

# LEADER-POST

From the Regina Leader-Post – Wednesday, May 4, 2005 – Page B8

## **Province has received millions from Ottawa**

I write in connection with an article in your April 21st edition, "Revenue sharing system stinks". It reported the views of Brian Lee Crowley, the president of the Atlantic Institute for Market Studies, a right-wing think-tank based in Halifax.

In expressing his opinions about Canada's Equalization system, Crowley advanced a number of erroneous notions that deserve correction.

First, and most seriously, he makes the patently false suggestions that ". . . the federal government will try to keep Saskatchewan on equalization" as a means of political domination. With all due respect, nothing could be more ludicrous, or more insulting to Saskatchewanians.

Generations of determined citizens in this province have struggled mightily over the years to cast off the constraints of history and geography, distance and climate, politics and defeatism to move beyond old dependencies and limitations.

One fine ambition has been to outgrow our traditional need for equalization. And the Government of Canada supports that goal.

To that end, we have invested \$500 million in better Saskatchewan infrastructure; another \$575 million in world-class science and technology; and millions more in rural value-added and diversification; renewable fuels and alternative energy; the film, video, new-media and cultural sectors; sophisticated new vaccine developments; the growth of tourism, the promotion of trade . . . and the list goes on!

The Government of Canada celebrates Saskatchewan's recent "graduation" from its reliance upon equalization, and we look forward to investing further in the innovation, productivity, competitiveness and growth that will secure Saskatchewan as a successful "have" province for the long-term.

Secondly, Crowley failed to acknowledge that major changes have been made to equalization recently, benefiting Saskatchewan:

- Like the compensation for errors in the previous workings of the formula, resulting in a \$120 million gain for Saskatchewan this past year; and

- The elimination of the clawback in the program since February of last year, resulting in a further \$590 million gain for Saskatchewan.

Thirdly, he fails to mention that the amount of federal money now available for distribution among the less prosperous ("have-not") provinces stands at \$10.9 billion this year -- an all-time high -- and it will increase at the rate of 3.5 per cent per year thereafter, providing more support and more certainty than ever before.

And fourth, Crowley fails to note that an independent expert panel of eminent Canadians is now examining the whole equalization formula to find ways in which it can be made to work more fairly and effectively, for Saskatchewan and the whole country. Indeed, Crowley will no doubt have the opportunity to appear before that panel to offer advice, and so will the government of Saskatchewan.

***Ralph Goodale***

***Goodale is MP for Regina Wascana and federal minister of Finance  
Ottawa***