

NEWS RELEASE

First Nations focused on economic development enjoy higher living standards than those relying on government transfers

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For immediate release

CALGARY—First Nations that focus on developing businesses in the broad economy enjoy higher living standards compared to those that rely more heavily on government transfers and court settlements, finds a new book released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“By participating in the economy—in tourism, resource development or other services—and generating their own wealth, First Nations can dramatically improve living standards for their members,” said Tom Flanagan, Fraser Institute senior fellow, professor emeritus of political science at the University of Calgary and author of *The Wealth of First Nations*.

The book, which summarizes six years of research on understanding First Nations success, finds that First Nations that rely on “taking”—that is, generating most of their revenue from government transfers—experience lower living standards than First Nations that focus on building businesses and encouraging entrepreneurship so they have their own financial and economic resources rather than depending on Ottawa.

For example, Fort McKay First Nation in northern Alberta generates more than \$500 million annually by providing transportation, catering and other services for companies involved in the oilsands. Subsequently, Fort McKay’s performance on the Community Well-Being Index—a measurement of living standards calculated by Statistics Canada—increased from 57 in 1996 to 76 in 2011, well above the average score for First Nations (59) and only three points below the Canadian average (79) for non-Indigenous communities.

“Despite decades of increased government spending on First Nations, many Indigenous communities still struggle with endemic poverty and social discord, while more successful First Nations focus on building their own economic opportunities independent of Ottawa,” Flanagan said.

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