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## United Kingdom's Mineral Report ISM Congress 2011 Germany

This report covers the current position for which statistics are available regarding the mineral industry in the UK. These are available for the period leading up to the summer of 2011. The facts and figures contained within are as derived from the UK Agg-Net, Capita Symonds, The Coal Authority, The Minerals Products Association, Office for National Statistics, Quarry Products Association (QPA) and DECC.

### **Construction Materials**

According to the results of the quarterly market survey by the Minerals Products Association (MPA) for the second quarter of 2010, aggregates, cement, ready-mixed concrete and asphalt sales volumes all improved when compared both with the same period of 2009 and the first quarter of that year. Asphalt sales were 10% higher than in the second quarter of 2009 due to factors including emergency repairs and the progress of some major road contracts, while the rise in aggregate sales (crushed rock up 6% and sand and gravel up 2%) reflected the increase in road sector activity, but also the more general improvement in ready-mixed concrete sales (up 5%). However it has to be noted that these figures are based on 2009 which saw fairly low market activity during that year.

The 6.6% increase in construction activity compared with the first quarter of 2010, helped GDP to increase by 1.1% over this time. However MPA executive director Simon van der Byl indicated that

'High levels of mainly public sector investment in health, education and infrastructure have boosted construction investment in recent months, but government has announced very significant reductions in investment which will significantly reduce associated construction activity as existing projects are completed and not replaced. There is little likelihood of any significant improvement in private sector construction work over the next 18 months, therefore the recent improvements in mineral products and construction markets will be short-lived,' he warned.

The positive trend in the sale of aggregates continued through 2010 when compared to 2009. In the MPA'S third-quarter report on construction material trends, aggregates, cement, ready-mixed concrete and asphalt showed increase of 3%, 9%, 6% and 9% higher, respectively, than in 2009. These figures were partly spoiled by the poor winter period of Dec 2010, but overall all areas showed positive results for the year.

The positive sales trend has continued into 2011 with the first quarter survey of construction material trends revealing that aggregates, cement, concrete and asphalt sales volumes all grew in the first quarter, compared both with the same period of 2010 and also with the final quarter of last year. Aggregates sales volumes in total were 6% up in the first quarter of 2011, compared with the first quarter of 2010, with growth evident in sand and gravel rather than crushed rock sales. Cement, ready-mixed concrete and asphalt sales were 16%, 19% and 10% up respectively. According to the MPA, the improvement was due to a shifting of sales from the poor weather-affected final quarter of 2010, and improved demand in some areas, including concrete in London and the South East and asphalt sales – reflecting road maintenance work in response to the deteriorating road conditions. It is not felt that this trend will be sustained and this has been supported by second quarter figures which show that

aggregates and asphalt sales were 4% lower than the second quarter of 2010, while ready-mixed concrete and cement sales were 2% and 1% higher, respectively, than a year previously.

### Marine aggregates

Almost a fifth of sand and gravel needs in England and Wales are derived from marine sources. A five-year average for mineral extraction indicates that marine aggregates provide around 17% of the sand and gravel used in England and Wales. The office of National Statistics indicates this represents 6% of the UK's total primary aggregate needs.

### Recycled and Secondary Aggregates

Capita Symonds indicates that the trend in the use of recycled aggregates in the UK is upward. Sales of aggregates number around 274million tonnes a year, according to Quarry Products Association (QPA) figures, with about 70million tonnes coming from either secondary or recycled sources.

The same figures, published in its annual Sustainability Report, also suggest that among its members the percentage share recycled and secondary material has of the total market has risen by a percentage point each year for the past three years and sits currently at 26%.

Capita Symonds figures for the Department for Communities and Local Government estimated recycled construction, demolition and excavation arisings in England in 2005 numbered 88.63million tonnes.

### Energy Minerals

In 2009, indigenous production of oil and gas met around 80% of the UK primary demand in oil and gas. UK oil and gas currently supplies around 60% of UK energy needs with the industry producing an average of 2.5 million barrels of oil equivalent every day. In 2008 the UK ranked 14th in the list of major oil- and gas-producing countries. To date, 40 billion barrels have been produced and it is thought that there could still be another 20 billion, or more, still producible.

### Metalliferous Minerals

Currently there are no metalliferous mines in the UK.

### Coal

The UK still depends heavily on coal as a source of fuel for power stations and 2009 saw a slight increase in production. Total employment in this sector is 6,020. The following table based on Coal Authority and Department of trade and Industry data indicates the trend:

Year	Deep mined	Opencast	Total UK	Deep mines	Opencast sites
2009	7.4mt	9.77mt	17.82	6	33
2008	7.5mt	9.4mt	17.28	6	33

### Education

Mine surveying education in the UK is now focussed on MSc awards in minerals surveying at Northumbria University and at Cambourne School of Mines, Exeter University. The Northumbria course is a part time distant learning award, while the Cambourne course is a

full time award. Both awards are accredited by the Royal Institution of Chartered Surveyors and enable graduates to obtain their professional qualification and membership of the Minerals and Waste Management Faculty of the RICS. In total, both awards have around 18 students currently enrolled.

There is concern that there are at present no undergraduate awards and the RICS, has made approaches to Camborne School of Mines regarding their undergraduate award in Mining Engineering as to whether this would be a suitable award for accreditation.