



Council of the Federation Launches Panel to Study Fiscal Imbalance

TORONTO, May 27, 2005 – Premiers today announced the establishment of the Council of the Federation Advisory Panel on Fiscal Imbalance to provide Canadians with an independent, objective assessment of the fiscal imbalance problem, specifically how it should be addressed.

“By recommending ways to correct the fiscal imbalance, the panel will be addressing an important issue facing the federation today,” said Ontario Premier Dalton McGuinty, Chair of the Council of the Federation.

Robert Gagné, a professor at the Institute of Applied Economics at HEC Montréal and Janice Gross Stein, a well-respected academic with the University of Toronto will head up a five-person panel to look at ways to ensure that provinces and territories have the resources to provide services that are vital to the well-being and prosperity of Canadians. Other panel members include public-policy expert Peter Meekison, Senator Lowell Murray, and northern businessperson John Todd.

“We are very pleased that these well-respected and knowledgeable Canadians have agreed to serve on this important panel. Premiers look forward to their conclusions on the extent of the fiscal imbalance, as well as ways it can be tackled,” said McGuinty.

While the federal government consistently records surpluses, provinces and territories face increasing demands and rising costs for programs and services they provide. Canada needs to have a balance between the constitutional responsibilities of governments and the ability to fund services resulting from these responsibilities. Achieving fiscal balance between federal, provincial and territorial governments is essential to ensure that all Canadians receive comparable, high quality services.

The panel will submit a report to the Council of the Federation in fall 2005.

The Council of the Federation is comprised of all 13 provincial and territorial Premiers. It enables Premiers to work collaboratively to strengthen the Canadian federation by fostering a constructive relationship among the provinces and territories, and with the federal government.

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See also: **Media Backgrounder** on the advisory panel
Biographical information for each of the panel members.

To learn more, visit www.councilofthefederation.ca.

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