

THE ECONOMIC IMPACT OF
**SB1 ON MINING
IN CALIFORNIA**



The Economic Benefits of SB 1 on ...

Mining

Increased spending on California's highways, bridges and transit as a result of SB 1 will generate over \$1 billion in output in the Mining sector over 10 years, supporting over 3,000 job-years.*

The average annual economic benefits of SB 1 spending on this sector include:

- Nearly \$127 million in additional economic output
- A \$85.4 million increase in gross state product (GSP)**
- Supporting or creating an additional 329 jobs. These workers will earn over \$22 million in wages
- \$4.9 million in additional tax revenues

	Average Annual Impacts of SB 1	Total Economic Impacts of SB 1 over 10 Years
Industry Output	\$126.6 million	\$1.3 billion
Value Added (contribution to GSP)	\$85.4 million	\$853.6 million
Employment	329 jobs	3,290 job-years
Total Payroll	\$22.3 million	\$223.5 million
Total Tax Revenues	\$4.9 million	\$49.4 million
State Payroll Tax Contribution	\$151.9 thousand	\$1.5 million
Federal Payroll Tax Contribution	\$1.7 million	\$17.1 million
State Income Tax Contribution	\$2.7 million	\$26.8 million
State & Local Sales Tax Contribution	\$398.5 thousand	\$4.0 million

Increasing transportation spending from SB 1 will have positive economic impacts on this sector in two ways. The first is through direct purchases from transportation construction firms and suppliers involved in building, maintaining and operating California's highways, bridges and transit systems. The second effect is when employees of transportation firms spend their wages and make purchases throughout the economy.

* A job-year of employment is defined as employment for one person during one year. Thus, this number will include people whose jobs are created/supported by SB 1 over multiple years. For example, if a person is hired in this sector and remains in her position for five years, this is counted as five job-years.

** GSP is the value added by an industry to the overall economy. California's GSP was \$2.62 trillion in 2016, according to the U.S. Bureau of Economic Analysis. That is the difference between total sales and the intermediate goods. Gross output is the measure of total industry sales for both intermediate and final goods. California's gross output in 2016 is estimated to be \$4.52 trillion.

SECTOR OVERVIEW

Mining contributed \$8.3 billion to state economic activity in 2016, accounting for 0.3% of the state's Gross State Product (GSP).** Total sales in the industry were an estimated \$14.3 billion, which includes goods and services for final consumers as well as any inputs sold to other industries.

This sector includes 839 establishments and sole proprietorships in California with an existing payroll valued at \$2.1 billion. These businesses contribute an estimated \$178.5 million in state and federal payroll taxes. Individuals working in this sector earn an average of \$87,880 each year. The Mining, Quarrying, and Oil and Gas Extraction sector comprises establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas.

	Current Value	California Ranking	Percentage of State Total
Industry Output	\$14.3 billion	19	0.3%
Value Added (contribution to GSP)	\$8.3 billion	19	0.3%
Establishments	839 businesses	19	0.1%
Employment	24,380 jobs	19	0.2%
Average Annual Salary	\$87,880	6	
Total Payroll	\$2.1 billion	19	0.2%
Total Tax Revenues	\$416.2 million	19	0.2%
State Payroll Tax Contribution	\$14.6 million	19	0.2%
Federal Payroll Tax Contribution	\$163.9 million	19	0.2%
State Income Tax Contribution	\$198.9 million	19	0.2%
State & Local Sales Tax Contribution	\$38.8 million	18	0.1%