



**ASSOCIATION DES COMMISSIONS SCOLAIRES ANGLOPHONES DU QUÉBEC
QUEBEC ENGLISH SCHOOL BOARDS ASSOCIATION**

**BRIEF SUBMITTED BY THE
QUEBEC ENGLISH SCHOOL BOARDS ASSOCIATION
(QESBA)**

REGARDING

**BILL N° 166
An Act to reform the school tax system**

TO THE
COMMITTEE ON CULTURE AND EDUCATION

February 6, 2018

Introduction

Since 1929, the Quebec English School Boards Association (QESBA) and its predecessors have served as a vehicle through which school boards, elected commissioners, and parents have shared ideas and worked together to achieve our community's common goal of ensuring quality educational services. The member school boards of QESBA serve some 100,000 students in over 340 elementary, high schools, and adult and vocational centres across Québec. Each Board has its unique demographics, orientations, and history. All of them share a "made-in-English-Québec" sensibility regarding the delivery of public education and provide equitable services for the needs and wants of all students, staff, and communities.

Our school boards answer to the taxpayers, which include parents and all community members, and have always been accessible and transparent in responding to them. Our primary orientation is to ensure the rights of our community and taxpayers remain intact, and that democracy prevails. Québec's English-speaking community, in all its diversity, continues to contribute to the rich tapestry of Québec life. English public school boards, representing the sole level of elected government answerable to that community, assumes as part of their mission, the job of teaching about and strengthening that fundamental contribution.

Elected commissioners are on the front lines of all decisions that will affect and ultimately benefit students. We are the voice of our community, work closely with them, and live amongst them. Our sense of community and partnership is in part one of the secrets to our success. We are proud our collective 86% graduation success rate and our administrative overhead costs, at 4%, are among the lowest of any publicly funded institution

History

QESBA has been advocating for English public education in Québec since the Association was founded in 1929. QESBA and its' predecessors have gone from 129 member boards to 9 since the creation of the Ministry of Education in 1964.

Our enrolment in 1975 was over 250,000 students across the province and has declined to less than 100,000 in 2016, a 60% reduction. There were as many as 172 elected Commissioners in 1975, and as of November 2014 there are 95 Commissioners and 9 elected Chairpersons. The decline of our community, combined with the school tax inequity that has grown over the years, has resulted in a significant reduction of our taxpayer base, with individuals choosing to pay

their taxes to French-language school boards in the same territory due to the much lower mill rate. Our families should not have to choose between supporting their community or their bank accounts.

An issue of paramount concern to QESBA and its' member boards for years, the inequitable school tax dossier has been a source of great difficulty for the English-language education sector, for our parents, and for our communities. Until now, school boards have been given limited powers to collect taxes from property owners to supplement government allocations. With eroding tax bases, and the abolition of equalization grants by the previous government, the inequity between tax revenues meant in large part it cost more for an English education, thereby penalizing our community.

Given the current school taxation situation, QESBA appreciates the overall government plan to normalize regional school taxation rates. A long-awaited reprieve to our minority community, for 6 of our 9-member boards, we recognize the proposed reform will ensure neighbours on the same street pay the same tax rate. We are pleased the reform promises a regional balance subsidy to school boards. We also congratulate the government on respecting the role of school board Councils to manage and control taxation, and for highlighting this in the proposed reform. However, we have very important concerns to bring forth.

MISSING ENGLISH SCHOOL BOARDS

Corrections must be made to the SCHEDULES identifying school boards, school tax regions, and school tax rates. The 9 English language school boards have been omitted from section 55, Schedule 1. In Schedule 1, section 67 paragraph 4 – School Tax Rates for the Year 2018-2019 – the English language school boards are named, but their rates have been omitted.

Recommendation 1

1 – That corrections be made to the SCHEDULES identifying school boards, school tax regions, and school tax rates, to include English school boards and their respective data.

TERMS OF THE 2019-2020 SCHOOL TAX

The needs of school boards vary from one to another. In the English-speaking network, the diversity of our clientele, our minority community, and the large

territories we serve, represent unique characteristics and challenges. The establishment of a regional committee does not give each school board a tool to enable it to respond directly to the educational needs of the population of its territory. The bill imposes the unanimous designation of a school board as responsible for the collection of school taxes by the French and English school boards of each taxation region, with the exception of the taxation region of Montreal, where the *Comité de gestion de la taxe scolaire de l'île de Montréal* (CGTSIM) is the governing body.

We support the normalization of school taxes and applaud the reform for creating an equitable balance across the province. However, QESBA does not support the transfer of taxation responsibilities between boards. In addition, QESBA does not support the transfer of taxation authority to the *Comité de gestion de la taxe scolaire (Comité)*, with the exception of our two Montreal boards.

The government insisted in the presentation of the reform that it was their objective to maintain the right of Councils, and thereby the democracy of communities, to manage and control school taxation. The proposal to transfer authority either within the territory, or forcing boards to transfer authority to the *Comité*, refutes this and diminishes the voice of the community and the democratic process. Specifically:

- The regional tax model creates a void and distances taxpayers and electors from elected school officials who are accountable to the population of their territory. This is a particular issue for our smaller regional boards who cover enormous geographic regions.
- The proximity link between electors and their school board becomes secondary due to the fact that they must pay their taxes to a "school board" which, very often, will not be theirs (section 314).
- If a region cannot agree on the choice of a school board responsible for tax collection, the *Comité* is automatically responsible for collecting the tax for that region (section 313.6).
- Where a region entrusts the management of the tax to the *Comité*, the region's monitoring committee has less control (section 313.11).
- Only the Minister may designate a substitute for the representative of a taxation region to the Tax Administration Committee (section 403).
- The Minister may withdraw the mandate given by a taxation region (section 477.1.6).

Minority community members often make a conscious choice to support their school boards, which we know to be precious to them. We know that linguistic and cultural institutions act as vehicles for the transmission of a minority group's identity and make important additions to its historical continuity, contributing to its overall institutional completeness. English schoolboards are an important pillar of this reality and reflect community and regional values and priorities.

Further, we recognize that our small size and large territories will result in our absorption within a regional tax collection model. Our voice will not only be diminished, it will be eviscerated. To prove this point, we have even been forgotten in the development of this proposed bill, as highlighted in our first recommendation. Consequently, we recommend that, rather than disenfranchise our anglophone communities by narrowing the manner in which they feel included, we allow our English school boards the opportunity to manage and control taxation authority, while continuing to benefit from the normalized rate within the region.

Recommendations 2, 3 & 4

2 - QESBA recommends that the government set-up a committee to monitor the school tax reform and to monitor progress and to consider a more comprehensive reform of school taxation.

3 - QESBA recommends that, rather than disenfranchise our anglophone communities by narrowing the manner in which they feel included, English school boards be given authority to manage and control taxation authority, and be the point of contact, while continuing to benefit from the normalized rate within the region.

4 - QESBA recommends that the government allow each tax region to choose whether to maintain the tax service in each school board or to focus on the joint collection of school taxes.

TAXATION & ELECTORAL LISTS

The right to vote is linked to taxation billing, so when individuals transfer from one school board to another, in our case due to inequitable rates, their vote goes with them. However, according to Article 15 of the *Loi sur les élections scolaires* "Any elector who does not have a child registered at a school board has the right to choose whether they wish to vote in the French or English language school board in their territory." There is a certain logic that if a taxpayer chooses to invest in the

English public system they would hold a vested interest in having a voice in that particular school board election. However, due to the difficulties we have highlighted, we recognize that a significant number of our community members, who are not aware of Article 15, may currently be registered on the French list as their right to vote left with their choice of school taxation body.

In addition, based on experience from previous elections, we know the current electoral lists must be reviewed and corrected. This is an area of concern QESBA and its members have been calling the Ministry's attention to for many years. With the advent of this tax reform and proposed bill, this is an excellent opportunity to finally work on much needed corrections to the English Voters' list.

Recommendations 5 - 6 - 7

5 - QESBA recommends the *Directeur général des élections du Québec* (DGEQ) dedicate the time and resources to advise voters and correct the electoral lists to reflect the community voice in advance of the November 2018 school board elections.

6 - In the event the DGEQ is unable to support recommendation 5, we recommend an extension to election school board member mandates until such time as corrections to the electoral and tax lists can be made.

7 - QESBA recommends we be given the authority to work with, and support, the DGEQ to produce lists that reflect our communities and electoral reality.

BILINGUAL SERVICES

QESBA must underline the importance of the English public education system in the design of this new model. We applaud proposed Bill 166 and the advent of much needed tax reform, but we remain concerned that our minority education system is not given equitable consideration as we forge into regionalization of taxation. QESBA recommends provisions be included to ensure access to English language services for taxpayers and constituents, so that important questions or concerns regarding their school taxation notices, or additional tax services, be available in the language of their choice.

Recommendation 8

8 - Provisions be included to ensure access to English language services for taxpayers and constituents, so that important questions or concerns regarding their school taxation notices, or additional tax services, be available in the language of their choice.

BUDGET RULES

The Minister shall, in the budgetary rules referred to in section 472, provide for the payment to the entity in charge of collecting the school tax of a regional balance subsidy, computed in accordance with sections 313.1 to 313.4, to ensure that the school boards of a school tax region may obtain their anticipated complementary revenues computed in accordance with section 313.

The *revenu complémentaire anticipé (RCA)* of a school board represents a portion of the anticipated complementary revenue of a school taxation region that goes back to that school board. The terms and conditions for the calculation of the *RCA* of a school board determines basic funding, which varies according to the types of school boards and the type of activity and funding according to the number of eligible students by category and related to demographic decline of that school board. The calculation of the *RCA* is technical and could be incorporated in the annual budget rules of school boards rather than being the subject of a regulation adopted by the government.

Recommendation 9

9 - QESBA recommends that the annual adjustment of the *RCA* be incorporated in the annual budget rules rather than being the subject of a government regulation.

ADMINISTRATION

The additional tax collected during the year on new constructions or increases in value, not included in the initial assessment when calculating the tax rate, should be retained by the school boards and not remitted to the Ministry. School boards collect school taxes from their taxpayers for activities that are not funded by the Ministry. However, on the Island of Montreal the CGTSIM is currently redistributing these additional tax revenues to disadvantaged communities. In addition, school boards cannot allocate losses to taxpayers on retroactive revisions of property assessments because of the school board tax cap. Furthermore, in the current context, school boards must remit tax bills by paper only. We would like the

government to consider amending the law to make on-line billing a possibility to taxpayers that would like to choose this option.

Recommendations 10 – 11 – 12

10 - QESBA recommends that the government leave the income collected during the year on new constructions or increases in value (not included in the assessment roll when calculating the tax rate) to the tax region.

11 - QESBA recommends that the government compensate tax regions for the losses incurred on retroactive revisions of the assessment roll.

12 - QESBA recommends that the Education Act be amended to allow on-line billing for individuals that wish to choose this option.

Reporting Tax Rolls to the Ministry

The Ministry requires assessment rolls be provided by May 15th for the school year beginning July 1st and be based on assessment rolls deposited no later than April 15th of the current school year for all taxable properties. This information is used for the purposes of calculating regional school tax rates. Obtaining timely information is crucial as this data is essential for determining regional school tax rates. QESBA considers that the schedule of April 15 and May 15 should be extended by fifteen days each to ensure that tax rates are obtained in a timely and efficient manner.

Recommendation 13

13 - QESBA recommends that assessment rolls be sent on April 30th for the school year beginning July 1st and be based on the updated assessment rolls as of April 15th of the current school year for all taxable properties in the taxation area.

CONCLUSION

The Quebec English School Boards Association is pleased overall with the draft bill. After years of lobbying on this very important file, the normalization of taxes is a satisfying solution to an immense problem for our school boards and communities across Québec. Our recommendations are proposed in the hopes of continuing to build a solid partnership with the government, as well as protect our rights by virtue of the Constitution.