



FOR IMMEDIATE RELEASE

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VANCOUVER- FMB is proud to release Chapter 4 of the RoadMap Project – Unlocking First Nations Economies

Indigenous prosperity means Canadian prosperity and the future prosperity of Canada depends on the prosperity of Indigenous Peoples. Currently, there is an annual income gap of \$27 billion. Systemic barriers have constrained the development of Indigenous Peoples and Indigenous economies for over a century. This needs to be addressed now, but what will it take to move forward as a country, and unlock the Indigenous economy?

Together, the FMB and other Fiscal Management Act (FMA) institutions along with our partners, support a new institutional framework for economic development. This framework will provide the ingredients required for First Nations to develop wealthy and sustainable economies, and the Nations will have the institutional support needed to move from the old system to the new.

Chapter 4 of the RoadMap Project identifies that many First Nations governments require more support to fully realize their economic potential, and proposes the following:

New Institutional Framework to provide ongoing support

First Nations governments coordinated support to creates new possibilities beyond the failed economic system imposed by the Indian Act. We propose to give structure to collaboration through the creation of the Indigenous Economic Council (IEC). The IEC will coordinate the efforts of First Nations organizations across Canada to advance the development of First Nations economies through legislative proposals, new initiatives, and capacity support.

Capacity And Tools

First Nations who choose to work with IEC will be able to develop their own community economic development plans, alongside experts in this field and other like-minded First Nations. By planning for economic development and investment, First Nations communities will identify comparative advantages, maximize their potential, and promote the growth of market economies.

Access to Markets

Incorporating the principles of UNDRIP into the environmental, social, and governance (ESG) reporting framework will open new markets to Indigenous businesses. It will incentivize the private sector to invest in, collaborate with, and procure from Indigenous businesses and entrepreneurs. Indigenous inclusion in ESG standards could also make Canadian companies more competitive internationally and able to acquire capital at lower rates.

Access to Capital

First Nations businesses and entrepreneurs require access to capital. Currently they can access less than 0.2% of available credit in Canada, and 11 times less market-based capital than comparative Canadian firms. When on-reserve businesses and entrepreneurs cannot access financing, it bottlenecks Indigenous economies. The creation of the Indigenous Development Bank will remove this bottleneck, unleashing Indigenous entrepreneurship, major projects, infrastructure, and economic activity.

“We believe that a \$100 billion Indigenous economy is possible right now and that it starts with supporting Indigenous initiatives. Inaction is no longer an option, nor are minor changes to systemic issues,” Harold Calla, FMB’s Executive Chair. The transition from the old system to a new framework will be a challenge,



but with the right support, we can realize our economic potential. The IEC can become a centre of excellence to further bolster and maintain capacity sustainably for First Nation economies.”

“This new institutional framework is grounded in the United Nations Declaration on the Rights of Indigenous Peoples, and the right to establish our own institutions and engage freely in economic development,” Geordie Hungerford, CEO at FMB. “It promotes better investment climates, drives private sector growth and higher business success rates, and reduces “bungee economics” – when revenue earned on reserve is spent off reserve.”

The cost of inaction is a \$27.7 billion Indigenous employment and income gap. For the FMA institutions, this cost also represents the opportunity for change: the potential to support First Nations self-determination, lift hundreds of thousands out of poverty, and boost the Canadian economy by at least \$27.7 billion.

Helpful Links:

[Chapter 4 of the RoadMap- Unlocking the Indigenous Economy](#)

[Chapter 3 of the RoadMap - Closing The Infrastructure Gap](#)

[Chapter 2 of the RoadMap – Closing the Economic Data and Statistics Gap](#)

[Chapter 1 Introduction- Creating Paths For Indigenous Prosperity](#)

About the FMB

The FMB is a First Nations-led non-profit organization that supports First Nations in developing sound finance and administrative governance practices. The FMB was created under the First Nations Fiscal Management Act in 2006. Services are fully optional and offered at no cost to First Nations. For more information on all products and services, visit www.fnfmb.com

About the RoadMap Project

RoadMap Project will create new, optional paths for First Nations as they move from managing poverty to creating wealth.

It is about developing a practical and optional framework that advances Indigenous economic reconciliation, consistent with the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP). The RoadMap offers realistic and implementable options to empower First Nations governments to move past the failed one-size-fits-all approach, and will support the implementation of UNDRIP through Indigenous-led initiatives. Over 2022, a series of policy chapters will be released by the RoadMap Project to provide the details on how this framework will work.

The First Nations Fiscal Management Act (FMA) institutions - the First Nations Financial Management Board (FMB), the First Nations Tax Commission (FNTC), and the First Nation Finance Authority (FNFA) - are the driving force behind this project.

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