SHIN&KIM
법무법인(유) 세종

Court Rejects a Retiree's Claim of a Right to Expect Re-employment

After retiring from Company D upon reaching the mandatory retirement age, E asserted the "right to expect re-employment after retirement" and filed claims seeking a declaratory judgment that the company's notice of rejection for re-employment is invalid, as well as payment of an amount equivalent to the wages E would have earned during the anticipated reemployment period.

Representing Company D, Shin & Kim emphasized that a right to expect re-employment after mandatory retirement is recognized only in exceptional circumstances, where the employer has given employees reason to expect re-employment and a mutual relationship of trust supporting that expectation has developed between the parties. Shin & Kim presented Company D's rules of employment and collective bargaining agreement, together with evidence concerning the introduction of its re-employment program, re-employment rates by job category, and previous instances in which re-employment was refused. Based on this evidence, Shin & Kim argued that no such relationship of trust had been established at Company D and that E therefore had no right to expect re-employment.

The court accepted all of Shin & Kim's arguments and dismissed E's claims in their entirety. It held that E had no right to expect re-employment after mandatory retirement and that, even if such a right were recognized, Company D had reasonable grounds for its decision not to rehire E.

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