



April 18, 2018

The Honourable Rob Fleming
Minister of Education
PO Box 9045 Stn. Prov. Govt.
Victoria, B. C. V8W 9E2

The Honourable Carole James
Minister of Finance
Room 153 Parliament Buildings
Victoria, BC V8V 1X4

Dear Ministers Fleming and James:

Re: Employer Health Tax

With this letter we are adding our voice to that of the many other Boards of Education concerned about the impact of the proposed Employer Health Tax (EHT) on their budgets. In the case of Maple Ridge – Pitt Meadows School District No. 42, the cost of the EHT will amount to \$2.03 million. Once the tax is fully implemented and Medical Services Plan (MSP) premiums are fully phased out, the additional cost to our school district is estimated to be \$0.61 million.

We know this government has identified education as a priority and that it wants to provide Boards of Education with stable and predictable funding. Since school districts have no taxation authority, they have no ability to cover increased unfunded costs over which they have no control. Without additional funding from government, boards can only address increased costs by cutting services to students.

The previous government imposed administrative savings onto Boards of Education and did not provide the funding needed to cover the long overdue non-unionized staff salary increases, the Next Generation Network and general inflation. These unfunded costs have been well documented and resulted in the recommendation made by the Select Standing Committee on Finance and Government Services that any such cost increases be funded by government in the future.

We had hoped the elimination of MSP premiums would offset some of these unfunded costs. The introduction of the unfunded Employer Health Tax eliminates the possibility of such a reprieve, however, and increases our concern that unfunded costs will continue to increase.

If the Employer Health Tax is implemented as proposed, the consequences will necessarily be a reduction in services to students. Naturally, we want to avoid such an impact.

For all the reasons stated above, we request that government consider exempting Boards of Education from the Employer Health Tax. At the very least we hope the difference between the MSP and EHT will be covered through a reduced EHT rate for school districts.

We appreciate the important initiatives, including improvements in child care, government is addressing. We have formally adopted resolutions supporting such initiatives in the past and understand they all cost money to implement. That said, we are certain government's intent in introducing the EHT was not to redirect funding from one important area of service to another equally important area of service; we therefore respectfully urge your serious consideration of our request.

Sincerely,



Mike Murray, Chairperson
Board of Education

Cc:

Board of Education, School District 42 - Maple Ridge and Pitt Meadows
Ms. Sylvia Russell, Superintendent of Schools
Ms. Flavia Coughlan, Secretary Treasurer
Ms. Cathie Watkins, President, Maple Ridge Principals' and Vice Principals' Association
Mr. George Serra, President, Maple Ridge Teachers' Association
Ms. Leslie Franklin, President, CUPE local 703
Ms. Kim Dumore, Chair, District Parent Advisory Council
Student Voice
Mr. Gordon Swan, President, BC Schools Trustees Association
All Boards of Education c/o BC Schools Trustees Association