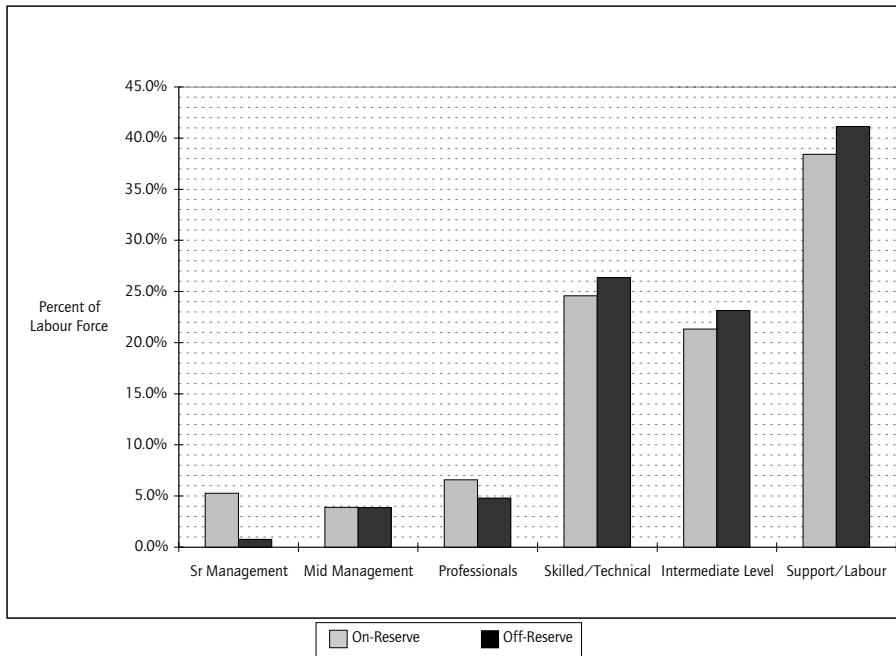
Source: 1996 Census of Canada

Figure 16
Female Labour Force by Occupation and Aboriginal Identity, Manitoba, 1996



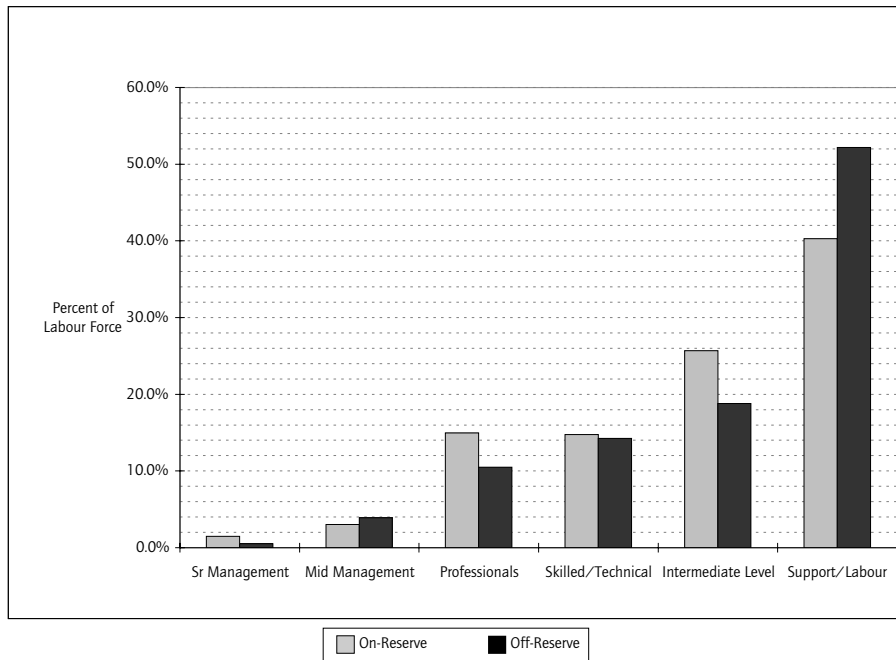
Source: 1996 Census of Canada

Figure 17
Aboriginal Male Labour Force by Occupation and Location, Manitoba, 1996



Source: 1996 Census of Canada

Figure 18
Aboriginal Female Labour Force by Occupation and Location, Manitoba, 1996



Source: 1996 Census of Canada

Further analysis was done comparing the distribution of Aboriginal men and women living on and off-reserve to the average distribution of the total Manitoba labour force (men and women combined). This comparison is shown as a ratio of each the Aboriginal population groups to the Manitoba average. A ratio greater than 1.0 shows that the group has a greater likelihood to be in given occupational group than other Manitobans of the same gender and location.

As shown in Figure 19, among the off-reserve labour force, Aboriginal men and women were more likely than others to be found in support and labouring occupations and less likely to be found in management and professional occupations. Among the on-reserve population the pattern changes. As shown in Figure 20, Aboriginal men in the labour force who were living on-reserve were nine times as likely as other Manitobans to be senior managers, while

Aboriginal women in the labour force on reserves were less likely to be in senior or middle management positions than other Manitobans. On the other hand, Aboriginal men working on reserves were less likely to be professionals, while Aboriginal women working on reserves were more likely to be professionals than were other Manitobans in the labour force. (Again, it must be kept in mind that a high proportion of the Aboriginal population was not in the labour force at all and that this was especially true on reserves.)

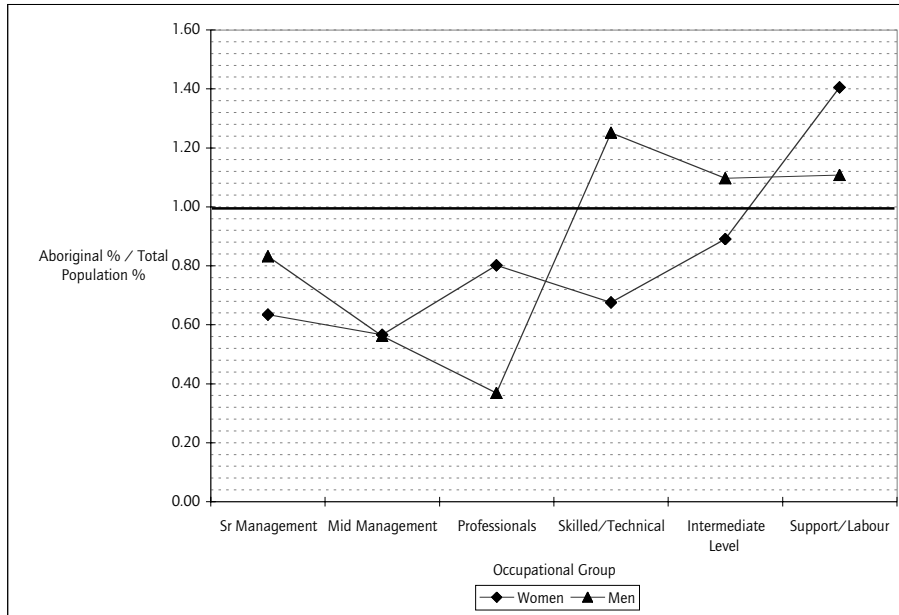
When interpreting all of the data presented here on occupational distributions it must be emphasized that these are broad categories of occupations, each covering a wide range of skill and pay levels. In general, it is likely that the population groups which are more likely to be found in the lower skilled and paid occupational categories are also likely to be in the lower skilled and paid jobs

Table 9
Occupational Distribution of the Experienced Labour Force
15+ Living Off Reserve By Aboriginal Identity Group, Manitoba, 1996

Occupation	Registered Indians		Other Aboriginals		Non-Aboriginals	
	Men	Women	Men	Women	Men	Women
Senior Management	1.5%	0.6%	0.4%	0.4%	1.1%	0.4%
Middle Management	2.9%	3.5%	4.3%	4.1%	8.9%	4.8%
Professionals	6.9%	15.0%	3.9%	8.2%	11.3%	15.8%
Skilled Trades and Technicians	25.0%	14.1%	26.9%	14.3%	28.3%	12.6%
Intermediate Level Workers	21.7%	19.5%	23.7%	18.4%	21.4%	20.8%
Support Workers and Labourers	42.1%	47.4%	40.7%	54.6%	29.0%	45.7%
Total (N)	4,360	4,180	10,425	8,290	277,755	236,790

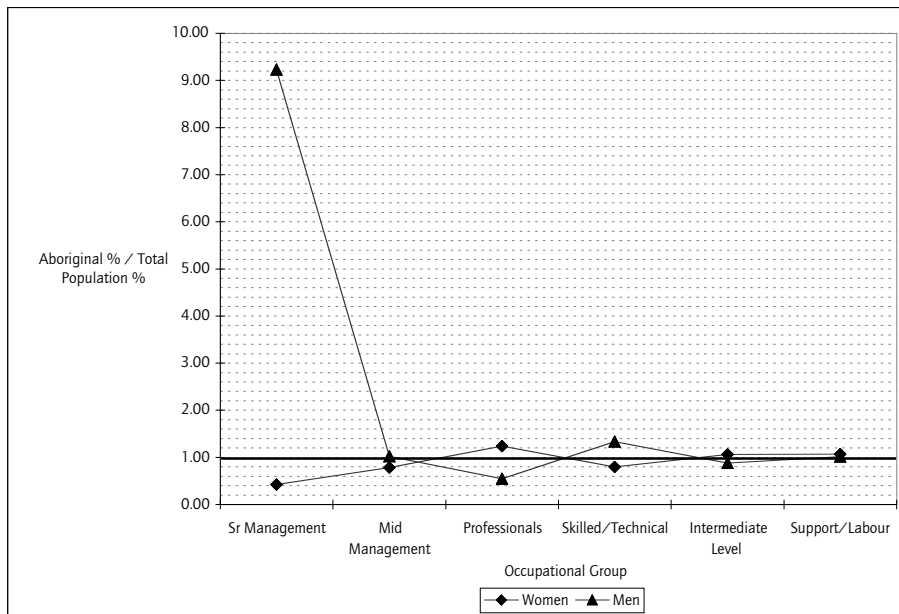
Source: 1996 Census of Canada

Figure 19
Relative Probability of Labour Force Being in Given Occupational Groups:
Aboriginal/Manitoba Total Population Living Off Reserves
By Gender, Manitoba 1996



Source: 1996 Census of Canada

Figure 20
Relative Probability of Labour Force Being in Given Occupational Groups:
Aboriginal/Manitoba Total Population Living On Reserves
By Gender, Manitoba 1996



Source: 1996 Census of Canada

within the categories. A more detailed analysis of jobs, skill levels and pay rates would therefore be likely to find greater disparities among groups than is shown by the relatively crude analysis done here.

Individual Employment Income

Annual income from employment is lower among the Aboriginal identity population than among Manitobans generally, even when we control for the amount of employment during the year. However, the gap in employment income is even greater between men and women than between Aboriginal people and others. As shown in Figure 21, all men in Manitoba who were working full-time for the full year had an average income of about \$36,700 in 1995, compared to \$28,500 among Aboriginal men, \$26,300 among all women, and \$23,200 among Aboriginal women. This is consistent with the occupations in which Aboriginal men and women are likely to work, as shown above. Aboriginal men who worked full-time in 1995 earned about 73% of the average income for non-Aboriginal men, while Aboriginal women who worked full-time earned about 90% of the average income for non-Aboriginal women.

In percentage terms, the earnings gap between Aboriginals and others was even greater for those who worked part-time and/or for part of the year. Aboriginal men who worked part-time earned an average of only 58% of the

provincial men's average, while Aboriginal women earned only 71% of the average among non-Aboriginal women. Because Aboriginal men and women who are employed are more likely to work part-time or for part of the year, the overall average of employment income, combining full and part-time workers, shows an even greater gap between the Aboriginal population and the non-Aboriginal population.

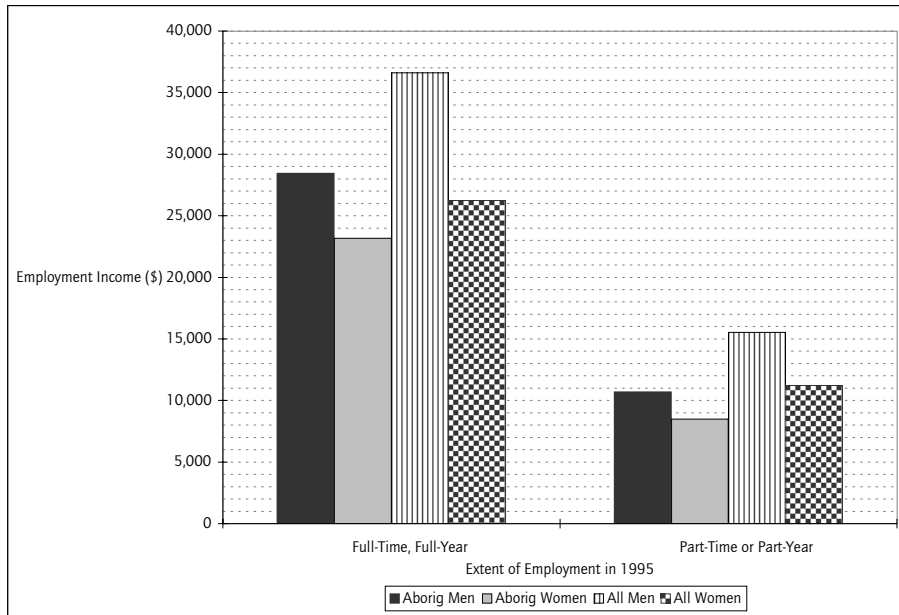
The relative position of Aboriginal people varies according to location. (See Figure 22.) The earnings gap between Aboriginals and non-Aboriginals was generally greatest among those living on reserves. Aboriginal men and women working full time on reserves earned about 65% of what non-Aboriginal men and women on reserves earned. Generally, the earnings gap was even greater for part-time workers with the exception of women living on southern reserves.¹⁸ There was also very little difference in average employment income between Aboriginal men and women living on reserves.

As shown in Table 11 Aboriginal incomes were generally lower on reserves and highest in northern Manitoba off-reserves. Income gaps between Aboriginal men and women tended to be larger off-reserve than on-reserve.

Family Types and Income

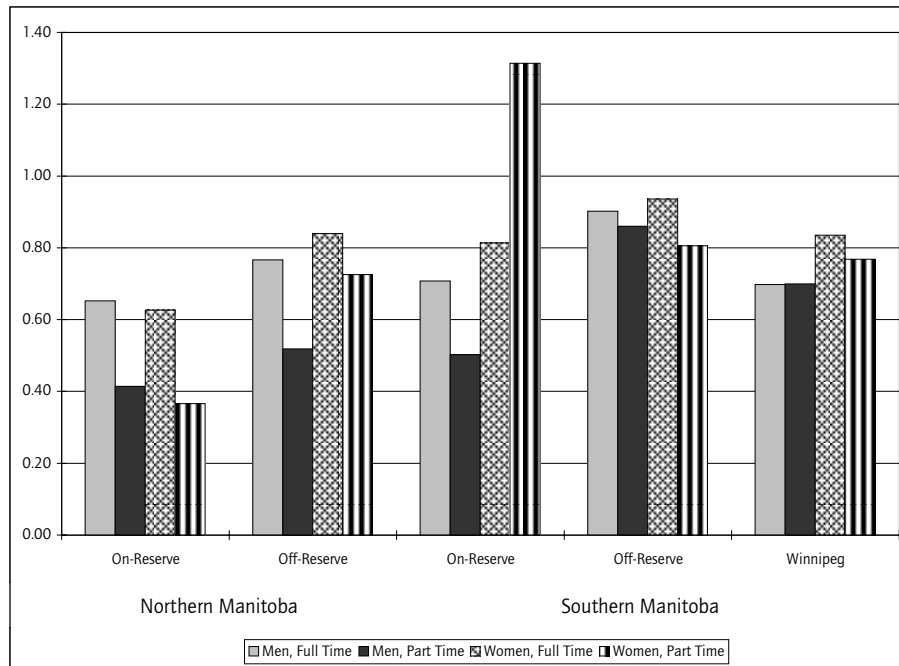
Household income provides a better picture than individual income of relative income levels of the population be-

Figure 21
Average Individual Employment Income Among Those Employed
By Extent of Employment, Manitoba, 1995



Source: 1996 Census of Canada

Figure 22
Ratio of Aboriginal to Non-Aboriginal Average Employment Income
By Location of Residence, Gender and Extent of Employment, Manitoba, 1995



Source: 1996 Census of Canada

cause it combines the incomes of individuals who make up the household, and because households function as economic units in many ways. Households can be described as either “family households” or “non-family households,” the latter being single people or unrelated people living together. Most family households are either two-parent families (with or without children) or lone-parent families. (There are also a few multi-family households.) Lone-parent households are likely to have lower total and per capita incomes than other families because they are likely to have fewer income earners in relation to the number of dependents, and also because they are more likely to be dependent on social assistance than other family types.

Non-family households also have lower incomes because they are often single people living alone, and are often students or seniors without high employment incomes.

Figure 23 provides a comparison of the proportions of lone parent families among registered Indians, other Aboriginals and non-Aboriginals.¹⁹ As this figure shows, in 1996 registered Indians had a much higher proportion of lone parent families than other Aboriginals, at more than 30% of all families. 18% of other Aboriginal families were lone parent families, compared to about 12% of non-Aboriginal families. Moreover, as Figure 24 shows, the proportion of lone parent families has been growing among the registered Indian population. Be-

Table 11
Average Employment Income for Those with Employment Income
By Geographic Region, Gender, and Full-Time/Part-Time Employment
Manitoba, 1995

Population Group and Employment	Northern Manitoba		Southern Manitoba			Total
	On-Res.	Off-Res.	On-Res.	Off-Res.	Winnipeg	
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Aboriginal Men 15+	14,083	21,016	11,041	19,573	18,351	17,363
Full-Time, Full-Year	25,755	38,066	22,954	28,728	27,629	28,467
Part-Time or Part-Year	8,709	11,893	7,012	12,983	11,521	10,717
Aboriginal Women 15+	13,841	15,112	12,819	13,426	15,153	14,315
Full-Time, Full-Year	22,994	26,305	22,817	21,947	23,144	23,182
Part-Time or Part-Year	7,642	8,838	7,083	8,443	9,249	8,510
Non-Aboriginal Men 15+	31,273	40,704	23,100	25,615	30,803	29,171
Full-Time, Full-Year	39,533	49,690	32,450	31,869	39,621	37,018
Part-Time or Part-Year	21,052	22,972	13,973	15,109	16,475	16,172
Non-Aboriginal Women	29,198	20,863	14,181	15,954	19,572	18,325
Full-Time, Full-Year	36,719	31,349	28,046	23,466	27,741	26,457
Part-Time or Part-Year	20,925	12,192	5,391	10,488	12,043	11,460

Source: 1996 Census of Canada

tween 1981 and 1996 this proportion increased from 25% to about 32% of registered Indian families in the province.

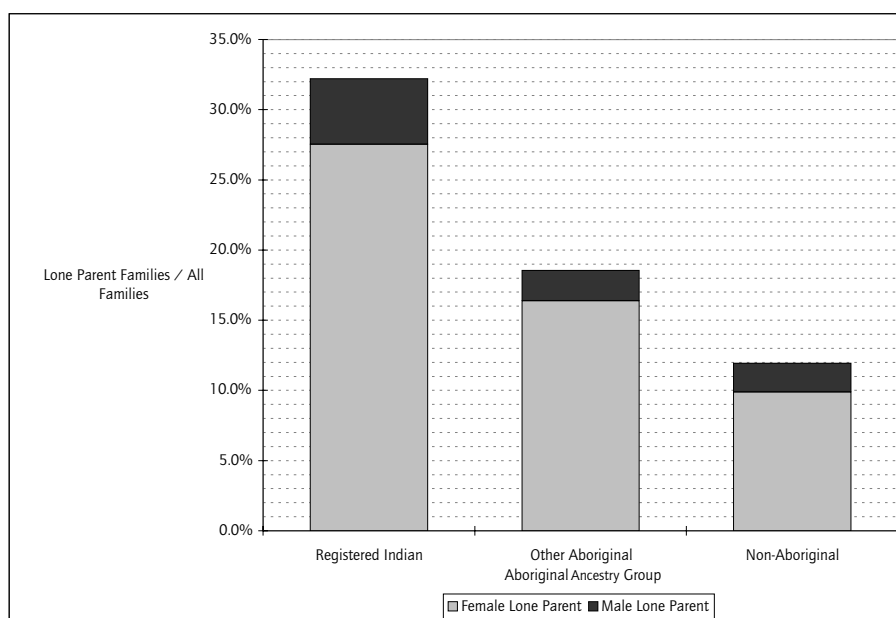
The average 1995 incomes of two-parent families (or “couples” as identified in the figure) and lone-parents are shown in Figure 25 for Aboriginal and other households.²⁰ Among both Aboriginal households and other households, two-parent households had much higher incomes than lone-parent households — in fact they were almost twice as high. At the same time Aboriginal household incomes were about 60% of the income levels of other households of the same type.

The figure also compares household incomes in Winnipeg to those in the rest of the province. Household incomes

were generally higher in Winnipeg except among Aboriginal lone-parent households for whom the average income in Winnipeg was lower than in the rest of Manitoba.

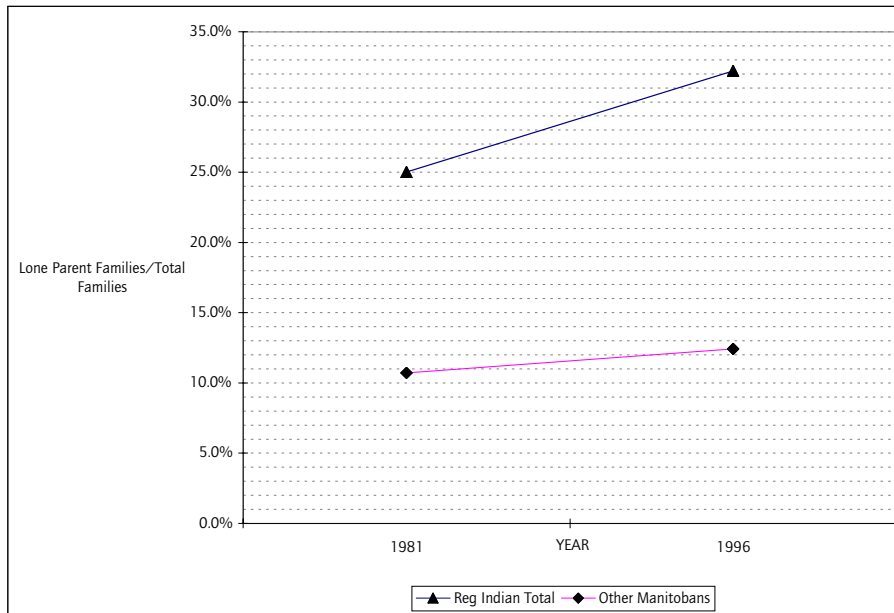
The result of low incomes among Aboriginal lone-parent families was that a very high proportion of them fell below the low income cut-offs. As shown in Figure 26, more than 35% of two-parent Aboriginal households in Manitoba fell below the low income cut-offs, and 78% of lone-parent Aboriginal households were below the low income cut-offs. Among other Manitoba households there was also a high proportion of lone-parent households who were below the low-income cut-offs — about 40% — but this was still a much smaller proportion

Figure 23
Lone Parent Families as a Percentage of All Families
By Aboriginal Ancestry Group and Gender, Manitoba, 1996



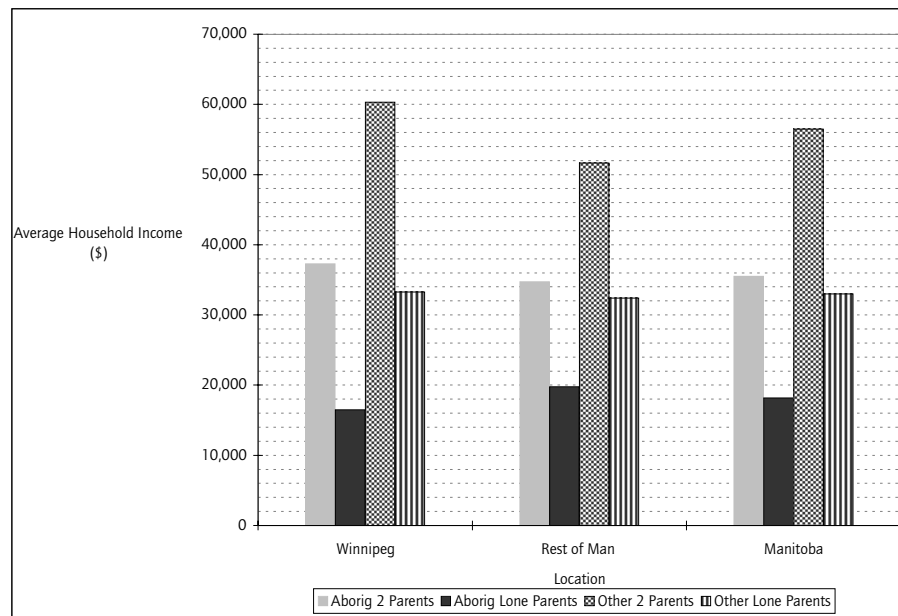
Source: 1996 Census of Canada

Figure 24
Trend in Lone Parent Families as a Percentage of All Families
By Registered Indian Status, Manitoba, 1981 - 1996



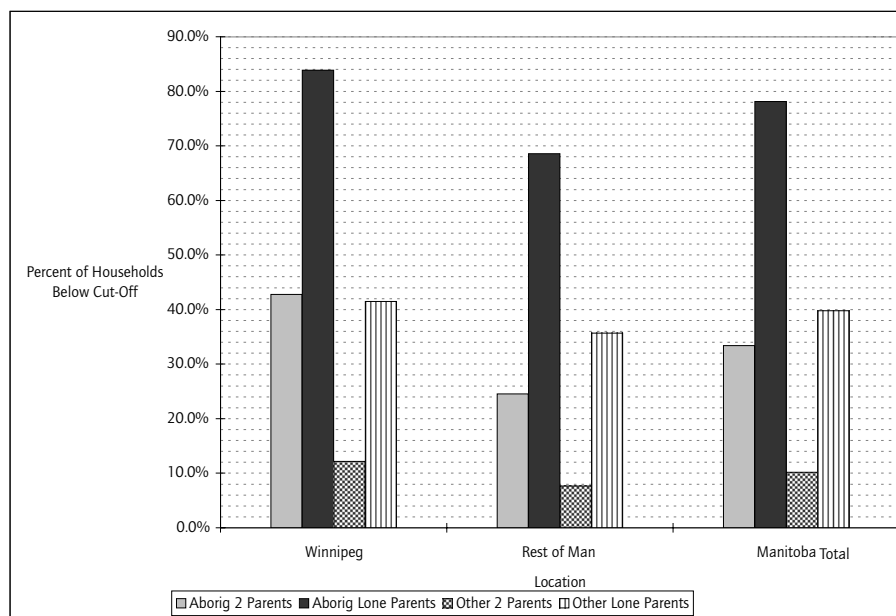
Sources: Census of Canada, 1981 and 1996.

Figure 25
Average Household Income by Household Type,
Aboriginal Ancestry and Gender Manitoba, 1995



Source: Social Planning Council of Winnipeg, customized 1996 Census tabulations.

Figure 26
Proportion of Households Below Low Income Cut-Off
By Household Type, Aboriginal Ancestry and Place of Residence, Manitoba, 1995



Source: Social Planning Council of Winnipeg, customized 1996 Census tabulations.

than among Aboriginal lone-parent households. It can also be seen that there was a higher proportion of low income households in Winnipeg than in the rest of Manitoba.²¹

As shown in Table 12, there is a wide gap between the incomes of low and high-income families. While Aboriginal households within each income group had slightly lower average incomes than other households, the gap between low and higher income households was similar among Aboriginal and other families. Compared to their low income counterparts, those in the higher income groups had average incomes which were about 3.5 to 4 times greater. The major difference between Aboriginal and other households was that there was a much

higher proportion of low income households among the Aboriginal population than among the non-Aboriginal population. Still, there was a substantial segment of the Aboriginal population who had middle or higher incomes, and a large gap between the higher and lower-income Aboriginal households.

Income Distribution

The gap between higher and lower income families shown above raises the issue of the extent of income inequality among Aboriginal people and among Manitobans in general. Several recent research studies have looked at aspects of this question for Canada as a whole. A 1997 study by Rachel Bernier, "The Dimensions of Wage Inequality Among

Aboriginal Peoples” not only identified a wage gap between Aboriginal and other workers in Canada, but also found greater wage disparity among Aboriginal workers than among Canadians as a whole. Bernier looked at the average wages for the lowest and highest quintiles of the population and found that there was a greater gap between the richest and poorest quintiles within the Aboriginal population than within the Canadian population as a whole. She also looked at several measures of inequality, such as the Gini coefficient, and again found that there was greater inequality among the Aboriginal population than among the general population. Within the Aboriginal population she found greater levels of wage inequality among North American Indians living on reserve than among those living off reserve, and relatively less wage inequality among the Métis population. (The North American Indian population is

similar to the registered Indian population.)

In order to examine income distribution in Manitoba data was obtained from the 1996 Census of Canada showing numbers of individuals falling into given income ranges. This information, which is based on individual income from all sources, is graphed in Figures 27-31, showing the proportion of the population below given income levels as the income level increases from 0 to over \$50,000.²² If there were an equal number of people falling into each income range the result would be a straight diagonal line. The more the line bulges upwards away from the diagonal, the more the income distribution is concentrated in lower income ranges.

Figure 27 provides a comparison of income distribution among registered Indians, other Aboriginals and the non-Aboriginal population for Manitoba. As the figure shows, the registered Indian

Table 12
Average Household Incomes By Low Income Status, Ancestry Group and Household Type, Manitoba, 1995

Ancestry Group & Household Type	Below Low Income Cut-off		Above Low Income Cut-off	
	Number of Households	Average Income	Number of Households	Average Income
Aboriginal Households - Total	13,500	\$11,507	11,010	\$45,853
Two-Parent Households	3,480	\$15,194	6,945	\$51,519
Lone-Parent Households	5,275	\$11,826	1,475	\$38,544
Non-Family Households	4,660	\$8,247	2,410	\$32,397
Other Households - Total	84,430	\$13,262	299,010	\$53,905
Two-Parent Households	23,330	\$16,424	205,255	\$61,059
Lone-Parent Households	12,215	\$13,812	18,460	\$45,727
Non-Family Households	48,525	\$11,504	72,785	\$34,839

Source: Social Planning Council of Winnipeg, customized 1996 Census tabulations.

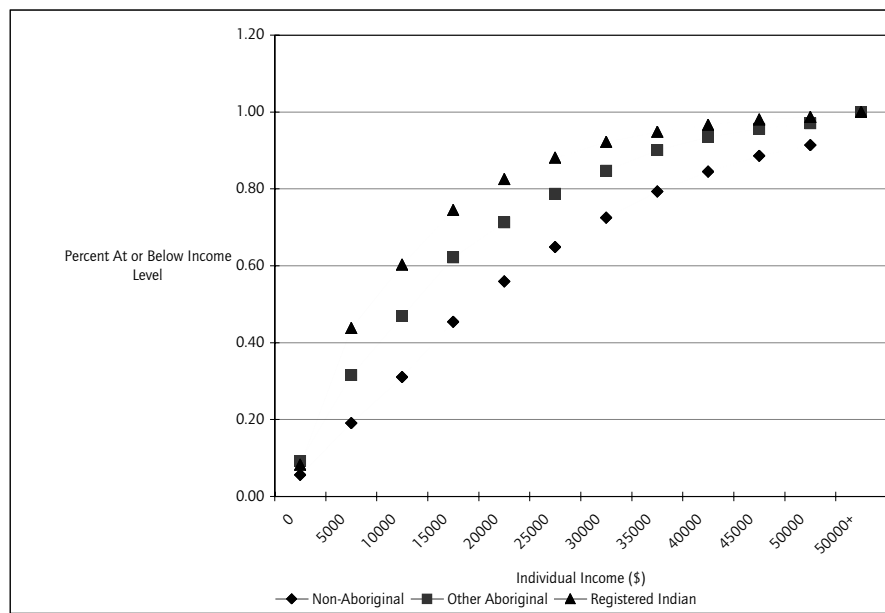
population had relatively high proportions of its population in lower income groups. For example, the figure shows that 60% of the registered Indian population had incomes of \$10,000 or less in 1995, compared to about 47% of other Aboriginal people, and 30% of others (non-Aboriginals). The figure also shows that non-Aboriginals had a more even distribution of the population across income ranges than either of the Aboriginal groups. Even so, among non-Aboriginals there was a greater proportion with low incomes than with higher incomes. For example, the majority of the non-Aboriginal population of Manitoba had incomes of less than \$20,000 in 1995.

Figure 28 shows the differences between the income distributions of men and women in Manitoba. From this fig-

ure it is apparent that the population becomes more concentrated in lower income groups as we go from non-Aboriginals to Aboriginals, and from men to women. Non-Aboriginal men in particular were much more equally distributed among income groups than the other three population groups. Of the four groups, Aboriginal women were the most highly concentrated in lower income ranges.

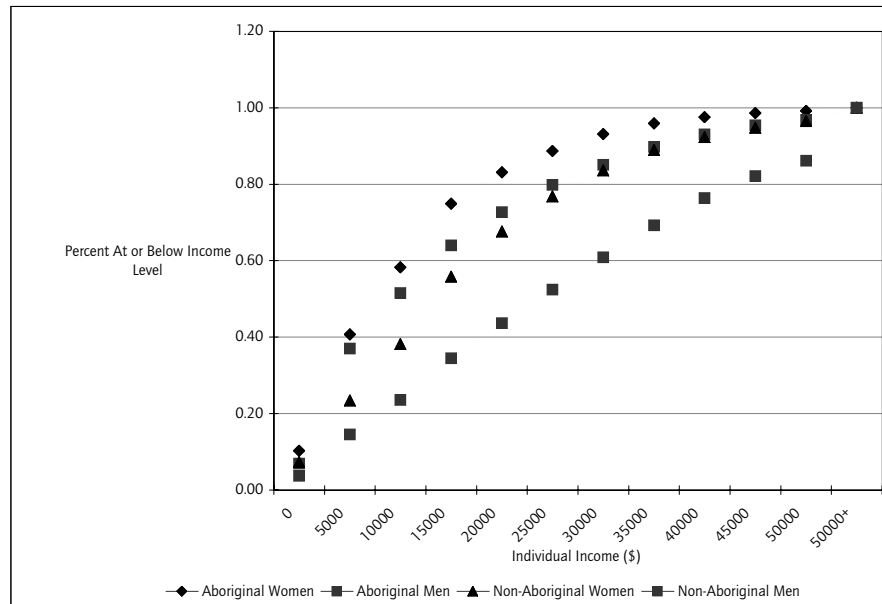
Figures 29-31 provide comparisons of the income distributions between Aboriginals and others living in different areas of Manitoba — on-reserve, off-reserve (excluding Winnipeg), and Winnipeg. The least equitable income distribution was found among the Aboriginal population living on reserves. By contrast, non-Aboriginals living on re-

Figure 27
Cumulative Proportion of the Population with Incomes Below Given Levels
By Identity Group, Manitoba, 1995



Source: 1996 Census of Canada

Figure 28
Cumulative Proportion of the Population with Incomes Below Given Levels
By Aboriginal Identity and Gender, Manitoba, 1995



Source: 1996 Census of Canada

serves had a much more equitable income distribution. (See Figure 29 — because there was little difference in income distribution between Aboriginal men and women living on reserve this has not been shown in the figure.) As shown in Figure 30 there was relatively less difference in income distribution between Aboriginals and others in rural areas and smaller towns and cities, largely because the income distribution among non-Aboriginals was more unequal in these areas. The figure also shows that there was little difference between registered Indians and other Aboriginals in these rural areas.

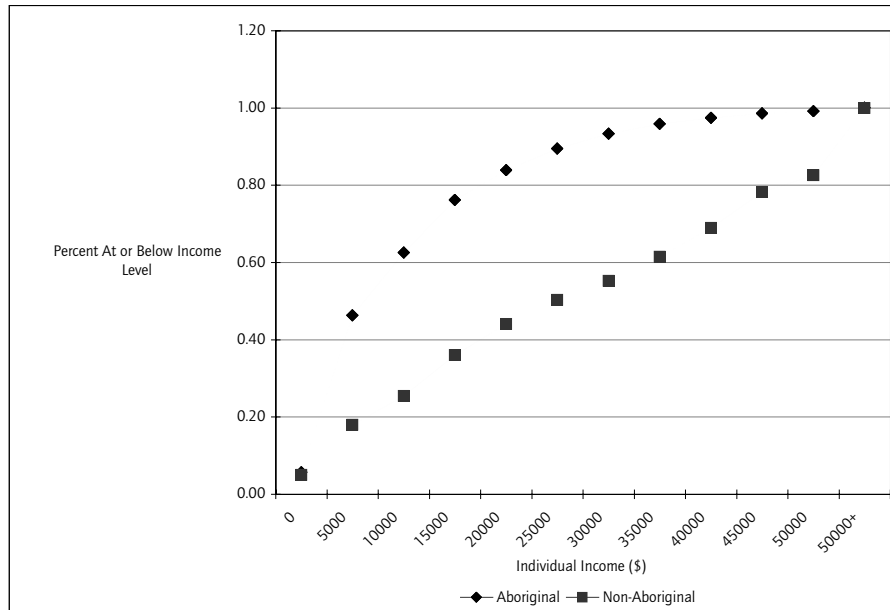
In Winnipeg, on the other hand, there were clear differences among the three population groups: registered Indians had the lowest and most unequal income

distribution, while non-Aboriginals had the highest and least unequal income distributions. (See Figure 31.) Other Aboriginals fell in the middle between these two.

Educational Attainment

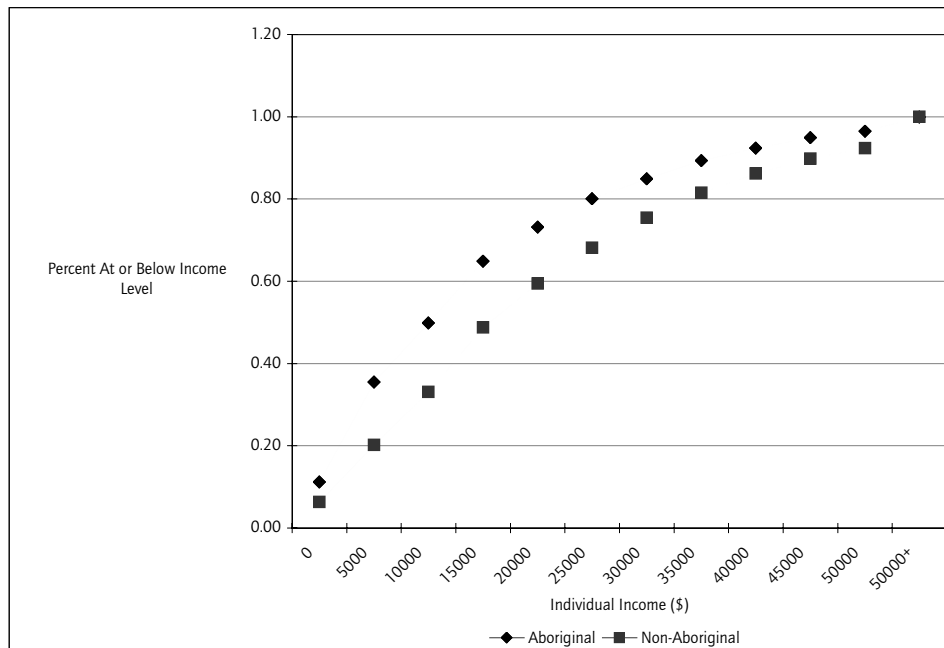
Educational attainment is usually seen as an important component of socioeconomic status, with more education leading to more highly skilled and highly paid jobs. The relationship between educational attainment and income has been widely analyzed and the general relationship between education and income has been repeatedly confirmed. For example, Armstrong et. al. (1990) found that the median incomes of both Indians and non-Indians increased as educational attainment increased.²³

Figure 29
Cumulative Proportion of the Population Living On Reserves
With Incomes Below Given Levels by Aboriginal Identity, 1995



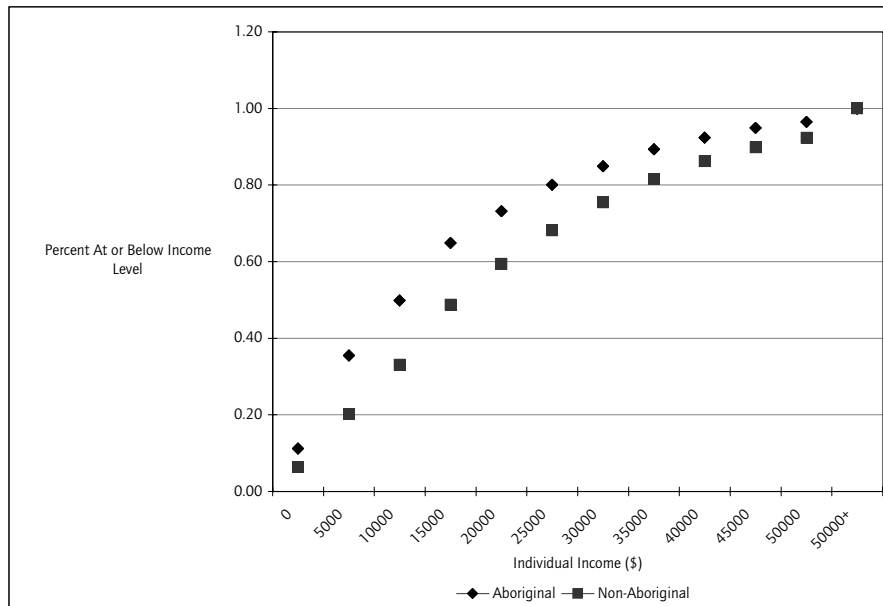
Source: 1996 Census of Canada

Figure 30
Cumulative Proportion of the Population Living Off Reserves, Excluding Winnipeg
With Incomes Below Given Levels by Aboriginal Identity, 1995



Source: 1996 Census of Canada

Figure 31
Cumulative Proportion of the Population Living in Winnipeg
With Incomes Below Given Levels by Aboriginal Identity, 1995



Source: 1996 Census of Canada

As shown in Figure 32 educational attainment has increased over the long run in Manitoba, both among registered Indians and others.²⁴ The proportion of registered Indians with a high school certificate or higher certification has increased from about 18% in 1981 to about 33% in 1996. The proportion of registered Indians with a post-secondary degree, diploma or certificate has increased very rapidly, from about 1% to about 15% of the adult population. While the rate of growth in educational certification has been more rapid among registered Indians, the proportions with high school or post-secondary certification are still well below those of other Manitobans. As of 1996 other Manitobans were still more than twice as likely as registered Indi-

ans to have completed post-secondary certification.

The increase in Indian educational attainments have been driven by improvements in educational access. During the 1970s and 1980s in Manitoba there was a rapid expansion of high school programs offered on reserves, and this was associated both with an increase in locally operated school systems and the construction of new school facilities to meet a growing high school age population. Between 1980 and 1991 grade 12 enrolments of students from reserves in Manitoba increased from 200 to more than 900, and the number of grade 12 graduates increased from about 100 to 300 students per year. (Hull et. al, 1995)

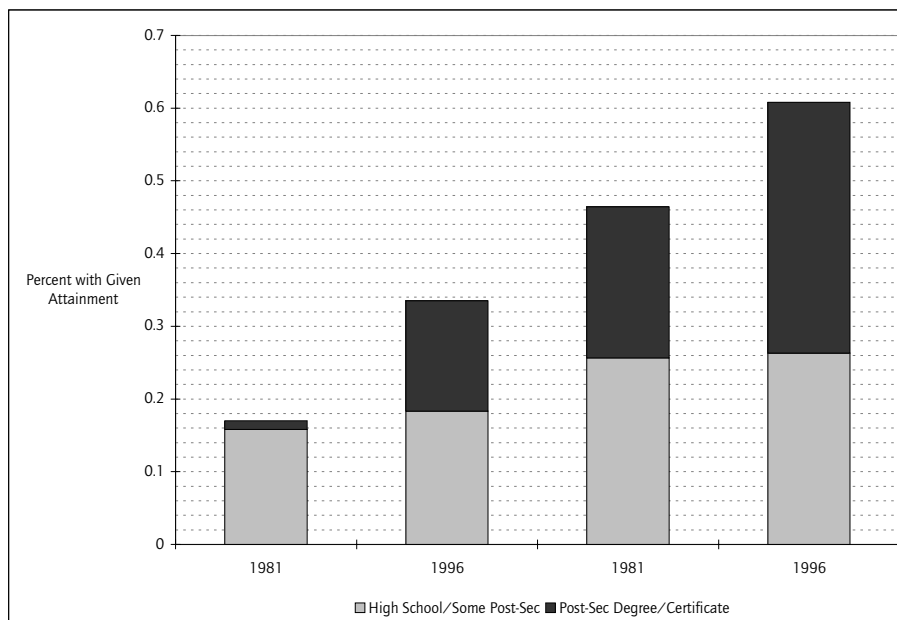
Aboriginal access to post-secondary programs has been promoted by Aboriginal organizations, colleges, universities and federal and provincial governments since the 1970s. Relatively accessible post-secondary funding provided by the federal government for registered Indians led to an increase in numbers of students sponsored by Indian and Northern Affairs from about 15,500 in 1988 to 27,000 in 1997. (Basic Departmental Data, Department of Indian Affairs and Northern Development, 1998) During the 1970s and 1980s many college and university access and professional training programs were targeted at Aboriginal students, often with the rationale of increasing Aboriginal representation in such professions as teaching and social work as well as in para-profes-

sional fields. As shown in Figure 33, the rate at which registered Indians have been enrolled in post-secondary programs has also been increasing and is projected to continue to increase until it reaches the Canadian average.

By 1996 in Manitoba about 17% of the Aboriginal population had received a post-secondary degree or certificate. (See Figure 34) Educational certification was lower among Aboriginals living on reserves with 12% having post-secondary certification, compared to 21% off-reserve.

Increases in the rate of high school completion and post-secondary attendance may tend to overstate improvements in educational skills among the Aboriginal population. There has been

Figure 32
Educational Attainment Trends for Selected Educational Levels
Registered Indians and Others, Manitoba, 1981 and 1996



Sources: Census of Canada, 1981 and 1996.

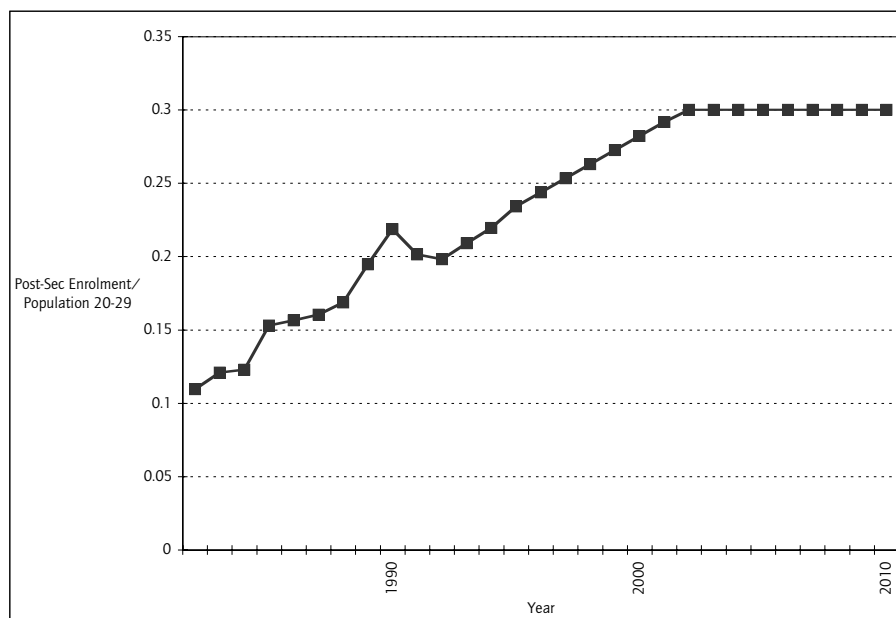
much anecdotal evidence suggesting that there are lower educational standards in reserve schools, and this has been confirmed in a number of individual school evaluations. Hull et. al. (1995) summarized the results of testing from five different reserve schools during the early 1990s and found that the degree to which students' skills were behind the norms increased with the grade levels of students who were tested. Those in the early grades were about one year behind the norm, while those in the junior high school grades were two or more years behind on average. While educational attainment is an important indicator of higher skill levels, there may be a gap in the average skill levels of the Aboriginal population and those of the

general population, even for those with the same educational credentials.

Relationships between High School Certification and Employment

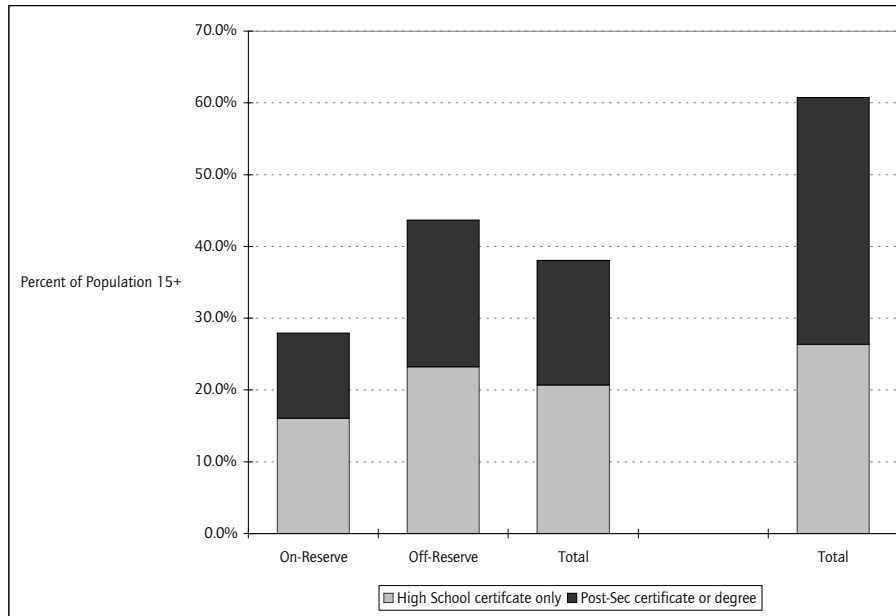
The 1996 Census data for Manitoba confirmed that there is a correlation between educational certification and labour market participation. As shown in Figure 35 both Aboriginals and others were more likely to participate in the labour market when they had a high school certificate or higher certification. The difference in participation rates was greater among the on-reserve Aboriginal population who were almost twice as likely to be in the labour market if they had completed high school than if they had not.

Figure 33
Historic and Forecast Post-Secondary Enrolment Rate Among the Registered Indian Population, Canada, 1981 - 2010



Source: Four Directions Consulting Group, 1997, page 81.

Figure 34
High School and Post-Secondary Educational Certification
By Aboriginal Identity and Location, Manitoba, 1996



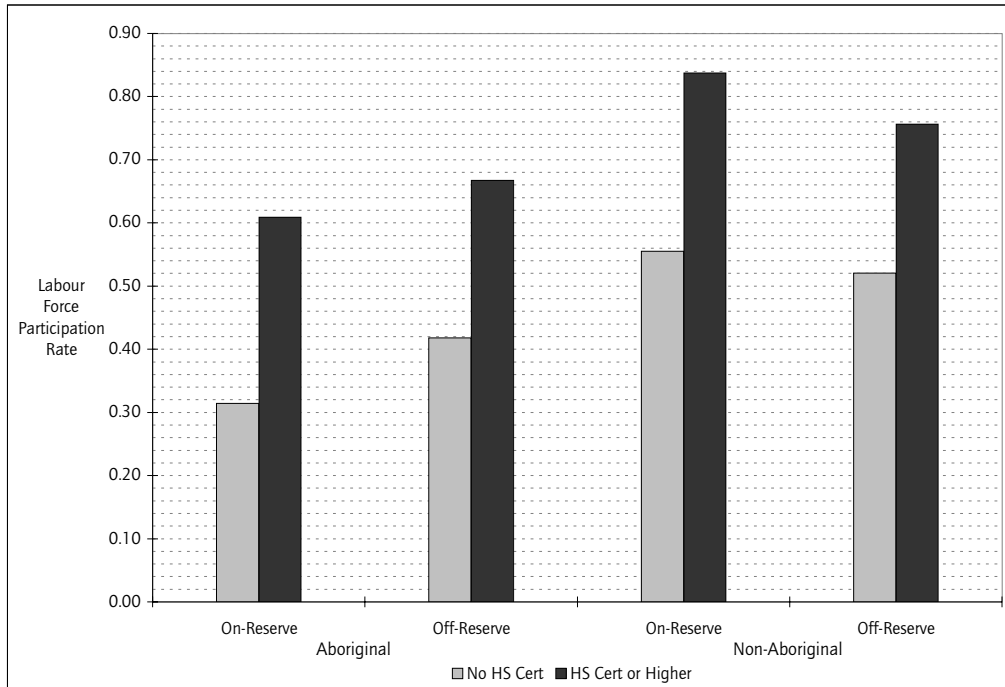
Source: 1996 Census of Canada

High school certification was also related to weeks of employment within various occupations. Those with a high school or higher level of certification were more likely to work for at least half of the year, and the effect of having a high school certificate was greater among Aboriginals than among others in Manitoba. As shown in Figure 36, among the off-reserve population, Aboriginals with a high school certificate were about 10% more likely to be employed for half the year, within most of the occupational groups. Others (non-Aboriginals) were also more likely to be employed within their occupations if they had a certificate, but the difference is smaller. As a result, the employment gap between Aboriginals and others was somewhat smaller among those with

high school certificates than among those without certificates. This finding is generally consistent with other studies which have shown that higher educational levels tend to reduce income and employment disparities between Aboriginals and others.²⁵ It may also be seen from the figure that the gaps between those with certificates and those without, and between Aboriginals and others, became smaller for those in more highly skilled occupations, especially the middle and senior managers.

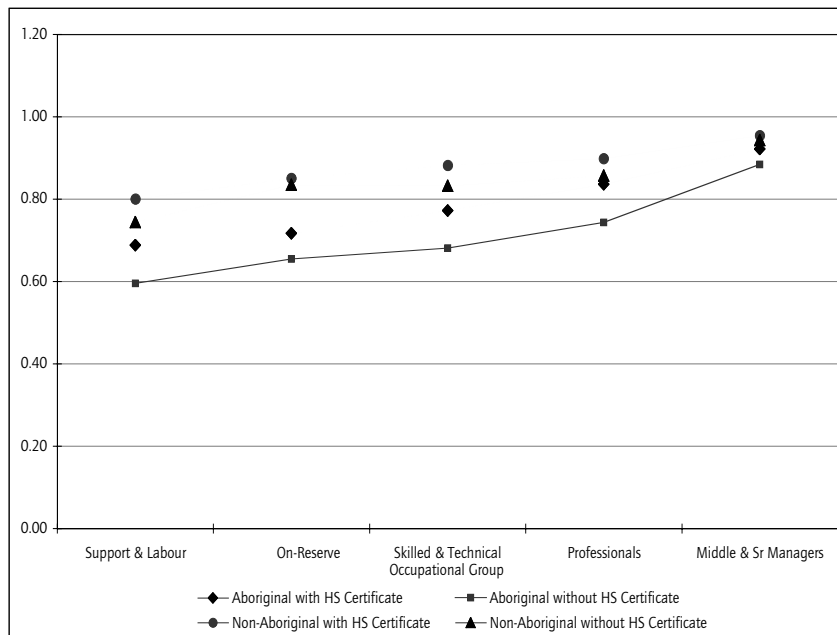
The relationship between education and employment seems to be somewhat different on reserves. (See Figure 37)²⁶ Among Aboriginals the effect of a high school certificate seems to be even greater on-reserve than off-reserve, particularly for intermediate, skilled and

Figure 35
Labour Force Participation Rate by Aboriginal Identity, On/Off Reserve Residence
And High School Certification, Manitoba, 1996



Source: 1996 Census of Canada

Figure 36
Proportion of the Labour Force Employed for 26 Weeks or More in 1995
By Aboriginal Identity, Occupation and High School Completion
Manitoba Off Reserve Residents



Source: 1996 Census of Canada

professional occupations. Again, the gap among the groups was smallest among the those working in higher level occupations. Figure 38 provides a further comparison between registered Indians and other Aboriginals living off-reserves. As this figure shows there was a substantial gap between registered Indians and other Aboriginals in employment success, even when both groups had high school certification and worked in the same occupations. Other Aboriginals were roughly mid-way between registered Indians and others in the likelihood of being employed for at least half the year.

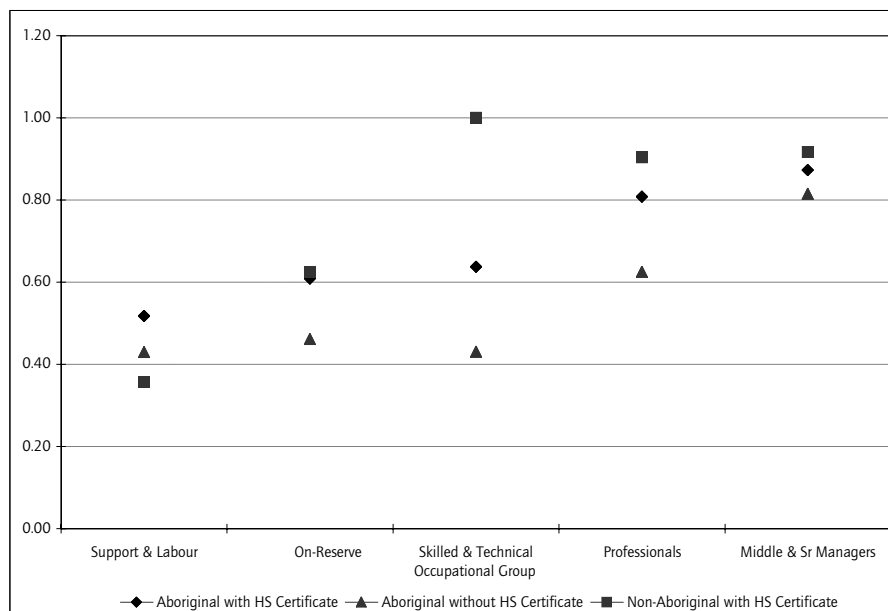
4. FINDINGS AND CONCLUSIONS

This study has looked at two broad issues: class structure and socioeconomic status among the Aboriginal population in Manitoba. The findings can be summarized under these two headings.

Findings Concerning Class Structure

- It is estimated that at least one third of the jobs located on Manitoba reserves are controlled by local government, and in addition an estimated 28 percent of off-reserve employment among Aboriginal people in

Figure 37
Proportion of the Labour Force Employed for 26 Weeks or More in 1995
By Aboriginal Identity, Occupation and High School Completion
Manitoba On Reserve Residents



Source: 1996 Census of Canada

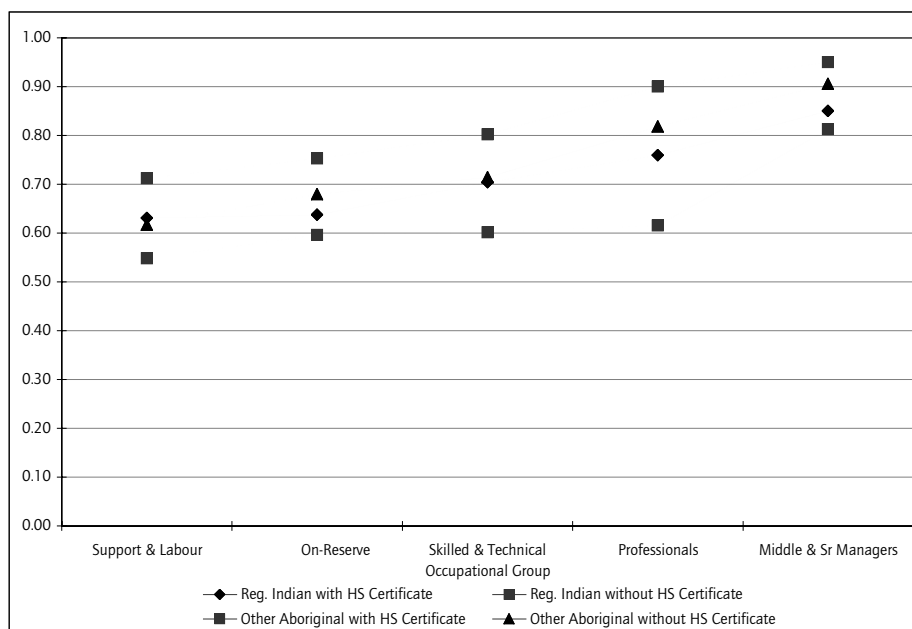
northern Manitoba is local government employment.

- In addition to the control of employment, local governments on reserves have control of the distribution of many other program expenditures, including such things as social assistance, education, adult education, recreation, economic development, road maintenance, sanitation, water delivery, etc. Nationally, more than 80% of the operations funds for Indian Affairs sponsored programs are administered by the bands themselves.
- Dependence on social assistance among the on-reserve population has been increasing over the years. It is expected that these numbers will

continue to rise because of the combination of population growth and an increasing social assistance dependency rate. The proportion of the on-reserve population who are dependent on social assistance has fluctuated between 50% and 60%.

- There is evidence that a “new class” of senior managers and politicians exists on reserves. This new class is a larger proportion on reserves than the business-owner class, and is mostly composed of registered Indian men. The new class may reflect the situation that exists in other (off-reserve) Aboriginal communities in the north, but is not as relevant as a description of Aboriginal classes in southern and urban areas.

Figure 38
Proportion of the Labour Force Employed for 26 Weeks or More in 1995
By Aboriginal Group, Occupation and High School Completion
Manitoba Off Reserve Residents



Source: 1996 Census of Canada

- The Aboriginal business-owner class, on the other hand, is larger off reserve than on reserve, and is a larger portion of the “other Aboriginal” population than of the registered Indian population. Aboriginal men, and especially “other Aboriginal” men, are more likely to be business owners than Aboriginal women. On reserves the Aboriginal business-owner class is small and is largely subsumed within the new class. The self-employed class is also small on reserves.
- The working class makes up about half of the Aboriginal population living on reserves and about two thirds of those living off reserves. The working class is generally a larger proportion of the male population than the female population. Among registered Indian women in particular, the working class is less than half of the population, both on-reserve and off-reserve.
- Almost 80% of other Aboriginal (Métis and non-status Indian) men and 70% of other Aboriginal women fall into the working class.
- A minority of the Aboriginal population in Manitoba do not participate in the labour market. This class is a substantial minority (44%) on reserves, but is a smaller proportion (29%) off reserves.
- About half of registered Indian women are in the non-participant class, both on reserve and off reserve, compared to about one quarter of other Aboriginal women, and about 10% of other non-Aboriginal women.
- About 36% of registered Indian men fall into the non-participant class, compared to about 13% of other Aboriginal men and about 6% of non-Aboriginal men. Aboriginal men living off reserves are less likely to be in the non-participant class than those living on reserves.
- In general, the class distribution of other Aboriginals off reserve is more similar to that of the general population than to the class distribution of registered Indians.

Findings Concerning Socioeconomic Status

- The Aboriginal population is not uniform in socioeconomic circumstances. Differences exist among population groups depending on place of residence, Aboriginal group, age, and sex. In many respects the registered Indian population is different from “other Aboriginals” who are more like the non-Aboriginal population in their employment characteristics and occupational distribution.
- Aboriginal people who are employed are likely to work in low and intermediate level jobs, as opposed to skilled, technical and professional occupations. This is especially true for Aboriginal women living off-reserve. Of the off-reserve Aboriginal

women who are in the work force, more than half are in the lowest skill level occupations.

- Aboriginal women are more likely than Aboriginal men to be in professional occupations, while Aboriginal men are more likely to be in skilled and technical occupations.
- Employment success is related to occupation and education. Among both Aboriginals and others, those in management and professional occupations are much more likely to be employed most of the year than those in lower or intermediate skilled occupations. This is especially true on reserves. Those with a high school certificate are consistently more likely to be employed for most of the year, compared to those who do not have a high school certificate, both on-reserve and off, and for all occupational groups.
- Employment success is different for different Aboriginal groups. Registered Indians are the most likely to be unemployed for half of the year or more, followed by other Aboriginals and non-Aboriginals. The gap in employment success between Aboriginals and others is smaller among professionals and managers than it is among other occupational groups.
- Income levels among the Aboriginal population are much lower than among the non-Aboriginal population, even among those who are

working full time. The majority (55%) of Aboriginal families in Manitoba fell below the low income cut-off line in 1995, compared to 22% of others. 78% of Aboriginal lone parent families fell below the low income cut-off in 1995.

- There are greater levels of income and employment disparity within the Aboriginal population than among other Manitobans. The Aboriginal population living on reserves, and particularly the registered Indian population, has the greatest level of internal disparity in income distribution, occupational status and employment.
- Welfare dependency among the Aboriginal population, and especially among the registered Indian population, is high and the rate of welfare dependency among registered Indians is increasing.
- In spite of substantial educational progress made by Aboriginal people over the past 15 years, Aboriginal educational qualifications and skills lag behind those of others in Manitoba. Educational attainment generally translates into greater employment and incomes for Aboriginals, as for others.

In order to help understand the characteristics of different segments of the population and how they compare, the following summarizes the findings by group.

Findings Concerning Registered Indian Men

Class Structure:

Compared to all other population groups, registered Indian men are greatly over-represented among the new class, especially on reserves. In fact they form the great majority of this group on reserves. At the same time, this is a small minority of the population on reserves, and of registered Indian men, and the majority of registered Indian men on reserves are part of the working class, with a substantial minority who are non-participants. Off reserves, the business owner and working classes make up relatively larger portions of the registered Indian male population than on reserves. Even so, registered Indian men living off reserves are greatly over-represented in the non-participant class compared to others.

Occupation:

The bulk of the labour force among this group are in support and labouring occupations, and intermediate level occupations. There are fewer professionals but more skilled and technical workers than among registered Indian women. On the other hand, there are more professionals among registered Indian men than among other Aboriginal men, but fewer skilled and technical workers. Registered Indian men are

over-represented among senior managers, especially on reserves.

Income Distribution:

Incomes among both registered Indian men and women on reserves is highly weighted towards the lowest income groups and is less evenly distributed than incomes among any of the other groups. Off-reserve, registered Indian men have higher and more evenly distributed incomes than registered Indian women but lower and less equitably distributed incomes than other Aboriginal men.

Employment:

Only one third of registered Indian men on reserves were employed at the time of the 1996 Census, and less than 15% worked full-time for the full year in 1995. Even off reserves, only 38% of registered Indian men were employed and 18% worked full-time/full-year.

Findings Concerning Registered Indian Women

Class Structure:

Compared to all other population groups, registered Indian women are greatly over-represented among the non-participant class, both on and off reserves. In both locations about half of this group is unemployed, and in both locations there are slightly more women who are non-participants than in the working class. Registered Indian women are about twice as likely as other Abo-

iginal women and about five times as likely as non-Aboriginal women to be non-participants.

Occupation:

Registered Indian women have the largest proportion of the labour force who are professionals of any of the Aboriginal population groups. About 15% of registered Indian women in the labour force fall into this occupational group. They have smaller proportions in management and skilled and technical occupations than registered Indian men, on reserve and off reserve, and a smaller proportion in support and labouring occupations than among other Aboriginal women.

Income Distribution:

Incomes among both registered Indian men and women on reserves is highly weighted towards the lowest income groups and is less evenly distributed than incomes among any of the other groups. Off-reserve, registered Indian women have lower and less equitably distributed incomes than registered Indian and other Aboriginal men.

Employment:

Unlike registered Indian men, registered Indian women were slightly less likely to be employed off reserve than on reserve. 31% of registered Indian women on reserves were employed at the time of the 1996 Census, compared to 30% off reserves. Like the men, less

than 15% of registered Indian women on reserves worked full-time for the full year in 1995. Off-reserve only 13% of registered Indian women worked full-time/full-year.

Findings Concerning Other Aboriginal (Métis and Non-Status Indian) Men

Class Structure:

Compared to registered Indian men and women, and to other Aboriginal women, other Aboriginal men are over-represented among business owners, especially off reserves where about 8% fall into this class. Unlike registered Indian men, other Aboriginal men living on reserve are more likely to be in the business-owner class than in the new class. The working class among other Aboriginal men living off-reserve is a larger proportion than is found in any other of the population groups except among non-Aboriginal women. Among other Aboriginal men the non-participant class is much smaller than among registered Indian men, but is still twice as high as among non-Aboriginal men.

Occupation:

Other Aboriginal men living off reserve have a larger proportion in skilled and technical occupations and in intermediate level occupations than the other Aboriginal groups, and a smaller proportion in support and labouring occupations. Other Aboriginal men have a

smaller proportion of the labour force in professional occupations than registered Indian men or Aboriginal women; however, they have a larger proportion in middle management occupations than do registered Indian men.

Income Distribution:

Other Aboriginal men have a more equitable income distribution than the other Aboriginal groups, but still much less equitable than among non-Aboriginals.

Employment:

Other Aboriginal men have much higher employment rates than either registered Indian men or other Aboriginal women. 38% of those living on reserves were employed, and 56% of those living off-reserve were employed. About 30% of those living off reserves were employed full time for the full year in 1995.

Findings Concerning Other Aboriginal (Métis and Non-Status Indian) Women

Class Structure:

In general, other Aboriginal women are more similar to non-Aboriginal women than to registered Indian women in their class distribution. About 70% of other Aboriginal women fall into the working class, both on and off reserves. This is a much higher proportion than is found among registered Indian women, but is somewhat lower than among non-Aboriginal women. Other Aboriginal

women living off reserves are twice as likely to be non-participants as other Aboriginal men living off reserves, but are still only half as likely as registered Indian women to be non-participants.

Occupation:

Other Aboriginal women who are in the labour force are more likely to be in support and labouring occupations than any of the other groups. This occupational category accounts for more than half of the labour force among other Aboriginal women. They are also less likely to be professional occupations than registered Indian women, and less likely to be in skilled and technical occupations than Aboriginal men.

Income Distribution:

Other Aboriginal women have more favourable income distribution than registered Indian women, but less favourable than Aboriginal men, and much less favourable than non-Aboriginals.

Employment:

Other Aboriginal women have more favourable employment rates than registered Indian men or women, but are not as likely to be employed as other Aboriginal men. On-reserve their employment rate was 40% in 1996, and off-reserve it was 48%. 23% of those living off reserve were employed full-time for the full year in 1995.

Conclusions

This study has looked at the position of Aboriginal people in Manitoba in a variety of ways and has found a situation that is complex and not easily reduced to generalizations about the Aboriginal population as a whole. It is true that, taken as a whole, Aboriginal people tend to be at a disadvantage in Manitoba in terms of income and employment. On the other hand this does not mean that most Aboriginal people are unemployed. In fact, a majority are in the working class, although many may be among the working poor. And the Aboriginal population has its own sub-divisions into higher and lower incomes and status. By some measures, the inequities *within* the Aboriginal population appear greater than those *between* Aboriginal and non-Aboriginal people.

The study has suggested that there is a "new class" on reserves and in northern Aboriginal communities which has virtual ownership over a substantial portion of their communities' resources. Because of the context of many reserves and northern communities, where economic dependency, welfare dependency and lack of access to labour markets place the population in a difficult position, the new class is in a position to exercise a high level of control over the economic and political life of the communities.

At the same time, the study has found that non-participants in the labour force represent a minority of the Aboriginal population, even among those liv-

ing on reserves, and that the majority of the Aboriginal population participate in the labour market, with varying degrees of success. There are many differences among different segments of the Aboriginal population as well, with Aboriginal women, particularly registered Indian women, a disproportionately large part of the non-participant class. This seems to correspond to a rapid increase in lone-parent families among the Aboriginal population, and high rates of poverty among Aboriginal lone parents in Winnipeg. Registered Indian dependency on reserves finds its counterpart in the dependency of lone parents in the city. One of the major conclusions, therefore, is that the Aboriginal population is not uniform in its class orientation, and that broad generalizations concerning the Aboriginal population are not appropriate.

Based on their class structure "other Aboriginals," including Métis and non-status Indians, are likely to have different interests from those of registered Indians. They are more likely to be employed in the private sector and more likely to be part of the working class or to be self-employed than registered Indians, even among those living off-reserve. This suggests that this population is likely to be more involved in both labour issues and small business issues than registered Indians, and is more likely to take political positions which are similar to those of small businesses, private sector unions and unorganized workers. Where it would be expected

that registered Indians are likely to support various forms of government intervention, other Aboriginals are likely to have more mixed views of government economic and social interventions designed to assist Aboriginal people and businesses.

While the class analysis done here is rather crude, it has been supplemented by an analysis of several socioeconomic dimensions of the population. This analysis has provided further detail as to the differences among segments of the population, particularly in terms of incomes and occupations. It shows that there are substantial disparities among the Aboriginal population in terms of income distribution, and that these disparities are greater among Aboriginals than among non-Aboriginals, and among registered Indians and those living on reserves than among other Aboriginals.

The relationship between educational certification and employment success has also been reviewed, confirming that there is a strong correlation between these factors. Educational levels among the Aboriginal population have improved over the years, especially in the area of post-secondary education. Federal and provincial government support for post-secondary training has focused on the professions and on the goal of increasing Aboriginal representation in education, health and social services of which the Aboriginal population is a major consumer. This effort has resulted in the growth of an Aboriginal profes-

sional group both on and off reserve, particularly among registered Indian women.

“Other Aboriginal” women (other than registered Indians) are likely to be in low-wage, unorganized occupations and workplaces. As such they are among that part of the working class whose interests do not seem to be well represented by either labour unions, by Aboriginal organizations or by the agencies of the welfare state which serve the poor and dependent population.

The findings of this study suggest the following:

The emphasis which federal, provincial and Aboriginal governments have tended to put on education and training is well justified, but perhaps too narrowly focused on professional education. There is a range of technical and skilled occupations in which Aboriginal people are generally under-represented, and it is not clear that enough emphasis has been placed on programs to prepare Aboriginal young people or adults to enter these occupations.

It has often been suggested that programs to support the development of Aboriginal people and communities are under-funded. This study did not look at the question of funding and cannot comment on the extent to which that is a problem. On the other hand, the findings suggest that additional funding by itself will not address the inequities found within the Aboriginal population, particularly those living on reserves. Reserves, like other jurisdictions in Canada,

require a healthy system of checks and balances to make sure that government is accountable. The present system tends to centralize control of government, and by extension the economic and social life of reserves, in the hands of the chief and council. The chief and council, in turn, continue to be go-betweens between the federal government and the local people. As reserve governments assume increased responsibilities for program delivery and management there needs to be an increasing decentralization of control over programming and over the local economy. This might involve the establishment of various independently elected boards with specific areas of responsibility and requirements for public accountability to the reserve residents who they serve.

Local Aboriginal governments need to wean themselves from ongoing dependency on federal and provincial governments for their year-to-year budgets for programs and services. Longer term arrangements need to be put into place, along the lines of self-government legislation, which do not automatically rescue communities where local governments have misspent or overspent their budgets. Aboriginal communities are understandably cautious about these arrangements, but greater self-government and independence cannot be achieved without taking on these risks and responsibilities.

Aboriginal governments also need to look at the implications of local taxation policies. For example, from an equity

point of view it is difficult to justify the high salaries and benefits received by a minority of highly paid officials and politicians in these communities in comparison with the incomes of the rest of the population. Without attempting to suggest a particular taxation rate or approach, it can be suggested that a progressive income tax instituted by Aboriginal governments to support local programs and services might have several benefits. It would increase the degree to which the communities are self-supporting, increase the sense of fairness and legitimacy of these governments among their constituents, and allow local governments to satisfy some community needs not addressed by existing programs and funding levels. The process of establishing an appropriate taxation regime would be important in itself, as the members of each community would decide what the appropriate level of taxation would be and how to structure it. Such a process would increase local accountability and would act to reduce the politics of dependency as described above.

Reserve governments also need to address the question of individual rights among their citizenry. Because they are small communities and because so much control is typically exercised by the chief and council, reserve residents are vulnerable to possible abuse of what might be considered their individual rights as Canadians, particularly in such areas as employment and receipt of local government services or benefits. In addition,

increasing numbers of reserve residents are not eligible to vote in local elections and/or are not registered as Indians as a result of the 1985 revisions to the Indian Act (Bill C-31).²⁷ This raises further concerns as to their position in the community and how their interests are protected. It would therefore be useful for Aboriginal governments to spell out the rights of their citizens.

In short, Aboriginal self-government needs to be built on a better foundation than the historic system which exists in most reserves, of highly centralized control by the chief and council. While Aboriginal governments can and should be structured in a variety of ways depending on the nature of the local or regional population involved, all such governments need to provide incentives for accountability of the governing class, and for participation of the population in the political process.

Among the Aboriginal population living off reserves the issues are different. Again, the population is not uniform. There is a sizable minority with high needs, most notably the non-participants, the underemployed and single parents and their children. At the same time, the majority are in the labour force, usually in lower income and less secure occupations, and their needs are for improved income, skills and job security – the issues of labour. A minority, particularly among Métis and non-status men, are owners of small businesses, and another minority are in more highly paid

occupations. Each of these Aboriginal populations have issues reflecting their class and occupational position. To these class-related issues may be added the specific influences of Aboriginal culture and gender. Services and organizations seeking to meet the needs of these various segments of the Aboriginal population need to be organized first in terms of the class and socioeconomic interests and needs of the population, and then in terms of gender and cultural group. In many ways, the diversity and inequities among the Aboriginal population are much the same as among the general population, and for this reason it is unlikely that broader Aboriginal organizations and services will be as successful as organizations or services which are more focused on particular segments of the population and their needs.

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Appended Tables

Appendix A

Estimation of Aboriginal Business Ownership in Manitoba, 1996

Population/Characteristic	Canada 1991			Prairies	Manit
	On-Res	Off-Res	Total	1991	On-Reserve
A. Current Business Owners/ Self-Employed			25,275	9,355	1,936
B. Current Owners Only			17,540	6,492	1,016
C. Aboriginal Population 15+			317,705	138,390	28,635
D. Incidence of Current Owners/ Self-Employed [A/C]			0.080	0.068	0.068
E. Incidence of Business Owners [B/C]	0.06	0.09	0.055	0.047	0.035
F. Owners Only Rate [B/A]			0.694	0.694	0.694
G. Proportion w 6+ employees			0.136	0.136	0.136
H. Number w 6+ employees			2,385	883	138

Sources: 1996 Census data; Clatworthy et. al. 1995 (pages 280-293); 1991 Aboriginal Peoples Survey

Notes: To estimate 1996 Aboriginal business ownership ratios derived from the Aboriginal Peoples Survey. The on/off reserve rates of business ownership in Manitoba were based on the 1991 Prairie provinces, combined with the relative on and off-reserve rates of business ownership (.09/.06). See Tables 47, 49 and 50 in Clatworthy et. al. Total 1991 APS population data are in Clatworthy et. al., but were taken from customized tables produced for that study. All figures are the Aboriginal identity population.

Appendix B

Procedure for Estimating Aboriginal Business Ownership

Step	Procedure	Source
1	The rate of aboriginal business ownership was identified for the prairie provinces from 1991 Aboriginal Peoples Survey data	Clatworthy et.al. 1995
2	The rate of aboriginal business ownership was multiplied by the number of aboriginal self-employed in 1996 to estimate aboriginal business owners in 1996	1996 Census
3	The relative rates of aboriginal business ownership on and off-reserve were identified for Canada in 1991, again using APS data	Clatworthy et.al. 1995
4	The rates of aboriginal business ownership on and off-reserve in Manitoba in 1996 were estimated based on the above relative rates, such that the ratio of on-reserve:off-reserve rates was maintained, and would result in the province-wide average arrived at in step 2	
5	The on & off-reserve Manitoba rates were multiplied by the on and off-reserve numbers of aboriginal self-employed to estimate aboriginal business owners	1996 Census
6	The proportion of aboriginal business owners with more than 5 employees was identified for Canada from 1991 APS data	Clatworthy et.al. 1995
7	The above proportion was multiplied by the number of business owners in Manitoba in 1996 on and off-reserve to arrive at estimated owners with more than 5 employees. This group was defined as the bourgeoisie (not including the petit bourgeoisie who were defined as the remainder of the self-employed)	

Appendix C

Procedures for Estimating Class Structure

Step	Procedure	Source
TO ESTIMATE THE TOTAL MANITOBA POPULATION		
1	Identify total population ages 15-64	1996 Census
2	Subtract population 15-64 attending school full time	1996 Census
3	Subtract spouses 15-64 who are not participating in the labour force where the other spouse and/or a child are employed (This was done by calculating the separate proportions of male and female spouses in husband-wife and common-law families and applying these four factors to the four separate populations to get a total estimate. Available data only provided the age of the female spouse, and this was used as an estimate for the age of the male spouse as well.)	1996 Census (The Nation)
4	Remainder = estimated net population 15-64 not attending school full time and not including non-participating spouses in families where another family member is employed	
TO ESTIMATE THE LABOUR FORCE		
1	Identify labour force participants 15+	1996 Census
2	Subtract labour force participants 65+	1996 Census
3	Subtract labour force participants 15-64 attending school full time	1996 Census (HRDC custom table)
4	Remainder = estimated Labour Force Participants 15-64 not attending school full time.	
TO ESTIMATE CLASSES		
1	The New Class = senior management occupations	1996 Census
2	Business Owners/Self-employed = the self-employed population This may be further sub-divided into the businesses and self-employed that employ more than 5 people and the remaining self-employed with less than five employees. Estimates of business ownership and size are based on custom data from the 1991 Aboriginal Peoples Survey.	1996 Census (custom table) et al, 1997
3	Subtract the New Class and the Business Owners/Self-employed from the estimated labour force 15-64 to estimate the Working Class .	
4	Subtract the Working Class from the net population 15-64 to estimate the Non-Participants .	

FOR SUB-PROVINCIAL GEOGRAPHIES

- A The ratio of those attending school full-time to the total population was used to estimate the number attending school full time for each sub-geography (e.g. on-reserve or off-reserve). This was done separately for the 15-24 and 25-64 age groups and for males and females to allow for differences in age structure and rates of school attendance among population groups.
- B The ratio of those 65+ in the labour force to the total population 65+ was used to estimate the number 65+ in the labour force for each sub-geography
- C The ratio of spouses 15-64 not in the labour force with family members who are to the total population of spouses 15-64 was calculated separately for men and women and for legal and common law marriages. These ratios were then applied to the numbers of legally married and common law spouses within each geography. The numbers of legally married and common law spouses were arrived at by applying the ratio of common law to legally married individuals for Manitoba to the number of legally married individuals for each sub-geography. (The same ratios were used for the total population and the aboriginal population.)

FOR THE ABORIGINAL IDENTITY AND REGISTERED INDIAN POPULATIONS AND SUB-GEOGRAPHIES

- A Population 65+ in the Labour Force

The ratios of the labour force participation rates among aboriginal men and women divided by the participation rates of all men and women respectively were used to adjust the estimated proportion of the 65+ population in the labour force for the aboriginal population.
- B Attending School Full Time

The estimates take into account the different attendance rates and age structure of the Aboriginal population compared to the general population. The same proportions were used for the various sub-geographies.
- C Spouses with Employed Family Members

The ratio of the legally married population 15-64 divided by the legally married population 15+ was calculated. Similarly, the ratio of those 15-64 in common law marriages divided by the legally married population 15+ was calculated. These proportions were used to estimate the number of individuals 15-64 in each group in the various sub-geographies. Males and females were calculated as half of the totals. Then the various rates of unemployed spouses in families with employed family members were applied to these numbers to estimate the number of such individuals within each of the four population groups.

FOR THE NON-ABORIGINAL AND THE OTHER ABORIGINAL POPULATIONS

The non-aboriginal age and gender population estimates were based on subtracting the aboriginal identity population from the total population for each type of estimate and geography. Similarly, the other aboriginal estimates were arrived at by subtracting the registered Indian population from the aboriginal identity population. When possible estimates for sub-components of the non-aboriginal population, such as the number attending school full time, were arrived at by applying rates for non-aboriginals to the population estimate, rather than by subtraction.

COMMENTS

Part-time students have been treated like others in the population, and are included in the labour force estimates to the extent that they may have participated in the labour force. Their class is therefore determined in the same way as for others, notwithstanding that they are part-time students. Full-time students, on the other hand, have been removed from both the population and the labour force on the grounds that their labour force characteristics while they are enrolled in school are not reflective of either their backgrounds nor their labour force and occupational characteristics once they complete their studies.

One problem with the approach taken is that it often assumes that ratios which apply to the general Manitoba population, also apply to various sub-populations living in specific geographies. Most notably, there is an assumption that such things as the rates of school attendance or participation in the labour force are the same both on and off reserves for each of the aboriginal and non-aboriginal populations. This is very unlikely because of differences in access to schooling or the labour market. Moreover, the non-aboriginal population on reserves is very small and quite different in many ways from the aboriginal population generally. It is unlikely that the proportion of spouses who are not in the labour force but whose spouses are would be the same for this group on reserve as it is off reserve, for example. Estimates for the non-aboriginal population on reserve should be treated with caution if not skepticism.

It was found that the procedure of estimating on-reserve non-aboriginal populations by subtraction sometimes resulted in negative numbers. For this reason the estimates for some of the sub-components of the labour force – the spouses with employed family members and the students not attending school full time in the labour force – were estimated independently for the non-aboriginal population using estimated participation rates, rather than by subtraction. Still, these procedures are based on province-wide rates and are therefore inappropriate to some extent, but were this appeared to be the most accurate procedure, given the data available for this study.

Endnotes

- ¹ In this study the term “Aboriginal” will be used to include all those who consider themselves to have an Aboriginal identity, including registered or status Indians, Métis and non-status Indians. This study makes extensive use of 1996 Census data for the Aboriginal identity population (those who said on the Census that they consider themselves Aboriginal) as opposed to those who have some Aboriginal ancestry, some of whom do not consider themselves Aboriginal.
- ² “Registered Indian” refers to Aboriginal people who are registered as having special status under the Indian Act. This is the population for whom the federal government provides services on reserves, and to a limited extent, off reserves. Most registered Indians are members of particular Indian bands. Métis are descendants of native and European backgrounds who identify themselves as part of the Métis cultural population. The term “non-status Indian” is also sometimes used to refer to those who are neither registered Indian nor Métis but have a native ethnic background. In this study the Aboriginal population is generally sub-divided into registered Indians and “other Aboriginals”, with the latter group including both Métis and non-status Indians who identify themselves as Aboriginal.
- ³ For example see Clatworthy, 1981; Hull, 1987b; Falconer, 1990; Clatworthy et. al., 1995.
- ⁴ Lithman (1985) described this situation in detail for one Manitoba reserve.
- ⁵ Currently the term favoured by many status Indian people and organizations to refer to reserve governments is “First Nations”. This implies that these local governments can act as independent, self-reliant nations. Since it is part of the argument of this study that these local governments are, in fact, dependent governments, I have instead used the term “Indian band” or “band government”, which is the language used in the Indian Act.
- ⁶ There has been an increase in media coverage of this issue in recent years, partly in response to an increase in vocal opposition to band government leaders. Examples include a public conflict over self-interested decisions made board members of an Aboriginal child and family services agency and periodic news reports of junkets to Las Vegas by chiefs and councils and/or school board members using local government funds. A *Globe and Mail* article, “The money pit: an Indian band’s story” (Oct. 28, 1998) described the rift between haves and have-nots in an Alberta reserve community. As reported in the *Winnipeg Free Press* (July 3, 1999) a group of residents of Lake St. Martin reserve went on a four-day march from their reserve to Winnipeg to protest corruption among band officials. A more recent example is the investigation of a Carribean “training cruise” and other gifts provided to the staff of an addictions treatment centre located on the Sagkeeng reserve. (*Winnipeg Free Press*, Nov. 13, 2000.)
- ⁷ One such journal in Manitoba is “The First Perspective.”
- ⁸ From Basic Departmental Data 1997, INAC, 1998. Manitoba’s share of the national on-reserve population (17%) was used to estimate Manitoba’s share of band-administered operational funds.
- ⁹ See Four Directions Consulting Group, 1997, Appendix A. The data are for on-reserve beneficiaries, a small number of whom do not have registered Indian status.
- ¹⁰ Four Directions Consulting Group, 1997, page 86. A rough figure of 15% was used to estimate the Manitoba share of national expenditures, based on Manitoba’s share of education capital expenditures in 1995/96 (14%) and Manitoba’s share of the on-reserve population in 1996 (17%).
- ¹¹ Data on the financial status of bands in Manitoba provided by telephone by Indian and Northern Affairs communications officer, June 25, 1999.
- ¹² “Manitoba first nations worst for receivership,” *Winnipeg Free Press*, Nov. 2, 2000, page 1.

- 13 Basic Departmental Data, 1997, INAC, 1998, page 52. The participants in the new financial transfer agreements program have been added to those in participating in the AFA program to arrive at the total.
- 14 Maang Associates, Manitoba Framework Initiative Review, Final Report, February, 1999, page 11.
- 15 The new class as defined here should be restricted to the senior politicians and managers within local government, as opposed to those working in other industries. However purchase of the detailed cross-tabulated data required for such an analysis was not within the means of this study.
- 16 "Profile of the North Main Street Area of Winnipeg" prepared for the North Main Street Task Force of the City of Winnipeg, Four Directions Consulting Group, 1995.
- 17 Those over 65 and those attending school full time have been removed from the non-participant group. In addition, spouses in families where another person was employed have also been removed from the non-participants. This was done so as to make the definition of non-participants in this section consistent with the definition of the unemployed in the previous section and to focus on the population which is most likely to want employment, even though they may not be currently in the labour market.
- 18 This figure should not be given much weight because of the very small number of non-Aboriginal women employed part-time living on southern reserves.
- 19 In this figure the percentages are based on total family households, excluding non-family households.
- 20 Data for this figure comes from custom 1996 Census Tabulations prepared for the Social Planning Council of Winnipeg. In the Social Planning Council tabulations, an Aboriginal family is defined as one with an Aboriginal "household maintainer," and Aboriginal ethnicity is based on ancestry rather than identity.
- 21 The low income cut-offs used here are those developed by Statistics Canada. They are based on an estimate of the gross income levels at which a family of a given size will spend more than 56.2% of its income on food, shelter and clothing. The figure of 56.2% was reached by adding 20 percentage points to the average proportion of income spent on food, shelter and clothing by Canadian families in 1986 (36.2%).
- 22 Note that these graphs are *not* Lorenz curves, even though they have a similar appearance.
- 23 University Education and Economic Well-Being: Indian Achievement and Prospects. R. Armstrong, J. Kennedy and P. Oberle, Indian and Northern Affairs Canada, October, 1990, page 26.
- 24 Past research has shown that completion of specific educational credentials, such as a grade 12 completion certificate or a university degree, is closely related to employment success.
- 25 For example, Armstrong, et. al. found that the relative gains in income were greater for Indians who achieve a university degree than for non-Indians. (Armstrong et. al., page 25.)
- 26 Data on others without high school certification is not available because of small sample size.
- 27 Among other things, these amendments allowed bands to define their own membership codes which have been done in a wide variety of ways. In some cases restrictive membership codes have been passed, such that there will soon be a large divergence between their membership and the registered Indian population affiliated with that band.

About the Author

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