

From: [MacDonald, Scott D EDUC:EX](#)
To: [Bawa, Reg R EDUC:EX](#)
Subject: RE: Budget clarification questions
Date: Thursday, February 22, 2018 10:27:00 PM

Thanks – DMC starts at 8:30, best that I'm not late.
Talk then --- have good night.

From: Bawa, Reg R EDUC:EX
Sent: Thursday, February 22, 2018 10:26 PM
To: MacDonald, Scott D EDUC:EX
Subject: RE: Budget clarification questions

Before 8:30?

Call me on my cell **s.22**

From: MacDonald, Scott D EDUC:EX
Sent: Thursday, February 22, 2018 10:23 PM
To: Bawa, Reg R EDUC:EX
Subject: RE: Budget clarification questions

Thanks
Would you be free for a quick call before 8:30 tomorrow?
I have four items on my 'Reg List'.

From: Bawa, Reg R EDUC:EX
Sent: Thursday, February 22, 2018 10:08 PM
To: MacDonald, Scott D EDUC:EX
Subject: FW: Budget clarification questions

Scott – just copying on my note to Mike – some good info here on MSP and Capital for use with the minister. We will include in an Estimates note

Reg

From: Bawa, Reg R EDUC:EX
Sent: Thursday, February 22, 2018 10:06 PM
To: 'Mike Roberts'
Subject: RE: Budget clarification questions

Hi Mike – regarding your questions,

MSP:
s.13,s.17

BCTESP:
s.13,s.17

CAPITAL:
s.13,s.17

Ministry of Education - Capital Management Branch

BUDGET COMPARISON (\$M)

	Budget 2017			Budget 2017 Update			Budget 2018		
	17/18	18/19	19/20	17/18	18/19	19/20	18/19	19/20	20/21
Replacement & Expansion	s.13,s.17								
Seismic									
Routine Capital									
Total									
	Three Year Total			Three Year Total			Three Year Total		
	1,702			1,710			1,757		

SPENDING HISTORY (\$M)

	Budget Target	Actual Cash Flow	Slippage	
			Total	Percent
12/13	435	409	26	6%
13/14	469	352	117	25%
14/15	438	333	105	24%
15/16	392	345	47	12%
16/17	454	396	58	13%
17/18 (*Estimate)	567	454*	112	20%

GENERAL COMMENTARY:
s.13,s.17

Reg

From: Mike Roberts [<mailto:MRoberts@bcsta.org>]
Sent: Thursday, February 22, 2018 11:23 AM
To: Horn, Kim EDUC:EX; Bawa, Reg R EDUC:EX
Subject: RE: Budget clarification questions

Thanks Kim

We will be putting out our initial analysis tomorrow, and will likely include a placeholder statement that further clarification information on these issues will be coming from the MOE. We can then update at a later date if warranted.

Mike

MIKE ROBERTS

Chief Executive Officer

BC School Trustees Association (BCSTA)

From: Horn, Kim EDUC:EX [<mailto:Kim.Horn@gov.bc.ca>]
Sent: February 22, 2018 9:29 AM
To: Mike Roberts <MRoberts@BCSTA.ORG>; Bawa, Reg R EDUC:EX <Reg.Bawa@gov.bc.ca>
Subject: RE: Budget clarification questions

Hi Mike,

We are pulling some notes together to help explain the changes. More info to come soon.

From: Mike Roberts [<mailto:MRoberts@bcsta.org>]
Sent: Wednesday, February 21, 2018 9:22 PM
To: Bawa, Reg R EDUC:EX
Cc: Horn, Kim EDUC:EX
Subject: Budget clarification questions

Hi Reg

Thanks for your attention to detail at lockup. Three follow-up clarification questions for you or your team. Not for attribution, etc. etc. Just want to make sure our analysis is correct before anything goes out. We will share the final product with you of course.

1. MSP

s.13,s.17

2. Training and Education Savings Account

s.13,s.17

3. Capital

s.13,s.17

Thanks
Mike

MIKE ROBERTS
Chief Executive Officer
BC School Trustees Association (BCSTA)
P (604) 734-2721 | W bcsta.org

From: [MacDonald, Scott D EDUC:EX](#)
To: [Bawa, Reg R EDUC:EX](#)
Cc: [Filion, Corinna GCPE:EX](#)
Subject: RE: MSP - HT v4.xlsx
Date: Tuesday, February 27, 2018 6:57:00 AM

Thanks – this is helpful

s.13

Scott

From: Bawa, Reg R EDUC:EX
Sent: Monday, February 26, 2018 2:51 PM
To: MacDonald, Scott D EDUC:EX; Filion, Corinna GCPE:EX
Cc: Foweraker, Jonathan EDUC:EX; Horn, Kim EDUC:EX
Subject: MSP - HT v4.xlsx

s.13,s.17

Let me know if you have questions

Reg

Reg Bawa, CPA CGA | ADM Resource Management & EFO, Ministry of Education | 778-698-3788

From: [MacDonald, Scott D EDUC:EX](#)
To: [Bawa, Reg R EDUC:EX](#)
Subject: RE: MSP (and surplus?) follow-up
Date: Monday, March 12, 2018 7:31:00 AM

Lets talk.

From: Bawa, Reg R EDUC:EX
Sent: Friday, March 9, 2018 2:13 PM
To: MacDonald, Scott D EDUC:EX
Subject: FW: MSP (and surplus?) follow-up

Hi Scott – just checking in that you want me to proceed with this meeting with BCSTA and BCASBO to identify the MSP/EHT pressure, if any, over the next 3 school years. s.13
s.13

From: Mike Roberts [<mailto:MRoberts@bcsta.org>]
Sent: Friday, March 9, 2018 1:27 PM
To: Bawa, Reg R EDUC:EX
Subject: MSP (and surplus?) follow-up

Hi Reg

s.13

Will leave it with you as to next steps, but I am happy to help coordinate some problem solving from our side. Thanks
Mike

MIKE ROBERTS

Chief Executive Officer

BC School Trustees Association (BCSTA)

P (604) 734-2721 | M (604) 754-5222 | W bcsta.org

Page 08

Withheld pursuant to/removed as

s.13;s.17

From: [Maartman, William EDUC:EX](#)
To: [Banh, Lindsay EDUC:EX](#)
Cc: [Harrison, Veronica EDUC:EX](#)
Subject: Fwd: IN - Budget - MSP/Health Tax
Date: Monday, February 26, 2018 4:42:12 PM
Attachments: [IN Budget - MSP-Health Tax.docx](#)
[ATT00001.htm](#)

Hey Lindsay - did this issue note get added to MRF's binder today?

Will

Sent from my iPhone

Begin forwarded message:

From: "Morrison, Carol GCPE:EX" <Carol.Morrison@gov.bc.ca>
Date: February 26, 2018 at 10:15:16 AM PST
To: "Filion, Corinna GCPE:EX" <Corinna.Filion@gov.bc.ca>, "Leslie, Sean GCPE:EX" <Sean.Leslie@gov.bc.ca>, "Harrison, Veronica EDUC:EX" <Veronica.Harrison@gov.bc.ca>, "Maartman, William EDUC:EX" <William.Maartman@gov.bc.ca>, "Sorochan, Craig GCPE:EX" <Craig.Sorochan@gov.bc.ca>, "Tackaberry, Emily GCPE:EX" <Emily.Tackaberry@gov.bc.ca>, "McKenzie, Scott GCPE:EX" <Scott.I.McKenzie@gov.bc.ca>, "McPhee, Erin GCPE:EX" <Erin.McPhee@gov.bc.ca>
Subject: IN - Budget - MSP/Health Tax

Hi All,

This IN has been saved down to the LAN and Sharepoint in the Budget folder.

Carol

ADVICE TO MINISTER

<p>CONFIDENTIAL ISSUES NOTE</p> <p>Ministry of Education Date: Feb. 22, 2018 Date Updated: Minister Responsible: Rob Fleming</p>	<p>MSP Elimination /Health Tax</p>
---	---

s.13,s.17

BACKGROUND:

Issue: School districts will likely express concern about the effect of the employer health tax on their budgets. The Vancouver Sun reported that because the employer health tax comes in in 2019 but MSP premiums aren't eliminated until 2020 that the Province is "double-dipping" and hurting businesses.

Budget 2018 will eliminate Medical Service Plan (MSP) premiums effective Jan. 1, 2020.

The B.C. government committed to eliminating MSP premiums within four years. The government took the first step in *Budget 2017 Update* by cutting MSP premiums by 50% starting Jan. 1, 2018. This means school districts will save approximately \$30 million in MSP premiums in school year 2018/19.

In order to continue to deliver the services like health and education, the Province is replacing the revenues from MSP premiums with an employer health tax.

This new payroll tax will come into effect Jan. 1, 2019 with the following rate structure:

- Businesses with a payroll of more than \$1.5 million will pay a rate of 1.95% on their total payroll.
- Businesses with a payroll between \$500,000 and \$1.5 million will pay a reduced tax rate.
- Businesses with a payroll under \$500,000 will not pay the tax.

The new health tax means school districts will be required to pay an estimated \$130 million in Jan. 2019 before the MSP is fully eliminated and an estimated \$100 million annually beginning in Jan. 2020.

At 1.95%, it is also the lowest rate among provinces with a payroll tax in Canada.

Subject to legislative approval, the proposed tax legislation will include clear rules regarding the frequency of installment payments and defining how payroll amounts are to be aggregated among associated businesses prior to applying deductions and tax rates.

B.C.'s total Budget for education for 2018/19 is \$6.3 billion – which is up approximately \$200 million from 2017/18.

Budget 2018 provides an additional \$409 million over three years (from 2018/2019 to 2020/2021). This includes:

- \$207 million for enrolment growth
- \$72 million for the Classroom Enhancement Fund (CEF) for 200 more teachers.
- \$70 million for independent schools
- \$49 million for the Economic Stability Dividend
- \$9 million for an initial investment in Child Care BC new early learning initiatives
- \$2 million for the Teachers Act Special Account

The Capital Budget includes \$1.8 billion over three years in funding for:

- \$541 million for seismic upgrades
- \$693 million for expansions and replacements
- \$508 million for asset rehabilitation and maintenance
- \$15 million for the Playground Equipment Program

An additional \$24 million is being allocated annually to the CEF for 200 more teachers, bringing the total for CEF to \$400 million annually.

In addition to MSP savings in 2018, Boards of Education will save about \$60M through:

- o savings from Municipal Pension Plan contributions (\$5.5 million in 2018/19, increasing to \$8.3 million beginning in 2019/2020)
- o savings in Teacher Pension Plan contributions (\$46.1 million)
- o savings in the Next Generation Network costs (\$8.4 million)

ADVICE TO MINISTER

GCPE Contact:		
Program Area Contact:		
File Created:	Feb. 22, 2018	
File Updated:		
File Location:		

Minister's Office	Program Area	ADM	Communications Director
			Corinna Fillion

From: [Harrison, Veronica EDUC:EX](#)
To: [Banh, Lindsay EDUC:EX](#)
Cc: [Maartman, William EDUC:EX](#)
Subject: Fwd: IN_Budget - MSP-Health Tax
Date: Tuesday, February 27, 2018 10:50:19 AM
Attachments: [IN_Budget - MSP-Health Tax.docx](#)
[ATT00001.htm](#)

Hi Lindsay,

To print and add to his binder later today.

Thanks,

Veronica

Sent from my iPhone

Begin forwarded message:

From: "Leslie, Sean GCPE:EX" <Sean.Leslie@gov.bc.ca>
Date: February 27, 2018 at 10:44:10 AM PST
To: "Harrison, Veronica EDUC:EX" <Veronica.Harrison@gov.bc.ca>, "Maartman, William EDUC:EX" <William.Maartman@gov.bc.ca>
Cc: "Filion, Corinna GCPE:EX" <Corinna.Filion@gov.bc.ca>, "Sorochan, Craig GCPE:EX" <Craig.Sorochan@gov.bc.ca>, "Morrison, Carol GCPE:EX" <Carol.Morrison@gov.bc.ca>
Subject: IN_Budget - MSP-Health Tax

IN now updated with FIN messaging and change to the dollar figure as discussed.

Cheers.

Sean

ADVICE TO MINISTER

<p style="text-align: center;">CONFIDENTIAL ISSUES NOTE</p> <p>Ministry of Education Date: Feb. 22, 2018 Date Updated: Feb 27, 2018 Minister Responsible: Rob Fleming</p>	<p>MSP Elimination /Health Tax</p>
--	---

ADVICE AND RECOMMENDED RESPONSE:

s.13,s.17

BACKGROUND:

Issue: School districts will likely express concern about the effect of the employer health tax on their budgets. The Vancouver Sun reported that because the employer health tax comes in in 2019 but MSP premiums aren't eliminated until 2020 that the Province is "double-dipping" and hurting businesses.

Budget 2018 will eliminate Medical Service Plan (MSP) premiums effective Jan. 1, 2020.

The B.C. government committed to eliminating MSP premiums within four years. The government took the first step in *Budget 2017 Update* by cutting MSP premiums by 50% starting Jan. 1, 2018. This means school districts will save approximately \$30 million in MSP premiums in school year 2018/19.

In order to continue to deliver the services like health and education, the Province is replacing the revenues from MSP premiums with an employer health tax. The new employer health tax will begin January 1 2019 and cost approximately \$45 million. A net cost of these two will be \$15 million in 2018/19 school year.

This new payroll tax will come into effect Jan. 1, 2019 with the following rate structure:

- Businesses with a payroll of more than \$1.5 million will pay a rate of 1.95% on their total payroll.
- Businesses with a payroll between \$500,000 and \$1.5 million will pay a reduced tax rate.
- Businesses with a payroll under \$500,000 will not pay the tax.

At 1.95%, it is also the lowest rate among provinces with a payroll tax in Canada.

Subject to legislative approval, the proposed tax legislation will include clear rules regarding the frequency of installment payments and defining how payroll amounts are to be aggregated among associated businesses prior to applying deductions and tax rates.

B.C.'s total Budget for education for 2018/19 is \$6.3 billion – which is up approximately \$200 million from 2017/18.

Budget 2018 provides an additional \$409 million over three years (from 2018/2019 to 2020/2021). This includes:

- \$207 million for enrolment growth
- \$72 million for the Classroom Enhancement Fund (CEF) for 200 more teachers.
- \$70 million for independent schools
- \$49 million for the Economic Stability Dividend
- \$9 million for an initial investment in Child Care BC new early learning initiatives
- \$2 million for the Teachers Act Special Account

The Capital Budget includes \$1.8 billion over three years in funding for:

- \$541 for seismic upgrades
- \$693 million for expansions and replacements
- \$508 million for asset rehabilitation and maintenance
- \$15 million for the Playground Equipment Program

An additional \$24 million is being allocated annually to the CEF for 200 more teachers, bringing the total for CEF to \$400 million annually.

ADVICE TO MINISTER

In addition to MSP savings in 2018, Boards of Education will save about \$60M through:

- o savings from Municipal Pension Plan contribution reductions (\$5.5 million in 2018/19, increasing to \$8.3 million beginning in 2019/2020)
- o savings in Teacher Pension Plan contribution reductions (\$46.1 million)
- o savings in the Next Generation Network costs (\$8.4 million)

GCPE Contact:		
Program Area Contact:		
File Created:	Feb. 22, 2018	
File Updated:		
File Location:		

Minister's Office	Program Area	ADM	Communications Director
			Corinna Fillion

From: [Leslie, Sean GCPE:EX](#)
To: [Harrison, Veronica EDUC:EX](#)
Cc: [Filion, Corinna GCPE:EX](#)
Subject: IN_Budget - MSP-Health Tax
Date: Friday, March 2, 2018 9:13:51 AM
Attachments: [IN_Budget - MSP-Health Tax.docx](#)

As requested, cheers.

Sean

ADVICE TO MINISTER

<p>CONFIDENTIAL ISSUES NOTE</p> <p>Ministry of Education Date: Feb. 22, 2018 Date Updated: Feb 27, 2018 Minister Responsible: Rob Fleming</p>	<p>MSP Elimination /Health Tax</p>
--	---

s.13,s.17

BACKGROUND:

Issue: School districts will likely express concern about the effect of the employer health tax on their budgets. The Vancouver Sun reported that because the employer health tax comes in in 2019 but MSP premiums aren't eliminated until 2020 that the Province is "double-dipping" and hurting businesses.

Budget 2018 will eliminate Medical Service Plan (MSP) premiums effective Jan. 1, 2020.

The B.C. government committed to eliminating MSP premiums within four years. The government took the first step in *Budget 2017 Update* by cutting MSP premiums by 50% starting Jan. 1, 2018. This means school districts will save approximately \$30 million in MSP premiums in school year 2018/19.

In order to continue to deliver the services like health and education, the Province is replacing the revenues from MSP premiums with an employer health tax. The new employer health tax will begin January 1 2019 and cost approximately \$45 million. A net cost of these two will be \$15 million in 2018/19 school year.

This new payroll tax will come into effect Jan. 1, 2019 with the following rate structure:

- Businesses with a payroll of more than \$1.5 million will pay a rate of 1.95% on their total payroll.
- Businesses with a payroll between \$500,000 and \$1.5 million will pay a reduced tax rate.
- Businesses with a payroll under \$500,000 will not pay the tax.

At 1.95%, it is also the lowest rate among provinces with a payroll tax in Canada.

Subject to legislative approval, the proposed tax legislation will include clear rules regarding the frequency of installment payments and defining how payroll amounts are to be aggregated among associated businesses prior to applying deductions and tax rates.

B.C.'s total Budget for education for 2018/19 is \$6.3 billion – which is up approximately \$200 million from 2017/18.

Budget 2018 provides an additional \$409 million over three years (from 2018/2019 to 2020/2021). This includes:

- \$207 million for enrolment growth
- \$72 million for the Classroom Enhancement Fund (CEF) for 200 more teachers.
- \$70 million for independent schools
- \$49 million for the Economic Stability Dividend
- \$9 million for an initial investment in Child Care BC new early learning initiatives
- \$2 million for the Teachers Act Special Account

The Capital Budget includes \$1.8 billion over three years in funding for:

- \$541 for seismic upgrades
- \$693 million for expansions and replacements
- \$508 million for asset rehabilitation and maintenance
- \$15 million for the Playground Equipment Program

An additional \$24 million is being allocated annually to the CEF for 200 more teachers, bringing the total for CEF to \$400 million annually.

ADVICE TO MINISTER

In addition to MSP savings in 2018, Boards of Education will save about \$60M through:

- o savings from Municipal Pension Plan contribution reductions (\$5.5 million in 2018/19, increasing to \$8.3 million beginning in 2019/2020)
- o savings in Teacher Pension Plan contribution reductions (\$46.1 million)
- o savings in the Next Generation Network costs (\$8.4 million)

GCPE Contact:		
Program Area Contact:		
File Created:	Feb. 22, 2018	
File Updated:		
File Location:		

Minister's Office	Program Area	ADM	Communications Director
			Corinna Fillion

From: [Gillezeau, Rob FIN:EX](#)
To: [Harrison, Veronica EDUC:EX](#)
Subject: Lines
Date: Monday, March 5, 2018 1:35:45 PM

s.13,s.17

Rob Gillezeau

Senior Ministerial Assistant

Minister of Finance and Deputy Premier

s.17

From: [Teng, Zita EDUC:EX](#)
To: [Harrison, Veronica EDUC:EX](#); [Maartman, William EDUC:EX](#)
Subject: Back pocket - Minister
Date: Monday, March 5, 2018 8:49:24 PM
Attachments: [ADM Note - MSP and HT impact to K-12 Sector.pdf](#)
[NGN Savings Feb 2018 - Attachment.pdf](#)
[TPP Savings.pdf](#)
[MSP - HT.pdf](#)
Importance: High

Hi Veronica and Will,

Attached please find back pocket material for the Minister's use during estimates.

Thanks. Zita

**2018/19 Estimates Note
Advice to the ADM**

Ministry: Ministry of Education
ADM Responsible: Reg Bawa

Title: Analysis of MSP and HT impact to K-12 Sector

Revised: *February 28 2018*

Issue: Boards of Education will have increased costs when the Employer Health Tax replaces MSP premiums

s.13,s.17

2018/19 Estimates Note Advice to the ADM

Ministry: Ministry of Education
ADM Responsible: Reg Bawa

s.13,s.17

Key Facts Regarding the Issue:

- 2018/19 is the first year that boards will see increased costs from the combination of the employer health tax and MSP premiums
- BCASBO has stated that boards of education have already accounted for the Jan 1 2018 MSP savings into budgets and therefore these savings are not available to cover EHT costs.
- Preliminary operating grants are announced on March 15, 2018 s.13,s.17
s.13,s.17
- Recently Boards of Education have benefitted from reductions in Teacher Pension Plan contribution rates of 1.82%, leading to an estimated \$47.7M of ongoing savings, that started in in the 2016/17 school year.
- Additionally, Municipal Pension plan premiums were reduced on January 1, 2017 as the MPP Board of Trustees decided to eliminate age and gender differentiation in employer contribution rates to bring the MPP. s.13,s.17
s.13,s.17
- In the 2016/17 Boards of Education also saw savings/cost avoidance of over \$30M by participating in various shared services initiatives, which will continue into future years. As part of this work, and through the funding model review, the Ministry will continue work with school districts to evaluate further opportunities to find efficiencies.

Page 25

Withheld pursuant to/removed as

s.13;s.17

**Next Generation Network
Operating Grant Savings, 2017/18**

School District	Original NGN Chargeback	Minimum Savings	Maximum Savings
5 Southeast Kootenay	223,196	85,221	99,424
6 Rocky Mountain	130,617	49,872	58,184
8 Kootenay Lake	195,508	74,649	87,090
10 Arrow Lakes	17,832	6,808	7,943
19 Revelstoke	39,718	15,166	17,693
20 Kootenay-Columbia	161,579	61,694	71,976
22 Vernon	343,479	131,147	153,005
23 Central Okanagan	904,572	345,382	402,946
27 Cariboo-Chilcotin	189,996	72,544	84,635
28 Quesnel	122,476	46,764	54,558
33 Chilliwack	549,770	209,913	244,898
34 Abbotsford	790,834	301,955	352,281
35 Langley	833,992	318,434	371,506
36 Surrey	2,880,877	1,099,971	1,283,300
37 Delta	628,566	239,998	279,998
38 Richmond	792,147	302,457	352,866
39 Vancouver	2,012,521	768,417	896,487
40 New Westminster	268,614	102,561	119,655
41 Burnaby	960,722	366,821	427,958
42 Maple Ridge-Pitt Meadows	589,419	225,050	262,559
43 Coquitlam	1,253,806	478,725	558,513
44 North Vancouver	619,332	236,472	275,884
45 West Vancouver	282,557	107,885	125,866
46 Sunshine Coast	129,314	49,375	57,604
47 Powell River	83,869	32,023	37,360
48 Sea to Sky	200,864	76,694	89,476
49 Central Coast	9,631	3,677	4,290
50 Haida Gwaii	20,911	7,984	9,315
51 Boundary	52,600	20,084	23,431
52 Prince Rupert	80,306	30,663	35,773
53 Okanagan Similkameen	94,739	36,173	42,202
54 Bulkley Valley	80,669	30,801	35,934
57 Prince George	531,488	202,932	236,754
58 Nicola-Similkameen	83,577	31,911	37,230
59 Peace River South	142,864	54,548	63,639
60 Peace River North	247,606	94,540	110,297
61 Greater Victoria	783,316	299,085	348,932
62 Sooke	428,429	163,581	190,845
63 Saanich	286,886	109,539	127,795
64 Gulf Islands	69,517	26,543	30,967
67 Okanagan Skaha	235,507	89,921	104,908
68 Nanaimo-Ladysmith	561,995	214,580	250,343
69 Qualicum	165,491	63,188	73,719
70 Alberni	153,394	58,569	68,330
71 Comox Valley	336,794	128,594	150,026
72 Campbell River	221,250	84,477	98,557
73 Kamloops/Thompson	588,180	224,577	262,007
74 Gold Trail	45,419	17,342	20,232
75 Mission	248,136	94,743	110,533
78 Fraser-Cascade	68,068	25,989	30,321
79 Cowichan Valley	319,077	121,829	142,134
81 Fort Nelson	29,526	11,274	13,153
82 Coast Mountains	168,307	64,263	74,973
83 North Okanagan-Shuswap	252,613	96,453	112,528
84 Vancouver Island West	17,061	6,514	7,600
85 Vancouver Island North	55,472	21,180	24,710
87 Stikine	7,726	2,949	3,441
91 Nechako Lakes	146,868	56,077	65,423
92 Nisga'a	15,845	6,050	7,058
93 CSF	244,555	93,375	108,938
Provincial Total	22,000,000	8,400,003	9,800,003

Estimated TPP Savings 2016/17 and 2017/18 School Year

	Estimated TPP Savings from a 1.82% employer rate reduction	Estimated TPP Savings from a 1.82% employer rate reduction
	Estimated TPP Members Salaries 2016/17 School Year	Estimated TPP Members Salaries 2017/18 School Year
5 Southeast Kootenay	26,084,461	474,737
6 Rocky Mountain	15,157,506	275,867
8 Kootenay Lake	23,454,506	426,872
10 Arrow Lakes	2,968,117	54,020
19 Revelstoke	5,306,238	96,574
20 Kootenay-Columbia	17,568,709	319,750
22 Vernon	40,328,859	733,985
23 Central Okanagan	101,784,696	1,852,481
27 Cariboo-Chilcotin	24,562,773	447,042
28 Quesnel	16,372,913	297,987
33 Chilliwack	58,192,317	1,059,100
34 Abbotsford	87,778,840	1,597,575
35 Langley	93,617,783	1,703,844
36 Surrey	335,923,911	6,113,815
37 Delta	80,200,725	1,459,653
38 Richmond	99,636,272	1,813,380
39 Vancouver	250,089,903	4,551,636
40 New Westminster	32,171,370	585,519
41 Burnaby	123,552,568	2,248,657
42 Maple Ridge-Pitt Meadows	69,182,064	1,259,114
43 Coquitlam	154,274,296	2,807,792
44 North Vancouver	75,469,482	1,373,545
45 West Vancouver	34,393,710	625,966
46 Sunshine Coast	16,167,492	294,248
47 Powell River	9,711,494	176,749
48 Sea To Sky	22,798,812	414,938
49 Central Coast	1,892,920	34,451
50 Haida Gwaii	3,941,935	71,743
51 Boundary	7,097,440	129,173
52 Prince Rupert	11,263,260	204,991
53 Okanagan Similkameen	11,778,846	214,375
54 Bulkley Valley	9,575,210	174,269
57 Prince George	57,599,092	1,048,303
58 Nicola-Similkameen	11,675,173	212,488
59 Peace River South	17,852,732	324,920
60 Peace River North	28,729,997	522,886
61 Greater Victoria	91,354,186	1,662,646
62 Sooke	47,772,827	869,465
63 Saanich	34,121,297	621,008
64 Gulf Islands	9,204,381	167,520
67 Okanagan Skaha	27,581,058	501,975
68 Nanaimo-Ladysmith	61,882,160	1,126,255
69 Qualicum	20,439,819	372,005
70 Alberni	18,905,444	344,079
71 Comox Valley	35,132,846	639,418
72 Campbell River	25,114,328	457,081
73 Kamloops/Thompson	67,611,494	1,230,529
74 Gold Trail	6,845,310	124,585
75 Mission	26,906,185	489,693
78 Fraser-Cascade	8,632,536	157,112
79 Cowichan Valley	36,071,020	656,493
81 Fort Nelson	3,903,248	71,039
82 Coast Mountains	23,255,880	423,257
83 N. Okanagan-Shuswap	29,707,187	540,671
84 Vancouver Island West	3,345,668	60,891
85 Vancouver Island North	7,592,413	138,182
87 Stikine	1,654,809	30,118
91 Nechako Lakes	22,262,292	405,174
92 Nisga'a	3,409,692	62,056
93 Conseil Scolaire Francophone	31,139,616	566,741
99 Provincial Summary	2,622,002,117	47,720,439

Page 28

Withheld pursuant to/removed as

s.13;s.17

From: [Filion, Corinna GCPE:EX](#)
To: [Harrison, Veronica EDUC:EX](#); [Maartman, William EDUC:EX](#)
Cc: [Leslie, Sean GCPE:EX](#)
Subject: FW: MSP - HT v4.xlsx
Date: Monday, February 26, 2018 3:20:30 PM
Attachments: [MSP - HT v4.pdf](#)

Hi, fyi

From: Bawa, Reg R EDUC:EX
Sent: Monday, February 26, 2018 2:51 PM
To: MacDonald, Scott D EDUC:EX; Filion, Corinna GCPE:EX
Cc: Foweraker, Jonathan EDUC:EX; Horn, Kim EDUC:EX
Subject: MSP - HT v4.xlsx

s.13,s.17

Let me know if you have questions

Reg

Reg Bawa, CPA CGA | ADM Resource Management & EFO, Ministry of Education | 778-698-3788

Page 30

Withheld pursuant to/removed as

s.13;s.17

From: [Matthen, Sheila GCPE:EX](#)
To: [Sali, Meghan JTT:EX](#); [Maartman, William EDUC:EX](#)
Cc: [Harrison, Veronica EDUC:EX](#); [McColl, John-Michael JTT:EX](#)
Subject: Note
Date: Monday, March 5, 2018 11:42:05 AM
Attachments: [2018.03.05 - QP FINANCE - Budget 2018 EHT MSP Task Force - draft.docx](#)

Good morning,

s.22

so your Ministers may be up answering questions on this topic.

Please give me a call if you have any questions.

In sol,

Sheila Matthen

Issues Management | 250-893-5218

EHT – MSP Task Force

Highlights:

- The Opposition has claimed that because the employer payroll tax comes into effect in 2019 and MSP is fully eliminated in 2020, some businesses will be paying double for a year.
- Some businesses are saying that the \$500,000 threshold is too low, and some small businesses will be impacted.
- Media and Opposition have also raised impacts of the EHT on the public sector, including school districts, post-secondary institutions, municipalities and non-profits.

Contrast:

s.13

Page 33 to/à Page 34

Withheld pursuant to/removed as

s.13

Background:

- In 2000, the MSP premium for a single individual was \$36/month but by 2016 that amount had risen to \$75/month – more than double.
- Under the previous government, MSP revenues were almost as much as corporate income tax revenues.
- Budget update 2017 announced a 50% cut to MSP premiums effective Jan 1, 2018. This will save individuals up to \$450 per year and families up to \$900 per year.
- Budget update 2017 also raised the income threshold below which households are fully exempt from MSP premiums by \$2,000 meaning that a senior couple with income up to \$35,000, or single parents with two children and income up to \$32,000 will pay no premiums.
- Budget 2018 announces that MSP will be fully eliminated on January 1, 2020.
- When fully eliminated, individuals will save up to \$900 per year and families up to \$1,800.
- The MSP premium elimination will be funded through the implementation of an employer health tax.
- To protect small businesses, the tax will not apply to employers with payroll under \$500,000. For employers with payroll between \$500,000 and \$1.5 million, the tax rate will phase in gradually until it reaches 1.95 per cent at \$1.5 million and above in total payroll.
- The MSP Elimination Task Force released an interim report which noted a variety of measures under consideration including:
 - Raising personal income tax
 - Replacing with a payroll tax
 - Replacing the PST with a value-added tax (like the HST)
 - Raising corporate income taxes
- The Task Force indicated they were leaning towards a combination of a personal income tax surcharge, a small payroll tax, and one or more other measure.

From: [Filion, Corinna GCPE:EX](#)
To: [Harrison, Veronica EDUC:EX](#); [Maartman, William EDUC:EX](#)
Cc: [Leslie, Sean GCPE:EX](#)
Subject: FW: CKNW radio - VSB/Employer health tax
Date: Monday, March 5, 2018 1:45:19 PM
Attachments: [image003.png](#)

Heads up in case MRF gets asked in halls

From: Simon Little [mailto:simon@cknw.com]
Sent: Monday, March 5, 2018 1:42 PM
To: Filion, Corinna GCPE:EX
Subject: CKNW radio - VSB/Employer health tax

Hi Corinna,

We're looking to get comment from the ministry in response to concerns from the VSB about the new employer health tax.

The board says it will be paying \$2.7 million more (\$7.5 million) under the EHT than it was paying under MSP premiums before they were cut in half (\$4.8 million).


The board is calling for districts to be exempted from the tax, or to have their budgets increased by a corresponding amount.

Can you get us a comment from the minister?

Thanks in advance,

Global News  **RADIO**
980 CKNW

CORUS.

Simon Little | CKNW Digital Reporter | T. 604.331.2766 | C. 604.710.0693 |  [@SimonPlittle](#)
simon@cknw.com | 700 W Georgia St #2000, Vancouver, BC V7Y 1K9

From: [Filion, Corinna GCPE:EX](#)
To: [Harrison, Veronica EDUC:EX](#); [Matthen, Sheila GCPE:EX](#); [Maartman, William EDUC:EX](#); [Farrance, Melissa EDUC:EX](#)
Subject: RE: Lines
Date: Monday, March 5, 2018 1:55:33 PM

Thank you. I'll make some tweaks to the IN

From: Harrison, Veronica EDUC:EX
Sent: Monday, March 5, 2018 1:53 PM
To: Matthen, Sheila GCPE:EX; Maartman, William EDUC:EX; Filion, Corinna GCPE:EX; Farrance, Melissa EDUC:EX
Subject: FW: Lines

From: Gillezeau, Rob FIN:EX
Sent: Monday, March 5, 2018 1:36 PM
To: Harrison, Veronica EDUC:EX <Veronica.Harrison@gov.bc.ca>
Subject: Lines

s.13,s.17

s.13,s.17

Rob Gillezeau

Senior Ministerial Assistant

Minister of Finance and Deputy Premier

s.17

From: [Teng, Zita EDUC:EX](#)
To: [Maartman, William EDUC:EX](#); [Harrison, Veronica EDUC:EX](#)
Cc: [Bertrand, Julie EDUC:EX](#)
Subject: RE: Back pocket - Minister
Date: Tuesday, March 6, 2018 10:22:41 AM
Attachments: [Copy of ADM Note - MSP and HT impact to K-12 Sector.docx](#)
[MSP - HT v4.pdf](#)
[Copy of NGN Savings Feb 2018 - Attachment.pdf](#)
[Copy of TPP Savings.pdf](#)

Hi Will,

See attached back pocket for MSP. Will get the capital/operating info.

Julie – please upload to DM onenote under estimates.

Thanks, Zita

From: Maartman, William EDUC:EX
Sent: Tuesday, March 6, 2018 9:22 AM
To: Teng, Zita EDUC:EX; Harrison, Veronica EDUC:EX
Subject: RE: Back pocket - Minister

Hi Zita,

A few other materials for back pocket MRF has requested:

List of MSP increases since 2001

year by year education budget – both capital and operating (include column for change from previous year)

year by year list of capital estimates with slippage percentage

All materials listing from 2001 onwards

MRF would like graphs to accompany data if possible

Thanks Zita – let me know if you have any questions.

W

From: Teng, Zita EDUC:EX
Sent: Monday, March 5, 2018 8:49 PM
To: Harrison, Veronica EDUC:EX; Maartman, William EDUC:EX
Subject: Back pocket - Minister
Importance: High

Hi Veronica and Will,

Attached please find back pocket material for the Minister's use during estimates.

Thanks. Zita

**Next Generation Network
Operating Grant Savings, 2017/18**

School District	Original NGN Chargeback	Minimum Savings	Maximum Savings
5 Southeast Kootenay	223,196	85,221	99,424
6 Rocky Mountain	130,617	49,872	58,184
8 Kootenay Lake	195,508	74,649	87,090
10 Arrow Lakes	17,832	6,808	7,943
19 Revelstoke	39,718	15,166	17,693
20 Kootenay-Columbia	161,579	61,694	71,976
22 Vernon	343,479	131,147	153,005
23 Central Okanagan	904,572	345,382	402,946
27 Cariboo-Chilcotin	189,996	72,544	84,635
28 Quesnel	122,476	46,764	54,558
33 Chilliwack	549,770	209,913	244,898
34 Abbotsford	790,834	301,955	352,281
35 Langley	833,992	318,434	371,506
36 Surrey	2,880,877	1,099,971	1,283,300
37 Delta	628,566	239,998	279,998
38 Richmond	792,147	302,457	352,866
39 Vancouver	2,012,521	768,417	896,487
40 New Westminster	268,614	102,561	119,655
41 Burnaby	960,722	366,821	427,958
42 Maple Ridge-Pitt Meadows	589,419	225,050	262,559
43 Coquitlam	1,253,806	478,725	558,513
44 North Vancouver	619,332	236,472	275,884
45 West Vancouver	282,557	107,885	125,866
46 Sunshine Coast	129,314	49,375	57,604
47 Powell River	83,869	32,023	37,360
48 Sea to Sky	200,864	76,694	89,476
49 Central Coast	9,631	3,677	4,290
50 Haida Gwaii	20,911	7,984	9,315
51 Boundary	52,600	20,084	23,431
52 Prince Rupert	80,306	30,663	35,773
53 Okanagan Similkameen	94,739	36,173	42,202
54 Bulkley Valley	80,669	30,801	35,934
57 Prince George	531,488	202,932	236,754
58 Nicola-Similkameen	83,577	31,911	37,230
59 Peace River South	142,864	54,548	63,639
60 Peace River North	247,606	94,540	110,297
61 Greater Victoria	783,316	299,085	348,932
62 Sooke	428,429	163,581	190,845
63 Saanich	286,886	109,539	127,795
64 Gulf Islands	69,517	26,543	30,967
67 Okanagan Skaha	235,507	89,921	104,908
68 Nanaimo-Ladysmith	561,995	214,580	250,343
69 Qualicum	165,491	63,188	73,719
70 Alberni	153,394	58,569	68,330
71 Comox Valley	336,794	128,594	150,026
72 Campbell River	221,250	84,477	98,557
73 Kamloops/Thompson	588,180	224,577	262,007
74 Gold Trail	45,419	17,342	20,232
75 Mission	248,136	94,743	110,533
78 Fraser-Cascade	68,068	25,989	30,321
79 Cowichan Valley	319,077	121,829	142,134
81 Fort Nelson	29,526	11,274	13,153
82 Coast Mountains	168,307	64,263	74,973
83 North Okanagan-Shuswap	252,613	96,453	112,528
84 Vancouver Island West	17,061	6,514	7,600
85 Vancouver Island North	55,472	21,180	24,710
87 Stikine	7,726	2,949	3,441
91 Nechako Lakes	146,868	56,077	65,423
92 Nisga'a	15,845	6,050	7,058
93 CSF	244,555	93,375	108,938
Provincial Total	22,000,000	8,400,003	9,800,003

Estimated TPP Savings 2016/17 and 2017/18 School Year

	Estimated TPP Members Salaries 2016/17 School Year	Estimated TPP Savings from a 1.82% employer rate reduction	Estimated TPP Members Salaries 2017/18 School Year	Estimated TPP Savings from a 1.82% employer rate reduction
5 Southeast Kootenay	26,084,461	474,737	27,558,876	501,572
6 Rocky Mountain	15,157,506	275,867	15,302,206	278,500
8 Kootenay Lake	23,454,506	426,872	23,617,853	429,845
10 Arrow Lakes	2,968,117	54,020	3,006,417	54,717
19 Revelstoke	5,306,238	96,574	5,551,196	101,032
20 Kootenay-Columbia	17,568,709	319,750	18,657,929	339,574
22 Vernon	40,328,859	733,985	41,010,351	746,388
23 Central Okanagan	101,784,696	1,852,481	108,673,602	1,977,860
27 Cariboo-Chilcotin	24,562,773	447,042	24,928,890	453,706
28 Quesnel	16,372,913	297,987	16,379,839	298,113
33 Chilliwack	58,192,317	1,059,100	61,688,561	1,122,732
34 Abbotsford	87,778,840	1,597,575	94,143,942	1,713,420
35 Langley	93,617,783	1,703,844	99,086,169	1,803,368
36 Surrey	335,923,911	6,113,815	345,706,850	6,291,865
37 Delta	80,200,725	1,459,653	80,222,176	1,460,044
38 Richmond	99,636,272	1,813,380	94,563,643	1,721,058
39 Vancouver	250,089,903	4,551,636	248,444,817	4,521,696
40 New Westminster	32,171,370	585,519	34,800,588	633,371
41 Burnaby	123,552,568	2,248,657	125,792,916	2,289,431
42 Maple Ridge-Pitt Meadows	69,182,064	1,259,114	71,741,283	1,305,691
43 Coquitlam	154,274,296	2,807,792	155,298,783	2,826,438
44 North Vancouver	75,469,482	1,373,545	76,422,019	1,390,881
45 West Vancouver	34,393,710	625,966	35,010,911	637,199
46 Sunshine Coast	16,167,492	294,248	15,670,928	285,211
47 Powell River	9,711,494	176,749	9,584,554	174,439
48 Sea To Sky	22,798,812	414,938	22,968,146	418,020
49 Central Coast	1,892,920	34,451	1,993,496	36,282
50 Haida Gwaii	3,941,935	71,743	3,741,299	68,092
51 Boundary	7,097,440	129,173	7,023,306	127,824
52 Prince Rupert	11,263,260	204,991	11,701,430	212,966
53 Okanagan Similkameen	11,778,846	214,375	11,781,097	214,416
54 Bulkley Valley	9,575,210	174,269	9,808,857	178,521
57 Prince George	57,599,092	1,048,303	59,173,573	1,076,959
58 Nicola-Similkameen	11,675,173	212,488	10,914,663	198,647
59 Peace River South	17,852,732	324,920	17,793,861	323,848
60 Peace River North	28,729,997	522,886	30,085,024	547,547
61 Greater Victoria	91,354,186	1,662,646	95,330,058	1,735,007
62 Sooke	47,772,827	869,465	49,267,151	896,662
63 Saanich	34,121,297	621,008	34,434,173	626,702
64 Gulf Islands	9,204,381	167,520	9,497,483	172,854
67 Okanagan Skaha	27,581,058	501,975	27,468,023	499,918
68 Nanaimo-Ladysmith	61,882,160	1,126,255	63,922,363	1,163,387
69 Qualicum	20,439,819	372,005	20,628,959	375,447
70 Alberni	18,905,444	344,079	18,265,176	332,426
71 Comox Valley	35,132,846	639,418	37,223,131	677,461
72 Campbell River	25,114,328	457,081	25,776,358	469,130
73 Kamloops/Thompson	67,611,494	1,230,529	68,438,942	1,245,589
74 Gold Trail	6,845,310	124,585	7,181,385	130,701
75 Mission	26,906,185	489,693	28,330,917	515,623
78 Fraser-Cascade	8,632,536	157,112	9,222,159	167,843
79 Cowichan Valley	36,071,020	656,493	37,501,937	682,535
81 Fort Nelson	3,903,248	71,039	3,878,814	70,594
82 Coast Mountains	23,255,880	423,257	22,851,248	415,893
83 N. Okanagan-Shuswap	29,707,187	540,671	30,428,258	553,794
84 Vancouver Island West	3,345,668	60,891	3,501,336	63,724
85 Vancouver Island North	7,592,413	138,182	7,457,759	135,731
87 Stikine	1,654,809	30,118	1,992,727	36,268
91 Nechako Lakes	22,262,292	405,174	22,982,514	418,282
92 Nisga'a	3,409,692	62,056	3,690,564	67,168
93 Conseil Scolaire Francophone	31,139,616	566,741	30,056,778	547,033
99 Provincial Summary	2,622,002,117	47,720,439	2,679,178,266	48,761,044

Page 42

Withheld pursuant to/removed as

s.13;s.17

**2018/19 Estimates Note
Advice to the ADM**

Ministry: Ministry of Education
ADM Responsible: Reg Bawa

Title: Analysis of MSP and HT impact to K-12 Sector

Revised: *February 28 2018*

Issue: Boards of Education will have increased costs when the Employer Health Tax replaces MSP premiums

s.13,s.17

2018/19 Estimates Note Advice to the ADM

Ministry: Ministry of Education
ADM Responsible: Reg Bawa

s.13,s.17

Key Facts Regarding the Issue:

- 2018/19 is the first year that boards will see increased costs from the combination of the employer health tax and MSP premiums
- BCASBO has stated that boards of education have already accounted for the Jan 1 2018 MSP savings into budgets and therefore these savings are not available to cover EHT costs.
- Preliminary operating grants are announced on March 15, 2018 s.13,s.17
s.13,s.17
- Recently Boards of Education have benefitted from reductions in Teacher Pension Plan contribution rates of 1.82%, leading to an estimated \$47.7M of ongoing savings, that started in in the 2016/17 school year.
- Additionally, Municipal Pension plan premiums were reduced on January 1, 2017 as the MPP Board of Trustees decided to eliminate age and gender differentiation in employer contribution rates to bring the MPP. s.13,s.17
s.13,s.17
- In the 2016/17 Boards of Education also saw savings/cost avoidance of over \$30M by participating in various shared services initiatives, which will continue into future years. As part of this work, and through the funding model review, the Ministry will continue work with school districts to evaluate further opportunities to find efficiencies.

Page 45

Withheld pursuant to/removed as

s.13;s.17

From: [Filion, Corinna GCPE:EX](mailto:Filion,Corinna@bc.ca)
To: [Harrison, Veronica EDUC:EX](mailto:Harrison,Veronica@bc.ca); [Maartman, William EDUC:EX](mailto:Maartman,William@bc.ca); [Farrance, Melissa EDUC:EX](mailto:Farrance,Melissa@bc.ca)
Cc: [Leslie, Sean GCPE:EX](mailto:Leslie,Sean@bc.ca)
Subject: Fwd: FYI- CFJC: Stretch - school tax
Date: Thursday, March 8, 2018 9:22:22 PM

FYI

Sent from my iPhone

Begin forwarded message:

From: "Draper, Kindree PSEC:EX" <Kindree.Draper@gov.bc.ca>
Date: March 8, 2018 at 9:11:03 PM PST
To: "Jah, Tim PSEC:EX" <Tim.Jah@gov.bc.ca>, "Ahn, Sohee EDUC:EX" <Sohee.Ahn@gov.bc.ca>, "Leslie, Sean GCPE:EX" <Sean.Leslie@gov.bc.ca>, "Pauliszyn, Robert PSEC:EX" <Robert.Pauliszyn@gov.bc.ca>, Renzo Del Negro <renzod@bcpsea.bc.ca>, "Horn, Kim EDUC:EX" <Kim.Horn@gov.bc.ca>, "Dawson, Ken PSEC:EX" <Ken.Dawson@gov.bc.ca>, "Evans, Keith JAG:EX" <Keith.Evans@gov.bc.ca>, "Godin, Keith EDUC:EX" <Keith.Godin@gov.bc.ca>, "Foweraker, Jonathan EDUC:EX" <Jonathan.Foweraker@gov.bc.ca>, Janet Stewart <JanetS@bcpsea.bc.ca>, Deborah Stewart <deborahs@bcpsea.bc.ca>, "Sorochan, Craig GCPE:EX" <Craig.Sorochan@gov.bc.ca>, "Filion, Corinna GCPE:EX" <Corinna.Filion@gov.bc.ca>, "Zacharuk, Christina PSEC:EX" <Christina.Zacharuk@gov.bc.ca>, "Rathbone, Chris PSEC:EX" <Chris.Rathbone@gov.bc.ca>, "Olson, Alisha PSEC:EX" <Alisha.Olson@gov.bc.ca>, "Bawa, Reg R EDUC:EX" <Reg.Bawa@gov.bc.ca>, "Lacharite, Kim A EDUC:EX" <Kim.Lacharite@gov.bc.ca>
Subject: FYI- CFJC: Stretch - school tax

CFJC (Kamloops)
CFJC Evening News
08-Mar-2018 18:04

Quoted: Bill O'Donovan, Kelvin Stretch

Bill O'Donovan: The Kamloops-Thompson school district will also have to pay the employer health tax, but the secretary treasurer says it won't have a significant impact on the 2019/2020 school year.

Kelvin Stretch says the district will actually save \$425,000 by the end of the school year, paying 50% less in MSP premiums and the employer health tax not kicking in until January of 2019.

Kelvin Stretch: What we will do as a district, we'll set aside the savings from this year and we will do our best to add to it over the

next two years to buffer from year three which is the most expensive year, and then ongoing we should be in a position to manage that.

O'Donovan: Stretch says the big year will be in two years time when the employer health tax will be applied to the entire school year. That will cost an additional \$250,000, but he says the district has faced much worse in the past.

Stretch: It is hard to say specifically where it would come from but, you know, we were sort of used to managing for some of the unexpected. We operated for 15 years with declining enrolment and in declining enrolment we were looking at finding upwards of \$2m a year in savings and so \$250,000 on a district with that kind of revenue, that's certainly nothing anybody is looking forward to, but we would certainly find the savings in order to pay for it.

From: Hanley, Victoria
To: [Minister, EDUC EDUC:EX](#)
Cc: [Langstraat, Piet](#); [Walsh, Mark](#); ["Zorica Jovic"](#); [Whiteaker, Ann](#); [Nohr, Deborah](#); [Mcnally, Diane](#); [Loring-Kuhanga, Edith](#); [Leonard, Elaine](#); [Watters, Jordan](#); [Orcherton, Peg](#); [Paynter, Rob](#); [Ferris, Tom](#); [Audrey Smith - VCPAC \(audrey@rwglobal.com\)](#); [Chief Thomas \(Esquimalt Nation\)](#); [Clarence Dick \(Songhees Nation\)](#); [Maintenance; Darren Companion - GVTA](#); [Don Albany \(don.albany@songheesnation.com\)](#); [GVTA \(Carolina Tudela\)](#); [Jason Gammon - GVTA \(president@gvta.net\)](#); [Alexander, Jeanette](#); [Katie Hooper \(Esquimalt Nation\)](#); [Trofimuk, Maryanne](#); [Massy, Jane](#); [Parker, Rob](#); [Ron Sam \(Songhees Nation\)](#); [Schmidt, Fred](#); [VCPAC \(Karen Coleman\)](#)
Subject: School District No. 61 (Greater Victoria)
Date: Monday, March 5, 2018 12:21:16 PM
Attachments: [2018 03 01 Ltr to Minister of Education Re Employer Health Tax.pdf](#)

Good afternoon,

The attached letter is being sent to you on behalf of Edith Loring-Kuhanga, Board Chair.

Regards,

Vicki Hanley

Executive Assistant to the
Secretary-Treasurer and Board of Education
Greater Victoria School District No. 61
250-475-4106
vhanley@sd61.bc.ca



BOARD OF EDUCATION

*Chair: Edith Loring-Kuhanga Vice-Chair: Tom Ferris
Trustees: Elaine Leonard, Diane McNally, Deborah Nohr, Peg Orcheron
Rob Paynter, Jordan Watters, Ann Whiteaker*

**SCHOOL DISTRICT NO. 61 (GREATER VICTORIA)
556 BOLESKINE ROAD, VICTORIA, BC V8Z 1E8
PHONE (250) 475-4106 FAX (250) 475-4112**

March 1, 2018

via email: educ.minister@gov.bc.ca

The Honourable Rob Fleming
Minister of Education
PO Box 9045, STN PROV GOVT
Victoria, BC V8W 9E2

Dear Minister Fleming:

The Board of Education of School District No. 61 (Greater Victoria) is writing to express concern regarding the cost implications of the recently announced employer health tax.

Our school district has faced funding pressures for many years and has had to make numerous challenging budget decisions. Upon your appointment as Minister of Education, we were encouraged to see that three of the priorities for the Ministry of Education included enhancement to K-12 education funding, additional annual funding for school supplies and the development of a stable and sustainable model for the K-12 education system.

The 2018 Provincial budget included the elimination of medical services plan premiums effective January 1, 2020 and the introduction of an employer health tax based on 1.95% of payroll effective January 1, 2019. While our Board will see a savings of approximately \$500,000 for the current school year, our Board wishes to bring to your attention that the employer health tax will result in an estimated increased cost to the school district of \$500,000 in 2018/2019, \$1,500,000 in 2019/2020 and an ongoing cost of \$1,000,000 in 2020/2021.

Given your Government's commitment to public education we are requesting that the increased costs associated with the new tax be funded. We also understand that you have indicated in the media that you are examining the issue and are hopeful that the impact can be mitigated. While our District is anticipating being able to balance our budget for the 2018-19 school year we still have areas that require reinvestment to support our students. We are particularly focused on the areas of inclusive education, mental health and operations and maintenance. The impact of the new tax will lessen our ability to address these areas.

We thank you for your consideration and look forward to the matter being addressed in the near future.

Yours truly,

A handwritten signature in black ink, appearing to read "Edith Loring-Kuhanga".

Edith Loring-Kuhanga
Board Chair

cc: Board of Education
Piet Langstraat, Superintendent of Schools
Mark Walsh, Secretary-Treasurer
GVSD Partner Groups
BC School Boards, c/o BCSTA
Local Media



DATE

Ref: 201374

s.13



From: Gail Hackenbruch
To: [Minister, EDUC EDUC:EX](#)
Cc: [Sherry Elwood](#); [Roy Uyeno](#); [Minister, FIN FIN:EX](#); [Wilkinson.MLA, Andrew LASS:EX](#); [Davies.MLA, Dan LASS:EX](#); [Deborah Tablotney](#); [Donna Sargent](#); [Ken Hamaguchi](#); [Jonathan Ho](#); [Sandra Nixon](#); [Alice Wong](#); [Eric Yung](#); [Yap.MLA, John LASS:EX](#); [Reid.MLA, Linda LASS:EX](#); [Wat.MLA, Teresa LASS:EX](#); [Johal.MLA, Jas LASS:EX](#); [Sean Harrington](#); [Lori Campion](#); [Dionne McFie](#); [Jan Hillman](#); [Tim Mccracken](#); [Steve Wenglowski](#); [Liz Baverstock](#); [Jose Pelayo](#); [Robertson, Paige LASS:EX](#); [Ng, PoWah LASS:EX](#); [Chan, Trix K LASS:EX](#); [Gold, Elana LASS:EX](#)
Subject: New Employer Health Tax
Date: Thursday, March 8, 2018 12:21:14 PM
Attachments: [image001.png](#)
[Mar 2 2018 Letter to MoE Re Employer Health Tax.pdf](#)

It is my understanding that all Employee Health Tax correspondence will be answered by PSEC.

NOTICE: This email originated from outside of the school district. Do not click on links or download attachments unless you recognize the sender and know the content is safe. For information on how to detect malicious emails, please go to our district's Portal > Inside 38 > Software Support > Outlook.

EMAIL SENT ON BEHALF OF DR. ERIC YUNG, CHAIR, BOARD OF EDUCATION (RICHMOND)

Attached is our Board's letter regarding the recently announced Employer Health Tax.

Eric Yung



Gail Hackenbruch

Executive Assistant

School District No. 38 (Richmond)

7811 Granville Avenue

Richmond, BC V6Y 3E3

ghackenbruch@sd38.bc.ca

Tel: 604 295 4302 Fax: 604 233 0150 www.sd38.bc.ca

Richmond School District No. 38, Richmond, BC, Canada

NOTICE: The content of this message may contain privileged and confidential material. It is intended for the sole use of the recipient(s) named in the To, Cc and Bcc fields. If you have received it by mistake, please inform us by an email reply and then delete the all instances of the message from your devices. It is forbidden to copy, forward, or in any way reveal the contents of this message to anyone without the express written permission from the sender. School District No. 38 (Richmond) puts the security of our staff and students at a high priority. However, the integrity and security of this email cannot be guaranteed over the Internet. Therefore, the recipient should check the email for threats with proper software, as the sender does not accept liability for any damage inflicted by viewing the content of this email.

Please do not print this email unless it is necessary. Every unprinted email helps the environment.

March 2, 2018

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

Dear Minister Fleming,

At the public meeting of February 28, 2018 the Board of Education School District No. 38 Richmond unanimously resolved to bring to your attention our extreme concern and disappointment over the new Employer Health Tax recently announced with the Provincial Budget that will impact most businesses including school districts. The implementation of this new payroll tax of 1.95% of total payroll costs effective January 1, 2019, will result in an incremental cost increase of \$1.5 million to our school district for 2018/2019 and \$3 million for 2019/2020. This announced new tax will effectively reduce services and resources to our classrooms and students.

School districts should either be exempted from this tax or alternatively additional funding should be provided by the Ministry of Education. Either of these options would ensure that our school district's limited resources and budget are not reduced and educational services to our students are not impacted. We respectfully request that the provincial government consider exempting school districts from this new tax or alternatively provide additional ongoing funding to cover the increased costs to school districts.

Sincerely,



Dr. Eric Yung, Chairperson
On Behalf of the Board of Education (Richmond)

Cc Trustees
Superintendent of Schools
Secretary Treasurer
Richmond MLAs
Minister of Finance
House Leader, Official Opposition
Education Critic, Official Opposition
BCSTA – For Distribution

Board of Education:
Eric Yung - Chairperson
Sandra Nixon - Vice Chairperson
Ken Hamaguchi Jonathan Ho Donna Sargent
Debbie Tablotney Alice Wong