



Day of Action against GM Alfalfa a Huge Success

Hundreds of people attended 38 rallies across Canada, from Vancouver Island to Whitehorse to Moncton, on April 9, the national day of action against the release of genetically modified alfalfa called by the NFU in Ontario. There were rallies at the CFIA office in Ottawa, at Gerry Ritz's office in North Battleford, at Stephen Harper's office in Calgary and at MP's offices elsewhere. Nearly all were organized by NFU locals or NFU members. The rallies showed the critical role that our grassroots organizational structure plays in building local leadership in communities; the importance of our commitment to policy analysis and education; and the efficiency of our network to quickly share information. When we work together, we can understand, mobilize and take action on complex issues.

While the issue was serious, people had fun making signs and banners, chanting slogans and singing songs as they strengthened and created community. The sense of belonging to a larger group focussed on making the world a better place is powerful.

Media coverage of the day was excellent. The fact that farmers organized and led the rallies, with support of urban consumers, made our message compelling: farmers do not want GM alfalfa!

Now, the federal government and Forage Genetics International (FGI), the company that Monsanto has licensed to use its patented gene in alfalfa, are under pressure. Because of the rallies, FGI has confirmed that it has asked for variety registration on one Roundup Ready variety and that it will not be released for planting this year. While we are glad to know that this year's crop is safe from contamination, we do not want to live with the uncertainty that a decision about release might be made by this or any other seed company. We need the Minister of Agriculture to stop registration of any GM alfalfa seeds now. Make sure he hears from you!

Hon. Gerry Ritz

House of Commons, Ottawa, Ontario K1A 0A6

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For more information, including CBAN's study, "The Inevitability of Contamination from GM Alfalfa Release in Ontario: The case for preventing the introduction of Roundup Ready Alfalfa", see <http://www.nfu.ca/issues/stop-genetically-modified-alfalfa> .

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Musician Sarah Harmer and lamb
— stars of the Kingston rally.



NFU-O member Lauretta Rice speaking at
Ottawa rally outside of CFIA offices.



Rebeka Frazer-Chiasson speaking at
New Brunswick rally.

NFU Submits Feedback on Fracking to Alberta Regulator

There are shale gas or coal bed methane formations in northern BC, Alberta, Saskatchewan, Quebec, Nova Scotia and New Brunswick, which lie mostly beneath farmland. It should be no surprise, therefore, that at the 2012 National Convention, the NFU resolved to call on governments to implement a series of recommended regulations regarding hydraulic fracturing (fracking). In March 2013, the NFU submitted a response to Alberta's Energy Resources Conservation Board's (ERCB) request for public input about its proposed new regulatory framework to deal with unconventional oil and gas development.

Fracking is a process to extract oil and/or natural gas (including coal bed methane) by injecting water containing various chemicals at high enough pressures to crack the coal, shale or rock. A "proppant" such as sand is mixed with the fluid to keep cracks open after the pressure is reduced. Keeping fractures (cracks) open allows gas and/or oil to flow into the wellbore to be pumped out. Hydraulic fracturing requires a lot of heavy equipment: compressors, fluid tankers, proppant trucks, mixing tanks and an operations trailer in addition to the drilling rig.

Since 1949, fracking has evolved to the point that companies can now sequentially frack portions of a horizontal well – a process called multistage fracking. As easy-to-get oil and gas reserves were depleted, the new techniques made fracking attractive for the energy industry, which invested in massive and rapid expansion of fracking infrastructure.

Fracking is highly controversial for environmental, economic and social reasons. Concerns about water use and pollution and climate change dominate the environmental conversation. Fracking requires millions of gallons of water. Some of the water is re-used, but all of it is contaminated. Water used to pressurize wells has chemicals added, including acids, biocides, gelling agents, rust-inhibitors, petroleum products, etc. Exact formulations are considered trade secrets and not open to public scrutiny. The produced water (water that comes out with the gas and/or oil) contains other toxic chemicals that have been leached from the underground formation over millennia, such as salts, metals and naturally occurring radioactive material.

Groundwater can be polluted if casings fail or new cracks in the bedrock open between the fracking zone and freshwater aquifers. Jessica Ernst, an Albertan who

lives near a coal bed methane development and whose well water can now be lit on fire, is taking EnCana and the ERCB to court over fracking-induced contamination. She has documented high levels of ethane, methane, butane and propane in her water. Water not re-used for fracking and produced water must be disposed of, generally by pumping it into deep underground formations, a process that can also cause earthquakes.

The water will never be available to the ecosystem again. Moreover, ecosystem pollution is a risk should it be improperly disposed of or if there is a geological event that changes bedrock formations.

More CO₂ and methane will burden the atmosphere - from flaring or gaseous emissions at the wellhead, or by burning oil and natural gas extracted by fracking. Methane (natural gas) is an even more potent greenhouse gas (GHG) than CO₂. GHG emissions from fracking are due not only to burning end products, but also to the energy required to transport materials, pump and pressurize fluids, and to manufacture equipment. Oil and gas industries dominate Alberta's and Saskatchewan's economies, and are responsible for much of these two provinces' extra-large environmental footprint.

Some commentators suggest the shale gas boom will turn out to be another economic bubble. Wells are expensive to develop and their production declines rapidly. If they are depleted faster than expected, the company loses large sums of money. To keep ahead of financial trouble, companies need to keep total production up so they bring on new wells ever more quickly. Meanwhile, natural gas supply has exceeded demand, dropping the price. To make at least the same amount of money, companies drill more wells, and take short-cuts to reduce costs in a mad race to keep ahead of their debts. The result? New wells that permanently scar the landscape, destabilize the bedrock and pollute the water.

Negative social impacts of fracking occur when those who make the decisions and reap the benefits are not the same people who bear the risks and costs. Alberta's proposed regulatory approach is "risk-based." Oil and gas companies, along with the regulator, decide upon acceptable levels of risk and act accordingly. Meanwhile, the people who have no part in decision-making are left to deal with the problems caused by the risk-taking of others.

A community's social fabric can be damaged by the combination of a sudden increase in the number of

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transient oil and gas workers and a simultaneous labour shortage in the non-energy based local economy. Intergenerational justice is also compromised; instead of creating a foundation for our children into the future, fracking uses non-renewable energy sources at break-neck speed. Many commentators also express concern about the danger of a “petro-state” emerging in Canada, where oil money has a greater influence over public policy than does the citizenry.

Alberta farmers who live near fracking installations lose the peace, quiet and beauty of their countryside. There is more noise, dust, light pollution, air pollution, traffic on and damage to country roads, damage to fields, loss of productive acres, interference with wildlife habitat, loss of recreation opportunities, potential water shortages, chemical spills on farmland and into surface waters, and reduction in property values. It is more time-consuming and costly to work land that is criss-crossed by fracking infrastructure. Emissions from wells and equipment may be hazardous to the health of people and animals. There is ever-present worry about the danger of irreversible contamination of groundwater and the resulting loss of wells for watering livestock, irrigating crops and domestic consumption.

Perhaps even more offensive than the tangible burdens that fracking imposes on farmers, are the attempts to silence and intimidate concerned rural citizens. The ERCB has a history of limiting access to its hearings by defining “affected party” very narrowly, thus denying voice to many who have legitimate concerns.

The NFU submission to the ERCB is framed by our call that its new regulatory approach be guided by the Precautionary Principle, “*Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation,*” as Canada agreed to in the 1992 Rio Declaration.

The NFU document focuses on four broad aspects of the proposed regulatory framework: its guiding principles, the role of the regulator, the proposed outcomes of regulation and the ERCB’s public engagement process. The document has also been sent to the Environment and Agriculture ministers of each province, as we recognize that fracking issues and our concerns are not limited to Alberta.

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The *National Farmers Union Submission to Alberta Energy Resources Conservation Board (ERCB) Consultation on the Proposed Regulatory Approach for Unconventional Oil and Gas Development* is available at <http://www.nfu.ca/story/submission-ercb-fracking-regulation>.

CETA Tactics Phoney Baloney?

Beef and Pork Access Issue Lacks Credibility

Right wing think tanks quoted in the media would have Canadians believe that the final round of CETA negotiations comes down to a fight between the politics of supporting dairy farmers interests versus helping hog and beef farmers get access to profitable new markets overseas. The facts tell a different story.

Europeans do not need more beef and pork. The EU is the world’s largest exporter of pork at over 2 million tonnes annually (more than Canada’s total production). Moreover, it has obtained a secure supply of hormone-free beef from South American countries that have outlawed growth hormones – and which have a low cost of production.

In 1996, Canada began a protracted WTO trade dispute over Europe’s ban on beef produced with growth hormones. Canada tried to force it to accept imports produced with growth hormones. In 1997, the WTO panel decided that the hormone ban was a non-

tariff trade barrier, but Europe maintains the ban based on the precautionary principle regarding health concerns. The dispute continued until an understanding was reached in March 2011. As a result, the EU pays higher duties to Canada on certain products and agrees to buy hormone-free beef from Canada. We can now sell 23,000 tonnes per year of hormone-free beef tariff-free. Yet in 2011, we sold only 9,000 tonnes (most recent available statistics) – less than half of the available market.

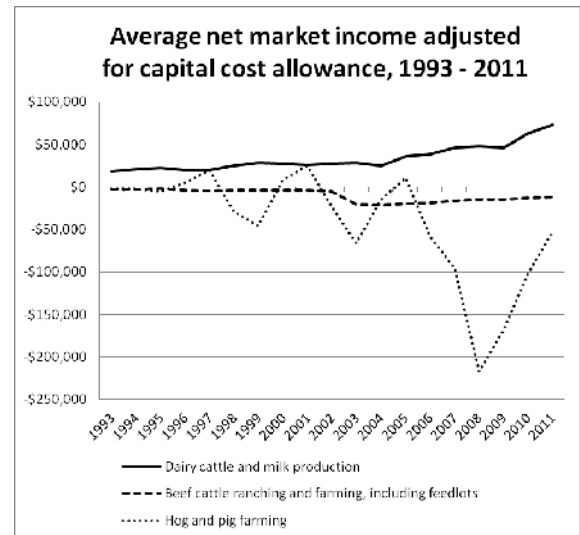
The EU also bans ractopamine (PayLean), a drug commonly used by large-scale Canadian hog producers that promotes a lean carcass. Canada does not have free access to Europe’s pork market, but has a quota of just over 75,000 tonnes per year at tariffs of approximately 14 to 25 cents per pound. In 2011, Canada did not export any pork to Europe, and in 2010 we exported only 5,000 tonnes.

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These facts demonstrate that Canada's inability to sell Europeans our beef and pork is not due to lack of access. Canadian negotiators' push for more market access through CETA appears to be a demand for yet more empty space. And what are they willing to give up in return?

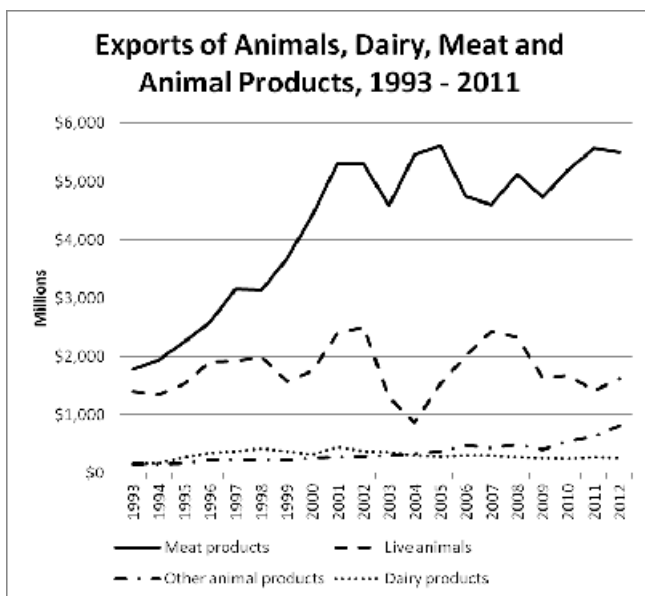
The EU wants to sell more cheese in Canada, and its negotiators are calling for more tariff-free access. Currently, Canada allows 3% of our cheese market (worth nearly \$148 million annually) to be filled by European imports. Europe would have no trouble selling us more – their exports already exceed Canada's total production. If Canada increases access for EU cheese imports, the precedent will make it easier for them to ask for even greater access in the future. There would be a corresponding loss of market share for Canadian producers. Such a loss would cascade through the sector, resulting in lower incomes for dairy farmers, fewer viable dairy farms and a reduction of the herd that currently produces the milk used to make cheese here in Canada.



Graph #1

Source: Statistics Canada

From the farmer's point of view, export market growth has not delivered promised prosperity. Beef and pork sectors are export-dependent as a result of federal policy decisions over the past few decades. Dairy, on the other hand, has remained primarily a domestic sector, due to federal support for high tariffs that prevent dumping cheap imported milk into our market.



Graph #2

Source: Statistics Canada

Graph #1 shows that dairy producers have consistently operated in the black, while beef and pork producers have been forced to sell below cost. Graph #2 shows that exports of dairy have remained low and constant through the same period, while exports of meat, live animals and meat products have increased. Increasing the volume of beef and pork sold at prices below the cost of production is not a solution: it is a problem.

The federal government has missed yet another target date for completing CETA. The focus on pork and beef access seems peculiar given readily available evidence. Pork and beef producers already face economic hardships caused by policy directions focused on increasing exports. They will see no benefit by further entrenching export-based strategies. If CETA is ever completed, the same harm could befall the Canadian dairy sector.

However, CETA appears to be faltering – thanks to your continued pressure on provincial governments, municipal governments and MPs. As the NFU has shown in our on-

going analysis, CETA is bad news for all farmers – whether in livestock, dairy, grain or local food. Together, we have a much greater opportunity to convince the government to walk away from the negotiating table.

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The NFU's Fact Sheet "*Will CETA help family farmers in Canada by opening up more European market access for beef and pork?*" is posted at <http://www.nfu.ca/story/fact-sheet-will-ceta-help-family-farmers-canada>.