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Lawsuit Against Canadian Pacific in Lac-Mégantic Tragedy
Residents and Activists Demand Answers
and Rail Safety Protection

- Pierre Chénier -



Demonstration demands rail safety measures in Lac-Mégantic, July 10, 2016, three years after the rail disaster.

Justice for BC Hospitality Workers

- **Hilton Metrotown Workers' Militant Picket Demands Justice - Anne Jamieson**
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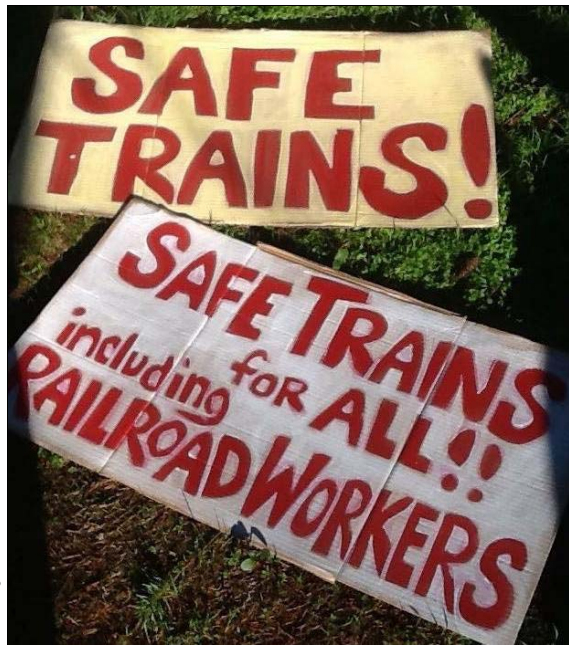
Lawsuit Against Canadian Pacific in Lac-Mégantic Tragedy
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A civil trial began in Sherbrooke, Quebec on September 21 against Canadian Pacific Railway (CP) in connection with the July 6, 2013 Lac-Mégantic train tragedy. On that terrible night, a train carrying highly flammable oil -- falsely labeled as lightly flammable -- derailed, caught fire and exploded in downtown Lac-Mégantic, causing the death of 47 people, serious injuries to numerous others and severe post-traumatic stress for the population, as well as very extensive property damage.

The purpose of the trial is to determine CP's responsibility in the tragedy. CP, along with World Fuel, the broker that purchased the shale oil from North Dakota companies, and the Irving refinery in New Brunswick that was to receive the oil, were the three main actors in the transaction and the cargo's transportation. The Canadian government was also a key player, because of the deregulation it granted to the rail industry.

The lawsuit alleges that CP knowingly contracted out the transportation of the rail cars for the last leg of the journey to an American company, Montreal, Maine & Atlantic Canada (MMA), in order to save money. MMA was notorious for the dilapidated state of its tracks, which were completely unsuitable for the transportation of such material, as well as for its appalling performance from a health and safety perspective. Through a backroom deal with Transport Canada, MMA was even allowed to operate its trains with only one employee on board. CP claims that its liability with regard to transportation ended once the train left its tracks.



The litigation was instigated through a class action lawsuit on behalf of the victims of the tragedy, by the Quebec government and by insurers. In 2016, as part of the MMA bankruptcy proceedings, the court incorporated the victims' class action lawsuit which resulted in over 20 companies paying out compensation, a portion of which went to the victims in exchange for a guarantee that no subsequent legal action would be taken against them. CP, denying any responsibility in the tragedy, refused to participate in the agreement and to pecuniary compensation. The trial is expected to last approximately seven months.

The Coalition of Citizens and Organizations Committed to Railway Safety in Lac-Mégantic, which has fought tirelessly since the tragedy to ensure the public's safety as well as for rail safety for all communities in Canada, is monitoring the developments in the trial very closely.

"The trial is of great interest to us because we hope to learn the truth about the responsibility of the various actors in this tragedy," Robert Bellefleur, the Coalition's spokesperson, told *Workers' Forum*. "In fact, the Canadian government has, and continues to refuse to hold a public commission of inquiry to get to the bottom of this tragedy."

In its June submission to the hearings on rail safety of the House of Commons' Standing Committee on Transport, Infrastructure and Communities the Coalition reiterated its call for an independent public inquiry into the Lac-Mégantic catastrophe.

The Coalition stated that the inquiry's mandate "would be to shed light on the causes and actors of this tragedy and to make the necessary recommendations to prevent such a catastrophe from ever happening again in Canada."

In a discussion with *Workers' Forum*, Bellefleur also reiterated the Coalition's demand, on behalf of the residents of Lac-Mégantic, that the resumption of oil transportation in the region not be allowed, either on the current rail line or on the bypass route that the federal government has committed to building since the tragedy.

"Since the tragedy, trains loaded with propane gas, sulphuric acid, and other hazardous materials continue to circulate on the same rails, on the same slope and at an eight-degree curve at the very bottom, right in the heart of downtown Lac-Mégantic. In addition, it has not been ruled out that oil may again start to flow through Lac-Mégantic. And the trains are getting longer and heavier. Especially with the current increase in the price of oil, the transport of oil by train becomes more profitable. Rail transportation is more expensive than by pipeline, but with the price of oil going up, there's more room for rail. We're calling for a permanent moratorium on oil transportation through Lac-Mégantic, including through the bypass route," Bellefleur said.

With regard to the bypass, the situation has become even more uncertain since CP purchased the now-defunct MMA rail network in 2019 from the New York-based company that took over MMA's assets following its bankruptcy. This puts CP in a position to be able to impose changes to the original route and design of the infrastructure for this track, which it is to assume ownership of following construction. This could result in cost overruns and new delays, and the terms of the agreement between Transport Canada and CP are shrouded in secrecy.



Lac Mégantic, July 10, 2016.

Shortly before the recent federal election, Robert Bellefleur told the local press:

"I want to remind current Prime Minister Justin Trudeau and his ministers that the bypass project was originally intended primarily to ensure the recovery and safety of the population of the Lac-Mégantic region. This infrastructure project was intended to promote the social healing of a community shattered by the neglect of previous governments and not to gratuitously satisfy the operational needs of a wealthy railway company like CP. Currently, we have no information on the timeline for the completion of the bypass. There's talk about it being completed in 2023, but the land has yet to be acquired and the plans and specifications have not even been drawn up. What we want is transparency."

As they have done since the beginning, Lac-Mégantic residents and activists are calling for the protection of rail safety for the town and region and for all communities in Canada. In particular, they are calling for an end to self-regulation of the rail industry. They are calling upon Transport Canada to play its independent role as the guardian of rail safety for everyone living along rail tracks by exercising control over railway regulations and operations.

Workers' Forum once again expresses its utmost respect for the Lac-Mégantic community and the activists defending rail safety.

Justice for BC Hospitality Workers

Hilton Metrotown Workers' Militant Picket Demands Justice

- Anne Jamieson -

Members of Unite Here! Local 40 organized a lively picket in front of the downtown headquarters of the Canadian Western Bank (CWB) on October 20. This bank has lent money to DSDL, the offshore corporation that owns the Hilton Metrotown hotel in Burnaby where workers have been locked out since April 15. The workers have been locked out since they organized a one day strike to demand the reinstatement of 97 workers who had been laid off,

then terminated, during the pandemic. The response of the hotel was the lockout which has now continued for over six months.



At the start of the pandemic negotiations were underway between DSDL and Unite Here! Local 40 for the renewal of the collective agreement. To date DSDL has rebuffed all attempts by the union to conclude contract negotiations and to extend recall rights for workers laid off due to the pandemic.

Members of Local 40 assembled at the Burrard Skytrain Station at 3:00 pm, before marching across the street and taking position on one side of the CWB building. Union leaflets explaining their position and copies of *Workers' Forum* articles reporting on the hotel workers' actions were distributed. Drummers provided the beat, as some members banged on pots, while about 75 people walked, danced and marched up and down the sidewalk, wearing red signs saying Locked Out, and chanting slogans like *No Justice, No Peace!* Two members of the union carried a large banner saying *Justice for Hotel Workers!* and a large sign *Our Security Lies in Our Fight for the Rights of All!* drew many positive comments.



Besides hotel workers there were members of other unions including the BC General Employees'

Union and the Hospital Employees' Union. There was a contingent of workers on strike at Ledcor and other members of the International Brotherhood of Electrical Workers. Vancouver City councillor Jean Swanson and other supporters also joined in.

DSDL's Ongoing Refusal to Negotiate

In September the union and Hospitality Industrial Relations reached agreement on a new collective agreement and recall rights extended to the end of the pandemic for over a thousand workers in hotels throughout BC. Hilton Metrotown is one of 10 hotels in the province where no contract settlement or agreement on recall rights has yet been reached.

As part of its work to inform the public about their struggle and the criminal activities of DSDL, the union organized a picket at the office of the Canadian Western Bank (CWB) in Vancouver, calling on the bank not to do business with DSDL.

Kevin Malone, a representative of Unite Here! said "the bargaining team is heading into negotiations, and hopes to have results by the weekend. We have sent letters and made many calls to the DSDL asking them politely to end the lockout and rehire the 97 workers, but they have refused to respond." By exposing the criminal past of their employer, he said, and urging the CWB not to do business with this corporation, the union and its members are hitting them in the only place that matters to them. He pointed out that it is a situation of "a rich corporation (the bank) giving money to another rich corporation at the expense of the hotel workers, and it is unacceptable."



He pointed out that much of the money that the CWB is lending to DSDL and other such companies comes from pension funds of unions. This will be an avenue that the union will follow up on, he said, to stop pension funds of union members being invested in such corporations. "We will be back" he said, and "we will have pickets at all the branches of CWB until they agree to drop DSDL." The crowd chanted "We will be back. We will be back!" for several minutes.

A New Direction for the Economy is Needed



In their struggle the workers at the Hilton Metrotown are standing up to not just one corporation but

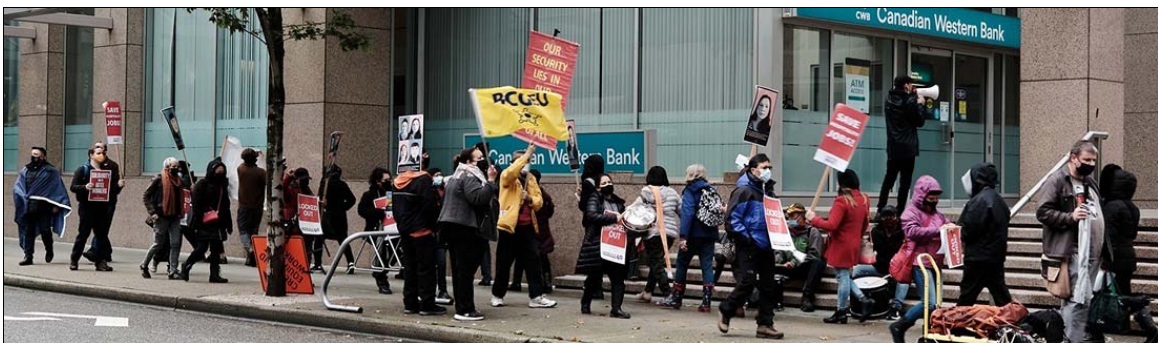
the international financial oligarchy of which DSDL is a part. The international financial oligarchy operates on the basis of paying the rich and on fraud, all at the expense of the working people. The struggle of the Hilton Hotel workers makes this clear for all to see, as do similar struggles of public sector and industrial workers. It is not just one company or corporation that is bad or shady, because they are all interconnected and based on maximum profit at any cost.

Workers Forum wishes the members of Unite Here! success in their upcoming negotiations with DSDL to end the lockout and rehire the 97 terminated workers, and to safeguard decent wages and working conditions for their members. It is evident that the direction of the economy (and those directing it) need to change so that the economy benefits the society and people, and not the insatiable demands of corporate owners. The hotel workers are not backing down and in defending their rights they are defending the rights of all working people.

(Photos: WF, UNITE HERE 40)



Financial Corruption of the Owners of the Hilton Metrotown



In a July 14 press release Unite Here! Local 40 states:

"DSDL is owned by members of the prominent and politically connected Cho family that founded South Korean conglomerate Hyosung Corporation, the world's largest producer of spandex. DSDL's Chairman, Cho Wuk-rai, was indicted for embezzling company funds from a Hyosung subsidiary and later sentenced to prison. He received a pardon the next year.

"DSDL's Chairman was convicted and sentenced to prison again in 2009 for setting up illegal loans between businesses he controlled which eventually led to the bankruptcy of two publicly traded companies. Mr. Cho received a special pardon by South Korea President Lee Myung-bak, to whom Cho is related through marriage. In 2010, the year after Mr. Cho received his second conviction, DSDL bought Hilton Metrotown.

"Hilton Metrotown locked-out staff three months ago. The BC Federation of Labour issued a boycott against the hotel which is losing millions of dollars worth of current and future business as travel restrictions ease. DSDL's hotels in Edmonton are also at risk of a boycott. DSDL's failure to address the financial impact of the lockout should be cause for concern, particularly in light of the firm's corporate history."

In reference to a July 7 letter sent to CWB by the union, the press release states, "The letter asks whether CWB was aware of these convictions or if DSDL ever disclosed this material information to the bank. If CWB was informed, the union questions why the bank approved the loan and whether

they extended loans to DSDL's other Canadian businesses, including three Edmonton hotels acquired in 2017 and another in Quebec City acquired in 2019. [...] UNITE HERE is calling on CWB to undertake a proper due diligence review of DSDL and to re-evaluate whether lending to DSDL is worth the risk."

(To access articles individually click on the black headline.)

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