

A new deal for the Ring of Fire

Let's get this party started before it's too late

BY RICK MILLETTE
FOR THE CHRONICLE-JOURNAL

THE cards have been shuffled on the ownership and history of the Ring of Fire.

Noront Resources has made a brilliant play in buying the claims of Cliffs Natural Resources for a small fraction of what was originally paid for them. Noront's shares jumped on the news. Optimism has returned.

The recent announcement of a road study for an east-west link to First Nations communities near the Ring has furthered hopes for movement on the entire project. The study is inclusive of the Matawa Tribal Council.

Some of their communities will be connected to the outside world in a way that will help improve living conditions by making everything from food to building materials more affordable. And, whatever route the road takes, it will get Noront closer to its proposed mine site.

The cherry on the cake is that the joint federal-provincial funding of the road study has served as an olive branch, calming the stormy rhetoric between the two levels of government. From shareholders, to landholders, to vote holders, everyone is beaming.

Far be it for me to throw cold water on a good party. Instead, I'd



VIEWPOINT

rather we throw a little fuel on the Ring's fire and suggest a way to make the real party happen more quickly, before it's too late.

It didn't take more than a few hours after the Noront announcement for Neskantaga Chief Peter Moonias to declare that the province was putting a gun to the heads of the Matawa by setting a deadline on Noront's environmental approvals. It now looks like the good story may turn into a Mexican standoff, with guns, or at least fingers, pointed in all directions.

What if the Matawa Tribal Council decides that the roads are a good start but not enough? Or, that their environmental concerns or share of resources does not reflect the principles of a true partnership?

What do the Matawa communities think when they look at Quebec companies like Resolute Forest Products, where the Atikamekw of Obedjiwan have 55-per-cent ownership of a

sawmill in Opitciwan?

What do they dream when they see the Escuminac windfarm, where the Cree have 50-per-cent participation in that project? What would any reasonable person be thinking?

And they don't have to look as far as Quebec. Northeastern Ontario just realized the completion of the Lower Mattagami River hydro-electric project. The Mushkegowuk were made 25-per-cent partners on that deal, with training and jobs included. It's a 25-per-cent stake in a piece of infrastructure that will generate electricity, revenue and goodwill for its 100-year lifespan.

BEFORE I get to partnerships as a solution in the Ring of Fire, let me say why I think the new momentum in the Ring has to continue. The current world economic slump will not last forever. Mining activity, interest rates and stainless steel production will rise again to pre-2008 levels.

If that happens before a road to the Ring of Fire is built or before Noront is in the ground, it may be too late for the Ring. The world will take its money elsewhere to invest in projects it can see and touch.

So, how do we fast forward? Let's go back to the partnerships solution.

Noront now owns 63 per cent of the Ring of Fire with their new pur-

chase. What if Noront sold half of their claims to the Matawa Tribal Council for \$50-million? The Matawa would borrow the money with government-backed loans, similar to the taxpayer investments we've seen with auto companies, oil fields and infrastructure projects.

Noront shareholders and financial backers would have their investments solidified by a now debt-free company. The investment world would see that all players are moving in the same direction, creating an environment for further partnerships that would move development forward. The First Nations in the Ring of Fire area would be partners in the investment, training, jobs, risks and profits. Money they earn on their stake would finance a deserved standard of living.

ONE of the most exciting and encouraging aspects of the recent news is that Noront is a Canadian-owned company. They're not a faceless multi-national; they're a mom-and-pop kind of mining company that received the Prospector and Developers Association of Canada's

2015 Environmental and Social Responsibility Award for their work with communities around the Ring of Fire.

Noront's new banker, Franco-Nevada, is another Canadian company, chaired by the brilliant and far-thinking Pierre Lassonde, a philanthropist with roots firmly in Canadian soil and culture.

The stars could not be better aligned for a truly new deal. A deal where everyone can be a winner.

I'm sad to say that every time I've written about something positive for First Nations, my comments have been viewed by some as too generous to the First Na-

tions people. I have just one thing to say to those who are ambivalent about sharing the Ring of Fire's vast wealth with our northern neighbours: If I was Peter Moonias and had to boil my tap water for 20 years, while living on the shore of a pristine wilderness lake, I'd be asking for a better deal too.

And so would you.

Rick Millette is senior executive director: Ring of Fire at Northern Policy Institute.

FAST FORWARD

What if Noront sold half of their claims to the Matawa Tribal Council making the First Nations in the Ring of Fire area partners in the investment, training, jobs, risks and profits?