

American Strength: America's Minerals.



Facts About U.S. Hardrock Minerals Mining

The **vitality** of the modern American economy is firmly rooted in the ready availability of metals and minerals that are essential to our way of life and our national security.

The United States ranks among the world's largest producers and consumers of minerals and metals. They provide key components to consumer and industrial technologies, which we use everyday in our homes, offices and cars. Minerals and metals also play a critically important role in shaping America's national security through their use in the manufacture of military equipment and aircraft that are vital to the nation's defense.

However, America is ceding control of its future by increasing its reliance on foreign sources for minerals that are domestically abundant. The impact of this growing import dependency in an era of global resource nationalism is an important issue for policymakers. The future health of the American economy will depend, in part, on effective strategies for addressing America's 21st century mineral needs.

U.S. Hardrock Minerals Mining Contributes Significantly to the American Economy

- U.S. hardrock minerals mining contributes more than \$2.3 billion in personal income and payroll taxes annually.
- The total value of U.S. hardrock minerals mining output is valued at more than \$40 billion.
- U.S. hardrock minerals mining employs or supports about 170,000 high-wage jobs, paying more than \$7 billion in wages and salaries.

U.S. Hardrock Minerals Mining is Environmentally Responsible

- The industry is among the most heavily regulated in the world, complying with scores of federal and state laws, including: the Clean Water Act, Clean Air Act, Endangered Species Act, Resources Conservation and Recovery Act, the National Environmental Policy Act and the Antiquities Act among others, as well as with specific regulations governing mining administered by multiple federal agencies.
- Since 1980, the hardrock minerals mining industry has reclaimed nearly 200,000 acres of mined lands.
- A 1999 study by the National Research Council of the National Academy of Sciences concluded the existing regulatory framework for mineral mining was effectively protecting the environment.

Declining Investment Will Impact U.S. Hardrock Minerals Mining

- The U.S. has reserves of more commodity minerals and metals (78) than any other country – yet accounts for only a small fraction of the world's total exploration spending.
- The U.S. share of global spending on exploration is declining – dropping from 20 percent in 1993 to 8.1 percent in 2005.
- U.S. producers operate in a high-cost region, yet compete in a global commodity market that determines mineral prices and rewards low-cost production.

U.S. Hardrock Minerals Mining is Harmed by Poor Public Policy

- “A decline in exploration expenditures relative to other countries often provides the first indication that a country is losing its competitiveness in attracting investment into its mineral sector.” (World Bank study, 2006)
- The U.S. ranks near the bottom of 25 of the world's mineral mining regions in terms of the impact of its regulatory and economic policies governing mineral mining production and the ability to attract investment.
- More than 15 federal environmental laws apply to any major mining project and either require permits or contain standards that must be accounted for in permits – a major factor behind the high costs and length of time associated with obtaining them.

The U.S. is Increasingly Reliant on Imported Minerals and Metals

- U.S. reliance on mineral imports has nearly doubled over the past decade (1996-2006), according to the USGS.
- The U.S. now relies on imports for more than 50 percent of at least 45 mineral commodities, up from 22 import-dependent minerals in 1996.
- With rising demand from China, India and other rapidly developing countries, the value of minerals and metals imported into the U.S. has increased substantially – signifying the potential economic opportunity that is being lost to U.S. metals mining regions.

More Information

For further information about mining law reform, visit www.nma.org.

