

B.C. amending pension legislation, including auto-escalation for DC plans

By: Staff | May 4, 2026 | 09:00



Staff

British Columbia's provincial government is updating its pension standards to support retirement income security and flexibility, including the introduction of automatic escalation for defined contribution pension plan members.

Effective Oct. 30, 2026, auto-escalation will be introduced to B.C.-based DC plans

and members will have the option to opt out of the feature. Auto-escalation helps address low contribution rates, enabling members to receive the full employer-matching contribution, the government said in a press release.

Read: B.C. pension plan sponsors' assets increase 10% to \$237.6 billion in 2024: report

Surviving spouses of plan members who die before retirement will now be able to choose a pension directly from the plan instead of a locked-in transfer, according to the release. The changes will also enable locked-in transfers to be made directly to registered retirement income funds and annuities.

Additionally, the updates reverse changes made in 2015 that required employers offering one type of specified individual plan to register with the B.C. Financial Services Authority. The registration requirement created significant cost and administrative challenges for employers, particularly in sectors such as construction and mining, where SIPs help attract and retain executive talent, according to the press release.

“People in B.C. should have pension standards that are clear, fair and designed to support their retirement income,” said Brenda Bailey, minister of finance, in the release. “By strengthening pension standards and removing red tape that doesn’t serve workers or employers, we’re making it easier for people to save and ensuring families have stronger protections when they need them most.”

Read: Auto features in DC pension plans supporting employee financial wellness, retirement readiness: report