MINING IN ARIZONA

Arizona's mining industry is vital to the state's economy. It ranked third nationally in total nonfuel mineral production value and sixteenth in the production of coal in 2004. The value of nonfuel minerals in 2004 was $3.3 billion. The state produced 12,731 thousand short tons of coal in 2004. The industry employed 11,368 workers, with an average annual income of $53,4502. Arizona's combined direct and indirect economic output gain from the mining industry was $9.3 billion*(2005 data)*.

America's mining industry directly employed over 320,000 employees in 2004, who labored to produce minerals with a total value of over $67 billion. These materials were further transformed by consuming industries into consumer and industrial goods creating an additional $2.0 trillion in value added by other mineral, metal and coal consuming industries.

FACTS ABOUT ARIZONA'S MINING INDUSTRY

Arizona accounts for 6% of the total U.S. nonfuel mineral production value. The State's leading nonfuel minerals are copper, construction sand and gravel, portland cement and molybdenum. Arizona produces about two-thirds of the total U.S. copper mine production and value, and in addition to copper, also ranks first in the production of molybdenum, second in gemstones and fifth in zeolites.

Employment 1/	
Total State Industry	**11,368**
Number of Mines	
Coal	3
Nonfuel Minerals	397
Total	**400**
Annual Wages	
Mining Industry Average 2/	**$53,450**
Total State Average (Private Sector)	**$36,664**
Coal Consumption (short tons)	
Electric Power	**20,060,000**
Industrial	**738,000**
Residential/Commercial	**1,000**
Total	**20,799,000**
Value of Nonfuel Mineral Production Per Capita	**$561**

Per capita nonfuel mineral value reflects the amount of nonfuel minerals produced per person in the state. The value is calculated by dividing the total value of nonfuel mineral production by the total state population ***(2003 U.S. Census Bureau data).***

Coal Production	
Short Tons	12,731,000

Annual Production Value	
Coal	$253,728,830
Clays:	
Bentonite	n/a
Common	W
Copper	2,130,000,000
Gemstones	1,450,000
Gold	W
Iron Oxide Pigments (crude)	n/a
Molybdenum	W
Sand and Gravel:	
Construction	430,000,000
Industrial	792,000
Silver	W
Stone:	
Crushed	57,200,000
Others*	709,000,000
Zeolites	n/a
Total	**$3,582,170,830**

Mining's Impact on Arizona's Economy 3/ ***(millions)***	
Output Generated - Direct	$4,830
Output Generated - Indirect	4,470
Total	**9,300**
Earnings Generated - Direct	702
Earnings Generated - Indirect	743
Total	**1,445**
Personal Income and Tax Revenue Generated	472
Employment Impacts	
Employment Generated - Direct	12,600
Employment Generated - Indirect	24,200
Total	**36,800**

Note: Data may not add to totals because of independent rounding.

1/ Includes employees of all mining sectors, contractors and office workers.

2/ Includes coal.

3/ Data provided by the Moore Economics study, *The Economic Contributions of the Mining Industry in 2005* (2005 data).

W Withheld to avoid disclosing company proprietary data. ** Data rounded to zero.

* Combined values of cement, clays (bentonite), gypsum (crude), iron oxide pigments (crude), lime, mica (2002), perlite (crude), pumice and pumicite, salt, stone (dimension sandstone) and values indicated by the symbol W.

Sources: U.S. Geological Survey, Mineral Industry Surveys, 2004; DOE/EIA Annual Coal Report 2004; Bureau of Labor Statistics, Average Annual Pay Report 2004; U.S. Department of Labor, MSHA, Mine Injuries and Worktime Quarterly 2004; and Mine Safety & Health Administration 2004 Part 50 data.