



Distributed by email

May 11, 2018

Our Ref: 367424

Dr. Eric Yung  
Chairperson  
School District 38 (Richmond)  
7811 Granville Avenue  
Richmond BC V6Y 3E3

Dear Dr. Eric Yung:

Thank you for your email of March 2, 2018 sent to the Honourable Rob Fleming, Minister of Education regarding your concerns on the Employers Health Tax (EHT). As a public sector employer, your email was sent to the Public Sector Employers' Council Secretariat (PSEC Secretariat) for response.

Starting on January 1, 2018, Medical Services Plan (MSP) premiums were cut by 50%. With the launch of Budget 2018, the Minister of Finance announced the full elimination of MSP premiums effective January 1, 2020, and the implementation of the EHT. This change eliminates a regressive tax, saving families up to \$1,800 per year and an overall decrease in government revenues of approximately \$800M.

Government is aware that these initiatives have different implications for different employers. That is why an implementation date was set for next year to allow a smooth transition for all employers.

We recognize that school districts, research universities, post-secondary institutions, health authorities and community social service providers are in the midst of budget consultations. Government is very aware of the need to understand the cost pressures public sector employers are facing so they can plan for the future, and we appreciate your feedback on this matter.

Sincerely,

Christina Zacharuk  
President & CEO  
Public Sector Employers' Council Secretariat

pc: Honourable Carole James, Minister of Finance and Deputy Premier  
Honourable Rob Fleming, Minister of Education  
Vista Members  
Gordon Swan, President, BCSTA

<b>Ministry of Finance</b>	Public Sector Employers' Council Secretariat	Mailing Address: PO Box 9400 Stn Prov Govt Victoria BC V8W 9V1	Location Address: 210 – 880 Douglas St Victoria BC V8W 2B7 778.698.8549
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