**COMMITTEE BRIEFING NOTE**

Indigenous Relations and Reconciliation, Natural Resources and Forestry, Northern Development and Mines

Resource Revenue Sharing in the Mining and Forestry Sectors

| | | | |
|---|---|---|---|
| JEP<br>October 16, 2012 | CAB<br>October 31, 2012 | JEP<br>May 31, 2017 | CAB<br>June 14, 2017 |

| | |
|---|---|
| **This government's commitment** | "Resource Benefit and Resource Revenue-Sharing Opportunities: Ontario will engage with Indigenous partners on approaches to close socio-economic gaps and enhance participation in the resource sector by improving the way resource benefits are shared with Indigenous communities. This work will consider how to advance resource benefit-sharing opportunities, including RRS in the forestry and mining sectors".<br>– *The Journey Together, Ontario's Commitment to Reconciliation with Indigenous Peoples* – May 2016<br>"Your specific priorities include … Driving cross-government work and collaboration with Indigenous peoples to ensure that Indigenous people share in the benefits of natural resources, including forestry and mining, and are engaged in resource-related economic development."<br>– *MIRR, MNDM and MNRF Minister mandate letters* – September 2016 |

## SUMMARY OF PROPOSAL

### Context for the proposal

The Political Accord (signed in August 2015 by Ontario and the Political Confederacy) acknowledges the importance of Resource Benefits Sharing (RBS) and Resource Revenue Sharing (RRS) and commits the parties to working together to address common priorities.

In May 2016 as part of Ontario's response to the Truth and Reconciliation Calls to Action, Cabinet directed the Ministry of Indigenous Relations and Reconciliation (MIRR), the Ministry of Northern Development and Mines (MNDM) and the Ministry of Natural Resources and Forestry (MNRF) to undertake exploratory discussions with Indigenous partners and report back with proposed enhancements to the existing 2012 RBS Policy Framework, and a detailed plan for engagement on a mining and forestry RRS approach.

Indigenous partners are persistently pursuing ways to fully benefit from resource development, including partnering in the stewardship, management and regulation of lands and resources within or close to their traditional territories. Many see the sharing of benefits from resource development as an essential aspect of relationship-building and linked directly to treaty or inherent rights. The 2012 RBS Policy Framework includes a number of possible actions, including Crown RRS, and is internal to government. The framework speaks to RRS for new government revenues directly tied to the extraction and use of Ontario's natural resources (e.g. mining, forestry, aggregates).

**Proposal**

MIRR, MNRF and MNDM are seeking approval to engage with First Nation partners and industry on RRS approaches in the forestry and mining sectors, with some enhancements to the existing RBS framework for those sectors. The engagement would include a number of parameters for implementation including eligibility, use of shared revenues, accountability, transparency and outcomes.

Prior to engagement, MIRR, MNRF and MNDM will seek TB/MBC for the financial aspects, including:

- Expanding revenue sharing in the forestry and mining sectors to include existing government resource revenues in addition to new government resource revenues; and,
- Sharing up to 50% of net government resource revenues directly tied to forestry and mining sectors.

Historically, First Nation and Métis engagements on RRS have been linked but also distinct because of cultural and organizational differences. The three ministries propose to work together to develop a tailored RRS approach for Métis and report back to TB/MBC and Cabinet prior to implementation.

**What is the regulatory impact of this proposal?**

There are no regulatory impacts associated with this proposal.

The ministries will work with TBS and MOF to determine the most appropriate mechanism for sharing funds. If legislative amendments are required to implement the financial mechanism for RRS, the ministries would work with MOF and TBS to address governance, accountability and consistency with the *Financial Administration Act.*

**What is the expected cost to government?**

The ministries are proposing a staged approach over three years, beginning with some sharing of revenues in 2018/19, escalating to sharing the full 50% of new and existing revenues from the mining and forestry sectors in 2020/21. In 2018/19 sharing 50% of new and existing revenues from the mining and forestry sectors is expected to cost $21.3, but that estimate is dependent on achieving agreement with First Nation partners.

**Commented [HT1]:** Need to update this as 100% is not expected.

The ministries have indicated they do not have the ability to offset the costs from within.

The ministries have received approval for funding for engagement and capacity building through the annual budgeting process (~3.7M in 2017/18), contingent on receiving policy approval.

| Financial Summary* | | | | |
|---|---|---|---|---|
| $ Millions | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Engagement/Negotiation (for Indigenous participation) | $1.37 | $1.37 | 0.0 | 0.0 |
| Capacity Building (for Indigenous communities/ organizations) | $1.05 | $1.05 | 0.0 | 0.0 |
| Capacity Building (Ontario) | $1.289 | $2.02 | 1.61 | 1.61 |
| Program Base (up to 50% of net revenues deposited in the CRF from mining and forestry available for sharing with First Nations)** | 0.0 | $21.3 | $31.2 | $44.3 |
| Total fiscal impact | $3.709 | $25.74 | $32.81 | $45.91 |

Commented [HT2]: Update with revised modelling once recieved.

***Amount represents a 50% share of $44.6 million from mining tax and royalty (estimated projected revenue by Ministry of Finance $42.2million in mining tax, based on public accounts 2015-16, plus $2.4 million in royalty) plus an estimated $44 million from forestry stumpage (based on 6 year projected estimates); this represents the estimated revenue required, depending on implemented RRS arrangements and amount of revenue received by the province (Appendix 8).*
*Note: Actual collected average mining tax and royalty revenue from 2001 to 2015 averages $100 million annually, and would represent a $50M share with First Nations*
*Note: Diamond royalty is not included due to potential closure and mining tax exemptions.*
***Based on exploratory discussions in fall/summer 2016 MIRR, MNRF and MNDM have identified anticipated willing partners and their readiness. Despite some communities' readiness, arrangements may take longer than anticipated due to challenges associated with geography and intercommunity relationships. There is a risk that additional First Nations may be ready to enter into arrangements sooner or later than anticipated impacting when revenues in those areas are actually shared.*
*Note: If First Nations are ready to move forward with an RRS arrangement sooner than anticipated (i.e., above forecasted revenue sharing levels), than ministries will report back to Treasury Board to seek approval.*

## How will the changes be communicated?

The ministries are proposing a low-profile targeted approach in the short term, in order to manage expectations and engage with Indigenous communities and leadership to discuss RRS approaches. There is a possible opportunity to announce the government's commitment to share 50% of direct mining and forestry revenue in winter 2018.

## Terms you need to know

- ***Resource Benefits Sharing:*** Sharing of a range of benefits related to resource development, including Crown resources, private sector partnership opportunities, capacity building, and (co-) management of Crown natural resources with Indigenous communities.
- ***Resource Revenue Sharing:*** Sharing of revenue that accrues to government as a result of resource development activities, through the tax administration.

- ***Metis Voyageur Development Fund:*** a resource-based economic development fund intended to increase participation by the Métis in resource development in Ontario.
- ***Stumpage:*** The price a private firm pays for the right to harvest timber for a given land base. It is paid to the current owner of the land. Stumpage fees are directed to the Forestry Futures Trust, the Forest Renewal Trust and the Consolidated Revenue Fund (CRF). Only the portion directed at the CRF would be shared through this proposal.
- ***Mining Tax:*** Ontario's mining tax is imposed on profits from the extraction of mineral substances raised and sold by operators of Ontario mines and is determined on a corporate basis (not broken down by mine site). Taxes are assessed based on a net profit model after deductions are claimed, which creates a potential lag of several years between the start of commercial production and payment of taxes.

## CABINET OFFICE ANALYSIS

### Introduction

This proposal is an important step towards meeting the government's public commitments to share the benefits of natural resource development with Indigenous people. Specifically, a key commitment in the Truth and Reconciliation Action Plan (the Journey Together) was to discuss the advancement of RRS in the forestry and mining sectors. RRS is an important symbolic and economic matter and a long term priority for Indigenous peoples in Ontario. Indigenous leaders continue to call for a meaningful share of resource revenues from the province and also see RRS as a key component of positive relationships and reconciliation.

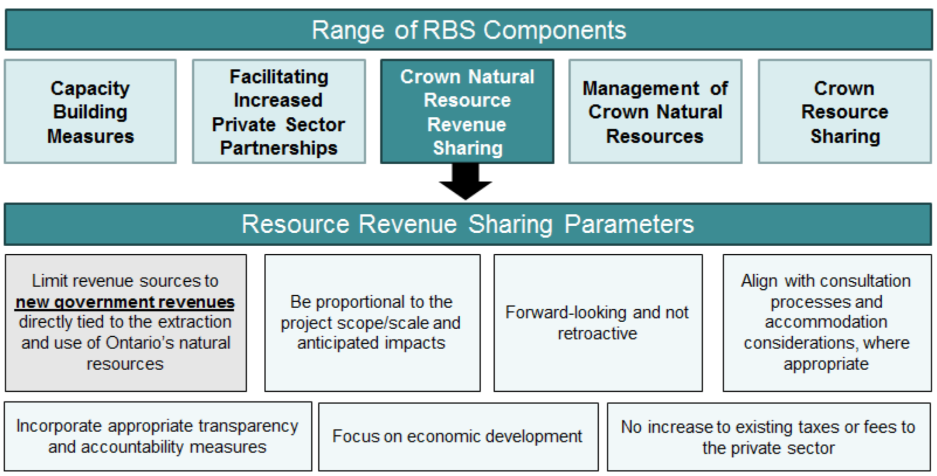
Engaging with Indigenous peoples about sharing Crown resource revenues from forestry and mining demonstrates the government's commitment to reconciliation and working cooperatively in a government to government relationship, while delivering on Ontario's commitment to Indigenous partners to close socio-economic gaps and enhance participation in the resource sector. A recent study commissioned to assess the potential economic impacts of RRS arrangements (Economic and Social Impacts of Making Strategic Government Investments in Ontario First Nations Communities, MNP) shows that RRS investments in First Nation communities will produce strong positive benefits for the economy ($1M investment will yield $1.06M in response in GDP). RRS agreements can also alleviate tension over revenue sharing discussions between Indigenous communities and companies, which can also lead to future economic development.

Indigenous partners may expect similar or parallel RRS discussions across all resource sectors in Ontario (e.g. water power, aggregates, cap and trade proceeds), and there are many Indigenous communities and organizations with differing viewpoints on how revenues could/should be shared and what actually constitutes resource revenues. It is unlikely that one approach would satisfy all Indigenous groups.

### RBS History/Background

In 2010, the Province and the Chiefs of Ontario (COO) were involved in detailed negotiations to create a province-wide RRS framework. The arrangement would have provided a minimum of $30 million or 5.5% of a broader basket of direct Crown natural resource revenues (e.g. water power, fish and wildlife, aggregates) annually for 5 years, distributed to First Nations in Ontario, using a formula determined by COO, to be used to promote community economic sustainability. At a Special Chiefs Assembly in 2011, Chiefs rejected the Term Sheet that had been drafted, in part because the Chiefs viewed it as not providing a comprehensive suite of benefits and not addressing outstanding concerns about jurisdictional rights. Ontario and the Métis Nation of Ontario have an existing RRS arrangement that was reached in 2011 (the Métis Voyageur Development Fund).

In October 2012, Cabinet approved a broader RBS Policy Framework that focused on new natural resource development and included a variety of tools and approaches (including capacity building measures, sharing crown resources, sharing Crown revenues) that could be applied across the province.




The framework is an internal corporate policy approach, providing guidance and direction to Ministries in a way that is flexible and responsive, and only prescriptive for certain parameters (e.g. restriction to 'new' resources). The framework includes a set of objectives and principles, including parameters for RRS. RRS is the component of the framework that is of greatest interest to Indigenous partners.

Ontario's progress related to RRS has been limited, and includes:

– A commitment to discussions with Matawa member First Nations as part of negotiations under the Ring of Fire Regional Framework Agreement on equitable sharing of the economic benefits of mineral and other developments in the region, including mining tax and royalty revenues; and

**Commented [HT3]:** Is reference to the Join Jurisdiction WG needed here as well?

– Two Forest Sector RRS pilots with First Nations, sharing approximately $400,000 amongst ten local First Nation communities. MNRF has offset the cost of these pilots from within their existing funding.

## Key Considerations

Through this proposal, the ministries would like to further support relationship building, reconciliation and joint economic development with Indigenous partners through RRS. While there are a variety of Crown resources throughout the province, forestry and mining are positioned well for advanced RRS discussions because of their Northern locations, in close proximity to many Indigenous communities, and the high level of interest from Indigenous partners.

Resource development has played and will continue to play an important role in Ontario's future prosperity. The location and pace of resource development, particularly mining and forestry are highly interwoven with Indigenous communities' geography and interests.

There is a strong empirical link between Indigenous participation in natural resource management and economic/social benefits for Indigenous communities. Sharing resource revenues with Indigenous communities can address matters of great symbolic importance and help ensure responsible development with long-term benefits for both Indigenous communities and the Province. It can also result in greater certainty on the ground for industry. Without enhancements to the RRS approach in these two sectors, government is unlikely to implement RRS agreements with Indigenous partners, which will likely result in serious relationship management difficulties with Indigenous partners. RRS has been a government commitment since 2005 and, more recently, the government explicitly linked RBS and RRS arrangements to reconciliation by making it a component of *The Journey Together, Ontario's Commitment to Reconciliation with Indigenous Peoples.*

While the 2012 RBS Policy Framework provides latitude for ministries to share the benefits of natural resource development with Indigenous partners in a number of different ways, ministries have identified several key challenges with the framework, in particular that it applies only to 'new' revenues, does not specify what portion of revenues may be shared and is silent on whether or not ministries would be required to offset revenue sharing. This proposal attempts to address these challenges by providing specific direction on the type and portion of revenue that may be shared, while enabling flexibility through broad engagement parameters in other areas.

In 2016 the ministries engaged the consulting firm (Myers, Norris, and Penny LLP) to consider the economic and social impact of investing in Ontario First Nation communities. For the purpose of the study it was assumed that the investment would be made in five key areas: community development, health, education, economic development and cultural development. Studies involving investments in First Nations can be challenging due to limited demographic and economic data. The study concluded that through RRS, a share of resource revenues would be invested in First Nation communities and is expected to contribute to a higher standard of living and that the economic impact would not be limited to First Nations, but would improve the provincial economy as a whole.

In some cases RRS arrangements with First Nations could enable First Nations to participate more in resource developments (e.g. through equity positions), which may accelerate resource developments in Northern Ontario. Emerging resource development opportunities including New Gold's Rainy River project and the forest tenure modernization have possible economic benefits for Ontario (e.g. employment opportunities for Ontarians and Indigenous workers, resource revenues accruing to the government, direct and indirect economic impacts from major capital investments).

There is also a long-standing interest and significance of achieving agreement on RBS and RRS in connection with the Ring of Fire development. The Ring of Fire development has not advanced to a point where detailed discussions or fiscal analysis related to RRS of future mines is possible. Any future Ring of Fire RRS arrangements will be informed by RRS implementation models used with other First Nation organizations.

The sharing of Crown revenues with First Nations also spans other industries. The Gaming Revenue Sharing and Financial Agreement was signed in 2008 and is in effect until 2033. This agreement distributes 1.7% (~$120M) of Ontario Lottery and Gaming gross revenues/year with Ontario First Nations. Distribution of funds is weighted for population and isolation. Through a tobacco self-regulation and revenue sharing pilot project, Ontario is working towards sharing up to 10% ($120M/year) of Provincial Tobacco Tax Act revenues with participating First Nation communities.

**Delivery**

If approved, the ministries would engage with Indigenous partners through the Provincial-Territorial Organizations (Nishnawbe Aski Nation, Grand Council Treaty #3, Anishinabek Nation, Association of Iroquois and Allied Indians, Algonquins of Ontario (AOO) and Independent First Nations), Tribal Councils, and at the community level from July to December 2017 [TBC].

Through these engagements, the ministries would discuss proposals under a number of themes in a purposeful order:

1. Tier one decisions would include objectives for sharing revenues in forestry and mining and the percentage of specific revenue streams that would be shared (up to 50% of mining tax and royalty revenue and up to 50% of net Crown Timber Stumpage).

2. Tier two decisions would include eligibility principles, implementation partners, apportionment, and matters of provincial interest (e.g., options for greater collaboration on consultation for future development).

3. Tier three decisions would include the use of revenues, accountability and transparency, the length of agreements, and other technical and administrative details.

As RRS arrangements are developed with First Nations partners, the Ministries would seek TB and Cabinet approvals prior to implementation.

Performance measures and evaluation criteria for ongoing RRS agreements would also be discussed with Indigenous partners and included in the Winter 2018 [TBC] report back. The Ministries would also undertake initial engagements with Métis partners and report back to Cabinet with proposed full engagement parameters in Winter 2018 [TBC]. Industry associations (forestry and mining) would be engaged through targeted letters and outreach.

The Ministries anticipate that arrangements with First Nations would be negotiated over several years, beginning with the Anishinabek Nation and Grand Council Treaty 3 in 2018-2019 because these groups have indicated their readiness and willingness to move forward with RRS. The next possible partners could be the Wabun Tribal Council in 2019-2020.

The AOO will be engaged in the context of the without prejudice and confidential Algonquin Land Claim negotiations with the AOO and Canada. Ontario's AOO negotiating team will be seeking an updated negotiations mandate in the Spring/summer 2017 and is expected to seek authority to engage in RRS discussions on waterpower rentals in addition to forestry and mining RRS in alignment with this proposal. This proposal is reflective of the unique historical circumstances that have led to the title claim negotiations as well nature of the resource revenues in the Ottawa River valley and its impacts. RRS is of particular significance in this context given the relative strength of the AOO assertions and the risks to Ontario should negotiations fail. It is projected that, while the RRS arrangements will not form part of the future constitutionally protected treaty, it will be coupled to settlement of the claim which is projected for 2021/22-2023/24.

**Stakeholder and Indigenous Partner response**

- First Nations are generally supportive of RRS but may argue that the focus on the mining and forestry industries is too narrow and will push for revenue from other sectors to be included, as well as retroactive revenue sharing.
- Matawa-member First Nations are supportive of RRS but have high expectations about the amount of revenue to be shared early in the process and will likely want a greater share of revenues going to those living closest to mining activities.
- Métis partners are generally supportive of RRS, but will want a comparable type and level of sharing as First Nations, in addition to the Métis Voyageur Development Fund.
- The mining and forestry sectors publicly support RRS and have argued that the lack of RRS arrangements in Ontario is a barrier to development. They are expected to be supportive as long as there are no new or increased taxes or costs to industry as a result of RRS arrangements.
- The private sector and Indigenous leaders continue to press for action on broader RBS-related matters such as shared stewardship opportunities, long-term environmental monitoring, social supports, training etc. RRS should be pursued in the context of other RBS initiatives.
- The general public is expected to be overall neutral to the proposal. RRS has been in the public discourse in Ontario since approximately the Throne Speech of 2005 and has received both negative and positive responses in the media.

**Risks and Considerations**

Fiscal - Any RRS arrangements in the forestry and mining sector will likely set expectations for future RRS discussions in other sectors. Current revenue sharing projections are not captured by the fiscal plan.

- Based on exploratory discussions in fall/summer 2016, MIRR, MNRF and MNDM have identified anticipated willing partners and their readiness. There is a risk that additional First Nations may be ready to enter into arrangements sooner or later than anticipated. This can be partially mitigated by a flexible approach of working with willing partners in the mining and forestry sectors.

- The high volatility of Ontario's mining tax revenue (fluctuations in commodity prices; uncertainty in extraction opportunities; profit sensitivity due to business cycles) could result in fluctuating RRS amounts. This can be mitigated by using a smoothing mechanism in the design of the RRS framework in order to manage expectations and ensure sustainability.

Implementation – The proposed engagement is likely to further raise expectations that Ontario will implement RRS in the near term, however, there is no certainty that Ontario will be able to reach an agreement with Indigenous leadership overall. Past attempts to implement RRS have failed due to differing expectations between the government and First Nation leadership concerning the amount/percentage of revenue available, types of revenues to be shared, as well as the complexity of the issues surrounding revenue sharing (e.g. jurisdiction). The Ministries will attempt to mitigate by using a flexible and staged approach with willing partners.

Equity across FNs – Under the proposal, RRS arrangements in the forest and mining sectors are not expected to equally benefit First Nations across the province (e.g., First Nations in southern Ontario will likely not benefit from any forestry and mining revenues). This could be partially mitigated by other provincial economic development initiatives benefitting these communities (e.g., tobacco sales, Hydro One).

Performance Measurement – Literature suggests that it is possible for RRS to improve socio-economic outcomes through directing investments towards priority areas in FNs communities (e.g., education, health, economic development). However, First Nations will likely not be supportive of prescriptive use of funding. Tracking the direct socio-economic outcomes for First Nations living on reserve may be difficult.

Legal Risk – While the proposal does not pose any immediate legal risks, careful legal and constitutional analysis will be important to support the implementation of RRS (e.g., consideration may need to be given to the relationship between treaty rights based assertions and revenue sharing as there are existing ongoing litigations). Many First Nation leaders view RRS as a treaty obligation and some First Nations are litigating claims for retroactive sharing of revenues. Consideration of set off clauses against future successful litigation may be needed to mitigate future risks.

**Linkages**

- **Ring of Fire:** long-standing First Nations interest in achieving RRS arrangement as a part of the development of the Ring of Fire.

- **Ontario's Action Plan - Truth and Reconciliation Commission's Calls to Action:** publicly stated commitment to furthering RRS in the forestry and mining sectors. Commitment reiterated in the 2016 mandate letters of MIRR, MNRF and MNDM.
- **Political Accord:** Signed in August 2015 by Ontario and the Political Confederacy, acknowledges the importance of RBS and RRS, and commits the parties to working together to address common priorities.
- **Tobacco Revenue Sharing:** MOF and MIRR are engaging with specific First Nation communities on a self-regulation and revenue sharing proposal, which is expected to be negotiated over a number of years.
- **Duty to Consult:** MIRR and partner ministries are reviewing existing practices related to Ontario's Duty to Consult to identify enhancements and policy options. A primary objective is to reduce burdens associated with consultation and provide effective supports to all parties involved in consultation processes.
- **Draft Far North Land Use Strategy**: to be released in early 2017, the proposed strategy encourages developers and resource managers to consider opportunities to share the benefits of economic development with First Nations as they plan and approve projects in the Far North.
- **Chiefs of Ontario/ Métis Nation of Ontario/ Negotiations for Hydro One shares:** An agreement-in-principle has been announced for the Province to provide seed capital of up to $45M in cash and sell to First Nations up to approximately 15 million shares of Hydro One Limited (2.5% of the total current outstanding common shares). Discussions are underway with Métis Nation of Ontario on potential equity participation in broadening the ownership of Hydro One.
- **First Nations On-Reserve Delivery Credit:** Announced on March 2, 2017 as part of the Ontario Fair Hydro Plan, the program, once implemented, would provide a 100% credit for the delivery line of on-reserve First Nations residential customers served by licensed distributors or a 100% credit of the service charge for those that are changed a bundled rate. Initiated in response to the unique challenges that some on-reserve First Nation consumers face, the program is also meant to acknowledge the contribution that First Nations have made to the energy system through the use of traditional and treaty lands for transmission and distribution infrastructure.
- **Algonquin Land Claim:** The AOO assert Aboriginal rights and title to 36,000 square kilometers of the Ottawa River watershed and its natural resources. Negotiations commenced in 1992, and Canada, Ontario and the AOO signed an Agreement-in-Principle in October 2016. Ontario's AOO negotiations team will be seeking an updated negotiations mandate in the Spring/Summer 2017 to negotiate a final agreement, which is expected to have RRS as one component of the overall discussions.
- **Poverty Reduction Strategy:** Aligns with the commitment to reducing poverty in Indigenous communities and strengthening partnerships with Indigenous partners, including First Nations and Métis communities.

**Other Jurisdictions**

Most examples of RRS across Canada are combined with other forms of RBS. Three provinces have specific arrangements for RRS with Indigenous communities:

- British Columbia (forestry and mining): Standardized agreements have been signed with individual First Nations to support resource based development while Aboriginal title claims remain unresolved. There are over 150 agreements in forestry and 24 agreements in mining. Mining revenues sharing is negotiated on a case by case basis. Forestry revenue sharing involves standard agreements that includes the percentage of traditional territory within the harvesting area and the district's forestry revenues, and includes a floor amount.
- Quebec (hydropower, mining and forestry): As part of the implementation of a 1975 land claim with the Cree Nation, funds are held in trust for economic development and community purposes. The amount of funding is indexed to the value of resource operations in the region, with a floor of $70 million.
- New Brunswick (forestry only): 15 agreements have been negotiated with individual bands. Approximately 5% of annual allowable harvest of Crown timber is shared.

**Other Options Considered**

- Maintain current policy of sharing only new revenue – unlikely to lead to productive engagement with Indigenous partners, and may result in deteriorating relationships between the Crown, industry and Indigenous peoples. This approach may also put resource development priorities (e.g., Ring of Fire) at risk.
- No commitment on the percentage of revenues to be shared – would not be seen by Indigenous partners as meaningful sharing, as many First Nations have identified that a 50/50 split is required for engagement to occur.

## PROPOSED CABINET MINUTE

**Commented [HT4]:** To be updated

Cabinet agreed that:

1. MIRR, MNRF and MNDM engage First Nation communities and organizations on possible RRS implementation models for forestry and mining which will include the following parameters:
    a. Objectives of RRS
    b. RRS principles
    c. Implementation partners, and eligibility
    d. Apportionment principles and determination
    e. Provincial interests
    f. Use of shared revenues
    g. Accountability, transparency and outcomes
    h. Revenue reliability
    i. Duration/renewal

2. Prior to engagement, MIRR, MNRF and MNDM seek TB/MBC approval through the 2017-2018 PPRT process for the following:
    a. engagement and capacity funding
    b. sharing existing in addition to new government resource revenues directly tied to forestry and mining sectors
    c. sharing up to 50% of net government resource revenues directly tied to forestry and mining sectors
    d. request funding to be offset from within the province's fiscal plan

3. MIRR, MNRF and MNDM undertake early RRS engagement with Métis and report back to TB/MBC and Cabinet with full engagement parameters in Fall 2017.

4. Pending TB/MBC approval, MIRR update the Ontario's RBS Policy Framework (October 2012) to include existing resource revenue in addition to new government revenues directly tied to forestry and mining sectors.

5. MIRR, MNRF and MNDM to work with MOF and TBS to develop viable financial mechanism options for sharing revenues in the forestry and mining sectors.

6. MIRR, MNRF, MNDM report back to Cabinet and TB/MBC in fall 2017 on findings and outcomes of First Nation engagement, and seek approval on recommended implementation model(s) and approach(es), and on specific arrangements including the Métis approach and for the financial mechanism used to share resources.

7. MIRR, MNRF and MNDM will work with Cabinet Office and Premier's Office on a communications strategy.

# APPENDIX A: Multi-Year Action Plan

Commented [HT5]: To be updated

*Below is an extract taken from the MYAP which demonstrates the overall strategic plan for the initiative that this policy submission supports. This excerpt represents the approved plan to date, and may not reflect the specific policy and delivery timelines identified in the Cabinet Minute above. RRS is a part of both the Reconciling Relationships with Indigenous Partners section and the Driving Growth in Northern Ontario section (both streams appear below).*