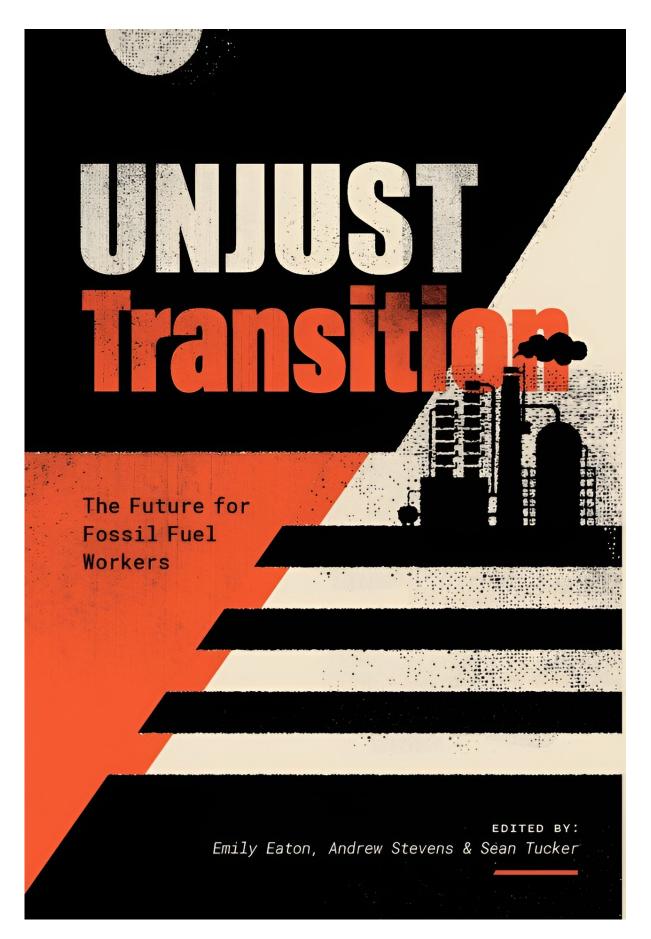


Industry, not government, is getting in the way of a 'just transition' for oil and gas workers, say researchers

April 19 2024, by Emily Eaton, Andrew Stevens and Sean Tucker







Credit: Fernwood Publishing

What comes to mind when you read the slogan <u>"I love Canadian Oil and Gas"</u>? Energy independence? Royalties for government coffers? Good jobs for Canadian workers?

Canada's oil and gas sector is in the throes of profound change driven by shifting consumer demand and global commitments to dramatically lower greenhouse gas (GHG) emissions. The oil and <u>gas industry</u>, and Conservative politicians, are actively resisting these changes through calls to "<u>Axe the Tax</u>" and a focus on protecting "good jobs"—efforts which aim to tie the future prosperity of oil and gas workers with the industry's survival.

But are industry and politicians sincere in their affection for oil and gas workers? Or, are energy workers merely a convenient vehicle to shield the industry from change that many Canadians believe is inevitable?

Our research offers a very different view and in <u>our recent book</u>, <u>"Unjust Transition: The Future for Fossil Fuel Workers"</u>, we examine the case of the Co-op Refinery Complex in Regina to show how industry is using the coming low-carbon transition to force deep concessions from its workforce.

Picket lines

From December 2019 to June 2020 Federated Co-operatives Limited



(FCL), which owns the Co-Op Refinery Complex, <u>locked out its</u> <u>workers</u>—represented by Unifor Local 594—in a grueling standoff that resulted in important concessions, especially to these fossil fuel workers' pension plans.

We found the company used expanding pipeline capacity and Canada's emission reduction policies to justify its push to force workers to take concessions.

Then-FCL President Scott Banda even gave a <u>shout out</u> to <u>United We</u> <u>Roll</u> (UWR) activists during a speech at a gas station in February 2020, three months into the lock-out. Local 594 members were <u>threatened with</u> <u>violence</u> by some of the UWR activists on social media.

The lockout came to an end in June 2020 when Local 594 members ratified an agreement with FCL.

'Just' transition?

Canadian politics are increasingly being defined by the struggle over climate policies. Just this month federal Conservatives, conservative provincial governments and protesters <u>came out strong against the</u> <u>increase to the Trudeau government's signature climate policy</u>—the price on carbon.

The Liberal government has faced significant backlash against its other climate policies as well, <u>including the oil and gas emissions cap</u>.

Referring to the government's climate policies, <u>Bill Bewick of Fairness</u> <u>Alberta</u> wrote "compromising the prosperity of future generations of Canadians to enrich and empower autocratic leaders is not just." Alberta Premier Danielle Smith has similarly <u>lampooned plans for a "just</u> <u>transition"</u> for oil and gas workers as "unjust."



It seems the notion of an unjust transition is gaining ground as political parties, industry associations and an increasingly mobilized fossil fuel workforce argue that climate policies are unduly targeting fossil fuels while there is still strong world demand.

Conservatives position themselves as the voice of fossil fuel workers, who they cast as victims of <u>carbon pricing and other federal</u> <u>environmental policies</u>. Shuttered factories and their laid-off employees are victims of Liberal anti-oil policies, industry proponents insist.

Politicians like federal Conservative MP <u>Andrew Scheer</u> and Saskatchewan Premier <u>Scott Moe</u> have proudly attended rallies organized by United We Roll and Canada Action to show their support for fossil fuel workers and their "grassroots" advocacy groups.

This moniker of "unjust transition" references and counters the discourse of "just transition," a concept that <u>first emerged in the 1980s</u> as a labor-led framework aligning ecological justice with the plight of workers who might be disrupted by new environmental regulations aimed at phasing out harmful industrial practices.

Today the just transition is advanced by those advocating for <u>climate</u> <u>policies</u> that "leave no one behind." Canada's <u>Bill C-50</u>, "an act respecting accountability, transparency and engagement to support the creation of sustainable jobs for workers and economic growth in a net-zero economy," was first proposed as a "just transition" bill before it was tabled in 2023 and rebranded as a sustainable jobs act.

However, <u>efforts including downsizing, consolidation, efficiency</u> <u>measures and automation</u> have consistently shown oil and gas companies to be a bigger threat to oil worker jobs than government (Liberal, or otherwise) policies. In our book we highlight how FCL, for example, vilified the very workers who take part in the refining of raw resources



as being obstacles to transition and financial sustainability.

Questions unanswered

Time and again governments, local police and courts advanced the interests of industry over those of unionized workers. That FCL was able to <u>maintain billions in revenue</u> while extracting concessions at the bargaining table, and at the same time argue that worker pension plans are unsustainable, says much about the leverage fossil fuel corporations hold over the region.

"At stake was the loss of the union, (it) was them just breaking us and just like, breaking us financially so that we couldn't fight anymore," said one Local 594 worker we spoke to.

Canada faces an essential, existential question. Will the trajectory of the fossil fuel sector be one of a "just transition" toward a less carbonintensive economy with the needs of oil and gas workers maintained front and center? Or, will the inevitable winding down of extractive fossil fuel industries lead to acrimonious labor relations and social injustice?

Taken together, the attacks by FCL on the union and its pension plan, represent an unjust transition, whereby attempts to break the collective power of labor are part of the rhetoric of the "net-zero" future.

To build a just future for workers and the environment, energy sector unions should consider becoming both environmental actors and stewards of good jobs as part of a genuinely "just transition." Labor must also be included at the policy tables when governments and employers are making decisions about the future of fossil fuels.

The path designed by powerful oil and gas interests is not one that puts



workers or communities first. Only the workers themselves can push for these changes.

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