

Automakers need better mineral access

Mitch Bainwol and Hal Quinn
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As politicians debate the path toward a more stable economy and the creation of more American jobs, the auto industry — along with the thousands of Tennessee jobs it already supports — is a winning example of an economic turnaround.

With a manufacturing presence in Rutherford County supporting 24.5 percent of county jobs, this industry's continued rebound benefits families across the region.

But navigating growth is increasingly difficult in an industry becoming more globalized by the day. And securing reliable access to the minerals vital to every vehicle we make is a recurring challenge our industry cannot surmount on its own.

To continue stimulating our economy, the federal government should remove barriers to domestic minerals mining and facilitate the establishment of reliable and affordable supply chains of minerals critical to U.S. manufacturing.

Whether it's the aluminum and steel in car bodies, the platinum in catalytic converters, or the lithium and nickel in hybrid car batteries, minerals are the building blocks of virtually every vehicle on the road. They also support our economy as vital components of pharmaceuticals, electronics and advanced energy technologies like wind turbines.

The United States relies on imported minerals to meet more than half of our manufacturing needs, despite the fact that more than \$6 trillion worth of key mineral resources lie beneath U.S. soil. Simply put, we're importing what we should be exporting. This leaves us vulnerable to supply disruptions in producing countries brought on by natural disasters, political instability and market manipulation.

This threat is real. Last month, President Obama announced action against China at the World Trade Organization for that country's export restrictions on rare earth minerals, vital to advanced electronics, permanent magnets in electric vehicles and petroleum refining, among other key aspects of U.S. manufacturing.

Increasing competition for resources globally will make the need for secure mineral sourcing even more pressing. China's, Brazil's and India's growing populations are consuming more mineral-reliant products and increasing demand for an already-limited supply. The international service firm KPMG confirmed in December that over the next 20 years, demand for minerals and metals will soar while supplies become increasingly limited.

Faced with unstable supply chains and vulnerability to manipulation by foreign suppliers, how can the auto industry — or any minerals-reliant sector, for that matter — plan for the future?

We have to address the minerals supply threats head-on with sensible and sound policies. The Critical Minerals Policy Act of 2011, introduced by Sen. Lisa Murkowski, R-Alaska, and co-sponsored by Sen. Debbie Stabenow, D-Mich., is a good start. This legislation would lead to increased production of domestic minerals by enacting a detailed assessment of the mining permitting process and U.S. mineral needs and resources.

Through measures that support U.S. minerals mining and a robust supply chain of domestically produced raw materials, we can support American jobs and businesses that rely on affordable minerals and continue powering America forward.

Mitch Bainwol is president and CEO of the Alliance of Automobile Manufacturers and Hal Quinn is president and CEO of the National Mining Association.

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