

THE GOLD AND SILVER INDUSTRIES
IN THE WORLD, UNITED STATES
AND ARIZONA

SALIENT STATISTICS
YEAR 1962

Compiled By

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SOURCES

U. S. BUREAU OF MINES REPORTS
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THE GOLD INDUSTRY

GOLD IN 1962

Prepared September 9, 1963 (Received October 11, 1963) by J. P. Ryan under the supervision of P. F. Yopes, Chief, Branch of Nonferrous Metals, Division of Minerals.

Domestic mine production of recoverable gold in 1962 was 1.5 million ounces valued at \$54.0 million, only slightly less than in 1961, according to the Bureau of Mines, United States Department of the Interior. The 1962 output was the lowest peacetime production since 1884. Although production increased in Alaska, California, Nevada, and South Dakota, the gains were not sufficient to offset losses in production in other gold-producing States.

The gold mining industry continued to be affected adversely by rising costs in relation to the fixed price of gold. Three large placer mines closed when minable reserves were depleted; operations were begun at one large lode mine.

A 45-percent gain in gold production in Alaska resulted from higher recoveries per yard washed in dredging operations in the Fairbanks district. In California, placer dredging operations on the Yuba river yielded an increased quantity of gold which more than offset the loss in output resulting from closing dredging operations on the American river. The gain in gold output in Nevada was attributed to reopening the Getchell mine, which began bullion shipments in July. Closing of the Carlton mill at Cripple Creek in January was the principal factor in the falloff in Colorado's gold output. In Montana, the production drop resulted from a labor strike at mines of the Anaconda Company. The drop in Utah's output was caused by a lower yield of byproduct gold from copper ore mined at the Utah Copper pit, source of most of the States' gold output. The decline in Washington's gold production was attributed partly to curtailed output of ore by L-D Mines. The two leading gold-producing States, South Dakota and Utah, furnished 58 percent of the total domestic output. About 64 percent of the total gold produced came from gold ores and placers, about 3 percent more than in 1961; the remaining 36 percent was recovered as a byproduct of base metal ores.

World gold production rose 2.6 million ounces to 50 million ounces valued at \$1.75 billion, a new record high. The 1962 gain in gold output was the 9th consecutive annual increase and was attributed principally to continued expansion of mining operations in the Republic of South Africa and to an increase in the estimated output of the U.S.S.R. Free-world Governments and banking institutions at yearend reported gold reserves totaling \$41.5 billion, about \$300 million more than at the end of 1961.

Consumption of gold in domestic arts and industries rose sharply to nearly 3.6 million ounces, about twice domestic production and an alltime high, except for 1946, when demand generated by wartime conditions reached a peak.

Most of the gold exports, valued at \$381 million, went to the United Kingdom, a part of which was sold by the Bank of England in connection with operations of the gold pool. Imports increased sharply to 4.3 million ounces, about three-fourths of which came from Brazil and Colombia.

The outflow of gold, resulting from the continued balance-of-payments deficit and conversion of dollar credits by foreign central banks, reduced the U. S. gold stock about \$900 million to \$16.1 billion at yearend, the lowest level since 1939. The ratio of gold reserve to Federal Reserve note and deposit liabilities dropped 3 percent to 32 percent, in relation to the 25 percent required for legal cover. The price of gold in the principal world markets did not vary much from the official price of \$35. The President's statement by Telstar 1 that this price would be maintained, and the market operations of the international gold pool were the principal factors contributing to price stability in the London gold market.

TABLE I

GOLD MONETARY STOCKS

End of Years 1950 to 1962 Inclusive -

In billions of dollars

	U. S. Monetary Stocks	U. S. % of World	World Monetary Stocks ^{1/} Estimated By Federal Reserve ^{2/}
End of 1950	\$ 22.7	63.4%	\$ 35.8
" " 1951	22.7	63.15%	35.95
" " 1952	23.2	64.1%	36.2
" " 1953	22.0	60.8%	36.2
" " 1954	21.7	58.1%	37.35
" " 1955	21.7	58.4%	37.15
" " 1956	21.9	58.1%	37.7
" " 1957	22.85	58.7%	38.9
" " 1958	20.6	51.6%	39.9
" " 1959	19.5	48.0%	40.6
" " 1960	17.8	44.0%	40.5
" " 1961	16.9	41.1%	41.1
" " 1962	16.1	38.7%	41.4

^{1/} Excluding Russia; but includes International Monetary Fund.

^{2/} Total world gold reserves are not positively known, since some countries do not report.

Arizona Department of Mineral Resources

October 1963

TABLE II

WORLD PRODUCTION OF GOLD

1940 and 1961, 1962

Source: U.S.B.M. Unit: Troy Ounces

	1940	1961	1962
Union of So. Africa	14,037,741	22,941,561	25,491,993
Canada	5,311,145	4,442,153	4,196,233
United States *	4,862,979	1,548,270	1,556,000
Australia	1,191,481	1,070,467	1,068,724
Ghana	-	970,135	888,038
Southern Rhodesia	826,485	570,095	554,647
Philippines	1,140,126	423,983	423,394
Colombia	631,927	399,877	396,825
Belgian Congo	618,565	232,611	200,000
Mexico	883,117	268,684	236,758
Japan	1/	293,954	286,200
Brazil	318,935	180,000	120,000
India	289,357	156,510	163,326
Other Free Countries	6,857,142	2,007,400	2,018,882
TOTAL FREE WORLD (Estimated)	36,969,000	35,505,700	37,590,000
U.S.S.R. (Estimated)	5,787,000	12,000,000	12,200,000
North Korea	-	130,000	130,000
Yugoslavia	75,000	64,300	80,000
TOTAL COMMUNIST CONTROLLED	5,862,000	12,194,300	12,410,000
TOTAL WORLD (Estimated)	42,831,000	47,700,000	50,000,000

* Refined production in 1940 and 1962; mine production in 1961.

1/ Date not available. Estimate included in total.

TABLE III

SALIENT STATISTICS OF GOLD IN THE UNITED STATES
BY YEARS, 1953-1962

	Source: U.S.B.M.	Bureau of the Census			
	1953	1954	1955	1956	1957
Mine Prod. fine ozs.	1,958,293	1,837,310	1,880,142	1,832,584	1,793,597
Refined Production	1,970,000	1,859,000	1,876,830	1,865,200	1,800,000
Ore (dry & siliceous) produced (S. tons)					
Gold ore	2,198,688	2,248,604	2,234,000	2,255,000	2,359,000
Gold-Silver	81,658	46,345	120,000	245,000	116,000
Silver ore	555,050	680,442	570,000	687,000	712,000
Percentage derived from					
Dry & siliceous ores	40	43	41	42	43
Base-metal ores	39	34	37	39	38
Placers	21	23	22	19	19
Net consumption in industry and arts <u>1/</u>	2,143	1,270	1,300	1,400	1,450
Imports <u>1/</u>	1,344	1,083	2,930	3,730	7,701
Exports <u>1/</u>	1,280	494	162	734	4,806
Monetary Stocks(End ofYr) <u>2/</u> \$	22,030	\$21,713	\$21,690	\$21,949	\$22,857
Price, avg. per fine oz. <u>3/</u> \$	35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00
World prod., fine ozs., (estimated)	33,700,000	35,100,000	36,300,000	38,400,000	39,600,000
	1958	1959	1960	1961	1962
Mine Prod. fine ozs.	1,739,249	1,602,931	1,666,772	1,548,000	1,543,000
Refined Production	1,759,000	1,635,000	1,667,000	1,548,000	1,543,000
Ore (dry & siliceous) produced (S. tons)					
Gold Ore	2,411,000	2,289,000	2,267,000	2,060,000	2,159,000
Gold-Silver	107,000	137,000	347,000	248,000	353,000
Silver ore	639,000	597,000	641,000	565,000	555,000
Percentage derived from					
Dry & siliceous ores	47	50	47	48	47
Base-metal ores	32	28	37	39	36
Placers	21	22	16	13	17
Net consumption in industry and arts <u>1/</u>	1,833	2,522	3,000	2,775	3,576
Imports <u>1/</u>	8,120	8,485	9,322	1,615	4,312
Exports <u>1/</u>	886	50	47	22,146	10,884
Monetary stocks(End of yr) <u>2/</u> \$	20,582	\$19,507	\$17,804	\$16,947	\$16,057
Price ave., per fine oz. <u>3/</u> \$	35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00
World Prod., fine ozs., (estimated)	40,600,000	42,800,000	45,400,000	47,700,000	50,000,000

1/ Thousands of ounces.

2/ Owned by Treasury Dept.; privately held coinage not included-
In millions of dollars.

3/ Price under authority of Gold Reserve Act of Jan. 31, 1934.

Discussion of Effect of Gold Mine Closing Order, and Loss of Silver
Production due to Shut-down of Many Lead-Zinc Mines

A study of the U. S. Bureau of Mines records of United States gold and silver production in the year 1941 and the annual averages for the period 1943-1960, gives an indication of the effect of the gold mine closing order (L-208) in 1942, upon the production of gold and silver lode mines. (Table IV). The annual rate of production of gold dropped from 4,070,378 ounces in 1941 to 1,133,844 ounces in the period 1943-1960. This meant an annual loss of 2,936,534 ounces, or a possible total loss of 52,857,612 ounces for the 18-year period. Assuming a normal growth-rate of 2.5 percent per year during the 18-year period, the loss in production would have amounted to 76,643,537 ounces of gold (52,857,612 x 145%), worth \$2,682,523,795.

The recovery of this gold would have helped to offset partly the recent decline in monetary gold stocks, which has been causing so much concern. Although the gold mines were permitted to re-open after World War II, most of them had deteriorated during the shut-down, and rapidly increasing costs had prevented others from re-opening.

Also, in many of the lode mines, both gold and silver occurred together, and there was a resultant loss in silver production. The annual rate of production of silver had been 27,803,661 ounces in 1941, and this rate dropped to 10,918,700 ounces in the 18-year period 1943-1960. This meant a possible annual loss of 16,884,961 ounces, or a possible total loss of 303,929,298 ounces of silver that might have been produced, during the 18-year period, from gold-silver lode mines and placers.

Since 1952, the U. S. lead-zinc industry has been affected by large imports of lead and zinc, and lower prices have caused the shut-down of many mines which had by-products of gold and silver, and the silver was being paid for at only 70 percent of its monetary value of \$1.29 per ounce. Production of silver from these lead-zinc ores amounted to 20,664,369 ounces in 1941, and dropped to an annual average of 15,609,760 ounces in the 18-year period (1943-1960). The possible loss in silver production was therefore 5,054,609 ounces per year, or 90,982,962 ounces in 18 years. Thus there was a total possible loss of 394 million ounces in silver, even without calculating a normal growth-rate in the industry.

Arizona Department of Mineral Resources

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TABLE IV

**U. S. GOLD AND SILVER PRODUCTION IN 1941 COMPARED WITH AVERAGE ANNUAL
PRODUCTION FOR 1943-1960 INCLUSIVE**

Source: U.S.B.M.

	GOLD ORES	GOLD-SILVER ORES	SILVER ORES	DRY & SILICEOUS ORES		PLACERS	
	Tons	Tons	Tons	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver
1941	15,117,117	1,447,371	1,074,543	2,582,743	27,609,533	1,487,635	194,128
Avg. 1943-1960	2,580,240	287,360	521,230	727,100	10,868,480	406,724	50,267

	COPPER ORE	Pb-Zn-Cu ORES	ALL BASE METAL ORES	COPPER ORES		Pb-Zn-Cu ORES	
	Tons	Tons	Tons	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver
1941	74,170,056	8,265,580	82,435,636	561,257	18,790,967	119,230	20,664,369
Avg. 1943-1960	94,867,500	10,286,500	105,145,250	489,915	9,218,155	131,062	15,609,760

	TOTAL DRY & SILICEOUS ORES & PLACERS		TOTAL BASE METAL ORES		GRAND TOTAL GOLD - SILVER	
	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver
1941	4,070,378	27,803,661	680,487	39,455,336	4,750,865	67,258,997
Avg. 1943-1960	1,133,824	10,918,700	620,977	24,827,900	1,754,801	35,719,440

Arizona Department of Mineral Resources
October 1963

TABLE V

COMPARATIVE ARIZONA & U. S. GOLD AND SILVER PRODUCTION
FROM GOLD, GOLD-SILVER, SILVER LODE MINES, GOLD-SILVER PLACERS, AND BASE METAL LODE MINES

YEARS 1941 AND 1960

Source: U.S.B.M.

1941:	GOLD, GOLD-SILVER, SILVER LODE MINES			GOLD-SILVER PLACERS		TOTAL Au, Ag LODES & PLACERS	
	Tons Ore	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver
Arizona	975,790	144,198	1,195,814	11,931	2,205	156,129	1,198,019
Per Ton		0.148	1.225				
United States	17,639,031	2,582,743	27,609,533	1,487,635	194,128	4,070,378	27,803,661
Per Ton		0.1464	1.565				
1941:	BASE METAL LODE MINES			GRAND TOTAL - ALL MINES			
	Tons Ore	Ozs. Gold	Ozs. Silver	1941:	Tons Ore	Ozs. Gold	Ozs. Silver
Arizona	24,516,004	159,263	6,300,241				
Per Ton		0.0065	0.257				
United States	82,435,636	680,487	39,455,336	Arizona	25,491,794	315,392	7,498,260
Per Ton		0.0082	0.479	U. S.	100,074,667	4,750,865	67,258,997

1960:	GOLD, GOLD-SILVER, SILVER LODE MINES			GOLD-SILVER PLACERS		TOTAL Au, Ag LODES & PLACERS	
	Tons Ore	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver	Ozs. Gold	Ozs. Silver
Arizona	249,282	2,334	69,480	127	9	2,461	69,489
Per Ton		0.0094	0.279				
United States	3,256,111	791,706	11,493,637	264,109	29,606	1,055,815	11,523,243
Per Ton		0.243	3.53				
1960:	BASE METAL LODE MINES			GRAND TOTAL ALL MINES			
	Tons Ore	Ozs. Gold	Ozs. Silver	1960:	Tons Ore	Ozs. Gold	Ozs. Silver
Arizona	66,595,962	140,603	4,705,503				
Per Ton		0.0021	0.071				
United States	131,228,431	549,396	19,243,084	Arizona	66,845,244	143,064	4,774,903
Per Ton		0.0042	0.147	U. S.	134,484,542	1,605,211	30,766,327

Arizona Department of Mineral Resources
October, 1963

EXCERPTS FROM DONALD H. McLAUGHLIN'S* ARTICLE ON

"THE GOLD SITUATION", IN MINING CONGRESS JOURNAL OF FEBRUARY, 1963

The threat to the nation's gold stock as revealed by cold statistics is more serious than ever. The trend obviously cannot continue much longer without leading to conditions that will force drastic action of one sort or another.

Under the gold exchange standard, as the present international monetary system is termed, the dollar, and, to a lesser extent, the pound sterling are held by other countries as part of their monetary reserves, as if they were the equivalent of gold. The magnitude of these claims represented by redeemable dollars now exceeds the total U. S. gold reserve and is four times greater than the gold in excess of current legal requirements. The danger inherent in this practice, whereby the same gold reserve is counted twice and made to serve two would-be masters, was clearly pointed out a little over a year ago by Jacques Rueff. No improvement in the situation is discernible since his warning was published (Fortune, July, 1961).

It is disquieting also to note that, since this procedure was adopted in 1934, the dollar has depreciated over 50 percent in purchasing power. Dollars held by foreign central banks are still redeemable in gold at the pre-war rate of \$35 per ounce which amounts to an attempt to force gold itself to accompany the dollar in its decline in value. If our stock of gold becomes inadequate to support the dollar in this way, the tenuous tie at the current price is bound to break, when some trigger point is reached at which our creditors may suddenly prefer gold to dollars.

Various devices have been proposed to ease uncertainties arising from the build-up of dollars in foreign hands and the outflow of gold from the United States. They seem to be designed to reduce the influence of gold in international transactions and to substitute more and more credit in one form or another in its place. The latest and currently popular plan advanced by our economic and financial experts is the mutual holding of each other's currency. This may create the illusion of new strength, but such legerdemain hardly inspires confidence. At best it only delays the drastic steps that eventually will have to be taken.

Fortunately, gold still commands world-wide acceptance as a measure of value and a store of wealth. Its hold on the imagination of men is not likely to be shaken. Its unique status is a fact that must be taken into account in any monetary system. The problem is not to find a theoretical substitute for gold but to use it more effectively in promoting the financial and economic welfare of the world.

The world today most urgently needs a monetary system that commands full confidence and trust of the order once provided by the old gold standard in the great century before 1914.

If no change is made in current monetary policy, the outlook for gold mining in the United States is admittedly bleak. The situation is well revealed by the following figures from records at the Homestake mine. In 1941, Homestake paid wages amounting to \$4,600,000. Incidentally, this wage scale was among the highest in nonferrous industry in the United States.

* D. H. McLaughlin, Chairman of the Board, Homestake Mining Co.

The corresponding figure for 1960 was \$9,300,000 - that is, an increase of \$4,700,000 in payrolls in that 20-year period even with a considerably smaller number of employees. The mine would actually be out of business if it had not been for many technical improvements that kept the curve of rising costs from completely wiping out profits. The trend, however, is disquieting.

Several bills in Congress have recently been proposed that are designed to provide some relief to the gold miners through a bonus, or premium payments. In the past such legislation has been opposed emphatically by the Treasury. It is to be hoped that, if aid of this sort is eventually provided, payments would be determined on some simple basis, without elaborate analysis of data and decisions in which personal interpretations of officials or even so-called experts would be involved.

The monetary function of gold will undoubtedly continue to be its dominant service, but its enhanced standing as an industrial metal is bound to strengthen its traditional status as money.

Another authoritative statement on gold and gold mining was delivered by Mr. McLaughlin at a luncheon meeting of the New York Society of Security Analysts, April 16, 1963. This statement was given in full on pages 212-217 of Hearings on State of the Minerals Industry before the Senate Subcommittee on Mining, Minerals and Fuels in the 88th Congress, First Session, May 9 and 10, 1963.

PRODUCTION OF GOLD AND SILVER IN ARIZONA IN 1962

By Class of Ore In Terms of Recoverable Metal

Source	Number of Mines 1/	Material sold or treated (short tons)	Gold (troy Ozs.)	Silver (troy ozs.)
<u>LODE ORE:</u>				
Dry Gold	5	1,725	75	328
Dry gold-silver	6	107,082	338	8,502
Dry silver	13	31,565	1	10,999
TOTAL	24	140,372	414	19,829
Copper	41	78,868,147	117,362	4,571,370
Copper-lead-zinc	1	900	287	6,798
Copper-zinc	3	173,766	138	56,475
Lead	7	2,281	32	7,388
Lead-zinc	4	290,733	17,954	760,351
Zinc	1	19,435	6	9,882
TOTAL	56	79,355,262	135,779	5,412,264
<u>OTHER "LODE" MATERIAL:</u>				
Gold tailings and gold-silver tailings	2	22,706	931	15,449
Copper clean-up	(2/)	386	25	382
Copper precipitates	12	54,127	-	-
Copper Tailings	1	10,000	-	1,930
Uranium ore	-	-	-	3,727
TOTAL	15	87,219	956	21,488
TOTAL "LODE" MATERIALS	83	79,582,853	137,149	5,453,581
GRAVEL (Placer operations)	5	-	58	4
TOTAL, ALL SOURCES	88	79,582,853	137,207	5,453,585

1/ Detail will not necessarily add to totals because same mines produce more than 1 class of material.

2/ From properties not classed as mines.

THE SILVER INDUSTRY

Silver in 1962

Prepared September 9, 1963, (Received October 11, 1963) by J. P. Ryan under the supervision of P. F. Yopes, Chief, Branch of Nonferrous Metals, Division of Minerals.

Domestic mine production of recoverable silver increased 6 percent in 1962 to 36.8 million ounces valued at \$39.9 million, according to the Bureau of Mines, United States Department of the Interior. The chief factors contributing to the production gain were increased activity and greater production of silver-bearing ores in most silver mining districts, a substantial increase in the recovery of silver from the refining of lead in Missouri, and the recovery of silver from refining of copper in Michigan, stimulated by the sharp rise in the price of silver. Except for a 5-week shutdown at the Sunshine mine in Idaho, operations at silver-producing mines were generally uninterrupted.

The sharp rise in Montana's silver output, which reached the highest level since 1957, was attributed largely to the start of production from the Badger State Mine, and shipments from the Emma stockpile and from the Government manganese stockpile, which supplied about one-third of the State's silver. Desilverization of lead bullion by St. Joseph Lead Co. brought a sharp increase in Missouri's silver output. Similarly, electrolytic refining of fire-refined copper resulted in a substantial production of silver in Michigan. The gain in Arizona's silver production again resulted from expanded output of silver-bearing copper ore. Increased output of silver in Colorado and Idaho was attributed chiefly to the advance in the price of silver which encouraged greater output of ores yielding silver as a co product or principal product. Idaho contributed nearly half of the total domestic output of silver. Curtailed output of silver-bearing lead-zinc ores from mines in Pend Oreille County was the principal factor in the drop of silver production in Washington. Production in Nevada dropped sharply for the second consecutive year because several mines which closed in 1961 failed to reopen in 1962. In Utah, increased output of silver from silver ores failed to offset a decline in recovery of silver from base metal ores, chiefly lead-zinc, resulting in a small loss in silver production in that State. About two-thirds of the total domestic silver output was recovered as a byproduct of ores mined chiefly for base metals and gold; virtually all of the remainder came from silver ores in Idaho.

World silver production was estimated at 242.5 million ounces, about 5.9 million more than in 1961. Increased output in the United States, Mexico, Peru, Burma, and Australia more than offset declines in silver production in Canada, the Congo, Southern Rhodesia, and South West Africa. Consumption of silver in free-world countries was estimated at 265.9 million ounces, 5 percent more than in 1961.

Domestic consumption of silver in the arts and industries increased 5 percent to 110.4 million ounces. The 1962 gain was the fourth consecutive annual increase, and the quantity used was the largest since 1950. Consumption of silver for U.S. coinage rose 38 percent to 77.4 million ounces, the fourth consecutive annual increase.

The New York market price of silver rose from a low of 101.25 cents early in the year to a high of 122 cents per ounce in the latter part of the year, averaging 108.5 cents.

Imports of silver, both refined and unrefined, increased 52 percent to 76.4 million ounces valued at \$72.7 million. Silver bullion and coin held by the Treasury dropped 95.6 million ounces to 1,767 million ounces at the yearend. Sales for industrial and defense uses and silver processed into subsidiary coin aggregated 80.5 million ounces. Silver received by the Treasury from lend-lease returns, withdrawn coins, purchases of newly mined domestic silver and other receipts totaled 12.5 million ounces.

TABLE I

SALIENT SILVER STATISTICS

	1958	1959	1960	1961	1962
United States:					
Mine production .. thousand ounces	34,111	31,194	30,766	34,794	36,798
Value Thousands	\$30,872	\$28,232	\$27,845	\$32,167	\$39,929
Ore (dry and siliceous) produced . . . (thousand short tons):					
Gold ore	2,411	2,289	2,267	2,060	2,159
Gold-silver ore.	107	137	347	248	353
Silver ore	639	597	641	565	557
Percentage derived from					
Dry and siliceous ores	41	45	37	39	33
Base-metal ores	59	55	63	61	67
Imports, general- -thousand ounces <u>1/</u> . .	165,966	69,088	60,657	50,256	76,359
Exports <u>1/</u> do	2,733	9,180	26,593	39,828	13,057
Stocks Dec.31: Treasury million ounces	2,106	2,060	1,992	1,863	1,767
Consumption in industry and the arts thousand ounces	85,500	101,000	102,000	105,500	110,400
Price: Treasury . troy ounce <u>3/</u>	\$0.905+	\$0.905+	\$0.905+	<u>4/</u> \$0.924	<u>2/</u> \$1.085
World: Production . thousand ounces . .	238,500	<u>4/</u> 221,200	233,400	<u>3/</u> 236,500	<u>2/</u> 242,400

1/ Excludes coinage.2/ Average New York Price.3/ Treasury buying price for newly mined silver.4/ Revised figure.

TABLE II

MINE PRODUCTION OF RECOVERABLE SILVER IN THE UNITED STATES,
BY STATES IN TROY OUNCES.

State	1961	1962
Alaska	18,485	22,199
Arizona	5,120,007	5,453,585
California	93,351	132,505
Colorado	1,965,021	2,087,813
Idaho	17,576,322	17,772,435
Kentucky , , ,	2,065	1,410
Missouri	11,793	490,896
Montana	3,490,350	4,560,714
Nevada	388,426	245,164
New Mexico	282,755	301,549
New York	40,507	19,451
North Carolina	169,742	100,439
Oregon	2,022	6,047
Pennsylvania	1/	1/
South Dakota	127,427	113,052
Tennessee	83,417	112,251
Utah	4,797,583	4,628,446
Washington	<u>1/</u> 625,176	<u>1/</u> 350,135
Wyoming	7	-
Total	34,794,456	36,798,000

1/ Production in Pennsylvania and Washington combined.

Compiled By Arizona Department of Mineral Resources from U.S.B.M.
Annual Report

October, 1963

TABLE III
WORLD PRODUCTION OF SILVER
YEAR 1961, 1962, AND 5-YEAR AVERAGE 1956-1960

Source: U.S.B.M.		In Thousand Troy Ounces	
	5 YEAR AVERAGE (1956-1960)	1961	1962
Mexico	45,284	40,342	41,249
United States	35,244	34,795	36,345
Canada	30,821	31,168	30,669
Peru	25,763	33,582	36,017
Australia	15,329	13,000	17,250
Japan	6,546	7,947	8,620
Belgian Congo	3,876	3,470	1,190
Other Free Countries . . .	31,997	30,986	33,373
TOTAL FREE WORLD	194,860	195,290	204,713
U.S.S.R. (Estimated) . . .	25,000	25,000	27,000
Other Communist (Estimated)	10,820	11,410	10,687
Total Communist Controlled	35,820	36,410	37,687
TOTAL WORLD	230,680	231,700	242,400

TABLE IV
FREE WORLD CONSUMPTION FOR PAST FIVE YEARS

In Millions of Troy Ounces as Reported by Handy and Harman.

Year	UNITED STATES		REST OF FREE WORLD		TOTAL		GRAND TOTAL
	Arts & Industry	Coinage	Arts & Industry	Coinage	Arts & Industry	Coinage	
1958	85.0	36.2	102.4	26.9	187.4	63.1	250.5
1959	100.0	40.7	111.8	43.5	211.8	84.2	296.0
1960	100.0	46.0	116.0	47.3	216.0	93.3	309.3
1961	105.0	54.2	133.1	59.8	238.1	114.0	352.1
1962*	110.0	77.4	129.3	35.2	239.7	112.6	352.3
5-Yr. Avg.	100.0	50.9	118.5	42.5	218.6	93.4	312.1

* U.S.B.M. Final Figures.

TABLE V

TREASURY SILVER

Compiled from Engineering & Mining Journal's Annual Review, February, 1963

Millions of Troy Ounces

	Dec. 31 1962	Dec. 31 1961	Dec. 31 1960	Dec. 31 1951
Held in Treasury:				
Securing Silver Certificates:				
Silver Bullion	1,654.5	1,730.5	1,741.8	1,603.7
Silver Dollars	73.6	101.0	124.9	232.8
Subsidiary Coin	3.2	2.7	2.0	1.2
Free Silver Bullion	37.0	28.5	123.5	124.5
Total Treasury Stocks	1,768.3	1,862.7	1,992.2	1,962.2
Outside The Treasury:				
Silver Dollars	302.7	276.0	252.3	148.0
Subsidiary Coin	1,269.6	1,210.4	1,139.9	783.5
Total Silver Outside Treasury	1,572.3	1,486.4	1,392.2	931.5
Total Silver	3,340.6	3,349.1	3,384.4	2,893.7

E. & M.J. New York Market Price of Silver in Cents per Troy Ounce.

1955	89.099	Jan. 1962	104.284	Jan. 1963	124.382
1956	90.826	Feb. 1962	102.472	Feb. 1963	125.644
1957	90.820	Mar. 1962	101.500	Mar. 1963	127.138
1958	89.044	Apr. 1962	101.500	Apr. 1963	127.290
1959	91.202	May. 1962	101.500	May. 1963	127.873
1960	91.375	June 1962	102.274	June 1963	127.685
1961	92.449	July 1962	103.548	July 1963	128.991
1962	108.075	Aug. 1962	108.304	Aug. 1963	128.782
		Sept. 1962	115.461		
		Oct. 1962	120.614		
		Nov. 1962	119.171		
		Dec. 1962	119.875		

Silver in 1962

By A. J. TESKE
Secretary
Idaho Mining Association

A new perspective and dimension has been given to the perennial silver issue. Expanding usage of this versatile metal for industrial and coinage requirements, coupled with a persistent and widening deficiency in new production, has completely reversed the market situation. Chronic oversupply is no longer the problem. Instead a serious shortage looms.

Is demonetization of U. S. bullion reserves and eventual dissipation of this valuable national asset the answer?

This is a question that Congress must answer—and soon.

Compliments of the Idaho Mining Association

THE MINING RECORD, DENVER, CITES DANGERS IN MONETARY POLICY

QUOTES REP. COMPTON I. WHITE (D-IDAHO)*

"Frankly, I thought it would be a year before I would have to make this speech, but the combination of bad judgement within the Treasury, and avarice of the silver fabricators and speculators has accelerated the withdrawal of silver certificates to such an extent that I believe it is necessary to issue this warning.

"Despite the assurance by the Secretary of the Treasury and the admonition contained in both House and Senate reports to H.R. 5389 that the rate of withdrawal of silver certificates would be gradual and not exceed \$105,000,000 per year, there are now \$40,000,000 less silver certificates outstanding than when the law was passed just over two months ago".

"The next pleas will be for legislation to debase our coins, and it will be urgent because there will not be any silver left to mint due to the silver sales at a subsidized price to speculators and makers of silver products"

"In answer to opponents of silver currency, there are those who are ridiculous enough to propose the sale of Treasury silver as a solution to our balance of pay deficit. The Treasury has already made a profit on the silver purchased"

"Although I believe the lesson so recently learned regarding silver was costly, it may perhaps alert us to the need for closer examination of legislation dealing with monetary matters. Not only are the theories questionable, but the motives and assurances given us by advocates of debt-based currency, and coin are likewise of dubious value".

* "The Mining Record" Denver, Colorado, September 5, 1963