

Budget 2025 Historic for Canada's Mining Sector

Ottawa, November 4th, 2025 – MAC applauds today's federal budget, which contains many measures that will enhance the competitiveness of Canadian mining and accelerate investments in critical minerals.

Budget 2025 responds directly to several requests from the Mining Association of Canada and follows through on a number of mining-related commitments in the federal Liberals' 2025 election platform. Specifically, the budget proposes and is not limited to the following:

- to provide \$2 billion over five years, on a cash basis, starting in 2026-27, to Natural Resources Canada to create the Critical Minerals Sovereign Fund. The fund will make strategic investments in critical minerals projects and companies, including equity investments, loan guarantees, and offtake agreements.
- to provide \$371.8 million over four years, starting in 2026-27, to Natural Resources Canada to create the First and Last Mile Fund. This new fund would support the development of critical minerals projects and supply chains at the upstream and midstream segments of value chains, with a focus on getting near-term projects into production. The First and Last Mile Fund would absorb the Critical Minerals Infrastructure Fund and leverage its existing funding envelope to provide up to \$1.5 billion in support through 2029-30. The fund would also continue to support clean energy and transportation infrastructure projects related to critical minerals development.
- to create the Productivity Super-Deduction—a set of enhanced tax incentives covering all new capital investment that allows businesses to immediately write off a larger share of the cost of these investments.
- to remove the proposed oil and gas emissions cap, providing the oil sands mining sector with greater investment certainty.
- to extend the availability of the Carbon Capture Utilization and Storage Tax Credit full credit rates by five years so that the full rates apply to eligible expenditures from the start of 2022 to the end of 2035.
- to expand eligibility for the Critical Mineral Exploration Tax Credit (CMETC) to include an additional 12 critical minerals necessary for defence, semiconductors, energy, and clean technologies: bismuth, cesium, chromium, fluor spar, germanium, indium, manganese, molybdenum, niobium, tantalum, tin, and tungsten.
- to expand eligibility for the Clean Technology Manufacturing Investment Tax Credit to support polymetallic extraction and processing, a longstanding MAC request, and expanding the list of critical minerals eligible for the Clean Technology Manufacturing investment tax credit to include antimony, indium, gallium, germanium, and scandium.
- to increase total business facilitated by Export Development Canada by \$25 billion by 2030 to support expanding Canada's exports and trade development activities in sectors of strategic importance for Canada, including in critical minerals, energy, clean technology, infrastructure, and defence.

- to renew the Mineral Exploration Tax Credit until 2027, as announced by the previous government last March.
- to increase funding to the Canada Infrastructure Bank by \$10 billion for nation-building projects.
- to allocate \$1 billion to Transport Canada to create an Arctic Infrastructure Fund.
- to allocate 443.0 million over five years, starting in 2025-26, to Natural Resources Canada and ISED to support the development of innovative critical minerals processing technologies, support joint investments with Allies in Canadian critical minerals projects, and develop a critical minerals stockpiling mechanism to strengthen Canadian and Allied national security
- a number of measures to support youth employment, including new funding for the Youth Employment Strategy.
- committing to introduce legislative amendments to the Competition Act to remove some aspects of the greenwashing provisions while maintaining protections against false claims.

“Budget 2025 confirms the federal government’s unwavering commitment to the Critical Minerals Strategy released three years ago,” stated Pierre Gratton, MAC’s CEO. “These measures, taken together, send a powerful signal to the mining industry, global investors and Canada’s allies that Canada is very serious about improving the competitiveness of Canada’s mining industry. Today’s budget promises to usher in a new era in mining investment, creating high paying jobs, boosting exports, creating major opportunities for Indigenous Canadians and protecting Canadian sovereignty for years to come. We urge the government to implement these proposals expeditiously.”

The mining industry is a major sector of Canada’s economy, contributing \$117 billion to the national GDP and is responsible for 21 percent of Canada’s total domestic exports. Canada’s mining sector employs 711,000 people directly and indirectly across the country. The industry is proportionally the largest private sector employer of Indigenous peoples in Canada and a major customer of Indigenous-owned businesses.

About MAC

The Mining Association of Canada is the national organization for the Canadian mining industry. Its members account for most of Canada’s production of base and precious metals, uranium, diamonds, metallurgical coal, mined oil sands and industrial minerals and are actively engaged in mineral exploration, mining, smelting, refining and semi-fabrication. Please visit www.mining.ca.

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For more information, please contact:

Paul Hébert
 Vice President, Communications
 Phone: 613.292.2876
 Email: phebert@mining.ca