



WISBUSINESS.COM

Wisconsin's Business News Source



Proposed Wisconsin mining law: Economic boost or environmental blight?

2/20/2013

MILWAUKEE -- A leading supporter and a leading opponent of a proposed Gogebic Taconite iron ore mine in northern Wisconsin agree on one thing: More mining projects could be in the works throughout the state, if new mining legislation that eases the permitting process gets approved.

Scott Manley of Wisconsin Manufacturers and Commerce (pictured, right) says that's good news. He touts the potential to bring high-paying jobs all across a state hit hard by manufacturing job losses in recent decades.

"We have some other significant metallic mineral deposits in this state that remain untapped, including some gold deposits, and there actually are some companies that are interested in looking there as well, but it's not going to happen without change to the law," Manley said Tuesday, referring to a purported gold deposit near Wausau. "The economic impact of all this -- although the epicenter would be Iron County -- would ripple throughout the entire state."

But Mike Wiggins, chair of the Bad River band of the Lake Superior Chippewa tribe (pictured, left), foresees a dangerous ripple effect from quicker mine approvals. He warns of opening the gates to unsightly open-pit mines that would pollute water and air near fairly large communities like Wausau and would threaten popular recreational areas with known iron deposits, such as the Baraboo range, home to Devil's Lake State Park.

The message is, "This is Wisconsin mining law: this could be coming to a town near you," Wiggins said last week.

Given the unusual difficulty of mining in the Penokee area, where Wiggins said the iron ore is tilted and difficult to reach, requiring many tons of wasted rock, he has started to suspect that the mining industry is trying to score a victory in his remote, impoverished area of the state in order to gain a legal foothold for other future projects.

Wiggins and Manley each spoke in Milwaukee this month to members of the Milwaukee Rotary Club.

The club invited Wiggins, who spoke Feb. 12, to also address a meeting that day of its environmental committee, joined by representatives of the UWM School

of Freshwater Science, the Milwaukee Urban League and the Wisconsin Environmental Advocates. Wiggins urged them to visit the Ashland area and to get involved in the fight to protect the state's water from what Wiggins says is certain damage from tons of sulfide-laden rock that must be excavated to reach the iron ore.

Sulfide pollution would destroy the huge wild rice beds that provide economic subsistence for the tribe, Wiggins said. "Destruction of the mountaintops is truly genocidal," he said.

Wiggins said mining companies would be allowed to draw down the water table to run an operation requiring tens of millions of gallons of water a day. "You realize there's no recourse for victims" whose wells dry up, he said. In addition, Class A fishing streams teeming with sturgeon, trout and muskies would be ruined, he said, forcing local businesses that cater to fishers, hunters and tourists to close.

The Rotary Club invited Manley on Tuesday to present a pro-mining viewpoint.

Manley said the threat of sulfides is "a hypothetical question" at this point. But he asserted that air and water quality near the proposed Penokee mine would not suffer in any case.

"This bill has extensive requirements to collect core samples of both waste rock and the ore itself," said Manley. "If there are sulfides, the applicant is required to engineer a safe disposal mechanism to ensure that they're disposed of properly and that all water quality standards are met. That's right in the bill."

In response to Wiggins' concern that environmental standards in the proposed mining legislation would not actually be enforced, Manley compared the restrictions to posted speed limits that are regularly monitored.

"I'm sure nobody has ever accused DNR of being something less than aggressive," he added.

Manley played up the authority of the DNR while minimizing the potential for the Bad River band to thwart the mine, even though the U.S. Environmental Protection Agency has granted the tribe a say in water quality standards.

Manley said that "although that status has been granted (to the tribe), the permitting is still done through the Wisconsin DNR and they've been delegated the permitting authority." Manley said that the tribe only "has a role to play."

But Wiggins said his tribe is ready to take its fight to the federal level. He said tribes have treaty rights related to the destruction of habitat for hunting and fishing. "It's fodder for litigation for sure," he said.

Wiggins said the region is close to achieving Class I Air Quality status, which could provide further legal grounds to fight the coal-burning energy plant that he says will be part of the proposed mine.

For Wiggins, the worst part of proposed changes to state mining laws would be rushing the permit process, given that a mine's impact lasts thousands of years.

Whenever a mine is proposed, two competing schools of science will emerge, he said, one saying it won't hurt the environment and the other saying it will.

"As these two scientific theories square off, what's essentially there to provide integrity to the whole process is the permitting process," Wiggins said.

But for Manley, the proposed new mining legislation puts a much-needed time limit on the permitting process.

"A lot of people say the mining laws right now are working just fine, and I guess I agree with that if the object is to make sure we never have mining," said Manley. He said current law is so "over-burdensome" it effectively creates a "mining moratorium."

Manley said the Gogebic Taconite plan represents a \$1.5 billion investment that could lead to 2,000 construction jobs to build the mine, 700 jobs at the mine and another 2,100 jobs "in various sectors of the economy to support that large operation."

He added that "\$60,000-a-year jobs plus benefits" would boost an area where the median income is \$25,000. "Those kind of jobs would be a game-changer," he said.

Asked by member of the audience if local residents could realistically expect to get the jobs and whether any preference would be given to members of the Bad River tribe, Manley said he predicted employees would come from Iron and Ashland counties and the "collar of surrounding counties," noting that many residents of these counties must now travel long distances to find work.

Wiggins says there's no objective analysis that shows hundreds of jobs will occur. Other mines have run on a shoestring workforce and then closed, he said.

He says his tribe has resisted other types of economic development, such as condos, in order to preserve the area's hunting and fishing habitat and its natural beauty.

"We walk the walk," he said.

Manley said too many people are portraying the proposed mine as an either-or situation, pitting economic development against environmental concerns.

"We just fundamentally don't agree with that," he said. "We think you can have jobs and you can have robust environmental review and protection and we think this legislation achieves that."

-- *By Kay Nolan*
For WisBusiness.com