

Saskatchewan Party Proposal for Equalization Reform – February 18, 2005

1. Exempt oil and gas revenue from the calculation of equalization entitlement for the period from 2005 to 2012.
2. Move to a ten province standard for calculation of average fiscal capacity beginning in 2005.
3. Beginning in 2005-06, abandon the use of federal proxies to calculate the fiscal capacity of the mining sector and return to the use of four separate bases (used prior to 1999).
4. Call for an immediate meeting of the Council of the Federation to discuss Equalization Reform and propose endorsement of items 1, 2 & 3.
5. Arrange meetings between the Premier of Saskatchewan and Leader of the Official Opposition and the premiers and finance ministers of every province to secure support for items 1, 2 & 3 prior to the meeting of the Council of the Federation.
6. Arrange a meeting prior to the beginning of the 2005 Legislative Session between the Premier of Saskatchewan, the Leader of Saskatchewan's Official Opposition, the Chair of federal Conservative Party's Saskatchewan Caucus, Prime Minister Martin and Federal Finance Minister Goodale to secure support for changes to the equalization program recommended above.
7. Provide the people of Saskatchewan with a forum to lobby Finance Minister Ralph Goodale and Prime Minister Martin through e-mails and on line petitions to take action on items 1, 2 & 3 immediately and also to lobby all provincial MPs and the Leaders of the Opposition Parties in the House of Commons to support the same.
8. Call on all major federal political parties to include support for items 1, 2 & 3 and make that support immediately public.
9. Request that Saskatchewan's representative on Council of the Federation Panel recently established to review federal-provincial financing arrangements is also one of the five members of federal-provincial panel studying changes to the Equalization Program to ensure Saskatchewan's position is consistently presented.
10. If the lobby effort is not successful, consider a constitutional challenge of the current equalization calculation on the grounds that it violates Section 36(2) of *The Constitution Act, 1982* inasmuch as the formula does not ensure Saskatchewan has "sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation."