$1,269,805.00, and, as already stated, in 1904, $1,353,953.00, or an average annual increase of $140,463.50. The greatest percentage of increase was in 1901, when an increase of 51.78 per cent. was shown, while the percentage last year was 6.62 per cent. On the total output the proportionate earning power of men employed in the industry is given as $570.08. Mr. Howley, in his report, expresses the opinion that these latter figures show as great an actual earning power *per capita* as that of any mining country in the world. It may be here explained that the high percentage of increase in 1901, above noted, was due to the depression in the mining industry of the island in 1900, when some of the most important properties were closed down, and the percentage of increase in 1904 is a far better indication of industrial development. The features of last year were the first shipment of talc, which industry promises important developments, while also petroleum was produced for the first time, 700 bbls. having been obtained as the result of a few months' test pumping. The first gold brick produced from Newfoundland ore was obtained from a sample lot of 23 tons, mined by the Goldenville Mining Company. This brick, however, was of very small value, still the result of the test shipment was regarded as very satisfactory.

During the year, about 2,375 persons were engaged in mining and quarrying on the island, the percentage of accidents. being 1.22 per cent., while the fatalities were .16 per cent. The following table shows the mineral productions for the year:—

Name of Product.	Quantity raised.	Manufactured or used in the country.	Value of Minerals exported.	Total value of production.
			$	$
Barite . . .	2,000 ts.*	.....	4,750	5,000
Brick	1,236,000 M.	1,236,000 M.	.....	11,432
Bldg. Stone	3,100 ts.	3,100 ts.	.....	4,650
Cobble and Spawls.	4,000 "	4,000 "	.....	2,000
Copper Ore.	107,839 "	.....	395,723	466,739
Gold.. . . .	11 ozs.	.....	.....	209
Granite. . .	1,945 ts.	1,945 ts.	.....	11,550
Iron Ore . .	589,739 "	.....	585,739	589,739
Petroleum .	700 bls.	300 bls.	.....	1,134
Pyrite.. . .	60,200 ts.	.....	210,700	210,700
Sand and Gravel. . .	2,320 "	2,320 ts.	.....	5,800
Slate. . . .	2,700 "	.....	37,800	37,800
Talc.	1,562 "	.....	7,000	7,000
Not Specified.	.....	.....	200	200
		Total.. . . .	$1,241,912	$1,353,953

*In every case the long ton of 2,240 lbs. is used.

From the above, it will be noted that the most valuable products of the Island are iron, copper, pyrite and slate. The increase in the production in iron was largely due to the larger tonnage produced by the Dominion Company, whose output was increased to the extent of 94,632 tons. The Nova Scotia Company's operation make a less satisfactory showing, owing to the fact that work is now confined chiefly to underground mining, and consequently operations are more tedious and expensive than formerly. It is stated, however, that the ore bodies increase in thickness and quality as the underground work proceeds. The demand for the Bell Island iron continues good, a large proportion of the output being marketed at Rotterdam, while, too, a market has been opened for it in the United States, and also in Scotland. The report states further that there are prospects of the deposits on the western portion of Bell Island, in the early future, where tests are to be made this year with diamond drills. The Nova Scotia Steel Co. last summer attempted to mine the Workington deposits on the north side of Conception Bay, but failed to find a sufficient quantity of ore to warrant the continuation of work. This is much regretted, as the ore is of a very superior quality, being an ideal character of hematite.

The chief production of copper ore was made by the Union Mine at Tilt Cove, which produced 73,082 tons of cupriferous pyrites, while 165 tons were taken from Pilley's Island. A small output of 280 tons was extracted from the new copper mine at St. Julien's, N.E. coast, 80 tons of which were a high grade chalco-pyrite. This property is held under option by a New York company. From the Terra Nova mine, Baie Verte, an output of 19,312 tons of cupriferous pyrites was marketed in the United States, and used in the manufacture of sulphuric acid, the copper contents being carefully extracted and saved. A large ore body at York Harbor, Bay of Islands, owned by the Humber Consolidated Mining & Mfg. Co., was actively developed during the year. This ore body is said to be 57 feet wide, and to contain an average of about 7 per cent. copper, besides appreciable gold and silver values. Some 15,000 tons of ore were raised, 8,200 tons being shipped to the United States.

In 1904 the output of pyrite far exceeded that of any previous year, 60,200 tons, valued at $210,700 having been mined. This ore is obtained principally from Pilley's Island, Baie Verte and Roswell's Harbor, Labrador. At this latter property a considerable amount of development work has lately been performed, while also the mine has been well equipped with machinery. The deposit is reported to be a large one, and high in sulphur, while also containing a small percentage of gold.

The production of the slate quarries shows a considerable falling off, this being attributed to the destruction by fire of the plant of the Wilton Grove quarry, while nothing was done with any of the slate properties at Trinity Bay.

Incorporated in this report is also an account of exploration and boring operations in the central carboniferous basin, near Grand Lake. The first discovery of coal in this region was made by the late J. B. Jukes, M.A., F.G.S., F.C.P.S., an eminent geologist, who visited the locality so far back as 1840. In 1865 the late Alex. Murray, C.M.G., F.G.S., explored that section between Hall's Bay and Bay St. George, and observed fragments of coal strewn along the shore near the head of Grand Lake. In the following year he ascended the Main Humber River, and ascertained that the carboniferous series spread over a vast extent of the Humber Valley, but only the lower and unproductive portion was met with. The compar-