

MINING IN MINNESOTA

Minnesota's mining industry is vital to the state's economy. It ranked seventh nationally in total nonfuel mineral production value in 2004. The value of nonfuel minerals in 2004 was \$1.89 billion. The industry employed 7,503 workers, with an average annual income of \$56,801. Minnesota's combined direct and indirect economic output gain from the mining industry was \$5.1 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 MINNESOTA'S MINING INDUSTRY

Minnesota accounts for 4% of the total U.S. nonfuel mineral production value. The state's leading nonfuel minerals are iron ore, construction sand and gravel and crushed stone. The state ranks first in production of iron ore.

Employment ^{1/}

Total 7,503

Number of Mines

Nonfuel Minerals 555

Annual Wages (2001 data)

Mining Industry Average ^{2/} \$56,801

Total State Average
(Private Sector) \$40,397

Coal Consumption (short tons)

Electric Power 20,070,000

Industrial 1,312,000

Residential/Commercial 1,000

Total 21,383,000

Value of Nonfuel Mineral

Production Per Capita \$367

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 (2004 U.S. Census Bureau data).

Annual Production Value

Clays:

Common \$22,000

Gemstones 6,000

Iron ore, usable 1,560,000,000

Peat 5,210,000

Sand and Gravel:

Construction 235,000,000

Stone:

Crushed 68,300,000

Dimension 12,400,000

Others* W

Total \$1,890,000,000

Mining's Impact on Minnesota's Economy ^{3/} (millions)

Output Generated - Direct \$2,070

Output Generated - Indirect 3,030

Total 5,100

Earnings Generated - Direct 453

Earnings Generated - Indirect 662

Total 1,115

Personal Income and Revenue Taxes
Generated 162

Employment Impacts

Employment Generated - Direct 7,900

Employment Generated - Indirect 18,700

Total 26,600

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 Moore Economics study, *The Economic Contributions of the Mining Industry in 2005* (2005 data).

W Withheld to avoid disclosing company proprietary data.

* Combined values of lime, sand and gravel (industrial).

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