



Defining and Measuring Poverty

Poverty is defined, conceptualized, and measured within two broad frameworks. Absolute poverty is the severe deprivation of basic human needs such as food, safe drinking water and shelter, and is used as a minimum standard below which no one should fall regardless of where they live.⁶ It is measured in relation to the ‘poverty line’ or the lowest amount of money needed to sustain human life. Relative poverty takes a more country specific approach and is defined as the inability to afford the goods, services, and activities needed to fully participate in a given society.⁷ In Canada, poverty is measured according to the ‘low-income-cut-off’ or the income below which a family is likely to spend 20% more of its income on basic necessities than the average family. In 2004, approximately 3.5 million Canadians were living in poverty, which is more than 11% of the population.⁸ For Aboriginal peoples, who experience poor and unequal living conditions on a national and global scale, poverty can be defined and measured in both absolute and relative terms.

Poverty Amongst Canada’s Aboriginal Peoples

Research indicates that “at best, the health situation of Indigenous peoples mirrors that of the world’s poorest, but is made worse by their social and cultural marginalization.”⁹ The 1996 Royal Commission on Aboriginal Peoples (RCAP) noted that:

Aboriginal people are at the bottom of almost every available index of socio-economic wellbeing, whether [they] are measuring educational levels, employment opportunities, housing conditions, per capita incomes or any of the other conditions that give non-Aboriginal Canadians one of the highest standards of living in the world.¹⁰

Poverty amongst Canada’s Aboriginal population has seen only slight improvements since RCAP. Recent data indicates that:

- One in four First Nations children live in poverty as compared to one in six for non-Aboriginal children.¹¹

- Approximately 40% of off-reserve Aboriginal children live in poverty.¹²
- Aboriginal people living in urban areas are more than twice as likely to live in poverty than non-Aboriginal people. In 2000 for example, 55.6% of urban Aboriginal people lived below the poverty line compared with 24.5% of Canada’s non-Aboriginal urban residents.¹³
- Rates of poverty for Aboriginal women are double that of non-Aboriginal women.¹⁴

As a result of living under conditions of poverty:

- More than 100 First Nations communities are currently under boil water advisories and have little or no access to clean water for drinking and sanitation.¹⁵
- Nearly one in four First Nations adults live in crowded homes and 23% of Aboriginal people live in houses in need of major repairs.¹⁶
- First Nations suffer from ‘third world’ diseases such as tuberculosis at eight to ten times the rate of Canadians in general.¹⁷
- Aboriginal people in Canada were found to be four times more likely to experience hunger as a direct result of poverty.¹⁸
- More than one quarter of Aboriginal people off reserve and 30% of Inuit children have experienced food insecurity at some point.¹⁹
- Aboriginal children are drastically overrepresented in the child welfare system. Physical neglect as a result of poverty, poor housing and substance abuse is a key factor in child apprehension.²⁰

Strategies for Poverty Reduction

Strategies to alleviate poverty need to be integrated and multi-faceted. They require both top-down and bottom-up approaches that target the full range of health determinants such as education, employment opportunities, and housing conditions to improve the living and social environments under which people live. The United Nations' Millennium Development Goals (MDG) of improving global socio-economic conditions by reducing extreme poverty and hunger identify the need for intensive efforts by all parties "to improve governance, actively engage and empower civil society, promote entrepreneurship and the private sector, [and] mobilize domestic resources²¹..." There is a central role for national governments to adopt and implement a development strategy which will improve the socio-economic circumstances of its most vulnerable citizens.

In Canada, a key strategy for reducing Aboriginal poverty is to close the gap in government funding between Aboriginal and non-Aboriginal

Canadians. Between 1996 and 2006, the Aboriginal population increased by 45%, nearly six times faster than the 8% rate of increase for the non-Aboriginal population.²² Despite this increase, per capita spending on First Nations (based on a growth rate of only 23%) is half the amount of average Canadians: \$7000-\$8000 compared to \$15,000-\$16,000.²³ As a result, First Nations governments are unable to keep up with the socio-economic demands of a growing population, particularly with respect to programs and services. The budget cap on services to Aboriginal communities must be removed and fiscal arrangements must be developed based on real costs.²⁴

Bottom-up approaches are equally important in alleviating Aboriginal poverty in Canada. It has been widely argued that "unless the particular situation and voices of Indigenous peoples are taken into account, [there may be]... accelerated loss of land and natural resources, and accelerated assimilation, thus prolonging and even worsening the marginalization, discrimination and further impoverishment of indigenous

peoples."²⁵ Self-determination has been identified by the Assembly of First Nations' Make Poverty History campaign as critical to the eradication of Aboriginal poverty.²⁶ This claim is supported by research that suggests that as Aboriginal people "expand the scope and degree of their decision-making power, the chances of sustainable economic development rise."²⁷ Control over decision-making reflects Indigenous agendas and knowledge, making it more likely that solutions will be appropriate and viable. It also puts resources which can be used for social and economic development into Indigenous hands, fosters civic engagement in economic and community development, and shifts accountability.²⁸ Sustainable economic development can also provide employment and capacity building opportunities which can improve the economic circumstances of community members, and can generate community wealth leading to improved programs and services. Self-determination, however, must be accompanied with the financial resources to implement decisions. In this, addressing the inequity in federal per capita spending on Aboriginal peoples will be essential.



Strategies to alleviate poverty need to be integrated and multi-faceted. They require both top-down and bottom-up approaches.

Endnotes

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