

Blueprint for a First Nations Fiscal Architecture in Australia

**Policy Working Paper prepared by First Nations
Economic Empowerment Alliance and Centre for
Indigenous Economic Transformation at the Australian
National University**

May 2026

Acknowledgement of Country

We acknowledge the Traditional Custodians of Country throughout Australia and recognise their continuing connection to land, waters, skies and culture - and pay our respects to Elders past and present.

We honour the strength, innovation and knowledge of Aboriginal and Torres Strait Islander peoples , and their rightful place at the heart of Australia's economic future.

Blueprint for a First Nations Fiscal Architecture in Australia

Policy Working Paper outlining a framework for fiscal and economic self-determination, with comparative lessons from Canada, the United States and New Zealand.

Prepared by	First Nations Economic Empowerment Alliance and Centre for Indigenous Economic Transformation at the Australian National University
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About the First Nations Economic Empowerment Alliance – FNEEA

The First Nations Economic Empowerment Alliance is a national collaboration of Indigenous leaders, experts, and community voices working to reshape Australia’s economic future through Indigenous self-determination, opportunity and policy reform.

About the Centre for Indigenous Economic Transformation at the Australian National University

The Centre for Indigenous Economic Transformation (CIET) is an Indigenous-led national hub that advances economic self-determination through research excellence, policy influence, partnerships and education. CIET works with First Nations leaders and organisations, the Commonwealth and State/Territory governments, industry, investors and philanthropy to catalyse systems change so that First Nations peoples move from managing welfare to building and managing wealth.

Forward by Professor Peter Yu

The circumstances of our historical and current exclusion from the Australian economic landscape can be traced back to the first British footprints on our sovereign territories.

Colonisation of the nation has been motivated by racist ideology stemming from the 15th century Doctrine of Discovery, the introduction of the foreigner's system of common law and framework and systems of government, the collusion of financial institutions and investors to take the land and resources, and finally, the educational, political and other means to sustain the ongoing denial of the truth to protect against liabilities of the settler state.

Commerce and trade have always been a part of our customary way of life, a living and breathing functional part of our culture-based economies across millennia. These operated domestically, nation to nation and internationally with our close neighbours to the north. A reframed narrative under colonial subjugation has seen our lands, waters, resources and intellectual knowledge confiscated to further wealth creation and transfer in colonial society. The High Court acknowledged in the *Mabo (No 2)* decision that our dispossession 'underwrote the development of the nation'. That dispossession, and systematic attempts to undermine our political, cultural and economic agency, has seen Indigenous peoples continue to exist largely on the impoverished margins of modern Australia.

Attempts to address this in more modern times, particularly after the 1967 Referendum, have too often approached Aboriginal and Torres Strait Islander disadvantage through a social policy deficit lens. The result has been a relationship of dependency, sustained by significant public investment managed through a complex federated delivery system, without delivering the intended long-term outcomes.

Over recent decades, however, we have witnessed the natural progression of Indigenous rights and interests through the assertion of our legal and political position, the search for a clearer definition of our status within the nation state, and a growing determination to guide our own path towards modernity. This has contributed to a significant shift in reclaiming our place in local, regional and national economies.

While there is still a considerable way to go, land rights legislation, successful native title determinations, and the return of historically tenured lands have created a substantial asset base, representing a direct or indirect interest in about 70 per cent of the national land estate. Across northern Australia this rises to more than 80 per cent, and in some regions, it is higher again.

At the same time, we have seen strong growth in successful Indigenous businesses, driven by individual and collective entrepreneurship, procurement strategies and investment initiatives.

Systemic barriers remain, but the critical constraint continues to be access to affordable capital in all its forms, together with the absence of an appropriately designed First Nations fiscal architecture capable of unlocking Indigenous assets and capabilities for investment and supporting greater self-reliance.

This policy briefing paper, prepared by the First Nations Economic Empowerment Alliance and the Centre for Indigenous Economic Transformation as part of building a roadmap towards fiscal and economic self-determination, draws comparative lessons from Canada, the United States and New Zealand.

Australia has never had a formal fiscal and economic policy relationship with its First Peoples directed to economic self-determination and economic reconciliation. This is a missed opportunity for national productivity.

The First Nations Economic Empowerment Alliance (FNEEA) and our partners firmly believe that this is a critical juncture in the nation's history – to acknowledge and embrace the opportunity to engage Indigenous interests in building wealth for our communities that also benefits the nation.

Professor Peter Yu
Chair of the First Nations Economic Empowerment Alliance
ANU, Vice-President (First Nations)

Executive Summary

Australia has important elements of an Indigenous economic policy framework, but it does not yet have a coherent First Nations fiscal architecture. Existing arrangements are dispersed across native title and land rights regimes, negotiated benefits, procurement policies, Indigenous-specific institutions, grants, concessional finance and mainstream portfolio programs. These mechanisms can support economic participation, but they do not yet operate as a joined-up fiscal system capable of converting rights, assets and agreement revenues into durable community wealth.

By contrast, Canada has established the most developed Indigenous fiscal architecture among comparable settler states. Through the *First Nations Fiscal Management Act*, participating First Nations may opt into a suite of First Nations-led institutions that support local revenue generation, financial administration standards, pooled borrowing and infrastructure planning. The Canadian model is significant because it links governance, revenue authority and capital access within a legislated ecosystem rather than through isolated programs.

The United States demonstrates a different pathway. Tribal Nations exercise varying degrees of fiscal and economic authority through self-governance compacts, tribally owned enterprises, land-leasing powers and own-source revenues, including gaming and commercial activity. New Zealand, while lacking a single national Māori fiscal statute, has built a strong post-settlement governance framework in which Treaty settlement entities and Māori asset-holding structures provide a platform for intergenerational development.

Australia should now move from fragmented arrangements to a more deliberate architecture that recognises First Nations as enduring economic actors. A national framework should support predictable revenue and benefit sharing, stronger financial institutions, earlier and more authoritative participation in economic decision-making, and a legislative and institutional package that aligns rights with fiscal capability.

A strengthened architecture should therefore include two additional design features. First, pooled financing and guarantee mechanisms can convert fragmented borrowing demand into scalable access to capital for infrastructure, housing, clean energy, commercial development and strategic community assets. Second, regional and national intergenerational wealth funds can protect a share of negotiated revenues and settlement-like benefits for future generations, while providing a stable investment base for long-term development priorities.

Canada's Indigenous financial ecosystem and the U.S. Native Community Development Financial Institution (CDFI) sector also underscore the importance of Indigenous-controlled intermediary finance. Alongside major statutory and federal financing frameworks, these institutions provide developmental lending, business advisory support and capital intermediation to Indigenous entrepreneurs and

communities. This is highly relevant to Australia because it shows that fiscal architecture needs both a public-finance arm and a community-based Indigenous finance arm.

Context and Opportunity

Australia's need for a new First Nations fiscal and financial architecture is no longer theoretical. It is being driven by the scale of the Indigenous estate, the rapid clean energy transition, and the growing concentration of major resource development on lands and waters where First Nations rights and interests are formally recognised.

The scale of those interests is substantial. The latest ABARES data shows that 154 million hectares of land in Australia, or 20 per cent, is Indigenous owned; 192 million hectares, or 25 per cent, is Indigenous managed or co-managed; and 443 million hectares, or 58 per cent, is subject to other special Indigenous rights. Taking account of overlap across these categories, the total Indigenous estate is estimated at 536 million hectares, or around 70 per cent of Australia's land mass.

These interests are also increasingly reflected in the legal and agreement-making landscape. As at 17 March 2026, the National Native Title Tribunal recorded 674 determinations, with native title found to exist in whole or part in 546 matters, as well as 1,532 Indigenous Land Use Agreements on the register. Together, these figures underline that First Nations land interests are not marginal to Australia's economic future—they are central to it.

At the same time, the next generation of national productivity growth will be tied increasingly to land-intensive investment in renewable energy, transmission, critical minerals, water, logistics and related infrastructure. The Commonwealth's First Nations Clean Energy Strategy draws on Net Zero Australia mapping which estimates that 43 per cent of the clean energy infrastructure required for Australia's net zero pathway will be located on the First Nations Estate. The same strategy notes that international demand for critical minerals is expected to increase by around 350 per cent by 2040. Separate research mapping critical minerals projects against Indigenous land rights finds that 57.8 per cent of projects are located where Indigenous peoples have a right to negotiate, rising to 79.2 per cent when native title claim areas are included. The Department of Industry, Science and Resources has likewise observed that more than 60 per cent of Australian resources projects, including exploration and extraction, operate on land covered by a native title claim or determination.

These shifts create a very large strategic opportunity, but only if Australia moves beyond a project-by-project and program-by-program approach. The Murru waaruu Outcomes Report argues that Australia has never had a comprehensive economic policy framework for First Nations peoples and calls for a shift away from deficit settings towards genuine partnership, equity and wealth creation. It also argues that a

framework built around First Nations rights and interests can improve the allocation of government resources, reduce transaction costs and strengthen socio-cultural outcomes. In practical terms, that means earlier land-use planning, stronger agreement-making capability, better revenue-sharing rules, fit-for-purpose capital, and institutions able to convert negotiated benefits into productive assets and long-term community wealth.

A new architecture is therefore not only about rights and fairness; it is also about economic performance. If major projects on or near Indigenous land continue to be negotiated late, without coherent financing pathways or durable institutions, Australia will continue to incur avoidable delays, fragmented agreements, under-developed infrastructure and missed opportunities for co-investment. By contrast, a modern First Nations fiscal architecture would make it easier to attract investment, cut compliance and transaction costs, improve project sequencing, and build stronger social licence for development on Country.

That opportunity sits alongside a growing Indigenous business sector. The University of Melbourne's Dilin Duwa Centre for Indigenous Business Leadership, through the Indigenous Economic Power Project, estimates that in 2022 there were 13,693 active and trading Indigenous businesses and corporations generating \$16.1 billion in revenue and employing 116,795 people. Procurement and supplier diversity policies have helped build this base, but a stronger architecture is needed to connect business growth to finance, project pipelines, major contracts and place-based investment opportunities across urban, regional and remote Australia.

Strategic proposition. Australia should establish a First Nations fiscal architecture that moves beyond ad hoc agreements and program funding towards stable revenue, stronger institutions, investable balance sheets and embedded First Nations authority in economic governance.

1. Why a First Nations Fiscal Architecture is Needed

A First Nations fiscal architecture is needed because, despite the growth in recognised rights and interests, Australia's current system remains fragmented, underpowered and poorly aligned – leaving many First Nations entities without the fiscal capability, institutional support, durable revenue base or decision-making authority required to convert land, rights and economic opportunity into long-term community wealth.

Fragmentation

Australia has no overarching framework that links land and native title rights, negotiated revenues, public finance, investment vehicles and economic governance into one coherent system.

Fiscal capability gap

Rights recognition has expanded, but many First Nations entities do not have the balance sheet, transaction capability, financing pathways or institutional support needed to transform those rights into long-term wealth.

Institutional misalignment

Existing institutions such as Indigenous Business Australia, the Indigenous Land and Sea Corporation, Prescribed Bodies Corporate and land councils each play important roles, but they do not form an integrated fiscal ecosystem.

Short-cycle funding dependence

Many First Nations organisations remain dependent on annual or short-horizon funding rather than durable own-source revenue or investment income.

Decision-making deficit

First Nations are still too often consulted late in major economic decisions affecting Country rather than embedded early in project design, infrastructure planning, clean energy transitions and regional development.

The experiences of Canada, the United States and New Zealand do not provide direct templates for Australia, but they do reveal institutional features that materially strengthen Indigenous fiscal and economic self-determination. They also operate within different constitutional, treaty and jurisdictional settings, so any Australian model would need to be adapted rather than copied.

Dimension	Australia	Canada	United States	New Zealand
National fiscal architecture	Fragmented and partial	Legislated Indigenous fiscal framework, supported by constitutional rights at s 35(1) and complemented by treaty frameworks.	Dispersed across multiple statutes and agencies, underpinned by recognised Indigenous jurisdiction.	Settlement-led and entity-based, underpinned by Treaty principles.
Revenue powers	Mostly negotiated; limited system design	Local revenue laws and related fiscal tools	Varies by tribe; stronger own-source revenue in some sectors	Settlement assets and Māori land frameworks
Capital access	Programmatic and institution-specific	Pooled borrowing through First Nations institutions	Uneven; depends on tribal asset base and federal tools	Asset-based growth through PSGEs and Māori entities
Institutional supports	Important but not integrated	Strong First Nations-led statutory institutions interfacing with established First Nations and other Indigenous government entities.	Strong self-governance tools, including tribal governments with recognised powers, but uneven coherence.	Strong post-settlement governance architecture

2. Comparative Lessons from Canada, the United States and New Zealand

Canada's First Nations Fiscal Management Act (FMA) is the clearest international example of a legislated Indigenous fiscal ecosystem. It combines local revenue powers, financial administration standards, pooled market borrowing and specialised institutions that are governed with First Nations leadership. Developed to move First Nations outside restrictive Indian Act provisions relating to economic and fiscal powers, the FMA provides a framework coordinating four First Nations-led organisations to work together to support improved First Nations economic and fiscal agency. It is important to note that recognised First Nations governmental authority and

rights protected under the Constitution Act 1982 at section 35(1) are important underpinnings to the economic and fiscal rights of Indigenous peoples being advanced in Canada. Despite this foundation, the ambition and effect of the legislative architecture remain a critical reference for Australia.

Canada has also invested in recurring national measurement of the Indigenous economy. Statistics Canada's Indigenous Peoples Economic Account estimates Indigenous gross domestic income reached C\$63.7 billion in 2023, representing 2.3 per cent of total Canadian GDI. This is significant not only as an indicator of economic scale, but because it makes Indigenous economic contribution more visible in national policy, investment analysis and fiscal planning.

Indigenous Financial Institutions in Canada

Canada's broader Indigenous finance ecosystem does not stop at the FNFMA institutions. NACCA supports a national network of more than 50 Indigenous Financial Institutions that provide developmental lending, business finance and advisory support to First Nations, Métis and Inuit entrepreneurs and communities. NACCA describes these IFIs as autonomous, Indigenous-controlled and community-based institutions designed to meet needs often underserved by conventional lenders.

This matters because pooled bond finance and local revenue institutions solve only part of the financing problem. Many communities and Indigenous enterprises also need smaller-scale, relationship-based lending, patient capital, advisory support and credit assessment models that understand collective governance, remoteness, thin collateral markets and uneven cashflow profiles. Canada's IFI network fills this gap. NACCA reports that the network has issued more than 50,000 loans totaling over C\$3.2 billion over its history, illustrating the scale that Indigenous-controlled intermediary finance can reach when it is institutionally backed.

For Australia, the lesson is that an effective fiscal architecture should not rely solely on one national finance authority. It should also foster a tiered ecosystem of Aboriginal financial institutions, regional intermediaries or community development finance vehicles that can originate deals, provide business support, absorb concessional capital and create a pipeline for larger-scale pooled finance.

United States

The United States model is less nationally integrated but demonstrates the importance of recognised jurisdiction, self-governance compacts, own-source revenues and land-leasing authority. It shows that stronger control over land, enterprises and program design can materially shift economic outcomes.

- **Native Community Development Financial Institutions**

An important part of the U.S. landscape is the Native CDFI sector. Native CDFIs are mission-driven lenders and financial service providers operating in Native

communities, often in areas where conventional financial institutions are scarce. The Native CDFI Network describes them as a diverse sector serving Indian Country, Alaska and Hawaii, with over 64 certified Native CDFIs and 34 emerging Native CDFIs across 25 states.

Their role is structurally important because they create a locally governed finance layer beneath Tribal governments and federal programs. They can lend to households, entrepreneurs and community projects; provide financial capability services; and build a pipeline of borrowers who may later access larger forms of capital. Treasury's Native Initiatives and Native American CDFI Assistance program help build this capacity through financial assistance, technical assistance and certification-linked support.

For Australia, Native CDFIs are relevant not as a constitutional template but as an institutional template. They show how Indigenous-controlled community finance organisations can complement larger public institutions by reaching borrowers, sectors and geographies that mainstream finance underserves.

New Zealand

New Zealand has effectively developed a de facto fiscal architecture through the interaction of settlement capital, entity design, tax treatment and measurement frameworks. Over the past three decades, Treaty settlements, post-settlement governance entities (PSGEs), Māori trusts, incorporations and related collective institutions have combined with enabling policy settings to build a substantial and increasingly visible Māori economic base. Te Puni Kōkiri's 2025 policy material, drawing on Te Ōhanga Māori 2023, states that Māori economic output reached around NZ\$30 billion in 2023, up from NZ\$17 billion in 2018, while the Māori asset base grew from NZ\$69 billion to NZ\$126 billion over the same period. For Australia, the key lesson is that this growth has been shaped not only by market conditions, but also by the cumulative effect of settlement capital, institutional design and policy settings that support reinvestment and long-term asset growth.

New Zealand has enabled balance-sheet formation at scale. Treaty settlements, while often modest at the level of individual settlements, have in aggregate created a durable intergenerational capital base across iwi that is protected from routine political cycles. PSGEs are therefore not merely administrative bodies: they function as permanent capital vehicles with cultural governance overlays, able to hold assets, separate commercial and distribution functions, and reinvest over time.

Entity design has been a core part of the architecture. Māori trusts, incorporations and PSGEs generally operate with clearer beneficiary definitions, stronger accountability expectations and more deliberate separation between asset management and beneficiary distribution than is common in many Australian Indigenous organisations. This has supported reinvestment, compounding and a longer investment horizon.

Tax and regulatory settings have helped support reinvestment. New Zealand's distinct Māori authority tax regime recognises collective ownership structures and provides special rules for income tax, distributions and Māori authority credit accounts, helping capital remain within Māori entities and compound over time.

Measurement has also mattered. Te Ōhanga Māori, as a recurring government-backed framework, makes the Māori economy more visible to policymakers and investors, supports its recognition as a distinct part of the national economy, and creates a stronger evidence base for reform. Together, these features show how capital formation, entity design, tax treatment and measurement can operate together as a practical fiscal architecture, even without a single overarching statute.

For Australia, the broader lesson is that settlement-linked institutions can become major regional investors when capital formation, entity design, tax treatment, measurement and legal settings operate together as part of a coherent institutional framework.

The proposed architecture should be designed to work across very different Australian settings, including native title regions, land rights systems, settlement contexts and urban areas where many First Nations people and organisations do not hold direct land interests. That means combining place-based rights and revenue mechanisms with broader Indigenous business, finance and institutional development measures, so the system does not reinforce a simple divide between those with recognised land-based rights and those without. The design challenge is therefore to create a national architecture with common principles and tools while allowing regional adaptation to different legal frameworks, institutional histories and opportunity profiles.

3. Proposed Architecture for Australia

Pillar 1 - Revenue and Benefit Sharing

A stronger revenue and benefit-sharing pillar should ensure that First Nations are not confined to one-off compensation payments after development decisions have effectively been made. The policy objective is to normalise structured revenue participation where projects draw on Country, cultural authority, land access, water, heritage or community infrastructure. In practice, this means moving towards negotiated packages that can combine annual revenues, equity, contracting opportunities, community infrastructure, workforce pathways and long-term trust contributions. This issue is directly related to negotiated agreements about activities on Indigenous lands and waters including Indigenous Land Use Agreements (ILUAs) and native title settlement agreements.

Comparative experience shows the value of linking revenue design, negotiated benefits and institutional capability as part of a broader system of economic governance. For

Australia, the equivalent opportunity lies in embedding clearer benefit-sharing expectations across renewable energy, transmission, resources, carbon, tourism and major land-use developments while strengthening the capability of Traditional Owner institutions to negotiate from a strategic position. Three practical priorities follow: exploring staged pathways for limited own-source revenue and shared fiscal transfers where legally feasible; broadening benefit-sharing practice beyond one-off mitigation and compensation; and strengthening agreement-making capability so communities can negotiate from a long-term development perspective.

Priority Actions:

- Examine staged pathways for limited own-source public revenue powers, local service charges, special purpose levies or shared fiscal transfers where these are community supported and legally feasible, drawing carefully from Canadian local revenue models while adapting to Australian constitutional settings.
- Shift benefit-sharing practice from one-off mitigation and compensation towards equity participation, production-linked returns, community development agreements, infrastructure offsets and intergenerational trust contributions, with examples drawn from major project and settlement practice in Canada and New Zealand.
- Support stronger agreement-making capability for Prescribed Bodies Corporate, land councils and Traditional Owner institutions, including legal, financial, valuation and commercial advisory support, so communities can assess cumulative impacts and negotiate packages that align with long-term development priorities.

Pillar 2 - Financial System Blueprint

Revenue rights and benefit-sharing arrangements alone will not deliver economic self-determination unless First Nations also have access to a financial system designed to mobilise, protect and grow capital on their own terms, including First Nations people and organisations who do not hold direct land interests. Despite the scale of the Indigenous estate and the rising number of major projects intersecting with First Nations lands and waters, Australia still lacks the institutional finance architecture needed to convert those opportunities into investable projects, stronger balance sheets and intergenerational wealth. Pillar 2 responds to that gap by setting out a financial system blueprint that combines community-based lenders, pooled financing and guarantee mechanisms, long-term wealth vehicles and better economic measurement so that governments, investors and First Nations institutions can make decisions on the basis of clearer evidence rather than fragmented proxies. In this way, First Nations are positioned not only as participants in economic activity, but as owners, investors and decision-makers within it.

Priority Actions:

- Build a pipeline and data function to support investment readiness, benchmarking and market visibility, while linking finance architecture to procurement, supplier development and project pipeline opportunities so Indigenous businesses and community organisations can participate earlier in value chains.
- Establish a recurring First Nations economic measurement and visibility framework, linked to finance architecture, so that the scale, composition and growth of the First Nations economy can be tracked over time and used to support investment readiness, market confidence and better policy design.
- Develop a First Nations financial governance and certification framework to strengthen trust, readiness and lender confidence without imposing one-size-fits-all rules.
- Treat the Indigenous estate - including land, water rights, agreement income, carbon opportunities and strategic infrastructure - as a potential balance-sheet platform where communities choose to activate it.

Pooled financing and guarantee mechanisms

Australia should establish pooled financing and guarantee mechanisms for eligible First Nations entities as a core part of the financial system blueprint. The objective is not simply to create another grant program, but to aggregate demand, lower borrowing costs, extend tenor and improve market access for infrastructure and productive assets. A pooled approach can bring together borrowing requirements across housing, community infrastructure, energy, tourism, industrial land development and enterprise facilities that are individually too small, too bespoke or too risky for efficient mainstream financing.

A practical Australian model could include four layers: first, an originator layer through Indigenous-controlled lenders and specialist intermediaries, with Indigenous Business Australia as the clearest current Australian precedent and future Aboriginal Financial Institutions performing a role closer to Canada's Indigenous Financial Institutions or U.S. Native CDFIs; second, a central warehousing or pooled financing vehicle able to purchase, refinance or aggregate eligible loans, similar in function to the First Nations Finance Authority's pooled borrowing model; third, a debt reserve or liquidity support mechanism capitalised through borrower contributions, retained earnings and catalytic public or philanthropic capital, potentially drawing in institutions such as the Indigenous Land and Sea Corporation where land-based security or development assets are involved; and fourth, a time-limited public guarantee facility to crowd private lenders and bond investors into the market until performance data matures, with Canada's Indigenous Loan Guarantee Program providing a strong comparative example of how public guarantees can support Indigenous equity participation in major projects.

The Canadian experience demonstrates why this matters. The First Nations Finance Authority has shown that a pooled borrowing structure can convert a set of smaller or uneven borrowers into an investable platform with stronger pricing and longer tenors. The Indigenous Loan Guarantee Program extends that architecture by reducing lender risk for Indigenous participation in major projects, while the Indigenous Growth Fund adds a complementary layer of wholesale capital for Indigenous Financial Institutions by operating as an open-ended limited partnership managed by NACCA. Taken together, these mechanisms illustrate an ecosystem approach: local Indigenous lenders originate and understand the borrower, a national facility aggregates and refinances capital needs, and guarantee or reserve mechanisms crowd in external capital at scale.

Regional and national intergenerational wealth funds

Australia should also build regional and national intergenerational wealth funds to ensure that non-renewable resource revenues, major project benefit streams, carbon income, land-based returns and public settlement-style capital are not consumed entirely in annual budgets. The purpose of these funds would be to convert episodic revenues into permanent community wealth that can support future generations, smooth revenue volatility and finance long-term priorities such as housing, education, cultural revitalisation, enterprise investment and care for Country.

At the regional level, intergenerational funds could pool a portion of revenues from multiple projects affecting the same Nation or cultural estate, especially where cumulative development impacts are high. At the national level, Australia could consider a sovereign-style First Nations future fund seeded through public contributions, negotiated settlements, philanthropic commitments or a share of large-scale benefit streams. Internationally, the logic is reinforced by Canada's recent use of public guarantee architecture through the Indigenous Loan Guarantee Program alongside wholesale Indigenous lending capital through the Indigenous Growth Fund: together they show that Indigenous wealth-building requires both balance-sheet growth today and protected capital for tomorrow.

These funds should be designed with clear rules on capital preservation, drawdown discipline, cultural governance, transparency and future-generation purpose. They should not operate as passive trust accounts alone. Properly designed, they can invest alongside pooled finance vehicles, provide cornerstone capital to Indigenous-controlled financial institutions, and build the investment track record needed for a stronger First Nations capital market over time.

Why Aboriginal Financial Institutions and Native CDFIs matter

The case for Aboriginal financial institutions in Australia is strengthened by the Canadian experience with NACCA and the U.S. experience with Native CDFIs. These institutions matter because they occupy the missing middle between community

aspiration and large-scale capital markets. They originate smaller and relationship-based loans, help enterprises become investment ready, recycle repayments locally and create a culturally grounded underwriting layer that mainstream lenders rarely provide.

In Canada, NACCA supports a national network of more than 50 Indigenous Financial Institutions that provide business finance and advisory support across First Nations, Inuit and Metis communities. That network is now complemented by the Indigenous Growth Fund, which channels wholesale capital through NACCA-managed structures to expand the lending capacity of Indigenous Financial Institutions, and by the Indigenous Loan Guarantee Program, which addresses a different part of the market by enabling Indigenous equity participation in major projects. This layered model is significant because it recognises that community business lending, project equity finance and capital-market participation require different but connected institutions.

Pillar 3: Influence and Decision-Making

Influence over economic decision-making is the bridge between fiscal resources and actual economic self-determination. Without a stronger role in upstream policy design, infrastructure planning and project approvals, First Nations institutions remain reactive, negotiating around decisions already shaped elsewhere. In Australian conditions, this means both earlier, structured roles in government policy and project processes, and progressive reforms that strengthen First Nations authority to make or co-shape decisions where law and agreement frameworks permit it.

Priority Actions:

- Embed First Nations participation in economic policy design, not only through program consultation but through formal roles in tax, infrastructure, regional development, clean energy, procurement and industry policy, building on the First Nations Economic Partnership as a platform for shared reform design.
- Create stronger roles for First Nations institutions in project approvals, cumulative regional planning and place-based investment governance so Nations can shape sequencing, infrastructure priorities, environmental thresholds and community benefit outcomes across multiple developments affecting the same Country, while recognising that the form of those roles will differ across jurisdictions and settlement frameworks.
- Support long-term community economic planning so First Nations can align fiscal tools with their own development priorities - for example housing, enterprise precincts, tourism, conservation economies, clean energy, food systems or cultural industries - and translate agreement income into durable economic capability. This should include settings that also support Indigenous businesses and organisations that are not direct landholding entities but are critical to local economic participation and employment.

These measures are important not only for fairness and legitimacy, but also for economic performance. Earlier and more structured First Nations participation can improve project design, reduce late-stage disputes, strengthen place-based planning and create clearer pathways for investment that align with community priorities and long-term development outcomes.

Pillar 4 - Legislative and Institutional Structures

Legislative and institutional reform is required because Australia's current architecture is spread across native title, land rights, grants administration, specialist agencies and sector-specific regulation, with no single framework tying these elements together. A dedicated legislative framework would not need to centralise all functions, but it should define the architecture: what fiscal powers or revenue mechanisms are recognised, which institutions are responsible for standards and capital access, how existing bodies such as IBA, ILSC, PBCs and land councils connect to the new system, and what additional reforms are required to make those connections work coherently in practice.

Priority Actions:

- Strengthen the interface between new institutions and existing bodies such as IBA, ILSC, land councils and PBCs so the architecture builds from current strengths: IBA as an existing Indigenous lender and enterprise finance platform, ILSC as a land and asset-based institution with catalytic potential, and PBCs as foundational governance entities for Country-based revenue and investment decisions. This should include capability building, clearer mandates, data-sharing and referral pathways so institutions operate as a connected ecosystem rather than as isolated programs.
- Adopt a staged implementation pathway that sequences reform in a practical order: first strengthen PBC and Traditional Owner capability; second establish standards, data and advisory functions; third pilot pooled finance and guarantee mechanisms; fourth build intermediary Aboriginal finance capacity and project pipelines; and finally legislate mature revenue-sharing and fiscal governance arrangements once institutions and evidence are in place.
- These reforms point to the need for a central Indigenous-led body to guide implementation, connect institutions, and ensure the architecture remains coherent, accessible and responsive to the diversity of First Nations entities engaging with it. In this context, an Indigenous-led fiscal commission or council should be established as a central stewardship mechanism for the architecture. It could guide reform, set standards, advise on intergovernmental fiscal issues, monitor implementation and provide independent policy advice on revenue sharing, institutional development and economic sustainability.

Economic measurement and visibility

A durable fiscal architecture also requires a stronger evidence base for policy, investment and accountability. Australia should establish a recurring First Nations economic measurement framework, comparable in ambition to approaches used in Canada and New Zealand, to track the size, structure and growth of the First Nations economy over time. This should include regular measurement of contribution to GDP or gross value added, Indigenous business activity, asset ownership, employment, agreement revenues, the community-controlled sector and the economic significance of the Indigenous estate. Better measurement would help make the First Nations economy more visible in national policy, strengthen investment confidence, support intergovernmental reform and provide a clearer basis for assessing whether fiscal architecture reforms are delivering long-term economic self-determination.

Capability, access and institutional readiness

Legislative and institutional reform must also address a practical question: who the architecture is for, how First Nations entities engage with it, and what powers, functions and support they need to use it effectively. The value of a First Nations fiscal architecture will depend not only on the strength of the system itself, but on whether the intended beneficiaries are clearly recognised and able to participate in it. This includes rights-holding bodies such as Prescribed Bodies Corporate, land councils and Traditional Owner groups, as well as community-controlled organisations, regional entities, Indigenous businesses and any emerging Aboriginal financial institutions operating beyond direct land-based frameworks.

For this reason, the architecture should include a deliberate framework for capability building and institutional readiness at the community and regional level. Many First Nations organisations already carry significant responsibilities in land management, agreement-making, governance and enterprise development, but do not yet have consistent access to the financial management systems, transaction expertise, data capability, strategic planning support and investment readiness assistance that a more developed fiscal system will require. Capability building should therefore be treated as a core design feature of the architecture, not as a secondary or discretionary support measure.

The architecture should also recognise that not all First Nations entities will perform the same role. Some will be rights-holding and agreement-making bodies; others may act as enterprise vehicles, regional planning institutions, community wealth funds or specialist financial intermediaries. Reform should therefore provide clearer pathways for participation, accreditation and support, rather than assuming a single institutional model. A structured capability and transition strategy will be essential to ensure that stronger architecture is matched by stronger First Nations institutions able to use it on their own terms and for long-term community benefit.

Taken together, these four pillars outline the foundations of a distinctly Australian First Nations fiscal architecture—one that moves beyond fragmented policy measures toward a coherent system of revenue, finance, governance and law. Each pillar is mutually reinforcing: without revenue, there is little to invest; without financial institutions, revenue cannot be leveraged into productive assets; without influence in decision-making, economic opportunities will continue to be shaped by others; and without legislative and institutional reform, gains will remain vulnerable to policy change and short-term funding cycles. Built as an integrated whole, this architecture would enable First Nations peoples not only to participate in the economy, but to exercise greater control over how wealth is generated, governed and sustained for current and future generations.

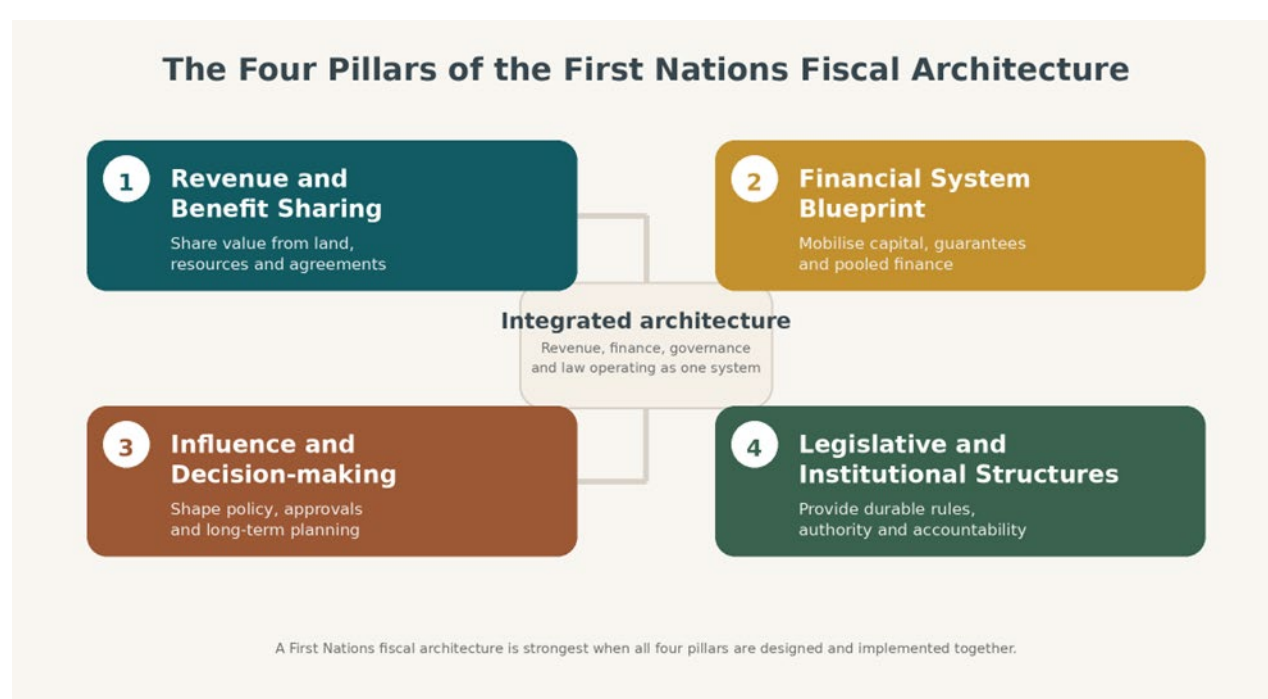


Figure 1. The four pillars of the proposed First Nations Fiscal Architecture.

4. Comparative Assessment of Current Australian Arrangements

A comparative weakness in Australia is that, unlike Canada, New Zealand and the United States, it does not operate within a strong constitutional or jurisdictional framework for Indigenous fiscal authority. There is no treaty-based national settlement, no broad legal recognition of Indigenous jurisdiction, and only limited recognition of First Nations governing powers beyond specific statutory, land rights and native title contexts. This matters because fiscal institutions are generally most effective when they are built on a clearer foundation of recognised authority over governance, revenues and economic decision-making. Australia also lacks an Indigenous-controlled intermediary finance network equivalent to NACCA's Indigenous Financial Institutions in Canada or

the Native CDFI system in the United States, as well as wholesale Indigenous capital mechanisms comparable to the Indigenous Growth Fund or public guarantee architecture comparable to Canada's Indigenous Loan Guarantee Program. The result is a more fragmented system, with weaker links between finance, governance, rights-holding entities and Indigenous businesses operating beyond direct land-based frameworks, and fewer institutional pathways to convert recognised rights and economic opportunity into long-term wealth and self-determination.

However, these building blocks remain institutionally disconnected. Revenue and benefit sharing are highly variable across sectors and jurisdictions. Financial capability is uneven. Access to large-scale, patient and appropriately structured capital remains constrained. Many community entities carry substantial governance responsibilities without equivalent long-term institutional support.

In comparative terms, Australia sits behind Canada in the development of an integrated, Indigenous-led fiscal architecture; behind many U.S. Tribal Nations in practical exercises of jurisdiction and own-source revenue; and behind New Zealand in the use of settlement-based entities as enduring development institutions.

5. Implementation Pathway

A practical implementation pathway should begin with design rather than immediate institutional proliferation. The first step is to establish an Indigenous-led design process, anchored through the First Nations Economic Partnership and supported by Treasury, NIAA, relevant portfolio agencies and existing First Nations institutions, to settle the core architecture: which entities it is intended to serve, what functions sit at community, regional and national levels, and how it will operate across different legal and jurisdictional settings.

The second step is to sequence reform through pilots and capacity-building. Early priorities should include strengthening PBC and Traditional Owner capability, testing pooled finance and guarantee mechanisms, developing an investment-readiness and data function, and supporting the emergence of Aboriginal financial intermediaries able to originate smaller loans and build project pipelines. This would allow government and First Nations partners to build evidence, refine institutional roles and avoid locking in a model that is too rigid or too narrow.

The third step is to move to more durable legislative and intergovernmental reform once institutions and evidence are in place. This should include clearer revenue and benefit-sharing settings, stronger interfaces with state and territory regimes, and consideration of a standing Indigenous-led fiscal body to monitor implementation, advise on emerging issues and support long-term system stewardship. A staged pathway of this kind would balance ambition with practicality while ensuring reform remains grounded in First Nations priorities and institutional readiness.

Conclusion

A First Nations Fiscal Architecture for Australia is not simply a technical financing agenda. It is a nation-building reform that connects rights recognition with economic self-determination.

The central lesson from international practice is clear: durable fiscal and economic autonomy requires more than programs. It requires institutions, revenue systems, decision-making authority, capital pathways, economic measurement and legal scaffolding that are designed to endure across political cycles.

Australia has reached the point where the next phase of reform should focus on building that architecture.

The additional lesson from Canada and the United States is that fiscal architecture must be multilayered. Large statutory institutions such as pooled finance authorities are essential, but so are Indigenous-controlled financial intermediaries that can meet communities and entrepreneurs where they are. The combination of pooled finance, guarantee mechanisms, Aboriginal financial institutions, Native CDFIs and intergenerational wealth funds is what allows economic self-determination to move from aspiration to durable system design.

For Australia, that means building both the top of the system and the middle of the system: a national architecture capable of mobilising capital at scale, and Aboriginal financial institutions capable of translating that capital into local opportunity, enterprise growth and long-term community wealth. It also means investing in capacity at the community level so First Nations organisations, leaders and businesses have the governance, financial capability, transaction readiness and strategic planning support needed to engage confidently with investment, manage assets effectively, and convert economic opportunity into lasting development outcomes.

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