

A Jurisdictional Scan of Resource Revenue Sharing in Mining and Forestry



Information from the Ministry of Energy, Northern Development and Mining

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| British Columbia | Policy-based | <p>Mining British Columbia shares net Mineral Tax revenue derived from new mines and major mine expansions with First Nations proximate to mining projects through project-specific economic community development agreements. Revenue-sharing percentages are negotiated on a case-by-case basis and range from 12.5% to 37.5%. British Columbia shares \$10 million in mining revenues annually through 17 agreements with First Nations.</p> <p>Forestry British Columbia shares approximately \$40 million annually in forestry sector revenues with 125 First Nations through forest consultation and revenue sharing agreements. Each agreement includes a floor amount of \$35,000 plus an amount determined by a standardized formula incorporating the percentage of traditional territory within the harvesting area and the district's forestry revenues. The total annual sharing percentage is between 6% and 10% of net forestry revenues.</p> <p>NOTE: British Columbia also makes resource royalty payments as part of nine modern treaties.</p> |
| New Brunswick | Policy-based | <p>Mining In February 2017, New Brunswick signed a mine-specific agreement with six First Nations that will share 9.8% of the provincial revenue generated from the metallic mineral tax associated with the Sisson mine project. Forestry (Resource sharing) New Brunswick also shares approximately 5% of the annual allowable harvest of Crown timber with 15 First Nations through separate agreements. First Nations receive royalties generated from their allocated harvest as well as proceeds from the sale of timber.</p> |
| Manitoba | Policy-based | <p>Mining In January 2016, Manitoba committed to sharing up to 25% of mine tax revenue on new mines with First Nations.</p> |

| JURISDICTION | APPROACH | MODEL |
|--------------------------|-----------------------|---|
| Quebec | Land claim agreements | <p>The annual payment from Quebec to the Cree Nation under the La Paix des Braves agreement is indexed to reflect the evolution of the value of mining, forestry and hydroelectric production in the James Bay and Northern Quebec Region. The base annual payment of \$70 million, to be paid for the duration of the 50 year agreement, was determined as part of settlement of disputes regarding implementation of the James Bay and Northern Quebec Agreement. Quebec shares the greater of \$70 million or \$70 million indexed to changes in the value of resource production in the region when compared to a base period of 1999-2003. In 2014-15, the Cree received \$86.6 million, with increases in hydroelectric production accounting for the majority of the indexing.</p> |
| New Foundland & Labrador | Land claim agreements | <p>Newfoundland and Labrador shares 5% of any revenue received from the Voisey's Bay mining project with the Innu government through a Memorandum of Agreement, pending final settlement of an Innu land claims agreement. Newfoundland and Labrador also shares resource revenues with Labrador Inuit under the Labrador Inuit Land Claims Agreement as follows:</p> <ul style="list-style-type: none"> • 25% of provincial revenues from subsurface developments within Labrador Inuit Lands in the settlement area; • 50% of the first \$2 million and 5% of any additional provincial revenues in the remaining land and ocean in the settlement area; • 5% of provincial revenues from subsurface resources in the Voisey's Bay area. |
| Northwest Territories | Land claim agreements | <p>The Lands and Resources Devolution Agreement transfers control of public lands and resources from the federal government to the Northwest Territories. The Agreement allows the NWT to keep 50% of resource revenue, up to 25% of which the NWT shares with Indigenous governments that are signatories to the Agreement. The NWT also shares resource revenues resource revenues collected on public land in the Mackenzie Valley with four Indigenous groups through three individual comprehensive land claim agreements and an Interim Resource Development Agreement. These agreements share between 7.5% and 12.25% of the first \$2 million in resource revenues and between 1.5% and 2.45% of any additional resource revenues.</p> |
| Nunavut | Land claim agreements | <p>Nunavut shares 50% of the first \$2 million of resource royalties and 5% of any additional resource royalties from Crown lands with the Inuit as part of the Nunavut Land Claims Agreement (NLCA) and through the Nunavut Tunngavik Incorporated (NTI), a body established in 1993 to ensure implementation of the NLCA.</p> |