



# Canadian Airways Lodge No. 764

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

HEAD OFFICE: 7880 RIVER ROAD, RICHMOND, B.C. V6X 1X7  
TEL: (604) 273-8668 FAX: (604) 273-8870



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## OCTOBER 2011 – LL764 PENSION COMMITTEE REPORT

There is an evolving landscape in Canada with respect to mandatory retirement. The Canadian Charter of Rights and Freedoms initially opened the door for citizens to challenge mandatory retirement as a form of age discrimination. Canadian courts agreed with them and struck down mandatory retirement at age 65 as an infringement on our basic human rights. The Provincial and Federal governments recognized these rulings and changed their laws to allow citizens to continue to work past the age of 65 if they so choose.

In 2006, two Air Canada pilots, George Vilven and Robert Kelly filed human rights complaints against both Air Canada and their union, ACPA, because of Air Canada's mandatory retirement policy and ACPA's support of the policy. This case has been through a series of tribunals, rulings and appeals and was finally settled in July, 2011. Ultimately the mandatory retirement policy was upheld for the Air Canada pilot group but this decision was based on a very specific set of circumstances unique to the pilot group. In my opinion, it is unlikely that this same criteria would apply to IAM&AW members.

On April 29<sup>th</sup>, 2011, Arbitrator Martin Teplitsky issued an interim award on mandatory retirement for IAM&AW members working at Air Canada. His award required Air Canada to allow any member who wished to continue working with Air Canada past their 65<sup>th</sup> birthday to do so. The member simply has to notify their manager of their desire to remain working prior to their mandatory retirement date.. The award further required Air Canada to make a onetime offer to all members who have retired at age 65 since March 10<sup>th</sup>, 2010 offering each of them an opportunity to return to work if they so wished.

Currently members returning to, or staying in the workplace past age 65 are required to pass a medical examination. They also are not covered by GDIP or WCB after age 65 as those insurance programs currently do not have language supporting workers beyond their 65<sup>th</sup> birthday. Your eligibility for CPP and OAS still remain and in fact you can opt to receive both of these benefits while you work. I would recommend that everyone apply to receive their OAS at age 65 as there is no retroactivity nor is there any benefit to postponing your OAS. It is simply money lost to the government.

Members continue to make contributions to the Air Canada pension plan and accrue service as long as they are in the workplace, regardless of age, until they have reached the maximum allowable 35 years of pensionable service. In fact for many members the choice to continue working after age 65 is an economic one in order to increase their pensions

Current Air Canada policies and our pension plan texts all reflect age 65 as the maximum working age and normal retirement age. Over the next few years I expect that the IAM&AW as well as the other unions at Air Canada will have to sit down with the company and rewrite the applicable sections of these documents to reflect the new reality of our workplace if the mandatory retirement age is ultimately ruled to no longer apply for our members.

I may be contacted at [president@iam764.ca](mailto:president@iam764.ca) with any questions or concerns that you may have.

Respectfully Submitted,

Christopher Hiscock  
Chairman, LL 764 Pension Committee