



The Brief

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Warnings in Penobsquis cast doubt on government's ability to regulate shale gas



Herman Hawthorne looks at gas wells, drilled in 2000 and 2001 by Corridor Resources, in Penobsquis in June 2012. Photo by Tracy Glynn.

By TRACY GLYNN

Fredericton – A gas leak at the PotashCorp mine in Penobsquis in February combined with confirmation that no air quality monitoring is being done in the rural community shows the New Brunswick government cannot be counted on to regulate a shale gas industry, according to opponents.

After five months of waiting for the New Brunswick government to answer an official request for information, CCNB Action has confirmed what people in Penobsquis had suspected: there is no permanent air quality monitoring station in Penobsquis.

“How can the public, who are having shale gas exploration and development forced onto them, feel good

about regulations for a new industry when we know the government does not have a handle on enforcing existing requirements?” asks Stephanie Merrill, CCNB Action’s spokesperson on shale gas.

Merrill said that this information reveals systemic problems in the way that the provincial government monitors air quality and discloses that information to the public.

Documents obtained by CCNB Action reveal that PotashCorp’s mining operations and Corridor Resources’ gas operations in Penobsquis are not required to operate and maintain a ground-level air quality monitoring station and report air quality on an hourly or daily basis, which is required in the Clean Air Act.

“We don’t know what’s in the air in here, what we are smelling and not smelling,” says Beth Nixon, a resident of Penobsquis. Nixon argues that the government needs to implement a permanent air quality monitoring station in Penobsquis and disclose the results to the community on a regular basis.

Within six kilometres of the centre of Penobsquis, a small rural community located next to Sussex, are two potash mines (one in production, one in construction), 16 gas well pads, 30 gas wells (unconventional shale and tight gas wells), two natural gas compressor stations that flare, a drill rig site, a grouting station, an oil well, a brine pipeline that hauls water from the potash mine to the Bay of Fundy, approximately 17 km of pipelines, trucks that haul water to the Port of Saint John, and at least 12 gravel pits.

Inka Milewski, CCNB Action’s Health Watch Advisor is concerned about what could be in the air in Penobsquis and the lack of government oversight. "Volatile Organic Carbons

(VOCs) in the air at gas production sites are a major public health concern. The government must rectify this problem immediately before gas exploration goes to full-scale gas production in Penobsquis," says Milewski.

The government's lack of requirements for public review or comment periods for projects that fall under a Class 4 licence, such as Corridor's natural gas conditioning plant and well pads in Penobsquis, concerns Milewski.

"The province must end this loophole and require public review and comment periods for approvals to operate gas operations. The lack of air quality monitoring in Penobsquis was only noted after our freedom of information request to government, years after the approval had been granted to Corridor," adds Milewski.

Milewski says the government is taking a further step back by proposing amendments to the Clean Air Act which would exempt Class 4 licenses from needing any government approval to operate.

The bad air days in Penobsquis coincided with the release of the government of New Brunswick's guidelines for shale gas on Feb. 15th in Fredericton.

Shale gas opponents say that the guidelines largely consist of conditions on a shale gas company's approval to operate.

"These conditions are only enforceable as the government sees fit, which may include orders to comply or a fine. Gas companies prefer conditions over being regulated as they are very easy to change, manipulate or skirt. The violation of conditions is more difficult to prove legally, making it less likely that a company will be charged," says Merrill.

Potential interference by government ministers on the conditions to operate and the government acting as intervenor on complaints also concern Merrill: "The government is clearly in a conflict of interest here. They are encouraging expansion of the industry and perusing increased royalties while playing judge and jury on behalf of communities when they have a complaint with industry. We saw how the recent mining commissioner hearings was stacked against the people of Penobsquis in their case against PotashCorp."

Shale gas opponents argue that the best regulations in the world will not protect people from the dangers associated with fracking for shale gas. They point to Penobsquis as an example of how the government is failing to protect its citizens from mining and gas operations.

Top brass at NB universities raking in pay raises, perks

By DAVE THOMAS

In the fall of 2012 New Brunswick universities were forced to disclose salary information of top administrators for the first time. The new information raises several important questions regarding the differences between compensation increases for administrators versus other employee groups at the universities.

While provinces such as Ontario and Nova Scotia require universities to disclose salary information for top earners, the data in New Brunswick has emerged through a Right to Information request.

New Brunswick’s publicly funded universities and municipalities became subject to the new Right to Information and Protection of Privacy Act in September 2012. The Federation of New Brunswick Faculty Associations (FNBFA) was quick to file a Right to Information request in September, and by December all four universities had released some version of the requested information.

“We’re glad the university administrations have finally responded to the Right to Information requests we filed at the beginning of September,” states Dr. Rick Hudson, President of the FNBFA, “But unfortunately, it looks like they still have trouble answering simple questions.” Hudson is referring to the fact that the Right to Information request referred to information regarding all forms of compensation, which would include things such as salary, car allowance, housing allowance, bonuses and performance pay, interest-free loans, etc. However, some universities have only made available total compensation figures, without elaborating on the breakdown between salary and other forms of compensation.

In the case of Mount Allison University, exact figures for the President’s total compensation were not released. Instead they included \$24,999 ranges for each year, and one can ascertain from the data that these ranges rose by \$25,000 each year between 2007/2008 and 2011/2012. Thus, the President’s overall compensation has risen from the range of \$205,000-\$229,999 in

2007-2008, to the range of \$305,000-\$329,999 in 2011-2012.

The first complication with interpreting the data arises from the fact that one does not know exactly where the President’s compensation falls within these ranges. In addition, these figures represent overall compensation, which could include compensation not directly related to salary, such as housing allowance or extended medical benefits. When asked for more precise information on these numbers, Mount Allison has thus far declined to comment.

It is worthwhile to examine pay increases for other employee groups within this context. For example, both CUPE Locals 2338 and 3433, representing non-academic staff, settled for 2% per year in the last round of negotiations with the University. Some employees in Local 3433 – those in their first five years on the job – would also receive step increases in pay, to boost the 2% to roughly 4-5%, but the rest would receive 2% only. For example, a member of Local 3433 in one of the middle pay grades could have seen a rise in salary on July 1st, 2012 from \$27,005 to \$28,478.

Current President of CUPE Local 3433, Sarah Kardash, comments, “It’s frustrating to see large compensation increases for the President of Mount Allison when the amount we receive may or may not even cover inflation over the length of our latest agreement.” Kardash also notes, “Salary levels in general are a major concern for our membership.”


Faculty have historically fared better at Mount Allison, with the last round of bargaining yielding roughly 2.5% increase. However, this would be added to the step increases faculty members receive, unless they are already at the top of the scale under their designation.

Faculty members in the 2012-2013 academic year have salaries ranging from a low of \$66,386 for the bottom step of Assistant Professor, to a high of \$140,473 for those at the top of the full Professor scale. The latter would be those who have worked their way up the steps for 25 years or more.

Hudson, also an executive member of the Mount Allison Faculty Association (MAFA), comments on the newly released data: “Every year, the universities say, ‘Gee, we have no money to hire more professors or raise their salaries to be more

competitive within Canada.’ But then they give big increases to senior administrators.”

Within a broader context, rising compensation for top university administrators conforms to larger trends in the Canadian private sector. Executive pay has escalated at a rate far beyond that of average workers in recent years. For example, the Canadian Centre for Policy Alternatives claims that in 2010 compensation for the 100 highest-earning CEOs on the TSX increased by roughly 27%. This is in contrast to incomes for most other Canadians, which according to Statistics Canada have remained relatively stagnant, when adjusted for... *(continued on page 2)*



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