



**THE BC
JOBS PLAN**



NEWS RELEASE

For Immediate Release
2012ENER0058-000679
May 16, 2012

Ministry of Energy and Mines
and Minister Responsible for Housing

B.C. seizing on global demand for mining

VANCOUVER – A long-term plan designed to develop the mining industry and create jobs to support B.C. families was announced today by Minister of Energy and Mines Rich Coleman.

“British Columbia is poised for a new phase of growth, investment and job creation, which will enable us to reach across the Pacific and tap into growing demand in Asian markets,” said Premier Christy Clark, who is presently on her second Asia Jobs and Trade Mission promoting resource development to overseas customers. “Long-term growth in our mining industry will translate into strong economic growth for our communities, First Nations and the province, and thousands of well-paying jobs that will benefit families in British Columbia.”

The new B.C. Mineral Exploration and Mining Strategy outlines a plan to create eight new mines and expand nine existing ones by 2015. The mining strategy’s six overarching goals are:

- Enhancing B.C.’s competitive edge.
- Streamlining regulatory processes.
- Ensuring the health and safety of B.C.’s workers.
- Protecting the environment.
- Building partnerships with First Nations.
- Developing a well-skilled workforce.

Today in B.C., 19 major mines provide jobs and opportunities for their communities. This includes five new mines and five expanded mines that have been permitted in the last year.

New mines include Copper Mountain Mine, which began production in June 2011, and four others announced under Canada Starts Here: The BC Jobs Plan – Mount Milligan by Prince George, New Afton by Kamloops, Barkerville by Quesnel and Red Chris by Dease Lake in northwest B.C. All of these mines have either started construction or are about to begin.

“Mineral exploration and mining is booming in B.C.,” said Coleman. “While meeting global demand drives a competitive industry, our government’s plan starts at home with a strategy that ensures our mining industry is well-positioned to create opportunities for British Columbians in an environmentally responsible manner.”

Under the BC Jobs Plan, the Province estimates it will increase annual revenue from mining operations by \$1.6 billion, create and sustain more than 15,000 direct and indirect well-paying jobs in B.C. and contribute more than \$150 million a year toward government revenue.

“The BC Jobs Plan commits to significant growth of mining and mine expansion that will contribute to high-paying jobs that support B.C. families,” said Minister of Jobs, Tourism and Innovation, Pat Bell. “With an investment of over \$500 million provided annually for labour market training programs, we can ensure that training is available so British Columbians can take advantage of the tremendous opportunities in the mining industry.”

Work began last fall when government began to clear the backlog of permit applications including Notices of Work. The Province has committed to an average 60-day turnaround for this work, and has already reduced the turnaround from 229 to 49.

In announcing today’s strategy, the Province reaffirmed its commitment to develop mines in an environmentally, socially and economically responsible manner, respecting the cultural values of B.C.’s communities and its First Nations. This includes 10 new agreements to ensure mining benefits flow to B.C. First Nations by 2015.

Quotes:

Karina Brino, president & CEO, Mining Association of BC –

“The Mining Association of BC is encouraged by the province’s commitment to review measures, policies and guidelines to ensure the mining industry continues to grow in a responsible manner. An efficient and effective project approval process is paramount for the benefit of all British Columbians.”

Gavin C. Dirom, president & CEO, Association for Mineral Exploration British Columbia –

“Mineral exploration is the lifeblood of mining – it is the research that leads to the discovery of deposits that may become the mines of the future. As B.C. celebrates a record \$463 million spent on mineral exploration in 2011, it is important to have a strategy that acknowledges the province’s great mineral resources and the potential benefits of responsible mineral development to all British Columbians.”

Quick Facts:

- In 2011, the mining industry increased its production value by 20 per cent from the year before, to approximately \$8.6 billion.
- On May 15, 2012, PricewaterhouseCoopers reported a 25-per-cent increase in B.C.’s gross mining revenues, up \$2 billion to \$9.9 billion in 2011 from \$7.9 billion in 2010.
- Exploration spending exceeded \$460 million, an increase of 35 per cent from 2010 and 1,500 per cent higher than a decade ago.
- B.C. accounts for approximately 15 per cent of all exploration spending in Canada.
- In 2011, more than 29,000 people were employed in mineral exploration, mining and related sectors, mostly in rural B.C.

- More than 10,000 job openings are expected in B.C.'s mineral exploration and mining sector by 2020.
- Once eight new mines are open and nine are expanded by 2015, the province will see approximately \$1.6 billion more annual mine-operation revenue.

Learn More:

For 'Canada Starts Here: The BC Jobs Plan', visit: www.bcjobsplan.ca

To download a copy of the strategy visit:

<http://www.empr.gov.bc.ca/Mining/Pages/MiningStrategy2012.aspx>

A backgrounder follows.

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BACKGROUND

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Enhancing Our Competitive Edge

- Since 2001, the B.C. general corporate income tax rate has fallen to 10 per cent while the federal corporate income tax rate has dropped to 15 per cent. B.C. is now in the top three Canadian provinces and territories in after-tax profitability for mine operations.
- The Province also has attractive royalty programs and offers several tax incentives:
 - The Mining Exploration Tax Credit provides a 20-per-cent refundable tax credit for eligible mineral exploration in B.C. and an enhanced rate of 30 per cent for qualified mineral exploration in prescribed Mountain Pine Beetle-affected areas.
 - The British Columbia Mining Flow-Through Share Tax Credit provides a non-refundable 20-per-cent tax credit.
 - The New Mine Allowance has been extended until 2016, which combines with other mineral tax provisions to allow new mines and major expansions to deduct 133 per cent of their capital costs.
- The Northwest Transmission Line (NTL) is a new 322-kilometre, 287-kilovolt power line which will power mining in B.C.'s northwest.
- The British Columbia Geological Survey (BCGS) has supported the mineral exploration and mining industry for more than 100 years.
- To support the industry, Geoscience BC collects, interprets and delivers the data and expertise to promote investment in mineral exploration and development.

Streamlining Regulatory Processes

- To attract more opportunities and make B.C. more competitive, the Province will work with the federal government to eliminate regulatory duplication and develop a single, effective environmental assessment process.
- The Province has made significant progress to reduce the Notice of Work backlog by 80 per cent to an average turnaround time of 60 days by August 2012.
- The Province will also reduce the backlog of Water and Land Act tenures by 50 per cent by December 2012 and the backlog of mineral, placer and coal tenure applications by 50 per cent by March 2013.
- The Mines Act was recently amended to exempt some low-risk activities from the permitting process. The Province will consult with First Nations, industry representatives and the public to develop and define the exemptions.
- The Province will work with stakeholders to explore cost-recovery options to ensure permitting remains timely and efficient.

Ensuring the Health and Safety of Workers

- Mining is one of the safest heavy industries in British Columbia, thanks to a comprehensive regime of workplace health and safety policies.
- The latest provincial safety statistics show there has not been a mining-related fatality in B.C. since September 2009, the longest period of time without fatalities since 1898.

Protecting the Environment

- The Province is committed to ensuring all mines are environmentally sound through technical review, comprehensive permitting, inspections, and reclamation.
- The Provincial Water Quality Guidelines for sulphate and selenium will be reviewed and updated.
- The Peace Northern Caribou Plan is under development and will be implemented.
- The Water and Air Baseline Monitoring Guidance Document for Mine Proponents and Operators will be developed.

Building Partnerships with First Nations

- The Province is committed to negotiate early in the development process, to create greater certainty for First Nations, industry and communities.
- The Province will continue to work with First Nations and industry to create strategic agreements that clearly define engagement processes which ensure First Nations can effectively engage in resource management.
- Many companies negotiate directly with local First Nations, often resulting in Impact Benefits Agreements that define jobs, other economic benefits, environmental management provisions, cross-cultural training and dispute resolution.
- B.C. is the first province in Canada to share mineral tax revenues with First Nations. Revenue sharing is negotiated on a project-by-project basis, generally through economic and community development agreements.

Developing a Well-skilled Workforce

- B.C. is addressing recruitment and retention issues in a climate marked by aging demographics and strong competition from other sectors.
- The Province delivers over \$500 million each year in labour-market programming to help British Columbians get the skills they need.
- More than \$100 million a year is invested in trades training and certification through the Industry Training Authority.
- British Columbia Mineral Exploration and Mining Industry Labour Shortage Task Force is made up of representatives from industry, First Nations, unions, training and education providers, and provincial and federal government agencies.
- The Province provided over \$1 million to the task force in start-up funding, supporting efforts to co-ordinate, develop and implement workforce measures to ensure the industry has the human resources it needs.
- Employment Skills Access provides tuition-free, group-based training at public post-secondary institutions in response to regional priorities.

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