Elemental sulphur productive capacity in Canada is now in excess of 2,500,000 tons a year and new capacity is expected to be in operation during 1966 and in later years. In addition to the normal sour gas sources, there are some very high concentrations of H_2S which will become sources of sulphur when production problems are solved. Also, production of oil from the Athabasca oil sand deposits in 1968 will contribute some 100,000 tons of sulphur annually.

World demand for sulphur is increasing and at present exceeds annual production. Shortages exist in some areas and prices have increased and may be forced to even higher levels to encourage the production of this essential element. Canada is now one of the major producers of elemental sulphur and occupies a strong competitive position in world markets because most of its production is a co-product of operations conducted for other purposes.

Year	Sulphur in Smelter Gases		Producers' Shipments Pyrite and Pyrhotite			Sales of Elemental Sulphur ¹	
	Quantity	Value	Gross Weight	Sulphur Content	Value	Quantity	Value
	tona	+	tons	tons	+	tons	\$
1956 1957 1958 1959 1960	236,088 ² 235,123 ² 241,055 ² 277,030 ² 289,620 ²	2,323,590 2,322,067 2,361,252 2,716,416 2,854,623	$\begin{array}{c}1.046,740\\1,166,416\\1,191,731\\1,099,564\\1,032,288\end{array}$	473,605 515,096 512,427	4,538,785 4,808,228 4,248,668 3,433,095 3,316,378	34,784 93,338 94,377 145,656 274,359	1,872,832 2,620,787 4,298,906
1961 1962 1963 1963 1964 1965•	$\begin{array}{r} 277,056^2\\ 292,728^2\\ 353,243^2\\ 443,448^2\\ 513,122^2\end{array}$	2,708,110 3,089,537 3,488,181 4,261,912 5,055,120	517,2583 517,3083 476,4383 351,8503 852,8083	•• •• ••	1,830,566 1,879,584 1,643,629 1,126,167 1,889,226	394.762 695.098 1,249,887 1,788,165 1,907,723	7,287,881 9,286,999 13,380,182 18,637,597 23,481,947

19.—Quantity and Value of Sulphur Produced from Smelter Gases and in Pyrite and Pyrrbotite Shipments, and of Elemental Sulphur Sales, 1956-65

¹ Recovered from sour natural gas and nickel sulphide ores. zine sulphide concentrates at Arvida and Port Maitland. iron residue or sinter. ² Includes sulphur in acid made from roasting * Excludes pyrite and pyrrhotite used to produce

Gypsum.—Crude gypsum production continued at a high level in 1965 although, at 6,200,000 tons, it was slightly below that of 1964, the record year. Six provinces produce gypsum but about 77 p.c. of the total output is mined, mostly from open-pit operations, in Nova Scotia and is exported to gypsum product plants in the eastern United States.

In 1965 a new underground mine, the fourth in Canada, was brought into production by Western Gypsum Company near Silver Plains, 35 miles south of Winnipeg. This mine, which produces about 500 tons per day, is the chief source of crude gypsum for Western's gypsum products plant at Winnipeg; reserves are estimated at 20,000,000 tons. Elsewhere in Western Canada, interest in gypsum is at a high level. A United States firm is conducting feasibility and market studies with a view to exploiting gypsum deposits along the banks of the Lussier River in southeastern British Columbia, deposits that are reported to contain over 100,000,000 tons of good-quality gypsum. Interest is also being shown in the Peace River gypsum deposits of Wood Buffalo Park in northern Alberta. Under present legislation these deposits, being within a National Park, are not available to mining but negotiations are under way between the federal and provincial governments to transfer part of Wood Buffalo Park to the Province of Alberta with, perhaps, some easing of mining restrictions.

Although no new mining operations were established in Eastern Canada during the year, several companies were actively engaged in exploration programs in Nova Scotia.