TACKLING POVERTY IN INDIGENOUS COMMUNITIES IN CANADA

In mainstream Canadian society, it is quite common to refer to poverty as a social determinant of health, and to conceive of poverty as a complexity of factors at whose core are economic dimensions such as (lack of) income, employment and the like. Furthermore, it is the economic dimensions of poverty that are typically measured that are deemed to be one of the most important determinants of health (Canadian Medical Association [CMA], 2013), and that are the focus of strategies to improve health and well-being.

Within Indigenous communities, the situation is more complex. The Poverty Action Research Project, for example, working with five First Nation communities across Canada, found that there was no word for “poverty” in the Indigenous languages of the nations involved, nor did community residents relate well to the concept in the way it is used in the mainstream society (Denis & the Poverty Action Research Project, 2014). They frequently noted that they did not see themselves as poor even though individual and family incomes were quite meagre. They suggested that the goal is not to maximize money and status but rather to earn a moderate livelihood and to live a life according to core values. In their strategies they were reluctant to focus on and stigmatize the poor identified in economic terms, preferring instead to use language such as “building our community together.” They tended not to focus on the economic dimension in isolation from other aspects of community well-being, emphasizing interconnectedness and balance (Bartlett, 2003). In addition to the concern about individuals, there is a community dimension as well with an emphasis on maintaining group identity, preserving or enhancing culture, strengthening the family, protecting Aboriginal and treaty rights and enhancing self-determination (Denis et al, 2014; Kral, Idlout, Minore, Dyck, & Kirmayer, 2011).

1 A recent report from the Canadian Medical Association on the social determinants of health rates poverty as the most important factor (CMA, 2013).
2 The terms ‘Indigenous’ and ‘Aboriginal’ are used interchangeably throughout this paper to refer inclusively to the original inhabitants of Canada and their descendants, including First Nations, Inuit and Métis peoples as defined in Section 35 of the Canadian Constitution of 1982. The term ‘Indigenous’ is increasingly becoming the preferred term among Indigenous peoples. When not referring to all Indigenous peoples collectively, the specific terms ‘First Nations’, ‘Inuit’, and “Métis’ will be used.
Nevertheless, the economic dimension of poverty is important, even if it takes its place among other determinants of community health and well-being. Indigenous leaders and scholars refer frequently to the (economic) poverty prevalent in their communities and advocate for strategies to “close the gap” (Assembly of First Nations, 2016; Bourassa, 2008). It can also be argued that the other goals mentioned above cannot be achieved if communities do not have a self-sustaining economic base that provides the basis for self-determination, as well as the resources for investment in other dimensions of community life.

For First Nation, Inuit and Métis peoples in Canada, who experience a disproportionate burden of illness, poverty is both deep and widespread. This paper will briefly examine the breadth and depth of poverty in Indigenous communities using standard economic indicators. The paper will show some of the ways in which poverty contributes to lack of community health and well-being. It concludes by identifying a number of different strategies for tackling poverty in its economic dimensions, including some that have worked well in Indigenous communities.

### Poverty among Indigenous Populations

In this paper, the term “poverty” is used in the sense of limited financial resources, both in an absolute sense when such resources are insufficient to meet basic human needs such as shelter, food and safe drinking water, and in a relative sense when resources are significantly below the standard of living in one’s society (Denis et al., 2014). Lack of sufficient financial resources is the aspect of poverty that is most clearly and directly linked to negative health outcomes, but that is not always the case. For example, Métis, Inuit and First Nation persons engaged in traditional activities may be able to lead healthy and satisfying lives while subsisting at quite low levels of income.

Even using economic indicators, there are different ways of measuring poverty, as illustrated in Table 1. One can take an arbitrary income cut-off point, such as the proportion of households receiving less than $10,000 or less than $20,000 in income annually. The table also describes the proportion of a population with low incomes after tax using Statistics Canada’s definition of low income. According to this measure, households are deemed to be low income if their household after-tax income is half the median for Canada as a whole. By all of these measures, it can be seen that the incomes of Indigenous households are, on average, well below those of other Canadians.

A somewhat broader measure, the Community Well-being Index, has been developed which includes income as one element but also incorporates other dimensions such as educational achievement, housing quantity and quality, and labour market activity. Chart 1 shows some

---

3 It should be noted that indicators of these concepts are aggregated to the community level and combined into one figure, so the index reports a consolidated score for each community. Data is not available for Métis communities.

### TABLE 1: SELECTED POVERTY INDICATORS BY GROUP, 2010

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Indigenous</th>
<th>Non-Indigenous</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per cent of households with income below $10,000 annually</td>
<td>7.1</td>
<td>4.7</td>
</tr>
<tr>
<td>Per cent of households with income below $20,000</td>
<td>18.3</td>
<td>9.9</td>
</tr>
<tr>
<td>Median annual household income</td>
<td>$52,581</td>
<td>$61,072</td>
</tr>
<tr>
<td>Per cent of individuals with low income after tax</td>
<td>25.3</td>
<td>14.9</td>
</tr>
<tr>
<td>Per cent of children under six years, living with low income after tax</td>
<td>35.0</td>
<td>18.1</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, 2013a/2013b.
improvement in the Community Well-being Index over time, but the gap in well-being comparing First Nation with non-Indigenous communities is as wide in 2011 as it was in 1981 (20 points difference in both years). However, there has been a slight reduction in the gap between Inuit and non-Indigenous scores, from a differential of 19 in 1981 to 16 in 2011. The data shows a fairly constant gap between Inuit and First Nation scores from 1991 to 2011.

Poverty as a social determinant of health

There is, of course, a well-established link between poverty and various health outcomes. The relationship can be direct, as when poverty contributes immediately to a particular health outcome (e.g., depression) or indirect, when poverty may lead to the increased likelihood of participation in risky health behaviours (e.g., smoking). Poverty is also a factor in one’s ability to access a full range of health services. There are many examples of these patterns and three illustrations are provided here.

In Chart 2, for example, a clear relationship can be seen between household income level and smoking on a daily basis among First Nation adults living on reserve.
A similar kind of gradient is visible when the relationship between household income level and the occurrence of major depressive episodes among Indigenous persons living off reserve is examined. Of note in Chart 3 is that not only does the likelihood of having depressive episodes vary with household income, but the proportion of Indigenous households dealing with depression is much higher than it is for the non-Indigenous population. Furthermore, the relationship with income is stronger, as indicated by the steeper slope of the line.

Another way in which poverty can be linked to health outcomes is when persons are not able to access health care services either because they cannot afford them or because they are not accessible for other reasons. In Table 2, for example, data from the First Nations Regional Health Survey for Nova Scotia shows the most frequently mentioned barriers cited by adults in accessing health care in the 2008-09 period. Of the top seven barriers listed, five of the seven seem to be directly related to economic hardship (i.e., not being able to afford the service, not having insurance coverage or not having transportation to get to the clinic).

---

**Table 2: Most Frequently Mentioned Barriers to Accessing Health Care Services First Nation Adults in Nova Scotia, 2008-09**

<table>
<thead>
<tr>
<th>Type of barrier</th>
<th>Per cent citing barrier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waiting list too long</td>
<td>37.1</td>
</tr>
<tr>
<td>Doctor or nurse not available in area</td>
<td>21.4</td>
</tr>
<tr>
<td>Unable to arrange transportation</td>
<td>19.6</td>
</tr>
<tr>
<td>Not covered by Non-Insured health benefits (NIHB)</td>
<td>18.4</td>
</tr>
<tr>
<td>Could not afford transportation costs</td>
<td>14.6</td>
</tr>
<tr>
<td>Prior approval by NIHB denied</td>
<td>14.2</td>
</tr>
<tr>
<td>Could not afford cost of care, service</td>
<td>11.4</td>
</tr>
</tbody>
</table>


---

4 The data reported in Chart 3 refers to all persons living off reserve who reported their cultural and racial background as being Aboriginal peoples of North America. Thus it includes First Nation, Inuit and Métis persons (Tjepkema, 2002, p.2).

5 In the survey, this question was asked for all adult respondents and included many persons who made no attempt to access services in the year specified. If the question had been asked just for those who had access difficulties, the percentages specifying particular barriers would have been much higher.
Tackling Poverty: A Research and Policy Challenge

At first glance, then, it seems like a straightforward relationship exists between poverty and health, and the solution appears to be equally simple: get rid of poverty and thereby improve health and well-being markedly in Indigenous communities. However, the situation is far from simple.

Reducing or eliminating poverty is a difficult challenge, especially in many First Nation, Inuit and Métis communities where the constraints to rebuilding the economic base are so significant. In part, this is because Indigenous communities have lost so much of their heritage, whether this be the vast lands and resources to which they had access in earlier times, the culturally appropriate institutions of governance they had developed, or the disruptive effects of impositions by the mainstream society.

Despite this common historical experience, the situation faced by First Nation, Métis and Inuit communities is far from uniform. Within each region, some First Nation communities have managed to break out of poverty and achieve a more self-reliant economic base, perhaps taking advantage of factors such as proximity to urban areas or opportunities in the natural resources sector. The same holds true for some Métis and Inuit communities that have oil and gas resources (e.g., some of the Alberta Métis Settlements) or proximity to mining ventures. Indigenous people who live in urban areas have, on average, more job and educational opportunities, as well as being close to markets for selling goods and services (Loxley and Wien, 2003; Place, 2012).

Tackling poverty is a difficult task because more understanding is needed regarding the pathways that exist between poverty and its correlates and how this leads to poorer outcomes in health and well-being. In this regard, it is helpful to understand what contributes to poverty in the first place. The World Health Organization’s Commission on the Social Determinants of Health stresses the importance of understanding the unequal distribution of power, income, goods and services that contribute to poverty and poor health outcomes. Specifically,

> The Commission takes a holistic view of social determinants of health. The poor health of the poor, the social gradient in health within countries, and the marked health inequalities between countries are caused by the unequal distribution of power, income, goods, and services, globally and nationally, the consequent unfairness in the immediate, visible circumstances of peoples’ lives – their access to health care, schools and education, their conditions of work and leisure, their homes, communities, towns and cities – and their chances of leading a flourishing life. This unequal distribution of health-damaging experiences is not in any sense a “natural” phenomenon, but is the result of a toxic combination of poor social policies and programs, unfair economic arrangements, and bad politics. (Commission on the Social Determinants of Health, 2008, p. 5)

The history of First Nation, Inuit and Métis communities and their interactions with mainstream societies amply illustrates the effects of unequal power, as these have played out over the past several centuries in the form of loss of access to lands and resources, relocations, residential school experiences and external control (Royal Commission on Aboriginal Peoples, 1996; Truth and Reconciliation Commission, 2015). Few would argue that these developments have not had, and do not continue to have, a damaging effect on community health and well-being.
Secondly, poverty in the sense of people living at low and inadequate incomes does not exist in isolation. A First Nation, Inuit or Métis community characterized by high levels of poverty is perhaps also likely to be more isolated geographically, to have lower levels of education on average, to have fewer social support structures, perhaps higher proportions of single parent families, higher stress levels because of inadequate resources and so on. The challenge, then, is to figure out how the many correlates of poverty, such as those mentioned above, interact with each other and contribute to health and well-being outcomes. It is time, in other words, to go beyond descriptive data (there is a great deal of poverty in Indigenous communities) and simple causation models (as incomes improve so do health outcomes) to more sophisticated and multivariate causal analysis. Fortunately, there are some data sets available, such as the Canadian Community Health Survey from Statistics Canada and the First Nations Regional Health Survey administered by the First Nations Information Governance Centre that permit this kind of analysis.

One might ask why this kind of research has not been done previously. In part, the answer lies with the fact that Statistics Canada has typically not administered its surveys on reserve, which is why the emergence in recent years of the First Nation Regional Health Survey for the on reserve population is an important development. Secondly, it has required a sustained effort in capacity building in Indigenous health research, sponsored by the Canadian Institutes of Health Research and implemented by the Network Environments for Aboriginal Health Research (NEAHR Centres), to generate at least a modest number of researchers with the capacity to undertake this type of research.

If we are going to make more progress in reducing the health inequities experienced by First Nation, Inuit and Métis populations, we need to achieve a better understanding of the pathways that exist between poverty and its correlates on the one hand, and outcomes in health and well-being on the other. For example, leading-edge research in Canada and the United States has begun to zero in on what are called adverse childhood experiences, which include poverty, stress, and experiences with addictions or family violence, in the early years of life. Connections are being traced between such experiences in early childhood and lasting chemical changes in the body, including the brain, and negative educational and health outcomes in both adolescence and in adulthood (Lloyd, Li, & Hertzman, 2010; Tough, 2011). The consequences for adults resulting from such adverse experiences are both wide-ranging (depression, suicide attempts, addictive behaviours, and susceptibility to chronic disease) and strongly related to what occurred in childhood (Boivin et al., 2012). This kind of research, adapted to the histories, cultures and current realities of First Nation, Inuit and Métis communities, would help to identify promising evidence-based intervention strategies focused on the conditions that give rise to adverse early childhood experiences. However, without adequate data on both determinants, causal pathways and health outcomes, and without persons trained to undertake sophisticated kinds of analysis, such research is not possible.
Alternative Approaches to Addressing Poverty

As noted previously, the task of reducing poverty in Indigenous communities will be a difficult one. In recent years, however, several Canadian jurisdictions ranging from cities, provinces and Indigenous communities have developed explicit plans for addressing poverty. At the risk of oversimplifying, anti-poverty strategies can be grouped into the following four categories. All are defensible but some are more effective than others at getting to the roots of poverty.

1. Alleviating the effects of poverty

This is often an area for action at the local level and includes measures such as improving access for the poor to recreation and other services. Making transportation more readily available, providing affordable housing and other similar steps are often pursued.

2. Transferring income

This set of strategies seeks to provide an income floor for those who have inadequate incomes, such as the provision of social assistance for individuals and families, and pensions for the elderly. Employment insurance is available to eligible recipients when employment income is interrupted due to a seasonal or longer lay-off. Often transfer programs are delivered through the tax system and serve to supplement or top up revenues for those with low incomes. Included in this category are measures such as the refundable GST tax credit, the Canada Child Tax Benefit, and the Working Income Tax Credit. Transfer programs of this kind are largely beyond the control of Inuit, Métis and First Nation communities as they are usually designed and administered by the federal and provincial governments.6

3. Other government policies

The policies in this category are more likely to get at root causes and can be quite important. While national Indigenous organizations may have some influence through lobbying, they are largely determined by the dynamics of the mainstream society. Included here are federal fiscal and monetary policies, which, through measures such as the interest rate and government spending, can have a major impact on economic activity. Also included here is tax policy, which can mean that persons with low incomes are excused from or pay reduced taxes, as well as national or provincial strategies pertaining to education, training and early childhood development.

4. Strengthening the economic base of communities

The design and implementation of strategies to strengthen a community or region’s economic base leading to employment and business expansion are perhaps the best ways for communities to tackle the root causes of poverty. Some of these strategies are described more fully below.

---

6 For the last several decades, First Nation communities have administered social assistance and related programs on reserve, however the parameters are set by the Federal Government. Indeed, in recent years the Government has insisted that social assistance payments on reserve should not only be comparable to what the provinces deliver, but should exactly mirror provincial norms in matters such as the level of benefits and eligibility criteria.
Building Indigenous Economies at the Community or Regional Level

There are few explicit anti-poverty strategies that have been developed by Indigenous communities. One example comes from New Brunswick where First Nation leaders have developed a multi-faceted plan to break the cycle of poverty. It has three main elements:

1. **creating partnerships and opportunities for economic leaders,**
   which includes plans for a First Nations Economic Summit and the creation of free enterprise zones;

2. **offering the dignity of work and training for those of working age,**
   encompassing tendering and procurement reform, an arts and interpretation institute and a training and life-long learning agenda; and

3. **attacking the root causes of poverty for the next generation of First Nation leaders,**
   where a First Nations Community Education Act is put in place, an early learning curriculum is developed, a First Nations Governance Institute is established, and meaningful social assistance reform is undertaken (Assembly of First Nation Chiefs in New Brunswick, 2012).

Apart from the explicit development of anti-poverty strategies, it is encouraging that, over the last 20 years or so, a significant number of First Nation, Inuit and Métis communities have managed to strengthen their economic base and thereby address poverty and improve community health and well-being. Some have been fortunate in having a good location or seeing a major mining development get off the ground in their vicinity. Some have been able to take advantage of court cases recognizing Aboriginal and treaty rights, and thereby regaining access to a local fishery or requiring resource development companies in their area to consult with communities and accommodate their interests. Some are part of regional comprehensive land claim settlement areas such as the James Bay or Labrador Inuit Land Claim agreements or, in a sense, the legislation establishing the Métis Settlement areas of Alberta. Many of these success stories are celebrated by organizations such as CANDO, the Ulnooweg Development Group, and the Council on Aboriginal Business.

These economic and nation building approaches address poverty in several ways – by providing employment, by providing a set of opportunities to complement strategies for reducing dependence on social assistance, and by expanding business opportunities both within and outside the community in question. If a significant proportion of businesses are community-owned, a portion of the revenues derived from business profits can be used not only to fund community improvements such as sidewalks or scholarships, but also to make annual or semi-annual payments to community members. These
While some communities or regions have been successful in making the transition to a more self-reliant economic base and reduced dependence on government funding, many other First Nation, Inuit and Métis communities are struggling. The Harvard Project on American Indian Economic Development set out to identify why some American Indian tribes are successful at economic development while others are not. In undertaking this research, they have served to broaden the debate about the factors that need to be taken into account, including “sovereignty” or the capacity of the tribe to make decisions for itself, having the ability to implement the decisions that are taken (for example, an effective public service), and having governing institutions that are seen to be legitimate in the eyes of the people (“cultural match”) (Cornell & Kalt, 1992). Leadership and strategic planning also figure prominently in their analysis.

It is important that the success that some Indigenous communities have had in economic development is shared with other communities that are in earlier stages of development. The Poverty Action Research Project (PARP), a five year project funded by the Canadian Institutes of Health Research (CIHR) involving an academic research team working in partnership with the Assembly of First Nations, aims to assist First Nations communities in this endeavor. The project’s team has identified five volunteer First Nations communities located in different parts of Canada, and drawing on both the academic literature as well as the practical experience of First Nation communities which have made a successful economic transition, they are working with the communities to create a community profile and develop a strategic plan to strengthen the economic base and reduce poverty in these communities, as well as assisting in the implementation of that plan.

**Conclusion**

In this brief paper, an indication of both the breadth and depth of poverty in Indigenous communities has been provided, along with some discussion about some of the ways in which poverty contributes to lack of community health and well-being. The paper has also suggested that the most effective, long-range strategy for reducing poverty is through the rebuilding of Indigenous economies and has given some examples of how this is being done in some places. The task is challenging, in part because – both within academia and at the community level – people tend to work in silos, feeling comfortable with either the poverty/economic development dimension on the one hand or the community health and well-being dimension on the other. In keeping with Indigenous perspectives, a holistic, integrated approach may hold the most promise in overcoming the substantial barriers that exist.
References


ENGAGE

Find local friendship centers, community organizations or groups where you can volunteer or participate in healthy positive actions. You too can share knowledge and make a difference in the health and well-being of First Nations, Inuit, and Métis Peoples’ of Canada.

REFLECT

Talk to others in your community, reflect on the content of this fact sheet, and contemplate how you could make a difference in the health and well-being for yourself, your family or your community.

SHARE

Request a hard copy of this fact sheet for yourself, your clients, your students or your organization’s event or office. Share the link to this publication through your social media networks. Like, pin or favourite this fact sheet on one of the NCCAH social media channels.