

As the second largest industry in Minnesota, iron mining has long played an important role in the entire economy of the State. The related industry and services it supports magnifies its economic importance to the State.

Minnesota is noted for its huge iron ore reserves and its active iron mining industry, which has produced over 60 percent of all the iron ore mined in the United States. During the 84-year history of iron mining in Minnesota, 2.8 billion tons of natural ore and concentrates have been produced.

At present, the capital investment relating to Minnesota taconite iron ore alone is over \$1 billion. Plant capacity in the State now exceeds 32 million tons of high-grade ore pellets per year, with the prospect of a substantial increase in the near future. This represents over 65 percent of the total U.S. pellet plant capacity.

With mineral rights in over 5 million acres of trust fund land and millions of acres of tax-forfeited land, the State is the largest single mineral fee owner in Minnesota. Over 400 million tons of iron ore have been produced from State-owned properties. The revenue derived from the trust fund properties is dedicated to the support of public schools, State universities, and other public institutions. The State's permanent trust funds now total over \$300 million.

In addition to its vast mineral ownership, the State has done much to encourage private development through public investment in research and by enactment of laws encouraging the growth of the industry.

Minnesota's main iron ore reserve, the Mesabi Range, represents the Nation's largest assured source of this vital raw material. The physical characteristics of the iron formation are such that in the interests of good mineral conservation, open pits must remain "open" for greatly extended periods, and lean ore materials stockpiled for future use.

Most of the presently existing stockpiles and inactive open pits will be reworked in the future in conjunction with magnetic and nonmagnetic taconite operations. With open pit reserves of approximately 45 billion tons of crude magnetic taconite and a nearly equal amount of nonmagnetic taconite, and the prospect of vast underground taconite reserve also being developed, there is no foreseeable end to mining on the Mesabi Range.

However, with growing competition for capital investment in iron mining from Canada, South America, Africa, and Australia, we must be increasingly concerned with any congressional action which might jeopardize or affect the competitive position of Minnesota.

While broad nationwide surface mining regulations may reduce the likelihood of one State being placed at an economic disadvantage among the other States due to its reclamation efforts, the hazard of Minnesota's or the Nation's iron mining industry being placed at a competitive disadvantage internationally must be considered and avoided. Iron ore from foreign countries provides Minnesota's primary competition.

In addition to iron mining as an industry, the iron range has become a major tourist attraction in northern Minnesota. The large open pits, enormous taconite plants, mountainous stockpiles, and colorful history have drawn many tourists to the area.