

Residential schools left an economic hole that persists across generations



[David Parkinson](#) - Opinion

Published August 1, 2022

Globe and Mail - For Subscribers



Pope Francis speaks during a meeting with members of the Indigenous community at Muskwa Park in Maskwacis, south of Edmonton, on July 25. HANDOUT/AFP/Getty Images

[68 Comments](#)

[Listen to article](#)

In his apology to Indigenous peoples for Canada’s “catastrophic” residential-schools system, [Pope Francis](#) never directly spoke about the economic damage from one of our country’s most shameful social policies.

His [historic address](#) in Maskwacis, Alta., last week talked about how “the firm soil of values, language and culture that made up the authentic identity of your peoples was eroded.” He referred to policies that for more than a century removed children from their communities and placed them in church-run schools, as an act of “cultural destruction and forced assimilation.” He said that those forced removals “indelibly affected relationships between parents and children, grandparents and grandchildren.”

When he said that Indigenous peoples “have continued to pay the price” for this destruction of culture and community, he wasn’t speaking in financial or economic terms. But he very well could have been.

The breaking of those cultural and community bonds has resulted in real, measurable economic wounds. Research suggests that those scars continued to deepen long after the residential schools shut their doors.

[Pope Francis’s apology failed to acknowledge the Church’s full role in residential schools, Murray Sinclair says](#)

[In a paper published last year](#), University of Victoria economics professor Maggie E.C. Jones measured intergenerational damage resulting from attendance at residential schools – in other words, negative outcomes for the *children* of the people who were shipped off to those institutions.

“Children of residential school attendees are less likely to graduate high school than those whose parents did not attend residential school. By adulthood, the children of those who attended residential school are less likely to be employed, [and] have worse self-reported health outcomes,” Prof. Jones wrote.

Normally, better academic outcomes for parents result in better academic outcomes for their children – for example, children of university graduates are much more likely to attain university degrees themselves.

But in the case of residential schools, receiving education actually resulted in the next generation doing worse in school, and suffering the consequences in terms of poor labour-market outcomes. Prof. Jones calls this a “breakdown in the transmission of human capital.”

Prof. Jones believes that a couple of things are interacting in this breakdown. One, the removal of children from their parents and grandparents, aunts and uncles separates them from strong adult role models. As a result, they don’t learn the parenting skills necessary to instill education values and skills in their own children. Two, the “systematic undermining of Indigenous culture” at residential schools alienated the students who attended, leaving them “distrustful of mainstream educational institutions” – an attitude that they instilled in their own children.

Regardless, there is a demonstrable link between the residential schools' willful destruction of Indigenous culture and community, and negative educational and economic outcomes for generations that followed. What's ironic is that a key objective of the residential-schools system was economic: to raise the human capital of the Indigenous population in order to improve the labour contributions and well-being of future generations. Instead, by using that education as a means of cultural destruction, the system deepened economic marginalization and alienation.

None of this even begins to address the other side of the equation: the damage done to the economies of Indigenous communities by starving them of generations of workers. Research by another UVic professor, Donn Feir, found that graduates of residential schools were much more likely to live away from their traditional communities as adults. The implication is that some of the best-educated, highest-skilled members of those communities, once they were physically and intellectually separated from their culture, never returned, and never contributed to their community's economic growth. Nor did their children, or children's children.

It's difficult to quantify the cost of this sort of damage. We do know that Indigenous people make up about 5 per cent of Canada's population, but account for less than 2 per cent of its gross domestic product. That gap is in the neighbourhood of \$70-billion a year. A 2016 report from the National Indigenous Economic Development Board, which was updated in 2019, estimated that closing the labour productivity gap for the Indigenous population would add about \$28-billion a year to Canadian GDP.

There's no question that reversing the deficit in human capital – the education and skills gaps that exist in the Indigenous population, for which the residential-schools system bears considerable responsibility – is an important part of the solution.

Prof. Jones argues that, to achieve this, it's critical to reinstall education in traditional culture, language and values. Her research found that "access to Indigenous cultural centers has the potential to mitigate the negative impacts of the residential school system." The implication is that future investments in Indigenous education will offer the best outcomes when they are rooted in Indigenous culture.

"Fostering culture and identity in educational institutions ... is particularly important for traditionally marginalized populations, who, due to historical policies or events, may have been underserved when it comes to education," she wrote.

That's very much the opposite of the foundation on which residential schools were built. But when you're trying to address generations of damage – and an enormous and ongoing loss of economic potential – "opposite" seems like a pretty good place to start.

Follow David Parkinson on Twitter: [@ParkinsonGlobeOpens in a new window](#)

[Report an error](#)

[Editorial code of conduct](#)