

# **The Aboriginal Economic Progress Report 2015**



## **The National Aboriginal Economic Development Board**

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## MESSAGE FROM THE CHAIR

On behalf of the National Aboriginal Economic Development Board (NAEDB), I am pleased to present the *Aboriginal Economic Progress Report*, a sequel to the 2012 *Aboriginal Economic Benchmarking Report* which was the first national effort to set bold ten year targets for the purposes of tracking the economic progress of First Nations, Inuit and Métis people in Canada. The NAEDB strongly believes that Aboriginal people are making economic and social progress, but most importantly, making important contributions to the Canadian economy. It is essential to maintain this momentum by enacting policies and programs that will drive economic development and contribute to closing the gap.

The NAEDB's vision is for Aboriginal people to be healthy, well-educated, economically self-sufficient and full participants in the Canadian economy. The 2012 *Aboriginal Economic Benchmarking Report* set the bold target of closing the gap in economic outcomes between Aboriginal and non-Aboriginal people by 2022, however three years after the initial report, the gaps between Aboriginal and non-Aboriginal Canadians remain large. While some progress has been made between 2006 and 2011, Aboriginal people in Canada are currently not on track to achieving parity with non-Aboriginal Canadians. More efforts by all are required to make these results attainable. For this reason, I hope that this report will be used by Aboriginal people in Canada, the private sector, academics and governments, Aboriginal and non-Aboriginal alike, to influence decisions that will help achieve meaningful improvements in the economic participation of First Nation, Inuit and Métis people.

To enrich the value of the report, a NAEDB Economic Development Index was derived to assess how the overall core and underlying outcomes for the Aboriginal population have compared with the non-Aboriginal population. In addition, in order to better reflect the changing economic landscape, a specific focus on Aboriginal youth and regional outcomes have been included to better reflect the differences in the age structures and the differences in indicators by province and territory for both the Aboriginal and the non-Aboriginal population. The Board strongly believes that there is a need to focus on better data collection and assessment of policy measures that stimulate economic development. Indeed, better data collection will provide more detailed insight into where things stand and what needs to be done. Aboriginal people, and particularly First Nations on reserve, require drastic action in order to close the gaps and address increasing disparities with the non-Aboriginal population. As the *Benchmarking Report* stated, the opportunities for economic development for Aboriginal people today are greater than ever.

The NAEDB is concerned that much of the economic potential of Aboriginal people remains unrealized. It is clear that there is still much work to be done before Aboriginal people are in the same position as other Canadians to contribute to and benefit from one of the world's wealthiest economies. The state of Aboriginal economic and social well-being will inform the Board's recommendations to the Government of Canada, and will identify critical data gaps to effectively evaluate progress.

Finally, I would like to sincerely thank our sub-committee, Ms. Dawn Madahbee and Dr. Marie Delorme, for their invaluable guidance and advice in leading the development of this report.

Sincerely,  
Chief Clarence Louie  
Chair, National Aboriginal Economic Development Board



# THE NATIONAL ABORIGINAL ECONOMIC DEVELOPMENT BOARD

Established in 1990, the National Aboriginal Economic Development Board (NAEDB) is a Governor in Council appointed board mandated to provide policy and program advice to the Minister of Aboriginal Affairs and Northern Development (AANDC), as well as other federal departments, on Aboriginal economic development. Comprised of First Nations, Inuit and Métis community and business leaders from across Canada, the Board plays an important role in helping the federal government develop and implement policies and programs that respond to the unique needs and circumstances of Aboriginal people. The Board also provides a vital link between policy makers, federal departments and Aboriginal and non Aboriginal business and community leaders.

Information about the NAEDB can be found online at: <http://www.naedb-cndea.com>

Board members are:

**CHAIR: Chief Clarence Louie, British Columbia**  
Chief, Osoyoos Indian Band

**VICE-CHAIR: Dawn Madahbee, Ontario**  
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**Dr. Marie Delorme, Alberta**  
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**Ruth Williams, British Columbia**  
Vice Chairperson, First Nations Market Housing Fund

## ACKNOWLEDGMENTS

The development of the *Aboriginal Economic Progress Report* would not have been possible without contributions from a wide range of individuals, organizations, and communities.

We would like to express its gratitude to the academics who participated on an Expert Review Panel that provided regular and insightful feedback to help guide the selection of data and analysis of this report.<sup>1</sup>

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This report would not have been possible without the contribution of countless reports and surveys by First Nations, Inuit, and Métis people across Canada. We wish to thank them for their participation in these important initiatives.

<sup>1</sup> Changes to the report were made based on recommendations received. The contents of the report are the sole responsibility of the NAEDB.



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## EXECUTIVE SUMMARY

The *Aboriginal Economic Progress Report* is the first update to the *Aboriginal Economic Benchmarking Report*, which was published by the NAEDB in 2012 to identify a series of benchmark socio-economic indicators and assess the state of the Aboriginal economy in Canada, based on 2006 Census data. In its 2012 Report, the NAEDB set out bold targets that Aboriginal outcomes be comparable to those of Canada's non-Aboriginal population by 2022. This current report tracks and assesses the evolution of the benchmarking indicators from 2006 to 2011 to measure the progress of First Nations, Inuit and Métis people compared to the non-Aboriginal population and identifies the gaps in economic outcomes that remain. Due to data limitations, we are currently comparing statistics from 2006 and 2011 while we anticipate the release of the 2016 Census and National Household Survey (NHS) results.

The socio-economic indicators consist of a series of core and underlying indicators. The core indicators focus on economic outcomes by tracking key employment and income measures. The underlying indicators track factors that directly contribute to improving economic outcomes for Aboriginal people including educational attainment, entrepreneurial activity, and infrastructure conditions that can influence economic development by increasing employment opportunities and earnings outcomes.

### **Since 2006, Aboriginal people in Canada have made some gains, but significant gaps remain between the Aboriginal and the non-Aboriginal population.**

Outcomes for the Aboriginal population improved in some areas and actually declined in others. The declines are in large part due to weak economic conditions for First Nations on reserve. Consequently, gaps between the Aboriginal and the non-Aboriginal population have decreased for some indicators but remain large and little changed in others, including employment rate, participation rate, and university completion. As a result, little progress has been made towards the targets set by the NAEDB to achieve outcomes comparable to Canada's non-Aboriginal population by 2022. While the Inuit and Métis heritage groups enjoyed the largest improvements for many indicators, conditions in other areas, especially for First Nations on reserve, have declined further from what were already drastically low outcomes before the recession.

### **The most striking trend is that First Nations living on reserve had the worst economic outcomes for nearly all indicators.**

Gaps between First Nations living on reserve and the non-Aboriginal population increased for employment and participation rates, reliance on government transfers, college and trades certification completion rates, university completion rates, and crowded housing conditions. Gaps were reduced slightly for income levels, unemployment rate, self-employment rate, high school completion rate, and for dwellings needing major repairs, however dwellings needing repairs was the only indicator whose gap was reduced by more than one percentage point for First Nations on reserve. Gaps between the Aboriginal population, including First Nations on reserve, and the non-Aboriginal population could be reduced either as 1) a result of improving outcomes for the Aboriginal population and First Nations on reserve that were larger than the improvement in the non-Aboriginal population or 2) due to declining conditions that were not as large as the decline in the non-Aboriginal population. This being said, income levels, high school completion rates and dwellings needing major repairs were the only indicators to be reduced due to larger improvement in outcomes.

Despite an increase in income levels for First Nations on reserve and a declining gap between 2006 and 2011, the gap remains higher than it was in 2000, as illustrated in the 2012 *Aboriginal Economic Benchmarking Report*. The gap in average income was 2.5 percentage points higher in 2010 than in 2000. The gap in high school completion rates for First Nations on reserve remained essentially the same between 2006 and 2011. The gap for dwellings needing major repairs was reduced modestly but still remained six times higher for First Nations on reserve than for the non-Aboriginal population in 2011.



While many First Nation reserves face challenges associated with low population and remoteness of location, some First Nation communities, who are located adjacent to thriving and prosperous non-Aboriginal municipalities throughout Canada, have succeeded in developing their economies and achieving above average economic outcomes. Conditions for First Nations may stand to benefit from increasing adoption of various policy tools. Underlying indicators on governance show that the number of First Nation communities under the *First Nations Land Management Act* (FNLMA) has increased by about 40% since 2012 to almost 100 communities. The number of First Nation communities adopting property taxation under the *First Nations Fiscal Management Act* (FNFMA) and section 83 of the *Indian Act* has also increased by close to 40% since 2012 to 124 communities in 2014. As of May 2015, this number rose to 135 First Nation communities.<sup>2</sup>

### **The Inuit have made gains between 2006 and 2011.**

Gaps between the Inuit and the non-Aboriginal population were reduced for unemployment rates and average income. However, gaps in post-secondary completion rates and the proportion of homes in need of major repair increased. At 4.9%, university completion rates for the Inuit group remained the lowest among heritage groups, while the university completion rate for the non-Aboriginal population was 25.8%. The proportion of homes in need of major repair increased for Inuit, the only heritage group whose conditions worsened relative to the non-Aboriginal population for this indicator.

### **Outcomes for the Métis were highest among all Aboriginal groups.**

The employment and participation rates for the Métis population were even slightly higher than the non-Aboriginal population – the only group to experience any outcomes that were better than the non-Aboriginal population. The Métis population had the highest high school and university completion rates among Aboriginal heritage groups and made the most progress in closing these gaps with the non-Aboriginal population. Though the share of the Métis population living in dwellings needing major repair was lowest among heritage groups, it remained almost twice as high as the non-Aboriginal population in 2011.

### **Comparing 2006 and 2011 data, little progress has been made towards meeting the 2022 objectives set by the NAEDB.**

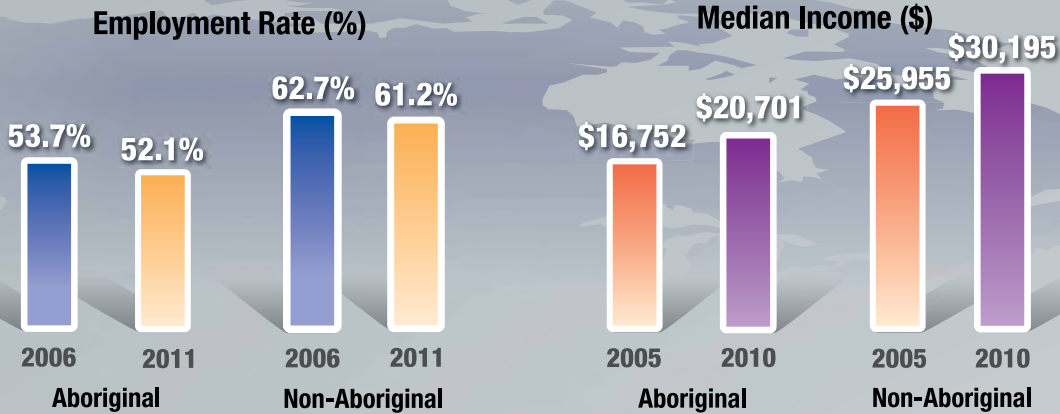
Overall, insufficient progress has been made since 2006. This report shows that the objective to achieve parity between the Aboriginal and the non-Aboriginal population by 2022 may not be met if this current pace remains. In order to accelerate its achievement and improve the outcomes for the Aboriginal population, there is a need to strengthen the approaches and instruments put in place to support economic progress, particularly on reserve. Since economic success and positive social outcomes are interconnected, economic and social policies need to work better together. With seven years remaining to NAEDB's 2022 target, particular attention is needed on underperforming First Nation communities to help ensure broad based gains are made and greater progress is achieved in closing the gaps between the Aboriginal and the non-Aboriginal population.

<sup>2</sup> Since the FNFMA came into force in 2006, 158 First Nations have asked to be scheduled to the *Act*, with 82 of them collecting tax under the FNFMA as of May 2015. A total of 53 First Nations levy taxes under section 83 of the *Indian Act*.

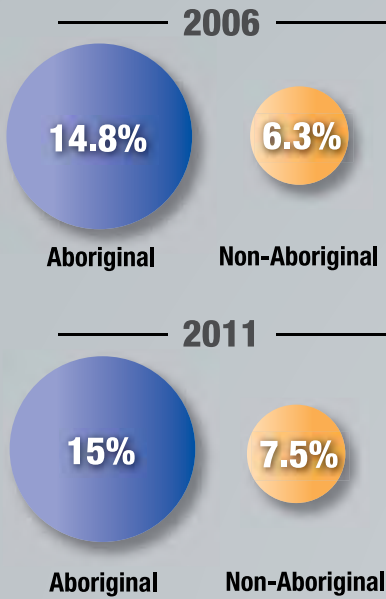


# Key Highlights

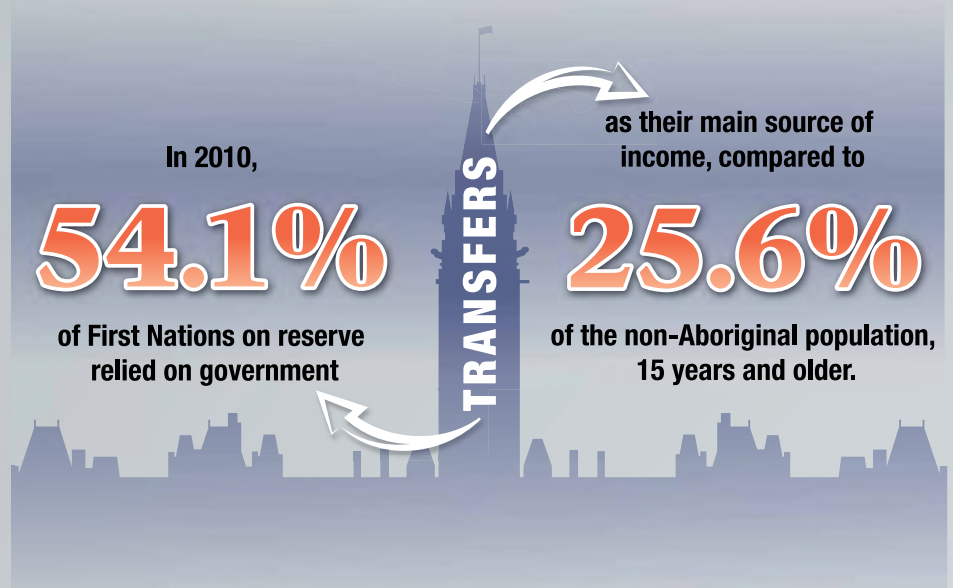
## National Employment Rate and Median Income



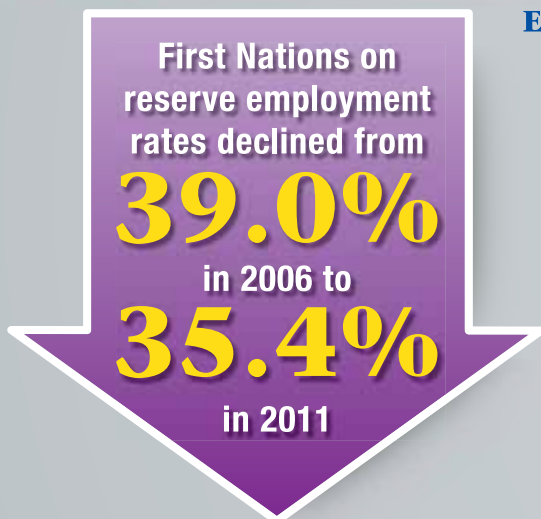
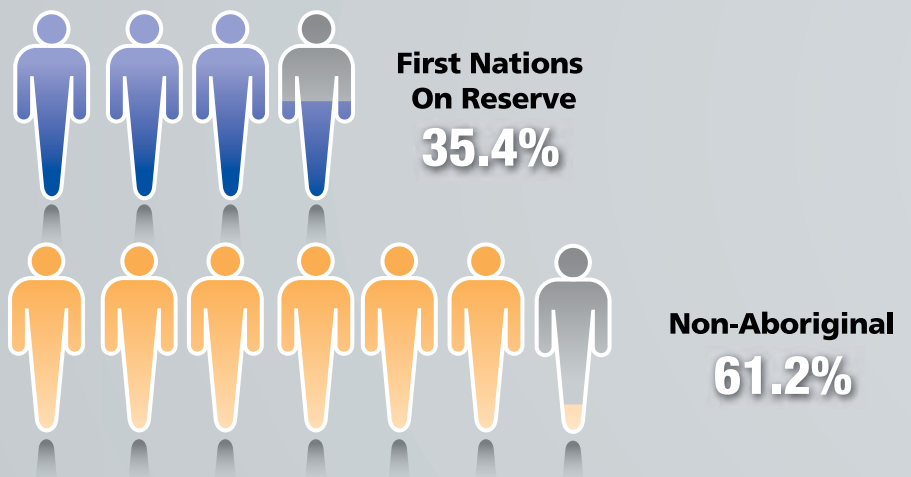
## Unemployment Rates



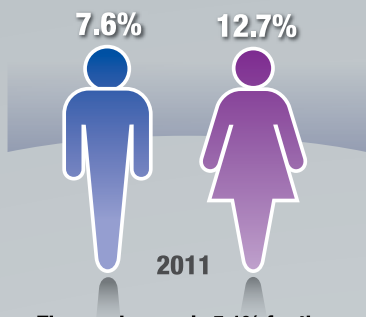
## Reliance on Government Transfers for First Nations on Reserve



## Employment Rates for First Nations on Reserve

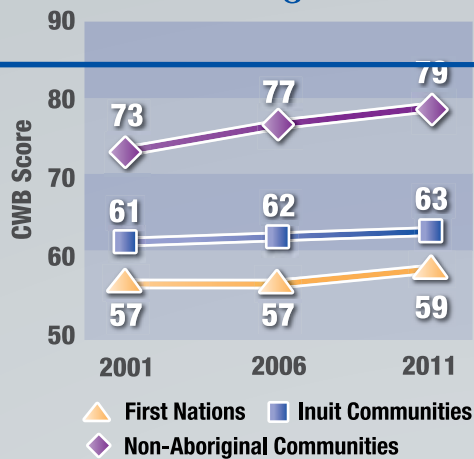


## Aboriginal University Completion Rates (by gender)



The gender gap is 5.1% for the Aboriginal population compared to 1.2% for the non-Aboriginal population.

## Community Well-Being Trends



Community Well-Being, Education, and Official Income, 2011



### CANADA'S ABORIGINAL PEOPLE

The Constitution recognizes three distinctive heritage groups of Aboriginal people: First Nations, Inuit and Métis. Each group has their own unique history, languages, cultural practices and spiritual beliefs, as well as differing economic circumstances and needs. Heritage groups in this report are based on individuals' self-identification of their heritage on the 2006 Census and 2011 National Household Survey. In 2011, 1.4 million people in Canada identified themselves as Aboriginal, over four percent of the total Canadian population.

#### First Nations

First Nations people in Canada are also known as Status and Non-Status Indians. In 2011, there were approximately 851,560 First Nations people in Canada and 617 First Nation communities across the country, representing more than 50 nations, cultural groups and Aboriginal languages.

#### Inuit

Inuit are Aboriginal people largely inhabiting the northern regions of Canada. In 2011, there were approximately 59,440 Inuit people in Canada, the majority living in 53 communities in one of four regions known collectively as Inuit Nunangat: Nunatsiavut (Labrador); Nunavik (Quebec); Nunavut; and the Inuvialuit Settlement Region of the Northwest Territories. Each of these four Inuit groups has settled land claims that together cover one-third of Canada's land mass.

#### Métis

The Métis are Aboriginal people who trace their descent to mixed First Nation and European heritage. There were 451,800 Métis people identified in the 2011 National Household Survey, almost one third of all Aboriginal People in Canada.

### ABORIGINAL ECONOMIC DEVELOPMENT

Aboriginal people play an integral role in the prosperity of Canada's economy. Our relatively young and expanding population is vital to fulfilling Canada's future demand for labour. In addition, Aboriginal rights, interests and significant land holdings coupled with rapidly growing business opportunities, particularly in the resource sector, presents an unprecedented environment for improving Aboriginal economic outcomes and unlocking the full potential from Canada's economic opportunities.

The National Aboriginal Economic Development Board (NAEDB) has spearheaded the movement towards highlighting the increasingly central role that Aboriginal people play in the modern economy. It is estimated that Aboriginal people in Canada will generate \$32 billion a year in combined income across households, businesses and governments by 2016 – more than Newfoundland and Prince Edward Island combined.<sup>3</sup> However this amount represents less than 1.5% of the Gross Domestic Product in 2016, which will be over \$2 trillion, though Aboriginal people in Canada represent approximately 4% of the population. There is a growing trend being propelled by Aboriginal participation in economic opportunities arising across the country including: the shipbuilding contracts in Nova-Scotia; the construction of the first on reserve correction centre in Canada on Osoyoos Indian Band reserve lands; and the second largest mall development in Canada, next in size only

<sup>3</sup> Burleton and Gulati (2011).

to West Edmonton Mall, by Tsawwassen First Nations being built on traditional lands returned to them under their treaty agreement. Other Aboriginal companies have created niche businesses which have created much needed services in remote areas, such as Air Inuit, which began in 1978 and now employs close to 500 people.

There is a rising recognition of the importance of Aboriginal participation in Canada's economic development, affirmed by recent court decisions and the growing alignment of economic interests between Aboriginal people and the non-Aboriginal business community. Aboriginal prosperity is increasingly linked to Canada's overall prosperity, reflecting the vital role the Aboriginal population has in ensuring the long-term collective success of the Canadian economy. It is our firm belief that economic prosperity is a pre-requisite to social development, so economic successes and opportunities must continue to be supported to enhance the quality of life for Aboriginal people.

- The Aboriginal population is both younger and growing more rapidly than the non-Aboriginal population, representing a wealth of future labour resources. The overall Aboriginal population grew at an average rate of 3.6% per year from 2006 to 2011, four times faster than the non-Aboriginal population. Differences in the age structure between the Aboriginal and non-Aboriginal population can explain differences in some of the aggregate outcomes between the two groups.
- The median age of the Aboriginal population was 27.7 years in 2011, up from 26.5 years in 2006. On reserve, First Nations had the lowest median age at 23.9 years. The median age of the non-Aboriginal population was 40.6 years in 2011, up from 39.7 in 2006. Almost half (46.2%) of Aboriginal people were less than 25 years old, compared with 29.5% of non-Aboriginal people. Over a quarter (28.0%) of Aboriginal people were children (aged 0-14) compared with 16.5% of non-Aboriginal people.
- Over \$675 billion worth of natural resource opportunities are expected across Canada over the next 10 years, most of which will be located on or near traditional lands. About 90% of major projects under federal review were located on reserve, within treaty areas, or in settled or unsettled claims areas. As of April 2014, there were over 260 active agreements between mining exploration and development companies and First Nation governments or organizations.

## THE ABORIGINAL ECONOMIC PROGRESS REPORT

The *Aboriginal Economic Progress Report* is the first update to the *Aboriginal Economic Benchmarking Report* which was published in 2012. In its 2012 Report, the NAEDB set out bold targets that Aboriginal outcomes be comparable to those of Canada's non-Aboriginal population by 2022. The current report measures progress in achieving these targets by comparing outcomes based on data from the 2011 National Household Survey (NHS) to the benchmark data in the 2012 report, which was based on the 2006 Census. By using this new data, the NAEDB is able to assess the state of the Aboriginal economy in Canada over a five-year period from 2006 to 2011.

Published in June 2012, the *Aboriginal Economic Benchmarking Report* was the first comprehensive effort to identify a number of socio-economic indicators to assess the state and progress of the Aboriginal economy in Canada. This report was developed by the NAEDB with the goals of tracking and assessing economic development outcomes of First Nations, Inuit and Métis, identifying gaps in outcomes, and measuring the extent to which the Government of Canada has been successful in implementing the *Federal Framework for Aboriginal Economic Development*.



While the *Progress Report* tracks how economic outcomes for all three Aboriginal heritage groups have compared with those of the non-Aboriginal population, particular focus is made on the First Nation on reserve population, as many government interventions are targeted at this population segment. A comprehensive examination of economic conditions on reserve is needed to assess the effectiveness of these interventions. This information is also useful for guiding the development of future policy and program supports, including new approaches aimed at reducing gaps with the non-Aboriginal population.

The Aboriginal population accounts for over 4% of the overall Canadian population. This can be broken down as follows: the Inuit population accounts for about 4% of the total Aboriginal population, Métis accounts for about one third and First Nations make up over 60% of the overall Aboriginal population. The Métis population has grown in recent years as a result of a large increase in people self-identifying as Métis, coinciding with increasing recognition of rights. Estimates project that changes in self-identification, known as ethnic mobility, increased the size of the Aboriginal population aged 25-54 by around 24% between 2001 and 2011, with Métis accounting for most of the growth.<sup>4</sup> Data in the *Progress Report* is based on Statistics Canada's Census and NHS, which uses self-identity to determine Aboriginal status.

In addition to the information presented in the original *Benchmarking Report*, NAEDB indices were developed to assess how overall outcomes for the Aboriginal population have compared with the non-Aboriginal population when examining the core and underlying outcomes combined. This report also adds a special section on Aboriginal youth; an area of interest to all Aboriginal communities, governments and businesses alike. Building a clearer picture of economic opportunities for this segment of the population is needed if the Canadian economy is to successfully integrate this growing and important segment of the labour force.

The *Progress Report* has four purposes:

1. To present comparative information on the evolution of the economic outcomes of Aboriginal and non-Aboriginal people compared to the benchmarks set in 2012;
2. To identify variations in the evolution of economic outcomes among Aboriginal heritage groups (First Nations, Inuit and Métis) and, where possible, between on and off-reserve First Nations, compared to the benchmarks set in 2012;
3. To measure the progress made toward meeting the 2022 objectives set by the NAEDB for Aboriginal people to have comparable outcomes to those of non-Aboriginal Canadians; and,
4. To inform federal policy and program direction.

<sup>4</sup> Centre for the Study of Living Standards, "Closing the Aboriginal Education Gap in Canada: Assessing Progress and Estimating the Benefits", page 71, Table 32.



## SCOPE AND OPPORTUNITIES FOR FURTHER STUDY

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This report is intended primarily as an update to the 2012 *Benchmarking Report*, comparing data from the 2011 NHS to the 2006 Census. As such, it does not cover all possible economic indicators. New indicators were included where possible based on available data, while noting other areas where data gaps exist. The report focuses on quantitative economic data and identifies areas that require further research in order to gain a more detailed picture of the Aboriginal economy and a fuller understanding of the factors contributing to differences in Aboriginal and non-Aboriginal economic outcomes.

Potential areas of future study and publication include: examining the extent and effects of ethnic mobility, which is changes in the way people self-identify their heritage; calculating a measure of annual Aboriginal Gross Domestic Product; assessing income mobility, which is the ability of an individual, family or group to improve or lower their economic status; deriving measures of financial constraint such as an Aboriginal financial vulnerability index and a poverty line cut-off; purchasing power on reserve compared to off reserve and other rural or remote areas; producing in-depth regional analysis; analyzing employment data by industry breakdown; and conducting gender-based analysis of economic outcomes.



## ii. WHERE WE ARE AND HOW HAVE WE PROGRESSED: KEY INDICATORS OF THE ABORIGINAL ECONOMY

The *Progress Report*, like the *Benchmarking Report*, is organized around two sets of indicators: core indicators and underlying indicators. Each indicator is assessed through a number of measures. All of the indicators and measures from the *Benchmarking Report*, along with six new measures, are included in the *Progress Report*. These new measures provide a clearer picture of the Aboriginal economy and allow for a better tracking of the future evolution of Aboriginal economic outcomes.

### CORE INDICATORS

Core Indicators are aligned with the vision of the *Federal Framework for Aboriginal Economic Development*, released by the Government of Canada in June 2009, to track the most important measures of economic benefits and participation. The *Aboriginal Economic Benchmarking Report* identified three Core Indicators that are central to measuring the true economic progress of First Nations, Inuit, and Métis in Canada. These indicators require particular attention by Aboriginal and non-Aboriginal leaders to close the socio-economic gaps between people and non-Aboriginal Canadians:

1. Employment
  - Measure 1: Employment Rate
  - Measure 2: Labour Force Participation Rate
  - Measure 3: Unemployment Rate
2. Income
  - Measure 1: Average Income
  - Measure 2: Median Income (new measure)
  - Measure 3: Proportion of Income Received from Government Transfers
  - Measure 4: Proportion of Population with Main Source of Income from Government Transfers (new measure)
  - Measure 5: Income Inequality (new measure)
3. Wealth and Well-Being
  - Measure 1: Community Well-Being Index

### UNDERLYING INDICATORS

Underlying Indicators are aligned with the barriers identified in the *Federal Framework for Aboriginal Economic Development* to track the factors that have a direct impact on the ability of Aboriginal people to improve the core indicators. For example, the growth and profitability of businesses, increases in educational attainment, as well as access to lands and resources each have an influence over the quality of jobs, earnings, and wealth accumulation. Not all of these measures are applicable to – or available across – all heritage groups, but together they help to track the readiness of Aboriginal people to seize economic opportunities. The NAEDB identified five underlying indicators that help track the progress of Aboriginal people toward improving their Core Indicator outcomes.

1. Education
  - Measure 1: High School Completion Rate
  - Measure 2: College/Trades Completion (new measure)
  - Measure 3: University Completion
2. Entrepreneurship and Business Development
  - Measure 1: Self-Employment Rate
  - Measure 2: Profit and Revenue of Aboriginal-owned Businesses
3. Governance
  - Measure 1: First Nations Community Intervention Status
  - Measure 2: First Nations Property Taxation Status
  - Measure 3: Communities Certified by the First Nations Financial Management Board (new measure)
4. Lands and Resources
  - Measure 1: *First Nations Land Management Act*
  - Measure 2: Comprehensive Land Claim and Self-Government Agreements
5. Infrastructure
  - Measure 1: Access to Clean Drinking Water
  - Measure 2: Overcrowding
  - Measure 3: Proportion of Population Living in Dwellings in Need of Major Repair (new measure)
  - Measure 4: Connectivity
  - Measure 5: Off-Grid Communities

## NAEDB ECONOMIC DEVELOPMENT INDICES

To assess how the overall core and underlying outcomes for the Aboriginal population have compared with the non-Aboriginal population, separate indices were derived by population group for each of the core and underlying indicators combined, respectively. As well, an overall NAEDB Economic Development Index was derived consolidating the outcomes from the core and underlying indicators together using data that was available for all heritage groups reported in the *Aboriginal Economic Progress Report*.

## ABORIGINAL YOUTH

A section on Aboriginal youth is provided using a selection of core and underlying indicators to examine labour force and education outcomes focusing on the Aboriginal youth population aged 15 to 24 years, as differences in the age structures of the Aboriginal and non-Aboriginal populations has an impact on economic outcomes.



### iii. TRENDS IN THE ABORIGINAL ECONOMY

The 2012 *Aboriginal Economic Benchmarking Report* pointed out that the improvements made between 2001 and 2006 in increasing incomes, employment and business development were important but still fragile. The 2008 financial crisis broadly impacted Canadians from all backgrounds, especially with respect to employment indicators. Even when the financial crisis is taken into account, the gaps for the Aboriginal population have overall declined from 2001 to 2011. However, all Canadians remain less well off than they were in 2006, as can be illustrated by various indicator comparisons between 2006 and 2011.

#### 1. OUTCOMES FOR ABORIGINAL PEOPLE IN CANADA HAVE SHOWN SIGNS OF IMPROVEMENT

Outcomes for the Aboriginal population have shown signs of improvement in some areas and declines in others, reflecting weak economic conditions for First Nations on reserve. While outcomes for some indicators have improved since 2006, including income levels and housing conditions, they have declined for others, such as employment. As a result, almost half way into the ten year targets set by the NAEDB to achieve outcomes comparable to Canada's non-Aboriginal population by 2022, gaps with the non-Aboriginal population have decreased for some indicators but remain large and little changed in others such as employment rate, participation rate, and university completion.

The Aboriginal population has experienced mixed outcomes for the core economic indicators.

- Aboriginal labour force participation and employment rates have declined while unemployment rates have increased from 2006 to 2011, reflecting the impact of the 2008-09 economic downturn. The gap in employment and participation rates between the Aboriginal and non-Aboriginal populations increased as Aboriginal rates fell more than non-Aboriginal rates. The Aboriginal unemployment rate increased to 15.0% in 2011, from 14.8% in 2006. Unemployment rates for the non-Aboriginal population increased at a faster rate, from 6.3% in 2006 to 7.5% in 2011, leading to a one percentage point drop in the gap between the two populations. Despite this gain, the unemployment rate for the overall Aboriginal population was twice as high as for the non-Aboriginal population in 2011.
- Gains have been made by the Aboriginal population in closing the average income gap with the non-Aboriginal population, declining by almost six percentage points since 2005. However, declines in the median income gap, which are not affected by outliers from higher income recipients, were not as large. Also, dependency on government transfers has increased. Over one third of the overall Aboriginal population 15 years and over (36.5%) relied on government transfers as their main source of income in 2010, up from 33.8% in 2005. The gap with the non-Aboriginal population has remained virtually unchanged as a result of a similar increase in dependency on government transfers by the non-Aboriginal population.
- The rate of self-employment among the Aboriginal population, an indicator of entrepreneurship, declined from 6.8% to 6.4%. The gap with the non-Aboriginal population declined by almost one percentage point as a result of a larger drop in self-employment rates for the non-Aboriginal population.

Several factors have been related to poorer economic outcomes for Aboriginal people. These include remoteness of location, lower educational attainment, insufficient training, lower proficiency in one of the two official languages, lone parenthood, increased geographic movements, and discrimination. Inadequate infrastructure is also associated with poorer economic outcomes, particularly in more isolated First Nations and Inuit communities.

## 2. OUTCOMES FOR FIRST NATIONS ON RESERVE REMAIN WEAK

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Economic conditions for First Nations living on reserve did not improve as much as they did for the Inuit and Métis populations, who have made greater progress in reducing gaps with the non-Aboriginal population. The unemployment rate declined by almost one percentage point for the Inuit population from 2006 to 2011, leading to a two percentage point drop in the gap with the non-Aboriginal population. Income levels, led by Métis, increased for all heritage groups at faster rate than the non-Aboriginal population, resulting in declining gaps. However, income gains were more muted for First Nations on reserve. Also, dependency on government transfers, reflecting weak economic conditions, increased for First Nations communities.

### ***First Nations***

Economic conditions have not improved substantially for First Nations living on reserve and they have made little progress towards achieving outcomes comparable to Canada's non-Aboriginal population. While employment outcomes have generally declined, some slight gains have been made in income outcomes. However, dependency on government transfers has increased for First Nations on reserve as did the gap with the non-Aboriginal population.

For First Nations living on reserve, from 2006 to 2011, the employment rate declined from 39.0% to 35.4%, the participation rate dropped from 52.0% to 47.4% and the unemployment rate increased to 25.2% from 24.9%. Gaps in the employment rate and participation rate increased by 2.1 and 3.9 percentage points respectively, but the gap in the unemployment rate was reduced by almost one percentage point as a result of a greater increase in unemployment for the non-Aboriginal population. Average incomes for First Nation living on reserve have increased by \$2,600 since 2006 to \$18,600 in 2010, the lowest among heritage groups. Both average and median income levels were less than half the level of the non-Aboriginal population in 2010, gaps that have both remained virtually unchanged since 2005. The share of the First Nations population aged 15 years and over living on reserve that are relying on government transfers as their main source of income increased to 54.1% in 2010 from 46.8% in 2005, leading to a 4.5 percentage point increase in the gap with the non-Aboriginal population.

Underlying conditions have generally remained weak. Some gain was made in closing the gap in high school completion rates but the gap in university completion rates increased by almost three percentage points as a result of increasing completion rates in the non-Aboriginal population. The gap in completion rates for college and trades certification increased by 1.3 percentage points as completion rates declined for First Nations on reserve, the only population group where the completion rate declined. Since 2012, another community was added to the list of those under intervention, bringing the total to 151 or about a quarter of all First Nation communities. While progress was made in closing the gap in the proportion of the population living in dwellings needing major repairs, the share of the population living in crowded conditions increased on reserve, the only heritage segment where the gap with the non-Aboriginal population increased for this indicator.



### 3. OUTCOMES FOR INUIT HAVE IMPROVED

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#### *Inuit*

The Inuit population has made some gains towards reducing gaps in outcomes with the non-Aboriginal population. Their unemployment rate declined from 20.3% in 2006 to 19.5% in 2011 leading to a two percentage point drop in the gap with the non-Aboriginal population, the largest drop among all heritage groups. Gains were also made in reducing the average income gap from being 29.0% lower than the non-Aboriginal population in 2006 to 22.7% lower by 2010. The gap in median income was reduced by 4 percentage points. In terms of the distribution of income within population groups, income inequality was lowest for the Inuit population in 2005. However, dependency on government transfers increased by almost three percentage points to close to 36% and self-employment rates declined. Only 3% of Inuit were self-employed, least among all heritage groups.

High school completion rates for the Inuit population increased to 43.4% in 2011 from 39.3% in 2006, but remained the lowest among heritage groups, followed by 44.1% for First Nations on reserve. Essentially no progress has been made by both of these groups in reducing the gap with the non-Aboriginal population, whose high school completion rate stood at 80.6% in 2011.

Similarly, at 4.9%, university completion rates for the Inuit group remained the lowest among heritage groups, next to First Nations on reserve. The gap between the Inuit population and the non-Aboriginal population worsened by 2.1 percentage points, the second largest increase among heritage groups, also next to First Nations on reserve. The university completion rate for the non-Aboriginal population was 25.8%.

Housing conditions remained most crowded for Inuit people, but they made the most progress in reducing the gap with the non-Aboriginal population. However, the proportion of homes in need of major repair increased for Inuit, the only heritage group whose conditions worsened compared to the non-Aboriginal population.

### 4. OUTCOMES FOR MÉTIS WERE HIGHEST AMONG ALL ABORIGINAL GROUPS

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#### *Métis*

Outcomes for the Métis group were highest among heritage groups. They were the only group to experience some outcomes that were better than the non-Aboriginal population. Employment and participation rates were higher than for the non-Aboriginal population and the unemployment rate remained the lowest among heritage groups.

The Métis population made the largest progress among heritage groups in closing the income gap and the gap in dependency on government transfers. The average income gap with the non-Aboriginal population was reduced by 6.7 percentage points from 2005 to 2010. Métis received, on average, \$35,000 in income in 2010, highest among heritage groups, and about \$6,000 less than the non-Aboriginal population. Median income was also lower than the non-Aboriginal population, despite having higher employment and participation rates, indicating lower quality jobs overall in terms of salaries among the Métis population compared to the non-Aboriginal population. The gap in dependency on government transfers decreased by about one percentage point and remained lowest among all heritage groups.

The Métis population also had the highest high school and university completion rates among heritage groups and made the most progress in closing these gaps with the non-Aboriginal population. Both the proportion of the population living in dwellings needing major repair and in crowded conditions were lowest among heritage groups for Métis. Still, the share of the Métis population living in dwellings needing major repairs was almost twice as high as the non-Aboriginal population in 2011. However, the share living in crowded housing was almost one percentage point lower than the non-Aboriginal population in 2011.



## EMPLOYMENT

### i. ABORIGINAL EMPLOYMENT RATE

The employment rate measures the percentage of the total population age 15 years and older that is employed and earning an income. It is an important measure to assess economic progress, as a higher rate of employment signifies an increasing purchasing power and less dependency on government transfers.

**Table 1 – Employment Rate (15 years and older) by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>Benchmark: 2006 Employment Rate</b>	39.0%	54.9%	48.2%	48.9%	63.1%	53.7%	62.7%
<b>2006 Gap with Non-Aboriginals</b> (percentage points)	23.7	7.8	14.5	13.8	-0.4	9.0	–
<b>2011 Employment Rate</b>	35.4%	52.6%	46.4%	48.4%	61.8%	52.1%	61.2%
<b>2011 Gap with Non-Aboriginals</b> (percentage points)	25.8	8.6	14.8	12.8	-0.6	9.1	–
<b>Change in Gap: 2006 to 2011</b> (percentage points)	+2.1	+0.8	+0.3	-1.0	-0.2	+0.1	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

Employment rates declined for all heritage groups from 2006 to 2011. The decline for the overall Aboriginal population was slightly more than the decline for the non-Aboriginal population, resulting in a small increase in the gap in employment rates between the two groups. The larger decline in labour outcomes for the Aboriginal population was driven by declining outcomes for the First Nations population, particularly on reserve. Labour market conditions may have deteriorated more on reserve as a result of a number of factors including increasing gaps in educational outcomes which restrain access to employment opportunities. This challenge is further compounded by geographic remoteness resulting in limited access to employment opportunities and relatively weak infrastructure limiting economic development and growth.

Among heritage groups, the Métis had a higher employment rate than the non-Aboriginal population, while employment rates for First Nations living on reserve declined the most and remained the lowest among all groups. Employment rates for the Inuit population fell the least and the gap with the non-Aboriginal population was reduced by one percentage point.



- The employment rate for the overall Aboriginal population declined slightly more than for the non-Aboriginal population as employment rates declined across all heritage groups from 2006 to 2011. The gap in employment rates between the Aboriginal and non-Aboriginal population inched up from 9.0 percentage points in 2006 to 9.1 percentage points in 2011.
- Disparities among heritage groups widened as employment rates for First Nations declined more than they did for Inuit and Métis. The employment rate for First Nations living on reserve dropped from 39.0% in 2006 to 35.4% in 2011, almost 26 percentage points lower than the non-Aboriginal population. The employment rate for Métis declined to 61.8% in 2006, 0.6 percentage points higher than the non-Aboriginal population.
- The gender gap in employment rates for the Aboriginal population is much less than the gap for the non-Aboriginal population reflecting lower employment rates for Aboriginal men. Aboriginal males had an employment rate of 53.9% in 2011, 3.5 percentage points higher than for Aboriginal women. For the non-Aboriginal population, the employment rate for males was 65.4%, 8.1 percentage points higher than for females.

## ii. ABORIGINAL LABOUR FORCE PARTICIPATION RATE

The labour force participation rate is the share of the population aged 15 years and older that is either employed or unemployed and looking for work. The labour force participation rate indicates the availability of labour supply and the potential output that it can generate. A strong labour force participation rate signals that labour can be a key contributor to long-term economic growth.

**Table 2 – Labour Force Participation Rate (15 years and older) by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>Benchmark:</b>							
<b>2006 Labour Force Participation Rate</b>	52.0%	63.8%	58.8%	61.3%	70.1%	63.0%	66.9%
<b>2006 Gap with Non-Aboriginals (percentage points)</b>	14.9	3.2	8.1	5.6	-3.1	3.9	–
<b>2011 Labour Force Participation Rate</b>	47.4%	62.0%	56.7%	60.2%	68.9%	61.3%	66.2%
<b>2011 Gap with Non-Aboriginals (percentage points)</b>	18.8	4.2	9.5	6.0	-2.7	4.9	–
<b>Change in Gap: 2006 to 2011 (percentage points)</b>	+3.9	+1.0	+1.4	+0.4	+0.4	+1.0	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

The labour force participation rate for the overall Aboriginal population declined more than it did for the non-Aboriginal population from 2006 to 2011, reflecting a decline in participation rates for all heritage groups. As a result, the gap with the non-Aboriginal population widened by one percentage point.

As with employment rates, Métis continued to have a higher participation than the non-Aboriginal population while participation rates for First Nations living on reserve dropped the most and remained lowest among all heritage groups.

- The gap in the participation rates between the Aboriginal and non-Aboriginal population increased from 3.9 percentage points in 2006 to 4.9 percentage points in 2011 as participation rates for Aboriginal people (61.3%) declined more than for Non-Aboriginals (66.2%).
- The participation rate for the Métis groups was 68.9% in 2011, 2.7 percentage points higher than for non-Aboriginals, down from 3.1 percentage points higher in 2006. The participation rate for First Nations on reserve declined by 4.6 percentage points since 2006 to 47.4% in 2011, 19 percentage points lower than for the non-Aboriginal population.
- Aboriginal men had a participation rate that was 6.6 percentage points higher than Aboriginal women in 2011 while the participation rate for non-Aboriginal males was 9.1 percentage points higher than their female counterparts. The smaller Aboriginal gender gap is due to Aboriginal males having a 6.1 percentage points lower participation rate than non-Aboriginal males.

### iii. ABORIGINAL UNEMPLOYMENT RATE

The unemployment rate is the proportion of those in the labour force who are not working. People are considered unemployed if they are available for work and are actively seeking employment but have not found a job. Generally, a lower unemployment rate reflects a stronger economy.

**Table 3 – Unemployment Rate (15 years and older) by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Benchmark:</b>							
<b>2006 Employment Rate</b>	24.9%	14.0%	18.0%	20.3%	10.0%	14.8%	6.3%
<b>2006 Gap with Non-Aboriginals</b> (percentage points)	18.6	7.7	11.7	14.0	3.7	8.5	–
<b>2011 Unemployment Rate</b>	25.2%	15.3%	18.3%	19.5%	10.4%	15.0%	7.5%
<b>2011 Gap with Non-Aboriginals</b> (percentage points)	17.7	7.8	10.8	12.0	2.9	7.5	–
<b>Change in Gap: 2006 to 2011</b> (percentage points)	-0.9	+0.1	-0.9	-2.0	-0.8	-1.0	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.



Overall, the unemployment rate for the Aboriginal population aged 15 years and older remained higher than that of the non-Aboriginal population but the gap has decreased since 2006 as the unemployment rate for Aboriginal people increased less than it did for non-Aboriginals. First Nations on reserve had the highest unemployment rates but unemployment increased the most for First Nations living off reserve, reflecting a larger impact from the 2008-09 economic downturn to unemployment off reserve than on reserve. Métis people continued to have the lowest unemployment rate among Aboriginal heritage groups while Inuit were the only group to experience a drop in unemployment rates.

- Unemployment rates increased for all heritage groups except Inuit since 2006. The unemployment rate for the overall Aboriginal population increased from 14.8% in 2006 to 15% in 2011 while it increased from 6.3% to 7.5% for the non-Aboriginal population, leading to a one percentage point decline in the gap between the two groups from 8.5 percentage points in 2006 to 7.5 percentage points in 2011.
- Métis had the lowest unemployment rate among Aboriginal heritage groups in 2011 at 10.4%. First Nations living on reserve had the highest unemployment rate, increasing to 25.2% in 2011, 17.7% points higher than the non-Aboriginal population. Unemployment rates for First Nations living off reserve increased at about the same pace as for the non-Aboriginal population resulting in a steady gap between the two groups.
- The unemployment rate for Aboriginal men was 3.5 percentage points higher than for Aboriginal women in 2011 while it was less than one percentage point higher for the non-Aboriginal population.

## CORE INDICATOR #2

### INCOME

#### i. AVERAGE ABORIGINAL INCOME

The average income of a population is a key measure of economic progress as it assesses the standard of living enjoyed by citizens. It includes income from employment, government transfers, pensions, and investment sources.<sup>5</sup>

**Table 4 – Average Income (15 years and older) by Heritage Group, 2005 and 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Benchmark:</b>							
<b>2005 Average Income</b>	\$15,958	\$24,519	\$20,940	\$25,461	\$28,226	\$23,889	\$35,872
<b>% Difference with Non-Aboriginals</b>	55.5%	31.6%	41.6%	29.0%	21.3%	33.4%	–
<b>2010 Average Income</b>	\$18,586	\$30,266	\$26,107	\$31,722	\$35,051	\$29,780	\$41,052
<b>% Difference with Non-Aboriginals</b>	54.7%	26.3%	36.4%	22.7%	14.6%	27.5%	–
<b>Change in Gap: 2005 to 2010</b> (percentage points)	-0.8	-5.4	-5.2	-6.3	-6.7	-5.9	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations. Dollar amounts expressed in the current year.

Though the gap in average income between the Aboriginal and non-Aboriginal population aged 15 years and older was reduced since 2005, as incomes for each heritage group increased faster than they did for the non-Aboriginal population, average incomes remain substantially lower than the non-Aboriginal population.

Income increased the fastest for Inuit, followed closely by First Nations living off reserve and Métis, who had the highest average income among the heritage groups. Incomes for First Nations living on reserve increased slightly more than for non-Aboriginals but their income remained lowest at less than half of what was received by the non-Aboriginal population.

<sup>5</sup> Current dollars were examined to avoid imposing a standard adjustment for inflation, which can vary substantially across communities depending on a range of community specific factors, including diverse geographical locations, particularly for remote First Nations and Inuit communities. Further analysis can focus on the impact these factors have on the comparative purchasing power of incomes between Aboriginal and non-Aboriginal populations.



- The average income for the overall Aboriginal population was \$29,780 in 2010, up 24.7% from 2005, compared with a 14.4% increase for the non-Aboriginal population. Average incomes were still 27.5% lower for the Aboriginal population by 2010, an improvement from 33.4% lower in 2005.
- Average incomes increased by about 25% for Inuit, First Nations off reserve and Métis from 2005 to 2010. The gap in average incomes was smallest for Métis with an average income that was 14.6% lower than the non-Aboriginal population. Average incomes for First Nations on reserve increased the least, rising by 16.5% from 2005 to 2010, slightly higher than for the non-Aboriginal population. As a result, the gap between the two groups remained steady at about 55% less income received for First Nations on reserve than for the non-Aboriginal population in 2010.
- The average income for Aboriginal men in 2010 was \$33,570, about \$7,000 higher than for Aboriginal women. This gap was less than half the size of the income gender gap in the non-Aboriginal population reflecting the smaller gap in male and female employment rates in the Aboriginal population compared to the non-Aboriginal population.

## ii. MEDIAN ABORIGINAL INCOME

The median is the level of income at which half the population in the income distribution had higher income and half had lower. The median is generally seen as a more robust indicator than the average because it is not affected by outliers. The median can be particularly useful for Aboriginal income level research where the income of a generally small group of high income earners makes the economic status of the entire group appear higher than it really is when using average incomes. As in the case of average income, median income includes income from employment, government, retirement and investment sources, and is an important measure of economic progress.

**Table 5 – Median Income (15 years and older) by Heritage Group, 2005 and 2010, Canada**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>Benchmark:</b>							
<b>2005 Median Income</b>	\$11,223	\$17,464	\$14,477	\$16,969	\$20,935	\$16,752	\$25,955
<b>% Difference with Non-Aboriginals</b>	56.8%	32.7%	44.2%	34.6%	19.3%	35.5%	–
<b>2010 Median Income</b>	\$13,182	\$21,521	\$17,903	\$20,961	\$26,173	\$20,701	\$30,195
<b>% Difference with Non-Aboriginals</b>	56.3%	28.7%	40.7%	30.6%	13.3%	31.4%	–
<b>Change in Gap: 2010 – 2005 (percentage points)</b>	-0.4	-4.0	-3.5	-4.0	-6.0	-4.0	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations. Dollar amounts expressed in the current year.



The gaps in median incomes are higher than the gaps in average incomes for all Aboriginal heritage groups except Métis, reflecting the relatively larger influence of higher incomes in raising the level of average incomes for the Aboriginal population than for the non-Aboriginal population. Median income was lowest for First Nations on reserve. Although median income was highest for the Métis population among Aboriginal heritage groups, they were 13% lower than the non-Aboriginal population in 2010, despite having higher employment and participation rates than the non-Aboriginal population. This indicates that the quality of jobs in terms of salaries were lower for the Métis population than the non-Aboriginal population. Overall, the median income for the total Aboriginal population was about two thirds that of the non-Aboriginal population in 2010.

- The median income for the overall Aboriginal population was \$20,701 in 2010, 31.4% lower than the non-Aboriginal population. The gap in median incomes was smallest for Métis (13.3%) while it was largest for First Nations on reserve (56.3%) where median incomes have remained less than half that of the non-Aboriginal population since 2005.
- Gaps with the non-Aboriginal population were 1.3 percentage points lower for Métis when using median incomes instead of average incomes while they were 1.6 percentage points higher for First Nations on reserve, 2.4 percentage points higher for First Nations off reserve, and 7.9 percentage points higher for Inuit, as median income levels are not influenced by outliers from higher income recipients.
- In 2010, the median income for Aboriginal men was \$22,924 compared with \$19,289 for Aboriginal women. The gender gap was less than that for the non-Aboriginal population. Median incomes were 37% lower for Aboriginal men than for non-Aboriginal men while it was 22% lower for Aboriginal women than non-Aboriginal women.



### iii. ABORIGINAL INCOME RECEIVED THROUGH GOVERNMENT TRANSFERS

Income received through government transfers measures the proportion of total income received from government sources, such as Old Age Security Pensions, Guaranteed Income Supplements, Canada or Quebec Pension Plan benefits, child benefits, Employment Insurance benefits, and other income from government sources including social assistance.

**Table 6 – Proportion of Income Received from Government Transfers (15 years and older) by Heritage Group, 2005 and 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>Benchmark:</b>							
<b>2005 % of Income from Transfers</b>	28.6%	18.6%	21.8%	17.7%	13.8%	18.1%	10.9%
<b>2005 Gap with Non-Aboriginals</b> (percentage points)	17.7	7.7	10.9	6.8	2.9	7.2	–
<b>2010 % of Income from Transfers</b>	31.5%	19.3%	22.4%	18.5%	14.1%	18.5%	12.2%
<b>2010 Gap with Non-Aboriginals</b> (percentage points)	19.3	7.1	10.2	6.3	1.9	6.3	–
<b>Change in Gap: 2005 to 2010</b> (percentage points)	+1.6	-0.6	-0.7	-0.5	-1.0	-0.9	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

The proportion of income received from government transfers increased for all heritage groups from 2005 to 2010. The increase for the overall Aboriginal population was less than the increase for the non-Aboriginal population leading to a declining gap between the two groups.

The Métis population had the lowest proportion of income received from government transfers among heritage groups, while First Nations living on reserve had the highest. The share of income received from government transfers also increased the most for First Nations on reserve and they were the only heritage group to see an increase in the gap with the non-Aboriginal population.

- The gap in the share of income received from government transfers declined by almost 1% between the overall Aboriginal population and the non-Aboriginal population from 2005 to 2010. For the Aboriginal population, the proportion of income received from government transfers nudged up less than half a percent to 18.5% in 2010 while it increased to 12.2% for the non-Aboriginal population from 10.9% in 2005.
- The share of income from government transfers increased slightly for Métis to 14.1% in 2010. First Nations living on reserve received 31.5% of their income from transfers in 2010, up from 28.6% in 2005. Their gap with the non-Aboriginal population increased by 1.6 percentage points to 19.3 percentage points in 2010.
- Aboriginal women received 24.9% of their income from government transfers in comparison to Aboriginal men with 13.0%. The gender gap for the non-Aboriginal population was smaller at 7.6 percentage points.

#### iv. MAIN SOURCE OF ABORIGINAL INCOME FROM GOVERNMENT TRANSFERS

This measure provides another indicator of government dependency for income as it measures the percentage of the population in each heritage group whose main source of income was from such government transfers as Old Age Security Pensions, Guaranteed Income Supplements, Canada or Quebec Pension Plan benefits, child benefits, Employment Insurance benefits, and other income from government sources including social assistance.

**Table 7 – Proportion of Individuals (15 years and older) with Main Source of Income from Government Transfers by Heritage Group, 2005 and 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Benchmark:</b>							
<b>2005 Major Proportion of Income from Transfers</b>	46.8%	33.7%	39.1%	33.1%	25.4%	33.8%	22.7%
<b>2005 Gap with Non-Aboriginals (percentage points)</b>	24.1	11.0	16.4	10.4	2.7	11.1	–
<b>2010 Major Proportion of Income from Transfers</b>	54.1%	36.0%	42.5%	35.7%	27.4%	36.5%	25.6%
<b>2010 Gap with Non-Aboriginals (percentage points)</b>	28.6	10.5	16.9	10.1	1.8	11.0	–
<b>Change in Gap: 2005 to 2010 (percentage points)</b>	+4.5	-0.5	+0.5	-0.2	-0.8	-0.1	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.



The share of the population that relied on government transfers as their main source of income increased by almost 3.0 percentage points for both the overall Aboriginal and non-Aboriginal populations resulting in the gap between the two remaining steady at 11 percentage points.

The increase for the Aboriginal population was led by First Nations living on reserve, increasing twice as fast as for Inuit and Métis. First Nations on reserve was the only heritage group whose gap with the non-Aboriginal population increased. The Métis group saw the largest decline in the gap with non-Aboriginal people and had the lowest share of the population mainly reliant on government transfers among heritage groups.

- In 2010, the proportion of Aboriginal individuals age 15 years and older deriving their main source of income from government transfers was 36.5% compared to 25.6% for the non-Aboriginal population.
- The gap with non-Aboriginal people declined slightly to 11.0 percentage points in 2010. For First Nations living on reserve, the gap increased by 4.5 percentage points to 28.6 percentage points.
- Over half of First Nations living on reserve (54.1%) had government transfers as their main source of income in 2010, up from 46.8% in 2005. The Métis had the lowest share at 27.4%.
- A much larger percentage of Aboriginal women had their main source of income from government transfers (38.1%) in 2010 than Aboriginal men (28.5%). The gender gap was slightly smaller for non-Aboriginal Canadians.

## v. INCOME INEQUALITY

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Income inequality has been, and continues to be, a growing area of inquiry and public discourse among international bodies such as the World Economic Forum, the Organization for Economic Cooperation and Development, and the International Monetary Fund. Many organizations in Canada are actively engaged on this topic, such as the Conference Board of Canada, Statistics Canada, and Employment and Skills Development Canada, among others. In particular, the December 2013 Report of the Standing Committee on Finance, *Income Inequality in Canada: An Overview*, investigates growing income inequality in Canada, and highlights income gaps between First Nations and non-Aboriginal Canadians as a key issue.

Income inequality measures economic disparities between the rich and the poor. To some extent, inequality can boost growth. However, high-income inequality is detrimental to economic growth, as it concentrates purchasing power with a relatively wealthy few and limits others' access to development opportunities such as education, credit, and social services. It is also viewed as a social concern that prevents equality of opportunity.

Measures of income inequality can be used to track the ways in which wealth is distributed in and across communities and help improve efforts to measure well-being including assessing relative long-term economic outcomes for the Aboriginal population and the effectiveness of AANDC's interventions. The Gini index is a commonly used indicator of income inequality as it provides an encompassing statistical measure on the dispersion of an income distribution. The Gini coefficient index ranges from 0 to 1. A higher index number indicates greater income inequality: 0 represents perfect equality (where everyone has the same income) and 1 represents perfect income inequality (where one person has all the income, and everyone else has zero income). The Gini index was derived for 2000 and 2005 in an internal research

study for various population subgroups, including the total Aboriginal population, the total First Nation population, Métis, Inuit and the non-Aboriginal population, to analyze differences in how total income was distributed among these population groups over time.

**Table 8 – Gini Index of Income Inequality by Heritage Group, 2000 and 2005**

	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>2000 Gini Index</b>	0.42	0.37	0.39	0.41	0.37
<b>2000 Gap with Non-Aboriginals</b> (percentage points)	0.05	0.0	0.02	0.04	–
<b>2005 Gini Index</b>	0.41	0.36	0.37	0.41	0.39
<b>2005 Gap with Non-Aboriginals</b> (index points)	0.02	-0.03	-0.02	0.02	–
<b>Change in Gap: 2005 to 2010</b> (index points)	-0.03	-0.03	-0.04	-0.02	–

**Source:** AANDC internal study. The study is currently being updated to provide the latest Gini index data on income inequality. Indices were calculated based on income of individuals, where each individual is represented by their adjusted economic family income to account for cost sharing and family size.

Income inequality for the overall Aboriginal population remained the same from 2000 to 2005 reflecting little change in income inequality for the total First Nations and Inuit population. Income inequality declined the most for the Métis population. Income inequality for the non-Aboriginal population increased moderately between 2000 and 2005. As a result, there has been a narrowing in the income inequality gap between all Aboriginal heritage groups and the non-Aboriginal population from 2000 to 2005. Further work will be undertaken using National Household Survey (NHS) microdata to determine whether these trends have continued since 2005. In addition, the income inequality research can be expanded to compare income mobility within population groups, to assess the ability of First Nations, Inuit and Métis to move to higher income classes and ranges.

- Income inequality for the overall Aboriginal population remained higher than that of the non-Aboriginal population in 2005; the Gini index for the Aboriginal population was 2 index points higher than for the total non-Aboriginal population. Among Aboriginal heritage groups, income inequality for the Inuit population was 0.36 in 2005, the lowest among all population groups.
- The gap with the non-Aboriginal population declined by 2 index points from 2000 to 2005. The gap was reduced for all heritage groups with the largest decline occurring for the Métis population.



### COMMUNITY WELL-BEING

#### i. COMMUNITY WELL-BEING INDEX

The Community Well-Being (CWB) Index examines the well-being of individual communities using a variety of indicators of socio-economic well-being, including education, labour force activity, income and housing. These indicators were derived from Statistics Canada's 2006 Census of Population and 2011 National Household Survey (NHS) and combined to give each community a well-being score. These scores provide a means to compare well-being over time for First Nations and Inuit communities with well-being scores in Non-Aboriginal communities.

**Table 9 – Community Well-Being Scores, 2006 and 2011**

	FIRST NATIONS COMMUNITIES	INUIT COMMUNITIES	NON-ABORIGINAL COMMUNITIES
<b>Benchmark:</b>			
<b>Average Score (2006)</b>	57.4	61.6	76.7
Gap with other Canadian Communities	19.3	15.1	–
<b>Average Score (2011)</b>	58.7	62.6	78.7
Gap with other Canadian Communities	20.0	16.1	–

**Source:** AANDC. Methodological details on the derivation of the CWB scores are available on AANDC's website.

- Community well-being scores increased by 1.3 points for First Nations communities and by 1 point for Inuit communities from 2006 to 2011 compared with 2 points for non-Aboriginal communities.
- The gap in CWB scores between First Nations communities and non-Aboriginal communities increased by 0.7 points from 2006 to 2011 and by 1 point for Inuit communities.
- 98 of the 100 communities with the lowest CWB scores in Canada in 2011 were First Nations. Two of the top 100 communities were First Nations.



## UNDERLYING INDICATOR #1

### EDUCATION

#### i. ABORIGINAL HIGH SCHOOL COMPLETION

Successfully completing high school can have a long-term economic impact, not only on individual students, but also on their families and communities as the lack of a high school diploma is strongly correlated with poorer economic outcomes including a higher unemployment rate and lower income levels.

**Table 10 – Proportion of Population with at least a High School Diploma (15 years and older) by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Benchmark: 2006 High School Completion Rate</b>	40.2%	59.9%	51.6%	39.3%	65.4%	56.3%	76.9%
<b>2006 Gap with Non-Aboriginals (percentage points)</b>	36.7	17.0	25.3	37.6	11.5	20.6	–
<b>2011 High School Completion Rate</b>	44.1%	65.0%	57.4%	43.4%	71.0%	62.0%	80.6%
<b>2011 Gap with Non-Aboriginals (percentage points)</b>	36.5	15.5	23.1	37.1	9.5	18.5	–
<b>Change in Gap: 2006 to 2011 (percentage points)</b>	-0.2	-1.5	-2.2	-0.4	-1.9	-2.0	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

High school completion rates increased for all Aboriginal heritage groups at a faster rate than for the non-Aboriginal population resulting in a decline in the gap between the overall Aboriginal and non-Aboriginal populations. Although the gap decreased, high school completion rates for the overall Aboriginal population remained substantially lower than for the non-Aboriginal population.

Among heritage groups, the Métis population achieved the largest decline in the gap with the non-Aboriginal population followed by First Nations living off reserve, reflecting the impact that greater economic opportunities in urban areas can have on the motivation to pursue and complete education. The drop in the gap with the non-Aboriginal population was smallest for First Nations on reserve and Inuit.



- In 2011, 62% of the Aboriginal population age 15 years and older had completed high school, compared to 80.6% of the non-Aboriginal population.
- Since 2006, the gap in the high school completion rate between the Aboriginal and non-Aboriginal populations decreased by two percentage points to 18.5 percentage points by 2011.
- In 2011, Métis had the highest high school completion rate (71%) followed by First Nations living off reserve (65%). First Nations on reserve had the second lowest rate (44.1%) next to Inuit people (43.4%).
- More Aboriginal women (64.4%) obtain high school certification than Aboriginal men (59.4%), a gender gap that was much larger than in the non-Aboriginal population (0.9 percentage points).

## ii. ABORIGINAL COLLEGE/TRADES COMPLETION

Obtaining a post-secondary education can develop the skills needed to achieve better labour market outcomes and build stronger communities and businesses in the 21st century knowledge-based economy. Earning a college diploma or a trade certificate provides the employability skills and training needed for successful job placement and improved earnings prospects.

**Table 11 – Proportion of Population with a College, Trades/Apprenticeship or Other Non-University Certificate, Diploma or Degree (15 years and older) by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>2006 College Completion Rate</b>	20.8%	27.9%	27.7%	21.5%	30.0%	25.9%	28.2%
<b>2006 Gap with Non-Aboriginals</b> (percentage points)	7.4%	0.3%	0.5%	6.7%	-1.8%	2.3%	–
<b>2011 College Completion Rate</b>	20.4%	28.3%	25.4%	21.6%	32.4%	27.9%	29.1%
<b>2011 Gap with Non-Aboriginals</b> (percentage points)	8.7%	0.8%	3.7%	7.5%	-3.3%	1.2%	–
<b>Change in Gap: 2006 to 2011</b> (percentage points)	+1.3%	+0.5%	+3.2%	+0.8%	-1.5%	-1.1%	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

The share of the total Aboriginal population age 15 years and older with a college or trades/apprenticeship certificate was modestly lower than for the non-Aboriginal population in 2011. The decline in the gap between the two population groups from 2006 to 2011 was largely driven by increases in completion rates by the Métis population. Completion rates increased slightly for First Nations living off reserve and Inuit while they declined for First Nations living on reserve, the only heritage groups where completion rates declined from 2006 to 2011.

- The share of the overall Aboriginal population with a college or trade certificate in 2011 was 27.9%, compared to 29.1% for the non-Aboriginal population. The gap between the two population groups was reduced by 1.1 percentage points from 2005 to 2011.
- The completion rate for the Métis population (32.4%) remained higher than for the non-Aboriginal population (29.1%) in 2011. The completion rate for the non-Aboriginal population fell a further 1.5 percentage points behind the Métis completion rate from 2006 to 2011. Gaps in completion rates increased for all other Aboriginal heritage groups.
- Completion rates increased by less than half a percentage point for First Nations living off reserve and Inuit. They declined by 0.4 percentage points for First Nations on reserve as the gap with the non-Aboriginal population widened by 1.3 percentage points.

### iii. ABORIGINAL UNIVERSITY COMPLETION

Earning a university degree provides a critical advantage in today's job market. A large share of jobs facing skills shortages require a university degree, such as positions for managers and engineers in architecture, science, health, and education. In addition, research has shown that income increases more rapidly for university graduates in full-time positions, compared with employees in trades, apprenticeship positions or with college diplomas.

**Table 12 – Proportion of Population with a University Certificate, Diploma, or Degree Completion Rate (15 years and older) by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>Benchmark:</b>							
<b>2006 University Completion Rate</b>	5.7%	9.8%	8.1%	4.2%	9.8%	8.6%	23.0%
<b>2006 Gap with Non-Aboriginals</b> (percentage points)	17.4	13.2	14.9	18.8	13.2	14.4	–
<b>2011 University Completion Rate</b>	5.7%	11.1%	9.1%	4.9%	12.2%	10.2%	25.8%
<b>2011 Gap with Non-Aboriginals</b> (percentage points)	20.1	14.8	16.7	20.9	13.6	15.6	–
<b>Change in Gap: 2006 to 2011</b> (percentage points)	+2.8	+1.6	+1.8	+2.1	+0.4	+1.2	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.



The university completion rates of the total Aboriginal population age 15 years and older remained much lower than that of the non-Aboriginal population in 2011. University completion rates increased for all heritage groups except First Nations living on reserve. Overall, university completion rates for the total Aboriginal population fell further behind the non-Aboriginal population by 2011.

- In 2011, the university completion rate for the Aboriginal population was 10.2% compared to 25.8% for the non-Aboriginal population, a gap that has grown by 1.2 percentage points since 2006.
- The Métis population had the highest university completion rates of all Aboriginal heritage groups at 12.2%, while the Inuit population had the lowest (4.9%). The university completion rate for First Nations on reserve did not change and remained at 5.7% in 2011.
- In 2011, Aboriginal women had a higher university completion rate (12.7%) than their male counterparts (7.6%). The gender gap for the non-Aboriginal population was much smaller (1.2 percentage points in favour of females).

## UNDERLYING INDICATOR #2

### ENTREPRENEURSHIP AND BUSINESS DEVELOPMENT

Aboriginal business owners face unique challenges including those related to legislation in the *Indian Act*, remoteness of location, and access to financing, particularly on a large scale. Aboriginal entrepreneurs often rely on their own resources for both start-up and ongoing financing, and accessing capital is seen as an obstacle to growth. The proportion of self-employed people along with the profits and revenues earned by Aboriginal businesses provide indicators of the level of business development created by Aboriginal entrepreneurs in the face of these challenges.

#### i. ABORIGINAL SELF-EMPLOYMENT

Self-employment refers to individuals who are employed for themselves, or work without pay for a family business. While many self-employed individuals work alone, many are owners of small businesses and employ paid workers.

**Table 13 – Proportion of Workers who are Self-Employed by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Benchmark:</b>							
<b>2006 % of Self-Employed</b>	3.6%	7.1%	5.8%	3.3%	8.5%	6.8%	12.0%
<b>2006 Gap with Non-Aboriginals</b> (percentage points)	8.4	4.9	6.2	8.7	3.5	5.3	–
<b>2011 % of Self-Employed</b>	3.0%	6.1%	5.2%	3.0%	8.2%	6.4%	10.8%
<b>2011 Gap with Non-Aboriginals</b> (percentage points)	7.8	4.7	5.6	7.8	2.6	4.4	–
<b>Change in Gap: 2006 to 2011</b> (percentage points)	-0.6	-0.2	-0.6	-0.9	-0.9	-0.9	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

The self-employment rate for the Aboriginal population declined for all heritage groups, reflecting the impact on business activity from the 2008-09 economic downturn. The overall decline for the Aboriginal population was less than for the non-Aboriginal population resulting in a decrease in the gap with the non-Aboriginal population. Among Aboriginal heritage groups, the Métis population has the highest proportion of self-employed, while First Nations living on reserve and the Inuit population had the lowest.



- In 2011, the self-employment rate for the Aboriginal population age years 15 and older was 6.4%, in comparison to 10.8% for the non-Aboriginal population.
- The gap between Aboriginal People and non-Aboriginal Canadians decreased from 5.3 percentage points in 2006 to 4.4 percentage points in 2011.
- The self-employment rate for First Nations living on reserve and Inuit in 2011 was 3.0%, lowest among all heritage groups. It was highest for Métis at 8.2%.

## ii. SIZE, PROFIT AND REVENUE OF ABORIGINAL-OWNED BUSINESSES

As of March 2015, the Canadian Council for Aboriginal Business (CCAB) has not repeated its 2011 Aboriginal Business Survey, the source of data used in the previous report on the size, profit and revenue of Aboriginal-owned businesses. As a result, data for this section have not been updated.

**Table 14 – Size, Profit and Revenue of Aboriginal-owned Small Businesses**

	% OF SMALL BUSINESSES WITH ONE OR MORE EMPLOYEES	% OF SMALL BUSINESSES REPORTING A NET PROFIT IN PREVIOUS FISCAL YEAR	% OF PROFITABLE SMALL BUSINESSES WITH NET PROFITS OF UP TO \$50,000	% OF PROFITABLE SMALL BUSINESSES WITH NET PROFITS OVER \$90,000
<b>Benchmark:</b> <b>2011 CCAB Survey</b>	37%	61%	51%	19%
<b>2014 Level</b>	N/A	N/A	N/A	N/A

**Source:** 2011, Canadian Council for Aboriginal Business.

**Note:** The 2011 Aboriginal Business Survey results are based on a representative sample of 1,095 self-identified First Nations (on and off-reserve), Métis and Inuit small business owners. Small business owners were defined as those with 100 employees or less.

The 2011 Aboriginal Business Survey provides data on Aboriginal small businesses. Small businesses were defined as those with 100 employees or less. According to the survey, 98% of all businesses in Canada are classified as small businesses.

As reported in the previous *Benchmarking Report*, the 2011 Aboriginal Business Survey showed that almost two thirds of Aboriginal small businesses were profitable. About half of profitable Aboriginal small businesses earned an annual net profit of under \$50,000. Aboriginal small businesses with similar locations, industries, and Aboriginal heritage groups reported similar net profits. Almost three quarters of small Aboriginal companies expected their revenues to grow within the next two years. Of those reporting losses, almost half reported a loss lower than \$10,000. Less than 5% reported a loss greater than \$90,000.

- According to the CCAB, in 2011 approximately 61% of Aboriginal business owners reported a net profit in their most recent fiscal year.
- Thirty-five percent of Aboriginal business saw their revenues increase between 2009 and 2010, while 24% saw them decrease.
- Approximately 71% of Aboriginal companies anticipated revenues to increase over the next two years.
- Fifty-one percent of profitable Aboriginal businesses posted net profits under \$50,000. Nineteen percent reported profits over \$90,000. Among those reporting losses, 45% reported a nominal loss of less than \$10,000, while 3% reported a loss of \$90,000 or more.

## UNDERLYING INDICATOR #3

### GOVERNANCE

The structural issues that make up the economic climate on reserve are fundamental to the economic well-being of First Nations. Strong governance plays a key role in creating the right structural conditions to foster economic development on reserve lands. Due to the lack of available measures for benchmarking governance across all Aboriginal heritage groups, the NAEDB has identified community intervention status and property taxation as indirect measures of community governance. These measures provide limited indicators of sound management practices and transparency within First Nation communities as the context and circumstances of individual communities impacts the implications of intervention and property taxation status.

#### i. COMMUNITY INTERVENTION STATUS

The intervention status of a community most directly measures its ability to manage funds provided by AANDC. Community intervention status data provides an indirect measure of the number of communities where governance challenges may exist largely based on financial management issues. Since communities under intervention may be performing well in a number of other areas, it is not a general measure of well-being.

Recipient Managed, Co-Managed, and Third-Party Managed are three levels of intervention used by the government to manage funding agreements with First Nations that have defaulted on their funding agreements. In a Recipient Managed case, the First Nation is required to draft a plan to address the issues causing the default, and to report on their progress. In a Co-Managed case, a moderate level of intervention is deemed necessary when the recipient is willing to remedy the default but lacks the capacity to do so. A Third-Party managed intervention is used for a higher level of intervention, when it is determined there is a high risk to the funding provided or the recipient is unwilling or unable to address and remedy the issue or the difficulties that gave rise to the defaulted agreement.

**Table 15 – Number of First Nations under Intervention, 2012 and 2014**

	RECIPIENT MANAGED	CO-MANAGED	THIRD PARTY MANAGED	TOTAL
<b>Benchmark:</b>				
<b># of Communities – 2012</b>	72	66	12	<b>150</b>
<b>% of All First Nations Communities – 2012</b>	11.7%	10.7%	1.9%	<b>24.3%</b>
<b># of Communities – 2014</b>	75	64	12	<b>151</b>
<b>% of All First Nations Communities – 2014<sup>6</sup></b>	12.2%	10.4%	1.9%	<b>24.5%</b>

**Source:** 2012 and 2014, AANDC.

<sup>6</sup> Percentages calculated using a figure of 617 First Nations as reported by AANDC in 2014.





There has been little change in the number of communities under intervention over the last two years. Historical data shows that the number of communities under intervention has decreased by close to 20% since 2002. As of March 31, 2014, less than a quarter of all First Nation communities were under some form of intervention. Less than 2% of all First Nation communities were third party managed.

- In 2002-2003, 183 communities were under intervention status. This dropped to 151 communities by 2014, 24.5% of all First Nation communities.
- About half of communities under intervention status were recipient managed, where the First Nation is responsible for developing a remedial management plan.

## ii. PROPERTY TAXATION STATUS

Property taxation provides communities with access to stable revenue streams that can be reinvested into infrastructure and services, and provides communities greater autonomy in spending-related decisions independent of federal government involvement.

As a means to further benefit from economic activity occurring in Aboriginal communities, First Nations can also leverage real property taxation on reserve. First Nations have two means of instituting property taxation frameworks on reserve: developing bylaws under section 83 of the Indian Act, or under the authority of the FNFMA. Responsible financial management practices, the basis of effective and transparent governance, are an integral part of applying either regime.

The taxation regimes under which section 83 and the FNFMA operate are significantly differently. However, the integrated relationship between good governance and an active property taxation framework is a common component to establishing greater control in financial matters and building economic success and independence.

Early observations suggest that First Nations that have real property taxation bylaws tend to have better economic outcomes than those that do not. First Nations that have had property tax bylaws for longer periods of time demonstrate significantly higher outcomes than First Nations both with and without property tax bylaws.

**Table 16 – Number of First Nations with Property Assessment and Taxation Bylaws, 2012 and 2014**

	BYLAWS UNDER FNFMA	BYLAWS UNDER S. 83	CURRENTLY APPLYING PROPERTY TAX
<b>Benchmark: Taxation Status – 2012</b>	28	63	<b>91</b>
<b>% of All First Nations Communities – 2012</b>	4.5%	10.2%	<b>14.7%</b>
<b>Taxation Status – 2014</b>	68	56	<b>124</b>
<b>% of All First Nations Communities – 2014<sup>7</sup></b>	11.0%	9.1%	<b>20.1%</b>

**Source:** 2012 and 2014, First Nations Tax Commission.

<sup>7</sup> Percentages calculated using a figure of 617 First Nations as reported by AANDC in 2014.

About one in five First Nation communities are currently applying property taxation, about one third more than in 2012. This increase has been led by growth in the number of communities implementing property taxation under the *First Nations Fiscal Management Act* (FNFMA), which has more than doubled over the last 2 years. The number of communities using s.83 has declined by over 10% during the past two years.

- In 2014, 20.1% of First Nations communities had implemented property taxation, up from 14.7% in 2012.
- The number of communities applying property taxation under FNFMA in 2014 was almost two and half times higher than in 2012. The number of communities using s.83 decreased by 11.1%.

**iii. FINANCIAL MANAGEMENT CERTIFICATION**

The number of First Nations communities certified by the First Nations Financial Management Board (FNFMB) is a new measure that the NAEDB is including in its *Aboriginal Economic Progress Report*. Financial Performance Certification and Financial Management Systems Certification are based upon the standards established by the FNFMB. The FNFMB provides First Nations communities with the tools and processes to facilitate long-term economic development. Certification is one of the primary business lines of the FNFMB. Participation in the FNFMA, including accessing the services provided by the FNFMB, is optional and allows participating communities to take advantage of services such as financial administration law development, financial performance certification, financial management system certification, and capacity development opportunities.

**Table 17 – Number of First Nations Communities Certified by the First Nations Financial Management Board as of March 31, 2014**

FIRST NATIONS FINANCIAL MANAGEMENT BOARD CERTIFICATION	
# of Communities – 2014	34

**Source:** 2014, AANDC

Thirty four communities had obtained FNFMB certification by 2014, about 5% of all communities. The NAEDB will continue to track the Board’s certification as an indicator of sound financial management capacity.

## UNDERLYING INDICATOR #4

### LANDS AND RESOURCES

As the Aboriginal land base continues to grow through land claim settlement and additions to reserve, new economic development options are created. Aboriginal control over its land base constitutes a key success factor for maximizing benefits from economic opportunities such as mining development and agriculture, and for commercial and residential development.

#### i. FIRST NATIONS LAND MANAGEMENT ACT

The *First Nations Land Management Act* (FNLMA) removes First Nations from the land management provisions of the *Indian Act*, enabling them to assume management over their reserve lands, develop land codes, and hold law-making authority respecting the conservation, protection, management, development, possession and use of First Nations' land. The FNLMA supports First Nations' ability to manage their lands more effectively and efficiently than under the *Indian Act*, providing unrestricted access to manage their lands and make timely business and administrative decisions to accelerate their land use planning, resource management and economic development. Although providing greater powers over their land, First Nation communities under the FNLMA bear the liability and cost of their own environmental and land management reviews and process with limited financial support under this regime.

Measuring the number of First Nation communities under FNLMA status is an indicator of the movement toward greater control over their lands.

**Table 18 – Number of First Nations in the FNLMA by Status, as of March 31, 2012 and 2014**

	IN DEVELOPMENT	OPERATIONAL	MOVED TO SELF-GOVERNMENT	TOTAL IN FNLMA
<b>Benchmark:</b>				
<b># of Communities – 2012</b>	32	35	2	<b>69</b>
<b>% of All First Nations with FNLMA Status – 2012</b>	5.1%	5.5%	0.3%	<b>10.9%</b>
<b># of Communities – 2014</b>	58	36	2	<b>96</b>
<b>% of All First Nations with FNLMA Status – 2014<sup>8</sup></b>	9.2%	5.7%	0.3%	<b>15.2%</b>

**Source:** 2012 and 2014, AANDC.

**Note:** Differences in First Nations who are signatories to the Framework Agreement and are on the Schedule of the *FNLMA* but not currently active in exercising their authorities explain the discrepancy with the numbers from the 2012 *Aboriginal Economic Benchmarking Report*.

<sup>8</sup> Percentages calculated based on the number of registered First Nation Communities.

The number of First Nations participating in the FNLMA has increased by almost 40% from 2012 to 2014. Although only one new community developed an operational land management code, the number of communities in the development of land codes almost doubled, reflecting the interest in pursuing greater control over lands through this legislation.

- The number of First Nations participating in the FNLMA increased by 39.1% from 2012 to 2014.
- 15.2%, or about one in six First Nations participated in the FNLMA in 2014.

## ii. COMPREHENSIVE LAND CLAIM AND SELF-GOVERNMENT AGREEMENTS

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Comprehensive land claims agreements (CLCA) are negotiated where Aboriginal rights and title have not been addressed by historic treaties or other legal means, or where there remains outstanding disagreement around the terms of those treaties. In these areas, forward-looking agreements, also known as “modern treaties”, are negotiated between the Aboriginal group, Canada, and the province or territory. While each agreement is unique, they usually include provisions around land ownership and management, money, wildlife harvesting rights, participation in land, resource, water, wildlife and environmental management and measures to support economic development and protect Aboriginal culture.

These treaties are implemented through legislation and this remains the most comprehensive way of addressing Aboriginal rights and title. Achieving more treaties has the potential to broadly improve the climate for economic development as they are a critical piece in achieving lasting certainty about ownership, use and management of land and resources for all parties. Some treaties have also included provisions relating to Aboriginal self-government. Self-Government Agreements (SGAs) are legal arrangements providing Aboriginal groups with greater responsibility and control over their internal affairs and decision-making.

Aboriginal participation in the economy in Nunavut, the Yukon and the Northwest Territories has expanded in the years since land claim agreements were implemented and these agreements have been a factor in increasing the participation of Aboriginal people in the economy. Funds obtained through the agreements have contributed to the establishment of a range of industrial and service businesses. New regulatory processes in the area of resource development have increased clarity about land access and ownership and facilitated the establishment of joint ventures. These factors have collectively improved the environment for economic development, positioning Aboriginal stakeholders as key decision makers in and beneficiaries from development projects.

While there are about 100 comprehensive land claim and self-government negotiation tables across the country in various stages of progress as of March 2014, not all Aboriginal groups choose to pursue a CLCA or SGA. Other processes exist to promote Aboriginal interests in land and resource management, strengthen internal governance of Aboriginal communities, and to settle historic claims, such as Specific Claims, or non binding agreements. However, given the broad reach in terms of both geography and the number of communities involved in CLCAs and SGAs, this measure can serve as one assessment of the number of Aboriginal communities with greater control over their lands and resources.



**Table 19 – Number of Comprehensive Land Claim and Self-Government Agreements Ratified, 2012 and 2014**

	CLCAs RATIFIED	STAND-ALONE SGAs RATIFIED	COMMUNITIES INVOLVED IN RATIFIED AGREEMENTS
# of Communities – 2012	24	2	96
# of Communities – 2014	26	3	96

**Source:** 2012 and 2014, AANDC.

Canada and its negotiation partners have signed 26 comprehensive land claim and self-government agreements since 1973, involving 96 different communities. Of the 26 signed agreements, 18 included provisions related to self-government. These 26 settlements have provided: Aboriginal ownership over 600,000 km<sup>2</sup> of land (almost the size of Manitoba); capital transfers of over \$3.2 billion; protection of traditional ways of life; access to resource development opportunities; participation in land and resources management decisions; certainty with respect to Aboriginal land rights in approximately 40% of Canada's land mass; and associated self-government rights and political recognition.

## UNDERLYING INDICATOR #5

### INFRASTRUCTURE

Investments in modern infrastructure lay the foundations for economic development and growth. The construction of roads, railways and essential public utilities infrastructure and services have underpinned growth and prosperity in the 20th century. Developing transportation infrastructure improves productivity, complements employment growth, and increases market activity by lowering transportation costs. More recently, investments in advanced communications and integrated global networking services have provided a launching pad for the modern 21st century economy.

Infrastructure investments can similarly accelerate economic development in less prosperous areas and have long-term impacts on economic growth. Communities that invest in infrastructure are better positioned to attract direct investment, stimulate commerce and support local businesses. Developing infrastructure enhances a region's productivity, consequently making firms more competitive and boosting its economy. Not only does infrastructure enhance the efficiency of production, transportation and communication, but it also provides economic incentives to public and private sector participants. The accessibility and quality of infrastructure in an area can largely influence investment decisions and determines the region's attractiveness to investors.

Additionally, citizens stand to benefit from better health outcomes, access to a secure supply of drinking water, a cleaner environment, improved housing conditions and a stronger sense of community attachment that are the markings of overall well-being. In light of infrastructure investments that can have prohibitively high costs and long development periods, Aboriginal communities face the daunting challenge of creating needed transportation, communication, water and energy networks to foster economic growth, improve public facilities and health systems and increase overall prosperity.

#### i. ACCESS TO CLEAN DRINKING WATER

The ability of the Aboriginal people to access clean drinking water has been identified by the NAEDB as an indirect measure of infrastructure. There is no single measure that comparatively tracks access to clean drinking water across different heritage groups.

**Table 20 – Proportion of Population that Reported Contaminated Drinking Water during a Year**

	FIRST NATIONS (off reserve)	INUIT	MÉTIS
<b>Benchmark: 2006 Proportion of Population who Reported Contaminated Drinking Water</b>	17.0%	31.0%	17.0%
<b>2014 Proportion of Population who Reported Contaminated Drinking Water</b>	N/A	N/A	N/A

**Source:** 2006, Statistics Canada.

Data on the proportion of the population reporting contaminated water was not collected for the 2011 National Household Survey or the 2012 Aboriginal Peoples Survey.



The previous *Benchmarking Report* contained data on the proportion of the population that reported contaminated drinking water for First Nations (off-reserve), Inuit and Métis. The report showed that in 2006, 31% of Inuit and 17% of both First Nations living off reserve and Métis reported having contaminated water during the year. Overall, 18% of the Aboriginal population in Canada in 2006, excluding those on reserve, reported that their water was contaminated at certain times during the year.

The previous *Benchmarking Report* also stated that according to Health Canada, as of November 30, 2011, there were 131 First Nations communities across Canada under drinking water advisories, including ‘boil to drink’ and ‘do not drink’.

As of August 31, 2014, Health Canada reported that there were 137 Drinking Water Advisories in effect in 95 First Nations communities across Canada (excluding British Columbia), including multiple advisories in some communities. An additional 29 First Nations communities in British Columbia were under a Drinking Water Advisory as of June 3, 2014, according to the First Nations Health Authority, who manages the delivery of First Nations health programming in British Columbia. This brings the national total to 124 First Nations communities across Canada under at least one drinking water advisory, 7 less than in 2011 but still represents 20% of all First Nations communities in Canada.

## PERCENTAGE OF COMMUNITIES THAT MEET THE GUIDELINES FOR CANADIAN DRINKING WATER QUALITY STANDARDS

The Guidelines for Canadian Drinking Water Quality (GCDWQ) reports on microbiological, chemical and radiological contaminants found in drinking water. They also report on the physical characteristics of water, such as taste and odour. These drinking water guidelines are designed to protect the health of the most vulnerable members of society, such as children and the elderly.

**Table 21 – Proportion of First Nations with Drinking Water Infrastructure that Meets Prescribed Standards in the Guidelines for Canadian Drinking Water Quality, 2011 and 2013**

	FIRST NATIONS (on reserve)
<b>Benchmark:</b>	
% of Communities – 2011	46%
% of Communities – 2013	69%

**Source:** 2013, AANDC

Since 2010, the number of First Nations communities that meet the GCDWQ has increased. However, the guidelines for drinking water quality are not met in a significant number of communities, which constitutes a serious health risk for individuals residing in these communities.

A survey completed by Ekos Research Associates for Health Canada in 2011 showed that 49% of First Nations residents on reserve rated the quality of their drinking water as good compared to 65% of residents of other small communities.<sup>9</sup> One-quarter of First Nations residents considered their drinking water quality to be poor while 24% rated it as neutral (neither good nor bad). This compares with 13% and 21%, respectively, for residents of other general public small communities. In terms of safety, 71% of residents on reserves reported the safety of their tap water supply as safe (defined as somewhat or very safe) compared with 88% of residents of other small communities. Three in ten First Nations residents viewed their water supply as very safe compared with five in ten residents of other small communities.

<sup>9</sup> Ekos Research Associates (2011).



- Since 2011, the percentage of communities with drinking water that meets the Guidelines for Canadian Drinking Water Quality has increased by 23 percentage points. Despite this increase, 31% of First Nation communities did not meet the standards in 2013.
- As of August 31, 2014, 20% of all First Nations communities across Canada were under at least one drinking water advisory.
- The 2011 National Assessment of First Nations Water and Wastewater Systems estimated that \$4.7 billion worth of investments will be needed over the next ten years to meet current standards and anticipated population growth.

## ii. OVERCROWDING OF DWELLINGS

A dwelling is considered overcrowded if there is more than one person residing per room.<sup>10</sup> While this indicator does not measure the extent of overcrowding, it does provide an indicator of housing conditions, as most dwellings with more than one person residing per room would be considered crowded by Canadian standards.

**Table 22 – Proportion of Population Living in Dwellings of more than 1 Person per Room by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>Benchmark:</b>							
<b>2006 Overcrowding Rate</b>	25.6%	6.4%	14.7%	31.1%	3.4%	11.4%	2.9%
<b>2006 Gap with Non-Aboriginals (percentage points)</b>	22.7	3.5	11.8	28.1	0.5	8.5	–
<b>2011 Overcrowding Rate</b>	27.2%	6.8%	14.4%	29.9%	3.1%	11.2%	4.0%
<b>2011 Gap with Non-Aboriginals (percentage points)</b>	23.2	2.8	10.4	25.9	-0.9	7.2	–
<b>Change in Gap: 2006 to 2011 (percentage points)</b>	+0.5	-0.7	-1.3	-2.3	-1.4	-1.3	–

**Source:** Statistics Canada, 2011 National Household Survey: Catalogue number: 99-011-X2011035, 2006 Census of Population: Catalogue Number 97-558-XCB2006022.

Overcrowding increased for First Nations living on and off reserve while it decreased for Inuit and Métis from 2006 to 2011. The share of the Métis population living in overcrowded conditions was lower than the non-Aboriginal population in 2011. There was a slight decline in overcrowding for the overall Aboriginal population in contrast to an increase for the non-Aboriginal population. As a result, the gap between the Aboriginal and

<sup>10</sup> A room is defined as any room inside the dwelling, excluding bathrooms, halls, vestibules, and rooms used solely for business purposes.



non-Aboriginal populations declined slightly by 2011. The proportion of the total Aboriginal population living in overcrowded conditions remained substantially higher than the non-Aboriginal population in 2011 at almost three times as high, driven primarily by the First Nations on reserve and Inuit populations.

- In 2011, 11.2% of the Aboriginal population lived in dwellings with more than 1 person residing per room compared to 4% of the non-Aboriginal population.
- The gap was reduced from 8.5 to 7.2 percentage points from 2006 to 2011. This drop was driven by a 1.1 percentage point increase in overcrowding for the non-Aboriginal population as overcrowding for the Aboriginal population declined by only 0.2 percentage points.
- The Inuit population had the highest share of population living in overcrowded dwellings (29.9%) followed by First Nations living on reserve (27.2%). The Métis had the lowest share (3.1%), which was lower than for non-Aboriginals (4.0%).

### iii. DWELLINGS IN NEED OF MAJOR REPAIR

A dwelling in need of major repair is defined as those with any of the following characteristics: corroded pipes, damaged electrical wiring, sagging floors, bulging walls, damp walls and ceilings, crumbling foundation and rotting porches and steps.

**Table 23 – Proportion of Population Living in Dwellings in Need of Major Repair by Heritage Group, 2006 and 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Benchmark: 2006 Dwellings in Need of Major Repair</b>	44.4%	16.6%	28.6%	27.9%	14.1%	23.4%	7.0%
<b>2006 Gap with Non-Aboriginals (percentage points)</b>	37.4	9.7	21.6	20.9	7.2	16.4	–
<b>2011 Dwellings in Need of Major Repair</b>	42.7%	15.4%	25.7%	29.8%	13.2%	21.5%	6.8%
<b>2011 Gap with Non-Aboriginals (percentage points)</b>	35.9	8.6	18.9	23.0	6.4	14.7	–
<b>Change in Gap: 2006 to 2011 (percentage points)</b>	-1.5	-1.0	-2.8	+2.1	-0.8	-1.7	–

**Source:** Statistics Canada, 2011 National Household Survey: Catalogue number: 99-011-X2011035, 2006 Census of Population: Catalogue Number 97-558-XCB2006022.

In 2011, the proportion of the Aboriginal population living in dwellings in need of major repair remained over three times higher than the non-Aboriginal population. The proportion declined for all heritage groups except Inuit. First Nations on reserve continued to have the highest proportion of the population living in a dwelling needing major repair, over six times higher than the non-Aboriginal population in 2011. The gap between the overall Aboriginal and non-Aboriginal populations declined by almost two percentage points, reflecting a relatively larger drop for the total Aboriginal population than for the Non-Aboriginal population.

- In 2011, 21.5% of the Aboriginal population lived in dwellings in need of major repair compared with 6.8% of the non-Aboriginal population.
- The gap from 2006 to 2011 was reduced from 16.4 to 14.7 percentage points. The gap increased by 2.1 percentage points for the Inuit population, the only group to experience an increase.
- There were large disparities among heritage groups, ranging from 42.7% of First Nations on reserve living in dwellings needing major repairs to 13.2% of the Métis population.

#### iv. CONNECTIVITY

The rapid development and adoption of digital technologies is changing the way we work and communicate. As Canada continues to build a knowledge economy, it is essential that Aboriginal people have the skill sets and access to the digital infrastructure needed to engage with and benefit from an expanding and increasingly complex integrated global network that is impacting everything from commerce to communications.

Access to digital technologies and developing the capacity to use them is dependent on the financial resources available to acquire and implement the required physical infrastructure and to develop the skills and resources needed to effectively benefit from them.

There is little data available on the digital divide between Aboriginal and non-Aboriginal people. As the Aboriginal Peoples Survey does not plan to continue tracking data on computer and internet usage, updated benchmark data on computer and internet usage are not available. Data evaluating Aboriginal people's progress in closing the digital access gap from secondary sources are provided below.

**Table 24 – Proportion of the Population (15 years and older) who used a Computer or the Internet in the last 12 Months**

	FIRST NATIONS (off reserve)	INUIT	MÉTIS	ABORIGINAL (total)
<b>Benchmark: 2006 – used a computer</b>	80.0%	71.0%	84.0%	81.0%
<b>Benchmark: 2006 – used the Internet</b>	76.0%	66.0%	80.0%	77.0%
<b>2014 – used a computer</b>	N/A	N/A	N/A	N/A
2014 – used the Internet	N/A	N/A	N/A	N/A

**Source:** Statistics Canada, 2006 Aboriginal Peoples Survey.



- According to AANDC's 2012-13 Departmental Performance Report, 86% of First Nation communities have access to broadband connectivity (broadband connectivity is defined as access to a minimum of 1.5 mbps to the household as per Industry Canada National Broadband Standards).
- According to the 2012 survey conducted for the Program for the International Assessment of Adult Competencies, off-reserve Aboriginal people in Canada lag behind their non-Aboriginal counterparts in "problem solving skills in technology-rich environments" (PS-TRE), defined as the ability to use digital technology, communication tools and networks to acquire and evaluate information, communicate with others and perform practical tasks. Nationally, 30% of off-reserve Aboriginal people scored in level 2 or 3 for PS-TRE, compared to 37% of non-Aboriginals.
- According to the Public Policy Forum, over 90% of the population in Canada's north had broadband access with speeds of 1.5-4.9 Mbps in 2012. There was a significantly lower percentage of access for speeds above 10Mbps with Nunavut having no access to broadband at these speeds.
- The previous *Benchmarking Report* showed that Inuit had the lowest level of access to a computer and internet in 2006.

## v. OFF-GRID COMMUNITIES

An off-grid community, as defined by Natural Resources Canada, is a community that is neither connected to the North American electric grid, nor to the piped natural gas network. Such off-grid communities must rely on alternative ways to produce electricity, largely diesel generators but also wind and hydro power. Without the infrastructure needed to access cheaper energy, the high cost of providing alternative power sources makes it more challenging to attract businesses and investors to these remote communities.

**Table 25 – Number of Off-Grid Communities, 2011 and 2014**

	ABORIGINAL (total)	NON-ABORIGINAL	TOTAL
<b># of Communities – 2011</b>	170	122	292
<b>Population</b>	126,861	67,420	194,281
<b># of Communities – 2014</b>	N/A	N/A	N/A
<b>Population</b>	N/A	N/A	N/A

**Source:** 2011, *Status of Remote/Off-Grid Communities in Canada*, Renewable and Electrical Energy Division, Energy Policy Sector, Natural Resources, Canada.

As of March 2015, Natural Resources Canada has not updated its research on off-grid communities. The total number of off-grid communities in Canada decreased from 380 in 1985 to 292 in 2011. About 60% of these communities are Aboriginal. The three territories, Ontario, Quebec, and Newfoundland and Labrador have the most off-grid Aboriginal communities, while Alberta, Saskatchewan and Manitoba have very few. There are no off-grid Aboriginal or non-Aboriginal communities in Nova Scotia, New Brunswick and Prince Edward Island.

## iv. NAEDB ECONOMIC DEVELOPMENT INDICES

Indices were derived for the *Progress Report* as a means to compare overall outcomes between population groups when examining all indicators together. The core indicators focus on economic outcomes by tracking key employment and income measures. The underlying indicators track factors that directly contribute to improving economic outcomes for Aboriginal people. These factors focus on measures of entrepreneurial activity, education and indicators of infrastructure conditions that can each influence economic outcomes in terms of employment success and earnings potential.

To assess how the overall core and underlying outcomes for the Aboriginal population have compared with the non-Aboriginal population, separate indices were derived by population group for each of the core and underlying indicators combined, respectively. As well, an overall NAEDB Economic Development Index was derived consolidating the outcomes from the core and underlying indicators. The selection of indicators used in the indices include all core and underlying indicators for which data was available for all seven population groups reported in the *Aboriginal Economic Progress Report*.

- **Core Indicators Index:** Employment; Labour Force Participation; Unemployment; Median Income; Proportion of Income from Transfers; Proportion of Population with Main Source of Income from Government Transfers.
- **Underlying Indicators Index:** High School Completion; College/Trades Completion; University Completion; Entrepreneurship-Self-Employment; Housing Quantity (crowded conditions); Housing Quality (in need of major repairs).
- **NAEDB Economic Development Index:** includes all twelve indicators listed above.

The index score for a population group for each of these indices is a single number that ranges from a low of 0 (lowest outcomes) to a high score of 100 (highest outcomes). These scores are used to compare outcomes across Aboriginal heritage groups with the non-Aboriginal population. The methodology used in constructing these indices is based on the methodology used for the Community Well-Being (CWB) Index but applies to population groups instead of communities. See Annex C for further details on the methodology used for deriving the NAEDB indices.

### MAIN FINDINGS

#### ***NAEDB Economic Development Index Scores: 2006 and 2011***

The NAEDB Economic Development Index, which encompasses the core and underlying indicators combined, increased more for the Aboriginal population overall than the non-Aboriginal population from 2006 to 2011 (Table 26). This increase was led by larger increases in outcomes for the underlying indicators, measured by the underlying index, particularly for the Métis and First Nations off reserve populations. Still, the NAEDB Economic Development Index was 9.4 points lower for the Aboriginal population than the non-Aboriginal population in 2011, an improvement from 10.1 points lower in 2006.

The core index for the total Aboriginal population, which encompasses all core economic indicators combined, increased by 0.1 points from 2006 to 2011, indicating that the Aboriginal population has experienced mixed economic outcomes over this time period. This compares with a 0.4 point decline in the core index for the non-Aboriginal population reflecting lower overall employment and income outcomes than the total Aboriginal population.



- The increase in the Aboriginal core index was led by the Inuit and Métis population groups, as the score for First Nations declined, particularly on reserve.
- The core index declined by 2.2 points for First Nations on reserve while the underlying index increased by 0.5 points. This indicates that there was a disconnect between the underlying and core indicators – improvements in the underlying indicators have not resulted in improving economic outcomes on reserve.
- This signals that more progress needs to be made to overcome barriers on reserve such as those associated with geographic remoteness and infrastructure needed to support growth through economic development.

**Table 26 – Economic Indices Scores – Range from 0 (lowest) to 100 (highest)**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>2006</b>							
<b>Core Indicators Index</b>	58.0	70.8	65.7	68.4	77.1	70.2	79.2
<b>Underlying Indicators Index</b>	33.4	47.0	41.7	34.9	49.4	43.8	55.0
<b>NAEDB Economic Development Index</b>	45.7	58.9	53.7	51.6	63.2	57.0	67.1
<b>2011</b>							
<b>Core Indicators Index</b>	55.8	70.6	65.5	68.9	77.4	70.2	78.8
<b>Underlying Indicators Index</b>	33.9	48.1	42.8	35.5	51.3	45.6	55.9
<b>NAEDB Economic Development Index</b>	44.9	59.3	54.2	52.2	64.3	57.9	67.4
<b>Change in Index Scores 2006 to 2011*</b>							
<b>Core Indicators Index</b>	-2.2	-0.2	-0.2	0.5	0.4	0.1	-0.4
<b>Underlying Indicators Index</b>	0.5	1.1	1.2	0.6	1.9	1.8	0.9
<b>NAEDB Economic Development Index</b>	-0.9	0.4	0.5	0.6	1.1	1.0	0.2

\*Changes may not appear exact due to rounding.

**Core Indicators Index:** Employment; Labour Force Participation; Unemployment; Median Income; Proportion of Income from Transfers; Proportion of Population with Main Source of Income from Government Transfers.

**Underlying Indicators Index:** High School Completion; College/Trades Completion; University Completion; Entrepreneurship-Self-Employment; Housing Quantity (crowded conditions); Housing Quality (in need of major repairs).

**NAEDB Economic Development Index:** Includes all twelve indicators above.

## Gaps with the Non-Aboriginal Population

Overall, the gap between the total Aboriginal population and the non-Aboriginal population for the NAEDB Economic Development Index declined by 0.7 points from 2006 to 2011 as the gaps for both core and underlying indices declined (Table 27). This decline was led by strong relative gains in both indices by the Métis population. The Inuit population made the most progress in closing the gap in the core indicators while experiencing a slight increase in gaps for underlying indicators.

Gaps increased for all indices for First Nations on reserve reflecting particularly weak outcomes in the core economic indicators. When accounting for all core economic indicators in the *Progress Report* combined, the gap in the core indicators index between First Nations on reserve and the non-Aboriginal population increased by 1.8 points from 2006 to 2011 as the drop in the core index was about five times larger for First Nations on reserve (2.2 points) than for the non-Aboriginal population (0.4 points). While the underlying index increased by 0.5 points for First Nations on reserve from 2006 to 2011, this increase compared with a 0.9 point gain by the non-Aboriginal population, resulting in a 0.4 point increase in the gap in the underlying index. Overall, the gap in the NAEDB Economic Development Index between First Nations on reserve and the non-Aboriginal population increased by 1.1 points from 2006 to 2011. At 44.9, the overall NAEDB Economic Development Index score for First Nations on reserve was 22.5 points lower than the non-Aboriginal population in 2011, up from 21.4 lower in 2006.

**Table 27 – Gaps with the Non-Aboriginal Population**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
<b>2006</b>							
<b>Core Indicators Index</b>	21.2	8.4	13.5	10.8	2.1	9.1	–
<b>Underlying Indicators Index</b>	21.7	8.1	13.4	20.2	5.7	11.2	–
<b>NAEDB Economic Development Index</b>	21.4	8.3	13.4	15.5	3.9	10.1	–
<b>2011</b>							
<b>Core Indicators Index</b>	23.0	8.2	13.3	9.9	1.3	8.6	–
<b>Underlying Indicators Index</b>	22.0	7.9	13.1	20.4	4.7	10.3	–
<b>NAEDB Economic Development Index</b>	22.5	8.1	13.2	15.1	3.0	9.4	–
<b>Change in Gaps – 2006 to 2011</b>							
<b>Core Indicators Index</b>	1.8	-0.2	-0.2	-0.9	-0.8	-0.5	–
<b>Underlying Indicators Index</b>	0.4	-0.2	-0.3	0.2	-1.0	-0.9	–
<b>NAEDB Economic Development Index</b>	1.1	-0.2	-0.3	-0.3	-0.9	-0.7	–

Gaps may not appear exact due to rounding.





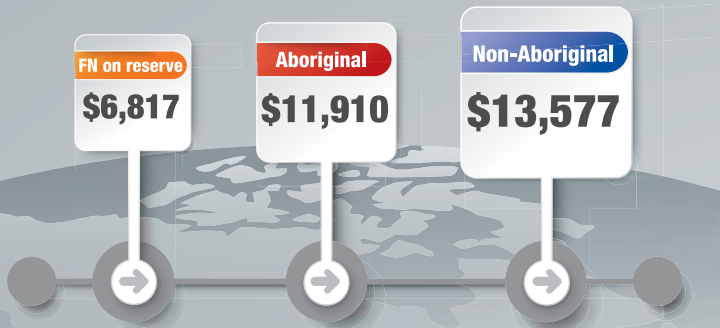
## v. A FOCUS ON YOUTH

The Aboriginal population is young and growing, accounting for 46.1% of the Aboriginal population under the age of 25 in 2011 compared with 29.1% of non-Aboriginal Canadians. As the Aboriginal youth population continues to grow, its presence will increasingly be felt across the country and indicators require mention for this segment of the population.

In this section, youth are defined as individuals between the ages of 15 and 24. Making certain that this segment of society has opportunities that allow them to develop the necessary employment and leadership skills is important not only economically, but also from a social development point of view. Aboriginal youth face significant barriers in society: half of children in the foster care system are Aboriginal,<sup>11</sup> over one quarter of youth entering the correctional system are Aboriginal,<sup>12</sup> and suicide rates among First Nations and Inuit youth are much higher than the non-Aboriginal population.<sup>13</sup>

### Youth Average Income

Average Income (15-24 years), 2010



The income gap between First Nations on reserve and non-Aboriginal youth is nearly half at 49.8%.

### Youth Education

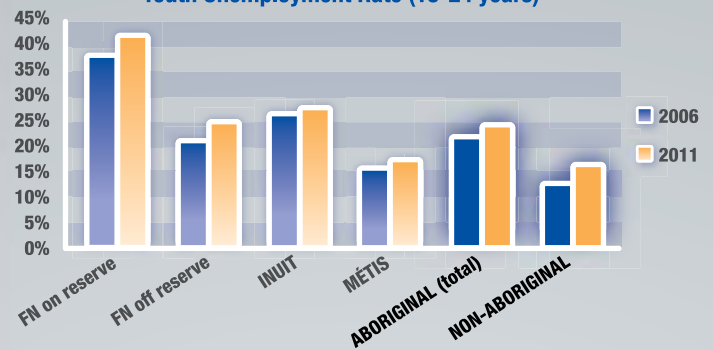
High School, College/Trades, and University Completion Rates (20-24 years), 2011

2011	FIRST NATIONS (on reserve)	ABORIGINAL (total)	NON-ABORIGINAL
High School Completion	42.0%	65.5%	89.9%
College/Trades Completion	11.1%	19.1%	27.3%
University Completion	1.2%	5.8%	20.3%

### Youth Unemployment Rate

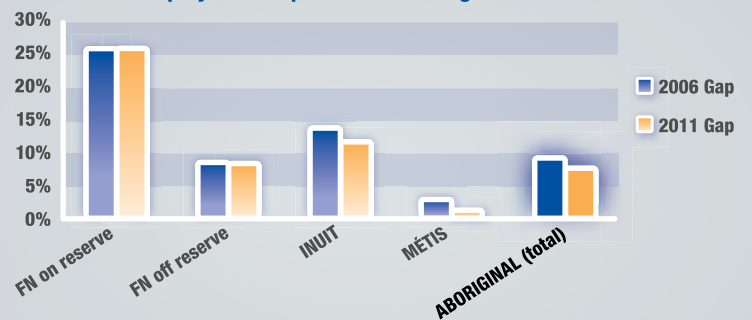
Unemployment rates for First Nations youth on reserve rose to 41.7% in 2011, compared to non-Aboriginal youth at 16.2%, making no progress in closing the gap.

#### Youth Unemployment Rate (15-24 years)



Though unemployment rates increased for all, Aboriginal youth as a whole made some progress in closing the gap with non-Aboriginal youth.

#### Unemployment Gap with Non-Aboriginal Youth



<sup>11</sup> Statistics Canada (2011).

<sup>12</sup> Munch (2012).

<sup>13</sup> First Nations youth commit suicide 5-6 times more often than non-Aboriginal youth. Suicide rates for Inuit youth are 11 times the national average. First Nations and Inuit Health Branch – Health Canada (2014a).

**Table 28 – Median Age for Heritage Groups for 2006 and 2011**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
Median Age	2006	23.2	26.2	24.9	21.5	29.5	26.5	39.7
	2011	23.9	27.1	25.9	22.8	31.4	27.7	40.6

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

The Aboriginal population is much younger than the non-Aboriginal population. In 2011, the median age for Aboriginal individuals was 27.7 years. First Nations on reserve are even younger with a median age of 23.9 years of age. These figures compare to a non-Aboriginal median age of 40.6 years, which has increased from 39.7 in 2006. Among heritage groups, Inuit and First Nations on reserve have the highest proportion of people less than 25 years of age at 54.0% and 51.7%, respectively. The relative youth of the Aboriginal population affects overall employment and income measures, but aggregate data can hide youth-specific trends. The economic successes and struggles of today's youth will have implications for their future outcomes, as unemployment in youth is correlated with lower future income and employment.

## i. EMPLOYMENT MEASURES

As is the case with the general population, Aboriginal youth have much lower employment outcomes than their non-Aboriginal youth counterparts. The employment rate for Aboriginal youth was 37.3% in 2011 versus 51.3% for non-Aboriginal youth. However, since 2006 the gap between Aboriginal youth and non-Aboriginal youth has narrowed for every indicator except for university education. The employment rate gap with non-Aboriginal youth has decreased since 2006 from 17.2 to 14.0 percentage points in 2011. This reduction is not due to an increase in Aboriginal youth employment however, but is due to the fact that the employment rate for non-Aboriginal youth decreased by 6.7 percentage points since 2006 in comparison to only 3.5 percentage points for Aboriginal youth.

The case is the same for both participation and unemployment rates. Aboriginal youth have lower outcomes than non-Aboriginal youth in both these categories: 49.0% versus 61.2% for participation rates and 23.9% versus 16.2% for unemployment rates. Once again, the gap for both of these measures has decreased since 2006: from 14.3 to 12.2 percentage points for the participation rate and from 9.1 to 7.7 percentage points for the unemployment rate. However, these reductions were due to a larger decline in the participation rate for non-Aboriginal youth of 5.1 percentage points since 2006 in comparison to only 3.0 percentage points for Aboriginal youth. The unemployment rate for non-Aboriginal youth increased by 3.8 percentage points since 2006 in comparison to only 2.4 percentage points for Aboriginal youth.

Among heritage groups, First Nations youth on reserve had the worst outcomes, followed by Inuit youth and First Nations youth living off reserve. There were significant gaps with non-Aboriginal youth for all of these outcomes. Almost 17% of First Nations on reserve were employed in 2011 compared to 38.8% of First Nations off reserve and 50.9% of Métis youth. The gap between First Nations on reserve and non-Aboriginal youth for the participation rate was 32.6 percentage points, whereas for Inuit it was 15.0, First Nations off reserve 10.0, and for Métis, participation rates were the same as the non-Aboriginal population. Métis youth had similar employment outcomes to non-Aboriginal youth with none of the gaps with non-Aboriginal youth being more than 0.7 percentage points for 2011.



**Table 29 – A Comparison of Aboriginal and Non-Aboriginal Youth (15 to 24 years) Employment Measures, 2006 and 2011**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Employment Rate</b>	2006	20.6%	42.3%	32.7%	34.1%	55.5%	40.8%	58.0%
	Gap	37.4	15.7	25.3	23.9	2.5	17.2	–
	2011	16.7%	38.6%	30.2%	33.6%	50.9%	37.3%	51.3%
	Gap	34.6	12.7	21.1	17.7	0.4	14.0	–
<b>Participation Rate</b>	2006	33.2%	53.5%	44.5%	46.0%	65.5%	52.0%	66.3%
	Gap	33.1	12.8	21.8	20.3	0.8	14.3	–
	2011	28.6%	51.2%	42.5%	46.2%	61.2%	49.0%	61.2%
	Gap	32.6	10.0	18.7	15.0	0.0	12.2	–
<b>Unemployment Rate</b>	2006	37.9%	20.9%	26.5%	26.1%	15.3%	21.5%	12.4%
	Gap	25.5	8.5	14.1	13.7	2.9	9.1	–
	2011	41.7%	24.5%	28.9%	27.4%	16.9%	23.9%	16.2%
	Gap	25.5	8.3	12.7	11.2	0.7	7.7	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

## ii. INCOME

The average income for Aboriginal youth has increased from \$9,941 in 2005 to \$11,910 in 2010. In addition, the income gap between Aboriginal and non-Aboriginal youth has decreased from 16.4% to 12.3% between 2005 and 2010. However, this gain was not experienced by First Nations on reserve. In 2005, the average income for First Nations on reserve was \$6,008 and in 2010 it increased to \$6,817, slightly widening the gap with non-Aboriginal youth by 0.3 percentage points.

Aboriginal youth were more dependent on government transfers for their income than non-Aboriginal youth. In 2010, 21.5% of income for Aboriginal youth was received through government transfers in comparison to 10.1% for non-Aboriginal youth. The gap since 2005, however, has come down from 12.2 to 11.4 percentage points. In 2010, First Nations on reserve were over 4 times more dependent on government transfers for their income as compared to the non-Aboriginal population. Inuit and First Nations off reserve were over 2 times as dependent. Dependency on government transfers was 3.4 percentage points higher for Métis youth than non-Aboriginal youth. In comparison to the overall population (15 years and older), non-Aboriginal and Métis youth were less dependent on government transfers for their income. Youth in each of the other heritage groups were more dependent on government transfers. First Nations youth living on reserve received 42.8% of their income from government transfers in comparison to 31.5% for the overall First Nations on reserve population. Non-Aboriginal youth received 10.1% of their income from government transfers while the overall non-Aboriginal population received 12.2%.

**Table 30 – A Comparison of Aboriginal and Non-Aboriginal Youth (15 to 24 years) Income, 2005 and 2010**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Average Income</b>	2005	\$6,008	\$10,341	\$8,386	\$10,519	\$12,224	\$9,941	\$11,886
	Gap	49.5%	13.0%	29.4%	11.5%	-2.8%	16.4%	–
	2010	\$6,817	\$12,447	\$10,373	\$12,979	\$14,312	\$11,910	\$13,577
	Gap	49.8%	8.3%	23.6%	4.4%	-5.4%	12.3%	–
<b>Government Transfers</b>	2005	37.6%	21.1%	26.4%	20.2%	12.3%	19.6%	7.4%
	Gap	30.2	13.7	19.0	12.8	4.9	12.2	–
	2010	42.8%	23.0%	27.8%	23.4%	13.5%	21.5%	10.1%
	Gap	32.7	12.9	17.7	13.3	3.4	11.4	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

### iii. EMPLOYMENT AND INCOME YOUTH DATA DISAGGREGATED BY FIVE-YEAR AGE GROUP

The age spectrum of 15-24 is a broad category that includes both students in high school and young adults including those who have completed post-secondary degrees. Since hidden trends could be concealed by such a broad category, the data was further broken down to provide a more nuanced picture of the Aboriginal economy. Looking at heritage groups by ages 15-19 and 20-24 (**see Annex D**, second table), it was found that general trends mirrored those of the general population with First Nations youth on reserve having the lowest outcomes of all heritage groups and Métis youth having the highest outcomes. As expected, the 15-19 age group had lower employment and income outcomes as more individuals in that age bracket tend to have less training and experience and are often still dependents and attending school. Segmenting the data this precisely allows trends to be tracked with greater accuracy over time, so that programs and policies can be targeted where they are most needed.

For the Aboriginal population 15 and over, the employment and participation rates declined between 2006 and 2011, and the gap in employment and participation rates between the Aboriginal and non-Aboriginal populations increased. For most youth, however, though their employment and participation rates declined, the gaps in employment and participation rates with non-Aboriginal youth decreased reflecting larger declines in the non-Aboriginal population. This trend did not extend to First Nations on reserve between the ages of 20-24, however, as the gaps between them and non-Aboriginal youth increased. The unemployment gap decreased for the Aboriginal population 15 years and older except for a 0.1 percentage point increase for First Nations on reserve. Similarly, it decreased for most youth as well, except for 20-24 year old First Nations on and off reserve for whom the unemployment gap with non-Aboriginal youth increased.

For the Aboriginal population 15 and over, incomes increased and the gap with the non-Aboriginal population decreased for all heritage groups. For First Nations youth on reserve the average income gap with non-Aboriginal youth increased due to an increase in the gap for ages 20-24. The gap in the proportion of income received through government transfers increased for First Nations on reserve and Inuit youth age 20-24.



#### iv. EDUCATION

The importance of education cannot be understated for improving economic engagement and outcomes for the Aboriginal population. Results from the National Household Survey indicate that First Nations off reserve, Inuit, and Métis students who have completed high school possess higher employment rates, lower unemployment rates, and higher labour force participation rates. In addition, wages were consistently higher for Aboriginal people who have completed high school.

Given the importance of obtaining a high school education, gains in high school completion rates for Aboriginal youth and a closing of the gap with the non-Aboriginal population would indicate progress in building the foundations for greater economic outcomes in the future. One important component of high school completion is attendance. According to data from Labour Force Surveys for the period of September 2011 to April 2012, which excludes on reserve First Nations, attendance rates for the Aboriginal population were 9.7 percentage points less than the non-Aboriginal population; the gap for First Nations is even higher at 13.8 percentage points.

**Table 31 – Proportion of Youth Aged 15 to 24 Years Who Attended School for the Period September 2011 to April 2012**

	FIRST NATIONS (total)	MÉTIS	ABORIGINAL (total)	NON-ABORIGINAL
School Attendance Rates	42.3%	50.2%	46.4%	56.1%

**Source:** Labour Force Survey – September 2011 to April 2012, AANDC Tabulations.

In terms of high school completion rates, 65.5% of Aboriginal youth aged 20 to 24 years in 2011 had completed high school in comparison to 62.0% for the working age Aboriginal population (see Table 10 for high school completion rates for the total working age population). Non-Aboriginal youth aged 20 to 24 years had an 89.9% high school completion rate in comparison to 80.6% of the non-Aboriginal working age population. While the gap for Aboriginal youth in comparison to non-Aboriginal youth has declined from 27.8 to 24.3 percentage points since 2006, the gap is much larger for the working age population (20.6 and 18.5 percentage points in 2006 and 2011, respectively). In order to close the gap in high school completion rates, the rates of completion for Aboriginal youth will need to approach that of the non-Aboriginal youth.

Aboriginal youth aged 20 to 24 years had a college/trades completion rate of 19.1% in 2011 compared to the non-Aboriginal completion rate of 27.3%. The gap between the two groups decreased by 1.2 percentage points between 2006 and 2011. First Nation on reserve was the only heritage group where the gap increased, widening from 11.9 percentage points in 2006 to 16.2 percentage points in 2011, as the college/trades completion rate on reserve declined by almost 4 percentage points from 2006 to 2011.

In terms of university education for youth aged 20 to 24 years, Aboriginal completion rates were roughly four times lower than the completion rates for non-Aboriginal youth. Significantly, and similar to the overall population, the gap with non-Aboriginal youth has increased since 2006 from 12.1 to 14.5 percentage points. First Nations youth on reserve, once again, had the lowest outcomes, followed by Inuit youth. The high school completion rate for the 20-24 age group increased more than twice as much between 2006 and 2011 for First Nations off reserve as First Nations on reserve: 7.4 versus 3.1 percentage points. Métis had the highest outcomes, however, their university completion rates were still roughly half the rate of completion for non-Aboriginal youth.

**Table 32 – High School, College/Trades and University Completion Rates (20 – 24 years), 2006 and 2011**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>High School Completion (20 to 24 years)</b>	2006	38.9%	62.2%	51.9%	39.8%	74.6%	59.7%	87.5%
	Gap	48.5	25.3	35.5	47.7	12.8	27.8	–
	2011	42.0%	69.8%	59.3%	44.9%	79.6%	65.5%	89.9%
	Gap	47.8	20.0	30.6	45.0	10.3	24.3	–
<b>College/Trades Completion</b>	2006	15.2%	19.3%	19.2%	12.1%	22.9%	17.7%	27.1%
	Gap	11.9%	7.8%	7.9%	15.0%	4.2%	9.4%	
	2011	11.1%	20.3%	16.8%	13.6%	23.7%	19.1%	27.3%
	Gap	16.2%	7.0%	10.5%	13.7%	3.6%	8.2%	
<b>University Completion (20-24 years)</b>	2006	1.5%	4.8%	3.3%	2.1%	8.3%	5.1%	17.2%
	Gap	15.7	12.4	13.8	15.1	8.9	12.1	–
	2011	1.2%	5.5%	3.9%	2.1%	9.6%	5.8%	20.3%
	Gap	19.1	14.8	16.4	18.2	10.7	14.5	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

## **v. HOW ENGAGED ARE YOUTH IN THE ECONOMY?**

TD Economics reports from 2009 and 2013 offer the possible explanation that over-representation of Aboriginal people in the resource extraction and construction sectors, brought on by the boom of the mid 2000's, offered high paying jobs for Aboriginal youth, thus making them less likely to complete or continue their education.<sup>14</sup> With this consideration, if Aboriginal youth had a higher labour force participation rate, the gaps between Aboriginal and non-Aboriginal educational attainment might not be as large. However, as was seen with the employment indicators, this was not the case as labour force participation rates for Aboriginal youth continued to lag behind non-Aboriginal youth.

<sup>14</sup> Burleton and Drummond (2009) and Fong and Gulati (2013).





## vi. REGIONAL DATA

Given the significant differences in indicators by province and territory for both the Aboriginal and the non-Aboriginal population, sub-national data is useful. Examining only nation-wide data on employment and income indicators can obscure region specific trends that demonstrate where the biggest gaps exist. The regional data (tables found in **Appendix E**) shows that: First Nations living on reserve in the Prairie Provinces had the lowest participation rates and highest unemployment when compared to the non-Aboriginal population. The Inuit population in Nunavut had the lowest employment outcomes compared to all other heritage groups in the territories. First Nations on reserve in Manitoba and Saskatchewan had the lowest incomes across all provinces and territories, and relied the most on government transfers.

### **Participation Rates**

- In 2011, the highest participation rate for the Aboriginal population was registered in Yukon at 70.0% whereas the lowest rate was in Saskatchewan at 56.3.
- Overall, the lowest participation rates were concentrated among First Nations people living on reserve in the Prairie Provinces. First Nations on reserve in Manitoba had the lowest participation rate at 40.5%, followed by Saskatchewan at 40.8%, and Alberta at 43.1%. In contrast, the non-Aboriginal population in Manitoba, Saskatchewan, and Alberta had participation rates of 68.8%, 71.1%, and 73.7%, respectively.
- In Nunavut, Inuit participation rate was significantly lower (56.6%) when compared to other Aboriginal groups (First Nations off reserve at 84.2% and Métis at 87.0%) and the non-Aboriginal population (92.6%).
  - *According to the 2011 National Household Survey, Inuit living in Nunavut represent 85.4% of Nunavut's population.*

### **Unemployment Rates**

- In 2011, the highest unemployment rate for the Aboriginal population was measured in Nunavut at 23.3% while the lowest unemployment rate was in Alberta at 12.6%.
- Across heritage groups, First Nations living on reserve had the lowest outcome with an unemployment rate of 35.1% in New Brunswick, followed by 30.4% in Newfoundland and Labrador. When compared to the non-Aboriginal population, First Nations living on reserve had the highest unemployment rates in the Prairie Provinces with 27.6% in Manitoba, 27.8% in Saskatchewan, and 23.6% in Alberta. The non-Aboriginal population in the Prairies had an unemployment rate of 5.2% in Manitoba, 4.6% in Saskatchewan, and 5.4% in Alberta.
- Nunavut illustrates an interesting example, with an unemployment rate of 23.7% for the Inuit population, contrary to 2.8% for non-Aboriginal people, 10.0% for Métis, and 12.5% for First Nations living off reserve.



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### ***Employment Rates***

- In 2011, the Aboriginal population's employment rate was highest in Alberta at 56.8% and lowest in Nunavut at 43.7%.
- Among the Aboriginal population, the lowest employment rates were concentrated among First Nations living on reserve in the Prairie Provinces with Manitoba at 29.3%, Saskatchewan at 29.5%, and Alberta at 32.9%. Their numbers were significantly lower when compared to the non-Aboriginal population with an employment rate of 65.2% in Manitoba, 67.8% in Saskatchewan, and 69.7% in Alberta.
- Employment rates for First Nations on reserve were highest in Prince Edward Island (52.6%) and Newfoundland and Labrador (46.4%).

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### ***Average Total Income/Median Total Income***

- Whether measured in average income or median income, the Aboriginal population had the highest income in Prince Edward Island and the lowest income in New Brunswick.
- By heritage group, First Nations on reserve in Manitoba had the lowest income, with a median income of \$7,542.
- For comparison, the non-Aboriginal population had the highest median income in Nunavut at \$86,668 and the lowest median income in Newfoundland and Labrador at \$25,454.

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### ***Proportion of Income Received from Government Transfers***

- The province in which the Aboriginal population had the highest proportion of income received from government transfers was New Brunswick at 22%. The Aboriginal population in Alberta received the lowest proportion of income from government transfers at 12.9%.
- Across heritage groups, First Nations on reserve in Manitoba received the highest share of income from government transfers at 39%.
- In contrast, the non-Aboriginal population had the lowest percentage of income from government transfers in Nunavut at 3.1% and the highest in Newfoundland and Labrador at 19.2%.

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### ***Proportion of Individuals with Main Source of Income from Government Transfers***

- The highest proportion of Aboriginal individuals whose main source of income was from government transfers was in Saskatchewan at 42%, while the lowest was in the Yukon at 30.5%.
- Across heritage groups, First Nations on reserve in Manitoba had the highest proportion of individuals with main source of income from government transfers at 68.2%. The share for First Nations on reserve was lowest in Newfoundland and Labrador (28.9%).
- The non-Aboriginal population had the highest proportion of individuals whose main source of income was from government transfers in Newfoundland and Labrador at 35.8% and the lowest in Nunavut at 5.5%.



## vii. DATA GAPS AND LIMITATIONS

The indicators and measures used in this report provide a high level snapshot of key elements of the Aboriginal economy in Canada. A more nuanced picture is limited by the scope of the report and a lack of available data for some measures. In order to produce a complete picture of the Aboriginal economy in Canada, more detailed data would be needed to enable analysis into various areas of interest, ranging from labour market dynamics to health and social indicators.

The Report demonstrates that labour market participation rates have declined more for each Aboriginal heritage group than the non-Aboriginal population. Further research on the underlying causes of this would shed light as to how much of the decline has been driven by 1) worsening economic conditions, resulting in job seekers lacking the required jobs skills or becoming disconnected from the labour market, 2) job seekers returning to school to pursue a higher education, or 3) by other factors such as the impact of systemic racism in the form of off-reserve businesses not hiring Aboriginal people. Having thorough data on the gender breakdown of the outcomes is also necessary to increase the analysis of economic trends. Gender analysis was included for some indicators when available, but future study should focus on gathering and examining outcomes by gender and by heritage group.

Another limitation is the unknown effect of ethnic mobility on economic trends. Ethnic mobility is the fluidity between heritage group categories caused by individuals choosing to self-identify their Aboriginal heritage differently from one census to the next. This is particularly the case with a greater number of people choosing to identify as Métis in the 2011 National Household Survey (NHS) than in the 2006 Census. It is unknown whether improvements in the outcomes for the Métis population are due to changes in the economic status of Métis individuals or due to more successful individuals identifying as Métis. More data on ethnic mobility is needed to fully understand the influence of people self-identifying as Aboriginal, in particular Métis, on economic outcomes and the associated gaps with the non-Aboriginal population. In addition to this, on and off-reserve First Nation populations are not static categories but fluid descriptions, as individuals and families move back and forth between urban centre and reserves for economic, cultural, and education reasons.

Further, the introduction of the 2011 NHS to replace the census long-form questionnaire involved the implementation of a number of changes. While the content of the NHS is similar to that of the 2006 Census long questionnaire, several methodological changes were made including sampling, collection strategies, coverage, response options, processing and estimation. Non-response rates were higher than the previous long-form censuses, reflecting the non-mandatory nature of the NHS. Changes were made to the approach used to adjust for non-response. Although measuring similar concepts, changes were also made to questions in the NHS from the comparable questions on the 2006 Census. The question wording was modified to reflect current terminology and ensure ongoing accuracy when measuring the reference population. As with any data collection program, changes in methodology can affect the comparability of data over time.<sup>15</sup>

For several of the underlying indicators such as governance, lands and resources, and drinking water quality, data were only available for the First Nations population, leaving gaps in the understanding of Inuit and Métis populations. For nearly all indicators measured, however, Métis outperformed all other heritage groups while First Nations on reserve had the lowest outcomes. While tentative explanations can be given for these results, such as proximity to major urban centres and quality of education, detailed analysis of these trends would be insightful.

<sup>15</sup> For further details, see the National Household Survey User Guide: [http://www12.statcan.gc.ca/nhs-enm/2011/ref/nhs-enm\\_guide/index-eng.cfm](http://www12.statcan.gc.ca/nhs-enm/2011/ref/nhs-enm_guide/index-eng.cfm)

Some measures in the infrastructure section that were included in the original benchmarks could not be tracked in the *Progress Report* due to a lack of data. The number of remote off-grid communities in Canada has not been updated by Natural Resources Canada, so progress can only be measured regionally for some communities. In addition, there is a gap in measuring the digital divide between Aboriginal and non-Aboriginal Canadians. Use of the internet or a computer is no longer tracked in the Aboriginal People's Survey. The importance of broadband access cannot be understated for Canada's remote areas. The 2014 Federal Budget earmarked \$305 million for the expansion of broadband access in remote areas. However, there is a lack of readily available and ongoing data on the state of Canada's broadband access in remote areas and there is no information on Métis access to broadband.

Having a financial vulnerability index score that could be tracked over time for each Aboriginal heritage group would provide a more detailed and accurate picture of the Aboriginal economy. However, some of the necessary data to calculate the score is not currently available by heritage groups. It is suggested that for future study, an index be created to assess the financial vulnerability of Aboriginal households covering such key areas as debt-to-income ratios, debt-to-asset ratios, debt service ratios, and personal savings rates. A pilot labour force survey on reserve was proposed in the Economic Action Plan 2015, which may address some data needs.

The quality of governance and control of lands and resources are important factors supporting economic development, but they are inherently difficult to quantify. Property taxation status, FNLMA, and comprehensive land claim and self-government agreements are all policy tools, among others, that support economic development. In the 2012 *Benchmarking Report*, it was pointed out that communities under the FNLMA tend to have better economic outcomes. However the current data demonstrating this correlation is not thorough enough to determine cause and effect. It is possible that these communities were already functioning at a higher level economically prior to implementing these policy measures. In addition, the role that access to own source revenue plays in a community's development is not explored. More detailed work is needed to determine the extent to which available policy instruments impact the communities that are adopting them.

Improvements in economic outcomes typically lead to improvements in social and health conditions. According to Statistics Canada, during the 1991 to 2006 period the probability that an Aboriginal male would live to 75 years of age was 10 to 17 percentage points lower than for the entire male cohort. The difference is 17 to 19 percentage points for the female cohort.<sup>16</sup> However, there is a lack of ongoing data tracking life expectancy of Aboriginal people in Canada. The importance of ongoing data to track the health status of the Aboriginal population cannot be underestimated given a number of unique health challenges faced by the Aboriginal population.

The definition of well-being used in the CWB Index uses factors similar to other indicators in the report, like labour force activity, education, income, and housing. While useful, this index is limited to quantitative factors and excludes many of the subjective and qualitative factors that influence well-being. In addition, different communities define well-being differently from one another. For example, some communities focus on health while others emphasize cultural connection, and community involvement. In general however, Aboriginal well-being extends beyond what is covered in the report to more qualitative and cultural factors. Qualitative data is an important part of contextualizing economic results, but is beyond the scope of this report. Developing ongoing indicators that enable more detailed analysis of Aboriginal economic outcomes and provide greater insight into Aboriginal social and health conditions are essential for supporting the evidence based analysis needed to more fully assess the relationship between economic outcomes and improvements in the overall well-being of the Aboriginal population.

<sup>16</sup> Tjepkema, Michael and Wilkins, Russell (2011).



## viii. RECOMMENDATIONS

In the original *Benchmarking Report*, the NAEDB set bold targets that Aboriginal outcomes be comparable to non-Aboriginal population by 2022. Though outcome gaps for the overall Aboriginal population narrowed for some indicators, progress was slight and gaps actually increased for three indicators. For First Nations on reserve, the situation is even more dire. Instead of getting closer to comparable outcomes with non-Aboriginal people, First Nations on reserve are even farther from this goal than they were in 2006. Off-reserve Aboriginal youth made slight progress in closing the gaps with their non-Aboriginal counterparts but for First Nations youth on reserve, some indicators had worse outcomes relative to non-Aboriginal youth. Regional employment data show that the lowest participation and employment rates and highest unemployment rates compared to the non-Aboriginal population were concentrated among First Nations living on reserve in the Prairie Provinces.

The only way forward is through economic, business, education, employment and community development led by strong governance, political will and sufficient targeted financial investments in these areas. It is through these measures that First Nations, Inuit and Métis will have comparable outcomes in education and income, and will have access to jobs and skills training so that they will enjoy the same quality of life enjoyed by other Canadians.

The Board firmly believes that economic development is the foundation for real reconciliation and true collaboration between governments, private sector businesses and all Aboriginal people. Based on the findings contained in this report, there are several key areas that we believe require urgent attention.

### A FOCUS ON FIRST NATIONS ON RESERVE

#### RECOMMENDATION 1:

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First Nations on reserve require drastic action in order to close the gaps and address increasing disparities. Relative incomes for this segment of the population have essentially stagnated since 2000, and the gap in labour force participation increased by almost 4 percentage points since 2006. The First Nation population is growing, but nothing else is growing in terms of capital, training, infrastructure, housing, etc. which brings on a whole set of additional problems.

*It is strongly recommended that the development of discrete strategies for closing the gaps for First Nations on reserve be a government-wide priority. The Federal economic agenda needs to concentrate on First Nation treaty rights, obligations and working relationships. There also needs to be a concentrated effort on building knowledge and education of First Nation culture and the history of First Nation lands. A revised relationship needs to be considered with respect to resource revenue sharing and federal transfers that will allow First Nation communities and people to take advantage of, and participate in, economic and business opportunities.*

### EDUCATION

#### RECOMMENDATION 2:

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Improving the educational outcomes of Aboriginal people, in particular First Nations on reserve and our youth, requires the collaboration of all – governments, post-secondary institutions, private sector, educators and citizens. Investments in education and skills training will result in lower unemployment rates, higher incomes and stronger Aboriginal economies, all of which benefit the country as a whole.

*It is strongly recommended that continued and sustained efforts be made in ensuring Aboriginal people have access to and receive high quality education in every corner of the country. To address this issue, it is recommended that an Aboriginal-led Task Force on Aboriginal Education be established, comprised of*



*Aboriginal academics and deliverers of successful Aboriginal education programming with the support of all levels of governments, to review and develop solutions in addressing the elementary, secondary and post-secondary educational needs of Aboriginal people. Advice and recommendations would be targeted to Aboriginal and non-Aboriginal educational institutions, school boards and all levels of government.*

## **EMPLOYMENT AND SKILLS TRAINING**

### **RECOMMENDATION 3 AND 4:**

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Equitable access to employment and skills training is essential for First Nations, Inuit and Métis to enjoy the economic benefits enjoyed by others.

*It is recommended that investments in Aboriginal skills development and training by all levels of government and industry be designed and tailored to meet the unique needs of Aboriginal people that align with concrete employment opportunities. This must include programming for literacy, numeracy and the under-employed.*

*It is recommended that federal and provincial Aboriginal labour market programming be regularly reviewed and revitalized, in consultation and in collaboration with Aboriginal people, ensuring that programming is sustainable over the longer term.*

## **COMMUNITY DEVELOPMENT**

### **RECOMMENDATION 5:**

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Inadequate infrastructure is associated with poorer economic conditions and outcomes, particularly in more isolated and remote communities.

*It is recommended that water and waste management systems be a priority for all Aboriginal communities in Canada as a primary means to improve overall human health. Better health outcomes will result in improved access to economic opportunities and healthy lifestyle choices.*

## **BUSINESS DEVELOPMENT**

### **RECOMMENDATION 6:**

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Throughout Canada, one of the best and proven ways to address unemployment issues is through the development of small and medium-sized businesses that create the jobs and services needed. This is no different for Aboriginal people. While the rate of Aboriginal business development has been monumental in the last 20 years with the establishment of 40,000 Aboriginal businesses, these businesses must contend with greater business start-up costs due to lack of economic infrastructure along with the geographic and transportation realities in rural and isolated areas, plus limited equity to access capital due to lower employment incomes, and the lack of a trained labour pool from which to staff their businesses. It is also important to note that with the current limited access to capital, many of the business opportunities related to the larger natural resource and energy development projects are out of reach of Aboriginal communities who may wish to be involved. These types of projects could significantly help to address the employment and income gaps that exist.

*It is recommended that the suite of Aboriginal business programming and Aboriginal Financial Institutions be supported with the necessary level of capital and expertise (human and administrative) to assist Aboriginal businesses to address these challenges and build a vibrant network of Aboriginal businesses throughout Canada.*



*It is further recommended that financial supports be provided allowing Aboriginal Financial Institutions, who are generally located near major economic projects, to assist Aboriginal communities with seed money and necessary capital required to participate meaningfully and invest in these opportunities.*

## **YOUTH**

### **RECOMMENDATION 7:**

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Additional efforts need to be made towards improving Aboriginal skills and development and improving the weak economic outcomes of Aboriginal youth. While the education gap for high school and college and trades completion has reduced, the gap is still significant with mainstream levels and has, in fact, widened for university completion. Irrespective of the difference between heritage groups, the low proportion of Aboriginal people who graduated from either high school or post-secondary institutions is disconcerting.

*It is recommended that a national Aboriginal youth strategy, focused on improving education, business and employment outcomes, be developed with the full engagement of First Nations, Inuit and Métis youth.*

## **DATA COLLECTION**

### **RECOMMENDATION 8:**

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The Board recognizes the commitment made by the Government of Canada through its recent Economic Action Plan 2015 in providing \$11 million over four years to support the Surveys on Aboriginal People, which will provide key information on income, mobility and health. The Board supports the need to focus on better and expanded data collection and assessment of policy and program measures that help stimulate economic development.

*It is recommended that data collection be continuously improved and expanded, in consultation and collaboration with Aboriginal communities and institutions, using this report as a guide, so that economic and social progress can be tracked and improved. This should also include information, such as that collected in the former long-form census, for all Aboriginal heritage groups. In addition, the roll-up of reports collected by the Federal Government should be more readily available to help ensure that all relevant data is being collected to enhance this report.*

## **CONCLUSION**

Since the publication of the original *Benchmarking Report*, the Board has been committed to tracking the changes in the data and inferring new trends as they appear. However, gaps in the availability of data limit how comprehensively the Aboriginal economy can be tracked. Better data collection and further research will provide more detailed insight into the current state of what needs to be done. As the *Benchmarking Report* stated, the opportunities for economic development for Aboriginal people today are greater than ever. It is now even more imperative that all levels of government, industry and Aboriginal people themselves work in partnership to address these barriers. The NAEDB is committed to preparing a second *Aboriginal Economic Progress Report* to track and assess advancements made in 2018 to closing the gaps.

## ix. TARGETS AT A GLANCE

### CORE INDICATORS

INDICATOR	KEY MEASURES	2006 ABORIGINAL GAP	2011 ABORIGINAL GAP	2022 TARGET
EMPLOYMENT	Employment Rate	9.0 percentage points below the non-Aboriginal rate	9.1 percentage points below the non-Aboriginal rate	The NAEDB target for <b>Employment</b> is Aboriginal employment, labour force participation, and unemployment rates comparable to those of Canada's non-Aboriginal population
	Labour Force Participation Rate	3.9 percentage points below the non-Aboriginal rate	4.9 percentage points below the non-Aboriginal rate	
	Unemployment Rate	8.5 percentage points below the non-Aboriginal rate	7.5 percentage points below the non-Aboriginal rate	
INCOME	Aboriginal Average Income	33.4 percentage points below the non-Aboriginal rate	27.5 percentage points below the non-Aboriginal rate	The NAEDB target for <b>Income</b> is Aboriginal income and percent of income from transfers comparable to those of Canada's non-Aboriginal population
	% of Income from Transfers	7.2 percentage points above the non-Aboriginal rate	6.3 percentage points below the non-Aboriginal rate	
	Main source of income from Transfers	11.1 percentage points above the non-Aboriginal rate	11.0 percentage points below the non-Aboriginal rate	
WEALTH AND WELL-BEING	Community Well-Being Index	First Nations communities have a CWB score 19.3 below other Canadian communities Inuit communities have a CWB score 15.1 points below other Canadian communities	First Nations communities have a CWB score 20.0 below other Canadian communities Inuit communities have a CWB score 16.1 points below other Canadian communities	The NAEDB target for <b>Wealth and Well-Being</b> is average community well-being scores comparable to those of Canada's non-Aboriginal population





## UNDERLYING INDICATORS

INDICATOR	KEY MEASURES	2006 ABORIGINAL GAP	2011 ABORIGINAL GAP	2022 TARGET
EDUCATION	High School completion rate	20.6 percentage points lower than the non-Aboriginal rate	18.5 percentage points below the non-Aboriginal rate	The NAEDB target for <b>Education</b> is Aboriginal high school and university completion rates comparable to those of Canada's non-Aboriginal population
	College/Trades completion rate	2.3 percentage points lower than the non-Aboriginal rate	1.2 percentage points lower than the non-Aboriginal rate	
	University completion rate	14.4 percentage points lower than the non-Aboriginal rate	15.6 percentage points below the non-Aboriginal rate	
ENTREPRENEURSHIP AND BUSINESS DEVELOPMENT	Self-employment rate	5.3 percentage points lower than the non-Aboriginal rate	4.4 percentage points below the non-Aboriginal rate	The NAEDB target for <b>Entrepreneurship</b> is Aboriginal self-employment rates comparable to that of Canada's non-Aboriginal population
GOVERNANCE	Aboriginal community intervention status	150 First Nations under intervention	151 First Nations under intervention	The NAEDB target for <b>Governance</b> is 0 First Nation communities under intervention
LANDS AND RESOURCES	Participation in the FNFMA	69 First Nations under the FNFMA	96 First Nations under the FNFMA	The NAEDB target for <b>Lands and Resources</b> is 50% of First Nation communities to be either participating in the FNFMA or having settled comprehensive land claim and self-government agreements.
	Participation in Comprehensive Land Claims and Self-Government Agreements	96 Aboriginal Communities involved in Ratified Agreements	96 Aboriginal Communities involved in Ratified Agreements	
INFRASTRUCTURE	Drinking water infrastructure	46% of First Nations communities have drinking water infrastructure that meets prescribed standards	69% of First Nations communities have drinking water infrastructure that meets prescribed standards	The NAEDB target for <b>Infrastructure</b> is 100% of First Nations communities having drinking water infrastructure that meets prescribed Health Canada standards and overcrowding rates comparable to those of Canada's non-Aboriginal population.
	Overcrowding of dwellings	8.5 percentage points above the non-Aboriginal rate	7.2 percentage points above the non-Aboriginal rate	
	Proportion of population living in dwellings in need of major repair	16.4 percentage points above the non-Aboriginal rate	14.7 percentage points above the non-Aboriginal rate	

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## Annex A – The Aboriginal Population in Canada

### i. POPULATION BY AGE AND GENDER

**Table 33 – Population by Age, Gender and Heritage, Canada, 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Total - Age groups	320,030	531,525	851,560	59,440	451,800	1,400,685	31,451,635
Male	161,790	249,995	411,785	29,495	223,335	682,190	15,480,920
Female	158,240	281,530	439,775	29,950	228,465	718,495	15,970,710
0 to 14 years	105,230	153,565	258,800	20,160	104,420	392,105	5,200,690
Male	54,200	77,950	132,160	10,260	54,050	200,750	2,667,010
Female	51,030	75,610	126,630	9,895	50,355	191,350	2,533,680
15 to 29 years	81,320	133,660	214,985	16,380	113,075	352,765	6,120,615
Male	41,550	65,705	107,250	8,110	56,060	175,795	3,117,375
Female	39,775	67,950	107,725	8,275	57,025	176,960	3,003,240
30 to 44 years	57,820	104,205	162,025	11,120	89,365	268,905	6,337,180
Male	28,715	45,875	74,585	5,415	41,770	124,855	3,087,880
Female	29,120	58,320	87,445	5,700	47,600	144,050	3,249,295
45 to 64 years	58,515	110,555	169,060	9,365	115,295	304,235	9,324,300
Male	29,350	47,945	77,300	4,600	57,150	143,280	4,562,270
Female	29,165	62,605	91,775	4,755	58,150	160,955	4,762,030
65 years and over	17,140	29,545	46,690	2,420	29,630	82,690	4,468,850
Male	7,965	12,515	20,485	1,105	14,300	37,520	2,046,385
Female	9,165	17,040	26,205	1,320	15,330	45,170	2,422,465

**Source:** Statistics Canada, 2011 National Household Survey, AANDC Tabulations.



## ii. POPULATION GROWTH RATES SINCE 2006 BY AGE AND GENDER

**Table 34 – Growth in Population per Annum by Age, Gender and Heritage, Canada, 2006-2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Total - Age groups	1.3%	6.0%	4.1%	3.3%	3.0%	3.6%	0.9%
Male	1.2%	6.1%	4.0%	3.3%	2.9%	3.6%	1.0%
Female	1.3%	5.9%	4.1%	3.3%	3.1%	3.6%	0.8%
0 to 14 years	0.5%	4.6%	2.9%	2.6%	1.2%	2.4%	-0.1%
Male	0.6%	4.6%	2.9%	2.5%	1.3%	2.4%	-0.1%
Female	0.4%	4.7%	2.8%	2.7%	1.0%	2.3%	-0.1%
15 to 29 years	1.4%	6.6%	4.5%	2.9%	2.6%	3.7%	0.8%
Male	1.6%	7.3%	4.9%	2.6%	2.9%	4.0%	1.0%
Female	1.3%	6.0%	4.1%	3.1%	2.4%	3.4%	0.5%
30 to 44 years	-0.6%	3.7%	2.0%	2.0%	0.9%	1.5%	-0.7%
Male	-0.7%	3.6%	1.8%	2.6%	0.5%	1.3%	-0.8%
Female	-0.4%	3.7%	2.2%	1.5%	1.4%	1.7%	-0.6%
45 to 64 years	3.9%	8.4%	6.7%	7.1%	5.9%	6.3%	2.2%
Male	3.5%	8.5%	6.4%	7.7%	5.6%	6.0%	2.1%
Female	4.3%	8.4%	7.0%	6.6%	6.1%	6.5%	2.2%
65 years and over	3.0%	11.4%	7.9%	5.6%	8.2%	7.9%	2.2%
Male	2.4%	12.5%	7.9%	4.4%	7.8%	7.9%	2.7%
Female	3.6%	10.6%	7.9%	6.9%	8.7%	8.0%	1.7%

**Source:** Statistics Canada, 2011 National Household Survey, AANDC Tabulations.

### iii. URBAN AND RURAL POPULATION BY REGION AND HERITAGE GROUP

Table 35 – Urban and Rural Population by Region and Heritage Group, Canada, 2011

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Canada</b>	<b>320,030</b>	<b>531,525</b>	<b>851,560</b>	<b>59,440</b>	<b>451,800</b>	<b>1,400,685</b>	<b>31,451,635</b>
Rural	278,080	119,255	397,340	33,400	130,730	571,290	5,626,540
Urban	41,950	412,270	454,220	26,040	321,070	829,395	25,825,095
<b>Atlantic</b>	<b>19,390</b>	<b>39,460</b>	<b>58,850</b>	<b>7,500</b>	<b>22,965</b>	<b>94,495</b>	<b>2,192,155</b>
Rural	16,675	17,520	34,195	4,035	12,330	52,905	974,690
Urban	2,715	21,940	24,655	3,465	10,635	41,590	1,217,465
<b>Quebec</b>	<b>38,615</b>	<b>43,805</b>	<b>82,420</b>	<b>12,570</b>	<b>40,960</b>	<b>141,915</b>	<b>7,590,610</b>
Rural	22,210	11,085	33,295	11,095	15,080	60,935	1,450,590
Urban	16,405	32,720	49,125	1,475	25,880	80,980	6,140,020
<b>Ontario</b>	<b>47,480</b>	<b>153,625</b>	<b>201,105</b>	<b>3,360</b>	<b>86,015</b>	<b>301,430</b>	<b>12,350,365</b>
Rural	44,785	29,360	74,145	650	21,890	99,160	1,676,515
Urban	2,695	124,265	126,960	2,710	64,125	202,270	10,673,850
<b>Manitoba</b>	<b>61,685</b>	<b>52,545</b>	<b>114,230</b>	<b>585</b>	<b>78,840</b>	<b>195,900</b>	<b>978,450</b>
Rural	59,530	9,615	69,145	110	22,450	92,190	225,125
Urban	2,155	42,930	45,085	475	56,390	103,710	753,325
<b>Saskatchewan</b>	<b>54,945</b>	<b>48,265</b>	<b>103,210</b>	<b>295</b>	<b>52,450</b>	<b>157,740</b>	<b>851,020</b>
Rural	47,670	8,715	56,385	55	17,965	74,825	255,720
Urban	7,275	39,550	46,825	240	34,485	82,915	595,300
<b>Alberta</b>	<b>46,600</b>	<b>70,070</b>	<b>116,670</b>	<b>1,990</b>	<b>96,870</b>	<b>220,700</b>	<b>3,347,280</b>
Rural	46,600	13,010	59,610	190	24,105	85,040	503,880
Urban	–	57,060	57,060	1,800	72,765	135,660	2,843,400
<b>British Columbia</b>	<b>51,045</b>	<b>103,975</b>	<b>155,020</b>	<b>1,570</b>	<b>69,475</b>	<b>232,290</b>	<b>4,092,170</b>
Rural	40,355	17,165	57,520	185	15,070	74,105	526,205
Urban	10,690	86,810	97,500	1,385	54,405	158,185	3,565,965
<b>Yukon Territory</b>	<b>–</b>	<b>6,585</b>	<b>6,585</b>	<b>175</b>	<b>840</b>	<b>7,705</b>	<b>25,610</b>
Rural	–	3,660	3,660	30	420	4,170	9,115
Urban	–	2,925	2,925	145	420	3,535	16,495
<b>NWT and Nunavut</b>	<b>270</b>	<b>13,205</b>	<b>13,475</b>	<b>31,405</b>	<b>3,370</b>	<b>48,525</b>	<b>23,975</b>
Rural	270	9,120	9,390	17,060	1,410	27,960	4,700
Urban	–	4,085	4,085	14,345	1,960	20,565	19,275

**Source:** Statistics Canada, 2011 National Household Survey, AANDC Tabulations.

**Notes:** For all heritage groups except First Nations, both the Rural and Urban categories include people living both on and off reserves. For First Nations, the Rural and Urban categories have been broken down into on and off reserve components. As part of the census review cycle, First Nation communities in the Yukon were no longer classified as reserves in 2011, resulting in an on reserve count of 0. The total Aboriginal population is defined as those persons who identified with one or more Aboriginal groups and/or Registered or Treaty Indian Status and/or membership with a First Nation or Indian band and includes Aboriginal identities not counted elsewhere.



## Annex B – Summary of Selected 2006 Census and 2011 NHS Outcomes by Heritage Group (15 years and older)

**Table 36 – Aboriginal Employment and Income Indicators by Heritage Group, 2006 and 2011**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Employment Rate</b>	2006	39.0%	54.9%	48.2%	48.9%	63.1%	53.7%	62.7%
	Gap	23.7	7.8	14.5	13.8	-0.4	9.0	–
	2011	35.4%	52.6%	46.4%	48.4%	61.8%	52.1%	61.2%
	Gap	25.8	8.6	14.8	12.8	-0.6	9.1	–
<b>Participation Rate</b>	2006	52.0%	63.8%	58.8%	61.3%	70.1%	63.0%	66.9%
	Gap	14.9	3.2	8.1	5.6	-3.1	3.9	–
	2011	47.4%	62.0%	56.7%	60.2%	68.9%	61.3%	66.2%
	Gap	18.8	4.2	9.5	6.0	-2.7	4.9	–
<b>Unemployment Rate</b>	2006	24.9%	14.0%	18.0%	20.3%	10.0%	14.8%	6.3%
	Gap	18.6	7.7	11.7	14.0	3.7	8.5	–
	2011	25.2%	15.3%	18.3%	19.5%	10.4%	15.0%	7.5%
	Gap	17.7	7.8	10.8	12.0	2.9	7.5	–
<b>Average Income</b>	2005	\$15,958	\$24,519	\$20,940	\$25,461	\$28,226	\$23,889	\$35,872
	Gap	55.5%	31.6%	41.6%	29.0%	21.3%	33.4%	–
	2010	\$18,586	\$30,266	\$26,107	\$31,722	\$35,051	\$29,780	\$41,052
	Gap	54.7%	26.3%	36.4%	22.7%	14.6%	27.5%	–
<b>Proportion of Income Received from Government Transfers</b>	2005	28.6%	18.6%	21.8%	17.7%	13.8%	18.1%	10.9%
	Gap	17.7	7.7	10.9	6.8	2.9	7.2	–
	2010	31.5%	19.3%	22.4%	18.5%	14.1%	18.5%	12.2%
	Gap	19.3	7.1	10.2	6.3	1.9	6.3	–
<b>Main Source of Income from Government Transfers</b>	2005	46.8%	33.7%	39.1%	33.1%	25.4%	33.8%	22.7%
	Gap	24.1	11.0	16.4	10.4	2.7	11.1	–
	2010	54.1%	36.0%	42.5%	35.7%	27.4%	36.5%	25.6%
	Gap	28.6	10.5	16.9	10.1	1.8	11.0	–
<b>High School Completion</b>	2006	40.2%	59.9%	51.6%	39.3%	65.4%	56.3%	76.9%
	Gap	36.7	17.0	25.3	37.6	11.5	20.6	–
	2011	44.1%	65.0%	57.4%	43.4%	71.0%	62.0%	80.6%
	Gap	36.5	15.5	23.1	37.1	9.5	18.5	–
<b>University Completion</b>	2006	5.7%	9.8%	8.1%	4.2%	9.8%	8.6%	23.0%
	Gap	17.4	13.2	14.9	18.8	13.2	14.4	–
	2011	5.7%	11.1%	9.1%	4.9%	12.2%	10.2%	25.8%
	Gap	20.1	14.8	16.7	20.9	13.6	15.6	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.



### DERIVING THE NAEDB INDICES

The *Aboriginal Economic Progress Report* presents data on two sets of indicators: core indicators and underlying indicators. The core indicators focus on economic outcomes by tracking key employment and income measures. The underlying indicators track factors that directly contribute to improving economic outcomes for Aboriginal people. These factors focus on measures of entrepreneurial activity, education and indicators of infrastructure conditions that can each influence economic outcomes in terms of employment success and earnings potential.

To assess how the core and underlying outcomes for the Aboriginal population have compared with the non-Aboriginal population, separate indices were derived by population group for each of the core and underlying indicators, with the indicators equally weighted in their respective index. As well, an overall NAEDB Economic Development Index was derived consolidating the outcomes from the core and underlying indicators. The selection of indicators used cover all core and underlying indicators for which data was available for all seven population groups reported in the *Aboriginal Economic Progress Report*. The methodology used in constructing these indices is based on the methodology used for the CWB Index<sup>17</sup> but applies to population groups instead of communities. The index score for a population group for each of these indices is a single number that ranges from a low of 0 to a high of 100. The components and the indicators used in the derivation of these indices are described below.

#### Core Indicators Index

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##### 1) Income

The Income component is derived using the median total income for a population group. Median total income for each population group is transformed into its logarithm. This transformation is used in deriving the CWB Index to account for the diminishing marginal utility of income where those with lower income benefit more from additional income than people at higher income levels. The logarithm of income is converted to a scale of 0 -100, like the other indicators in the index. This was done by establishing a range of total income that normalized to a 0 - 100 range. A range of \$2,000 to \$40,000 dollars, consistent with the CWB Index, was used to represent the lowest and highest range for incomes based on income levels found in Canadian communities. Normalization was applied according to the following formula:

$$\text{Income Score} = \left( \frac{\text{Log}(\text{income per capita}) - \text{Log}(\$2,000)}{\text{Log}(\$40,000) - \text{Log}(\$2,000)} \right) \times 100$$

##### 2) Dependency on Government Transfers

This component consists of the following two equally-weighted measures of dependency on government transfers including Old Age Security Pensions, Guaranteed Income Supplements, Canada or Quebec Pension Plan benefits, child benefits, Employment Insurance benefits and other income from government sources including social assistance.

- Proportion of Income Received from Government Transfers: The proportion of income received by the population 15 years and older that was not from government transfers.
- Main Source of Aboriginal Income and Government Transfers: The percentage of the population 15 years and older in each heritage group whose main source of income was not government transfers.

<sup>17</sup> Aboriginal Affairs and Northern Development Canada: <http://www.aadnc-aandc.gc.ca/eng/1100100016585/1100100016598>



### **3) Employment**

The Employment component is composed of the following equally-weighted indicators related to labour force activity:

- Labour force participation: The participation rate for a particular group is the total labour force in that group in the week prior to census day, expressed as a percentage of the total population in that group.
- Employment: The employment rate for a particular group (age, sex, marital status, geographic area, etc.) is the number of employed persons in that group in the week prior to census day, expressed as a percentage of the total population in that group.
- Unemployment: Refers to the unemployed expressed as a residual percentage of the labour force unemployed in the week prior to census day.

## **Underlying Indicators Index**

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### **1) Education**

The Education component is composed of the following three equally-weighted measures:

- High school Completion: the proportion of a group's population, 15 years and over, that has obtained at least a high school certificate.
- College/Trades Completion: the proportion of a group's population, 15 years and over, that has obtained a college, trades/apprenticeship or other non-university certificate, diploma or degree.
- University Completion: the proportion of a group's population, 15 years and over, that has obtained a university degree at the bachelor's level or higher.

### **2) Entrepreneurship**

Self-employment was used as an indicator of entrepreneurship activity by a population group:

- Self-employment: Proportion of workers who are employed for themselves, or work without pay for a family business. While many self-employed individuals work alone, many are owners of small businesses and may employ paid workers.

### **3) Housing**

The Housing component comprises equally-weighted indicators of housing quantity and quality.

- Housing quantity: the proportion of the population living in dwellings that contain no more than one person per room.
- Housing quality: the proportion of the population living in dwellings that are not in need of major repairs.

## Annex D – Summary of Youth Data 2006 Census and 2011 NHS Outcomes by Heritage Group (15-24 years and older, 15-19, 19-24)

**Table 37 – Summary of Youth (15 to 24 years) Outcomes by Heritage Group**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Employment Rate</b>	2006	20.6%	42.3%	32.7%	34.1%	55.5%	40.8%	58.0%
	Gap	37.4	15.7	25.3	23.9	2.5	17.2	–
	2011	16.7%	38.6%	30.2%	33.6%	50.9%	37.3%	51.3%
	Gap	34.6	12.7	21.1	17.7	0.4	14.0	–
<b>Participation Rate</b>	2006	33.2%	53.5%	44.5%	46.0%	65.5%	52.0%	66.3%
	Gap	33.1	12.8	21.8	20.3	0.8	14.3	–
	2011	28.6%	51.2%	42.5%	46.2%	61.2%	49.0%	61.2%
	Gap	32.6	10.0	18.7	15.0	0.0	12.2	–
<b>Unemployment Rate</b>	2006	37.9%	20.9%	26.5%	26.1%	15.3%	21.5%	12.4%
	Gap	25.5	8.5	14.1	13.7	2.9	9.1	–
	2011	41.7%	24.5%	28.9%	27.4%	16.9%	23.9%	16.2%
	Gap	25.5	8.3	12.7	11.2	0.7	7.7	–
<b>Average Income</b>	2005	\$6,008	\$10,341	\$8,386	\$10,519	\$12,224	\$9,941	\$11,886
	Gap	49.5%	13.0%	29.4%	11.5%	-2.8%	16.4%	–
	2010	\$6,817	\$12,447	\$10,373	\$12,979	\$14,312	\$11,910	\$13,577
	Gap	49.8%	8.3%	23.6%	4.4%	-5.4%	12.3%	–
<b>Government Transfers</b>	2005	37.6%	21.1%	26.4%	20.2%	12.3%	19.6%	7.4%
	Gap	30.2	13.7	19.0	12.8	4.9	12.2	–
	2010	42.8%	23.0%	27.8%	23.4%	13.5%	21.5%	10.1%
	Gap	32.7	12.9	17.7	13.3	3.4	11.4	–
<b>High School Completion (20 to 24 years)</b>	2006	38.9%	62.2%	51.9%	39.8%	74.6%	59.7%	87.5%
	Gap	48.5	25.3	35.5	47.7	12.8	27.8	–
	2011	42.0%	69.8%	59.3%	44.9%	79.6%	65.5%	89.9%
	Gap	47.8	20.0	30.6	45.0	10.3	24.3	–
<b>University Completion (20-24 years)</b>	2006	1.5%	4.8%	3.3%	2.1%	8.3%	5.1%	17.2%
	Gap	15.7	12.4	13.8	15.1	8.9	12.1	–
	2011	1.2%	5.5%	3.9%	2.1%	9.6%	5.8%	20.3%
	Gap	19.1	14.8	16.4	18.2	10.7	14.5	–

**Source:** Statistics Canada, 2011 National Household Survey and 2006 Census of Population, AANDC Tabulations.

**Note:** Gap signifies the gap between a particular heritage group and the non-Aboriginal population.



**Table 38 – Summary of Youth (ages 15-19 and 20-24) Outcomes by Heritage Group**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Employment Rate Age 15-19</b>	2006	13.4%	30.7%	23.0%	24.8%	44.3%	30.3%	44.3%
	Gap	30.9	13.6	21.3	19.5	0.0	14.0	–
	2011	10.0%	25.5%	19.5%	23.8%	36.5%	25.3%	35.5%
	Gap	25.5	10.0	16.0	11.7	-1.0	10.2	–
	Δ Gap	-5.4	-3.6	-5.3	-7.8	-1.0	-3.8	–
<b>Employment Rate Age 20-24</b>	2006	30.3%	57.2%	45.5%	46.3%	68.6%	54.2%	72.0%
	Gap	41.7	14.8	26.5	25.7	3.4	17.8	–
	2011	25.0%	54.5%	43.3%	44.2%	67.8%	51.8%	66.8%
	Gap	41.8	12.3	23.5	22.6	-1.0	15.0	–
	Δ Gap	+0.1	-2.5	-3.0	-3.1	-4.4	-2.8	–
<b>Participation Rate Age 15-19</b>	2006	21.5%	40.3%	31.9%	33.2%	52.9%	39.1%	51.8%
	Gap	30.3	11.5	19.9	18.6	-1.1	12.7	–
	2011	17.1%	35.4%	28.3%	32.6%	45.3%	34.1%	44.1%
	Gap	27.0	8.7	15.8	11.5	-1.2	10.0	–
	Δ Gap	-3.3	-2.8	-4.1	-7.1	-0.1	-2.7	–
<b>Participation Rate Age 20-24</b>	2006	48.9%	70.4%	61.1%	63.0%	80.3%	68.3%	81.0%
	Gap	32.1	10.6	19.9	18.0	0.7	12.7	–
	2011	42.8%	70.3%	59.9%	61.4%	80.0%	66.9%	78.0%
	Gap	35.2	7.7	18.1	16.6	-2.0	11.1	–
	Δ Gap	+3.1	-2.9	-1.8	-1.4	-2.7	-1.6	–
<b>Unemployment Rate Age 15-19</b>	2006	37.9%	23.9%	28.1%	25.3%	16.3%	22.6%	14.4%
	Gap	23.5	9.5	13.7	10.9	1.9	8.2	–
	2011	41.7%	28.0%	31.2%	26.7%	19.4%	25.9%	19.5%
	Gap	22.2	8.5	11.7	7.2	-0.1	6.4	–
	Δ Gap	-1.3	-1.0	-2.0	-3.7	-2.0	-1.8	–
<b>Unemployment Rate Age 20-24</b>	2006	37.9%	18.7%	25.4%	26.5%	14.6%	20.7%	11.1%
	Gap	26.8	7.6	14.3	15.4	3.5	9.6	–
	2011	41.6%	22.4%	27.6%	27.9%	15.2%	22.6%	14.4%
	Gap	27.2	8.0	13.2	13.5	0.8	8.2	–
	Δ Gap	+0.4	+0.4	-1.1	-1.9	-2.7	-1.4	–

**Table 38 – Summary of Youth (ages 15-19 and 20-24) Outcomes by Heritage Group (continued)**

		FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
<b>Average Income Age 15-19</b>	2006	\$3,182	\$5,448	\$4,380	\$5,530	\$5,893	\$5,008	\$6,011
	Gap	47.1%	9.4%	27.1%	8.0%	2.0%	16.7%	–
	2011	\$3,976	\$6,221	\$5,423	\$6,736	\$7,091	\$6,112	\$6,784
	Gap	41.4%	8.3%	20.1%	0.7%	-4.5%	9.9%	–
	Δ Gap	-5.7	-1.1	-7.1	-7.3	-6.5	-6.8	–
<b>Average Income Age 20-24</b>	2006	\$8,304	\$13,786	\$11,396	\$14,244	\$17,051	\$13,644	\$15,761
	Gap	47.3%	12.5%	27.7%	9.6%	-8.2%	13.4%	–
	2011	\$8,390	\$16,212	\$13,271	\$17,082	\$19,327	\$15,533	\$17,503
	Gap	52.1%	7.4%	24.2%	2.4%	-10.4%	11.3%	–
	Δ Gap	+4.8	-5.2	-3.5	-7.2	-2.2	-2.2	–
<b>Proportion of Income Received from Government Transfers</b>	2006	37.2%	14.9%	22.6%	16.3%	7.7%	15.8%	4.2%
	Age 15-19	33.0	10.7	18.4	12.1	3.5	11.6	–
	2011	38.3%	17.1%	22.6%	20.5%	9.7%	16.9%	7.1%
	Gap	31.2	10.0	15.5	13.4	2.6	9.8	–
	Δ Gap	-1.8	-0.7	-2.9	+1.3	-0.9	-1.8	–
<b>Proportion of Income Received from Government Transfers Age 20-24</b>	2006	37.7%	22.8%	27.6%	21.4%	13.5%	20.7%	8.2%
	Gap	29.5	14.6	19.4	13.2	5.3	12.5	–
	2011	44.0%	24.4%	29.1%	24.2%	14.5%	22.6%	10.8%
	Gap	33.2	13.6	18.3	13.4	3.7	11.8	–
	Δ Gap	+3.7	-1.0	-1.1	+0.2	-1.6	-0.7	–



## Annex E – Regional Data

**Table 39 – Aboriginal Population by Region and Heritage Group, Canada, 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	320,030	531,525	851,560	59,440	451,800	1,400,685	31,451,635
Newfoundland and Labrador	2,865	16,455	19,315	6,265	7,665	35,800	471,470
Prince Edward Island	435	1,085	1,520	55	410	2,230	135,145
Nova Scotia	8,875	13,020	21,895	695	10,050	33,850	872,325
New Brunswick	7,220	8,900	16,120	485	4,850	22,620	713,215
Quebec	38,615	43,810	82,420	12,575	40,960	141,910	7,590,610
Ontario	47,480	153,620	201,100	3,360	86,015	301,430	12,350,365
Manitoba	61,685	52,540	114,230	580	78,835	195,900	978,445
Saskatchewan	54,950	48,260	103,205	290	52,450	157,740	851,020
Alberta	46,600	70,070	116,670	1,985	96,870	220,700	3,347,280
British Columbia	51,045	103,975	155,020	1,570	69,475	232,290	4,092,165
Yukon	N/A	6,590	6,585	180	845	7,705	25,615
Northwest Territories	270	13,075	13,350	4,335	3,250	21,160	19,645
Nunavut	N/A	125	125	27,070	135	27,360	4,335

**Table 40 – Employment Rate (15 years and older) by Heritage Group and Region (percent), Canada, 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	35.4	52.6	46.4	48.4	61.8	52.1	61.2
Newfoundland and Labrador	46.4	45.7	45.8	47.1	51.4	47.7	50.9
Prince Edward Island	52.6	57.9	56.8	50.0	54.1	54.2	60.2
Nova Scotia	36.7	56.2	48.9	65.7	60.1	52.8	56.9
New Brunswick	35.3	50.7	44.0	59.3	57.1	48.5	56.8
Quebec	41.8	57.3	50.8	52.6	57.4	53.3	60.0
Ontario	42.4	52.8	50.4	58.4	59.2	53.3	60.3
Manitoba	29.3	45.9	36.9	67.5	65.8	50.0	65.2
Saskatchewan	29.5	49.5	38.7	33.3	59.8	46.8	67.8
Alberta	32.9	57.7	48.0	67.7	65.4	56.8	69.7
British Columbia	37.7	52.5	47.5	47.9	61.5	52.2	59.9
Yukon	N/A	52.5	52.6	54.2	65.6	54.1	73.8
Northwest Territories	42.5	45.1	45.1	46.4	66.1	49.1	82.9
Nunavut	N/A	78.9	75.0	43.2	78.3	43.7	89.9





**Table 41 – Labour Force Participation Rate (15 years and older) by Heritage Group and Region (percent), Canada, 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	47.4	62	56.7	60.2	68.9	61.3	66.2
Newfoundland and Labrador	66.6	56.9	58.1	61.7	66.1	60.8	59.3
Prince Edward Island	68.4	68.9	69.5	50	67.2	66	68.4
Nova Scotia	50.8	64.2	59.2	69.6	68	62.1	63.1
New Brunswick	54.3	60.8	58	69.5	68	61.1	63.6
Quebec	54.2	63.8	59.8	62.7	64.5	61.6	64.7
Ontario	52.7	61.8	59.7	66	66.4	61.9	65.6
Manitoba	40.5	54.3	46.9	68.8	71.6	58.1	68.8
Saskatchewan	40.8	59.7	49.6	43.3	67.2	56.3	71.1
Alberta	43.1	67.1	57.7	73.1	72.2	64.9	73.7
British Columbia	51.8	63	59.2	54.4	68.8	62.4	64.7
Yukon	N/A	68.8	68.8	62.5	81.2	70	79.2
Northwest Territories	57.5	61.1	60.9	59.6	74.2	63	86.6
Nunavut	N/A	84.2	80	56.6	87	57	92.6

**Table 42 – Unemployment Rate (15 years and older) by Heritage Group and Region (percent), Canada, 2011**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	25.2	15.3	18.3	19.5	10.4	15.0	7.5
Newfoundland and Labrador	30.4	19.6	21.2	23.5	22.2	21.6	14.1
Prince Edward Island	23.1	16.8	18.3	N/A	22.0	17.9	12.0
Nova Scotia	27.7	12.5	17.4	5.6	11.8	15.0	9.9
New Brunswick	35.1	16.6	24.1	N/A	15.8	20.8	10.7
Quebec	22.9	10.1	15.0	16.2	11.1	13.5	7.1
Ontario	19.5	14.6	15.6	11.6	10.9	13.9	8.2
Manitoba	27.6	15.5	21.1	N/A	8.1	13.8	5.2
Saskatchewan	27.8	17.1	21.8	N/A	11.0	16.9	4.6
Alberta	23.6	13.9	16.7	7.8	9.4	12.6	5.4
British Columbia	27.2	16.6	19.8	12.7	10.5	16.4	7.4
Yukon	N/A	23.6	23.6	N/A	20.2	22.7	6.7
Northwest Territories	21.7	26.1	26.0	22.1	11.0	22.2	4.3
Nunavut	N/A	12.5	N/A	23.7	10.0	23.3	2.8



**Table 43 – Average Income (15 years and older) by Heritage Group and Region, Canada, 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	\$18,586	\$30,266	\$26,107	\$31,722	\$35,051	\$29,780	\$41,052
Newfoundland and Labrador	\$22,509	\$29,448	\$28,626	\$31,037	\$38,727	\$31,760	\$35,311
Prince Edward Island	\$22,024	\$29,493	\$27,488	\$35,277	\$26,938	\$41,051	\$33,826
Nova Scotia	\$17,854	\$29,018	\$24,991	\$35,550	\$31,002	\$27,438	\$35,747
New Brunswick	\$18,093	\$25,434	\$22,228	\$25,264	\$27,597	\$24,320	\$34,372
Quebec	\$24,600	\$30,897	\$28,335	\$28,715	\$31,474	\$29,526	\$36,466
Ontario	\$21,100	\$31,527	\$29,146	\$32,845	\$34,298	\$31,070	\$42,506
Manitoba	\$13,215	\$24,979	\$18,560	\$28,834	\$32,520	\$25,074	\$38,500
Saskatchewan	\$15,995	\$27,628	\$21,422	\$26,132	\$33,240	\$26,354	\$42,767
Alberta	\$19,551	\$35,683	\$29,611	\$40,304	\$41,245	\$35,437	\$51,786
British Columbia	\$19,169	\$27,658	\$24,807	\$23,515	\$33,851	\$28,001	\$39,958
Yukon	N/A	\$34,114	\$34,114	\$22,153	\$41,757	\$34,799	\$50,480
Northwest Territories	\$24,943	\$35,444	\$35,225	\$33,450	\$55,510	\$38,348	\$69,043
Nunavut	N/A	\$65,194	\$65,194	\$32,835	\$78,976	\$33,391	\$85,018

**Table 44 – Median Income (15 years and older) by Heritage Group and Region, Canada, 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	\$13,182	\$21,521	\$17,903	\$20,961	\$26,173	\$20,701	\$30,195
Newfoundland and Labrador	\$15,926	\$21,949	\$21,051	\$23,176	\$24,720	\$22,669	\$25,454
Prince Edward Island	\$16,534	\$20,323	\$19,239	\$22,696	\$21,211	\$21,158	\$27,858
Nova Scotia	\$12,259	\$20,940	\$17,836	\$26,147	\$23,309	\$19,708	\$27,846
New Brunswick	\$13,637	\$19,928	\$16,657	\$16,439	\$21,774	\$18,156	\$26,836
Quebec	\$17,596	\$23,712	\$21,410	\$20,187	\$24,218	\$22,239	\$28,199
Ontario	\$16,445	\$22,900	\$20,913	\$23,396	\$25,798	\$22,546	\$30,696
Manitoba	\$7,542	\$17,928	\$12,459	\$23,758	\$27,089	\$17,690	\$30,709
Saskatchewan	\$10,212	\$19,534	\$14,584	\$21,364	\$25,549	\$18,092	\$33,344
Alberta	\$13,937	\$23,627	\$18,478	\$30,185	\$29,132	\$23,013	\$37,057
British Columbia	\$14,228	\$19,411	\$17,099	\$16,358	\$25,084	\$19,264	\$29,313
Yukon	N/A	\$24,268	\$24,268	\$11,199	\$34,958	\$25,113	\$43,827
Northwest Territories	\$18,406	\$21,475	\$21,380	\$21,162	\$45,032	\$23,992	\$63,090
Nunavut	N/A	\$58,359	\$58,359	\$19,858	\$75,711	\$20,066	\$86,668



**Table 45 – Proportion of Income Received from Government Transfers (15 years and older) by Heritage Group and Region, Canada (percent), 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	31.5	19.3	22.4	18.5	14.1	18.5	12.2
Newfoundland and Labrador	20.8	24.7	24.3	19.6	17	21.2	19.2
Prince Edward Island	28.4	20.4	22.1	N/A	29	16.7	17.9
Nova Scotia	29.5	18.7	21.5	16.9	16	19.2	15.3
New Brunswick	28.7	21.6	24.1	13.5	20.7	22	16.4
Quebec	27.1	18.5	21.6	19.4	19	20.5	15
Ontario	33	19.7	21.9	18.1	16.9	19.9	12.2
Manitoba	39	26.5	31.4	10.7	13.9	20.8	11.6
Saskatchewan	35.6	22.7	27.8	27.9	15.5	21.4	10.6
Alberta	29.7	13.4	17.4	7.7	9.8	12.9	7.1
British Columbia	28.4	19	21.5	25.8	13.5	18.2	11.4
Yukon	N/A	18.8	18.8	22.9	11.6	17.8	7.6
Northwest Territories	20.9	16.7	16.7	17.1	8.3	14.7	4.2
Nunavut	N/A	3.9	3.8	19.2	4.5	18.8	3.1

**Table 46 – Proportion of Individuals with Main Source of Income from Government Transfers by Heritage Group and Region (percent), Canada, 2010**

	FIRST NATIONS (on reserve)	FIRST NATIONS (off reserve)	FIRST NATIONS (total)	INUIT	MÉTIS	ABORIGINAL (total)	NON- ABORIGINAL
Canada	54.1	36.0	42.5	35.7	27.4	36.5	25.6
Newfoundland and Labrador	28.9	40.1	38.8	36.0	33.0	36.7	35.8
Prince Edward Island	34.5	32.0	32.8	N/A	31.6	34.3	28.4
Nova Scotia	50.2	30.7	37.7	30.9	29.0	34.5	28.1
New Brunswick	43.7	37.7	40.4	30.5	33.2	37.7	29.5
Quebec	42.9	33.0	37.0	31.2	33.3	35.2	27.7
Ontario	51.2	36.5	39.9	32.4	30.0	36.4	26.1
Manitoba	68.2	44.1	57.2	20.8	24.2	41.8	22.3
Saskatchewan	59.6	40.5	50.7	50.0	29.0	42.0	21.2
Alberta	55.4	30.8	40.1	17.0	23.7	31.6	18.8
British Columbia	47.9	35.3	39.5	43.5	26.8	35.2	24.7
Yukon	N/A	32.3	32.3	26.1	19.0	30.5	12.9
Northwest Territories	37.8	35.0	35.1	34.3	18.9	32.1	7.9
Nunavut	N/A	17.6	17.6	40.3	9.1	39.9	5.5













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