

# **Ontario Government Bans Mandatory Retirement**

On December 12, 2005 the government of Ontario passed Bill 211 ending Mandatory Retirement in the Province. This law is scheduled to come into force exactly one year later, on December 12, 2006. In the meantime, employers such as Dufferin-Peel are studying what effect this new legislation will have on the Board and its employees. Some features of the new law include:

- The upper age limit of 65 is removed from the Human Rights Code making it discriminatory for employers to require employees to retire at age 65
- The ability for employers to end benefits at age 65 continues under the new legislation. It is at the employer's discretion whether to continue benefits for workers who remain employed after age 65. These employees will become eligible for government benefits such as the Ontario Drug Benefit Plan.
- WSIB loss of earnings benefits will cease at age 65. Employees over 63 years of age who are injured on the job will be entitled to WSIB benefits for 2 years only.

The Board has formed a committee to study these changes and how they will affect our policies and practices. Until such time as the committee completes its work, or until the one year phase-in period ends on December 12, 2006, the Board's current mandatory retirement policy and practices will continue, as outlined below.

The following is information you should know about your benefits and pension if you are planning to work past age 65. Your collective agreement states "Subject to, and in accordance with the terms and conditions set out in each "Plan", the Board shall assume the undernoted contributions to the Plans, based upon full-time employment of employees eligible to enroll in such Plans". Some collective agreements indicate coverage is mandatory.

Our "Plan" with our insurance carrier has the following terms and conditions:

## **Semi-Private Hospital, Major Medical and Dental**

Dufferin-Peel Elementary Unit, Dufferin-Peel Secondary Unit, The Association of Professional Student Services Personnel, Canadian Union of Public Employees-Local 1483, Canadian Union of Public Employees-Local 2026, Mid-Management Association, The Associations of Elementary and Secondary Principals and Vice-Principals, Supervisory Officers, coverage terminates at the end of the year the member turns 66 or retirement date, whichever is earlier.

The Elementary and Secondary Occasional Teachers, coverage terminates on members 65<sup>th</sup> birthday.

**NOTE:** At age 65 all Ontarians are eligible for the Ontario Drug Benefit plan. If you continue to work past age 65 you must still apply for this coverage:

[http://www.health.gov.on.ca/english/public/program/drugs/drugs\\_mn.html](http://www.health.gov.on.ca/english/public/program/drugs/drugs_mn.html) All eligible services you incur must go through the Ontario Drug Benefit plan first; any amount not covered by this plan can then be submitted to our insurance company for consideration.

## **Basic and Optional Life Insurance**

For all members of each bargaining unit, coverage terminates on the member's 70<sup>th</sup> birthday or date of retirement, whichever is earlier. **Benefit reduction:** the amount of benefit reduces by 50% at age 65 and by a further 10% of the original amount every year thereafter for 5 years.

**Dependent Life Insurance**

For all members of each bargaining unit coverage terminates on the members 65<sup>th</sup> birthday or date of retirement or spouse's 65<sup>th</sup> birthday whichever is earlier.

**NOTE:** Employees can convert any of the above life insurance policies to a private policy with Sun Life, with or without proof of good health provided the member applies within 31 days of their termination date.

**Long Term Disability**

For all members of each bargaining unit coverage terminates at the end of the month in which the member reaches age 65, except that if the first monthly disability benefit payment is made after age 64 but before age 65, the benefit period will be a period not exceeding 12 months.

**Pension Plans**

Members are able to continue plan membership and benefit accrual past the normal retirement date under a pension plan, which is most often age 65, subject to any contributions or service caps in the plan itself. A member may contribute up to age 69 and then they must start to collect their pension at age 70. This applies to both the Ontario Municipal Employees Retirement System (OMERS), and the Ontario Teachers' Pension Plan (TPP). For more information contact OMERS at <http://www.omers.com> or TPP at [www.otpp.com](http://www.otpp.com). Information on the Canada Pension Plan and Old Age Security Plan can be obtained online at [www.hrdc-drhc.gc.ca](http://www.hrdc-drhc.gc.ca).

**Workplace Safety Insurance Board (WSIB)**

WSIB ceases Loss of Earnings benefits at age 65 for workers who were less than 63 years old at the time of injury, Workers aged 63 or more at the time of injury could receive up to two years of Loss of Earnings benefits. The WSIB has not published any new information on this issue at this time.

The Workplace Safety Insurance Act (WSIA) currently provides that an employer's obligation to re-employ ends at age 65. For more information contact WSIB at <http://www.wsib.on.ca/wsib/wsbsite.nsf/public/homepage>.

**Sick Leave Credits**

Employees who work past age 65 accrue sick leave credits under the provisions of their respective Collective Agreements.

**Vacation**

Eligibility for vacation continues under the provisions of the employee's respective Collective Agreements.



**This correspondence was prepared by the Dufferin Peel Catholic District School Board**

