

SALT

(Data in thousand metric tons, unless otherwise noted)

Domestic Production and Use: Domestic production of salt decreased slightly in 1997, with total value estimated at \$960 million. Twenty-seven companies operated 67 plants in 14 States. The estimated percentage of salt sold or used, by type, was salt in brine, 51%; rock salt, 32%; vacuum pan, 9%; and solar salt, 8%.

The chemical industry consumed about 42% of total salt sales, with salt brine representing about 90% of the type of salt used for feedstock. Chlorine and caustic soda manufacture was the main consuming sector within the chemical industry. Salt for highway deicing accounted for 34% of U.S. demand. The remaining markets for salt, in declining order, were distributors, 9%; industrial, 7%; food and agricultural, 3% each; primary water treatment and other, 1% each.

Salient Statistics—United States:¹	1993	1994	1995	1996	1997^e
Production	39,200	40,100	42,100	42,200	41,700
Sold or used by producers	38,200	39,700	40,800	42,900	41,400
Imports for consumption	5,870	9,630	7,090	10,600	8,000
Exports	688	742	670	869	675
Consumption: Reported	44,400	47,200	46,500	52,800	48,700
Apparent	43,400	48,600	47,200	52,600	48,700
Price, average value of bulk, pellets and packaged salt, dollars per ton, f.o.b. mine and plant:					
Vacuum and open pan salt	111.97	115.35	118.63	120.54	120.00
Solar salt	34.51	34.77	30.82	39.97	39.00
Rock salt	20.28	22.33	21.80	22.14	21.00
Salt from brine	5.24	5.40	6.91	6.72	6.00
Stocks, producer, yearend ^{e 2}	1,000	400	1,300	1,400	300
Employment, mine and plant, number	4,150	4,150	4,150	4,150	4,150
Net import reliance ³ as a percent of apparent consumption	12	18	14	19	14

Recycling: None.

Import Sources (1993-96): Canada, 41%; Mexico, 22%; Chile, 17%; The Bahamas, 12%; and other, 8%.

Tariff: Item	Number	Most favored nation (MFN) 12/31/97	Non-MFN⁴ 12/31/97
Iodized salt	2501.00.0000	Free	26% ad val.

Depletion Allowance: 10% (Domestic), 10% (Foreign).

Government Stockpile: None.

Events, Trends, and Issues: The U.S. Department of Justice in April approved the acquisition of a major U.S. salt company by another large domestic salt producer. The judgement required that the acquired vacuum pan salt plant in Watkins Glen, NY, be divested to maintain competition in the region. The decision also required the divestiture of the mining rights to the Hampton Corners, NY, rock salt project. The mining rights, salt inventories, and certain mining equipment were acquired by a group that formed a new salt company that planned to construct a new rock salt mine. The company was still arranging for the financing of the venture by yearend.

A major U.S. salt company purchased for \$195 million a two-thirds interest in a large salt producer in Europe. The remainder of the shares would be acquired later for an additional \$95 million. The European company has a combined capacity of more than 2 million tons of rock salt, solar salt, and vacuum pan salt in France and Spain. This is the first salt venture for the U.S. firm outside of the Western Hemisphere.

A Netherlands-based salt company announced it planned to construct a solar salt facility at Onslow, Western Australia. The proposed solar salt plant will have an annual capacity of 2.5 million tons and cost \$50 million to build. The demand for high-quality solar salt for chloralkali manufacture in Asia was cited as the main reason for the decision to build the facility.

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A project to upgrade a solar salt facility in Israel came on-stream at midyear. New equipment was installed at the plant to modernize its iodized salt products. Solar salt was processed into free flowing, refined table salt with iodine, fluorine, and trace elements added to the salt.

The outlook for the domestic salt industry is favorable for the next few years depending on the severity of this winter's weather. Many weather forecasters were forecasting below-normal temperatures as a result of the El Niño weather phenomenon, which increases the likelihood of adverse conditions requiring large quantities of deicing salt.

World Production, Reserves, and Reserve Base:

	Production		Reserves and reserve base ⁵
	1996	1997 ^e	
United States ¹	42,200	41,700	Large. Economic and subeconomic deposits of salt are substantial in principal salt-producing countries. The oceans comprise an inexhaustible supply of salt.
Australia	7,905	8,000	
Brazil	5,900	6,000	
Canada	12,289	12,100	
China	28,900	30,000	
France	7,660	7,600	
Germany	10,800	11,000	
India	9,500	9,600	
Italy	3,600	3,600	
Mexico	8,508	8,400	
Poland	4,163	4,000	
Russia	1,600	1,600	
Spain	4,000	4,100	
Ukraine	2,800	2,800	
United Kingdom	6,700	6,700	
Other countries	<u>35,500</u>	<u>34,800</u>	
World total (may be rounded)	192,000	192,000	

World Resources: World resources of salt are practically unlimited. Domestic resources of rock salt and salt from brine are in the Northeast, Central Western, and southern Gulf Coast States. Saline lakes and solar evaporation salt facilities are near populated regions in the Western United States. Almost every country in the world has salt deposits or solar evaporation operations of various sizes.

Substitutes: There are no economic substitutes or alternates for salt. Calcium chloride and calcium magnesium acetate, hydrochloric acid, and potassium chloride can be substituted for salt in deicing, certain chemical processes, and food flavoring, but at a higher cost.

^eEstimated.

¹Excludes Puerto Rico.

²Reported stock data are incomplete. For apparent consumption and net import reliance calculations, changes in annual stock totals are assumed to be the difference between salt produced and salt sold or used.

³Defined as imports - exports + adjustments for Government and industry stock changes.

⁴See Appendix B.

⁵See Appendix D for definitions.