

**Saskatoon:**  
Unit 3, 844-51st St. East  
Saskatoon, SK S7K 5C7  
Tel (306) 975-4725  
Toll free (888) 844-8886  
Fax (306) 975-4728  
vellacott.mp@shawlink.ca



HOUSE OF COMMONS  
CANADA

**Ottawa:**  
Suite 610, Justice Bldg.  
House of Commons  
Ottawa, ON K1A 0A6  
Tel (613) 992-1899  
Fax (613) 992-3085  
Vellacott.M@parl.gc.ca  
www.mauricevellacott.ca

**Maurice Vellacott, MP**  
**Saskatoon-Wanuskewin**

## **2007-08 Equalization/Territorial Formula Financing Entitlements**

**For Immediate Release**

**January 18, 2007**

**OTTAWA** – The federal Minister of Finance, Jim Flaherty, as of yesterday sent letters to his provincial and territorial counterparts with details on interim Equalization and Territorial Formula Financing (TFF) entitlements for fiscal 2007-08.

Saskatoon-Wanuskewin MP Maurice Vellacott yesterday said, “Some provincial Finance Ministers have publicly and falsely stated that these letters demonstrate that Canada’s Conservative Government will not be able to resolve the issue of fiscal balance.”

Vellacott said, “Canada’s present Conservative Government is the first to acknowledge that there is a fiscal imbalance and in the next budget, we will be introducing a new principle-based approach to transfers as part of restoring fiscal balance.”

Vellacott continued, “Canada’s Conservative Government is committed to resolving the fiscal imbalance. Any comments by detractors suggesting otherwise is not true.”

At their meeting in Vancouver last December, Provincial and Territorial Finance Ministers asked Minister Flaherty to know, for budget planning purposes, how much they would receive in Equalization and Territorial Formula Financing in 2007-08. “Minister Flaherty responded yesterday in writing to the Provincial and Territorial Finance Ministers providing that certainty by establishing minimum guaranteed payments for the 2007-08 fiscal year,” said Vellacott.

Vellacott indicated, “It is important to note that these amounts are being allocated using the latest legislated formula (2004). Canada’s Conservative Government is providing the maximum amount of Equalization and TFF that it is authorized to pay under existing legislation – this is a 3.5 per cent increase in total entitlements as compared to last year.”

Vellacott stressed that, “Any increases offered in the next budget will build upon what has been stated yesterday by the Provincial and Territorial Finance Ministers. This is more than the previous Liberal government would have done.”

Vellacott concluded by emphasizing, “Our Finance Minister is continuing to work with provinces and territories to develop a comprehensive solution that will provide fair, principled transfers to all provinces and meet the commitments in the government’s election platform.”

– 30 –

**For further comment, call (613) 992-1966 or 297-2249**