



MiningMinnesota Statement regarding Friends of the Boundary Waters study: Regional Economic Impacts of Boundary Waters Wilderness Visitors

Mining and Tourism Jobs – Living and working side-by-side

The Friends of the Boundary Waters recently released a study that raises more awareness for the economy of Northeast Minnesota. We agree with its study, which shows tourism jobs are important, but not the prime driver of the Region.

Making sure Northeast Minnesota has a vibrant and diverse economy is a concern shared by many different groups. That's why Mining Minnesota and others continue to advocate for mining and other industries that will create the jobs that support families and communities.

It has long been acknowledged that mining jobs are central to the economy of the Iron Range and a major contributor to Duluth and the Arrowhead regional economy. We believe that tourism also plays an important but different role as the Friends of the Boundary Waters report confirms. It states, "*While outdoor recreation and nature tourism is characterized by seasonal employment and tends to be associated with lower wages when compared to extractive industries, it can play a **very complementary** role in balanced regional development.*"

How we work together to strengthen our economy in this important part of the state is an essential conversation for Minnesota. This information shows a diverse mix of industries will drive a stronger future for this region.

Here are some other things we're learning in our research of government data about economic drivers in the region:

- The \$25,000 in average annual earnings per job associated with tourism and *related* jobs as reported in the Friends study is generally consistent with our findings. Our research also shows that mining and *related* jobs in the region generate on average \$68,000 per year in earnings per job (and \$81,000 for mining only jobs).
- The \$25,000 average annual tourism-related wage arrived at by both the Friends study and our research of government data is slightly higher than the federal poverty guideline of \$24,300¹ for a family of four. On the other hand, a \$68,000 mining-related wage exceeds the living wage guideline² (\$63,273) for a family of four living in St. Louis County.
- A mining related job generates nearly four times the annual tax revenue (\$19,000 vs. \$5,600) of a tourism job.
- Mining jobs also play an important supporting role in the regional tourism (local hospitality) sector, which includes accommodation and food services.

¹ U.S. Department of Health and Human Services

² Living wage calculator: family of 2 adults and 2 children, with both parents working
www.livingwage.mit.edu

- While the Duluth-Arrowhead region enjoys a strong tourism industry, income remains the most important factor creating a high-quality life for residents. Without the higher paying mining jobs, the region would lose a significant percentage of health care, retail, government, construction, and accommodation and food service jobs.

Great-paying mining jobs and complimentary tourism jobs can and should exist side by side in a strong and balanced regional economy.

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