Institut C.D. Howe Institute

COMMENTARY
NO. 526

Pursuing Reconciliation: The Case for an Off-Reserve Urban Agenda

Ottawa has made reconciliation with Indigenous peoples a high priority, significantly increasing funding of basic social services, such as health and education, for those living on-reserve. But with two-thirds of First Nation individuals living off-reserve, reconciliation requires an off-reserve agenda as well.

John Richards
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The Study In Brief

Under the current government, Ottawa has significantly increased funding of basic social services (health, education, social assistance and housing) for Indigenous peoples living on-reserve. Overall, these have been worthy exercises in pursuit of reconciliation with those First Nation people wishing to live communally. According to two measures of poverty, rates of poverty among Métis and Inuit are higher than among the non-Indigenous majority, but the most severe poverty exists among those identifying as First Nation.

However, census figures show that those who are eligible to live on-reserve are increasingly, choosing to migrate off-reserve and into cities. Today, among all who identify as First Nation, only a third live on-reserve. Although, on average, those who identify as Indigenous and live off-reserve fare better than those on-reserve in terms of education, employment and income, there remains a substantial gap between this group and the non-Indigenous population in all three areas. In view of these trends, reconciliation requires not just an on-reserve agenda, but also an off-reserve urban agenda.

An examination of census data and a major survey of off-reserve Indigenous people this century yields three conclusions. The first is that the majority of First Nation people now live in a city; the majority of Métis now live in a large city. Moreover, most urban Indigenous people do not intend to return permanently to their original rural communities, or to reserves.

The second conclusion from recent census data is that, for all identity populations, employment earnings and employment rates are positively associated with education level. Closing the education gap between Indigenous and non-Indigenous people would reduce significantly the earnings gap between the two groups.

A third conclusion is the importance of the role of provincial governments in closing the earnings gap between Indigenous and non-Indigenous people. To the extent that successful reconciliation between the two groups entails enabling the next generation of Indigenous Canadians to escape poverty, achieving better K-12 and post-secondary education levels among them must be a high priority.

Given that two-thirds of the First Nation population live off-reserve and that one-third of children living on-reserve attend off-reserve (largely provincial) schools, it is of paramount importance that provincial education ministries participate centrally in pursuing this goal. If the provinces were to pursue an aggressive off-reserve education strategy, there should be no illusion that the education gap between the Indigenous and non-Indigenous populations could be closed quickly. Such a strategy would require extensive policy discussion with Indigenous leaders, senior public school administrators, education faculties responsible for training teachers, and teachers’ unions. It no doubt would require a significant increase in provincial pre–K-12 education budgets.

To sum up, the federal government has accorded reconciliation a high priority in terms of respect for treaty rights and increased funding for on-reserve services. To date, neither Ottawa nor the provinces nor the leaders of Indigenous organizations have given comparable financial and political priority to realizing goals – education goals in particular –among the majority of the Indigenous population that lives off-reserve.
In an oft-cited passage, the 1996 report of the Royal Commission on Aboriginal Peoples refers to the two-row wampum, a belt commemorating the 1613 treaty between the Mohawk and Dutch:

There are two rows of purple, and those two rows represent the spirit of our ancestors. Three beads of wampum separating the two purple rows symbolize peace, friendship and respect. The two rows of purple are two vessels traveling down the same river together. One, a birch bark canoe, is for the Indian people, their laws, their customs, and their ways. The other, a ship, is for the white people and their laws, their customs and their ways. We shall each travel the river together, side by side, but in our own boat. Neither of us will try to steer the other’s vessel. (Canada 1996, 10.)

Much of Canadian Indigenous policy since 1996 can be interpreted as strengthening the “canoe.” From Delgamuukw to Tsilhqot’in, the Supreme Court of Canada has delivered major decisions on treaty rights and land claims. Under the current government, Ottawa has significantly increased funding of basic social services (health, education, social assistance and housing) for those living on-reserve. Overall, these have been worthy exercises in pursuit of reconciliation with those First Nation people wishing to live communally. According to two measures of poverty (Figure 1), rates of poverty among Métis and Inuit are higher than among the non-Indigenous majority, but the most severe poverty exists among those identifying as First Nation.

Most of those who identify in the census as First Nation are “registered Indians” pursuant to the Indian Act, and hence are eligible to live on-reserve. Increasingly, these individuals are choosing to migrate off-reserve into cities. Today, among all who identify as First Nation, only a third live on-reserve. Although, on average, those who identify as Indigenous and live off-reserve fare better than those on-reserve in terms of education, employment and income, there remains a substantial gap between this group and the non-Indigenous population in all three areas. In view of these trends, reconciliation requires not just an on-reserve agenda, but also an off-reserve urban agenda.

Migration, especially from a remote reserve to a large city, entails a major change in lifestyle and, usually, in the nature of group identity. Moving to an urban context need not imply loss of Indigenous identity, but it usually entails constructing a more complex identity through increased interaction with non-Indigenous neighbours while, for many, maintaining significant links to their original community.

The most thorough recent exploration of attitudes among Indigenous Canadians in large cities is a survey by the Environics Institute (2010) in 11 cities across Canada. Although the survey reports incidents of discrimination, the majority of those interviewed liked living in their city, did not find it incompatible with preservation of an Indigenous identity and did not intend to return to their original community. (For further detail, see Appendix A.) Among the major reasons for migration is the desire to gain access to higher-paying jobs.

Indigenous policy is an important but sensitive subject. While I take responsibility for any factual errors and for the emphasis on policy for the off-reserve Indigenous population, I thank the following for advice and counsel: Michael Adams, President of the Environics Institute, Don Drummond, Parisa Mahboubi, Doug Norris, Daniel Schwanen, and anonymous reviewers.

1 See, for example, the increases in the 2016 Budget Plan (Canada 2016, chap. 3).
Interviewees offered to explain their migration to a city, two – the desire for employment and for better education for themselves and their children – obviously imply a resolve among urban Indigenous people to improve their standard of living.

This Commentary has several goals:

- to summarize evidence from the 2001 and 2016 censuses on population change and geographic migration among Indigenous groups;
- to summarize, from the 2016 census, education levels, employment rates and employment earnings among Indigenous groups relative to comparable non-Indigenous groups – with an emphasis on provincial-level variation in First Nations post-secondary certification; and
- to discuss the implications of elevating the priority accorded to Indigenous education, a move that inevitably entails a central role for provincial education systems, requiring the support of provincial governments as much as that of Ottawa and Indigenous leaders.

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**Figure 1: After-Tax Low Income Measure and Low Income Cut-Off Poverty Rates, by Identity Group, Canada, 2016**

<table>
<thead>
<tr>
<th>Identity Group</th>
<th>LIM after-tax poverty rate</th>
<th>LICO after-tax poverty rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Nation</td>
<td>29.7</td>
<td>18.3</td>
</tr>
<tr>
<td>Métis</td>
<td>17.5</td>
<td>10.1</td>
</tr>
<tr>
<td>Inuit</td>
<td>18.9</td>
<td>9.5</td>
</tr>
<tr>
<td>Non-Indigenous</td>
<td>13.8</td>
<td>9.0</td>
</tr>
</tbody>
</table>

Note: The low income measure (LIM) sets the poverty threshold at 50 percent of median after-tax “equivalent household income.” This is a relative measure that deems families to be poor if their “equivalent household income” is less than half the median national “equivalent household income.” Income per family member is adjusted for family size, using the “square root rule” (total family income divided by the square root of the number of family members). The low income cut-off (LICO) historically has been the most frequently cited poverty threshold in Canada. Adjusting for family size and size of community, families are deemed poor if they are expected to spend more than twenty percentage points of income above the national average spent for food, shelter and clothing. Apart from adjustments based on inflation, the LICO thresholds have not been recalculated since 1992. An important caveat applies to these poverty statistics. Due to important sources of income-in-kind, Statistics Canada excludes approximately half the Inuit population and the on-reserve First Nation population from these calculations.

Source: Author’s calculations from Statistics Canada (2016i).
“MOVING TO TOWN”

Figures 2 and 3 make use of two proxies that serve as (admittedly imperfect) indicators of group identity. The first is responses to census questions on self-defined identity. The census defines three Indigenous groups: those who identify as members of a particular First Nation; Métis, those who identify as descendants of the mixed ethnic origin (Indigenous and European) communities formed in the Prairies in the eighteenth and nineteenth centuries; and those who identify as members of northern Inuit communities. The census allows respondents to opt for multiple identities, but the great majority offer a single response. The second proxy refers to those who are “registered Indians” pursuant to the Indian Act and, accordingly, have the right to live on a reserve. Since the criteria for registered status depend on legislation and court interpretation and these have changed over recent decades, the increase in the total registered population since 2001 cannot be explained solely in terms of natural growth. Over 90 percent of the 820,000 registered Indian population in the 2016 census identified as belonging to a First Nation, but not all: 6 percent identified as Métis.

The most obvious shift in identity has been “ethnic mobility” with respect to identification as Métis. The growth rate of Métis between the 2001 and 2016 censuses was too high to be attributable solely to natural growth based on births and deaths (Statistics Canada 2017). Presumably because of the increased public profile of the Indigenous population and overall decline in racial discrimination, more respondents now self-identify as Métis as opposed to a non-Indigenous alternative. What this means in terms of psychological identity is unclear. Of the three Indigenous identities recognized in the census, Métis identity is the most diffuse, and many Métis have education, income and employment outcomes similar to those of non-Indigenous Canadians. On the other hand, some Métis display socio-economic outcomes and cultural attitudes similar to those of the First Nation population.

A second indicator of evolving identity is implicit in the choice of where to live. The divergent rates of change between the on- and off-reserve share of “registered Indians” reduced the on-reserve share from 49 percent in 2001 to 40 percent by 2016 (see Figure 2). As Figure 3 illustrates, among those who identify as First Nation – not all of whom are “registered” – the share living on-reserve declined from 45 percent in 2001 to 34 percent in 2016; the share living in rural, non-urban communities and small cities (those with a population under 100,000) remained stable, and the share living in large cities increased from 25 percent to 37 percent. Among Métis, roughly 70 percent were urban in both 2001 and 2016, while there was a shift among urban Métis from small to large cities.

EDUCATION

A review of 2016 census evidence on high-school completion (Richards and Mahboubi 2018) found that, among the youngest cohort that can be expected to have completed secondary school – those ages 20 to 24 – there are important differences between Indigenous and non-Indigenous groups and between on- and off-reserve First Nation people (see Figure 4). Also, high-school completion rates vary significantly by province, with rates for on-reserve First Nation people five percentage points or more lower than the national average for this group in Alberta, Manitoba and Quebec, and fully twenty-one percentage points higher in British Columbia. Among off-reserve First Nation people, rates were lower than the national average for this group in Alberta, Manitoba and Saskatchewan, but six points higher in British Columbia.

Education outcomes depend on both the demand for education by families and the quality of education schools supply. The higher secondary
school completion rate among young First Nation adults off-reserve (75 percent) versus on-reserve (48 percent) is consistent with the desire expressed by respondents in the *Urban Aboriginal Peoples Study* (Environics Institute 2010) for better education and employment opportunities. However, the difficulty of providing high-quality schools in small, isolated communities is also a relevant consideration.

High-school certification is a low rung on the education ladder: for a community to realize average earnings in Canada, most of its members need to pursue post-secondary education (PSE). The youngest cohort that can be expected to have earned some form of PSE certification is those ages 25 to 34. According to the 2016 census, 68 percent of the non-Indigenous in this cohort had obtained a trades certificate, college diploma or university degree at the bachelor’s level or above. Among the Inuit and First Nation identity populations, the rates were 30 percent and 38 percent, respectively. Among Métis, the rate was 53 percent, precisely half-way between that for First Nation and non-Indigenous people (Figure 5). Among the “registered Indian” population, not surprisingly, those living off-reserve have pursued higher education levels than those choosing to live on-reserve (Figure 6).

Again, the national results obscure large interprovincial variations, especially among the First Nation population. Since nine of ten people who identified as Indigenous in the 2016 census...
live in one of the six provinces from Quebec west to British Columbia, Table 1 excludes the small Indigenous populations in the northern territories and Atlantic provinces. Not surprisingly, there is a high correlation between the share of those ages 20 to 24 in a province having completed high school and the share of those ages 25 to 34 having achieved PSE certification. At the provincial level,

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2 One in ten lives in one of the three northern territories or four Atlantic provinces. The data from these jurisdictions pose special difficulties of interpretation. The sample size in each jurisdiction is necessarily small, which increases uncertainty over the accuracy of results. Inuit, in general, are the most removed from urban ways and are the majority, or large minority, in each territory. Hence, they are better able to pursue collective institutions than are those south of 60 degrees latitude. Since they do not live on reserves, the off- versus on-reserve distinction has no relevance. Finally, whereas the Métis population as a whole doubled between 2001 and 2016 (see Figure 2), the Métis population of Atlantic Canada more than tripled, although those identifying as Métis in the Atlantic provinces presumably have much weaker links, if any, to the culture of Prairie Métis settlements. More than elsewhere in Canada, the Atlantic Canadian Métis population consists of “ethnic migrants.”
Figure 4: Share of Cohort Ages 20 – 24 with at Least High-School Certification by Indigenous Identity, Canada and Selected Provinces, 2016

Sources: Author’s calculations from Statistics Canada (2016d, 2016f).

Table 1: Distribution of Highest Education Level, First Nation Identity, Selected Provinces, Ages 25–34, 2016, Percent

<table>
<thead>
<tr>
<th>Highest Education Level</th>
<th>Quebec</th>
<th>Ontario</th>
<th>Manitoba</th>
<th>Saskatchewan</th>
<th>Alberta</th>
<th>British Columbia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incomplete Secondary School</td>
<td>33.0</td>
<td>24.9</td>
<td>43.8</td>
<td>36.1</td>
<td>36.2</td>
<td>25.7</td>
</tr>
<tr>
<td>Secondary School Certificate or Equivalent</td>
<td>15.7</td>
<td>28.8</td>
<td>32.1</td>
<td>34.1</td>
<td>26.1</td>
<td>35.3</td>
</tr>
<tr>
<td>Trades Certificate</td>
<td>22.8</td>
<td>7.2</td>
<td>5.5</td>
<td>9.9</td>
<td>10.6</td>
<td>12.2</td>
</tr>
<tr>
<td>College / CEGEP Diploma</td>
<td>16.4</td>
<td>26.0</td>
<td>12.4</td>
<td>12.7</td>
<td>18.4</td>
<td>16.3</td>
</tr>
<tr>
<td>Bachelor’s Degree or Above</td>
<td>9.9</td>
<td>11.8</td>
<td>4.3</td>
<td>5.8</td>
<td>6.6</td>
<td>7.3</td>
</tr>
<tr>
<td>Share of Provincial Cohort with Post-secondary Certification</td>
<td>49.1</td>
<td>45.0</td>
<td>22.3</td>
<td>28.3</td>
<td>35.6</td>
<td>35.8</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from Statistics Canada (2016e).
Figure 5: Distribution of Highest Education Levels by Identity Group, Ages 25–34, Canada, 2016

Source: Author’s calculations from Statistics Canada (2016e).

Figure 6: Distribution of Highest Education Levels, “Registered Indians,” On- and Off-Reserve, Ages 25–34, Canada, 2016

Source: Author’s calculations from Statistics Canada (2016e).
PSE rates ranged from below 30 percent (Manitoba and Saskatchewan) to 45 percent and above (Ontario and Quebec).

**Explaining Indigenous Employment Rates and Earnings**

Figure 7 illustrates, for Canada and the six selected provinces, average earnings in 2015 (as reported in the 2016 census) for three identity groups “with employment activity” – as opposed to “full-time, full-year” employment.$^3$ Nationally, average First Nation earnings were 71 percent of the non-Indigenous average. Provincially, average First Nation earnings relative to the non-Indigenous average ranged from nearly 80 percent in Quebec to not much more than 60 percent in Manitoba and Saskatchewan.

Nationally, average Métis earnings were 89 percent of the non-Indigenous average, with little variance in this ratio at the provincial level.

In comparing the earnings gap between the Indigenous and the non-Indigenous populations, to what extent can it be explained by factors such as differences in education levels? A standard technique is to estimate individual earnings via a regression equation on the non-Indigenous population, controlling for all relevant variables, such as the extent of formal acquisition of skills (measured by education levels) and learning-by-doing (proxied by age). Agglomeration scale economies generally create higher earnings for those working in cities relative to those in rural communities. Hence, a relevant variable in such comparisons is relative urbanization. Using the estimated effect of each variable in the regression,

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$^3$ “Full-time, full-year” is a subset of those “with employment activity”; the latter excludes those with no reported earnings.
one can estimate hypothetical average earnings of the Indigenous population if it possessed the same average level for all specified variables as does the non-Indigenous majority. The difference between this hypothetical earnings level and actual Indigenous average earnings is the “explained” portion of the earnings gap; the residual is the “unexplained” portion.

The most recent attempt to decompose the Indigenous/non-Indigenous earnings gap in this manner is that of Lamb and colleagues, using data from the 2011 census. “Results of the decomposition analysis,” they conclude, “reveal that, unsurprisingly, educational attainment is the most salient factor contributing to the explained portion of the earnings disparity between Aboriginal and non-Aboriginal Canadians” (Lamb, Yap, and Turk 2018, 249). As illustration of their results, the explained portion of the earnings gap between First Nation men living off-reserve and non-Indigenous men is one-third; the analogous explained portion for First Nation women is one-quarter. The size of the earnings gap between Métis, both men and women, and the non-Indigenous population is approximately one-half that between off-reserve First Nation people and the non-Indigenous. The explained portion of the Métis gaps, for men and women, is only one-sixth of the total. The unexplained portion, the majority in all cases, is attributable to omitted factors, including discrimination.

As the decomposition exercise by Lamb et al. illustrates, differences in education levels between groups explain much, but certainly not all, of the earnings gap between the Indigenous and non-Indigenous populations. A caveat: their exercise relies on full-time, full-year earnings, but annual earnings vary dramatically by the extent of employment in the year. Figure 8 illustrates the indirect effect of higher education levels on earnings by the various identity groups through its effect on employment rates, while Figure 9 shows average employment earnings by education level and identity group. Presumably, the explanation for the very large increase – for all groups – in the employment rate between those with and without high-school certification is that the earnings potential among those without high-school education typically offers little premium over social assistance or other non-employment targeted income sources. In terms of national statistics, several employment and earnings outcomes deserve mention:

- For all identity groups, the employment rate rises by at least twenty percentage points between those with and without high-school certification. Thereafter, employment rates for all groups continue to rise, but less dramatically, as education levels rise.
- At all education levels, the employment rate among the off-reserve “registered Indian” population is substantially higher than for those on-reserve.
- For all but one education level (a trades certificate), the employment rate among Métis exceeds that among the non-Indigenous.
- As Figure 9 shows, the difference in average incomes based on full-time versus part-time employment is substantial and, at most education levels, is above $15,000.
- With the exception of a trades certificate and the highest education level (a bachelor’s degree and above), the difference by education level in average earnings between Métis and non-Indigenous people who work full time is negligible. At all education levels, however, average earnings of the First Nation population are substantially lower than those of the two other groups. This is partially explicable by the more rural geographic distribution of First Nation people relative to that of Métis or the non-Indigenous.
- Controlling for education level, average employment earnings (with employment activity)

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4 See, for example, the decomposition regression results in Lamb, Yap, and Turk. (2018, tables 2.1–2.3).
of Métis and the non-Indigenous track each other closely. Discrimination may well affect the Métis distribution of education levels, but at similar education levels earnings gaps are minor. This is not so for the First Nation population. Above incomplete secondary school, at all education levels there exist sizable earnings gaps between the First Nations population and the two other groups for both those full-time full-year and with employment earnings. This may well indicate discrimination.

Figure 10 illustrates provincial variations in the average employment earnings of First Nation people in 2015 relative to those of Canada’s non-Indigenous population. As panel A shows, at four of the five education levels, average First Nation earnings were the lowest in Manitoba, while those in Saskatchewan were within $2,000 of those in Manitoba, except at the highest education level. As panel B reveals, average First Nation earnings in British Columbia, Ontario and Quebec track one another more closely than is the case for the three others. Presumably due to the strength of Alberta’s oil and gas sector, First Nation earnings in that province, at all education levels – trades, in particular – were the highest among the six provinces.
Policy Discussion

I began by quoting from the report of the Royal Commission on Aboriginal Peoples on the 1613 treaty between the Dutch and the Mohawks. Another significant passage refers to “Aboriginal peoples” as nations and “only as members of restored nations” can Canada’s Aboriginal peoples realize their potential:

Canadians need to understand that Aboriginal peoples are nations (emphasis in original). That is, they are political and cultural groups with values and lifeways distinct from those of other Canadians. They lived as nations – highly centralized, loosely federated, or small and clan-based – for thousands of years before the arrival of Europeans….To this day, Aboriginal people’s sense of confidence and well-being remains tied to the strength of their nations. Only as members of restored nations can they reach their potential in the twenty-first century. (Canada 1996, x–xi.)

The implicit conclusion of the Royal Commission report – and of more recent reports such as that of the Truth and Reconciliation Commission (Canada 2015) – is that group identities among Indigenous Canadians are immutable and that those who identify as Indigenous cannot “reach their potential” while living and working on the white people’s “ship.” Group identity entails conscious identification among people who value
Figure 10: Average First Nation Employment Earnings, “With Work Activity,” Ages 15 and Older, by Highest Education Level, 2015

A. Alberta, Manitoba, Saskatchewan and Canada

B. Quebec, Ontario, British Columbia and Canada

Source: Author’s calculations from Statistics Canada (2016h).
shared cultural features such as language, religion, a sense of place, history, family norms and so on. The group might be small; it might comprise an entire country; it might, in some cases, extend beyond any individual country. The role of group identity has loomed large in geopolitics in the twenty-first century, no more so than in the context of Indigenous groups around the world who are pursuing cultural renewal in the context of countries dominated by settled agriculture and industry.

That being said, the first conclusion from the Canadian census data from this century is that there has been a sizable migration by the Indigenous population to urban areas. Whether defined in terms of registered status or identity, the First Nation population is increasingly coming aboard the white people’s “ship.” The majority of First Nation people now live in a city; the majority of Métis now live in a large city. Moreover, most urban Indigenous people do not want to return permanently to their original rural communities, or to reserves in the case of “registered Indians” (Environics Institute 2010, 35). Group identities are not immutable – and it is a mistake to devise Indigenous policy on the assumption that all registered First Nation individuals want to live on-reserve.

The second conclusion from recent census data is that, for all identity populations, employment earnings and employment rates are positively associated with education level. As an illustration, consider a First Nation worker, initially with only a high-school education, who gains a trades certificate. Nationally, average annual earnings of a First Nation person “with employment activity” and high-school education level are $28,200, or $18,300 below the average annual earnings of a non-Indigenous worker. With the trades certificate in hand, however, the First Nation worker’s expected average annual earnings “with employment activity” rise to $39,500, reducing by more than half the earnings gap relative to non-Indigenous workers. This example probably exaggerates the incremental effect of education because it ignores other relevant factors, such as age, location (rural versus urban), province-specific effects, sex and so on, but it is still relevant. Even if a more accurate estimate would be lower, closing the education gap between Indigenous and non-Indigenous people would reduce significantly the earnings gap between the two groups.

As the data from the various provinces show, there is an interlinked set of positive correlations: between higher secondary school completion rates among those ages 20 to 24 and higher post-secondary certification rates among those ages 25 to 34, and between higher education levels and employment rates and higher average earnings. These correlations drastically oversimplify a complex dynamic, but they introduce a third conclusion: the importance of the role of provincial governments in closing the earnings gap between Indigenous and non-Indigenous people. To the extent that successful reconciliation between the two groups entails enabling the next generation of Indigenous Canadians to escape poverty, achieving better K-12 and post-secondary education levels among them must be a high priority. Given that two-thirds of the First Nation population live off-reserve and that one-third of children living on-reserve attend off-reserve (largely provincial) schools, it is of paramount importance that provincial education ministries participate centrally in pursuing this goal. To be blunt, expertise in school management does not lie primarily with officials in Indigenous Services Canada or with most First Nation governments, but with teachers

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5 In the 2016 census, 17 percent of the First Nation identity population lived in a small city (population between 10,000 and 100,000), 38 percent in a large city (population over 100,000).
6 For trends in federal spending for pre–K-12 students living on-reserve and the distribution of on-reserve students between on- and off-reserve schools see Canada (2018).
and officials in provincial schools, school districts and education ministries.

If the provinces were to pursue an aggressive off-reserve education strategy, there should be no illusion that the education gap between the Indigenous and non-Indigenous populations could be closed quickly. Such a strategy would require extensive policy discussion with Indigenous leaders, senior public school administrators, education faculties responsible for training teachers, and teachers’ unions. It no doubt would require a significant increase in provincial pre-K-12 education budgets. Some of this is already going on: provincial school systems – more so in some provinces than in others – maintain close contact with reserve schools in order to coordinate programs for First Nation students who migrate between reserve and provincial schools, a frequent occurrence given the high mobility of Indigenous families. Furthermore, the fiscal burden – and potential long-term benefits – of such an aggressive strategy would be distributed unevenly across Canada. According to the 2016 census, 8 percent of children in Canada in the K-12 age cohort (ages 5 to 19) are Indigenous, but this share ranges from less than 4 percent in Ontario and Quebec to 10 percent in Alberta and British Columbia to more than 25 percent in Manitoba and Saskatchewan (Richards and Mahboubi 2018).

No single policy initiative can improve school performance significantly among First Nation students; progress necessarily would be incremental. For those wanting pragmatic advice on what is to be done at the K-12 level, I recommend the case studies of excellent on-reserve schools by Fulford et al. (2007), the advice offered by Anderson and Richards (2016) and Waubageshig’s (2016) discussion of requirements for teachers and principals, and school curriculum design. There is reasonable evidence that Indigenous students fare better in integrated schools with both Indigenous and non-Indigenous students, than in schools composed solely of Indigenous students.

Finally, we have some recent evidence on Indigenous versus non-Indigenous primary student performance at the school district level in British Columbia – see Appendix B. Some high-performing districts, such as Abbotsford, are urban; others, such as the two Peace River districts, are remote. The appendix offers a brief discussion of an exercise undertaken to determine the factors distinguishing high- from low-performing school districts. With the BC exception, however, the evidence discussed in this Commentary comes from self-reported education certification levels in the 2016 census, not from learning outcomes. This is an important caveat. At present, British Columbia is the only province that undertakes comprehensive ongoing assessment of Indigenous student outcomes in its provincial school system and publishes disaggregated results (Richards and Mahboubi 2018). Measuring student outcomes by ethnicity is potentially controversial, but there is truth in the maxim that bureaucracies – here referring to school systems – address goals that are measured, and tend to ignore those that are not. There is no equivalent in Canada to the state-level outcome assessments of core subjects (reading and

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7 Anecdotally, school administrators often refer to Indigenous student mobility. There is, however, a dearth of detailed evidence. One relevant census concept is the “moving rate,” the proportion of a population that changed address within the previous twelve months. In unpublished 1996 census data covering eight large Canadian cities (Montreal, Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, and Vancouver), the Indigenous moving rate was twice that of the non-Indigenous population. For further detail, see Richards (2001).

8 For case studies of successful schools with large Indigenous student cohorts, see studies published by the Society for the Advancement of Excellence in Education – for example, Bell et al. (2004); and Fulford et al. (2007). On the role of peer effects, see Richards, Hove, and Afolabi (2008); and Richards and Mahboubi (2018).
mathematics) provided by the National Assessment of Education Progress in the United States, which, since the 1960s, has documented learning outcomes among ethnic groups, thereby enabling state and municipal policymakers to track outcomes among historically marginalized communities (African American, Hispanic, Native American) relative to generally high-performing communities (white, East Asian). A modest initiative to rectify the absence of provincial-level learning outcomes for Indigenous students is the agreement by six provinces to add a question to their respective provincial sample in the 2018 Program for International Student Assessment (PISA) round that invites Indigenous students to self-identify.\footnote{See, for example, Hansen et al. (2018) for a summary of the most recent National Assessment of Education Progress results. Four provinces – Ontario, Quebec, New Brunswick and Nova Scotia – chose not to add a voluntary Indigenous student identifier to their respective PISA samples (Richards and Mahboubi 2018).}

Relative to the policy attention devoted to closing the Indigenous/non-Indigenous K-12 outcome gap, less attention has been paid to closing the PSE gap between the two populations. A useful summary of available evidence is that by Mahboubi and Busby (2017), who summarize the 2012 Canadian sample of the Program for the International Assessment of Adult Competencies (PIAAC). Not surprisingly given the high correlation between high-school completion and PSE rates at the provincial level, they find gaps in PIAAC measures to be higher among Indigenous students without secondary school certification. As for average earnings by province, the lowest for First Nation people are in Manitoba and Saskatchewan (recall Figure 7). Almost certainly, the explanation for these low average earnings lies partly in low PSE rates among Indigenous people in these two provinces (Table 1). In turn, these low PSE rates in the two provinces among those ages 25 to 34 are correlated with low Indigenous high-school completion rates, particularly in Manitoba. A final point about K-12 learning outcomes is the exceptionally low scores in these two provinces overall in the 2015 PISA round (Richards 2017). Without an Indigenous identifier, it is impossible to know the extent to which these low scores reflect high Indigenous shares among school-age cohorts.

To sum up, the federal government has accorded reconciliation a high priority in terms of respect for treaty rights and increased funding for on-reserve services. To date, neither Ottawa nor the provinces nor the leaders of Indigenous organizations have given comparable financial and political priority to realizing goals – education goals in particular – among the majority of the Indigenous population that lives off-reserve. Why not?
Appendix A: The Urban Aboriginal Peoples Study

In 2010, the Environics Institute released its *Urban Aboriginal Peoples Study*, based on in-home interviews of one to two hours in length with 2,600 Aboriginals living in 11 cities across the country. As the study did not have access to Statistics Canada’s long-form census data, the sample in 10 of the 11 cities was constructed on a “snowball” basis to find people ages 18 and over such that the completed city sample matched the city’s average Indigenous outcomes in the 2006 census in terms of age, sex, education levels and distribution between those identifying as either Métis or First Nation. For one city, Ottawa, the sample was restricted to those identifying as Inuit.

The study found that urban Indigenous people have not abandoned their cultural identity: overall, 77 percent said they were “very proud” to be Indigenous (Environics Institute 2010, 49). As another indicator of identity, 79 percent insisted they never downplayed their Aboriginal identity (50). Nonetheless, 70 percent agreed with the statement, “I have been teased or insulted because of my Aboriginal background,” and 36 percent agreed with the statement, “I don’t feel accepted by non-Aboriginal people” (78–9). Seventy-one percent considered the city in which they lived to be “home” (36); 65 percent liked living in their city “a lot” (37). Only 22 percent planned to return permanently to their “community of origin,” as opposed to 50 percent who intended to stay in the city, while the remainder were unsure (35).

Significant Indigenous migration to cities began a half-century ago, but in 2010 most urban Indigenous people (68 percent) were first-generation urban dwellers, while 22 percent were second-generation and 9 percent were third-generation (Environics Institute 2010, 15). When asked why they came to the city, the top three reasons emerged with equal frequency: to be closer to family members already in the city, to have better access to education options for themselves and their children, and to get a job. The next three reasons were to gain access to city amenities, to escape a bad family situation in their original community, and to advance careers (30, 32).

Chiefs, councils and organizations such as the Assembly of First Nations (AFN) are highly visible representatives of on-reserve First Nation people, but only a minority of the study sample perceived the AFN or the Métis National Council (MNC) as their representatives. Nor were they much impressed by mainstream political parties. In response to the question, “Thinking about both Aboriginal political organizations and Canadian political parties, is there one that you feel best represents you?” 13 percent identified the AFN, 10 percent the MNC and 26 percent one of the mainstream national parties; more than 40 percent identified no organization (Environics Institute 2010, 95).

The majority of Indigenous people in the study might have liked living in a city, but, as with other identity groups, their perceived “level of happiness with your life” varied in predictable ways. Employment matters: among full-time workers, 72 percent were “very happy,” a share that fell to 50 percent for those with part-time work and to 34 percent for the unemployed (Environics Institute 2010, 105). A sense of cultural or family connectedness also matters: among those who knew their family tree well, 70 percent were “very happy,” but only 43 percent of those who had no such knowledge felt that way (105). Finally, in response to the question, “Are there ways in which you hope your children’s and grandchildren’s lives will be different from yours?” the top mentions were to learn the importance of education, to be more connected and aware of their cultural community and to live in a society without discrimination (113).
Appendix B: Indigenous Foundation Skills Assessment Results in British Columbia

Based on self-declared data in the 2016 census, the high-school completion rate among young Indigenous adults (ages 20 to 24) in British Columbia was the highest among the six provinces with large Indigenous student populations. Moreover, British Columbia’s deviation from the national average was exceptionally large at the level of those First Nation people living on-reserve (see Figure 4). Although these education levels should not invite complacency, BC schools – both reserve and provincial – deserve attention.

Those students who self-identified as Indigenous (either First Nation or Métis) made up 12 percent of total enrolment in public schools in British Columbia, while only 7,000 of the 66,000 Indigenous students attending a BC provincial school in the 2016/17 school year lived on-reserve. British Columbia is the only province that tracks Indigenous student performance (in its public schools) on core subjects, and publishes results, disaggregated to the school district level (Richards and Mahboubi 2018). With some exceptions, all students in grades 4 and 7 are assessed on three core subjects: writing, reading, and numeracy (British Columbia 2017).

In its Foundation Skills Assessment (FSA), British Columbia has established three grades: not yet meeting expectations, meeting expectations, and exceeding expectations. A summary measure of results is the meet/exceed ratio (MER), defined as the proportion of all assessed students who either meet or exceed expectations. As an example of the information publicly available with respect to Indigenous students, Table B-1 shows MERs for reading at the grade 4 level. The statistics illustrate MER calculations, for both Indigenous and non-Indigenous students, by school district, averaged over five school years.

Several conclusions are worth emphasizing:

- At the district level, Indigenous MERs for grade 4 reading ranged from 49 percent to 80 percent. The corresponding non-Indigenous district-level averages ranged from 68 percent to 88 percent.
- A crude control for the many factors that determine Indigenous student performance in a school district is the non-Indigenous district-level average. A measure of attention by a school district to its Indigenous students is the difference between the respective district-level averages. Presumably, those districts displaying small differences between Indigenous and non-Indigenous students were more attentive to Indigenous student performance.
- District-level differences ranged from the negligible (under two percentage points) to substantial (twenty-seven points). Most of the large urban school districts (such as Victoria and Vancouver) reported below-average Indigenous FSA results and above-average differences.

There is no single explanation for Indigenous student performance. On the supply side, both school quality (in particular, the quality of teaching) and the quality of support provided by students’ families matter. On the demand side, parental expectations, family income and education levels, and student peer effects matter. Over the past quarter-century, several institutional innovations probably have been crucial in establishing British Columbia’s better outcomes relative to other provinces:

- First Nations in British Columbia have formed substantial provincial-level organizations – for example, the First Nations Education Steering Committee and the First Nations Schools Association – that, for approximately 130 reserve schools, perform some of the necessary administrative tasks performed by school districts for provincial schools. In many provinces, in contrast, such organizations either do not exist for reserve schools or are very weak.
- British Columbia provides additional revenue to school districts based on the number of declared
<table>
<thead>
<tr>
<th>School District</th>
<th>Indigenous (%)</th>
<th>Non-Indigenous (%)</th>
<th>Difference (%)</th>
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<tr>
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<td>82.2</td>
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<td>80.0</td>
<td>3.6</td>
</tr>
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<td>Sunshine Coast</td>
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<td>83.2</td>
<td>3.8</td>
</tr>
<tr>
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<td>5.7</td>
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<tr>
<td>Rocky Mountain</td>
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<td>15.5</td>
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</table>

Source: Author’s calculations from British Columbia (2018).
Indigenous students. The school district has autonomy in spending these funds, provided the resulting programs are directed at improving Indigenous student performance.

• BC school districts are required to create Aboriginal Student Enhancement Agreements that define short-term goals for Indigenous students. Such goals might include attendance rates, performance in particular subjects or the development of curriculum for Indigenous-specific topics. These agreements are intended to be struck by advisory committees at the district level composed of Indigenous and non-Indigenous representatives with an active interest in education.

In 2008, colleagues and I undertook an econometric exercise among nearly 400 BC schools with substantial Indigenous populations to identify those whose Indigenous students performed above expectations (Richards, Hove, and Afolabi 2008). We supplemented the quantitative analysis with qualitative interviews of teachers and senior administrators in a sample of school districts. Administrators in high-performing districts took more seriously than those in low-performing districts a range of administrative policies, such as the development of Enhancement Agreements and close collaboration with advisory committees. They were also more knowledgeable about Indigenous student outcomes (including FSA results) in their district.

<table>
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<td>Nechako Lakes</td>
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<td>Haida Gwaii</td>
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</table>

Source: Author’s calculations from British Columbia (2018).
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———. 2016f. “2016 Census of Population: Aboriginal Identity (9), Highest Certificate, Diploma or Degree (15), Labour Force Status (8), Registered or Treaty Indian Status (3), Residence by Aboriginal Geography (10), Age (10) and Sex (3) for the Population Aged 15 Years and Over in Private Households of Canada, Provinces and Territories, 2016 Census – 25% Sample Data,” cat. no. 98-400-X2016266. Ottawa.

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