

Industry Jobs for Indigenous people are under threat, although prices for stones are predicted to rise as their scarcity increases, writes Rachael Taylor

Canada looks for bright spots as end nears for diamond mines

When it comes to diamonds, age is beauty. The diamond industry has been trading for centuries on the messaging that its products are billions of years old – a line that is even more important in the age of laboratory-grown diamonds that can erupt from a carbon starter in a matter of weeks.

What are thought to be the oldest diamonds can be found in Canada, locked in icy tundras in the Northwest Territories and estimated to have been formed 3.5bn years ago – a time of explosive volcanic eruptions.

The above-ground story of Canadian diamonds is brand new, in relative terms. While a diamond trade had begun to emerge in India by the 4th century, Canada didn't suspect it was sitting atop significant deposits until the 1960s, when De Beers launched an exploratory quest. It was a dogged one. Intolerable weather and aggressive terrain guarded Canada's secret until 1987, when explorers landed on the first commercial deposit, about 90km west of Attawapiskat in northern Ontario.

The first mine, named Ekati ("fat lake" in the local language, in reference to the area's marbled, caribou fat-like quartz deposits), started production in 1998. Diavik, the largest Canadian mine, opened in 2005 and has since produced more than 140mn carats of diamonds, including Canada's largest at 552.70 carats. Gahcho Kué followed in 2016, and other smaller mines have opened and closed over the years.

Today, Canada is the world's third-largest diamond producer, according to the Natural Diamond Council, accounting for 14 per cent of global supply. Diamonds have been a major boost for the economy of the country, contributing C\$27.7bn (\$20bn) between 1996 and 2023.

For some mines, however, this story is coming to an end. At an event held by the Natural Diamond Council at Canada House in London to promote Canadian diamonds, one exhibitor proudly displayed a countdown clock for the Diavik mine, listing the number of days, hours, minutes and seconds until its expiration. The official closure date is a little looser. Owner Rio Tinto has said it will

close Diavik by early 2026, with some of the mine's 1,500 employees staying on until 2029 to facilitate the closure.

In recent years, much focus has been placed on communicating how Rio Tinto will close the mine sustainably – the open pit will be transformed into a lake – but the event at Canada House was a reminder of the other likely effects of the closure of Canada's diamond mines. The other two active mines, Ekati and Gahcho Kué, are also slated for closure by 2028 and 2031 respectively.

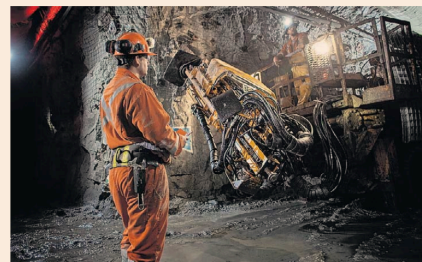
The most pressing issue on the ground is what will happen to the people the industry supports. Kateri Rose Lynn, a Yellowknives Dene First Nation council member who was born two years after the opening of the Ekati mine, says: "Growing up in the Northwest Territories, you are very affected by the mines, whether it is positive or negative – I've lived through both impacts of it."

She talks about her mother, Julia, who "grew up in the bush" until she was eight years old and was forced to endure one of Canada's notorious residential schools that sought to strip Indigenous Canadians of their heritage and culture. She left at 14 with little education, but found a job at a diamond mine, as many others did. It was a lifeline.

Lynn, too, has found employment in the diamond industry, and now works for cutting and polishing facility Diamonds De Canada in Yellowknife, one of a handful of Canada-based diamond manufacturers.

One of the things she most likes about her job is the cultural understanding that should she wish to disappear with little notice to hunt caribou, she can. Like many First Nations people, she has a deep connection to the land, and a respect for its bounties. She reinforces this by pointing out that the earrings she is wearing are made of caribou antlers from one of her hunts.

It saddens her to watch the earth blasted to mine diamonds, she says, but she recognises the positive impact the industry has had on Indigenous people, and how it allows them to stay in the Northwest Territories. "I've always had a love-hate relationship with the



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mines," says Lynn, noting that she has "got a lot of hate" for being an indigenous person working in the industry.

As well as providing much-needed employment in this remote part of Canada, the diamond industry has helped fund Indigenous-owned businesses, such as Det'on Cho. The group turned a modest C\$15,000 grant in 1988 into an annual revenue of C\$85mn through providing services to mining companies, such as construction, waste management and food distribution.

According to a Natural Diamond Council report, Northwest Territories mining companies spent close to C\$847mn with local businesses in 2023, with two of the three mines allocating more than 60 per cent of their spending to local companies. This has been a huge positive surge for the economy, but it raises the question of what will happen when the mines no longer need support. Will these companies be able to diversify enough to survive?

The Northwest Territories government has been collecting royalties on diamonds, and there are several official deals between miners and locals, such as impact benefit agreements, but an economic review published by the government shows investment in the area is declining in line with the dropping carat

production as the mines slow down. While it states that the mine closures "will not lead to a collapse in economic opportunities or activity", it recognises it will have a "profound effect on the territory's economy".

One bright spot is that tariffs imposed by the Trump administration in the US are likely to have a limited direct impact on Canada's diamond industry, as its main export is rough diamonds, which are mostly sent to Belgium to be cut or traded. In 2023, government figures show that 70 per cent of Northwest Territories' exports, equating to C\$1.5bn, went to Belgium, with less than 1 per cent (C\$5.6mn) exported to the US. Any tariffs to pay on Canadian diamonds will mostly fall on the countries cutting the stones or setting them in jewellery to be sold to the US market.

For the wider jewellery industry, the impending scarcity of Canadian diamonds is a positive. Canadian diamonds have long been presented as a premium brand, but are not totally exclusive. British high street jeweller F Hinds, for example, stocks Canadian diamond jewellery brand Arctic Circle, but only in its outlet stores where director Andrew Hinds says shoppers are seeking "bargains rather than cheap jewellery", so it

positions the brand as a premium product with a discount.

For Antwerp-based jewellery designer Dries Criel, it is quite the opposite. Sourcing stones from Canada gives him a point of difference in a city flooded with diamonds. He hands over a gold ring set with a generously proportioned 5-carat Canadian diamond at its centre as an example of a recent design. Criel notes that Canadian stones of such quality can be difficult to source compared with other origins.

Boodles managing director Jody Wainwright is banking on Canadian diamonds acquiring rarity value. The jeweller developed a strong business in pink diamonds from the Argyle mine in Australia, which shot up in value when the mine closed in 2020, and sees parallels with Canadian diamonds now that the Diavik mine is less than a year from closure.

As such, Boodles has started to mark its diamonds using laser engraving with a "D" for those from the Diavik mine and "G" for those mined at Gahcho Kué. It can assure traceability as it buys the rough diamonds in Antwerp and then has them cut.

"The price will certainly go up," says Wainwright of Canadian diamonds with proven provenance. "This is history. As people look at something beautiful that they don't need, and [wonder] what's the value of it, I think [provenance] will begin to play its role. It's assurance and peace of mind at the moment. Later, it will become more of a legacy."

True blue goes up for grabs

A rare fancy vivid blue diamond is estimated to fetch in the region of \$20mn at auction on May 13. Sotheby's is offering the 10.03-carat, cushion-shaped Mediterranean Blue in its high jewellery sale in Geneva. It is the first time the type IIB stone, which has the highest colour grading from the Gemological Institute of America for a blue diamond, has come to market. The diamond was unveiled at an exhibition in Abu Dhabi last month before being shown in Taipei, Hong Kong and New York.

Yellow fever

Phillips is offering a pendant set with a 53.14-carat internally flawless fancy vivid yellow diamond at an auction in Geneva on May 12. The piece, which also features a white diamond, is estimated at SF2.15mn-SF3.1mn (\$2.4mn-

\$3.5mn). Another top lot in the Geneva Jewels Auction: IV is a pair of earrings with diamonds weighing 10.92 and 10.58 carats, which are expected to fetch SF1.25mn-SF1.6mn (\$1.4mn-\$1.8mn). The sale will also feature a curated selection of art deco jewels to celebrate this year's 100th anniversary of the 1925 exhibition in Paris that later gave its name to the period.

Simply divine

An art nouveau Boucheron pendant that was exhibited at the 1900 Paris Exposition is being offered by Bonhams in New York on June 12. The piece (left, c1900), estimated at \$200,000-\$300,000, depicts the goddess Juno in carved white jadeite.

Her textured gold hair is crowned with blue, green and purple enamel, accented by diamonds and gold beads. Her purple enamel dress, set with a yellow sapphire framed by diamonds, is flanked by peacocks. Their feathers support a detachable pendant set with a yellow sapphire with diamond surround. Boucheron's latest collection, Quatre Tube, launched this week.

Light fantastic

Bvlgari will launch its new high jewellery collection on May 19.

Polychroma includes the Serpent Light of Infinity set, a new interpretation of the house's signature animal motif that is inspired by the fact that white light encompasses all colours. A 10.03-carat pear-shaped diamond is the centrepiece of a white gold necklace (right), extending from the intertwined heads of two snakes. The piece also includes two marquise diamonds, 14.4 buff-top emeralds and pavé-set diamonds. The other designs in the set are a ring with a 4.01-carat pear-shaped diamond, buff-top emeralds and pavé-set diamonds, and a brooch with two marquise diamonds, buff-top emeralds and pavé-set diamonds.

whereby the gold is hammered by hand with chisels to create a textured surface.

Jessica McCormack's new collection draws on summers in the English countryside. Fruit Salad, launching on May 15, features 16 figurative designs of earrings, pendants and necklaces inspired by fruits: peaches, pears, cherries, lemons and apples. Pieces are set with pavé sapphires, emeralds and rubies arranged to resemble naturalistic shading. The brand is hosting an evening masterclass in diamond cutting at its Sloane Street store on May 14 as part of London Craft Week. The same day, Minka Jewels founder Lucy Crowther is leading a gemstone masterclass at the Mandarin Oriental hotel in Mayfair. Pre-booking is essential for both free events.

Hammer time

De Beers is celebrating the 20th anniversary of its Talisman collection with the launch of a set of four new high jewellery designs this month. An 18-carat yellow gold necklace, bracelet, a pair of chandelier earrings and a ring all feature yellow rough diamonds and white polished diamonds. The set will be available in limited numbers. The rough diamonds are raised to the light using the jeweller's signature serti poinçon technique,



displays a circular portrait miniature of Nelson. It is believed to have been worn by his estranged wife, Frances, Viscountess Nelson. The dealer will also offer a diamond and enamel pendant (below, late 18th/early 19th century), similar to other jewels given to Nelson and other British naval commanders by Ottoman sultan Selim III.

Linked up

Antwerp-based jewellery designer Dries Criel has launched his first cufflinks range this month on the back of requests from customers. "My generation is rediscovering the charm of unique cufflinks, embracing them as symbols of personal style," says Criel. The two initial designs include the Thebes Scarab inspired by Ancient Egypt, which is made from solid 18-carat gold and natural white diamonds plus a choice of carved tiger's eye or jade. The White Crown design, made from yellow gold and diamonds, is inspired by the ballet dancer Rudolf Nureyev.

Capital firsts

Nada Ghazal is opening a new shop, in London's Port Street, later this month. It will be the Lebanese jeweller's only standalone store, following the closure of the brand's

stores in Beirut as a result of the port explosion in the city in 2020. Ghazal's designs are already stocked in London in department stores Harrods and Liberty, and Dover Street Market. Also near Sloane Square, British goldsmith Jessie Thomas has opened her first standalone store in Bourne Street. It comprises a retail space for her ready-to-wear engagement rings and fine jewellery, and a workshop.

Bijou Bosch

Cece Jewellery's latest collection, Triptych, is inspired by Dutch painter Hieronymus Bosch's three-panel oil painting "The Garden of Earthly Delights" (1490-1500). The British fine jeweller's 22 designs, made from 18-carat gold, champlévé enamel and pavé diamonds, explore themes that are inspired by an interpretation of the three different worlds depicted in Bosch's triptych: earthly pleasure, the realm of dreams and the underworld. The range includes seven pendants, five enamelled rings, three engraved rings, three engraved bangles and three lockets that are inspired by one of the themes. One bracelet depicts all three worlds.

Kate Youde

