

# Keystone xl pipeline



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## Keystone Kl pipeline Memorandum Re: Keystone kl Pipeline approval

Construction of the keystone XL pipeline has once again become a controversial issue to the American labor. Though arguments are centered on its environmental risks, it also has major consequences economically. Since the construction unemployment is double, Keystone jobs will provide good paying jobs that will increasingly offer only minimum-wage service work (Smith 01). Labor leaders should know that the pipeline is of much threat to our economy as well as it is to our planet. Environmental debates emerge as false choice. Even though hurricanes, droughts and floods have effects on American labor and jobs, if we throw the spigot open to Canada's tar sands, it will be considered the world's dirtiest oil (Smith 01).

Building this pipeline and opening Tar Sands will impact local and national economies negatively. When the recoverable tar sands oil burns, it will increase temperature on the earth approximately by a minimum of 2 degrees Celsius which the NYU environmental law center estimates could cut permanently the US GDP by 2.5 % (Smith 02). As it's seen, this will affect the US counties causing an estimated expensive damage. At the same time, local and state economies are buckling already under effects of our dependence on fossil fuel as a nation (Smith 02)

Despite generating much profits of approximately \$546 billion between 2005 and 2010, oil companies such as shell, chevron and ExxonMobil reduced their workforce by 4,400 employees. The same year, \$220 million paid the executives themselves (Smith 02). From that, we can say it's time invest the billions going to oil companies in creating employment and protecting the planet at the same time.

Approving the Keystone pipeline will lock the nation into a trajectory of job

loss that are guaranteed and hence threatens the economy and political state of the US. Why should the job-killing path be taken when the energy path that's alternative like the solar industry is already out-performing some other sectors of the economy (Smith 02).

Accidental contact with transmitting pipeline will create a dangerous situation that may be extreme to result in serious consequences to the contractors, general public and the customers. Some of these consequences may include fire explosion, injury or property damage, disruption of services that are essential, responsibility for cost of repair and personal liability all damages (Smith 03).

According to the chief economics of Moody's analytics, a havoc caused by the Super storm sandy on the job market was estimated to be slicing 86, 000 jobs from payrolls. Hurricane Irene also left the claims of unemployment filings in Vermont from 731 before it to 1'331 two weeks afterwards.

Hurricane Katrina too cleared 129, 000 jobs in New Orleans region- 20%. This was later proved to cost the U. S. economy as a whole, \$52 billion taxpayer cost in 2011 (Smith 04).

Keystone and such projects result in disproportionately impacts that are negative on the already struggling families. Therefore, poor working people will be disproportionally affected. According to a report recently, by the Center for American Progress- Heavy Weather: How Climate Destruction Harms Middle- and Lower-Income Americans, middle and lower income families are affected disproportionately by the most extreme and expensive weather events. 16 states were affected by up to five or more weather events that were extreme in 2011-2012. Households in counties that were disaster-declared in these states earn \$47, 138 or seven percent below U. S

median income (Smith 04)

Organized labors are right in demanding that public policy pay attention to desperate need for jobs. The keystone pipeline approval should wait because it will make the job crisis worse by making our climate worsen (Smith 04). In the meantime there are many pipelines that require fixing. The workers can be put to rebuild our natural gas transmission system that is crumbling. This will even create union jobs and also cut carbon emissions (Transgas 02). If labor will fight for employments, then we should fight for jobs that create the future we want for this nation and not the ones that destroy it.

#### Works Cited

Smith, Brendan. " Five reasons why keystone is bad for the economy." 27 February 2014. Labor For Sustainability. 4 March 2014 .

Transgas. " The Consequences of a pipeline contact." 2006. Safety integrity. 4 March 2014 .