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Poverty or Prosperity: Indigenous Children in Canada

As we celebrate National Aboriginal Day this year, we must also take the opportunity to consider the unacceptable conditions so many Canadian Aboriginal people struggle with. This reality is sadly reflected in a newly released report on Indigenous Children in Canada. This CCPA National report finds that Canada cannot and need not allow yet another generation of Indigenous citizens to languish in poverty.

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

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

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

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

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

children. This is three to four times the rate of the best-performing OECD countries.

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

Most shocking, however, is in the third tier where fully half — 50% — of status First Nations children live below the poverty line. This number grows to 62% in Manitoba and 64% in Saskatchewan. These high levels of poverty are exacerbated in tier three by other factors. For instance, low income status First nations children are three times more likely to live in a house requiring major repairs and five times more likely to live in an overcrowded house compared to low income non-indigenous children.

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

For status First Nations children living on reserves, the federal government is responsible for funding social services, health care, education and income supports. Transfer payments for these social services on reserve have increased by a mere 2% per year since 1996, unadjusted for population growth

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or need. The removal of this cap on funding growth and an adjustment of transfers for need could reduce the alarming rate of status First Nations households living in poverty. It is a matter of choice.

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

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

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

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

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

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

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

Canada can enable economic growth and better governance for Indigenous communities, empowering them to control their own destinies and to reach their full

potential. Eliminating poverty among Indigenous children is a crucial step toward unlocking that potential.

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

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

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

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

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

The choice is ours.

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