



Protecting clean water, healthy communities, and the Boundary Waters  
206 E. Sheridan Street, P.O. Box 625, Ely, Minnesota 55731 • nmworg.org • 218.365.7808

## **ELY BY THE NUMBERS**

**Annually, about 250,000 people visit the Boundary Waters Canoe Area Wilderness; the Boundary Waters is the most popular wilderness area in the United States.**

### ***Population and Business Volume***

- The population of the Ely area (City of Ely and townships of Eagle’s Nest, Fall Lake, and Morse) is stable; the 2010 populations of these combined areas is 5706, which is within 2.1% of the 2000 population.
- City of Ely population in 2010 census was 3,460; City of Eveleth (on Minnesota’s Iron Range, within a few miles of three of Minnesota’s large taconite mining operations) population in 2010 census was 3,718. City of Ely gross sales receipts in 2011 were \$106,952,927; City of Eveleth gross sales receipts in 2011 were \$41,168,029.
- Ely lodging tax receipts have grown by 68% since year 2000, with 2012 showing the highest lodging tax receipts in Ely history.

### ***Economic Engines: Outdoor Recreation and Tourism Businesses in the Ely Area***

- The Ely area has 14 canoe-outfitting businesses, seven cabin rental/canoe outfitting businesses, 18 resorts, the Boy Scout Northern Tier High Adventure Camp, the Girl Scout Northern Lakes Canoe Base, Veteran’s At the Lake Resort, four not-for-profit tourism-based businesses, and four dogsledding adventure businesses.
- Ely area canoe outfitters, resorts, not-for-profit tourism-based businesses, and dogsled adventure businesses employ 400 people year-round and another 600 during the summer months.
- Annually, the International Wolf Center attracts 50,000 visitors and the North American Bear Center attracts 30,000.

### ***Economic Engines: Entrepreneurs, Retirees, and Vacation Home Owners***

- Rural areas do best when they have a combination of a high proportion of creative class workers, a rich entrepreneurial context, and high quality outdoor amenities like an abundance of conservation lands and the clean air, clear water, and recreational opportunities they afford. Florida, R., *Competing in the age of talent: environment, amenities, and the new economy*

(Carnegie Mellon University, 2000); McGranahan, D. A., Wojan, T. R., & Lambert, D. M. , *The rural growth trifecta: outdoor amenities, creative class and entrepreneurial context* (Journal of Economic Geography, 2010).

- The three Boundary Waters counties out-perform most other Minnesota counties for Human Amenities, Entrepreneurial Breadth, and Creative Workers. Spencer, P. *The Boundary Waters Canoe Area...Wealth Generator* (2013).
- Studies by the Federal Reserve Bank of Kansas City (“FRB Kansas City”) show that, measured by the percentage of income that is “proprietor income” instead of wage or salary income, the three Boundary Waters counties (Cook, Lake, St. Louis) are above average in Minnesota.
- Federal Reserve Bank Kansas City studies show that Cook, Lake, and St. Louis Counties have a much higher level of investment income per capita (90<sup>th</sup> percentile rank) than most of the of Minnesota.
- Federal Reserve Bank Kansas City studies show that Cook, Lake, and St. Louis Counties have a much higher “human amenity index” (healthcare access, innovation, recreation areas, restaurants, and scenic amenities) (89<sup>th</sup> percentile rank) than most of the rest of Minnesota.

### ***Economic Engines: The Superior National Forest, the Boundary Waters, and Outdoor Recreation in Minnesota***

- According to the Iron Range Resources & Rehabilitation Board, in 2009 Northeastern Minnesota tourism provided 18,000 jobs and \$800 million in gross sales.
- The U.S. Forest Service estimates that the Boundary Waters alone generates \$100 million annually in economic benefits to Northeastern Minnesota, and that the Superior National Forest as a whole generates \$500 million in benefits.
- Outdoor recreation in Minnesota generates \$11.6 billion in sales, 118,000 direct Minnesota jobs, \$3.4 billion in wages and salaries, and \$815 million in state and local tax revenue.

### ***Economic Engines in the Direct Path of Pollution***

- Twenty-six Ely-area resorts, camps, and other outdoor recreation businesses and organizations lie on the South Kawishiwi River and downstream lakes—which will be the Path of Pollution (acid, heavy metals, sulfates) from any mines developed in that portion of the Boundary Waters watershed.
  - BWCA Get Away Cabins
  - Fall Lake Campground
  - Voyageur Outward Bound School
  - South Kawishiwi River Campground
  - River Point Resort & Outfitting Co.
  - Birch Lake Campground
  - Creek Ridge Lodge
  - Wintergreen Dogsled Lodge
  - Retreats on White Iron Lake
  - White Iron Beach
  - Riverside Island Campgrounds
  - Pine Point Lodge & North Country Outfitters

- Silver Rapids Lodge
- Camp Voyageur
- Moose Track Adventures Lodge & Outfitters
- Timber Trail Lodge & Boundary Waters Outfitters
- Blue Heron B&B
- Deer Ridge Lodge
- Garden Lake Resort
- Leaning Cedar Tree Cabins
- Packsack Canoe Trips & Log Cabins
- Veterans on the Lake Resort
- Birch Lake RV Park & Campground
- Birch Lake Resort
- Kinsey Houseboats
- Timber Bay Lodge and Houseboats
- Hundreds of cabins and year-round home are located on the lakeshore of the lakes and rivers in the Path of Pollution.
- Property value of lakeshore parcels in the Path of Pollution is \$318 million (Lake and St. Louis County tax records).

### **MINING REGION ECONOMIES BY THE NUMBERS**

#### ***Copper Mining Jobs***

- Employment in copper mining in the U.S. declined from 36,400 jobs in 1972 to 10,400 jobs in 2007 (71%), while production declined less than 30%.
- According to the University of Minnesota Duluth and mining company Twin Metals, even if all proposed copper-nickel projects in Northeastern Minnesota go forward, total copper-nickel mining employment will be only about 1300 jobs. Given the historical record of mining companies consistently projecting greater levels of employment than actually occur, that number is probably too high.
- PolyMet has consistently revised downward its projected employment. In 1999, PolyMet predicted up to 450 direct jobs, 3,600 indirect jobs, and a 40 year mine life; in 2011, PolyMet predicted 360 direct jobs, 500 construction jobs (temporary, by definition), and only a 20 year mine life and in Nov. 2013, Edison Investment Research projected 300 direct jobs.
- PolyMet’s 2013 PSDEIS admits that employment is calculated simply in terms of number of jobs, not FTEs. The current projection of 360 mining jobs does not distinguish among full-time, part-time, permanent, and temporary jobs. PolyMet predicts that only about 90 of the jobs will be filled by current residents of local communities.

#### ***Taconite Mining Jobs and Communities***

- Mining jobs do not provide a basis for sustainable prosperity. According to the September 21, 2013 edition of the Mesabi Daily News, “[e]ven though mining . . . is running at near-full capacity, the employment . . . numbers don’t add up anywhere near as well for the Iron Range as the statewide averages. . . . For the first seven months of 2013 . . . a comparison of the

statewide employment rate with that of the Iron Range shows the area's jobless rate is 64 percent higher than the overall Minnesota level."

- In 1960, the Minnesota iron mining industry employed more than 200 workers per million tons of ore produced; by the year 2005, the ratio was only 80 workers employed per million tons of ore produced.
- From 1979 to 2005, mining payrolls in St. Louis County, Minnesota dropped \$503 million (from about \$800 million to about \$300 million, or about 63%); during the same period, non-mining payrolls in St. Louis County grew about \$940 million, or 21%.
- Taconite mining employment in Minnesota fell from 5599 workers to 4245 workers (about 25%) during the period 2000 to 2011.
- In 2010, mining provided one-quarter of one percent (.25%) of Minnesota's gross state product (\$666 million of total gross state product of \$270.8 billion).
- U.S. Census Bureau figures show that median household income in St. Louis County was 22% below the Minnesota state average of \$58,476 during the period 2007-2011.
- In 1960 the population of Virginia, Minnesota, which lies in the very heart of the Mesabi Iron Range's mining and ore processing activity, was 14,034. In 2010, the population of Virginia had declined 38%, to 8,712.

#### **RECYCLING BY THE NUMBERS**

- Copper and copper alloy scrap recycling provide about half of the copper consumed in the U.S. each year. Premium grade copper scrap has at least 95% of the value of copper from newly-mined ore.
- The U.S. provides more than 20% of the world supply of recycled copper. In 2012, the U.S. scrap industry processed two million tons of copper.
- In 2012, the value of the non-ferrous metal scrap industry in the U.S. was almost \$50 billion.
- Scrap recycling employs more than 130,000 people in the U.S.
- Copper recycling potential in the U.S. is much greater than the current level. For example, U.S. households account for most of the new electronics market, but they account for only about one-quarter of electronics recycling.
- Recycling saves approximately 90% of the energy required to extract copper from ore. According to the PolyMet Preliminary Supplemental Draft Environmental Impact Statement, the PolyMet mine, plant, and energy demands would add 697,342 metric tons per year of greenhouse gas emissions to the atmosphere.