

The Golden Cushion

CEO compensation in Canada

David Macdonald





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CEO pay: By the numbers

11:17 a.m., January 4

Time on the first workday of the year at which the average top-100 CEO has made as much money as the average Canadian worker will make all year, based on 2019 corporate compensation data. That is an hour later than it took the same group to earn the average Canadian income in our CEO compensation report last year.

202:1

Ratio of average CEO pay to average worker compensation in 2019, representing the third year on record that CEOs made over 200 times the average Canadian income.

\$10.8 million

Average pay of a top-100 CEO in 2019, a million less than it was in 2018.

\$53,482

Average individual income in Canada in 2019, up from \$52,061 the year before.

4

Number of Pauls *and* number of women on this year's top-100 CEO list.

Half

Rough proportion of top-100 CEOs who will likely see a raise in 2020 (14) or retain their full compensation (36) due to the stock market boom during the pandemic. It is also the proportion of workers making \$17 an hour or less who lost their jobs or the majority of their hours in April and May of 2020.

\$500

Weekly income of people receiving government support due to pandemic job or income loss.

\$207,787

Average weekly income of a top-100 CEO in 2019.

36

At time of writing, number of top-100 CEOs in 2019 whose companies (subsidiaries and franchises) received government support for their payroll in 2020 through the Canada Emergency Wage Subsidy (CEWS).

Introduction

MOST OF US will be happy to see the back of 2020. For a great many lower-income workers, however, the hardships of the COVID-19 pandemic—beginning with massive layoffs and cuts to working hours in April and May, followed by persistently weak rehiring ever since—will continue to plague them in the New Year. Most higher-income workers, on the other hand, have seen a complete recovery from whatever modest losses they experienced up to July 2020, and many may be enjoying the new comforts of working from home.

At the very top of the income spectrum, Canada's highest paid CEOs and other corporate executives have been sitting out the pandemic atop a golden cushion. In my last assessment of CEO pay, *Fail Safe*, I calculated that Canada's highest-paid 100 CEOs made, on average, a record 227 times the average Canadian income in 2018. While this ratio dropped somewhat in 2019, as I explore below, the trend continues to be toward ever-greater levels of income inequality—vast disparities that seem to have no positive effect on company performance, yet quite a few measurable negative effects on society.¹

This report looks at CEO pay among Canada's top-paid chief executive officers in 2019, based on company proxy circulars filed in 2020, and compares this to average incomes in the rest of the population in 2019. Though this same data is not yet available for 2020, I also estimate, based on company share performance in 2020, whether the top-100 CEOs are likely to have seen their bonus-based pay increase, decrease or stay the same compared to last year.

Proving that we really are not all in this together, a soaring stock market in the latter half of 2020 will likely not only keep CEO pay afloat but potentially increase it over 2019 levels. I conclude this report with some recommendations for eliminating executive tax benefits such as the capital gains and stock option deductions, introducing new marginal tax rates on extreme incomes, and ensuring companies who received COVID-related wage supports do not funnel this public money into CEO bonuses.

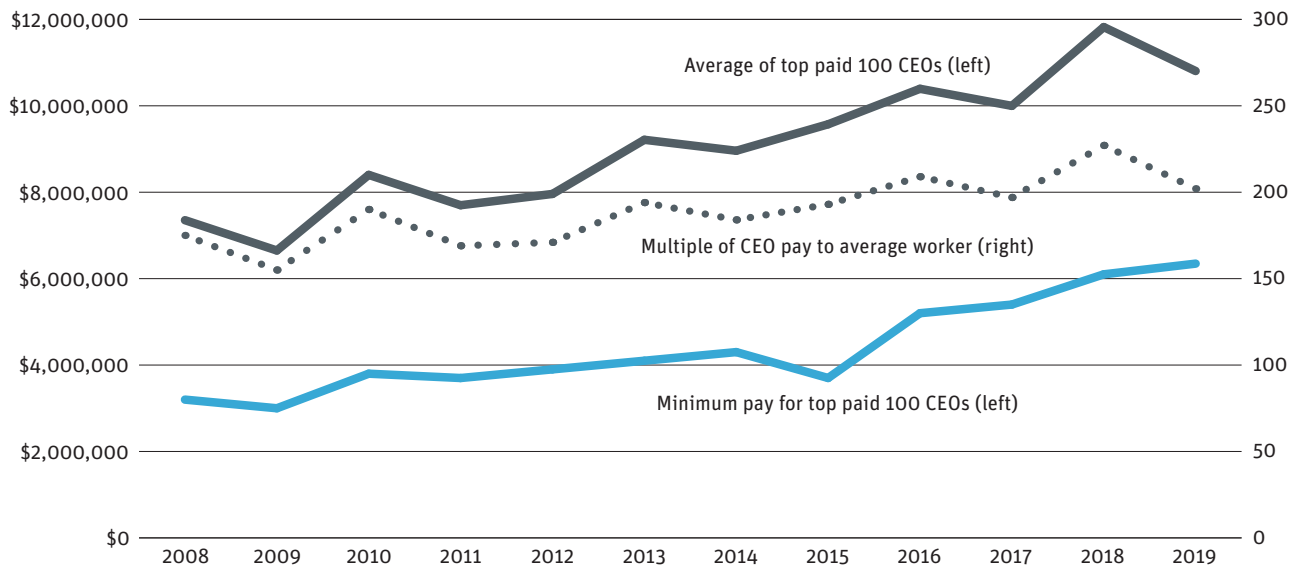
CEO compensation in Canada

IN 2019, CANADA'S 100 highest paid CEOs made 202 times what the average worker made that year. This is the third time in our data series that the ratio of CEO to average worker pay is above 200:1, but it is down slightly from a high of 227:1 in 2018. 2016 was the other year it topped 200:1.

We can express this gross disparity in pay more concretely as a factor of time, not money. That is, by 11:17 a.m. on January 4, the first working day of the year, the average top-100 CEO in Canada will have already pocketed what the average worker needs to work all year to earn. Even more to the point, average top-100 CEO pay in 2019 was \$10.8 million, while the average Canadian income was \$53,482.

The decline in average top-100 CEO pay between 2018's record high (\$11.8 million) and 2019 (\$10.8 million) is largely accounted for by several CEOs receiving extremely high compensation packages in 2018. Massive golden parachute payouts for retiring executives can create volatility in pay trends at the top. However, for a sign the trend is still firmly skyward, we can look at the "entry fee" for getting into this report: in 2019, a CEO needed to have made \$6.3 million just to squeak onto the bottom of the top-100 list, up from \$6.1 million in 2018.

FIGURE 1 Average and minimum CEO pay (left axis) and ratio of CEO to worker pay (right axis)



Source: Company circulars and author's calculations.

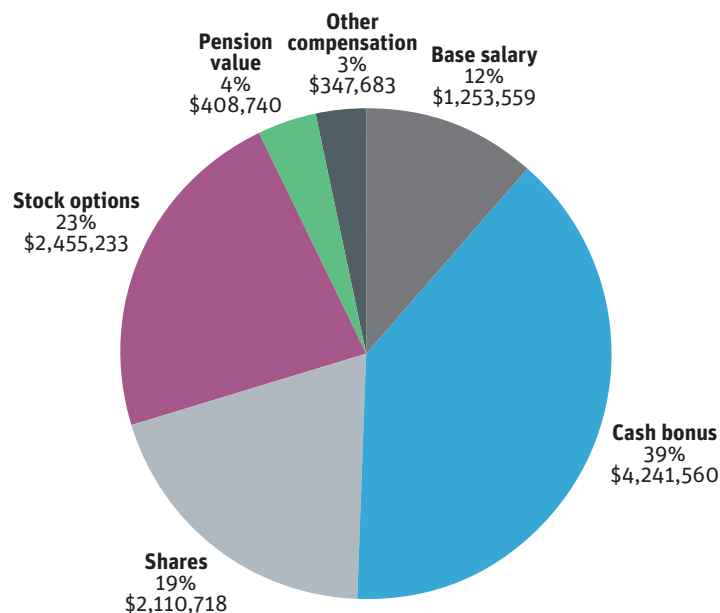
Canada's top paid CEOs are paid very differently from most workers. Ordinary workers get wages or salaries. Some may get a bonus at the end of a year, but it will be small compared to their annual salary or wages. For the highest paid CEOs, annual compensation works in exactly the opposite way.

Most executive compensation comes from "variable pay" or various forms of bonuses. These bonuses can be paid in cash, a process some ordinary workers might be familiar with. But CEOs are also often paid in shares of their company (instead of in cash), or they are given the right to buy shares in the company in the future based on a price that is set in advance.

In 2019, only 12% of top-100 CEO pay came in the form of a salary while 82% of it came in some form of a bonus. Most of these bonuses (\$4.2 million on average) were paid in cash. Another \$2.5 million, on average, was paid in options to buy shares in the future, and a further \$2.1 million was paid in shares (instead of cash). There are considerable tax benefits to being paid in either stock options or in stock compared to cash.

When stock options are exercised, CEOs pay half the tax on their profits that they would have paid if they had received the same value in cash. This gives executives a 50% off coupon on their taxes for this type of compensation. Since the 2015 election, the federal government has been promising

FIGURE 2 Pay breakdown of the 100 highest paid CEOs



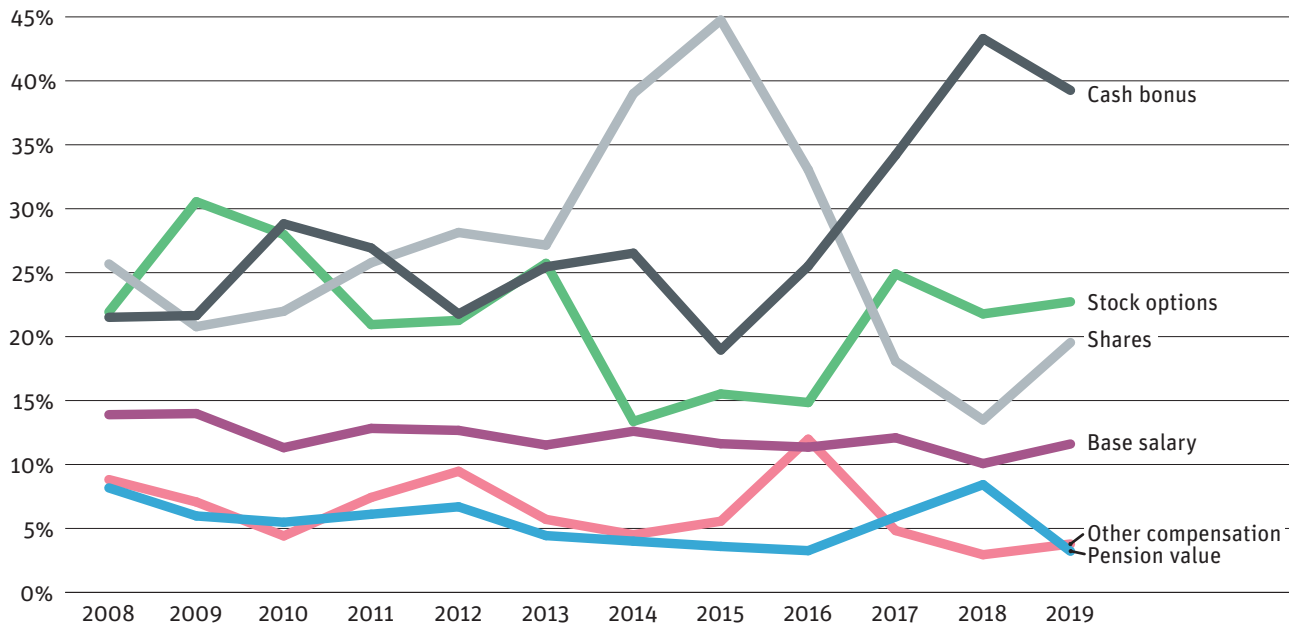
Source 2019 company reports and author's calculations.

that this 50% off coupon will be revoked. However, the government's plan at the time of writing is not to eliminate the stock option deduction entirely, but rather to create an annual limit of \$200,000 above which it no longer applies.² This new cap is set to come into place in July 2021.

Had the proposed stock option deduction limit been in place in 2019, 69 of the 100 top paid CEOs on our list would have hit the limit and therefore would have paid taxes on their options-based income as if had been cash.³ The new cap won't impact 2020 stock options, and in 2021, CEOs may request to have their options-based compensation awarded prior to July, which could boost stock awards that year.

Paying CEOs directly in stock, instead of in money or options to buy stock, incurs taxes at the usual rate. The tax benefit of this type of compensation comes in the form of Canada's generous capital gains inclusion rate. Much like with options-based pay, income derived from gains on stock after it is granted as income are taxed at 50% the rate of regular working income. In 2015, 45% of CEO pay was in the form of company shares, though this percentage has declined quite a bit since then (see *Figure 3*).

FIGURE 3 Top-100 CEO compensation, by type



Source: Company reports and author's calculations.

Interestingly, straight cash bonuses have grown considerably as a share of total CEO income since 2015. This type of payment offers no particular tax advantage, as cash bonuses are taxed in the same way as salaried income. But it does offer more flexibility to executives, who can do with that money what they want.

CEO pay in 2020

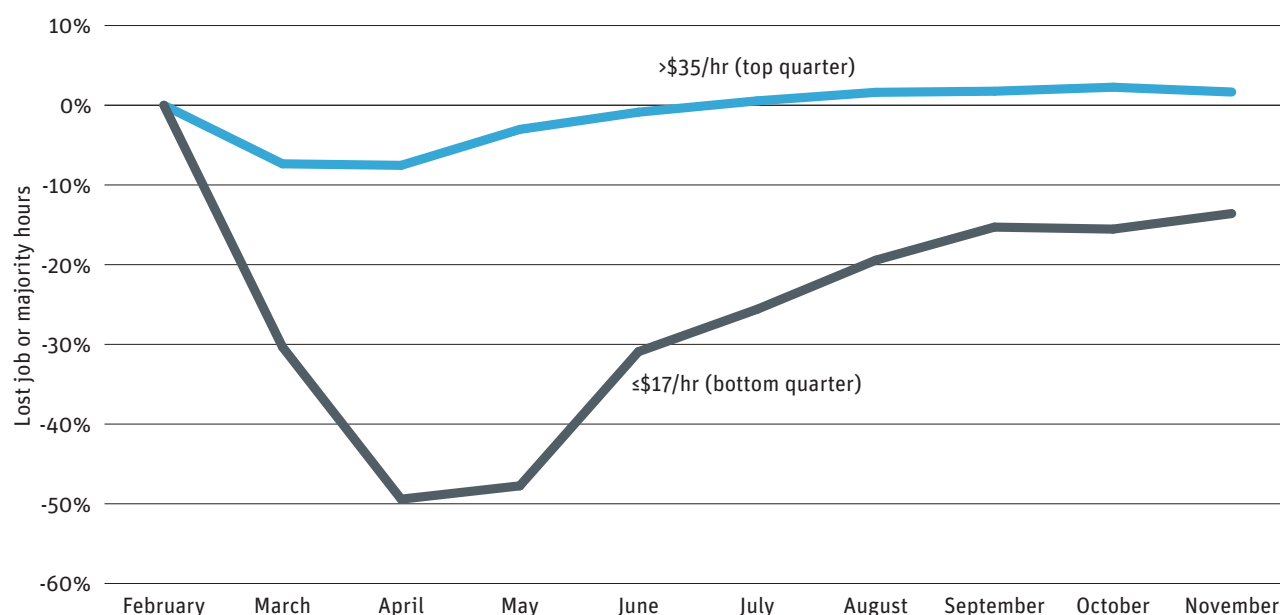
THE ANALYSIS ABOVE is based on 2019 CEO pay data, usually with the year ending December 31, 2019.⁴ Companies won't report their 2020 amounts until the spring of 2021. Generally, CEOs have no idea what they will be paid until later in the year, unlike most workers, whose employers can estimate down the penny how much they'll be paid. This is because CEO pay is based almost entirely on bonuses related to the company's performance, generally measured by its stock price.

That said, the relationship between a company's stock price and its CEO's bonus in any given year is not always clear. Different portions of CEO bonuses are based on different time frames of stock performance. The various formulas are put in place at the start of the year, and only well after that year is finished does a company calculate what they will have to pay their CEO.

Given the ambiguous link between CEO pay and the stock price of their company, it is only possible to roughly estimate the chance a top-100 CEO will receive a higher or lower bonus at the end of 2020 than the end of 2019. I attempt to do that here based on the following simple, though admittedly rough, rules:

1. If the change in a company's stock price in 2020 was at least 15% higher than the stock's change in 2019, then CEOs will likely see bonuses that increase their total compensation over 2019 levels.

FIGURE 4 Top and bottom quartiles of workers by hourly wage, February–November 2020



Source Labour Force Survey PUMF. Includes change in employed or working majority of usual hours. Seasonally adjusted by removing average change in each category since February, in each of past three years. Excludes self-employed.

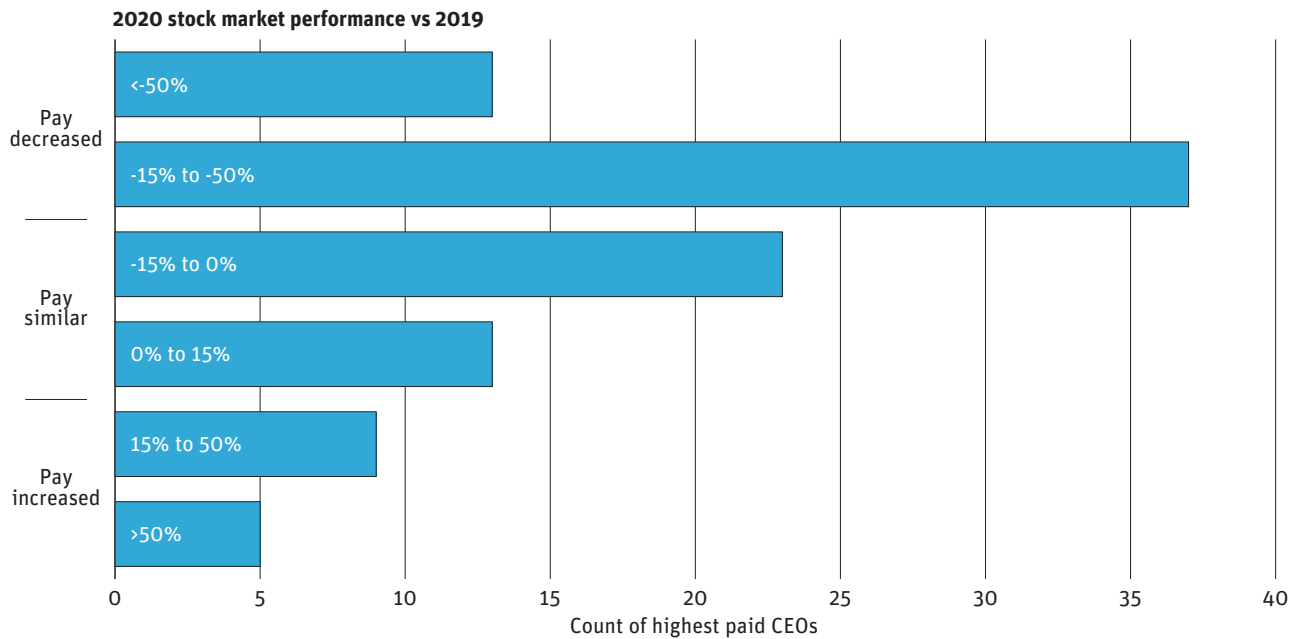
2. If, on the other hand, a company's share price performance was at least 15% worse in 2020 than in 2019, the CEO will likely see their bonuses and total compensation decrease from 2019 levels.
3. If the stock price change in 2020 is similar to 2019 (i.e., within +/-15%), we assume CEO pay to be similar.

Despite the worst public health crisis in modern history, by December 11, 2020, the S&P/TSX Composite Index, which tracks the shares prices of the companies from which our CEO list is drawn, was up 3% from its December 31, 2019 level.⁵ This rapid stock market recovery has boosted the fortunes of the already wealthy and those whose incomes are based on share values.⁶

Meanwhile, half of those workers who make less than \$17 an hour saw their jobs or most of their hours disappear in April and May of 2020. It should be noted that many of these workers were already struggling before the pandemic, so much so that the federal government's COVID-related income supports increased household income by 11% in the latter part of 2020.⁷

While the worst of the job losses for the lowest-paid workers seems to have passed, there are roughly 15% fewer people working in that hourly wage range than before the pandemic (see *Figure 4*). On the other hand, workers

FIGURE 5 Estimated impact of COVID-19 on CEO income



Source Company reports, Google Finance.

with the highest wages had fully recovered by July. By November 2020, levels of employment among the best-paid workers were actually slightly higher than they had been prior to the pandemic.

Despite the continuing struggles of low-paid workers, roughly half of Canada's highest paid CEOs will get similar or even better pay in 2020 compared to 2019. By my rough calculation, 14 of the top paid CEOs in 2019 will likely see their pay increase, 36 will likely see similar pay in 2020, and 50 will likely see their pay fall as the change in their company's stock price in 2020 was at least 15% smaller than the change in 2019.

The reason the stock market is up and that many sectors of the economy have stabilized is simple. It has to do with historic levels of government assistance. Individual support for the jobless came in the form of the Canada Emergency Response Benefit (CERB) and a beefed up employment insurance system. In the corporate world, the Canada Emergency Wage Subsidy (CEWS) paid up to 75% of qualifying company payrolls.

Among the 100 top paid CEOs, 36 took advantage of the CEWS program, thereby getting the federal government to cover their company's payroll (including subsidiaries and franchises). Of those 36 CEOs three have so far

elected to waive their salaries in 2020—salaries that make up, on average, only 12% of total CEO compensation. These and other CEWS-recipient CEOs will still be expecting, and will almost certainly get, bonuses in the millions of dollars in 2020.

Federal Finance Minister Chrystia Freeland has said the CEWS should not be used to pad executive bonuses.⁸ However, without restrictions, it is highly likely that this will happen. Under similar programs in the Netherlands and Spain, companies don't qualify for payroll support if they pay out executive bonuses or dividends to shareholders.⁹

Recommendations

THE CEWS PAYROLL support has been modified several times since its inception to better target support and extend coverage. The federal government should immediately follow the example of Spain, the Netherlands and other countries by tweaking the CEWS to restrict it to those companies that are not paying out executive bonuses. The **government should also take action to exclude companies that substantially increase executive salaries** as well. Otherwise, CEOs may simply convert their bonuses into salary boosts for the year, bypassing the restriction.

In future years, governments will need new revenue streams to help close deficits caused by COVID-19. The limits on the stock option deduction will lead to higher government revenues in 2022, as CEOs and other executives will likely award stock options prior to the July 1 deadline when the changes in tax treatment kick in.

However, the 50% off coupon on capital gains, created when a stock goes up in value, remains. There is nothing magical about the 50% rate (it was set at 25% in the 1990s). It seems only fair that whether a person earns an income working or when they sell stock, the tax system should treat that individual income the same. **Governments should eliminate the capital gains inclusion rate and replace it with a simple inflation adjustment.** This would disproportionately target the highest income earners who are far more likely to hold substantial amounts of stock.

CEOs also receive a tremendous amount each year in straight cash bonuses. In light of this fact, consideration should be given to **introducing new top**

marginal tax rates. These higher marginal tax brackets would apply not only to cash bonuses and salaries, but also to bonuses comprised of stock and stock options.

Ultimately, CEOs were doing well going into the pandemic and many will still be doing well coming out of it. Some will be even better off, largely as a result of massive government support.

Methodology

DATA FOR THIS report are from the mandatory disclosure of pay for the Named Executive Officers (NEO) of public Canadian companies, generally the five highest paid people in a company. Proxy circulars from companies on the S&P/TSX Composite Index in June 2019 were reviewed with the highest paid included in the top-100 list. The report considers CEOs, but also other executive positions, which may include the CEOs of subsidiaries that are NEOs. It may also include presidents, founders and so on who are NEOs. The list does not include chief operating or chief financial officers, of which there are several that would otherwise make the list.

Companies often report in U.S. dollars. In these cases, amounts are converted into Canadian dollars at a rate of 1.3269 as per the Bank of Canada's average annual exchange rates in 2019.¹⁰ If NEOs are paid in Canadian or U.S. dollars and their pay was converted to the opposite currency for reporting purposes, and the conversion was simple and consistent, then amounts were converted back to the original currency using the exchange rate from the company report and not the Bank of Canada average above.

TABLE 1 Canada's highest paid 100 CEOs, 2019

● Companies highlighted in green reported receiving Canada Emergency Wage Subsidy (CEWS)

Name	Company	Position	Salary	Share-based Awards	Option-based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total Compensation 2019
José Cil*	Restaurant Brands Intl Inc	CEO and Former President, Burger King	1,030,899	24,861,135	-	1,511,632	-	78,741	27,482,409
Donald J. Walker*	Magna International Inc	Chief Executive Officer	431,243	9,474,066	6,316,044	7,689,386	-	246,803	24,157,541
D. Mark Bristow*	Barrick Gold Corp	President and Chief Executive Officer	2,388,420	11,989,933	-	7,165,260	1,433,052	69,913	23,046,578
Joseph C. Papa*	Bausch Health Companies Inc	Chief Executive Officer	1,990,350	13,649,335	2,653,797	4,299,156	-	152,612	22,745,250
Geoffrey T. Martin*	CCL Industries	President and Chief Executive Officer	1,576,800	14,615,737	1,665,861	1,446,109	454,618	-	19,759,124
James C. Smith*	Thomson-Reuters Corp	Former President and Chief Executive Officer	2,123,040	8,757,555	2,919,180	5,280,850	(127,382)	51,953	19,005,195
Irwin D. Simon*	Aphria Inc	Chief Executive Officer	2,556,971	11,955,963	-	3,921,309	-	-	18,434,244
Al Monaco	Enbridge Inc	President & Chief Executive Officer	1,592,878	6,129,560	3,327,732	3,687,712	3,195,000	60,502	17,993,384
Sachin Shah	Brookfield Renewable Partners	Chief Executive Officer of the Service Provider	600,000	16,397,108	-	300,000	-	39,861	17,336,969
Doug Suttles*	Ovintiv Inc (formerly Encana)	Chief Executive Officer	1,459,590	9,727,840	3,242,617	1,882,871	-	366,738	16,679,656
Chuck Magro*	Nutrien Ltd	CEO	1,673,204	6,144,301	5,441,955	2,328,430	683,108	137,818	16,408,816
Keith E. Creel*	Canadian Pacific Railway Ltd	President and Chief Executive Officer	1,537,866	5,870,208	3,642,061	2,978,994	566,343	554,929	15,150,402
Jim Nikopoulos*	ECN Capital Corp	Former President	399,462	2,827,956	-	936,372	-	10,959,379	15,123,169
Michael Gorenstein	Cronos Group Inc	CEO	422,663	-	14,589,642	-	-	19,915	15,032,220
Roy Gori	Manulife Financial Corp	President and CEO	1,461,167	5,175,576	2,218,104	4,902,130	813,100	125,472	14,695,549
Gerald W. Schwartz*	Onex Corp	Chief Executive Officer	1,724,970	-	6,711,103	6,113,448	-	-	14,549,521
Serge Godin	CGI Group Inc	Founder and Executive Chairman of the Board	1,375,000	10,070,801	-	2,612,500	-	55,548	14,113,849
Tobias Lütke*	Shopify Inc.	CEO	817,264	-	13,269,042	-	-	-	14,086,307
L. Scott Thompson	Finning International Inc	President and Chief Executive Officer	993,429	11,000,000	750,000	850,928	224,166	71,521	13,890,044
David McKay	Royal Bank Of Canada	President and chief executive officer	1,500,000	6,930,000	1,732,500	2,607,800	877,000	46,603	13,693,903
Russell Girling	TC Energy Corporation	President & CEO	1,412,508	5,160,000	3,440,000	2,492,114	922,000	14,125	13,440,747
Darren Entwistle	Telus Corp	President and Chief Executive Officer (CEO)	1,375,000	9,977,765	-	727,765	711,000	129,334	12,920,864
Calin Rovinescu	Air Canada	President and Chief Executive Officer	1,400,000	3,550,000	3,550,000	3,496,500	875,400	-	12,871,900
N. Murray Edwards	Canadian Natural Resources Ltd	Executive Chair	1	-	2,047,500	10,773,000	-	-	12,819,901
Alexandre Macedo	Restaurant Brands Intl Inc	Former President Tim Hortons	782,170	11,553,319	-	-	-	349,272	12,684,761
Bharat Masrani	Toronto Dominion Bank	Group President and Chief Executive Officer, TD Bank Group	1,435,097	5,461,170	2,689,841	2,025,000	907,300	118,161	12,636,569
George A. Cope	BCE Inc	President and CEO BCE and Bell Canada (now former)	1,400,000	5,156,250	1,718,750	3,462,900	704,195	193,666	12,635,761
Brian J. Porter	Bank Of Nova Scotia	President and Chief Executive Officer	1,300,000	5,587,200	1,396,800	2,328,000	2,018,000	3,496	12,633,496

Name	Company	Position	Salary	Share-based Awards	Option-based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total Compensation 2019
R. Jeffrey Orr	Power Financial Corp	President and Chief Executive Officer	4,776,000	2,827,515	2,546,246	-	1,861,000	534,034	12,544,797
Linda Hasenfratz	Linamar Corp	Chief Executive Officer	649,350	2,345,500	-	8,559,180	3,500	875,796	12,433,326
Robert A. Mionis*	Celestica Inc	President and Chief Executive Officer	1,260,555	9,553,680	-	508,948	174,952	917,358	12,415,493
Sean Boyd	Agnico-Eagle Mines Ltd	Vice-Chairman and Chief Executive Officer	1,750,000	5,497,999	-	4,500,000	528,130	25,648	12,301,778
Bradley S. Shaw	Shaw Communications Inc	Chief Executive Officer	2,000,000	1,766,453	127,715	5,465,813	1,420,230	1,206,710	11,986,921
Mark S. Little	Suncor Energy Inc	President and Chief Executive Officer	1,145,769	3,574,991	3,560,807	1,700,000	1,651,100	86,017	11,718,684
Joe Natale	Rogers Communications	President and Chief Executive Officer	1,305,894	4,000,192	4,000,031	1,500,000	683,100	214,733	11,703,950
Darryl White	Bank Of Montreal	Chief Executive Officer	1,000,000	4,700,000	1,410,000	2,350,000	1,386,790	3,000	10,849,790
Alain Bédard	TFI International	CEO	1,857,660	2,129,807	2,129,807	3,790,453	839,600	82,995	10,830,322
Mark J. Barrechea*	Open Text Corp	Vice Chair, Chief Executive Officer and Chief Technology Officer	1,260,555	4,901,481	1,868,010	2,694,436	-	22,975	10,747,457
Rod N. Baker	Great Canadian Gaming Corp	President and Chief Executive Officer	880,769	-	9,218,371	528,462	13,615	1,855	10,643,072
George D. Schindler*	CGI Group Inc	President and Chief Executive Officer	1,398,559	3,250,352	3,265,385	2,333,226	3,317	101,148	10,351,986
Barry V. Perry	Fortis Inc	President and Chief Executive Officer	1,300,000	4,095,000	1,365,000	2,614,000	365,190	439,952	10,179,142
Alain Bellemare*	Bombardier Inc	Former President and Chief Executive Officer	1,445,127	3,493,728	3,493,728	-	27,201	1,652,919	10,112,703
Frank Hasenfratz	Linamar Corp	Executive Chairman of the Board	446,064	-	-	8,542,046	-	898,144	9,886,254
Ajay Virmani	Cargojet Inc	Founder, President & Chief Executive Officer	975,000	3,412,500	243,750	3,656,250	1,234,230	211,200	9,732,930
Stephen Wetmore	Canadian Tire Corp	President and CEO	1,500,000	4,499,905	-	3,366,000	-	322,123	9,688,028
Dean A. Connor	Sun Life Financial Inc	President & Chief Executive Officer	1,142,308	4,687,504	1,562,503	1,810,000	433,077	11,233	9,646,625
Steven W. Williams	Suncor Energy Inc	Former Chief Executive Officer	771,538	4,999,913	3,179,770	1,000,000	(387,100)	51,144	9,615,265
Brian Hannasch*	Alimentation Couche-Tard Inc	President and Chief Executive Officer	1,869,901	3,457,956	1,494,976	1,896,405	775,915	-	9,495,153
Glenn J. Chamandy*	Gildan Activewear Inc	President and CEO	1,592,280	7,165,220	-	477,684	80,885	151,235	9,467,304
Bruce Linton	Canopy Growth Corp	Former Director, Co-CEO and Chair	318,000	-	8,556,232	450,000	-	3,568	9,327,800
Galen G. Weston	George Weston Ltd	Chairman and CEO of the Corporation	1,200,000	3,399,988	2,600,004	1,963,872	-	156,747	9,320,611
Jim Jarrell	Linamar Corp	President & Chief Operating Officer	509,592	-	2,427,875	5,712,782	3,500	629,372	9,283,121
Tony Giardini*	Ivanhoe Mines Ltd	Former President	574,990	1,672,967	6,537,628	431,243	-	3,587	9,220,414
Jay Mehr	Shaw Communications Inc	President	1,320,000	810,739	106,429	3,242,954	3,682,230	26,050	9,188,402
Donald R. Lindsay	Teck Resources Ltd	President and CEO	1,644,300	2,575,500	2,567,100	1,841,300	539,000	-	9,167,200
Charles Brindamour	Intact Financial Corp	Chief Executive Officer	1,260,285	5,674,500	-	1,821,849	363,300	-	9,119,934
Alexander J. Pourbaix	Cenovus Energy Inc	President & Chief Executive Officer	1,000,000	2,874,994	2,874,998	2,090,000	112,000	94,325	9,046,317
Victor Dodig	Canadian Imperial Bank of Commerce	CEO	1,000,000	4,806,240	1,201,560	1,501,950	505,000	2,250	9,017,000

Name	Company	Position	Salary	Share-based Awards	Option-based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total Compensation 2019
Jean-Jacques Ruest	Canadian National Railway Co	President and Chief Executive Officer	995,175	5,516,472	2,753,780	-	(351,000)	26,120	8,940,547
Paul Rollinson	Kinross Gold Corp	President and CEO (SLT)	1,400,000	4,340,000	-	2,255,399	630,000	306,471	8,931,872
Peter Marrone*	Yamana Gold Inc	Executive Chairman	2,099,610	2,834,473	-	2,880,336	746,992	319,285	8,880,696
Sebastien St- Louis	Hexo Corp	Chief Executive Officer	486,212	-	8,363,731	-	-	-	8,849,993
Paul Desmarais Jr.	Power Corp of Canada	Chairman and Co-Chief Executive Officer	1,250,000	343,750	4,543,694	2,000,000	54,000	583,535	8,774,979
Bruce Flatt*	Brookfield Asset Management Inc	Managing Partner and CEO	995,175	-	7,663,445	-	-	70,907	8,729,526
André Desmarais	Power Corp of Canada	Deputy Chairman, President and Co-Chief Executive Officer	1,250,000	343,750	4,543,694	2,000,000	(287,000)	573,534	8,423,978
Louis Vachon	National Bank Canada	President and Chief Executive Officer	1,125,015	3,375,000	1,687,531	1,451,250	751,000	4,074	8,393,870
José Boisjoli	BRP Inc	President and CEO	1,099,106	-	4,611,620	1,799,786	861,000	1,308	8,372,820
JR Shaw	Shaw Communications Inc	Executive Chair	1,200,000	-	-	6,800,000	-	209,160	8,209,160
Tim S. McKay	Canadian Natural Resources Ltd	President and CEO	608,940	-	1,438,125	6,011,698	-	116,204	8,174,967
R.M. Kruger*	Imperial Oil Ltd	Chairman and chief executive officer	1,257,901	3,205,621	-	959,347	(460,858)	3,125,918	8,087,928
Michael Dilger	Pembina Pipeline Corp	President and CEO	1,133,333	2,760,000	1,840,000	1,817,000	374,388	73,512	7,998,233
Randall Crawford	Altgas Ltd	President & CEO	1,193,725	2,192,242	1,191,175	2,388,420	832,714	43,318	7,841,594
John Floren	Methanex Corp	President & CEO	1,234,625	2,400,330	2,396,006	1,035,000	298,779	312,844	7,677,584
Jeffrey R. Carney	IGM Financial Inc	President and Chief Executive Officer, IGM Financial Inc. President and Chief Executive Officer, IG Wealth Management	1,267,000	1,183,625	1,108,596	3,609,090	319,030	152,048	7,639,389
Paul A. Mahon	Great-West Lifeco Inc	President and Chief Executive Officer of Lifeco and Canada Life	1,252,800	2,924,748	1,853,868	1,670,852	(309,956)	239,370	7,631,682
Steven K. Hudson*	ECN Capital Corp	Chief Executive Officer	1,374,171	3,060,163	-	3,184,560	-	-	7,618,894
Robert J. Peabody	Husky Energy Inc	President & Chief Executive Officer	1,614,500	3,572,474	838,556	1,053,000	177,595	179,944	7,436,069
Marc Parent	CAE Inc	President and Chief Executive Officer	1,039,683	2,930,078	1,254,825	1,684,700	308,000	206,175	7,423,461
Clive Johnson	B2Gold Corp	President and CEO	1,200,000	5,000,000	-	1,200,000	-	19,701	7,419,701
John L. Thornton*	Barrick Gold Corp	Executive Chairman	3,317,250	-	-	3,323,471	497,588	228,183	7,366,491
Philip K. R. Pascall*	First Quantum Minerals Ltd	Chairman, Chief Executive Officer	1,625,453	1,990,350	1,990,350	1,724,970	-	3,389	7,334,511
Sébastien de Montessus*	Endeavour Mining Corp	Director, CEO and President	1,260,555	3,667,207	-	1,602,232	-	621,000	7,150,993
Alexandre L'Heureux	WSP Global Inc	President and CEO	1,250,000	2,890,788	1,125,000	1,363,735	-	403,753	7,033,275
Tim Gitzel	Cameco Corp	President and Chief Executive Officer	1,060,900	2,259,960	1,506,438	1,706,000	491,500	-	7,024,798
Neil Bruce	SNC-Lavalin Group Inc	former President and CEO	1,289,457	4,173,595	-	669,744	-	890,701	7,023,497
Mike McAllister*	Ovintiv Inc (formerly Encana)	President	704,628	2,857,636	1,131,625	740,601	1,446,641	85,070	6,966,201
William T. Yardley*	Enbridge Inc	Executive Vice President & President, Gas Transmission & Midstream	749,078	3,917,712	1,094,661	785,581	359,585	33,762	6,940,783
François Olivier	Transcontinental Inc	President and Chief Executive Officer	1,060,800	3,196,197	-	1,860,455	190,627	575,545	6,883,624

Name	Company	Position	Salary	Share-based Awards	Option-based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total Compensation 2019
Daniel Racine*	Yamana Gold Inc	President and Chief Executive Officer	1,326,900	2,388,420	-	2,427,066	563,095	142,748	6,848,229
M.H. McCain	Maple Leaf Foods Inc	President and Chief Executive Officer	1,167,150	2,370,273	2,369,757	621,042	323,521	-	6,847,093
Gary Berman	Tricon Capital Group Inc	President & Chief Executive Officer	825,262	2,426,695	-	3,574,366	-	18,575	6,844,899
Paul Dalla Lana	NorthWest Healthcare Properties REIT	Chief Executive Officer	-	-	-	6,795,576	-	-	6,795,576
Dawn L. Farrell	Transalta Corp	President and Chief Executive Officer	1,000,000	2,240,000	560,000	1,500,000	1,375,300	84,714	6,760,014
Barry McInerney	IGM Financial Inc	President and Chief Executive Officer, Mackenzie Investments	1,056,000	918,720	612,419	2,393,920	234,330	1,524,319	6,739,708
Scott Balfour	Emera Inc	President and Chief Executive Officer	1,000,000	2,925,155	974,864	1,142,000	643,000	39,422	6,724,441
Sarah R. Davis	George Weston Ltd	President of Loblaw	1,000,000	2,666,706	1,333,338	1,593,000	42,500	78,861	6,714,405
Kevin A. Neveu	Precision Drilling Corp	President and CEO	1,061,360	3,769,285	419,533	1,201,460	-	189,592	6,641,230
Dan Barclay	Bank Of Montreal	Chief Executive Officer & Group Head, BMO Capital Markets	600,000	4,725,000	1,175,000	-	5,500	3,000	6,508,500
Scott Shaw*	ECN Capital Corp	CEO, Kessler Financial Services, LLC	796,140	2,189,385	-	2,786,490	-	696,623	6,468,638
Marianne Harrison*	Manulife Financial Corp	President and CEO, John Hancock	959,939	2,402,765	1,029,757	1,742,112	199,485	13,128	6,347,186

* converted from USD

Notes

1 See, for example, Lars Osberg, “What’s So Bad About Increasing Inequality In Canada?,” in David A. Green, W. Craig Riddell and Frances St-Hilaire (eds.), *Income Inequality: The Canadian Story*, Vol. 5, Institute for Research on Public Policy, posted December 19, 2019: <https://irpp.org/research-studies/whats-so-bad-about-increasing-inequality-in-canada/>.

2 Department of Finance, “Supporting Canadians and fighting COVID-19,” Fall Economic Statement 2020, November 30, 2020, pp. 113–114: <https://www.budget.gc.ca/fes-eea/2020/report-rapport/toc-tdm-en.html>.

3 Valuation methods for the stock options differ between the deduction limit and the way companies report their value. The 2020 fall fiscal update states: “This limit will be based on the fair market value of the shares underlying the options, at the time the options are granted.” In company reports, stock options are valued at the time of granting (as with the fall fiscal update) but based on the implicit value of the options generally using the Black-Scholes pricing model. These would result in different valuations.

4 NEO reporting sometimes differs from a December 31 end date depending on reporting preference and a company’s fiscal year.

5 See S&P/TSX Composite Index at TMX Money: <https://money.tmx.com/en/quote/%5ETSX>. The S&P/TSX Composite was higher in late February 2020, hitting 17,944 prior to the March crash.

6 Alex Hemingway and Michal Rozworski, “Canadian billionaires’ wealth skyrocketing amid the pandemic,” CCPA-BC Policy Note, September 16, 2020: <https://www.policynote.ca/billionaires-wealth/>.

7 Jesse Snyder, “Canada’s ‘generous’ COVID-19 income supports vastly outpaced other developed nations: OECD,” National Post, November 14, 2020: <https://nationalpost.com/news/canadas-generous-covid-19-income-supports-vastly-outpaced-other-developed-nations-oecd-report>.

8 Elizabeth Thompson, “Ottawa’s COVID-19 wage subsidy for salaries—not dividends says Freeland,” CBC News, December 9, 2020: <https://www.cbc.ca/news/politics/covid-big-spend-finance-1.5833774>.

9 Victor Ferreira and Kevin Carmichael, “FP Investigation: AS CEWS flowed in, dividends flowed out,” *Financial Post*, December 7, 2020: <https://financialpost.com/investing/fp-investigation-as-cews-flowed-in-dividends-flowed-out>

10 Bank of Canada, Annual Exchange Rates: <https://www.bankofcanada.ca/rates/exchange/annual-average-exchange-rates/>.



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