



# Oil Sands

A strategic resource for Canada, North America and the global market

## Indigenous peoples

### Impact of the oil sands on Indigenous communities

About 23,000 Indigenous peoples from 18 First Nations and 6 Métis settlements live in the oil sands region in northeast Alberta. Some Indigenous peoples in the region have expressed concern over the cumulative effects of oil sands development. The Government of Canada is working directly with Indigenous communities in and around the oil sands region to address and manage the impacts of development.

Understanding and minimizing cumulative effects are essential parts of the overall environmental management and stewardship of Canada's lands and resources. Federal, provincial and municipal governments, Indigenous peoples, scientists and industry work together to monitor the cumulative effects of oil sands development on the environment.

The Joint Canada-Alberta Oil Sands Monitoring Plan is implementing scientifically rigorous, comprehensive, integrated and transparent environmental monitoring programs for the region.<sup>1</sup> As well, the Government of Canada continues to work in concert with Indigenous peoples in both the development and ongoing implementation of strategies to ensure informed decisions are made that will meet the needs of today and those of future generations.

### Engagement

The Government of Canada has committed to renewing the nation-to-nation relationship with Indigenous peoples, based on recognition of rights, respect, co-operation and partnership.

The Government of Canada is also committed to restoring credibility to environmental assessments and regulatory reviews of major resource projects. In January 2016, an interim approach for

major project reviews was announced that includes five principles. Two of these principles directly address concerns expressed to the Government of Canada by Indigenous peoples:

- Aboriginal peoples will be meaningfully consulted, and where appropriate, impacts on their rights and interests will be accommodated.
- Decisions will be based on science, facts, evidence and traditional knowledge of Indigenous peoples.

Environmental assessments support meaningful consultations with Indigenous groups because decision makers require information about potential impacts on Indigenous rights or interests. To ensure gathering the best information possible, responsible authorities should engage with Aboriginal groups as early as possible and encourage proponents to do the same. Indigenous groups should also be consulted on the results of the environmental assessment, including proposed mitigation measures and requirements for follow-up programs.

### Consultation and accommodation

Canada's constitution recognizes and affirms the existence of Aboriginal and treaty rights. In fact, the Government of Canada has a legal duty to consult and, where appropriate, accommodate Aboriginal peoples if it is determined that treaty and Indigenous rights could be adversely impacted. With respect to oil sands development, the Government of Canada will continue to meet its duty to consult on federal decisions that may have an adverse impact on the potential or established rights of Aboriginal peoples in the region.

As court decisions clarify and refine the duty to consult, the Government of Canada must adapt its processes and approaches to continue to uphold the legal principles underlying the duty to consult.

<sup>1</sup> [jointoilsandsmonitoring.ca/default.asp?n=5F73C7C9-1&lang=en](http://jointoilsandsmonitoring.ca/default.asp?n=5F73C7C9-1&lang=en)

That duty is explained in *Guidelines for Federal Officials to Fulfill the Duty to Consult*. The guidelines help ensure any adverse impacts on Indigenous peoples are taken into consideration when decisions are made on projects – oil sands or others. These guidelines are available on the website of Indigenous and Northern Affairs Canada.<sup>2</sup>

## Economic benefits

Indigenous peoples must have training for jobs and business opportunities in addition to their role in assessing and managing the environmental safety of projects. The Government of Canada is working in partnership with Indigenous peoples, industrial developers, and provincial and municipal governments to help communities optimize the social and economic benefits from oil sands development.

The oil sands industry works closely with Indigenous peoples in support of economic security and well-being in their communities. The industry also provides significant opportunities for Indigenous-owned businesses, entrepreneurs and individual community members to supply goods and services to oil sands companies.

For example:

- Suncor has spent nearly C\$2.5 billion on contracts with Indigenous companies since 1999.<sup>3</sup>
- To date, Syncrude has spent more than C\$2 billion procuring contracts with Indigenous-owned businesses.<sup>4</sup>
- Shell Canada, operator of the Athabasca Oil Sands Project, has spent over C\$1.7 billion in business with about 70 Indigenous-owned businesses and contractors since 2005.<sup>5</sup>

<sup>2</sup> aadnc-aandc.gc.ca/eng/1100100014664/1100100014675

<sup>3</sup> sustainability.suncor.com/2014/en/social/partnering-with-Indigenous-businesses.aspx

<sup>4</sup> syncrude.ca/community/aboriginal-relations/business-development/

<sup>5</sup> shell.ca/en/aboutshell/our-business-tpkg/upstream/oil-sands/performance-report.html

- Since 2009, Cenovus has spent more than C\$1.5 billion on goods and services supplied by Indigenous businesses, including nearly C\$384 million in 2014 alone.<sup>6</sup>
- The Fort McKay Group of Companies – 100 percent owned and operated by the Fort McKay First Nation – provides a variety of services to oil sands companies, generating more than C\$150 million in revenue annually.<sup>7</sup>

<sup>6</sup> Cenovus Energy website: [cenovus.com/reports/corporate-responsibility/community.html](http://cenovus.com/reports/corporate-responsibility/community.html)

<sup>7</sup> [fortmckaygroup.com/about-us/company-history/](http://fortmckaygroup.com/about-us/company-history/)