

NEWS RELEASE

Canadian provinces shut out of top 10 most attractive jurisdictions in North America for oil and gas investment

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For immediate release

CALGARY—Texas and Oklahoma are once again at the top of the rankings for the most attractive jurisdictions in North America for oil and gas investment, while no Canadian province is even in the top 10, according to this year’s survey of petroleum-sector executives released today by the Fraser Institute, an independent, non-partisan, Canadian public policy think-tank.

“The message from investors is clear—Canada’s onerous and uncertain regulatory environment continues to hurt the investment attractiveness of the country’s oil and gas industry,” said Elmira Aliakbari, director of the Fraser Institute’s centre for natural resource studies and co-author of the *Canada-US Energy Sector Competitiveness Survey 2021*.

The survey, conducted between May and August of 2021, ranks 22 North American jurisdictions (17 states and five provinces and territories) based on policies affecting oil and gas investment.

This year, out of the 22 jurisdictions, Texas ranked 1st, while Alberta ranked 12th. Saskatchewan was Canada’s top-ranked jurisdiction at 11th.

Investors pointed to the uncertainty concerning environmental regulations, regulatory duplication and inconsistencies, and the cost of regulatory compliance as major areas of concern in Canadian jurisdictions compared to US states.

Critically, only 13 and 20 per cent of respondents, respectively, indicated that environmental regulatory uncertainty in Oklahoma and Texas was a deterrent to investment. For Alberta, that number was 65 per cent—more than three times that of both states.

Likewise, 56 per cent of respondents identified the cost of regulatory compliance as a deterrent to investment in Alberta compared to just nine per cent for first place Texas.

Rounding out the top five most attractive jurisdictions for oil and gas investment were Oklahoma (2nd), Wyoming (3rd), North Dakota (4th) and Kansas (5th).

Newfoundland and Labrador ranked 16th, British Columbia ranked 18th and the Northwest Territories ranked 20th out of 22.

“Policies matter, and when investors are clearly indicating they would rather invest in American states instead of Canadian jurisdictions, policymakers should take note,” said Jairo Yunis, a policy analyst at the Fraser Institute.

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