

THE VERMILLION IRON MINES.

The Vast Importance Attached to them in St. Paul.

What is said of them by Geo. H. and S. P. Ely, two of the Iron Kings of the Continent.

The Company Ready to go Ahead and Spend \$4,000,000 Inside of Fifteen Months Should their Land Grant be Extended.

They Want to Have the Road Completed to Duluth by May 1884.

Pioneer Press, Feb. 4.

One of the most important projects, so far as possible effect upon the future of St. Paul is concerned, is that of the development of the Vermillion Lake iron mines by the Minnesota Iron Company. So far as this development relates to the entire State, it may confidently be asserted that no single enterprise ever attempted within the confines of Minnesota is of such magnitude and importance as this will be within a very few years. Present facts and indications warrant the prediction that the iron ore product of Minnesota will soon approach in money value even that of the upper peninsula of Michigan. It is now positively known that the Vermillion lake region has larger and better deposits of iron ore than the long famous district which has enriched Michigan millions upon millions of dollars. While the general benefit to Minnesota can hardly be estimated, the

POSSIBLE ADVANTAGES TO ST. PAUL

may be specified. For instance, the town of Dayton, Ohio, has been made an almost exceptionally prosperous place by the success of the great car works of the Barney & Smith Manufacturing company, which employs 1,200 men in factories covering twenty-six acres of ground, and which turns out 100 car wheels and fifteen freight cars per day, to say nothing of coaches, etc. This company's prosperity has been in the face of the disadvantage of location at a great distance from the source of raw materials used. If so prosperous an institution may be built up at Dayton, remote from the source of all material used except fuel, how much better is the opportunity presented at St. Paul for any iron-working or iron-making industry, with the best of iron ores within a day's run by rail? Granting that the Vermillion lake ores are of superior quality and of inexhaustible supply, and that the construction of the Duluth and Iron Range railway will make them accessible to St. Paul, it follows as something almost absolutely certain that this city will become a great iron manufacturing center. With the improvements in manufacture of steel, and consequent increase in demand—to usurp the place iron once filled—low grades of iron ore are becoming of less and less value, while the Bessemer ores, as they are called, are growing more and more valuable. The Vermillion lake ores are now well known to be among the best on the continent, and will at once rank with the best ores from the Michigan mines. The Minnesota Iron company is now pushing matters vigorously, and it is only a question of a very short time when the development of the mines will be a matter of fact. The same parties who constitute the iron company also own the stock of the Duluth & Iron Range Railroad company. George C. Stone, of St. Paul, is not only the general manager of the iron company and its chief executive officer, but is also the president of the railway company, and as his offices are located in this city, together with that of Chief Engineer Lee, the entire general business of both the mining company and the railway company will be transacted here, as is the business of the Menominee Mining company in Milwaukee and the Republic Iron company in Cleveland. With this company located here, and operated by St. Paul men, much may be looked for in the way of development here, and the policy of the company will be to foster and encourage in every way in its power iron development in St. Paul and in our own State. As yet very few persons have even a faint conception of the magnitude and

VALUE OF THE VERMILLION IRON MINES,

and perhaps the best possible evidence of the worth of the deposits is the fact that the Messrs. Ely, the great iron men of Cleveland and Marquette, have purchased an interest in the Minnesota Iron Company. The Messrs. Ely are among the iron kings of the country, and their judgment is not to be questioned when it is applied to the value of iron ores, mines, etc. Mr. George H. Ely, of Cleveland, and Mr. Samuel P. Ely, of Marquette, and both have been identified with the Michigan mines for many years and are owners in the Republic and other great mines. Mr. Samuel P. Ely visited St. Paul, Jan. 22, just returned from a trip to Vermillion, where he went to examine the mines for himself and brother. Upon his return home he addressed a communication to General Manager Stone, from which the following extracts are made, to indicate the opinion of an acknowledged expert:

"My brother and myself decided to take an interest in the Minnesota Iron Company and shall do whatever we can to promote its interests. Neither of us would have cared to be associated with a new enterprise in iron ore unless we were satisfied that it was of high merit and value and destined to take a leading place in the national production. In this were not our opinion of the Minnesota Iron Company we should not have embarked in it. What is now chiefly and immediately necessary, is

TO BEGIN AND FINISH THE RAILROAD LINE

as early as practicable, and bring the Minnesota Iron Company out as an ore producer. The ore of the Minnesota Iron Company will rank with the highest grades of our Lake Superior ores. The Republic ore brings 50 cents per ton more than the other hard ores in Cleveland (excepting a portion of the Champion, which brings the same), and the Minnesota Iron company's will bring as much as the Republic. The deposits of ore are so large that they will not be exhausted within the lifetime of the present proprietors and their immediate descendants. In reference to the productive duration of these deposits, I am speaking from experience. The Lake Superior mine

at Ishpeming in this county affords a good example. It was opened twenty-five years ago, and has shipped nearly 3,000,000 tons of ore, and is showing more ore in sight now than at any time in its history before, and the shipments this year were nearly 300,000 tons.

Very few have ever heard of these deposits of iron ore, or have the least idea of their importance or the relation they are destined to bear to the iron industry of the United States. If it could be generally known at this moment in the iron world what these deposits are, how large, how pure, and how accessible, and that there was a possibility that they would soon be opened and come into market it would be of great public benefit.

Let me impress it upon your mind that the shipping of 250,000 tons of ore in 1884 involves the necessity of preparing quarters for a population of 1,000 to 1,500 people, to begin with, and a constantly increasing one.

If a railroad is to be built, so as to be finished by the opening of navigation in 1884, no time is to be lost in letting the contracts, so that supplies can be got in this winter.

There will be no difficulty, in my judgment, in shipping from the Stone mine, the Upper Breitung and the Tower 250,000 tons of ore the first season, of uniform quality, and without any assorting."

This information, in addition to that already in possession of this company in regard to the extent and quality of the ore in the vicinity of Lake Vermillion, adds much to its value, and there is no doubt but that at no distant day, if the company succeed in building a railroad and opening their mines, Minnesota will rank as the producer of as much of the higher grade Bessemer ore as any state in the union. It is now simply a question whether this company will spend \$3,000,000 in the construction of its railroad and ore docks and \$500,000 in opening its mines and putting them in successful operation. As regards the effect of such a development upon the welfare of this state, it needs no comment. All that is wanted now to secure a speedy construction of that road is an extension of time to the Duluth & Iron Range railroad company, under the old swamp land grant made to them in 1875. With this extension the parties in interest will raise the necessary funds and build the road. This legislation sought for will secure the bringing into the state and the spending here of over \$1,000,000, to say nothing of the advantages which will accrue to the state after its development. The parties asking this legislation want it for their own use for the purpose of developing their own property. They propose to build the road themselves. It is in no sense a scheme for the sale of stock and bonds or for the sale of a land grant as a matter of speculation. It is simply an extension of time to the old Duluth & Iron Range railroad company, to enable that company, the stock of which is now owned by the Minnesota Iron company, to construct a railroad to these immense deposits of iron ore and put a development in motion, the effects of which will be felt to the uttermost limits of the state. It means not only cheap iron for Minnesota, but cheap coal; and inside of five years from the time a railroad is opened to that region, they will be capable of producing an output of 1,000,000 tons of ore per annum, which means up freights of 1,000,000 tons of coal, thus cheapening the cost of fuel in this locality.