



## **NATURAL RESOURCES ARE A BOON TO RURAL UTAH**

Public policies that lock away natural resources cause the most economic damage to rural Utah.

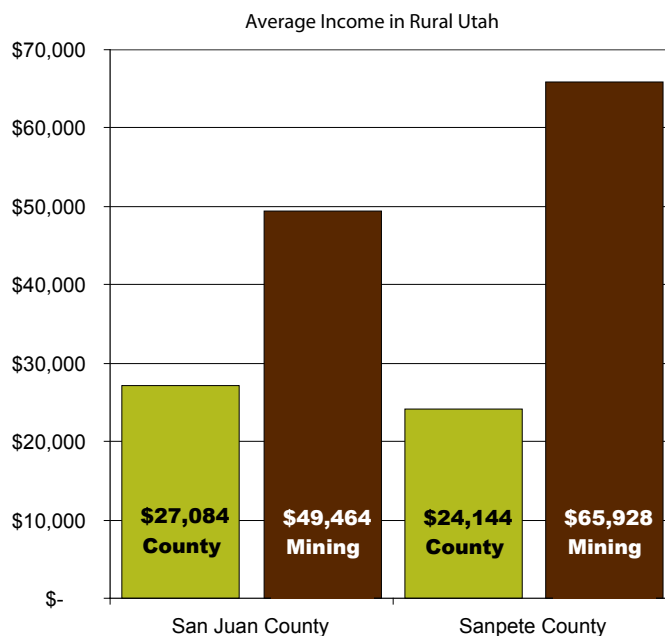
**FACT: INCOME OF MINING EMPLOYEES IN A RURAL UTAH COUNTY WAS MORE THAN DOUBLE THE COUNTYWIDE AVERAGE INCOME**

Last year, Utahns in 20 counties worked in mining.<sup>1</sup> For a majority of these counties, their average income was less than the state average.<sup>2</sup> In a significant portion of them – eight out of 20 – average income relative to the state’s was actually more than 20 percent lower, and the vast majority of these eight were rural counties.<sup>3</sup> It is important to recognize that policies which restrict access to Utah’s natural resources, by restricting mining, for example, will significantly impact the economic

opportunities of both the poor as well as rural Utah.

In the rural counties referenced above, mining employees made 83 percent more, on average, than a typical worker.<sup>4</sup> The 49 mining businesses in these areas afforded more than 1,000 Utahns the opportunity to earn a comfortable living and give their children a brighter future. Examining a few of these counties will illustrate the importance of keeping natural resources accessible.

In 2007, 19 different mining businesses were operating in San Juan County, employing 211 people. The average mining employee earned \$49,464. On the other hand, the average employee in San Juan County earned \$27,084, 45 percent less than mining employees and only 76 percent of the state average. Clearly, the natural resources in San Juan County created significant economic opportunities that otherwise would not exist.



The economic uplift from natural resources is even more pronounced in Sanpete County. Mining there allowed 83 Utahns to earn more than double the countywide average of \$24,144 (which is 67 percent of the statewide average).<sup>5</sup> If mining operations there ceased, what would happen to the people that depend on this industry for their livelihood? Perhaps they could find other employment, but their means for providing for their families at another job would likely be much less than what they presently have.

Since 2001, employment in Utah mining has grown by 55 percent, and the number of mining businesses has grown by 65 percent.<sup>6</sup> As the examples illustrate, this strong growth has provided significant economic opportunities to those in rural Utah. Certainly, some in mining will not struggle financially if policies that close off access to natural resources are implemented, but there are many whose lives will be devastated. It is difficult for those who do not live in these communities to truly understand the magnitude of these negative effects, but that is all the more reason to think twice before enacting policies that eliminate access to natural resources. For many, natural resources are a vital pathway to greater economic liberty and to a brighter future for the next generation.

## ENDNOTES

1. Unless otherwise noted, all data used for calculations in this fact sheet are from Utah's 29 counties for the third quarter of 2007, the most recent data available. Department of Workforce Services. 2008. "Utah Employment and Wages." State of Utah. At <http://jobs.utah.gov/jsp/wi/utalmis/gotoIndustry.do>.
2. In 14 of the 20 counties, the average monthly wage was less than the statewide average. The 14 counties included Sanpete, Grand, Iron, Cache, San Juan, Beaver, Sevier, Washington, Davis, Juab, Summit, Carbon, Utah, and Millard Counties.
3. In eight of the twenty counties, the average monthly wage was less than 80 percent of the statewide average (\$2,982). In six of the eight, the population density was 1-16 persons per square mile. The eight counties included Sanpete, Grand, Iron, Cache, San Juan, Beaver, Sevier, and Washington counties. US Census Bureau. 2000. "Map of Persons Per Square Mile, Utah by County." At [http://factfinder.census.gov/servlet/ThematicMapFrame-setServlet?\\_bm=y&-geo\\_id=04000US49&-tm\\_name=DEC\\_2000\\_SF1\\_U\\_M00090&-ds\\_name=DEC\\_2000\\_SF1\\_U&-MapEvent=displayBy&-dBy=050&-\\_lang=en&-\\_sse=on#?235,305](http://factfinder.census.gov/servlet/ThematicMapFrame-setServlet?_bm=y&-geo_id=04000US49&-tm_name=DEC_2000_SF1_U_M00090&-ds_name=DEC_2000_SF1_U&-MapEvent=displayBy&-dBy=050&-_lang=en&-_sse=on#?235,305).
4. An average mining-employee income figure for the six counties was calculated by weighting the average monthly wage for each county's mining employees by the number of employees in the county's mining industry, relative to the six-county total, then summing the weighted figures. A similarly-weighted average was calculated for the overall employment of the six counties, and then the two figures were compared.
5. The average annual income for mining employees in Sanpete County was \$65,928.
6. The number of mining employees and businesses in Utah in 2001 was 7,210 and 319, respectively. By the third quarter of 2007, these figures had grown to 11,198 and 525. The source for the 2001 data is the same as that for the 2007, third quarter data.