

First Nations Education Gap

Canada's labour force is aging and there is concern that a significant shortage of skilled workers will be available to replace those that will leave the workforce in the near future. While there is a potential shortage, the First Nations' peoples potential share of the Canadian labour force is expected to triple over the next twenty years as their populations are growing.

According to the Association of Universities and Colleges of Canada, an estimated 400,000 Aboriginal Canadians will reach the age to enter the labour market over the next decade. Lower levels of education remain a major obstacle to the full participation of Aboriginal Canadians in the workforce. More than one-third have not completed high school, and less than 10 percent have a university degree compared to the national average of 23 percent. The full participation of Aboriginal peoples in Canada's education system is crucial to meeting future labour market challenges.

In a report in 2007, the Centre for the Study of Living Standards (CSLS) estimated that by 2017 Canada would benefit to the tune of an additional \$31 billion in GDP over the period 2001-2017 if half the educational gap were closed. If the entire educational gap were closed by 2017, the gain would be an additional \$62 billion. In 2017 alone, Canada's GDP would be approximately \$4.2 billion or \$8.3 billion higher respectively. The CSLS further estimated that if, in addition, the First Nations / non-First Nations employment rate and employment income gap was eliminated, the potential contribution of First Nations Canadians to Canadian GDP over the 2007-2017 period would increase to \$160 billion.

Notwithstanding the need to close the education gap, the education gap between First Nations and non-First Nations continues to increase. This fact has been emphasized in both the 2000 and 2004 reports of the Auditor General of Canada. The Auditor General for Canada appeared before the Standing Senate Committee on Aboriginal Peoples on May 12, 2010 and advised that she is beginning a follow-up audit that will include First Nations education to re-visit some of their observations and look at Indian and Northern Affairs Canada's (INAC) progress in implementing some of their past recommendations. The plan is to table this report in April 2011. The Auditor General confirmed that the time estimated that is required to close the education gap has increased slightly, from about 27 to 28 years.

A significant source of concern with respect to the education gap is the current Band Operated Funding Formula (BOFF). The current BOFF was developed in 1988 and was originally designed to apply to all First Nations schools in Canada. The BOFF provides funding on the basis of a multiplication of the number of units (number of students) times a given unit cost (tuition rate) for instructional services. This amount is then enhanced by a number of additional factors, including teachers, administrative support, professional development and other costs. There is no fixed amount identified for such items. The student base rate is expected to support the majority of the formula services including teachers' salaries, books and supplies, instructional materials and core curriculum requirements.

An INAC internal audit in 2009 found that the tendency has been to apply provincial comparability as a prescriptive rule and that provincial curricula and provincially certified teachers be employed by band operated schools, rather than as a description of education outcomes such as literacy and numeracy skills and cultural competency. The terms and conditions of INAC funding agreements with First Nations specifically identify that First Nations schools must deliver provincial curriculum with provincially certified teachers. However, in her 2004 report, the Auditor General concluded: "At present, the Department does not know whether the funding provided to First Nations is sufficient to meet the education standards it has set and whether the results achieved, overall and by the different delivery mechanisms, are in line with the resources provided".

While many studies have been completed, it is difficult to fully ascertain whether there is funding parity between First Nations schools and the provincial schools which First Nations schools are to be comparable to, however many suggest that there is a significant gap. For example, education funding analyses conducted by the Assembly of First Nations indicate that for each student living on-reserve, band schools receive an average of \$2,000 less than provincial schools. Parity in funding for First Nations

schools that are to adhere to provincial schools is a reasonable criterion for federal funding, where parity is understood to mean funding sufficient for a similar quality of education taking into consideration the specific geographic, cultural and support needs.

Recommendations

That the federal government:

1. Review the funding formula for education in First Nations communities with the goal of parity with each provincial funding model where the First Nations schools in such province are expected to adhere to the provincial curricula.
2. Ensure that any revised funding model is comprehensive and equitable in its construction and transparent in its application so that all education needs are considered equitably to include First Nations communities and that the formula is made public.
3. Recognize the need for First Nations to keep pace with new implementation funding and education initiatives in the provinces, and that any new funding formula for First Nations schools is adaptable to address specific education initiatives established by the Provinces so that First Nations schools are funded at the same level.