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**MSABC Welcomes Balanced Budget that Improves BC Competitiveness**

**February 21, 2017**

Vancouver – The Mining Suppliers Association of British Columbia (MSABC) congratulates the government of B.C. for delivering a fifth-consecutive balanced budget while announcing important new measures to improve the competitiveness of the B.C. economy.

MSABC welcomes the government’s commitment to phase out the PST on electricity, which will be cut in half by October 2017 and completely eliminated by April 2019. “We witnessed broad industry, labour and community support for this measure in the lead-up to Budget 2017,” said Darold Thorp, Chair of MSABC and Major Account Manager – Mining BC, Brandt Tractor Ltd. “B.C. is the only North American jurisdiction to levy a sales tax on electricity used by business. This important measure will help level the playing field for existing energy intensive industries to compete globally and attract new investments for industrial projects in the province,” added Thorp.

Budget 2017 also extended important tax credits that attract investments to mineral exploration and assist in the mine development process. “The extension of the flow-through share tax credit maintains an important tool for exploration project financing,” said Thorp. “By expanding the Mining Exploration Tax Credit to include costs incurred by environmental studies and community consultations, government is recognizing both the importance and significant costs associated with this aspect of project development.”

MSABC also welcomes measures to train workers and improve small business competitiveness in Budget 2017. “The reduction of the small business corporate income tax rate to 2 per cent will be welcome news to smaller firms offering services to the mining industry,” added Thorp. “Extending the Training Tax Credit is another important measure that will help ensure B.C. has the skilled workforce it needs to capitalize on opportunities as investor confidence returns to the mining sector.”

MSABC comprises suppliers, contractors and consultants to the B.C. mining industry who are committed to promoting the sustainability of this valuable resource sector.

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