

RE: Can you review? Atikokan Progress

From: "MacKenzie, Rebecca (OPO)" <"o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=mackenzie, rebecca (opo)7a8">
To: "Moseley-Williams, Kate (OPO)" <kate.moseley-williams2@ontario.ca>
Date: Mon, 21 Aug 2017 15:29:22 -0400

Looks good!

From: Moseley-Williams, Kate (OPO)
Sent: August-21-17 3:25 PM
To: Beaudry, Jennifer (OPO)
Cc: MacKenzie, Rebecca (OPO)
Subject: RE: Can you review? Atikokan Progress

Thanks! Rebecca I included you on the second note for CBC.

From: Beaudry, Jennifer (OPO)
Sent: August-21-17 3:15 PM
To: Moseley-Williams, Kate (OPO)
Cc: MacKenzie, Rebecca (OPO)
Subject: Re: Can you review? Atikokan Progress

This works for me, but would be great if Rebecca could take a look.

Thanks Kate.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Moseley-Williams, Kate (OPO)
Sent: Monday, August 21, 2017 3:11 PM
To: Beaudry, Jennifer (OPO)
Subject: Can you review? Atikokan Progress

Media Prep Note: Interview with Atikokan Progress

Reporter: Mike McKinnon

Date: Tuesday, August 22, 2017

Time: Briefing: 3:05 – 3:10 PM // Interview: 3:10 – 3:20 PM

Location: Atikokan General Hospital

Prepared by: Kate Moseley-Williams
Reviewed by: Jennifer Beaudry

Premier,

Tomorrow you will be sitting down with Mike McKinnon from the Atikokan Progress as well as Minister Mauro for a 10 minute interview. This will be your first time meeting Mike and he is very excited to have the opportunity to speak with you.

The Atikokan Progress is Atikokan's local print and online publication. Mike's reporting often has a local focus – however he follows provincial politics very closely.

Mike is very interested in hearing about today's Ring of Fire announcement and what this announcement means for northerners and indigenous communities. This is also a great opportunity to talk about your northern tour this week and emphasis that you have committed to visiting every riding in the province. You can also highlight our narrative around fairness and how our government is creating a fair and inclusive province for all Ontarians and allowing everyone the chance to get ahead.

Mike also let us know he would like to ask you about species-at-risk such as caribou and how the protection of these animals can affect forestry and industry in the region. Minister Mauro and Minister McGarry were asked about this issue at AMO and reporters were quite pleased with our government's position. We have included messaging on this issue below.

You can also find messaging on fairness and the Ring of Fire.

Jenn will be accompanying you during this interview. As always, please let us know if you have any questions. Jenn can be reached at: 647-299-5435.

Kate

Fairness Messaging

You've heard a lot from us over the past several months. I've been talking about different elements of our plan to build a better Ontario and the thread that connects all of these pieces is fairness.

What I hear – no matter where I am in the province is that people are feeling uncertain about the future. They are anxious about their own jobs and about what the future holds for their kids.

Ontario's economy is in a good place – outperforming every other province in Canada. Our unemployment rate is at its lowest point in 16 years.

But there is also a lot of change and uncertainty – about the nature of work, about what's happening in the U.S. with Trump and trade, about the cost of living rising faster than people's paycheques.

It is tough for people to feel like they're getting ahead right now – and even those who do feel like they're doing OK still worry about staying ahead.

With this uncertainty, we have to protect our people as best we can.

We need to make sure that people across the province feel like they are benefitting from the strength in our economy.

We need to address the concerns of those who worry about falling behind, even as they work so hard to get ahead. To make life in Ontario fairer for everyone.

You've heard me say it before. I believe government must be a force for good. That's not a slogan – it's what drives me every single day.

We worked very hard to bring the budget to balance this year – people across the public service, across the province worked hard together to do that.

And what that balance has allowed us to do is invest in the areas that will have the biggest impact for people across the province

Free tuition for more than 200,000 students

Getting 100,000 more kids into childcare so their parents can work

Free prescription drugs for everyone under the age of 25

A pilot project to test whether a Basic Income is a fairer, more effective way of helping people get ahead

A Fair Hydro Plan that takes 25 per cent off people's bills

A Fair Housing Plan to make buying or renting a home in Ontario more affordable

And a plan for Fair Workplaces and Better Jobs that includes raising the minimum wage to \$15 an hour

All of these things are connected. The motivation behind each of them is the same.

We can do better in Ontario. We can build a province where people do feel optimistic about the future because there is security and there is opportunity.

I've just come back from a mission to Washington so that is also top of mind because our economies are so closely linked and I know our businesses and workers in Ontario are worried about free and fair trade and the renegotiation of NAFTA.

I will stand up for the people of Ontario and defend free and fair trade at every opportunity because we all know that it is good for both economies and for workers and businesses on both sides of the border.

I have had conversations now with XX U.S. governors who do a high volume of trade with Ontario

We successfully convinced New York State not to proceed with discriminatory Buy American legislation

It has been a team effort and I am confident that our state partners are hearing us

No one has any illusions that the NAFTA negotiations will be easy

But I do believe we have an opportunity at this moment to defend the free trade that benefits both of our economies and also find ways to make that agreement even better for Ontario – so we will be actively engaged in that process

Species at Risk

Our government understands how important the forestry sector is to the economic and social well-being of the people of Ontario.

At the same time we know that northern mayors, communities and First Nation leaders take their environmental stewardship role and the protection of endangered species seriously.

We are working to find a solution that protects species-at-risk and their habitat, minimizes impacts on forest operations and wood supply, and continues to provide economic opportunities for the forest sector and the communities that depend on it.

As we have actively listened to the concerns of our Indigenous partners, municipalities and other stakeholders - it has become clear that the proposed prescriptions don't strike the right balance.

We will not be moving ahead with the posting as we believe that we must have a better understand of the impacts of climate change, the cumulative effects of all activity on a broad, dynamic landscape and a much better appreciation for the socio-economic implications.

We will be engaging further with all interested Indigenous partners and stakeholders to ensure that all relevant voices are being heard as we move forward.

Ring of Fire

The Ring of Fire is one of the biggest mineral-development opportunities in Ontario in almost a century.

But this isn't just about the minerals — it's about creating jobs in First Nations communities and economic activity that will improve quality of life.

That is why we have worked long and hard with First Nations partners to make development happen — and why it is one of my top priorities as Premier.

Nobody in Ontario wants shovels in the ground in the Ring of Fire more than I do — and that is exactly what we are working towards.

I am pleased to announce that we are working with these three First Nations to build roads into and around the Ring of Fire.

We will continue to work with First Nations to get this right — to ensure that development respects the land and people, incorporates traditional knowledge, and provides major economic benefits to all of the communities involved.

When will road construction begin?

- A1. A key next step is the work that Webequie, Marten Falls and Nibinamik First Nations will do to prepare their project proposals. Today's announcement launches the next phase of work that will have communities undertake environmental assessment work, as well as environmental and technical studies for road projects into and around the Ring of Fire.

The projects will adhere to the regulatory and legislative requirements that exist for all major infrastructure projects in Ontario while respecting the decision-making process of both First Nations and Ontario. Procurement and construction decisions would be made once permitting and environmental approvals have been received. And we will continue to work closely with First Nations to support their work, including the application of their traditional knowledge.

We are supporting Webequie, Marten Falls and Nibinamik First Nations with their planning and construction for all-season access to their communities and to the Ring of Fire. Once project proposals have been developed, the projects' proponents will be required to complete an EA and other permitting requirements. Once this is done, a construction contractor would be retained to undertake detailed engineering work on the construction site.

Generally speaking, we are aiming to start the EA process in January 2018 and we would hope to be able to get shovels in the ground in 2019.

Q2. How much are these roads going to cost?

- A2. Capital costs of constructing and maintaining road infrastructure will be clear once more detailed development plans are completed. This announcement today launches the next phase of work that will begin the process of undertaking environmental assessment work, as well as environmental and technical studies, that will inform the costing estimate.

Through the 2014 Budget, Ontario has committed \$1 billion for infrastructure development in the Ring of Fire. We continue to seek a matching contribution from the federal government.

Q3. How long will construction take? Will it be staged?

- A3. Construction could take anywhere from three to five years after the environmental and other permitting requirements have been met as is typical for large infrastructure projects. We expect that it will be in stages and could include construction on multiple segments simultaneously. These specifics will be included in more detailed development plans.

It is planned that construction would start in 2019, pending all necessary approvals. It's difficult to estimate exactly when construction will begin and worth again noting the complexity of this project — it's large-scale, greenfield construction, in an environmentally sensitive region, with participation from multiple partners. No one wants shovels in the ground more than I do, and we are making sure that we do all of the work necessary to get to that important stage.

Q4. How much will it cost to maintain these roads, including regular maintenance, winter maintenance and policing? Who will pay for that?

- A4. We will continue to work closely with First Nations partners to address ownership and road

governance, which have previously been identified as barriers to infrastructure development. Ontario and Matawa-member First Nations are proposing to do a joint study to look at various models for ownership and operations of roads. This study will help us develop a governance model for the road.

The costs of maintaining the roads will become clearer once more detailed engineering work has been done.

Q5. When will the first mine open?

A5. We are working hard to lay important groundwork to drive smart, sustainable and collaborative development in the Ring of Fire. There are two key components of this.

First, we must ensure that Matawa-member First Nations are ready and able to access and benefit from investments in community and regional infrastructure, leading to improved overall quality of life.

Second, we must have the necessary infrastructure in place, such as multi-purpose access roads, to create access to the region and support development activities. We expect mine development would be sequenced to come into production once roads are complete.

We remain firmly committed to working with partners interested in developing the Ring of Fire. And we are taking the necessary steps to ensure we are ready to support mine development in the area.

Q6. Is the current price of and demand for minerals a factor in how quickly this project moves forward? Would it move faster if prices rose?

A6. Realizing the full potential of the region is an extremely complex undertaking, and we are making sure that we get it right. We have been working with First Nations in the Ring of Fire area to lay the foundations so we are ready for when the conditions are right for proposed mine developments. Commodity prices are a factor that will influence industry participation, as is the demand for the product.

We are obviously glad to have Noront Resources here today — they're an important partner in this process as well.

The projects' timelines will also depend upon regulatory requirements and technical and environmental studies. These projects will adhere to the regulatory and legislative requirements that exist for all major infrastructure projects in Ontario while respecting the decision-making processes of both First Nations and Ontario. Completion of these processes will help shape the timing of the construction.

Q7. Noront Resources has announced that it is considering four sites in Northern Ontario for a smelter that would process chromite into ferrochrome, a critical ingredient used to produce stainless steel. Thunder Bay/Fort William First Nation is one, along with Timmins, Sudbury, Sault Ste. Marie. Where would you like to see the smelter located?

A7. I am pleased that Noront is continuing to explore the opportunity for development of chromite in the Ring of Fire and ferrochrome processing in various parts of Northern Ontario.

Any of these communities would benefit from secondary processing of minerals. There is also long-term opportunity associated with development of chromite resources in the Ring of Fire for Indigenous communities — and for Northern Ontario as a whole. We are committed to ensuring that the enormous economic benefits of this development are realized, for everyone's benefit.

Q8. Was the location of a proposed chromium processing plant a factor in determining this route?

A8. We are not aware that Noront Resources has chosen a location for its proposed chromium refinery.

We are continuing to support Marten Falls First Nation on further technical and environmental studies that could support a north-south access road tied to the development of, and business case for, chromite mining in the Ring of Fire.

Noront has been part of the discussions with these First Nations as they have been developing their project. Noront is aware of the work that the First Nations have been doing with regard to the development of all-season community access and they are supportive of the work going forward.

Q9. So are you eventually going to build two roads to the Ring of Fire?

A9. Ontario will support First Nations to plan and construct an east-west road connecting the Webequie and Nibinamik communities to the provincial highway network north of Pickle Lake. This project would provide all-season access to both First Nations communities as well as into the Ring of Fire development.

The province is also supporting Marten Falls First Nation to plan and construct an access road connecting the community to the existing provincial highway network at Aroland/Nakina. As a next phase, Ontario will continue to support Marten Falls to undertake further technical and environmental studies that could inform planning and development of a north-south access road tied to the development of, and business case for, chromite mining in the Ring of Fire.

Q10. Wouldn't rail be a more efficient and cost-effective way to transport the ore?

A10. It's important that we recognize these roads are about more than building a transportation corridor to the proposed mine developments. They will support connections between First Nations communities in the region and the provincial highway network and to the Ring of Fire so they can fully benefit from this development.

On transportation infrastructure, companies that are proposing mining projects in the Ring of Fire have put forth proposals and are continuing to study options.

The ROF Infrastructure Development Corporation has completed a study comparing industry proposals, including road and rail projects. The Ministry of Northern Development and Mines has also hired third-party consultants to analyze scenarios involving rail transportation.

Preliminary analyses concluded that rail transportation isn't economically viable based on the proposed production volumes and the transportation budgets detailed in previous proposals.

Q11. Why has it taken so long to get to this point? What has Ontario been up to all this time?

A11. Realizing the full potential of the Ring of Fire is a complex undertaking. That's why our government is working hard to help create the right environment for private-sector investment and First Nation community partnerships.

The truth is there are not a lot of great examples of resource development and benefit sharing with First Nations in Canada. We are finding our way forward together — we are learning together. It is why we have always put the strength of our partnership first, and been careful not to rush into any decisions that would compromise that partnership.

Ontario has also been working with communities in the region and the federal government to support community wellness and readiness as well as on-reserve infrastructure, so that First Nations are ready and able to access and benefit from investments in community and regional infrastructure.

Market conditions for mining have also been in a challenging period. But, as this announcement indicates, we are supporting First Nations to plan and construct for the Ring of Fire to move forward. And meanwhile, exploration activities in the area continue with 13 companies and individuals holding active mining claims in the Ring of Fire.

Q12. How does this announcement impact negotiations with First Nations? What does this mean for the Regional Framework Agreement?

A12. We have been actively negotiating under this agreement since we signed it in 2014. Ontario and the Matawa-member First Nations have been working together to advance Ring of Fire development in a collaborative way that delivers benefits for all parties.

We continue to be committed to working with the Matawa-member First Nations to move forward priorities identified in the Regional Framework Agreement, including long-term regional environmental monitoring, broader infrastructure planning, improving community social and economic development supports and benefits sharing.

We will continue to work with First Nations both collectively through the Regional Framework Agreement and individually through bilateral agreements.

Q13. What is the status of negotiations with First Nations that aren't involved in this announcement and won't be connected by these access roads?

A13. We have to move forward. So we are working directly with communities that are ready to do that. I have said all along that the door remains open for future discussions with communities that are currently not ready.

We also remain committed to working with the Matawa-member First Nations to move forward on the priorities we identified in the Regional Framework Agreement.

And we are maintaining an open dialogue with First Nations in the region to ensure these communities can actively participate in joint decision-making processes and fully benefit from development. This has included meeting regularly with Matawa-member First Nations, including to discuss decision-making processes road ownership and governance.

Furthermore, through the draft Northern Ontario Multimodal Transportation Strategy, we are proposing a number of ways to improve connections between the Far North and the rest of Ontario, including actions to:

- Improve infrastructure and operations at remote airports
- Enhance the quality of winter roads
- Expand the all-season road network
- Facilitate the adoption of innovative methods for moving goods
- Continue to support integrated transportation planning in the Far North.

Q14. Are all nine Matawa-member First Nations supportive of this announcement?

A14. Last year, four First Nations — Webequie, Nibinamik, Eabametoong and Neskantaga — completed the first phase of a study that identified a number of all-season road options. This study raised a number of concerns, which we are actively working to address, including:

- Jurisdiction, related to road ownership and control
- Permitting and land management
- Impacts on funding formulas as a result of being connected to road infrastructure
- Other community concerns, such as policing of roads and licensing.

We are working with all nine communities. Some communities are at a point where they are ready to build on the work undertaken in the first phase of the study and we are working directly with these communities to advance their interests around community access roads.

The door remains open for future discussions with communities that are not ready.

Ontario is committed to working with First Nations communities as partners, to ensure they have the opportunity to shape and provide input into how Ring of Fire developments move forward.

Q15. What is the connection between the Statement of Joint Commitments and the Road Proposals?

A15. A Joint Jurisdiction Working Group was established with representation from Ontario and Matawa First Nations as a means to address issues around jurisdiction that have previously been raised by Matawa communities including in relation to road ownership and control. A Statement of Joint Commitments is being finalized that looks at new ways to work together on a government to government basis on joint decision-making that goes beyond the current consultation and accommodation requirements. Initial priorities are:

- Road ownership and control
- Permitting
- Land management.

The Statement of Joint Commitments focusses on ownership and control issues in relations to roads. It does not include the identification of road corridors and construction. We have been working bilaterally with communities who are interested in advancing development of all-season roads to their communities and the Ring of Fire.

Q16. Is Ontario still committed to providing \$1 billion in funding even without a commitment from the federal government?

A16. Ontario remains committed to development in the Ring of Fire. Our government has been clear in our commitment to provide up to \$1 billion to support infrastructure development in the Ring of Fire area. And the funding for the project that we are announcing today will come from that \$1 billion.

We have also been clear on our desire for the federal government to match our \$1 billion commitment. The work we are doing together with First Nations will help in developing a plan that we anticipate the federal government will be able to better support.

Q17. Have you used any of the \$1 billion dollars to date?

A17. The funding for the roads we are announcing today will come from that \$1 billion identified for key infrastructure development. It will also be used to support First Nation communities who are ready to proceed with infrastructure developments including the multi-purpose road proposals led by Webequie, Marten Falls and Nibinamik.

In addition, planning and technical work has begun to upgrade existing provincial highways to which these roads could be connected.

Since 2011, Ontario has contributed more than \$111 million to help communities and tribal councils prepare for Ring of Fire development opportunities, including skills development, capacity building, community well-being studies, community-based training programs, and economic development funding. These investments are not part of the province's \$1 billion infrastructure commitment.

Q18. Now that there has been agreement on a road, will the province establish a Community Benefits Fund with the Matawa First Nations?

A18. The province has been working with communities on approaches to providing socio-economic supports, and considerable investments have been made to date to improve socio-economic conditions in the Matawa communities. We are prepared to continue these conversations and discuss a Community Benefits Fund with the communities when they are ready.

Q19. Who is going to be the proponent of these road projects?

A19. The First Nations have expressed interest in being proponents of the road projects and have brought their road proposals forward.