

Unifor National Executive Board Resolution on Fracking

November 12, 2013

The advent of new hydraulic fracturing (or “fracking”) technologies has dramatically altered the economic and environmental effects of the petroleum industry in recent years – around the world, but especially in North America.

Fracking technology relies on the high-pressure injection of a mixture of water and chemicals into numerous drilled wells, in order to fracture geological formations and allow the release of larger quantities of both crude oil and natural gas. This allows the profitable production of petroleum reserves located in “tight” rock formations (including shale) which were formerly unfeasible. The dramatic expansion of fracking in certain regions of the U.S. (including North Dakota, Texas, and elsewhere) over the last decade has had enormous implications for energy markets, and the environment. Profit-hungry companies are now eyeing other potential fracking regions for similar expansion – including many parts of Canada.

Various types of fracturing technology have been used in the petroleum industry for decades. The new generations of the technology, however, have raised substantial environmental concerns, including:

- Frightening pollution of water sources (as fracking chemicals and released methane seep into ground and underground water sources).
- Large emissions of greenhouse gases (including wasted flared gas, and large emissions of released methane – which is 25 times more powerful in raising global temperatures than carbon dioxide).
- Unpredictable impacts of pressure injection on the stability of rock formations and land surfaces (causing earthquakes and other damage in many locations).
- Destruction of surface land through intensive drilling, road construction, and infrastructure (since wells in fracked petroleum fields must be much closer together than in conventional fields).

The fracking boom in places like North Dakota has led to a rapid expansion of U.S. oil and gas production. However, evidence is mounting that this new production will be short-lived: fracked wells tend to deplete much more quickly than conventional wells.

Safety issues related to fracking are also troubling, including questionable health and safety conditions for workers toiling under haphazard, gold-rush-like conditions. Investigators now believe that the unique explosive properties of fracked oil played a role in the horrible Lac Mégantic tragedy in Québec this summer (the train was carrying fracked crude oil from North Dakota).

The expansion of fracking has also had dramatic and damaging economic consequences, too. The sudden surge of new U.S. supplies into the market has driven continental natural gas prices to historic lows. It has also displaced normal flows of energy. For example, Canada now imports significant quantities of fracked gas from the U.S., disrupting traditional gas flows from Western Canada and undermining the economics of our major east-west gas pipeline system. This surge of fracked oil and gas supplies is not likely to last; it would be folly for Canada to reorient our entire energy infrastructure around a short-term surge in a clearly unsustainable energy supply.

Another very troubling dimension of the fracking industry, in Canada and elsewhere, is its impact on relations with First Nations peoples. Of course, any resource extraction industry in Canada must confront the problem of unresolved aboriginal land claims, and the inadequate economic benefits (including employment opportunities) which have been offered to First Nations communities from resource developments. This problem is especially acute with fracking because of the widespread land which would be affected by the activity, and the heated, profit-hungry rush which the industry is set to quickly unleash. First Nations activists in New Brunswick and elsewhere are highlighting, with determination and passion, their insistence that no resource exploration or extraction can occur on their lands without full informed consent and a generous sharing of the economic benefits.

Many Canadians share these concerns with the potential economic, social, and environmental damage of an unregulated fracking industry. Quebec and Newfoundland and Labrador have both imposed a moratorium on new fracking exploration. Other provinces and regions are also now investigating the risks and effects of fracking.

For all these reasons, the National Executive Board of Unifor supports a Canada-wide moratorium on unconventional fracking activity. This moratorium should stay in place until such time as the safety and environmental risks associated with fracking have been adequately addressed, and until First Nations communities have given full informed consent for fracking activity on their traditional lands. We express our solidarity with non-violent efforts by First Nations communities to assert their title and resist new fracking activity in their lands. And we renew our call for a national energy and environmental strategy, that would utilize Canada's

extensive resources of conventional petroleum and natural gas to meet our energy needs and support value-added industries in Canada. Instead of being guided by short-term swings in prices and profits for private energy producers, Canada's federal and provincial governments must develop and implement (in cooperation with other stakeholders) a national plan for a stable, sustainable energy industry that respects our social and environmental commitments, and generates lasting wealth for all who live here. As one of its first priorities, Unifor's new Energy Council will work to develop and communicate Unifor's vision for such a national energy and environmental strategy.