COALITION OF BC BUSINESSES

NEWS RELEASE

For Immediate Release

Business community supports elimination of mandatory retirement

Bill 31's legislative changes are consistent with Coalition of BC Businesses' recommendations

Vancouver, BC (April 26, 2007) – The Coalition of BC Businesses today voiced its support for Bill 31 and the conditional elimination of mandatory retirement in British Columbia. The legislative changes are largely consistent with the Coalition's recommendations to government this year namely that the right of employees to continue working after the age 65 does not increase costs to BC employers.

"Older persons who wish to continue their working careers should be allowed to do so provided they can meet the job requirements," said John Winter, Chair of the Coalition of BC Businesses. "The Coalition supports Bill 31 also because it protects employers of small and medium-sized businesses from the obligation of incurring extra costs associated with the end of mandatory retirement."

Winter noted that the timing of Bill 31 is fortuitous. The BC economy is booming but the province is aging. The number of British Columbians over the age of 65 is expected to double in the next 25 years.

"The challenge of BC's labour and skills shortage could find some relief in the elimination of mandatory retirement," Winter said. "Employers, trade unions and the government will need to identify proactive solutions for skills updating of older employees if they are to remain competitive and productive in the work force."

The Coalition's report to government <u>Elimination of Mandatory Retirement in BC</u> proposed the following recommendations consistent with Bill 31:

- 1. Mandatory retirement legislation should not be retroactive.
- 2. There should be a "notice period" of one year prior to implementation. (Bill 31 allows for an 8-month notice period).
- The elimination of mandatory retirement should not oblige employers to incur extra costs of employment. Employers should be exempted from continuing group benefit plans for employees over the age of 65.

For more on the Coalition's report: www.coalitionbcbusiness.ca/pdf/MandRetireSubmissionMar 07.pdf

The Coalition of BC Businesses represents the voice of over 50,000 small and medium-sized businesses in the development of British Columbia's labour and employment policies.

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