



# NEWS

[www.cpr.ca](http://www.cpr.ca) (TSX:CP) (NYSE:CP)

Release: March 16, 2022

## **CP issues 72-hour notice to lock-out TCRC-Train & Engine employees**

Calgary – Canadian Pacific Railway Limited (TSX: CP) (NYSE: CP) has issued 72-hour notice to the Teamsters Canada Rail Conference (TCRC)-Train & Engine of its plan to lock-out employees at 00:01 ET on March 20, 2022 if the union leadership and the company are unable to come to a negotiated settlement or agree to binding arbitration.

“For the sake of our employees, our customers, the supply chain we serve and the Canadian economy that is trying to recover from multiple disruptions, we simply cannot prolong for weeks or months the uncertainty associated with a potential labor disruption,” said Keith Creel, CP President and CEO. “The world has never needed Canada’s resources and an efficient transportation system to deliver them more than it does today. Delaying resolution would only make things worse. We take this action with a view to bringing this uncertainty to an end.”

We have been negotiating in good faith since September and over the past week, Canadian Pacific (CP) and the TCRC leadership have been meeting daily with federal mediators to reach a negotiated new collective agreement in hopes of avoiding a labor disruption. Despite those talks, our positions remain far apart.

Yesterday, CP tabled an offer that addressed a total of 26 outstanding issues between the parties, including an offer to resolve the TCRC’s key issues of wages, benefits and pensions through final and binding arbitration.

Today, the TCRC leadership rejected CP’s offer and, contrary to public statements by TCRC spokesman Dave Fulton that wages, benefits and pensions were the key issues, the union continues to table additional work rule demands. In rejecting our offer, the TCRC’s proposal included an even more onerous pension demand. The TCRC’s latest position would, if accepted, be even more destabilizing to the pension plan for all of CP’s unionized employees, not just the 10 percent who are TCRC members.

For nearly a decade, CP has invited the TCRC to enroll its members in a sustainable pension-sharing program, which has benefited thousands of members of CP’s other Canadian unions. The TCRC has consistently rejected this opportunity. And has done so again today. In fact, the union leadership has taken the successful pension-sharing program off the table seeking to negotiate all pension changes through collective bargaining – an unfair demand that jeopardizes the long-term health of a pension plan that 30,000 other employees and pensioners rely on.

“We are deeply disappointed that we find ourselves in this position,” said Creel. “CP will continue to bargain in good faith with the TCRC leadership to achieve a negotiated settlement or enter binding arbitration. The Canadian economy could avoid all the pain and damage of a work stoppage if the TCRC would agree to binding arbitration, an outcome we continue to push for.”

CP has commenced its work stoppage contingency plan and will work closely with customers to achieve a smooth, efficient and safe wind-down of Canadian operations.

TCRC represents approximately 3,000 locomotive engineers, conductors, train and yard workers across Canada. In 2021, a CP TCRC locomotive engineer earned on average \$135,442 and the top earner made \$209,773. Meanwhile, in 2021, a TCRC conductor, trainperson, or yardperson earned on average \$107,872 and the top earner made \$182,888. These annual earnings far exceed the 2021 Canadian average earnings of \$65,138.1 Since 2007, the TCRC members have enjoyed a wage increase of 43 percent, which exceeds the compounded inflation rate by nearly 20 percent.

CP has launched a fact-based information hub with materials about negotiating history and the issues and consequences of a work stoppage. Visit [cpr.ca/TCRC2022](https://cpr.ca/TCRC2022) to learn more.

### **About Canadian Pacific**

Canadian Pacific is a transcontinental railway in Canada and the United States with direct links to major ports on the west and east coasts. CP provides North American customers a competitive rail service with access to key markets in every corner of the globe. CP is growing with its customers, offering a suite of freight transportation services, logistics solutions and supply chain expertise. Visit [cpr.ca](https://cpr.ca) to see the rail advantages of CP. CP-IR

### **Contacts:**

#### **Media**

[Alert\\_MediaRelations@cpr.ca](mailto:Alert_MediaRelations@cpr.ca)

#### **Investment Community**

Maeghan Albiston

403-319-3591

[investor@cpr.ca](mailto:investor@cpr.ca)