

January 24, 2019

The Honourable Adrian Dix
Minister of Health
PO BOX 9050
Stn Prov Govt
Victoria, BC, V8W9E2

Re: International Student Contributions to Medical Services Plan

On January 1st, 2020, most people in British Columbia benefited from a change to the structure of the Medical Services Plan (MSP), which eliminated their financial contributions to provincial health care. This change was particularly meaningful to students, who often struggle with staying financially afloat while also balancing their academic commitments and personal lives. However, one subsection of the student population did not benefit from this change, and actually saw their financial burden go up. International students across the province are now paying \$75.00 per month,¹ and this has not gone unnoticed by student associations and advocacy groups. We are extremely concerned about the decision to increase health care coverage fees for international students, especially without meaningful consultation with student associations, advocacy groups, or international students.

International students already deal with a number of structural barriers to financial stability. They face federal legislation which limits their ability to work off-campus to only 20 hours a week.² International students also deal with discrimination in hiring practices, and may experience language barriers which make finding work more challenging.³ As well, there is no provincial regulation of international student tuition, which has left the door open to post-secondary institutions implementing jumps of up to 20% in some cases.⁴ Tuition for international students in undergraduate programs in BC has risen 485% since 1991,⁵ while comparatively, domestic student tuition only rose 185% within the same timeframe.⁶ Though the federal government requires international students to prove that they have the financial means

¹ Ministry of Health. "International students continue to contribute to B.C. health care as MSP premiums eliminated" 2019. Government of British Columbia. Accessed online: <https://news.gov.bc.ca/releases/2019HLTH0114-001555>

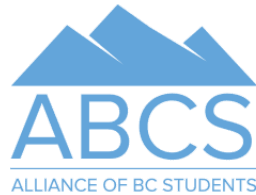
² Department of Justice. "Immigration and Refugee Protection Regulations." 2019. Government of Canada. Accessed online: <https://laws-lois.justice.gc.ca/eng/regulations/sor-2002-227/section-186.html>

³ Fakh, Zeinab et. al.. "Dispelling the 'Rich International Student' Myths." 2019. The Eyeopener. Accessed online: <https://theeyeopener.com/2019/09/dispelling-the-rich-international-student-myths/>

⁴ Hennig, Clare. "SFU to increase international students' tuition up to 20 per cent despite protests." 2019. CBC News. Accessed online: <https://www.cbc.ca/news/canada/british-columbia/sfu-students-push-for-tuition-freeze-1.5065785>

⁵ "Average International Undergraduate Student Tuition." 2017. Canadian Association of University Teachers. Accessed online: <https://www.caut.ca/content/321-average-international-undergraduate-student-tuition>

⁶ "Average Undergraduate Student Tuition, Domestic." 2017. Canadian Association of University Teachers. Accessed online: <https://www.caut.ca/content/318-average-undergraduate-student-tuition-domestic>



to support themselves in Canada before their visas are issued,⁷ this does little to meaningfully predict an international student's capacity to support themselves when there is no way to accurately anticipate how much their tuition will increase over time, and their ability to work to meet any unexpected financial shortfalls is limited by law or prejudice.

The effect this change will have is particularly burdensome for students with dependents, as the health-care coverage fee for K-12 international students will be equal to that of post-secondary students. For an international student with two school-aged children, the health-care coverage fee will now cost their family \$2,700 per year. This amount is almost 12% of the average annual income of a Ph.D. student at UBC.⁸ We strongly feel that this disproportionately high annual expense is an unfair burden to put on students and their dependents.

The harmful stereotypical image of the "rich international student" is not an accurate reflection of the realities many international students face. International students come from many different financial backgrounds,⁹ and it is incorrect to assume that most international students are able to take on ever-increasing financial burdens tied to their education. Students from less advantaged economic backgrounds can often be completely priced out of the Canadian market,¹⁰ and this change is only going to increase the likelihood that this will happen. Equitable access to education regardless of financial situation is a much upheld Canadian ideal, as proven by our financial aid programs for students in need. Student advocates agree that this idea of equitable access doesn't only apply to Canadians - anyone who is attempting to access excellent education should be able to do so, and barriers should not be created which make this more difficult.

We believe that an effective consultation with student associations, advocacy groups, and international students by government could have better prepared international students for this change. Given the timeframe for how students plan for an academic year, an August announcement leaves little time for an international student to adapt their budget which must already accommodate -high expenses, unregulated tuition, and limitations on their ability to work.

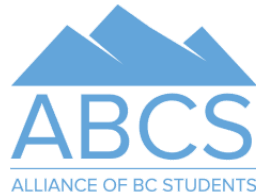
Under the new Employer Health Tax and framework for contributions to MSP, international students can end up counting twice when it comes to paying for provincial health care. An international student will pay \$75.00 per month into MSP, and if they work for an employer with BC remuneration greater than \$500,000 per year, their employer will also pay the

⁷ Immigration and Citizenship. "Eligibility Requirements." 2019. Government of Canada. Accessed online: <https://www.canada.ca/en/immigration-refugees-citizenship/services/study-canada/study-permit/eligibility.html>

⁸ According to a UBC Graduate Student Society (GSS) yearly survey, the average annual income of a PhD student at UBC is \$22,076.

⁹ RBC Economics Research. "Attracting International Talent." 2017. Royal Bank of Canada. Accessed online: <http://www.rbc.com/economics/economic-reports/pdf/other-reports/International%20students-May2017.pdf>

¹⁰ Canadian Federation of Students. "Factsheet: Tuition Fees for International Undergraduate Students." 2015. Canadian Federation of Students. Accessed online: <https://cfs-fcee.ca/wp-content/uploads/2018/10/2015-05-Factsheet-IntUGrads-EN.pdf>



employer health care tax.¹¹ This indicates that if remuneration paid to international students counts towards an employer's total BC remuneration, an international student working for a large employer ends up generating revenue for provincial healthcare twice. A survey at the University of Victoria indicates that 77% of international students worked for the university, which counts as a large employer under the new regulations. This means that 77% of international students at the University of Victoria will have paid their own MSP premiums on top of the tax their employer is also paying on their income. It is not fair for international students to have to pay once themselves, and then also have their income count towards their employer's contributions to provincial health care as well.

British Columbia has a world-class education system, and this is reflected in the contribution of international student education to the BC economy. International students contributed 2.7 billion dollars to BC's GDP in 2016, and their spending translated into 40,499 jobs across the province in the same year.¹² As research assistants, graduate students also make significant contributions to the province's knowledge economy through research outcomes that benefit various sectors, including energy and health care.

International education is a major economic driver for BC.¹³ In other countries where economies have similarly depended on international student tuition, when international student enrolment rates declined, it resulted in negative economic impacts from which those countries took years to recover.¹⁴ The economic risk that comes from creating even more barriers for international students could be fiscally irresponsible, especially at a time when, now more than ever, post-secondary institutions are dependent on international student tuition to balance their budgets.¹⁵

We the undersigned call on the British Columbian government to commit to fairness on our campuses and either revert the changes made to international student contributions to the Medical Services Plan, or eliminate international student contributions to the Medical Services Plan altogether.

¹¹ Government of British Columbia. "Employer Health Tax B.C. Remuneration." 2018. Government of British Columbia. Accessed online: <https://www2.gov.bc.ca/gov/content/taxes/employer-health-tax/employer-health-tax-overview/eh-remuneration>

¹² Kunin, Roslyn & Associates, Inc.. "Economic Impact of International Education in Canada – 2017 Update." 2017. Global Affairs Canada. Accessed online: <https://www.international.gc.ca/education/report-rapport/impact-2017/index.aspx?lang=eng>

¹³ Trade and Invest British Columbia. "Industry Sectors". 2019. Trade and Invest British Columbia. Accessed online: <https://www.britishcolumbia.ca/export/industry-sectors/>

¹⁴ Government of Australia. "International trade in services by country, by state and by detailed services category, financial year, 2011-12". Government of Australia. 2012. Accessed online: www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/5368.0.55.003Main+Features12011-12?OpenDocument

¹⁵ Usher, Alex. "The State of Post-Secondary Education in Canada, 2018." 2018. Higher Education Strategy Associates. Accessed online: https://higherstrategy.com/wp-content/uploads/2018/08/HESA_SPEC_2018_final.pdf



Signatories:

The Alliance of BC Students • Capilano Students' Union • Graduate Student Society of UBC Vancouver • Kwantlen Student Association • Langara Students' Union • UFV Student Union Society • Alma Mater Society of UBC • The Graduate Student Society at SFU • Simon Fraser Student Society • UVic Graduate Students' Society • University of Victoria Students' Society

