



May 16, 2013

Dear Joe,

Across the country, mining is making remarkable contributions to our communities and states. In the latest example, the recently released **2013 Alaska Mining Report** shows the creation of 9,500 mining jobs and \$650 million in salaries -- even better than the original projections. The report also highlights how mining contributed an estimated \$21 million in tax revenue to local governments, \$80 million to state government and nearly \$57 million to other state government-related revenues.

Alaska's minerals mining is just one excellent example of the positive impacts mining is having on local economic growth. Despite the economic strength that mining helps generate for communities across the country, the odds are often stacked against us, with the U.S. continually ranked as one of the **least mining-friendly** nations in the world.

I recently **testified before Congress** in support of the "National Strategic and Critical Minerals Production Act of 2013" (HR 761). I strongly believe that this legislation is paramount to putting our sector and economy back on track.

On Wednesday, the House Committee on Natural Resources approved this vital legislation by a bipartisan vote of 24-17. I applaud their decision and hope that the bill will continue to advance quickly through the legislative process. Having a fair and timely process in place is crucial to advancing mining projects, which are key to job creation, American manufacturing and other minerals-reliant industries.

Stay up-to-date on the legislation's progress -- and news on the contributions American mining is making to our communities and states -- by visiting our **Minerals Make Life blog**.

Regards,

Hal Quinn
 President and CEO
 National Mining Association

To learn more about minerals and what they mean to America, visit mineralsmakelife.org.

ABOUT NMA

The National Mining Association (NMA) is the voice of American mining in Washington, D.C. NMA is the only national trade organization that represents the interests of mining before Congress, the administration, federal agencies, the judiciary and the media.

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Mining is a growing force in Alaska's economy

Mining is a growing force in Alaska's economy, providing jobs for thousands of Alaskans and millions of dollars of personal income throughout Alaska. Alaska's mining industry includes exploration, mine development, and mineral production. Alaska's mines produce coal, gold, lead, silver, zinc, as well as construction materials, such as sand, gravel, and rock.

In 2012, Alaska's mining industry provided:

- 4,800 direct mining jobs in Alaska.
- 9,500 total direct and indirect jobs attributed to Alaska mining industry.
- \$650 million in total direct and indirect payroll.
- Some of Alaska's highest paying jobs with an estimated average annual wage of \$100,000, over twice the state average for all sectors of the economy.
- \$21 million in local government revenue through property taxes and payments in lieu of taxes.
- \$127 million in state government revenue through rents, royalties, fees, and taxes.
- \$126 million in payments to Alaska Native corporations.
- Mostly year-round jobs for residents of more than 120 communities throughout Alaska, half of which are found in rural Alaska where few other jobs are available.

2012 Economic Benefits estimate:

- Exploration:** \$275 million spent on exploration. \$2.3 billion spent on exploration since 1981.
- Development:** \$270 million spent on mine construction and other capital investment.
- Production:** \$3 billion in gross mineral production value from Red Dog, Greens Creek, Fort Knox, Pogo, Kensington, Niisk Tuck and Usibelli Coal mines, placer mines, and rock, sand, and gravel operations. More than 200 silver mines produced 85,000 ounces of gold. \$80 million in production value from more than 120 active rock quarries, and sand and gravel operations. Export value of \$2 billion, or 38% of Alaska's total exports (2011).

Largest Producing Mines and Selected Advanced Exploration Projects
 State and Local Government Tax Obligations

Producing Mines	Land Status	Mining License Tax	State Supply Payments	Local Govt. Tax Payments
Fort Knox	State/Mineral Health Trust	X	X	X
Green Creek	Federal	X	X	X
Kensington	Federal/Federal	X	X	X
Niisk Tuck	Federal	X	X	X
Pogo	State	X	X	X
Red Dog	Federal	X	X	X
Usibelli Coal	State	X	X	X

Advanced Exploration Projects	Land Status	Mining License Tax	State Supply Payments	Local Govt. Tax Payments
Baldy Mountain	Federal	X	X	X
Chukchi Coast Project	State/Mineral Health Trust/Prudhoe Bay	X	X	X
Sovik Gold	Federal	X	X	X
Likiepang	State/Mineral Health Trust	X	X	X
Nippon	State/Federal	X	X	X
Pezula Project	State	X	X	X
Upper House	State/Federal/Prudhoe Bay	X	X	X
Wahkiakum Hill	State/Mineral Health Trust/Prudhoe Bay	X	X	X

[Click here to read the full report.](#)

