



NEWS RELEASE

Chamber of Mines applauds Federal Government's five-year Mineral Exploration Tax Credit

(Yellowknife, NT – November 23, 2018) In renewing the Mineral Exploration Tax Credit, and for an unprecedented five years, the Federal Government has demonstrated significant, and much needed, support for the Canadian minerals industry, says the NWT & Nunavut Chamber of Mines.

“This extension to 2024 is unprecedented and is a major and much-needed boost for the exploration industry. A five year program will help companies develop longer term exploration plans, something the historical 1-year renewals didn’t provide,” said NWT & Nunavut Chamber of Mines President Gary Vivian.

“The Federal METC extension is the type of support our industry needs to help Canada strengthen generally declining mineral exploration investment. While this won’t be the ‘silver bullet’ to turn around the [investment declines](#) in the Northwest Territories and Nunavut, it will provide some help,” he added. “Maybe more importantly, the Federal Government’s supportive approach should signal to northern and Indigenous governments that they too can take innovative actions to help their exploration industries.”

The Chamber of Mines has rallied for an even higher mineral exploration tax incentive for northern Canada. “In our recent [presentation](#) to the Senate Special Committee on the Arctic, we recommended that a special tax incentive double that which is currently in place, and bring that forward under the Arctic Policy Framework, which Canada is developing. It would give the North a ‘leg up’ to level the playing field,” said Vivian. An industry study, [Levelling the Playing Field](#), has revealed exploration costs can be as much as six times higher in some parts of Canada’s north. “We continue to urge governments to take additional actions to improve our competitiveness and address the higher costs associated with operating in the North,” said Vivian.

The Government of Canada made the METC announcement Wednesday in its Fall Economic Statement. The credit is designed to assist exploration companies raising equity funds by passing tax credits to investors. The METC is a 15 per cent non-refundable tax credit. This is the first-ever multi-year METC renewal since the credit was created in 2000.

Exploration companies are a key part of the mining cycle as they search for mineral deposits which could one day become mines, creating enormous benefits. Mining is the largest private sector employer in the North and the largest employer of Indigenous peoples. Nearly 2,100 northern residents work at six mines operating in the NWT and Nunavut. In 2017, mining represented approximately one third of the North’s GDP. Since 1996, mining companies have invested \$17 billion directly in the North.

For more information on the NWT and Nunavut mining industries, please visit the Chamber of Mines website at www.miningnorth.com or www.miningnorthworks.com or contact Tom Hoefer, Executive Director at Tel: 867-873-5281 or email: executivedirector@miningnorth.com.