

Forum: Economic and Social Council (ECOSOC)

Issue: Closing the Poverty Gap Between the Indigenous and Non-Indigenous Population

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Introduction

Across nearly every country where Indigenous Peoples live, one statistic recurs consistently: being Indigenous remains one of the strongest predictors of poverty worldwide. Indigenous Peoples make up an estimated 6.2% of the world's population, yet they account for 18.2% of those living in extreme poverty (World Bank, 2023). That imbalance is not an accident of geography, but the accumulated result of land dispossession, forced assimilation policies, and decades of exclusion from the economic systems that excluded indigenous communities.

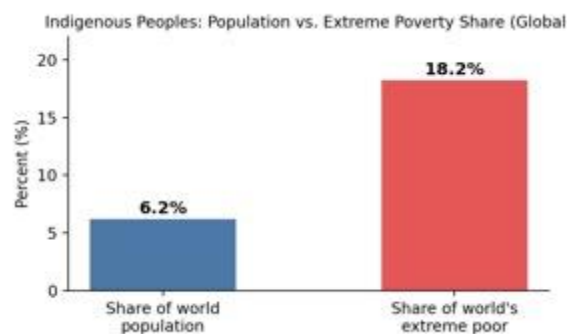


Fig. 1. Indigenous Peoples make up 6.2% of the global population but account for 18.2% of the world's extreme poor. Source: World Bank, "Indigenous Peoples," 2023.

In this report, the focus is narrower than the question of why Indigenous Peoples face poverty: it asks instead what narrows the gap where progress happened, and why progress has stalled elsewhere. Canada and Australia sit at the centre of this discussion because decades of consistent, government-published data make it possible to see exactly which policies worked and which quietly failed. Guatemala is included for the opposite reason: its data shows how severe this gap becomes without reporting infrastructures, where being Indigenous still shapes almost every measurable life outcome. The issue sits squarely inside ECOSOC's own mandate: its advisory body, the Permanent Forum on Indigenous Issues, exists precisely because economic development cannot be discussed honestly while ignoring the population most consistently excluded from it.

Definition of Key Terms

Indigenous Peoples

No single legal definition is accepted by every state, largely because Indigenous communities have resisted being defined entirely from the outside. The UN instead relies on a cluster of characteristics: self-identification as Indigenous, historical continuity with pre-colonial societies, a distinct relationship to land and natural resources, and a shared experience of marginalisation within the state that now governs them (UNPFII, 2023).

Poverty Gap

The measurable difference in income, wealth, or access to basic services between two population groups. Throughout this report, it refers specifically to the disparity between Indigenous and non-Indigenous populations within the same country, expressed either as a percentage-point difference in poverty rates or as a ratio of median incomes.

Multidimensional Poverty

A measure that looks past income alone to include health, education, and living standards, jointly developed by UNDP and the Oxford Poverty and Human Development Initiative. It matters here because Indigenous poverty is rarely merely a shortage of money; it is compounded by remoteness and unequal access to services others take for granted.

Closing the Gap

Originally the name of Australia's national Indigenous policy framework, launched in 2008. The phrase is now used more loosely across the field to describe any government commitment to measurable, time-bound Indigenous socioeconomic targets.

Land Tenure

The legally or socially recognised rules determining who may use, control or transfer land. For Indigenous communities whose economies are tied to a specific territory, secure tenure is often the single asset that determines whether a household can build wealth at all.

Background Information

Origins of the Gap

The economic marginalisation of Indigenous Peoples was no accidental; in most cases it was policy. Residential and boarding school systems in Canada and Australia, combined with land seizures that stripped entire nations of their resource base, did not just damage individual families. They severed the transmission of language, land tenure and economic knowledge between generations, and that damage is still visible in the statistics

six decades later.

Canada illustrates the pattern well. In 2006, median income for Aboriginal peoples sat at \$18,962, against \$27,097 for the rest of the population, a gap that had not closed to 1996 non-Aboriginal levels a decade earlier (Wilson and Macdonald, 2010). By 2020, off-reserve Indigenous poverty had narrowed but remained well above the non-Indigenous rate (see Fig. 2); analysts credit pandemic income support, not structural change, for most of that narrowing (Government of Canada, 2023).

Australia presents a related pattern: the Indigenous poverty rate remained more than triple the non-Indigenous rate in 2016 (see Fig. 2; Anti-Poverty Week, 2023). Of the nineteen socioeconomic indicators tracked under the country's Closing the Gap framework, the most recent data compilation found only four on track, and four others worsening since baseline (Productivity Commission, 2023).

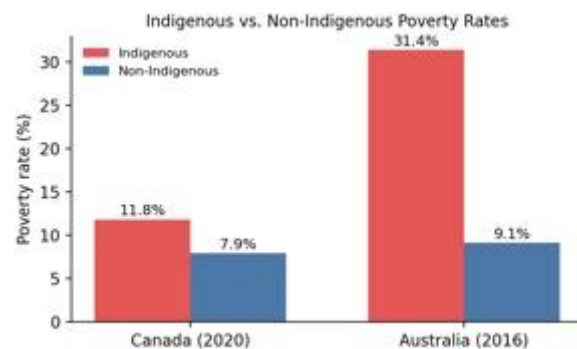


Fig 2. Indigenous vs. non-indigenous poverty rates in Canada (2020, off-reserve) and Australia (2016).

Sources: Government of Canada, 2023; Anti-Poverty Week, 2023, citing ABS data

A Global Pattern, Not an Isolated One

Latin America shows a version of the same disparity playing out through access rather than income alone. A World Bank flagship study across the region found Indigenous households facing markedly larger service gaps than their non-Indigenous neighbours in electricity connections, piped water and years of schooling completed (World Bank, 2023). The ILO's own calculations, drawn from 23 countries, put Indigenous Peoples at 14.4% of the poor using the \$3.20-a-day line, disproportionate to their population share (International Labour Organization, 2019).

Guatemala illustrates this pattern more starkly. Indigenous Peoples make up roughly 40% of the population, yet an estimated 79% live in poverty against a national rate of 59.3%, and their extreme poverty rate of around 40% is nearly double the national figure (Borgen Project, 2024; World Bank Poverty and Inequality Platform, 2023). Labour informality among

Indigenous Guatemalans reaches roughly 85%, and close to eight in ten Indigenous children suffer chronic malnutrition, among the worst rates recorded anywhere (World Bank, 2021). Guatemala has no equivalent Closing the Gap dashboard, making it harder to hold any government accountable for closing that gap.

Policy built deliberately over generations, not culture or climate, links Ottawa, Canberra and rural Guatemala. No country has yet fully dismantled that machinery, even where governments now openly admit it exists.

Country	Indigenous Poverty Rate	National / Non-Indigenous Rate	Indigenous Population Share
Canada (2020)	11.8%	7.9%	~5%
Australia (2016)	31.4%	9.1%	~3%
Guatemala (2023-24)	~79%	59.3%	~40%
Global (World Bank, 2023)	—	—	6.2% pop. / 18.2% extremely poor

Table 1. Indigenous poverty gap across the three case-study countries and the global average. Compiled by the author from: Government of Canada, 2023; Anti-Poverty Week, 2023; Borgen Project, 2024; World Bank, 2023.

The Gender Dimension

National poverty and life-expectancy averages conceal who carries the heaviest part of this gap: Indigenous women. World Bank data shows Indigenous life expectancy trailing non-Indigenous life expectancy by up to twenty years, with Indigenous women absorbing a disproportionate share: Maasai women in Kenya are twice as likely to receive no antenatal care, and San women in Namibia are ten times more likely to give birth with no skilled attendant present (World Bank, 2023). A national study in Paraguay recorded Indigenous maternal mortality peaking at 773.6 deaths per 100,000 live births between 2014 and 2023, against 145.1 for non-Indigenous women (“Structural Ethnic Inequities,” 2026).

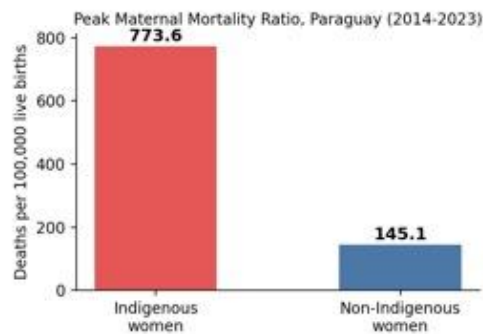


Fig. 3. Peak maternal mortality ratio recorded among Indigenous and non-Indigenous women in Paraguay, 2014–2023. Source: “Structural Ethnic Inequities in Maternal Mortality,” medRxiv, 2026.

Previous Attempts to Solve this Issue

The UN Declaration on the Rights of Indigenous Peoples (UNDRIP), adopted by the General Assembly on 13 September 2007 with 144 states in favour, remains the most comprehensive instrument on Indigenous rights, though not legally binding. Canada and Australia, both central to this report, voted against it that year over land and resource concerns, before reversing course years later (OHCHR, 2023). Because it is not binding, ratification has rarely translated into enforceable domestic policy, and the gaps documented above persisted long after 2007.

Organisations and Major Countries Involved

United Nations Permanent Forum on Indigenous Issues (UNPFII)

Established in 2000 as an advisory body directly under ECOSOC, the Forum is the main channel through which Indigenous voices reach the UN system on economic and social development. Half its sixteen members are nominated by governments, half by the ECOSOC President after consulting Indigenous organisations, a mixed structure rare elsewhere in the UN (UNPFII, 2023).

International Labour Organization (ILO)

The ILO administers the Indigenous and Tribal Peoples Convention No. 169, the only binding treaty on Indigenous rights, ratified by fewer than twenty-five states, and produces much of the labour-market data this report draws on (International Labour Organization, 2019).

World Bank

Beyond its role as a lender, the World Bank has become the single most consistent source of comparative Indigenous poverty data worldwide, running the surveys that make

cross-country comparison possible. Its researchers state plainly that Indigenous poverty is not natural, but the product of a long history of exclusion.

Canada

Canada's federal government has been formally committed to reconciliation since the Truth and Reconciliation Commission published its findings in 2015. Yet census data shows employment and income gaps barely moving since; progress is slow, uneven across provinces, and easily reversed once temporary income supports end.

Australia

Australia's Closing the Gap framework is arguably the most transparent Indigenous policy monitoring system anywhere, publishing its own failures without softening them. Its most recent data compilation shows only the employment target improving, while youth detention, out-of-home care and life expectancy targets remain stagnant or worsen.

Guatemala

Guatemala has ratified ILO Convention No. 169, formally committing it to consult Indigenous communities before land decisions, but implementation has lagged behind the treaty's provisions, and it still has no framework for tracking Indigenous outcomes.

Possible Solutions

Addressing Indigenous poverty begins with visibility: member states should be required to publish annual poverty data disaggregated by Indigenous identity. Transparent reporting of this kind, insulated from political dynamics, is what ultimately sustains funding and accountability. Without it, progress cannot be measured.

The most durable interventions hand communities control over assets they already hold, rather than subsidies that expire. Land tenure recognition programmes, funded through UNDP and the World Bank, reflect this directly: secure land rights raise household income precisely because they convert an existing but unprotected resource into a lasting foundation. The same logic extends to finance. Indigenous-owned financial institutions and cooperatives, building on models piloted in Bolivia and the Philippines, should be supported directly rather than solely through state ministries many communities have valid reason to distrust.

Financial commitments need institutional strengthening to avoid being quietly mishandled elsewhere. A fixed share of national social protection budgets should be ratified

for Indigenous programmes and independently audited, rather than folded into general poverty schemes, a pattern Canadian and Australian data suggest has already occurred. This should pair with wider ratification of ILO Convention 169, since ratifying states are demonstrably more likely to run functioning consultations before, not after, land and resource decisions are finalised - benefiting every community.

Finally, solutions must reach dimensions of poverty that broad measures overlook. Bilingual, Indigenous-language primary education and targeted nutrition programmes deserve expansion in countries like Guatemala, where the World Bank flags educational attainment as a strong predictor of escaping poverty. Equally, maternal healthcare and skilled-birth-attendance coverage should expand in regions like Paraguay and Namibia, where the mortality gap is widest, a dimension requiring resources directed specifically at women, not communities in the abstract.

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