



FOR IMMEDIATE RELEASE

BC Budget 2019 Enhances Mining Tax Credits and Supports Lower Electricity Costs for Businesses

February 19, 2019

Vancouver – The Mining Suppliers Association of British Columbia (MSABC) welcomes the extension of mining and mineral exploration tax credits as well as additional measures to support competitive electricity prices for businesses noted in Budget 2019.

Budget 2019 makes permanent the Mining Flow-Through Share Tax Credit as well as the Mining Exploration Tax Credit, both of which had been previously renewed on annual basis. “These tax credits help companies raise money for a variety of exploration activities in B.C., however there was always uncertainty surrounding their long-term availability,” said Rodger McLean, Chair of MSABC. “By making these tax credits permanent, investors know incentives will be in place for projects that take years to develop.” The New Mine Allowance under the *Mineral Tax Act* was also extended until the end of 2020.

Budget 2019 reaffirms previously announced plans to fully remove the PST on electricity used by industry by April 1 2019 and to reduce upward pressure on electricity rates by having the provincial government pay down \$1.1 Billion of BC Hydro’s deferred costs. “We are pleased to see the full elimination of the remaining 3.5% PST on electricity used by industry is on track for April 1, 2019, bringing B.C. in line with competing jurisdictions that do not tax this input cost,” said McLean. “The B.C. Government’s decision to limit future electricity rate increases by writing off BC Hydro’s rate-smoothing account is good news for businesses who have faced significant electricity rate increases over a number of years.”

The Ministry of Energy, Mines and Petroleum Resources also received a boost of \$20 Million over 3 years in Budget 2019. The funding will provide increased resources for permitting as well as compliance and enforcement for the mining industry.

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

-30-

For more information please contact:

Alec Morrison, President & CEO – MSABC, at 604-681-4321 (Ext: 111)