



# NEWS RELEASE

## First Nations ownership in smaller-scale energy projects key to success

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For Immediate Release

**CALGARY**—To increase Indigenous ownership in the oil industry, First Nations should focus on small and medium-sized projects rather than mega-projects that require massive assistance from government, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The energy industry, and particularly the oil sector remains Canada’s leading private-sector source of high-paying jobs and contracts for Indigenous people, so greater cooperation among First Nations and the industry will increase opportunity in communities that need it badly,” said Tom Flanagan, Fraser Institute senior fellow and author of *First Nations and the Petroleum Industry—from Conflict to Cooperation*.

For example, the Fort McKay and Mikisew Cree First Nations in 2017 purchased part of the Suncor East Tank Farm in northern Alberta. And in the same region, several First Nations invested in KinetiCor’s gas-fired electricity generator.

This type of cooperation between First Nations and energy companies is on the rise, for two main reasons.

Firstly, organized opposition to pipeline construction has inadvertently produced an alliance between the petroleum industry and many First Nations who worry about lost royalties and jobs.

Secondly, government’s “duty to consult” Indigenous people before authorizing economic development on traditional territories—once commonly seen as a tool to obstruct development—has become a quasi-property right First Nations can monetize through negotiations with the industry.

“More and more, we’re seeing First Nations work together successfully on smaller-scale energy projects, which don’t require Ottawa’s heavy hand yet still produce major benefits for Indigenous communities,” Flanagan said.

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### **MEDIA CONTACT:**

Tom Flanagan, Senior Fellow, Fraser Institute

*To arrange media interviews or for more information, please contact:*

Mark Hasiuk, Senior Media Relations Specialist, 604-688-0221 ext. 517,

[mark.hasiuk@fraserinstitute.org](mailto:mark.hasiuk@fraserinstitute.org)

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