Despite Bill, Uncertainty About Wis. Mining Remains

APPLETON, Wis. (AP) — Although Gov. Scott Walker has signed a mining bill aimed at encouraging construction of an iron mine in northern Wisconsin, there's still uncertainty about the future of mining in the state. And looking to neighboring states for perspective doesn't clear things up very much.

The mining industries in Minnesota and Michigan have had ups and downs over the past few years due to fluctuating demand and economic uncertainty. Some mining-related jobs have disappeared, and others require a surprising level of high-tech skills.

That makes it hard to predict what will happen in Wisconsin, according to a Post-Crescent of Appleton [1]report.

The new mining law was aimed at encouraging construction of a mine in Iron and Ashland counties. The fate of that project is still uncertain as opponents, including the Bad River Band of Lake Superior Chippewa, had pledged a legal challenge.

Even if the law passes legal scrutiny, it could take years for state and federal officials to approve Gogebic Taconite's permit applications. Even then, it could take years between when a permit is granted and when the first load of minerals is extracted. In Minnesota, for example, it takes at least four years to reach the point of removing minerals from the ground.

There's also uncertainty about jobs. Walker and his allies have said the Wisconsin mine would create thousands of jobs, but job security in Michigan and Minnesota has been sketchy.

Worldwide demand, especially from China, for iron ore plays the biggest role in determining how many workers are needed to blast and transport taconite from pits, crush and process it into pellets and haul it to U.S. ports.

As demand fluctuates, jobs have been scaled back or cut. For example, Cliffs Natural Resources furloughed about 125 employees at a Minnesota pellet-processing facility in January, or about 17 percent of the workforce. The company has also announced plans to furlough about 360 of the 800 employees at its Empire Mine in Michigan's Upper Peninsula at the end of March.

"Somebody will go out of business if China falls out," said John Engesser, assistant director with the Minnesota Department of Natural Resources' land and minerals division.

Modern mines are rooted in technology, which can mean fewer people are needed

to run operations. Those workers also need to be better educated, a far cry from the high school graduates who used to flock to mining jobs in Minnesota and Michigan.

"I think people look at iron mining as a low-tech industry," said Dale Hemmila, a spokesman for Cliffs Natural Resources, which operates three iron mines in Minnesota and two in Michigan. "There is sophisticated processing within the plants. Computer technology is in use in the mining area and in processing facilities."

That's why some people interested in mining careers are going back to school. At Mesabi Range Community and Technical College in Eveleth, Minn., the millwright program was full at 34 students planning to maintain and operate equipment at iron mines in the area.

Dave Ramfjord, the program instructor, said mine shutdowns can be "pretty shocking scenarios" for the region. He said he was worried that younger workers could be unfamiliar with how devastating layoffs could be.

"The schools do well at that point because people are retraining, trying to make themselves marketable in some other way," Ramfjord said. "A lot of the younger people are kind of close-minded. They don't realize that (mining) can come and go."

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