Gypsum and Anhydrite

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GYPSUM

Canadian shipments of crude gypsum were 8 109 890 t valued at \$91.1 million in 1994, compared to 7 563 369 t valued at \$83.0 million in 1993. This increase of about 7% was mainly a result of higher exports from Nova Scotia to the United States. However, shipments from Ontario and British Columbia, destined for local use, were also substantially higher, based on preliminary data.

The Canadian Industry

Most deposits of gypsum being mined in the Atlantic provinces are characterized by high quality, amenability to inexpensive mining methods, and close access to coastal bulk-shipping facilities. Nova Scotia accounts for more than 75% of Canada's output and nearly all of its exports (Table 1). Ontario production is used on site, except in the case of Westroc Industries Limited at Drumbo, which ships to the company's Mississauga wallboard plant. Production from Amaranth, Manitoba, and from Windermere (Elkhorn II deposit) and Canal Flats in British Columbia serve the Prairie region and a portion of the B.C. market not served by imports. Domtar Inc. meets most of the requirements of its wallboard plant in Surrey, British Columbia, with gypsum provided under a long-term contract by a 49% Domtar-owned Mexican affiliate. Canadian operations are mainly subsidiaries of U.S. and U.K. gypsum product manufacturers. In Nova Scotia, National Gypsum (Canada) Ltd. is owned by the National Gypsum Company, and both Fundy Gypsum Company Limited and Little Narrows Gypsum Company Limited are owned by USG Corporation, the leading manufacturer of gypsum products in the United States. Westroc Industries Limited, a subsidiary of BPB Industries Plc., which has worldwide interests and is the largest gypsum products manufacturer in Europe, operates mining and manufacturing facilities across most of Canada. CGC Inc. (formerly Canadian Gypsum Company), with operations at Montréal,

Quebec, and Hagersville, Ontario, is 75% controlled by USG Corporation.

Westroc Industries Limited proceeded with plans to use up to 200 000 t/y of 100% synthetic gypsum at its Clarkson, Ontario, wallboard plant. This desulphogypsum will be purchased by long-term contract from Ontario Hydro's Lambton facility, the site of the first flue-gas desulphurization (FGD) system at a thermal-electric generating station in Ontario. Gypsum mining and related production plants are listed in Table 2.

Domtar's long-established mine at Flat Bay, Newfoundland, ceased production in September 1994; the company plans to buy gypsum from Nova Scotia to supply the company's board plant in Newington, New Hampshire. CGC Inc. continued its six-year project, which began in 1989, to develop ore reserves at its mine at Hagersville, Ontario. Production from the new eastern reserves will be phased in gradually as present reserves are depleted. Also, the company allocated capital expenditures to modify its Montréal wallboard plant to accept synthetic gypsum to be supplied by Kronos Canada Inc. (CGC's other wallboard plant in St-Jérome, Quebec, was mothballed in 1991 because of weak demand.)

Louisiana-Pacific Corporation, a major Oregon-based wood products manufacturer, continued to produce fibre-gypsum board at its relatively new \$65 million fibre-gypsum board plant at Port Hawkesbury, Nova Scotia. Gypsum is purchased locally, perlite is imported, and large quantities of recycled paper are backhauled, mainly from the United States. This project was the first in Atlantic Canada to manufacture a gypsum board product for both regional and export markets.

Westroc Industries Limited, of Mississauga, Ontario, purchased the Nova Gypsum Inc. wallboard plant in McAdam, New Brunswick, which went into receivership in 1993. Production of wallboard began in the second half of 1994 using natural gypsum from Nova Scotia. However, synthetic gypsum may be used if good-quality material becomes available.

Several companies now use recycled gypsum wallboard in their production process; Domtar's Surrey, British Columbia, wallboard plant was the first in North America to use large quantities. This was possible through arrangements with a reclaimer, New West Gypsum, of Vancouver, British Columbia, which operates a plant with a capacity of about 40 000 t/y. In the case of Domtar, up to one fifth of some plants' raw material needs is recycled material, a combination of about 75% scrap from new construction sites (post-construction material) and 25% waste from wallboard plants. Westroc currently recycles about 20 000 t and 30 000 t of board, respectively, at its Vancouver and Mississauga, Ontario plants.

World Developments and Trade

Gypsum-related projects are generally limited to industrialized countries because of dependence on the building construction sector. However, world reserves are widespread and are conservatively estimated to be about 2.4 billion t. World production of gypsum in 1994 was an estimated 110.7 Mt, according to the U.S. Bureau of Mines. The United States ranked number one with 17.3 Mt, followed by China (11.0 Mt) and Canada (8.1 Mt). Shipments of wallboard by U.S. producers were considerably higher than in 1993, based on late 1994 reports.

International trade has become more important in North American markets in recent years as a result of low production costs and competitive shipping rates. In particular, U.S. imports of gypsum from Spain remain relatively high, amounting to several hundred thousand tonnes per year. Relatively low east-to-west backhaul freight rates are the main factors at work. Canada's imports of gypsum from Mexico, as described earlier, as well as those from the United States, are used by both wallboard and cement manufacturers. Imports from Spain, however, are used only by specific cement manufacturers.

Imports of gypsum wallboard from the United States into Canada have increased since 1986, and amounted to about 6% of domestic consumption in 1992. Following a review in 1994 of an earlier ruling on anti-dumping, a bi-national panel concluded that the overall weighted average margin of dumping of approximately 36% would stand. Revenue Canada's enforcement activities are ongoing.

Growth in the demand for gypsum products is expected in the countries of central and eastern Europe. Gebr. Knauf, BPB Industries Plc., and Lafarge Coppée Groupe either have established plants or are becoming involved in markets in these countries.

Processing and Markets

Gypsum is a hydrous calcium sulphate $(CaSO_4 \cdot 2H_2O)$ which, when calcined at temperatures ranging from 120° to 205°C, releases three quarters of its chemically combined water. The resulting hemihydrate of calcium sulphate (commonly referred to as plaster of Paris), when mixed with water, can be moulded, shaped or spread and

subsequently dried, or set, to form a hard plaster. This is particularly suited to products such as wall-board, lath and tile. Anhydrite, an anhydrous calcium sulphate ($CaSO_4$), is commonly associated geologically with gypsum but is not a suitable substitute for most uses.

In general, the wallboard industry serves the residential, institutional and commercial building sectors. Housing starts have become a less reliable indicator of the demand for gypsum wallboard because its improved fire-retardant qualities, along with increased renovation activity, has encouraged its broader use. In Canada, expenditures in 1992 on major renovations reached \$17.4 billion, accounting for 23% of total capital expenditures on construction, according to Statistics Canada (Catalogue no. 61-223).

The Portland cement industry accounts for about 15% of the gypsum used in North America. Crushed, uncalcined gypsum, acting as a set regulator, in a proportion up to 5% by total weight, is ground with the primary stage clinker to produce the final cement product. Based on this proportion of gypsum, the total amount required by cement producers in Canada is estimated to be about 500 000 t/y.

For agricultural purposes, specifications mainly relate to the degree of fineness. Gypsum combines with potassium aluminum silicates in the soil resulting in the release of potassium for use as a nutrient. Also, gypsum serves to reduce sub-soil acidity, which is particularly beneficial in aluminum-rich lateritic soils. In addition, it provides a source of calcium and sulphur trioxide and helps break up hard soils, allowing better aeration and water penetration and retention.

For filler uses, gypsum is dried and finely ground to a range of particle sizes for use in joint compounds (mainly with gypsum wallboard), plastics, paint and paper. Relatively pure uncalcined gypsum, depending on glass batch chemistry, may also substitute for salt cake (sodium sulphate) in glass manufacturing. Special high-purity gypsum may be used in foods and pharmaceutical products.

ORTECH Corporation will sponsor its fourth conference on flue-gas derived gypsum, the "Fourth International Conference on FGD and Chemical Gypsum," to be held in Toronto in May 1995. Conference goals will be to facilitate communication and the dissemination of new information among power utilities and other synthetic gypsum producers, gypsum consumers, and FGD and pollution control system suppliers.

In the United States an estimated 700 000 t/y of FGD gypsum is consumed as a complete or partial substitute for natural gypsum in the manufacture of wallboard. The United States Gypsum Company, a subsidiary of USG Corporation which operates 22

gypsum board plants and 11 mines and quarries, is the largest consumer. (This estimated consumption accounts for less than 5% of total U.S. consumption of gypsum for all uses.)

Increased interest in flue gas desulphurization (the most widely used sulphur dioxide control technology) and the related role of industrial minerals prompted a cooperative effort by Natural Resources Canada and the U.S. Bureau of Mines (USBM) to produce a bibliography on the subject. A free copy of *Flue Gas Desulfurization and Industrial Minerals: A Bibliography*, which has more than 4000 references covering the period 1982 through June 1993, may be obtained from Natural Resources Canada or the USBM.

Gypsum and Anhydrite is one of a series of 19 reports published by the Canada Centre for Mineral and Energy Technology (CANMET Summary Report No. 7). Each of these industrial mineral reports summarizes information on mineral occurrences, deposits of specific interest, product uses and specifications, and process technology.

Prices

Prices for gypsum in non-captive markets are negotiated, the only published figure being an approximate minimum price for crude material, ex-mine or c.i.f. United Kingdom, published in *Industrial Minerals*. In the United States, average prices for crude material, f.o.b. mine, have been about US\$6.75/t during the five-year period from 1990 to 1994, according to preliminary information from the USBM.

Outlook

Canadian shipments of gypsum in 1995 are expected to be about 8 Mt. Housing starts in Canada were 168 300 in 1992, 155 400 in 1993, and about 155 000 in 1994. According to the Canada Housing and Mortgage Corporation, 157 000 housing starts are forecast in 1995. The outlook in the office and industrial building sectors is expected to continue to improve.

Housing starts in the United States increased nearly 13%, the highest level since 1988, despite rising interest rates. Total construction activity is expected to remain firm, assuming that real economic growth continues as forecast. (The U.S. economy has grown at an average rate of 3.5%/y since the beginning of 1992.)

Although new construction materials are being introduced, demand for gypsum wallboard is expected to remain popular because of its low price, ease of installation, and well-recognized fire-retarding properties. The present structure of the industry in Canada is not expected to change greatly, although future availability of synthetic gypsum resulting from

more strenuous emission controls will likely influence developments in some areas. The recycling of scrap and waste gypsum from construction sites and wall-board manufacturing lines will continue to become more important in both Canada and the United States.

ANHYDRITE

Production and trade statistics for anhydrite are included with gypsum. Anhydrite, the anhydrous form of gypsum (about twice as hard and also heavier than gypsum), is produced by Fundy Gypsum Company Limited at Wentworth, Nova Scotia, and by Little Narrows Gypsum Company Limited at Little Narrows, Nova Scotia.

Production of anhydrite in 1993 was 168 200 t based on final figures, and in 1994 was an estimated 174 800 t, according to the Nova Scotia Department of Natural Resources. Shipments were mainly to the United States for use in manufacturing Portland cement and as a peanut crop fertilizer. Also, minor quantities were shipped to Quebec and Ontario for the manufacture of cement.

Testwork has been conducted in Nova Scotia on the utilization of anhydrite in floor screed and suspended floor systems. This was undertaken as part of the Canada-Nova Scotia Mineral Development Agreement (MDA-II, 1990-93). The project, involving the private sector and, in part, the Canada Centre for Mineral and Energy Technology (CANMET) of Natural Resources Canada, relates to optimizing compressive strength and dry shrinkage using suitable plasticizers. More product demonstrations are planned.

On-site testing continued for using anhydrite (in combination with water and special chemicals) as a mine "pack" construction material to improve underground support in coal mines. This work is based on an earlier cooperative program (MDA-I) involving CANMET and the Technical University of Nova Scotia.

Notes: (1) For information and valuation of mineral production, shipments and trade, please refer to Chapter 60. (2) Information in this review was current as of February 1, 1995.

TABLE 1. CANADA, GYPSUM PRODUCTION AND TRADE, 1992-94

Item No.		1992		1993		1994 p	
		(tonnes)	(\$000)	(tonnes)	(\$000)	(tonnes)	(\$000)
RODUCT	ION (shipments)						
	Crude gypsum Nova Scotia	5 502 562	47 251	5 835 915	56 295	6 391 483	62 421
	Ontario	915 008	14 120	826 166	14 533	1 070 658	19 703
	British Columbia	482 141	X	456 846	X	507 136	Х
	Manitoba Newfoundland	X X	X X	X X	X X	X X	X X
	Total1	7 294 700	71 820	7 563 369	82 973	8 109 890	91 102
IPORTS							
20.10	Gypsum, anhydrite	044 400	4.000	0.40,000	4 000	055 054	0.400
	Mexico United States	211 493 48 806	4 692 1 398	248 386 31 945	4 962 1 333	255 351 36 429	2 480 1 716
	Hong Kong	62	3	82	5	352	24
	People's Republic of China	3		70	4	24	1
	Germany	140	7	98	6	-	-
	Total	260 505	6 101	280 581	6 314	292 156	4 223
20.20	Gypsum; anhydrite; plasters						
	United States Germany	30 638 1 287	6 316 436	34 717 39	7 689 40	36 915 23	8 654 24
	Japan	28	28	48	50	19	20
	Australia	_	_	_	_	195	15
	Italy	33	11	10	8	13	11
	Other countries	7	9	152	185	20	20
	Total	31 993	6 800	34 965	7 972	37 185	8 744
		(square metres)		(square metres)		(square metres)	
	faced or reinforced with paper or paperboard United States United Kingdom New Zealand Mexico	14 656 852 20 335 - -	14 510 172 – –	2 097 892	2 645 126 – –	1 096 255 5 225 	1 477 203 5
	Denmark	_	_	_	_		• • •
	Total	14 677 187	14 683	2 097 892	2 772	1 101 480	1 690
309.19	Plasterboards, etc., not ornamental; faced or reinforced, n.e.s.						
	United States		1 912		2 353		2 370
	Taiwan	_	_	_	_		21
	United Kingdom		23		2	-	-
	Total		1 936		2 355	•••	2 392
09.90	Articles of plaster or compositions						
	based on plaster, n.e.s. United States		1 853r		2 383		4 955
	United Kingdom		806		1 131		1 254
	People's Republic of China		81		165		325
	Mexico Other countries	• •	79 216 r	• •	72 220	• •	312 206
	Total	• •	3 035	••	3 971		7 052
	Total imports of gypsum and gypsum products		25 755		15 412		15 357
(PORTS							
20.10	Gypsum, anhydrite United States	5 010 642r	46 584r	5 276 649	57 634	5 902 549	62 381
	Denmark			38 846	392	39 861	396
	United Arab Emirates	_	_	_	_	61	21
	Saudi Arabia Czech Republic	_ _	_	_	_	16 52	20 11
	Iceland	_	_	_	_	28	8
	Trinidad and Tobago	_	_	-	_	5	
	Other countries	7		123	63	_	_
	Total	5 010 649r	46 585r	5 315 618	58 091	5 942 572	62 841

TABLE 1 (cont'd)

Item No.		1992		1993		1994 p	
	.	(tonnes)	(\$000)	(tonnes)	(\$000)	(tonnes)	(\$000)
EXPORTS	(cont'd)						
2520.20	Gypsum; anhydrite; plasters						
	United States	6 092	685	22 089	1 923	1 165	700
	Thailand	346	247	574	355	222	220
	South Korea	26	25	_	_	59	70
	Bermuda	-	_	21	5	115	44
	Indonesia	-	_	17	12	27	25
	Other countries	171	97	295	245	104	77
	Total	6 636	1 054	22 996	2 540	1 691	1 136
		(square metres)		(square metres)		(square metres)	
6809.11	Plasterboards, etc., not ornamental; faced or reinforced with paper or						
	paperboard United States	11 776 357r	11 883	20 818 143	23 478	59 494 073	61 098
	Singapore	-	_	_	_	450 958	166
	Portugal	-	_	8 662	59	24 608	46
	Other countries	299 059	765	316 553	309	205 379	142
	Total	12 075 416r	12 648	21 143 358	23 846	60 175 018	61 453
6809.19	Plasterboards, etc., not ornamental; faced or reinforced, n.e.s.						
	United States		4 288		9 230		14 287
	Japan		53		237		271
	Sri Lanka		_		_		42
	Singapore	_	_	_	_		34
	Taiwan	_	_		27		30
	Czech Republic	_	_				6
	Other countries		228		168		_
	Total		4 572	• • • • • • • • • • • • • • • • • • • •	9 664	• •	14 672
6809.90	Articles of plaster or compositions based on plaster						
	United States		1 448		2 125		4 715
	Japan		- 110		102		59
	Germany		18		21		25
	United Arab Emirates		-		15		11
	Hong Kong	_	_		-		8
	Other countries		5		32	-	-
	Total		1 472		2 298	• •	4 820
	Total exports of gypsum and gypsum						
	products		65 277r		93 899		143 786

Sources: Natural Resources Canada; Statistics Canada.

– Nil; . . Not available; . . . Amount too small to be expressed; n.e.s. Not elsewhere specified; P Preliminary; r Revised; x Confidential.

1 Totals do not include gypsum produced or shipped for use by Canadian Portland cement producers.

Note: Numbers may not add to totals due to rounding.

TABLE 2. CANADA, GYPSUM MINING AND GYPSUM PRODUCTS MANUFACTURING OPERATIONS, 1994

Company Location Operation **NEWFOUNDLAND** Domtar Inc. Flat Bay Closed in 1994. Atlantic Gypsum, a division of Atlantic Group Limited Corner Brook Wallboard manufacture **NOVA SCOTIA** McKay Settlement Domtar Inc. Open-pit mining Windsor Plaster and "Gypcrete" manufacture Fundy Gypsum Company Limited Wentworth and Miller Creek Open-pit mining of gypsum and anhydrite Open-pit mining of gypsum and annydrite
Open-pit mining of gypsum
Open pit mining of gypsum and anhydrite
Open-pit mining of gypsum
Fibre-gypsum board manufacture Georgia-Pacific Corporation Sugar Camp Little Narrows Gypsum Company Limited Little Narrows National Gypsum (Canada) Ltd. Milford Port Hawkesbury Louisiana-Pacific Corporation **NEW BRUNSWICK** Westroc Industries Limited McAdam Wallboard manufacture **QUEBEC** CGC Inc. Montréal Wallboard manufacture St-Jerome Wallboard plant mothballed Montréal Distribution terminal only Domtar Inc. Westroc Industries Limited Wallboard manufacture Montréal **ONTARIO** CGC Inc. Hagersville Underground mining and wallboard manufacture Domtar Inc. Caledonia Underground mining and wallboard manufacture Westroc Industries Limited Drumbo Underground mining Wallboard manufacture Clarkson **MANITOBA** Domtar Inc. Amaranth Open-pit mining Winnipeg Wallboard manufacture Westroc Industries Limited Open-pit mining Amaranth Winnipeg Wallboard manufacture **ALBERTA** Domtar Inc. Wallboard manufacture Edmonton Westroc Industries Limited Calgary Wallboard manufacture **BRITISH COLUMBIA** Domtar Inc. Canal Flats Open-pit mining Gypsum products manufacture Vancouver Gypsum products manufacture Westroc Industries Limited Vancouver

Windermere

Open-pit mining

Source: Natural Resources Canada.

TABLE 3. CANADA, GYPSUM PRODUCTION, TRADE AND CONSUMPTION, 1975 AND 1980-94

	Production1	Imports2	Exports	Apparent Consumption3
		(ton	nes)	
1975 1980 1981 1982 1983 1984 1985 1986 1987 1988a 1989 1990 1991 1992 1993 1994p	5 719 451 7 336 000 7 025 000 5 987 000 7 507 000 7 775 082 7 760 783 8 802 805 9 093 926 8 813 760 8 179 588 7 977 685 6 727 221 7 294 700 7 563 369 8 109 890	553 338 154 717 143 500 93 843 100 939 131 809 121 802 221 644 217 625 274 917 291 373 318 114 259 863 260 505 280 581 292 156	3 691 676 4 960 240 5 094 873 4 775 755 5 187 032 6 224 574 5 879 664 5 921 982 5 704 853 5 651 286 5 357 055 5 757 327 4 940 193 5 010 649r 5 315 618 5 942 572	2 581 113 2 530 477 2 073 627 1 305 088 2 420 907 1 682 317 2 002 921 3 102 467 3 606 698 3 437 391 3 113 906 2 538 472 2 046 891r 2 544 556r 2 528 332 2 459 474

Sources: Natural Resources Canada; Statistics Canada.

TABLE 4. CANADA, HOUSE CONSTRUCTION, BY PROVINCE, 1993 AND 1994

	Starts				Completions		Ur	Under Construction		
	1993	1994	% Diff.	1993	1994	% Diff.	1993	1994	% Diff	
Newfoundland	2 405	2 243		2 457	2 590		2 378	1 991		
Prince Edward Island	645	669		674	742		296	207		
Nova Scotia	4 282	4 748		4 545	4 920		2 298	2 038		
New Brunswick	3 693	3 203		3 631	3 696		1 676	1 202		
Subtotal, Atlantic provinces	11 025	10 863	-1	11 307	11 948	+6	6 648	5 438	-18	
Quebec	34 015	34 154	_	34 859	36 345	+4	9 811	7 730	-21	
Ontario	45 140	46 645	+3	51 130	49 106	-4	25 047	22 444	-10	
Manitoba	2 425	3 197		2 572	2 996		1 002	1 206		
Saskatchewan	1 880	2 098		2 020	1 851		710	836		
Alberta	18 151	17 692		17 859	18 671		7 595	6 703		
Subtotal, Prairie provinces	22 456	22 987	+2	22 451	23 518	+5	9 307	8 745	-6	
British Columbia	42 807	39 408	-8	42 047	41 168	-2	28 998	27 205	-6	
otal Canada	155 443	154 057	-1	161 794	162 085	_	79 761	71 562	-10	

Source: Canada Mortgage and Housing Corporation.

<sup>P Preliminary; r Revised.
a Beginning in 1988, imports and exports are based on the new Harmonized System and may not be in complete accordance with previous method of reporting. Imports and exports include HS class 2520.10.00 gypsum, anhydrite.
1 Producers' shipments, crude gypsum. 2 Includes crude and ground, but not calcined. 3 Production plus imports minus exports.</sup>

TABLE 5. CANADA, VALUE OF CONSTRUCTION BY TYPE,1

	1991	1992	1993			
		(\$ millions)				
BUILDING CONSTRUCTION2						
Residential Industrial Commercial Institutional Other building Subtotal	34 768 3 642 13 436 5 845 3 210 60 901	37 315 2 777 11 185 5 964 2 707 59 948	38 432 2 594 11 146 6 205 2 937 61 315			
ENGINEERING CONSTRUCTION2						
Marine Highways, airport runways Waterworks, sewage systems Dams, irrigation Electric power Railway, telephones Gas and oil facilities Other engineering Subtotal	553 6 334 2 660 399 6 859 3 135 9 629 3 686 33 254	556 6 374 2 701 306 7 867 3 053 7 790 3 267 31 913	576 6 800 3 026 334 7 645 3 070 8 081 3 565 33 096			
Total construction	94 154	91 861	94 411			

Note: Numbers may not add to totals due to rounding.

TABLE 6. WORLD PRODUCTION OF GYPSUM, 1993 AND 1994

	1993	1994 e
	(000 t	onnes)
United States People's Republic of China Iran Canada Spain Thailand Mexico Japan France	15 800 10 600 8 600 7 600 7 500 7 000 5 800 5 500	17 300 11 000 8 600 8 100 7 500 7 200 6 000 5 500 5 000
United Kingdom Australia Other countries Total world	3 500 2 000 23 800 102 700	3 500 2 100 23 800 110 700

Sources: Natural Resources Canada; U.S. Bureau of Mines' Mineral Commodity Summaries, January 1995.

e Estimated.

Sources: Natural Resources Canada; Statistics Canada, Catalogue no. 64-201 discontinued, to be replaced with Catalogue no. 61-223.

1 Actual expenditures 1991, preliminary 1992, intentions 1993. 2 Includes total value of new and repair work purchased.