

Sask. will sue over equalization: Calvert

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[CBC News](#)

Saskatchewan will launch a lawsuit against the federal government next week over equalization payments, Premier Lorne Calvert said Wednesday.

Calvert said a lawsuit isn't his preferred way to deal with the dispute over the federal program, but he tried negotiations and calling on Saskatchewan MPs to vote against the budget and nothing worked.

"This is a very poor way to run a country," Calvert said.

Equalization is the \$12 billion program under which Ottawa makes payments to poorer provinces so they can afford the same services and tax rates as richer provinces.

Thanks to surging oil and gas revenues, Saskatchewan has received virtually no equalization money in the past few years.

During the election campaign, the Conservatives promised to take non-renewable resources like oil and gas out of the equalization formula — a change Calvert said would mean an extra \$800 million a year for provincial coffers.

The March 19 budget did remove oil and gas from the formula, but added a cap on equalization payments. As a result, Saskatchewan is getting \$226 million this year and nothing next year.

Calvert said the legal action would not be over a broken campaign promise.

If a lawsuit was filed for every broken Conservative promise, there wouldn't be enough lawyers, he said.

Instead, he said, the suit would be based on the sections of the constitution that require the equalization program to be fair and equitable.

The Saskatchewan government will also argue the constitutional principle that natural resources belong to the people of Saskatchewan and the current equalization program violates that principle.

Earlier in the day, Saskatchewan Conservative MP Gerry Ritz insisted in a CBC interview that there had been no promise broken and that his constituents are telling him the budget is an excellent one for Saskatchewan.

Saskatchewan Tory MPs vote for budget

Governments in Nova Scotia and Newfoundland and Labrador have also been up in arms over the equalization program.

Nova Scotia MP Bill Casey was kicked out of the Conservative caucus after he voted against the government's budget bill last week.

Casey did the same thing again in the final budget vote Tuesday night. The budget passed a final vote in the House of Commons with all 12 Saskatchewan Conservative MPs voting in favour.

Regina-Lumsden-Lake Centre MP Tom Lukiwski came out swinging, however, accusing Calvert of launching a lawsuit as a provincial election ploy.

"He's got an election coming up. He's 25 points down in the polls," Lukiwski said. "This is grandstanding, a last-ditch effort for him to try to change the channel. I think he has no basis for his lawsuit, but I welcome his challenge."

Quizzed during question period about equalization, Prime Minister Stephen Harper claimed he was baffled by developments in Saskatchewan and the Atlantic provinces.

"I don't even understand what they're saying anymore," he said.