## **PERLITE**

(Data in thousand metric tons unless otherwise noted)

<u>Domestic Production and Use</u>: The estimated value (f.o.b. mine) of processed perlite produced in 2006 was \$19.5 million. Crude ore production came from nine mines operated by seven companies in seven Western States. New Mexico continued to be the major producing State. Processed ore was expanded at 62 plants in 31 States. The principal end uses were building construction products, 61%; horticultural aggregate, 14%; fillers, 11%; filter aid, 7.5%; and other, 6.5%.

Salient Statistics—United States:	2002	<u>2003</u>	<u>2004</u>	<u>2005</u>	2006 <sup>e</sup>
Production <sup>1</sup>	521	493	508	508	457
Imports for consumption <sup>e</sup>	224	245	238	196	275
Exports <sup>e</sup>	42	37	37	32	32
Consumption, apparent	703	701	709	672	700
Price, average value, dollars per ton, f.o.b. mine	36.42	38.20	41.87	40.68	42.72
Stocks, producer, yearend	NA	NA	NA	NA	NA
Employment, mine and mill	189	194	133	127	114
Net import reliance <sup>2</sup> as a percentage of					
apparent consumption	26	30	28	24	35

Recycling: Not available.

Import Sources (2002-05): Greece, 100%.

<u>Tariff</u>: Item Number Normal Trade Relations 12-31-06

Mineral substances, not

specifically provided for 2530.10.0000 Free.

**Depletion Allowance**: 10% (Domestic and foreign).

Government Stockpile: None.

## **PERLITE**

**Events, Trends, and Issues:** The amount of processed perlite sold or used from U.S. mines dropped to its lowest level since 1984 when about 452,000 tons of processed perlite were sold or used. Domestic miners continued to lose market share to imports. One mine in New Mexico was idle in 2006 after decades of continuous operation. Another mine in Utah was closed after some production in the first half of 2006. Imports reached record levels of about 275,000 tons, surpassing the previous high of 245,000 tons imported in 2003. These record imports also established a net import reliance record of 35%, an increase of about 46% compared with that of 2005.

The cost of rail transportation from the mines in the Western United States to some areas of the Eastern United States continued to burden domestic perlite producers with strong cost disadvantages compared with Greek perlite exporters. However, U.S. perlite exports to Canada partially offset losses from competition with imports in Eastern U.S. markets.

Perlite mining generally takes place in remote areas, and its environmental impact is not severe. The mineral fines, overburden, and reject ore produced during ore mining and processing are used to reclaim the mined-out areas, and, therefore, little waste remains. Airborne dust is captured by baghouses, and there is practically no runoff that contributes to water pollution.

<u>World Processed Perlite Production, Reserves, and Reserve Base</u>: Greece surpassed the United States in processed perlite production starting in 2003. Information for China and several other countries is unavailable, making it unclear whether or not Greece and the United States are the world's leading producers.

	Production		Reserves <sup>3</sup>	Reserve base <sup>3</sup>
	<u>2005</u>	2006 <sup>e</sup>		
United States	508	457	50,000	200,000
Greece	525	500	50,000	300,000
Hungary	145	70	3,000	( <sup>4</sup> )
Japan	240	250	$\binom{4}{\cdot}$	$\binom{4}{1}$
Mexico	195	200	(4)	( <sup>4</sup> )
Turkey	140	130	(4)	5,700,000
Other countries		<u>210</u>	600,000	<u>1,500,000</u>
World total (rounded)	1,950	1,820	700,000	7,700,000

<u>World Resources</u>: Insufficient information is available to make reliable estimates of resources in perlite-producing countries.

<u>Substitutes</u>: Alternative materials can be substituted for all uses of perlite, if necessary. Long-established competitive commodities include diatomite, expanded clay and shale, pumice, slag, and vermiculite.

<sup>&</sup>lt;sup>e</sup>Estimated. NA Not available.

<sup>&</sup>lt;sup>1</sup>Processed perlite sold and used by producers.

<sup>&</sup>lt;sup>2</sup>Defined as imports - exports + adjustments for Government and industry stock changes; changes in stocks not available and assumed to be zero for apparent consumption and net import reliance calculations.

<sup>&</sup>lt;sup>3</sup>See Appendix C for definitions. Reserves and reserve base data are for crude ore.

<sup>&</sup>lt;sup>4</sup>Included with "Other countries."