Closing the Aboriginal/non-Aboriginal Education Gaps

John Richards

In this issue...
Gaps in education levels between Aboriginals and non-Aboriginals are a great social policy challenge for Canada. On-reserve, a smart approach to closing them would be the creation of Aboriginal-run school districts, independent of individual band councils. Off-reserve, the provinces should build on the practices of school districts achieving good results.
The gap in education levels between Aboriginals and non-Aboriginals is one of the great social policy challenges facing Canada. The Kelowna Accord of 2005 proposed to close the high-school completion gap within a decade, but it proposed no administrative reforms to bring about such an education transformation. The most recent data from the 2006 Census show widening Aboriginal/non-Aboriginal education gaps for younger (relative to older) groups. While younger Aboriginals are indeed seeking more education than previous generations, they have not kept pace with the increase in education among other Canadians. The magnitude of education gaps is prohibiting Aboriginals from exercising a realistic choice between leading a traditional lifestyle and a lifestyle integrated with other Canadians.

After reviewing trends in off- and on-reserve Aboriginal education, John Richards argues for creation of Aboriginal-run school authorities able to administer on-reserve schools independent of individual band councils. The existing tripartite agreement involving Ottawa, Victoria and the BC First Nations Education Steering Committee is a promising precedent for professionalizing on-reserve school administration. However, most Aboriginals now live off-reserve, and their children attend off-reserve provincially administered schools. While off-reserve education outcomes are better than those on-reserve, the provinces, too, need to undertake reform. Here, the preferred strategy is to expand practices in successful school districts to other districts.

John Richards is a professor in the Graduate Public Policy Program at Simon Fraser University in Vancouver. He is also a Fellow-in-Residence at the C.D. Howe Institute where he holds the Roger Phillips Chair in Social Policy.

Rigorous external review of every major policy study, undertaken by academics and outside experts, helps ensure the quality, integrity and objectivity of the Institute’s research.

The C.D. Howe Institute is a leading independent, economic and social policy research institution. The Institute promotes sound policies in these fields for all Canadians through its research and communications. Its nationwide activities include regular policy roundtables and presentations by policy staff in major regional centres, as well as before parliamentary committees. The Institute’s individual and corporate members are drawn from business, universities and the professions across the country.

ABOUT THE INSTITUTE

The gap in education levels between Aboriginals and non-Aboriginals is one of the great social policy challenges facing Canada. The Kelowna Accord of 2005 proposed to close the high-school completion gap within a decade, but it proposed no administrative reforms to bring about such an education transformation. The most recent data from the 2006 Census show widening Aboriginal/non-Aboriginal education gaps for younger (relative to older) groups. While younger Aboriginals are indeed seeking more education than previous generations, they have not kept pace with the increase in education among other Canadians. The magnitude of education gaps is prohibiting Aboriginals from exercising a realistic choice between leading a traditional lifestyle and a lifestyle integrated with other Canadians.

After reviewing trends in off- and on-reserve Aboriginal education, John Richards argues for creation of Aboriginal-run school authorities able to administer on-reserve schools independent of individual band councils. The existing tripartite agreement involving Ottawa, Victoria and the BC First Nations Education Steering Committee is a promising precedent for professionalizing on-reserve school administration. However, most Aboriginals now live off-reserve, and their children attend off-reserve provincially administered schools. While off-reserve education outcomes are better than those on-reserve, the provinces, too, need to undertake reform. Here, the preferred strategy is to expand practices in successful school districts to other districts.

John Richards is a professor in the Graduate Public Policy Program at Simon Fraser University in Vancouver. He is also a Fellow-in-Residence at the C.D. Howe Institute where he holds the Roger Phillips Chair in Social Policy.

Rigorous external review of every major policy study, undertaken by academics and outside experts, helps ensure the quality, integrity and objectivity of the Institute’s research.

The C.D. Howe Institute is a leading independent, economic and social policy research institution. The Institute promotes sound policies in these fields for all Canadians through its research and communications. Its nationwide activities include regular policy roundtables and presentations by policy staff in major regional centres, as well as before parliamentary committees. The Institute’s individual and corporate members are drawn from business, universities and the professions across the country.

INDEPENDENT • REASONED • RELEVANT
When then-prime-minister Paul Martin, the provincial premiers and national Aboriginal leaders met in Kelowna, B.C. in November 2005, they committed to close the Aboriginal/non-Aboriginal high-school completion gap within a decade.

In doing so, they implicitly endorsed the principle that individual Aboriginals be able to make a realistic choice between a traditional lifestyle – on-reserve in the case of those registered under the Indian Act – and successful participation in mainstream Canadian society. Successful participation in the modern Canadian economy requires that Aboriginal education levels converge with non-Aboriginal levels. It is almost universally the case that low education levels condemn people to fail in a modern industrial economy.

In assessing Aboriginal education levels, this Backgrounder relies on the 2006 Census. Younger Aboriginal groups have somewhat higher education levels than their elders. But the intergenerational increases among younger non-Aboriginals are larger. In general, Aboriginal/non-Aboriginal gaps at all education levels are higher among younger groups.

Before examining the policy implications of these findings, one must first distinguish between “registered Indian” students attending on-reserve schools and Aboriginal students attending off-reserve schools with non-Aboriginal students. Jurisdiction over the former lies formally with Ottawa; in practice, control lies with the relevant band councils. With a few exceptions, jurisdiction over the latter is provincial.

About one-third of all on-reserve students – a higher ratio at the secondary than primary level – attend off-reserve schools. According to the Census, three-quarters of Aboriginals now live off-reserve. Based on these ratios, on-reserve schools run by band councils are responsible for educating about one Aboriginal child in six; provincial governments are responsible for the other five.

Many factors determine education accomplishment, among them individual family characteristics, peer influence and the relative importance attached to formal education by different cultures. Another variable is school quality, broadly defined to include curriculum, teacher proficiency, strategies to engage parents and students, student assessment, facilities and teaching materials. On-reserve, probably the most important policy reform would be to professionalize education by the creation of Aboriginal-run school authorities, independent of individual band councils, that are able to administer a dozen or more schools.

Off-reserve, there are large variations among provinces in high-school completion rates and, within provinces, large variations across school districts. Probably, the best way to improve outcomes in off-reserve schools is to expand the practices of successful school districts to other districts.

A marginalized community, such as Aboriginals, living in a modern economy can only escape poverty through an educational transformation. A major undertaking by parents, teachers, administrators and community leaders to improve education outcomes is required. If we use the image of education as a ladder, the first rung is adequate preparation for K-12 schooling. In the case of children of parents with low-education attainment,
early childhood education programs provide significant benefit.\(^5\)

Another crucial rung is successful mastery of the knowledge and skills imparted by a good primary and secondary education. A demonstration of the relationship of high-school completion to success in the labour market is the employment rate. Whether measuring Aboriginals or non-Aboriginals, the Canadian employment rate nearly doubles with high-school certification and continues to rise, if more modestly, at higher rungs on the education ladder. (See Figure 1.) In turn, average incomes rise with the employment rate and education level. A decomposition of the Aboriginal/non-Aboriginal difference in annual wages among the employed shows that about three-tenths of the differences in wages are due to different education levels (Sharpe et al. 2008).\(^6\)

In measuring how many in a group have mastered K-12 knowledge and skills, I rely on the proportion with high-school certification. However, one must be aware of the danger of “credentialism,” the granting of diplomas without adequate testing for education quality. Ideally, measuring any rung on the education ladder includes performance indicators such as standardized test results on core subjects. One of the benefits from implementing the BC tripartite agreement enabling creation of

\(^5\) In a 2006 Commentary, a colleague and I surveyed the evidence on evaluation of early childhood education programs (Richards and Brzowszki 2006).

\(^6\) For a survey, based on the 2001 Census, of the link between Aboriginal employment, education and income, see Richards (2006). The second most important factor found in Sharpe et al. (2008) was the lower Aboriginal hours worked. It accounts for somewhat over two-tenths of the difference.
on-reserve school authorities (discussed below) would be to make provincial high-school certification available to on-reserve students. This diploma is recognized by employers and post-secondary institutions as evidence that students have achieved reasonable mastery of secondary school subject matter.

Aboriginal and non-Aboriginal Education Levels

Once every five years, the Census provides a snapshot of the education outcomes among Canadians aged 15 years and older. Publication (in spring 2008) of the 2006 Census data on Aboriginals provides an occasion to examine the evidence. (See the Appendix for elaboration of the Census concepts and limitations of the data.)

An important set of Census statistics is Aboriginal high-school completion rates among those aged 20 to 24. (See Figure 2, along with comparable rates for non-Aboriginal.) This is the youngest group for which it is reasonable to expect completion. These rates provide a summary measure of K-12 school performance over the past decade.

Aboriginal outcomes differ markedly across the three identity population groups: North American Indian (or First Nation), Métis and Inuit. They also differ markedly across areas of residence. The largest Aboriginal/non-Aboriginal gaps exist when Inuit in rural areas and North American Indians living on-reserve are the comparators. For both groups, high-school completion is less than 40 percent, and the Aboriginal/non-Aboriginal gaps approach 50 percentage points.

Not illustrated in Figure 2 is the fact that completion rates are higher for women than men. For example, on-reserve, only 36 percent of men aged 20 to 24 have completed high school. At 42 percent, the comparable statistic for women is better, but hardly encouraging. Among Indians living off-reserve and among Métis, the results are much better: more than 60 percent of the former and nearly 75 percent of the latter have achieved high-school certification.

Aboriginal outcomes are much more dispersed than is the case among non-Aboriginals. Among the latter, according to Census data, the range for high-school completion is seven percentage points – from a national high of 91 percent in British Columbia to a low of 84 percent in Newfoundland.

Among Aboriginals living on-reserve, the range is 31 percentage points – from a high of 59 percent in Yukon to a low of 28 percent in Manitoba. Among Aboriginals off-reserve, the range is 39 points – from 85 percent in New Brunswick to 45 percent in the Northwest Territories. (Figure 3.)

There is a strong positive correlation between on- and off-reserve Aboriginal school performance within a province or territory. This suggests that those provinces doing a better job in teaching off-reserve Aboriginal children may well have a beneficial impact among on-reserve children as well. Both on- and off-reserve performance is generally above the national average in Atlantic Canada and Yukon, and below average in the Northwest Territories and Nunavut. However, these jurisdictions are home to only one of 10 Aboriginals aged 20 to 24; nine of 10 live in the six provinces outside of Atlantic Canada. Among the six, British Columbia’s rates are highest, followed by Ontario. For both on- and off-reserve groups, the other four provinces all perform below the relevant on- and off-reserve national averages. The most disturbing statistic is on-reserve high-school completion in Manitoba: it is below 30 percent.

Two qualifications need to be made. First, the Census provides self-reported data, not administrative data from education authorities. Second, one reason for very low on-reserve high-school completion is the lack of well-paying employment near most rural reserves. Those who do complete high school often migrate off-reserve to find work.

Turn now to an overview of Aboriginal and non-Aboriginal outcomes across ages and education levels beyond high school. (See Figures 4 and 5.) Three conclusions are immediately apparent from the non-Aboriginal profiles:

---

7 The correlation coefficient between Aboriginal on- and off-reserve completion rates is 0.62.
Figure 2: High-School Completion Rates, Age 20-24, by Area of Residence and Identity

Note: The figure omits several very small groups: Inuit living in Census Metropolitan Areas (CMAs) and those living on-reserve who are not North American Indian by identity. These groups are included in the "all areas" total.
Source: Author's calculations from Canada (2008c).

Figure 3: Aboriginal High-School Completion Rates, Age 20-24, by Province/Territory and On-/Off-Reserve

Source: Author's calculations from Canada (2008c).
Figure 4: Highest Education Level, Non-Aboriginals, by Selected Age Groups, 2006

![Bar chart showing highest education level for non-Aboriginals by age groups.](image)

Source: Author’s calculations from Canada (2008c).

Figure 5: Highest Education Level, Aboriginals, by Selected Age Groups, 2006

![Bar chart showing highest education level for Aboriginals by age groups.](image)

Source: Author’s calculations from Canada (2008c).
• At all education levels, younger non-Aboriginal Canadians (under age 45) have higher education levels than do older Canadians (age 45 and over). In recent decades, the importance of formal education in determining incomes has become more pronounced, and younger groups have invested more extensively in education.

• Obtaining a high-school certificate or equivalent has become nearly universal. Among non-Aboriginals aged 20 to 44, nearly 90 percent have done so.

• While the rate of increase has slowed, education investment by young Canadians is continuing to increase. Among those aged 45 and older, 50 percent have post-secondary training. Among those aged 25 to 34 and 35 to 44, the statistics are respectively 68 percent and 65 percent.

In assessing which age group is likely to achieve the highest outcomes, two offsetting dynamics are at play. The increasing importance of skill acquisition in recent decades is most likely to affect the decisions of young Canadians who are still engaged in the education system; generally they have yet to enter the labour force full time, start families and, therefore, incur the need for the income arising from full-time employment. Based on this argument, we would expect those aged 25 to 34 to have the highest level of aggregate post-secondary training. (This is the youngest group whose members can be expected to have completed post-secondary education.) On the other hand, data from this group do not capture the education investment of those who enter the labour force and subsequently decide to invest, at age 35 or older, in further education.

Figure 5 illustrates a comparable exercise in summarizing education outcomes among Aboriginal Canadians. What conclusions emerge?

• As with non-Aboriginals, younger Aboriginals (under 45) have higher education levels than older ones (age 45 and older). However, the difference is less pronounced than among non-Aboriginals.

• High-school completion among those under 45 is far from universal. Among those aged 20 to 24, about 40 percent lack high-school certification. (Refer to Figures 2 and 3.) Among those 25 to 44, the proportion without certification falls to 32 percent.

• Relative to those 45 and older, the 25 to 34 group displays very little increase in post-secondary training. Among those 45 and older, 40 percent have post-secondary training. Among those 25 to 34 and 35 to 44, the statistics are respectively 42 percent and 47 percent. The proportion with a university degree among those under 45 has increased very little relative to those over 45. The small increase in share with post-secondary training among those aged 25 to 34 relative to those 45 and older may reflect an Aboriginal tendency to late investment in education. It may, however, signify a more disturbing phenomenon: stagnation in intentions to undertake post-secondary training among young Aboriginals.

Figure 6 documents Aboriginal/non-Aboriginal gaps by age group at each education level, as reported in the 2006 Census. Convergence across age groups at all education levels is not taking place. The combination of large shifts in non-Aboriginal education levels and much smaller shifts among Aboriginals has resulted in marked divergence among younger groups. Increases in gaps are more pronounced at the post-secondary than secondary completion levels.

Policy Implications

The cost of low Aboriginal education levels is not just the impact on Canadian productivity; it is also the impact on poverty and racial tension. In the western provinces – home to the majority of the Aboriginal population – currently one in thirteen people are Aboriginal. Relative to non-Aboriginals, Aboriginals are younger and their fertility rate higher. Among the next generation of students in these provinces (those four years old and younger in the 2006 Census) one in eight are Aboriginal. In

---

8 The Census education data imply a hierarchy related to the classroom time devoted to earning a certificate or degree: the highest is university education followed by a college education, then trades. Post-secondary training is defined as a trades certificate, college certificate or university degree. College certificate includes those with a community college, CEGEP or other non-university certificate or diploma, plus those with a university certificate or diploma below bachelor level.
Figure 6: Aboriginal/Non-Aboriginal Education Gaps, by Education Levels and Age Groups, 2006

Source: Author’s calculations from Canada (2008c).

Figure 7: Aboriginal Population Share, All Ages and Pre-School, by Selected Provinces, 2006

Source: Author’s calculations from Canada (2008a).
Manitoba and Saskatchewan, that statistic exceeds one in four. (See Figure 7.) How to bring about better outcomes is not an easy question to answer.

**ON-RESERVE**

Former senior public servant Michael Mendelson has identified what is probably the key on-reserve reform: professionalize school administration by the creation of Indian/First Nations education authorities with budgetary authority. Such a development is, he points out, an on-reserve equivalent to what transpired for provincial schools many decades ago:

> [E]qually necessary [in addition to adequate funding] is the infrastructure to support and maintain a good education system – from curriculum development to capital facilities planning. Most on-reserve schools are managed by individual First Nations which have authority for one or two schools. This is an old and out-dated model of school organization. The “non-system” of small rural schools in every province was reformed many years ago, when consolidated rural school boards were created – sometimes over the strenuous objections of local communities. At the same time, provincial ministries of education were greatly strengthened, with significant legislative authority and educational expertise. (Mendelson 2008, 7-8.)

A good example of enabling such school authorities exists in British Columbia. In 2006, the First Nations Education Steering Committee (FNESC), Victoria and Ottawa entered into a tripartite agreement allowing for the creation of Aboriginal education authorities, provided at least 12 bands participate. Ottawa will finance the authority with funds diverted from allocations to the participating band councils, and the province will enable the

students to sit provincial exams and receive high-school certification. Both Ottawa and Victoria have passed enabling legislation to this effect. Still, neither Ottawa nor Victoria has done much to advance this initiative. Nor have band councils, which in general are anxious to preserve discretion over management of their respective schools.

Mendelson refers to “strenuous objections of local communities” to provincial consolidation of rural schools. Without determined leadership from provincial governments – a combination of carrots in the form of larger school budgets and sticks in the form of legislation – rural school consolidation would not have succeeded. With a few notable exceptions, the reserve-based Aboriginal leadership has not placed education achievement high among its priorities. Without determined leadership from Ottawa, leadership that insists on better on-reserve school quality, it is doubtful that school management will be professionalized.

**OFF-RESERVE**

In a forthcoming Commentary, colleagues and I assess the performance of Aboriginal students in reading, writing and numeracy skills at various grades in all provincially administered schools in British Columbia having sizeable Aboriginal student populations (Richards et al. forthcoming). Aboriginal outcomes are better in schools where students come from families with better socio-economic conditions, where non-Aboriginal students perform better, and where the share of Aboriginal students in a school is lower. School district management matters. In the best-performing provincial school district, Aboriginal/non-Aboriginal performance gaps in the three basic skills are only one-third what would otherwise be projected. We undertook interviews in

---

9 Mendelson, now a senior scholar at the Caledon Institute in Ottawa, has enjoyed a prominent career as a senior official in the federal and several provincial governments. He has written authoritatively on many aspects of social policy, including Aboriginal policy.

10 A list of “frequently asked questions” published by the FNESC (2008) reassures band members that the agreement entails no loss of band council jurisdiction. In response to the question, “What have we given up to Canada and B.C.?” FNESC answers, “We haven’t really given anything up.” FNESC gives no indication of the underlying strategy of the agreement: to professionalize on-reserve school administration and raise low on-reserve school performance.

11 The sample includes all provincial schools satisfying two criteria: 1) the school reported more than 30 Aboriginal student scores over the years 1999/2000 to 2003/2004; 2) Statistics Canada was able to provide reasonable 2001 Census socio-economic data, disaggregated to the estimated school catchment area, for Aboriginal and non-Aboriginal families. The final sample satisfying these criteria includes 366 schools, distributed throughout the province.
a number of school districts across the province, some “good” and others “bad.” Administrators in the good districts place more emphasis on Aboriginal student outcomes than in the bad; they make more consistent use of data on student outcomes; they are more prone to set measurable targets for improvement; and have achieved more involvement of Aboriginal leaders and parents in school success.

Conclusion

Successful certification is admittedly not the only criterion by which to evaluate Aboriginal education accomplishments. Relative to the early decades of the 20th century, Aboriginal students are learning far more about their heritage and culture. Not only are Aboriginals learning about this heritage, so too are an increasing number of non-Aboriginal students. This validation of the Aboriginal contribution to Canada is a measure of progress not captured by Census data.

The conclusion to this report cannot, however, be optimistic. Relative to those aged 45 and older, the increase in Aboriginal education levels among younger groups has been disappointingly small. The comparable increase among younger non-Aboriginals has been larger: hence, a widening in Aboriginal/non-Aboriginal gaps at all education levels. Furthermore, the on-reserve high-school completion rate among those aged 20 to 24 has remained static at about 40 percent over the last three censuses (Mendelson 2008, 1).

Based on current K-12 school performance across Canada, the Kelowna Accord goal of closing the high-school completion gap within a decade is a chimera. Without an intense pursuit of better education outcomes, Canadian governments – Aboriginal as well as non-Aboriginal – will serve the next generation of Aboriginal students as inadequately as they have the current one.
The Census employs several definitions of the Aboriginal population. One is based on ancestry. The second – and most frequently used – is self-identification. Individuals can self-identify as belonging to one of three Aboriginal groups: 1) North American Indian or First Nation (Mohawk, Ojibway, Cree and so on); 2) Métis (descendants of communities formed from the intermarriage of Indians and coureurs de bois engaged in the fur trade); or 3) Arctic Inuit. A person self-identifying as Aboriginal does not necessarily have Aboriginal ancestry.

A third definition is based on indicating that one is a “registered Indian” under the Indian Act, a statute dating from the late 19th century. Only registered Indians have the right to live on reserves. The Census defines the “Aboriginal identity population” as all those who either identify as Aboriginal or registered Indians.

“On-reserve” includes not only designated reserves but also various communities in Saskatchewan, the Northwest Territories and the Yukon Territory that have large concentrations of registered Indians.

An urban area has a minimum population of 1,000 persons. All territory outside urban areas is classified as rural. A Census Metropolitan Area (CMA) has a population of at least 100,000. Aboriginals are increasingly living in urban centres: For the first time, the 2006 Census determined that a majority (53 percent) is now urban.

The 2006 Census enumerated 1.18 million people who self-identified as Aboriginal or claimed to be a registered Indian. They comprise 3.8 percent of the Canadian population. Among them, 698,000 identified as North American Indian (or members of a First Nation); 390,000 identified as Métis and 50,000 as Inuit. (The residual includes those giving multiple responses.) A total of 624,000 identified as registered Indians.

The table below documents distribution of the Aboriginal identity population (including registered Indian) by area of residence. The on-reserve population is underestimated due to incomplete enumeration of reserves.

| Table 1: Distribution of Aboriginal Population, by Area of Residence and Identity Group, 2006 |
|---------------------------------------------------------------|--------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                                               | On-reserve | Rural | Total urban | Urban non-census metropolitan area | Urban census metropolitan area |
| Total, Aboriginal Identity Population                         | 26.3       | 20.5  | 53.2         | 21.9             | 31.2             |
| North American Indian (First Nation)                          | 43.1       | 12.2  | 44.7         | 17.7             | 27.0             |
| Registered Indian                                             | 48.1       | 11.3  | 40.6         | 17.3             | 23.3             |
| Métis                                                         | 1.1        | 29.5  | 69.4         | 28.1             | 41.3             |
| Inuit                                                          | 0.9        | 61.5  | 37.6         | 29.2             | 8.3              |
| Not classified                                                 | 8.7        | 28.0  | 63.4         | 26.0             | 37.4             |
| Non-Aboriginal identity population                             | 0.1        | 18.9  | 81.0         | 15.9             | 65.1             |

Source: Author’s calculations from Canada (2008a, 2008b).
References


SUPPORT THE INSTITUTE
For more information on supporting the C.D. Howe Institute’s vital policy work, through charitable giving or membership, please go to www.cdhowe.org or call 416-865-1904. Learn more about the Institute’s activities and how to make a donation at the same time. You will receive a tax receipt for your gift.

A REPUTATION FOR INDEPENDENT, NONPARTISAN RESEARCH
The C.D. Howe Institute’s reputation for independent, reasoned and relevant public policy research of the highest quality is its chief asset, and underpins the credibility and effectiveness of its work. Independence and nonpartisanship are core Institute values that inform its approach to research, guide the actions of its professional staff and limit the types of financial contributions that the Institute will accept.

For our full Independence and Nonpartisanship Policy go to www.cdhowe.org.