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**Energy Trusts hope Auditor General will set the record straight on tax leakage**

Calgary, AB – March 10, 2008: Following a move by the Federal Liberals, members of the Coalition of Canadian Energy Trusts (CCET) are also asking Auditor General Sheila Fraser for a formal investigation into the tax leakage claims made by the government as a basis for its October 31, 2006 decision to tax income trusts.

“After 17 months and many requests for the details of the Finance Department’s calculations, we remain stonewalled by the federal government on this issue,” says Sue Riddell Rose, president and CEO of Paramount Energy Trust and co-chair of the CCET. “Neither we nor other experts could find evidence of tax leakage to back up the government’s claim, so we are encouraged that the Auditor General may be able to set the record straight with an investigation.”

In December 2006, the Coalition presented a 251-page report detailing the role played by energy trusts in the Canadian economy and outlining the expected negative results of the government’s broken promise not to tax income trusts (*Canadian Energy Trusts: An Integral Component of the Canadian Oil and Gas Industry*). In the report, the CCET disputed the claim of tax leakage and publicly invited the government to disclose its calculations. The government has yet to respond.

A formal request through the Freedom of Information Act, seeking data on which the government based its decision to tax trusts, yielded no information other than blacked-out documents.

“Canadians deserve to know what facts the government used for such an important change in policy,” says Riddell Rose. “This broken promise by the Conservative government continues to have lasting and disastrous affects on the average Canadian investor, and it has shaken the industry to the core. As advocates for our unitholders, many of them seniors, who were severely mistreated by the government with the sudden change in the rules, we will continue to press the government for the answers we’ve sought since the beginning.” The CCET continues to believe that any concerns the government may have had about energy trusts can be rectified through communication and understanding leading to a solution that would not be so harmful to innocent unitholders.

The Coalition of Canadian Energy Trusts represents over 30 energy trusts headquartered in Canada and employing thousands of Canadians. It also represents the millions of Canadian unitholders who saw the value of their investments drop by \$35 billion following the announcement of the so-called Tax Fairness Plan on October 31, 2006. More information about the Coalition and its partners can be found at [www.canadianenergytrusts.ca](http://www.canadianenergytrusts.ca).

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