

Diamond royalties shared with Aboriginal Groups

For many years now, the Federal Government has been sharing all resource royalties they collect with Aboriginal groups that have settled land claims. This means that even groups like the Gwich'in and Sahtu, who have no diamond production in their traditional territory, are benefiting from diamond mining; conversely, the Tlicho with no oil and gas production in their territory benefit from royalties generated in another part of the NWT.

The formulae for calculating how the royalties are shared is as follows:

According to the Gwich'in and the Sahtu Land Claim Agreements, Canada will pay to each the Gwich'in and the Sahtu the following share of Crown royalties:

- 7.5 percent of the first \$2.0 million of resource royalty received by government in that year; and 1.5 percent of any additional resource royalties received by government in that year.

The Tlicho Land Claim Agreement states the Tli Cho are to receive from the Crown:

- 10.429 percent of the first \$2.0 million of mineral royalties received by government in that year; and 2.086 percent of any additional mineral royalties received by government in that year.

Most recent figures show that from 2001-2013, Canada has shared over \$39 million in diamond royalties (no accounting for oil and gas has been made) with the three settled land groups with royalty sharing provisions in their claims, as per the following chart. The Gwich'in and Sahtu have each received \$12.5 million and the Tlicho has received \$14.2 million.

