

Aboriginal Resource Benefits: How Is the Money Spent?

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Since 1982, the courts have dramatically expanded obligations on prospective resource developers to consult with First Nations whose reserve lands or lands under claim may be affected. Independent of regulatory requirements imposed by the federal and relevant provincial governments, developers frequently negotiate “impact benefit agreements” (IBAs) with First Nations to secure their acquiescence to potential projects. IBAs provide some First Nations with substantial own-source revenue. Based on audit information made public due to the *First Nations Financial Transparency Act*, this paper analyzes the spending priorities of a sample of 130 First Nations in northern Ontario. Based on this sample, First Nation governments spend very little incremental own-source revenue on health or education programs. The largest incremental spending takes place in the envelope of band government and business administration. The second highest increment is in an envelope of skill-training and other economic development programs.