



Oil Sands

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

Aboriginal Peoples

Aboriginal peoples

“Aboriginal peoples” is the shared name for the original inhabitants of North America and their descendants. The Canadian constitution recognizes three groups of Aboriginal people: First Nations, Métis and Inuit. These are distinct peoples with unique histories, languages, cultural practices and spiritual beliefs. Of Canada’s 616 First Nations, 45 are in Alberta.

Most oil sands development activity occurs in a 142 200-square kilometre (km²) (54 900-square mile [sq. mi.]) area in northeast Alberta. After more than 40 years of development, oil sands mining has impacted 761 km² (294 sq. mi.) of land. Approximately 23 000 Aboriginal people live in the oil sands areas, with 18 First Nations and six Métis settlements located in the region. Thousands more live off reserve land and outside of settlement areas.

The Government of Canada is working directly with Aboriginal communities in and around the oil sands region to address and manage impacts of development.

Economic benefits for Aboriginal peoples

The Government of Canada supports Aboriginal peoples in their efforts to improve social well-being and economic prosperity; develop healthier, more sustainable communities; and participate more fully in Canada’s political, social and economic development.

Aboriginal Affairs and Northern Development Canada (AANDC) is one of 34 federal government departments responsible for meeting the Government of Canada’s obligations and commitments to Aboriginal people.

Aboriginal economic development is a priority for Canada, and a new strategic framework for increasing Aboriginal participation in the Canadian economy has been implemented. Canada is working in partnership with First Nations, provincial and municipal governments, and industrial developers to help First Nations communities secure ongoing social and economic benefits from oil sands development.

Already, many Aboriginal groups benefit from the oil sands:

- In 2010, Aboriginal companies performed C\$1.3 billion in contract work with oil sands companies (not including construction-related jobs) and more than 1700 Aboriginal people were directly employed in oil sands operations.
- Over the past 12 years, Aboriginal-owned companies have secured more than C\$5 billion worth of contracts from oil sands companies in the region. For example, Shell Canada has spent more than C\$1 billion on contracts with Aboriginal companies since 2005, and Cenovus Energy has tripled its investment in Aboriginal-owned businesses over the last two years, from C\$86 million to C\$245 million.
- A joint venture between the Bigstone Cree Nation and Bronco Energy is the biggest oil sands project ever undertaken on First Nations reserve lands.

- The Fort McKay Group of Companies, completely owned by the Fort McKay First Nation, works extensively with oil sands companies, garnering more than C\$100 million in annual revenue.

To support economic security in their communities, economic development corporations (EDCs), the economic and business development arm of Aboriginal groups, are helping to grow First Nations incomes in communities throughout Canada. It is estimated that EDCs will help the combined income of Aboriginal households, businesses and governments surpass C\$32 billion by 2016, an increase from the estimated \$24 billion in 2011.¹

Aboriginal consultation and accommodation

Canada's constitution recognizes the existing Aboriginal and treaty rights of Aboriginal people in Canada. In fact, Canada has a legal duty to consult and, where appropriate, accommodate Aboriginal groups if it has been determined that treaty and Aboriginal rights could be adversely impacted. This legal duty also applies to provinces and territories.

Federal government guidelines help federal officials meet consultation obligations to ensure Aboriginal views are taken into consideration when decisions are made on projects – oil sands or others. These guidelines are available on the AANDC Web site at www.aandc.gc.ca.²

Oil sands impact on aboriginal communities

Some Aboriginal peoples in the oil sands regions have expressed concern over the cumulative effects of oil sands development. Cumulative effects are changes to the biophysical, social, economic and cultural environments caused by the combination of past and present natural events and human actions.

Federal, provincial and municipal governments, Aboriginal people, scientists, and industry are cooperating to monitor the cumulative effects of oil sands development on the environment. While scientists and Aboriginal people are carrying out field studies to assess current trends in the environment, Aboriginal elders are using their traditional knowledge to provide valuable information about weather patterns, the land, plants and animals, and how these things have changed over time.

Understanding and minimizing cumulative effects are essential parts of the overall environmental management and stewardship of Canada's lands and resources. Good environmental management requires collecting all the pieces of an environmental stewardship framework. The Government of Canada continues to work in concert with Aboriginal 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.

¹ Source: TD Economics, *Estimating the Size of the Aboriginal Market in Canada* (June 2011).

² Consultation and accommodation guidelines are available at www.aadnc-aandc.gc.ca/eng/1100100014664/1100100014675.

