

Mr. Power, of the Phosphate Lands Conference, described this exploration process extremely well, as you will recall, yesterday. Ours is a very similar problem. This is at best a gamble. You have to risk important amounts of capital in order to find the body which will produce the Nation's vital metals, but the odds are strongly against it and management must constantly be conscious of the need to justify such gambles to stockholders.

The addition of another element of uncertainty, the requirement that a permit be issued to allow the development of the rare property which is deemed minable, could easily discourage the development of exploration which otherwise might be productive.

This I feel is an important reason for considering such legislation as ill advised.

We, therefore, respectfully submit, in the light of this testimony, that such legislation is unworkable, unnecessary, and very ill advised.

Thank you.

Senator METCALF. Thank you, Mr. Peplow. Senator Fannin?

Senator FANNIN. Mr. Peplow, I think the committee would be interested in hearing how Arizona has handled the problem of slag produced as a result of mining.

Mr. PELOW. Yes, sir. At Miami, for instance, there is an area of 500 acres, a 500-acre tailing pond, which was abandoned in 1959. The company, at great expense, has gone in and planted and it is now, oh, similar to a beautiful mountain park. Once a tailings area has been abandoned it can be planted and we have been for 8 or 9 years, as an industry, very actively researching the problems involved in getting vegetation to grow on such areas.

It is a new field of technology. One company in the State that I know of offhand has a full-time agronomist on its staff, a highly paid man, who is researching the problems involved in establishing vegetation on ground-up rock.

There is an active interchange of information among—I am sure you are aware of this, sir—the various States. We have just recently, for instance, had people from Colorado, members of the Colorado Open Space Foundation, in Arizona. We have shown them what we are doing. We have shown them everything from our successes to our utter failures in an effort to learn from them what we might do better. I think that the industry has demonstrated and is continuing to demonstrate its active interest in this field.

My concern, Senator Fannin, is if we had to write a bill in Arizona to control surface mining what could we say?

Senator FANNIN. I realize the problems and they are vast. For instance, the problem of stream contamination is the most obvious.

I know in our State it happens that the Salt River Water Users Association and the mining industry have not only cooperated to coordinate their efforts and avert stream contamination, but to provide for good water supplies to communities and to industries that, certainly, is a significant example of sound conservation by the mining companies in our State.

Mr. PELOW. In support of what you say, Senator, the mining industry has built, for the Salt River project, three dams, the most recent