

Survey, was found to consist of a mixture of specular and magnetic ore, with a considerable quantity of silicious matter, and gave 42.64 per cent. metallic iron, and 26 per cent. of phosphoric acid. The latter gave, it is stated, 56 per cent. of iron. These deposits, being on elevated ground and only a quarter of a mile from shipping, are well situated for working.

And yet another superlative advantage with these deposits is, that they lie in close contiguity to the great coal seams of this Island.

STATEMENT OF THE STEEL COMPANY OF CANADA.

The works of the Steel Company of Canada, at Londonderry, N.S., consist of two blast furnaces, capable of producing 30,000 tons of coke pig iron per annum, but of which one only has yet been lit; of a third blast furnace, capable of producing 3,000 tons of charcoal pig iron per annum; of a rolling mill, capacity 10,000 tons of bar and sheet iron per annum; and of a foundry, capacity 12,000 car wheels per annum.

These works are within about two miles of the Interecolonial Railway, with which they are connected by a branch line. In their erection, and in developing mines, and building railways and other structures necessary for conducting the business of iron making, a capital expenditure exceeding *two millions of dollars* has been made, mainly for labour, and a further considerable expenditure is in contemplation to complete the works, should circumstances warrant.

During the past year one of the blast furnaces has been steadily running, and the rolling mill, although not completed till December, has been operated to about one-third of its present capacity.

If both furnaces and the rolling mill, as now completed, had been in operation throughout the year, their output would, at present low prices, have been worth \$750,000, and its average price about \$1,000,000.

The amount of current expenditure during the year ending 31st December, 1878, was \$422,000, all for labor directly or indirectly employed in Canada. Thus:—

Wages paid to the Company's employees.....	\$206,000	
Deduct proportion applicable to construction....	26,000	
		\$180,000
Cost of coal, ore, lime, and other native products got out by contractors and consumed.....	151,000	
Freight paid the Interecolonial Railway.	91,000	
		\$422,000