



---

# *News Release*

---

Immediate release

July 13, 2008

## **Governments of Canada and Nova Scotia Resolve Crown Share Adjustment Payments**

On behalf of Prime Minister Stephen Harper, the Honourable Peter MacKay, Minister of National Defence, and Nova Scotia Premier Rodney MacDonald today announced the resolution of an outstanding obligation respecting the province's Crown Share Adjustment Payments for oil and gas projects in the Nova Scotia offshore.

"Last October, Prime Minister Harper and Premier MacDonald announced a process to finally resolve this dispute and today I am pleased to announce we have a resolution," said Minister MacKay. "Together, our governments sat down, rolled up our sleeves and set out to make good on a 22-year-old obligation to Nova Scotia."

Accepting the recommendation of an independent panel, the Government of Canada will provide Nova Scotia with \$234.4 million for past payments up to March 31, 2008. Going forward, the two governments have agreed to work together to take the steps necessary to implement the Chair's recommendation enabling the calculation of Crown Share Adjustment Payments for future years. The panel estimates the value of those payments for future years for the Sable Offshore Energy Project and the Deep Panuke Offshore Project to be approximately \$633 million.

"This is an historic day for the people of Nova Scotia," said Premier MacDonald. "Today we are taking a major step toward achieving our goal of sustainable prosperity. I want to thank Prime Minister Harper and Minister MacKay and the many others who worked with me to seize the opportunity to resolve this longstanding issue."

Federal legislation implementing the 1986 Offshore Accord, including provisions for Crown Share Adjustment Payments, has been in place since 1988. Previous governments were unable to come to an agreement on how to put the Crown Share Adjustment Payment provisions into effect.

On October 10, 2007, the Panel was asked by Prime Minister Harper and Premier MacDonald to provide guidance to both governments on the methodology for calculating Crown Share adjustment payments to Nova Scotia. The panel, chaired by the

Honourable Lorne O. Clarke, former Chief Justice of the Nova Scotia Supreme Court, presented its recommendations to both governments earlier this month. Other panel members were Dr. Brian Lee Crowley, founding President of the Atlantic Institute for Market Studies, and Dara L. Gordon, Q.C., a partner at McInnes Cooper.

---

For further information, media may contact:

Dan Dugas  
Director of Communications to the  
Minister of National Defence and of the  
Atlantic Canada Opportunities Agency  
613-996-3100

Wade Keller  
Communications Director  
Nova Scotia Premier's Office  
902-483-5198

Chisholm Pothier  
Press Secretary  
Office of the Minister of Finance  
613-996-7861

Jack Aubry  
Media Relations  
Department of Finance  
613-996-8080