



**Mining for a Resilient and Productive Economy: Strengthening Canada's
Future**

***Address to the Greater Vancouver Board of Trade by Pierre Gratton,
President and CEO***

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11:30 AM

Good morning. It is great to be back in Vancouver for my annual address to the Board of Trade. To put one question aside off the top, I trust this is not my last speech as MAC CEO. I'm aware that word has been spreading, but I don't retire until the end of next year, so unless you don't invite me next year — I'll be back!

Before we begin, I want to take a moment to recognize that we are gathered today on the traditional and unceded territory of the

Musqueam, Squamish and the Tsleil-Waututh First Nations. I want to acknowledge the hundreds of Indigenous nations across Canada on whose traditional lands support our industry and with whom we continue to build strong, respectful partnerships.

We know that reconciliation is not a single act but an ongoing process. For mining, that means working in partnership with Indigenous peoples, respecting rights, and ensuring communities share in the benefits of development. Our sector is proud to be the largest private-sector employer of Indigenous people in Canada on a proportional basis, and a growing number of Indigenous-owned businesses are part of our supply chains.

Setting the Global Context

To understand the role of mining across Canada, let's start situating ourselves in our current global context.

Over the last five years, the world has lived through a pandemic. As we emerged, we struggled to restart economies, rebuild supply chains, and restore trust in public institutions. At the same time,

geopolitical conflicts were intensifying, inflation was rising, and climate change was pressing harder on the agenda.

Today, these challenges have only multiplied. Tariffs and trade restrictions, even between close allies, are undermining the rules-based order. Conflicts in Europe, the Middle East, and elsewhere are roiling global markets. Inflation remains stubborn in many parts of the world. And while extreme weather continues to underscore the urgency of the energy transition, it is colliding with fractured politics and concerns with inflation and cost of living. The future feels uncertain, many of us are anxious if not scared.

Here at home, Canada has no shortage of challenges. While our economy is growing slowly and inflation has come down to allow for steady declines in lending rates, growth is weak and not keeping pace with our population. Our productivity continues to lag behind our global peers. And the impact of US and Chinese tariffs on some sectors of the Canadian economy are very punishing and contributing to Canadians' anxiety about the future.

In this environment, however, minerals and metals are no longer just commodities—they are instruments of national strategy and security. They are essential for clean technologies, digital infrastructure, advanced manufacturing, and defence. Countries

around the world are scrambling to secure access to critical minerals.

It is because of this that our sector is one of the very few largely exempt from tariffs and I do not expect this to change. We are also seeing an increasing interest in state investments in mining projects, which we have not seen in decades outside of Quebec, but which reflects the reality that for some commodities controlled by China, state participation may be necessary.

Hence, amid these challenges, one thing is clear: Canada's minerals and metals sector is increasingly recognized as a cornerstone of economic growth. As global demand for clean energy and secure supply chains accelerates, our sector is uniquely positioned to lead. Indeed, now is the time for all governments in Canada to double down on mining, because we are one of the safest bets in the country. Growing the mining sector means more of the highest paying jobs in the country, an improved balance of trade, a stronger logistics supply chain that supports other industries, huge economic spin-offs, significant opportunities for Indigenous communities and the potential to diversify our economy and insulate it from the impact of tariffs on the Canadian economy.

Our foundation is strong: Our industry contributed \$117 billion to GDP in 2023 and supports over 700,000 direct and indirect jobs, including more than 12,000 Indigenous employees.

Canada remains a top global producer of potash, uranium, and diamonds.

Our gold miners, often overlooked with the world's current focus on critical minerals, continue to be an economic force, but with gold prices soaring and projected to climb even further, the growth of Canada's gold sector over the past 15 years has been a godsend. Did you know, for example, that the value of our gold exports now eclipses the value of our auto vehicle sector? Gold production has increased more than 30 percent over the past decade with more mines coming online this year and next, moving Canada up in global production rankings to 4th place. This is a success story we should celebrate.

I feel the same is about to happen to copper, with new projects in construction or advancing through approvals, mostly but not exclusively here in BC. Highland Valley's expansion is now approved while Foran's McIlveen project begins production next year in Saskatchewan. The Troilus gold/copper project is well along the IAA path while Taseko's Yellowhead project is also advancing through

the IAA. The Red Chris expansion will boost copper production by 15 percent and I'm hopeful we'll see more in the Copper Corridor — like Galore Creek — move forward this decade. There's also been some exciting new copper discoveries in Ontario. I'm pretty bullish about copper's future in Canada.

Oilsands miners continue to lead the world in innovation and power regional and national economies, Canadian lithium production will soon be ramping up, powered by Rio Tinto. We've got graphite mines coming on line and the Jansen potash mine — which represents the largest mining investment in Canadian history — will begin production in 2027. There's lots to be optimistic about.

Demand for critical minerals such as copper, nickel, graphite, and lithium is still expected to grow by at least 71 percent by 2030, driven by the long-arc of the global clean-energy transition. While it's true that the clean-energy transition is facing headwinds, I believe it's temporary, and regardless, as the case has been made articulately by Mike Henry of BHP, population growth and urbanization alone will support growing demand for mined products for decades. And the ramping up of defence spending is adding to the demand for metals. It's a sad comment, perhaps, but war needs mining.

We need to seize the moment because despite everything I've just mentioned, we need to mine more, much more, if we are to truly address our geopolitical vulnerabilities and support the world's energy transition objectives and the industrial and defence needs of Canada and its allies.

In seizing the moment, though, I want to be clear that we can move faster without compromising on environmental oversight or respect for Indigenous rights.

It is these values that have helped drive Canadian mining forward and positioned us as leaders in responsible practice. Our Towards Sustainable Mining Standard, for instance, is something that began in Canada over 20 years ago and has now spread around the world driving responsible mining practices in places like Colombia, Mexico, the Philippines, Australia and most recently, as announced last month, in Turkey.

Over its 20-year history, TSM has driven significant improvements to how we manage our environmental impacts and build strong relationships with our communities and by being more effective in these areas, we have given confidence our communities of interest and addressed the concerns of our critics. Today, mining in Canada enjoys an 82% favourability rating in public support, the highest level

of support we've ever seen for our sector. In a very recent poll by Spark Insight, mining was top of a long list of sectors that are giving Canadians confidence about the country's future. If this is not mining's moment, I don't know what is.

So, how do we move forward?

We must accelerate mineral resource development. Advancing mining projects is key to diversifying our economy, building resilience against global shocks, and boosting long-term productivity. Unlocking new projects will expand our industrial base, create high-quality jobs, and reinforce Canada's role as a global supplier of minerals and metals.

That means taking targeted action—starting with increased investment in mineral exploration, development, and processing.

We need effective tax and fiscal incentives, expanding government-backed financing and innovation funding. We also need regulatory clarity and timely permitting. And let's be clear: strong Indigenous partnerships are not optional – they're foundational. Strategic

infrastructure investments, from transportation networks to energy grids, will be critical to unlocking new resource development and boosting competitiveness.

A robust mining sector will help Canada reduce its reliance on imports, drive industrial growth, and open new opportunities. It will sustain domestic industries and supply the materials needed for the global clean energy transition. In short, fully leveraging our mineral wealth will build a more resilient, competitive, and productive economy – and secure Canada’s place as a global leader and supplier of choice.

MAC strongly supports the new government’s commitment to enhancing the competitiveness of Canada’s mining sector and expanding both new and existing mines.

So, what’s the next step?

Let’s talk about how we accelerate mineral resource projects—

starting with unlocking investment.

We must address key challenges—especially the lack of financing for smaller companies and the need for better infrastructure in resource-rich regions.

To close these gaps, we need more venture capital, financial tools like loan guarantees, and strategic investments in energy grids, transportation, and digital networks. We must scale up domestic mining and refining capacity to ensure long-term supply, reduce reliance on imports, and secure our leadership in clean energy.

A coordinated approach - aligning financial, infrastructure, and regulatory policies – is essential to maximizing Canada's strategic advantage.

Here's how we can make that happen:

- Expand eligibility for the Clean Technology Manufacturing Investment Tax Credit, or CTM-ITC to cover all minerals and metals.
- Broaden CTM-ITC eligible expenses to include intangible mine development costs, like shafts, ventilation, and underground infrastructure - especially during the 2024-2034 period.
- Introduce legislation to support polymetallic extraction and processing, as committed to in the 2024 Fall Economic Statement.
- Direct Export Development Canada and the Business Development Bank of Canada to prioritize upstream critical minerals projects and also enable the Strategic Innovation Fund (SIF) to support them. MAC applauds SIF's support of Foran's McIlvenna Bay mine – projects like this are vital to regional development and resilience.
- Accelerate funding for trade-enabling infrastructure, especially in rural, remote, and Northern regions. While NRCan's Critical Minerals Infrastructure Fund is a great start, we need increased investments to truly close the infrastructure gap and make projects economically viable.
- Counteract China's predatory pricing practices by aligning with allies on price floors, government stockpiling strategies and long-term off-take agreements to stabilize supply chains and support Canadian producers.

- Reclassify critical mineral pre-production costs as Canadian Exploration Expenses (CEE)—reverting to the pre-2013 treatment—to reduce the cost of bringing mines into production.
- Extend favourable tax treatment under the Critical Minerals Exploration Tax Credit (CMETC) to cover pre-production costs, helping projects move from exploration to production.
- And finally, correct the Alternative Minimum Tax (AMT) limit as committed to in the 2024 Fall Economic Statement. Setting it at 30% will fix the error from Budget 2023 and prevent funding shortfalls in the exploration sector.

The good news is that almost every item from the list I've just shared can be found in the current Liberal government's 2025 election platform. They just need to keep their promises and I'm hopeful that on November 4 we will see the first down payment.

Now, let's turn to permitting.

Reducing project approval timelines is essential if we're serious about meeting Canada's climate change, supply chain and critical minerals goals. System-wide improvements are necessary to ensure

that all projects – not just those deemed nationally significant - benefit from a regulatory process that is efficient, consistent and predictable.

While individual mines may not always make headlines or be seen as “nation-building”, together they form the backbone of Canada’s economy. Their contributions to manufacturing, exports, finance and global leadership are undeniable.

Let’s make sure our regulatory systems reflect that reality.

That’s why we’re calling for updates to the Physical Activities Regulations under the Impact Assessment Act—also known as the Project List.

Federal assessments should focus on major projects with real

potential for significant effects in areas of federal jurisdiction. If those effects are already being addressed through other federal or provincial processes, duplication doesn't help anyone. At a minimum, we should:

- Raise production thresholds for new mines and mills
- Apply those thresholds only to greenfield projects – not brownfield sites
- Exclude expansions of existing mines and mills altogether.

But updating the Project List is just one piece of the puzzle.

We also need better coordination between federal and provincial approval processes—and across federal departments themselves.

The federal impact assessment should zero in on issues that are truly material to decision-making. While more needs to be done, the Impact Assessment Agency is making progress. Tailoring is much improved, and we now have a second collaboration agreement, in this case with New Brunswick, and I'm told more are in the works,

including with Saskatchewan, which would be brilliant.

And let's not forget the routine, low-risk approvals that clog the system. These are predictable, manageable activities with well-known mitigation measures. Fisheries and Oceans Canada can help by accelerating the development of Codes of Practice and Prescribed Works and Waters Regulations. These tools would free up resources to focus on complex, higher-risk projects that truly warrant more oversight.

Transport Canada also has a role to play. The department's five-year review of the Canadian Navigable Waters Act included thoughtful recommendations (pretty much all of ours, in fact), so now it's time to act on them. That includes improving the process for obtaining exemptions, so we're not bogged down by unnecessary red tape.

Now, let's talk about something equally important: Indigenous participation in mining.

This isn't just a priority—it's a cornerstone of the sector's future.

MAC members are among the largest industrial employers of Indigenous peoples in Canada, and they're major customers of Indigenous-owned businesses. Today, there are over 500 active mining relationship agreements with Indigenous communities.

That's real progress toward economic reconciliation.

But we can—and must—do more.

To strengthen Indigenous participation, we need government support in three key areas:

- The Indigenous Loan Guarantee Program must be flexible enough to support a wide range of opportunities—from infrastructure investments to Indigenous-owned businesses in the mining supply chain.

- Through the National Benefits Sharing Framework, Indigenous peoples should be positioned to fully participate in mining development. That means:
 - Building internal capacity for meaningful engagement throughout the mining life cycle.
 - Supporting Indigenous entrepreneurs with business development initiatives that help them compete and thrive.
- Improving how Crown consultation is carried out. That includes better coordination between federal and provincial governments, and across departments, to avoid duplicative engagement and ensure consultations are meaningful and efficient.

Let's finish by talking about the **people who power our industry—** because even with world-class mineral resources, without skilled workers, Canada can't compete.

Canada sits atop an abundance of critical minerals, yet we face a growing “people crisis.” Why?

- An aging workforce means more retirements and fewer experienced hands on deck.
- University enrolment in mining engineering has fallen by over 50% since 2015.
- Our labour market is tight—vacancy rates are high, unemployment is under 3.5% as of last July, and overall employment in mining has jumped more than 40% since January 2022.
- We still struggle to attract and retain youth, women, and new Canadians.

So, how do we build and sustain a strong talent pipeline?

The Mining Industry Human Resources Council (MiHR) is our go-to source for labour-market intelligence and training solutions—but today it lacks stable ESDC support. We need to:

- Renew or replace existing ESDC funding for MiHR's core activities.
- Back MiHR's four-year proposal under the Sectoral Workforce Solutions Program to deliver labour market data, training, and upskilling.
- Commit to long-term funding for the Student Work Placement Program, which has already funded 2,000 co-ops and connected students with over 200 mining companies.

I have been told to be optimistic that ESDC support will be forthcoming, so fingers crossed.

In northern and remote areas — where many deposits lie — we must recognize that “the mine is the classroom.” With 90% of trades training happening on the job, we should:

- Introduce federal funding grants or tax credits to incentivize employers to provide on-site training, prioritizing northern and remote projects.
- Establish hub-and-spoke training centres of excellence in the North, linked to southern colleges and universities, offering everything from skilled trades to advanced mining technology programs.
- Ensure these centres actively recruit and support Indigenous peoples, youth, women and other under-represented groups — making mining a career of choice in local communities.
- Partner with industry, post-secondary institutions, and Indigenous organizations to align training with real-world needs and deliver programs where they're needed most.

Canada should adjust its immigration system to admit more skilled tradespeople—especially with pathways tied to northern and remote mining jobs—to close urgent labour shortages today.

Closing Remarks

Now, more than ever, our mining sector sits at the crossroads of powering Canada's economy and protecting our environment.

When our mines thrive, they generate safe, well-paid jobs for hundreds of thousands of people and deliver minerals produced under the highest environmental and labour standards.

Our trading partners and allies count on Canada for a secure and stable supply of these critical materials. It's up to government and industry to join forces and ensure we meet that demand.

As we look ahead, we have real strengths to build on. We lead the world in responsible mining practices, from respect for Indigenous and human rights to environmental stewardship and governance. In

an era of geopolitical uncertainty and trade disputes, that reputation makes our minerals more valuable than ever.

Canada's mining industry stands ready to power the global energy transition and bolster security for us and our allies. We have a once-in-a-generation opportunity to create shared prosperity from coast-to-coast-to-coast—but that window won't stay open forever.

So, let's move swiftly and collaborate closely. Let's get it done.

Thank you.