OFFICE OF THE
Auditor General
of British Columbia

NEWS RELEASE

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Compliance and enforcement lacking in B.C.'s mining sector

VICTORIA - Auditor General of British Columbia Carol Bellringer issued her latest audit today - *An Audit of Compliance and Enforcement of the Mining Sector*.

"Almost all of our expectations for a robust compliance and enforcement program were not met," says Bellringer. "The compliance and enforcement activities of both the Ministry of Energy and Mines, and the Ministry of Environment are not set up to protect the province from environmental risks."

The findings indicate major gaps in resources, planning and tools in both ministries. For example, both ministries have insufficient staff to address a growing number of permits, and staff work with cumbersome and incomplete data systems.

As a result, monitoring and inspections of mines were inadequate to ensure mine operators complied with requirements. Additionally, some mining companies have not provided government with enough financial security deposits to cover potential reclamation costs if a mining company defaults on its obligations. It's underfunded by over $1 billion – a liability that could potentially fall to taxpayers.

Given the sheer scale of mining in B.C., and because the environmental impacts of mining can last forever, the report emphasizes the critical need for regulatory enforcement. In B.C., the environmental risks of mining are increasing, but compliance and enforcement are decreasing.

The risks are real as evidenced by the Mount Polley tailings dam failure which occurred during this audit. "To avoid such failures, business as usual cannot continue," says Bellringer.

To reduce the risks to the environment, this report recommends that government create an integrated and independent compliance and enforcement unit and calls for the removal of the mining sector compliance and enforcement program from the Ministry of Energy and Mines. Bellringer made an additional 16 supporting recommendations to provide further guidance to government in the development of this unit.

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Teleconference Date: May 3, 2016

Time: 11:30 a.m. (Pacific Time)

Dial-in Information:

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Participant Pass Code: 44848#

To ask a question during question and answer period: Press 01
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