OBSERVATION

TD Economics



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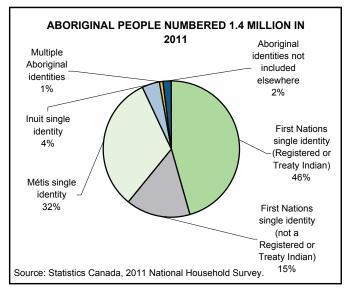
A DEMOGRAPHIC OVERVIEW OF ABORIGINAL PEOPLES IN CANADA

Highlights

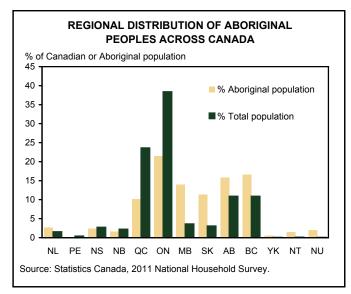
- New data from the National Household Survey (NHS) show that just over 1.4 million people identified as Aboriginal in 2011. This demographic represents 4.3% of total Canadian population. Aboriginal peoples were among the fastest growing population segments in Canada from 2006-11.
- The largest numbers of Aboriginal peoples lived in Ontario and the four western provinces. However, as a share of total population, Nunavut and Northwest Territories possessed the highest proportion.
- First Nations people who were not Registered Indians represented 25.1% of the total First Nations
 population in Canada in 2011. Although there was some regional variation, roughly half of First Nations lived on an Indian Reserve or Indian settlement. Nearly three-quarters of Inuit live in the Inuit
 Nunangat region which stretches from Labrador to the Northwest Territories.
- Due to higher fertility rates and a shorter life expectancy, the Aboriginal population is much younger than non-Aboriginals. The median age of all individuals who identify as Aboriginal was 28 years old in 2011, much lower than the 41-year old statistic posted by non-Aboriginals.
- The youthful nature of Aboriginal peoples makes this demographic a lucrative one for Canadian businesses, especially as baby boomers increasingly leave the labour force.
- Data on social conditions among Aboriginal peoples have yet to be released. However, the NHS statistics do reinforce some concerning trends in the Aboriginal population. Aboriginal children aged 14 and under more frequently live in a single parent household than their non-Aboriginal peers. Furthermore, almost half of children aged 14 and under in foster care in Canada are Aboriginal.

The first data collected by the National Household Survey (NHS) was released on May 8th, 2013.

The data release included new statistics on Aboriginal people in Canada. To recall, the NHS survey replaced the long-form of the Census. It canvasses, on a voluntary basis, about one-third of all households. While the survey goes to more households than the Census, completion of the form was voluntary making it difficult to compare data over time. Furthermore, the definition and questions related to Aboriginal identity are also slightly different than in past Census editions. Data concerns noted at the onset, we review and summarize the key trends which emerged among Aboriginal peoples in Canada from 2006-2011 in this observation. This is the first such glimpse of this population segment in seven years. With the NHS, we can review Aboriginal population, age and living situation data. In analyzing the numbers, we see that Aboriginal peoples are one of the fastest growing population segments in the country. However, data on foster care use and lone parent family living conditions reinforce that Aboriginal social and economic outcomes are not at par with those of non-Aboriginal Canadians.



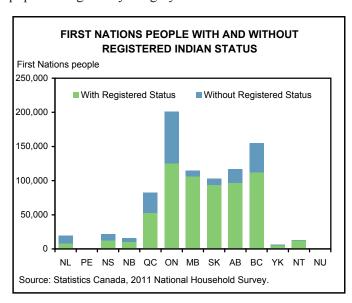




Aboriginal population: a demographic overview

There are over 1.4 million people in Canada who identified as Aboriginal in 2011 – slightly more than the entire population of Manitoba. The number of Aboriginal Canadians represents 4.3% of total Canadian population. The share is well up from past Statistics Canada reports: it was 3.8% in the 2006 Census, 3.3% in the 2001 Census and 2.8% in the 1996 Census.

Relative to other groups, Aboriginal peoples were among the fastest growing population segments in Canada. The Aboriginal population increased by 20.1% between 2006-2011, or roughly four times the pace of non-Aboriginal population growth (5.2%). Higher fertility rates among Aboriginals relative to the rest of Canada help explain the demographic out-performance, although the Aboriginal population grew by roughly 40% from 2001-06. Another



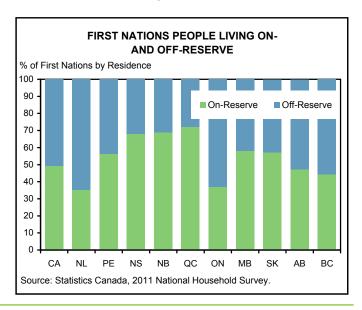
driving force of population growth is more individuals identifying as Aboriginal.

Across the country, all provinces and territories have some degree of Aboriginal representation. In terms of absolute numbers, the greatest number of Aboriginal people lived in Ontario and the western provinces (Manitoba, Saskatchewan, Alberta and British Columbia) in 2011. Among the provinces, both Manitoba and Saskatchewan have greater representation of Aboriginals than their share of total Canadian population. Aboriginal people made up the largest shares of the population of Nunavut (86.3%) and Northwest Territories (51.9%).

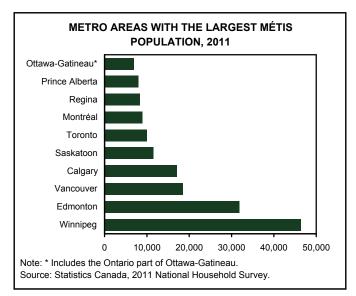
Drilling down to the different Aboriginal groups

There are more than 600 First Nations or Indian bands in Canada and over 60 Aboriginal languages reported by First Nations people. In turn, First Nations are an intensely diverse demographic group. They represent the largest Aboriginal category with 60.8% of the total Aboriginal population (852,000 persons) and comprise 2.6% of the total Canadian population.

Individuals in the First Nations category include both Registered and Treaty Indians and non-Registered Treaty Indians. This is the first time that we received data separately for each of these two categories. Approximately, one-quarter of First Nations people fell into the non-Registered Indian group, representing 15.3% of the total Aboriginal population and less than 1% of total Canadian population. Of the Registered Indian group, nearly one-half lived on an Indian Reserve or Indian Settlement, although there is some regional variation. For instance, Québec, New Brunswick and Nova Scotia had the greatest share of First Nations liv-



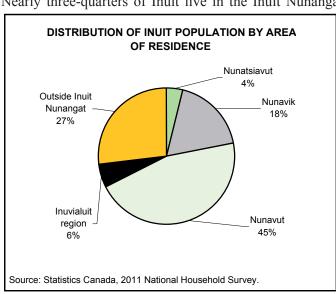


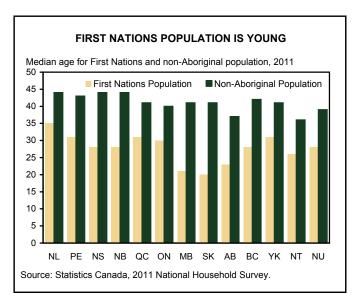


ing on reserve. By contrast, Ontario and Newfoundland and Labrador had the lowest proportions – the same provincial ranking was present in the 2006 Census. One should note that there are no Indian reserves or Indian settlements in Nunavut

Métis represent the second largest Aboriginal group, with roughly 452,000 persons. In 2011, Métis were 32.3% of the total Aboriginal population and 1.4% of the total Canadian population. Roughly 85% of Métis lived in Ontario and the western provinces. In particular, of the Census Metropolitan Areas, Winnipeg had the highest population of Métis (6.5% of its total population). Edmonton, Vancouver and Calgary rounded out the top four spots.

There were roughly 59,000 individuals who identified as Inuit in 2011. This translates into 4.2% of the total Aboriginal population and 0.2% of the total Canadian population. Nearly three-quarters of Inuit live in the Inuit Nunangat





region. This geographical area is the homeland of the Inuit of Canada. It includes communities located in the four Inuit regions: Nunatsiavut (Northern coastal Labrador), Nunavik (Northern Québec), the territory of Nunavut and the Inuvialuit region of the Northwest Territories. Of the four regions, Nunavut possesses the greatest share of the total Inuit population.

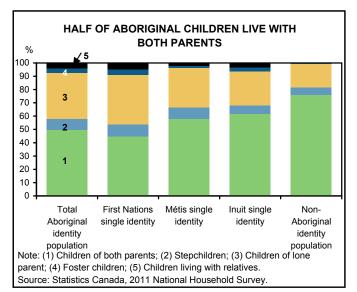
Youthful nature of the Aboriginal population

The Aboriginal population continues to be younger than the non-Aboriginal population. This trend is helped in part by higher fertility rates and shorter-life expectancy within the Aboriginal demographic. In 2011, Aboriginal children aged 14 or younger made up 7% of all children in Canada. This age cohort also comprised 28% of the total Aboriginal population. As a point of comparison, non-Aboriginal children aged 14 and under represented 16.5% of the total non-Aboriginal population.

In the 2006 Census, the median age of the Aboriginal population – the age where exactly one-half of the population is older and the other half is younger – was 27 years old. Five years later in 2011, the median age for Aboriginals is only a touch higher at 28 years old. This compares with a median age of 41 for the non-Aboriginal population. Inuit had a median age of 23, making them the youngest of the three Aboriginal groups. The median age of First Nations people was 26 years old, followed by Métis at 31.

According to Statistics Canada's most recent population projections for Aboriginals (completed prior to the NHS data update), Aboriginal people will account for a growing share of the young adult population in Canada over the next ten years. By 2017, Aboriginal people aged 20-29 years old





could account for 30% of those in their 20s in Saskatchewan. The percentage increases to 40% in Manitoba and 58% in Northwest Territories over the same time period. At present, more than 80% of Nunavut's population aged 20-29 years old identifies as Aboriginal. This share, too, is expected to grow over the next decade.

Moving over to the senior age cohort, about 6% of the total Aboriginal population were aged 65 and over. This share is less than half the proportion of seniors recorded in the non-Aboriginal population.

Living arrangements provide a glimpse into overall social conditions

Data on Aboriginal social and economic conditions including labour, income and education outcomes have yet to be released. We expect these statistics to be forthcoming in future data releases. However, the first round of NHS data do reinforce some concerning trends in the Aboriginal population, particularly when it comes to living arrangements.

In 2011, almost half of Aboriginal children aged 14 and under were living in a family with both their parents, either biological or adoptive, compared with three-quarters of non-Aboriginal children. The gap between the two groups is also present in terms of lone-parent families: about one-third of Aboriginal children lived in a lone parent family compared with 17.4% of non-Aboriginal children. In addition, there

is greater representation of Aboriginal children living with their grandparents or other non-parent relatives versus the non-Aboriginal population.

The NHS data reveal that almost half of all children aged 14 and under in foster care in Canada were Aboriginal. Nearly 4% of Aboriginal children were foster children compared to 0.3% of non-Aboriginal children. Older Aboriginal children – those aged 5-14 – were more likely to be in foster care than children aged 4 or younger.

Bottom line

From 2006-11, the Aboriginal population grew by 20%, making the demographic one of the fastest growing population segments in the country. There are now 1.4 million people in Canada who identify as Aboriginal. Helped in part by higher fertility rates versus non-Aboriginal Canadians, the Aboriginal community is also a fairly young demographic. The median age of an Aboriginal youth in 2011 was 28 years old – thirteen years younger than the comparable statistic recorded by Non-Aboriginal Canadians.

The youthful nature of Aboriginal peoples makes this demographic a lucrative one for Canadian businesses, especially as baby boomers increasingly leave the labour force. We have seen employment outcomes among Aboriginals improve particularly in resource-boom times. In addition, many Aboriginal communities are situated in remote communities and in turn, Aboriginal individuals are often viewed as prime candidates to work on resource projects.

Leading up to 2006, economic and employment outcomes among Aboriginals had been improving, helped in part by robust commodity prices. The recession in 2008-09 may have curbed and/or even reversed some of this progress. We will have to wait and see in future data releases the outcomes being recorded now by Aboriginal communities. In the interim, the living conditions data – including children living in foster care and lone parent situations – foreshadow that economic and social challenges persist for many Aboriginal families and communities.

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