



July 25, 2018

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

The Honourable Carole James  
Minister of Finance  
Room 153 Parliament Buildings  
Victoria, BC V8V1X4

Dear Ministers Fleming and James:

Re: Employer Health Tax

The Board of Education School District No. 5 (Southeast Kootenay) at its June 12, 2018 Public Board meeting passed the following motion:

*M/S that the Board write a letter to the Minister of Education and the Minister of Finance outlining the concerns of implementation of the Employer Health Tax.*

While our Board agrees that eliminating these MSP premiums, the BC government will help lift a significant financial burden off of individuals and families by saving individuals up to \$900 per year and families up to \$1,800 per year, we want to bring to your attention that 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 \$80,340. As well, the impact of the new EHT and offsetting savings from the reduction in MSP premiums, from 2018/19 through to full implementation in 2020/21, is estimated to be the in the range of \$24.0 million across the sector.

For 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.

Yours truly,

  
Robert G. Morum  
Secretary/Treasurer

cc: Board of Education  
Lynn Hauptman, Superintendent SD5