CP Rail CEO among Canada's highest paid

Louis Girard
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Canadian Pacific rail workers have established the CP Workers Rank-and-File Committee to fight for workplace safety and put an end to the brutal conditions of exploitation that are responsible for fatal accidents like the Field derailment. Email cpworkersrfc@gmail.com *to join.*

Canadian Pacific CEO Keith Creel received total compensation of $26.7 million in 2021, more than 14 times the amount paid the company's CEO in 2007. This places Creel among the highest paid CEOs in Canada.

Counting bonuses, stock options and other payments, Creel received $63.5 million in his first four years (2017-2020) as CP Rail CEO. This is exponentially more than a rail worker could hope to make in a lifetime of service.

All CP Rail senior executives have seen their incomes balloon—rising on average 104 percent in the 13 years from 2007 to 2020. For example, CFO Nadeem Velani's total earnings for 2021 were $4.89 million, while sales manager John Brooks raked in $4.83 million.

Creel and Canadian Pacific's other top executives are receiving huge sums for overseeing the brutal exploitation of CP Rail workers and massive increasingly thereby investor returns, whether in the form of rising stock valuations or dividend payments.

Canada's second largest railway, CP Rail has implemented two key measures to "cut costs," i.e., generate bigger profits, during this period—the implementation of so-called precision-scheduled railroading or PSR, and elimination of 4,500 jobs (23 percent of the workforce) between 2012 and 2016. These changes have greatly increased workers' workload, ravaged their family lives and created an increasingly hazardous work environment.

In justifying the gargantuan sums forked over to Creel and other senior company executives, the chairman of the Canadian Pacific board of directors' Resource Management and Compensation Committee, Mathew Paull, chortled over the huge profits the company has squeezed from rail workers due to these changes. "Keith and his management team, along with the unique culture they have created at CP, have delivered outstanding results for CP shareholders over the past five years," crowed Paull. "With approximately 150 percent growth in [total shareholder return], consistently outperforming the S&P/TSX Composite and S&P 500 indices."

The "remarkable results" celebrated by Paull mean something completely different to the more than 10,000 CP Rail workers, who face increasingly brutal working conditions, or the thousands of retirees who have suffered repeated clawbacks on their pensions. This includes a permanent cap on retiree benefits since 2012.

For CP Rail workers, the huge profits that the company boasts about are synonymous with fatal accidents, derailments, excessive fatigue, damaged physical and mental health, and destroyed personal and family relationships.

It was to combat these intolerable conditions that 3,000 CP Rail engineers, conductors, and yard workers voted by more than 96 percent in February to go on strike. They thus showed their determination to fight back against the ruthless demands of the company and its shareholders.

For at least a decade, these have included: work schedules that force workers to be available to work day and night without seeing family and friends; shifts of more than 10 hours after only a few hours of sleep, inevitably leading to fatigue and dangerous situations for workers and the public; a disciplinary system that threatens them with dismissal for the slightest infraction; and a grievance system purposely bogged down by the company that makes it impossible to resolve a dispute for two or more years.

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The Teamsters, Unifor and all the railroad unions have been complicit in this corporate dictatorship. Rejecting any fight against the company's concession demands and focused on defending their own privileged position and cozy relations with management, the unions have suppressed rail workers' struggles time and again and failed to lift even a finger to fight for their demands.

The Teamsters bureaucrats kept the 3,000 on-train workers in the dark for months about the latest round of "negotiations," and refused to use the rank-and-file's powerful strike mandate even when legally allowed to do so. The Teamsters having left the initiative in its hands, CP Rail took the offensive, imposing a lockout and baying for government back-to-work legislation.

This was entirely to be expected. But the union then used the threat of an anti-strike law to justify its caving into the demand of management, supported behind the scenes by the Trudeau Liberal government, that the contract dispute be resolved through an arbitration process rigged in the company's favour. Workers were ordered to return to work without even a vote, and will now be legally barred from striking or mounting any job action to fight for their demands till the arbitrator-imposed contract expires many years down the road.

The interdependent processes of the company's ruthless drive to further exploit workers and the unions' sabotage of worker resistance have allowed CP Rail's senior management and shareholders to become massively richer over the past decade.

The brutal exploitation at CP Rail is one manifestation of the intensified exploitation of workers around the world and the rise of social inequality to staggering levels. These processes have accelerated during the COVID-19 pandemic, as a result of the ruling class' policy of prioritizing profits over human lives.

In Canada, six CEOs received more than $20 million in 2020 and, since the pandemic, the wealth of its 45 billionaires have increased by at least $78 billion. At the end of 2021 the world's 2,600 or so billionaires had combined wealth of US $13.6 trillion, an increase of more than 34 percent from the $10.1 trillion the world's billionaires owned at the end of 2019.

CP Rail workers are not just facing a particularly brutal company, but an entire ruling class, which is determined to make workers pay for the immense crisis of the capitalist system, no matter what country they live in or what industry they work for.

If they are to advance their struggles for better working conditions, workers must break with the corporatist unions, which accept the capitalists' "right" to exploit the working class, and bow before the diktats of the big business politicians and the capitalist state.

It is for this reason that CP Rail workers have formed the CP Workers Rank-and-File Committee, which is completely independent of the union apparatuses. This committee aims to popularize the demands of CP Rail workers for better working conditions and to mobilize all rail workers and workers in all industries in Canada, the US and internationally in a common struggle against capitalist austerity.

All rail workers wishing to join this fight should contact the Committee at cpworkersrfc@gmail.com.

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