

COLLABORATING FOR MUTUAL BENEFIT INDIGENOUS PEOPLES AND CANADA'S ENERGY INDUSTRY



RECONCILIATION

Canada's upstream oil and natural gas industry has a long history of interaction with Indigenous peoples and the industry has made great strides toward learning, developing relationships, and sharing benefits from resource development. According to Indigenous Works (indigenousworks.ca), the resource sector is "...the most engaged sector of the Canadian economy."

The industry acknowledges the importance of Indigenous reconciliation in Canada, and believes natural resource development is linked to the broader Canadian reconciliation process. The industry's strongest role is through 'economic reconciliation' — identifying feasible ways to share economic opportunities arising from resource development, while continuing to improve and grow relationships based on trust and respect. Responsible development contributes to overall reconciliation and Indigenous self-determination by supporting the growth of sustainable Indigenous communities.

Industry works with Indigenous communities in a variety of ways to meaningfully engage and to share in the economic opportunities arising from development. These activities include consultation, procurement, equity partnerships, consultation capacity funding, business and other agreements, community investment, and training, skills development and employment.

Shared economic opportunities are only part of industry's engagement with Indigenous peoples — both industry and Indigenous peoples place high value on environmental stewardship, including the role traditional Indigenous knowledge can play to inform environmental management.

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INDIGENOUS SUPPORT FOR RESOURCE DEVELOPMENT

Indigenous people are often portrayed as uniformly opposed to resource development but many seek to build prosperous community futures by supporting and participating in the industry. The energy sector, governments and Indigenous people are finding new ways to work together, to grow energy development in a sustainable and mutually beneficial manner. There is broad Indigenous support for energy development projects, including exploration and drilling, pipelines and related facilities. A strong oil and natural gas industry results in positive benefits to Indigenous communities and a means to fight poverty.

WORKING TOGETHER

Building and maintaining trust-based, mutually beneficial relationships is vital to ensuring Canada's oil and natural gas industry continues to successfully engage with Indigenous communities. As an industry, we believe the people living near projects and facilities should meaningfully share the benefits of industry activities. The oil and natural gas industry proudly contributes time, skills, and financial support to enhance Indigenous communities and initiatives.

INDUSTRY GROWTH DRIVES OPPORTUNITY



JOBS
2016

11,900

6% of individuals working in Canada's oil and natural gas industry identified as Indigenous.



PAYMENTS TO INDIGENOUS GOVERNMENTS
Jun. 1-Dec. 31, 2017

\$55 million

in payments (from conventional oil and natural gas activity) made to Indigenous governments in Canada



PROCUREMENT
2015-2016

\$3.3 billion

spent by oil sands companies on procurement from Indigenous-owned companies.



COMMUNITY INVESTMENT
2015-2016

\$48.6 million

in Indigenous community investment provided by oil sands producers.



APPRENTICES
2015

6% of apprentices in Canada are Indigenous people working in industry-related trades.



COLLABORATION IN ACTION

PETRONAS Canada

Extreme temperatures, rain and snow, and heavy vehicle traffic are hard on unpaved roads leading to various PETRONAS facilities in northeastern British Columbia. As part of an ongoing effort to support local First Nation businesses, PETRONAS signed road maintenance agreements with two First Nations in the area. These agreements have enabled First Nation-owned companies to borrow necessary capital to buy a grader, creating year-round work that supports jobs and income within remote Indigenous communities.

Trans Mountain Expansion Project

The Trans Mountain Pipeline Expansion project has engaged close to 150 Indigenous communities and groups, and has signed agreements with 59 Indigenous groups in B.C. and Alberta that represent more than \$500 million in benefits and opportunities for Indigenous communities. These agreements are important to establishing strong relationships that address environmental, archeological and cultural heritage concerns, as well as provide employment, training, business opportunities and other community benefits.

Suncor East Tank Farm

In 2017, Fort McKay First Nation and Mikisew Cree First Nation acquired a combined 49 per cent equity interest in Suncor's East Tank Farm, a strategic infrastructure project that includes bitumen storage, blending and cooling facilities, and connects to third-party pipelines. These investments will provide both communities with stable, predictable, long-term funding to enable further growth.

Cenovus Energy

In January 2020, Cenovus Energy announced it will take action to build housing in northern Alberta, helping alleviate an ongoing shortfall of adequate housing in Indigenous communities. Cenovus committed \$10 million annually for five years to build new homes in six First Nations and Métis communities near the company's Christina Lake and Foster Creek oil sands projects.

Husky Energy

Husky has developed long-term, mutually beneficial relationships with Indigenous communities in its operating areas. In Saskatchewan, Husky works with X-Terra Environmental Services, a subsidiary of Thunderchild Energy Services, to deliver workforce training programs that build capacity for future environmental impact assessment engagements in Indigenous communities, providing a pathway for longer-term employment on new and ongoing projects. Additionally, during the 2020 COVID pandemic, Husky donated concrete barriers to help control access points to Thunderchild and Onion Lake First Nations.

Indigenous Safety and Offshore Engagement Training

Building on successful safety culture seminars involving offshore operators and all 13 Nova Scotia Mi'kmaq communities in 2018, similar sessions in St. John's, NL were held in 2020 to discuss community safety issues and strategies to address them, develop awareness about industry safety, and set groundwork for offshore supply chain opportunities.

Canada's oil and natural gas resources are largely found in Western Canada, which is where the energy industry's operations are concentrated, but interactions with Indigenous communities occur across the country including Ontario, Quebec and Atlantic Canada.

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“Indigenous equity ownership would allow our communities to have a real say in determining the standard to which worker safety, environmental protection, and social impacts are addressed.”

Chief Sharleen Gale
Fort Nelson First Nation and Chair, First Nations Major Projects Coalition

“Developing a local skilled workforce, creating alignment of interests both culturally and economically, and participating in active partnership with local communities is part of active partnership that create win-win outcomes for both the company and the communities in which we operate.”

Paul Myers, President
Pacific Canbriam Energy

“Engagement in resource development projects is the best way by which to raise our own revenues, enhance our self-determination, and provide employment and business opportunities for our members, as we begin to secure financial sovereignty.”

Chief Roy Fox
Kainai Blood First Nation and Chair, Indian Resource Council

WEST COAST LIQUEFIED NATURAL GAS DEVELOPMENT

LNG Canada

LNG Canada is constructing an LNG processing plant and export facility at Kitimat, B.C. within the traditional territory of the Haisla Nation. LNG Canada has been working closely with First Nations communities in the vicinity for several years to enhance project benefits and opportunities and minimize negative impacts where possible. These communities include Haisla Nation, Gitga’at First Nation, Gitxaala Nation, Kitselas First Nation, Kitsumkalum First Nation, Lax Kw’alaams First Nation, Metlakatla First Nation and Métis Nation British Columbia. LNG Canada has entered into project agreements with five First Nations.

Haisla Nation Chief Councillor Crystal Smith said, “It’s the first project in the Haisla’s history where we’ve been true partners.”

Coastal GasLink Pipeline

Construction began in 2019 on TC Energy’s 670-kilometre Coastal GasLink pipeline, which will carry natural gas from northeastern B.C. to supply LNG Canada’s liquefaction facility on the West Coast. Coastal GasLink worked closely with all Indigenous groups to create long-term benefits that are tailored to meet the needs of the individual communities and has agreements with all 20 First Nations along the route. Coastal GasLink continues to engage with all Indigenous and local communities as construction continues and is delivering long-term benefits to Indigenous and local communities through contracting and employment opportunities:

- **2,000 to 2,500 jobs during construction**
- **\$20 million per year generated in tax benefits to B.C. communities**
- **\$820 million awarded in contracts to Indigenous and local businesses**

