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Important Tax and Training Measures Advanced in BC Budget 2018

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Vancouver – The Mining Suppliers Association of British Columbia (MSABC) supports several tax and training measures in Budget 2018 aimed at attracting investments in exploration and mining as well as preparing our workforce to capitalize on new development opportunities.

Budget 2018 extends the Mining Flow-Through Share Tax Credit for one year, to the end of 2018. “The extension of the Mining Flow-Through Share Tax Credit will help companies raise money for a variety of exploration activities,” said Rodger McLean, Chair of MSABC. “From project planning, equipment transport to finally drilling and testing core samples, B.C. companies that provide supplies and services for mineral exploration and mining activities will benefit from Flow-Through Share investments in 2018.”

Plans to fully remove the PST on electricity used by industry by April 1 2019 were reaffirmed in Budget 2018. “The reduction of the 7% PST on electricity used by industry to 3.5% on January 1, 2018 was an important first step towards leveling the playing field with competing jurisdictions that do not tax this input cost,” said McLean. “We look forward to the full removal of PST on industrial electricity by 2019.” MSABC is encouraged by other budget measures to improve industry competitiveness, including new carbon tax relief programs to assist Emission Intensive, Trade Exposed (EITE) sectors.

Budget 2018 also provides \$30 million over three years to support the Indigenous Skills Training Development Fund, which allows First Nations communities to identify labour market needs and partner with training providers to ensure workers are trained and able to take advantage of those employment opportunities. “The ability for Indigenous peoples, and particularly youth, to access this training opportunity helps address the challenge of the aging demographic of our skilled workforce, and will be of significant benefit to our member companies that provide long-term employment opportunities in all regions of the province,” added McLean.

MSABC continues to review Budget 2018 to understand the full range of benefits for our members as well as the potential cost impacts of new measures, such as the 1.95% employer health tax rate, which comes into effect January 1, 2019.

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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