

THE FORESTRY INDUSTRY

The evolution of production and sales indexes of the Forestry Industry is shown in Charts Nr.33 and 34. The Industrial Forestry Sector can be divided in the following subsectors:

Sub-sectors:	Code	1986 Total Supply (US\$ M)
* Wood Industry	331	341.6
* Furniture & Fixtures	332	183.1
* Paper Manufacturing	341	714.0
* Printing & Publishing	342	295.3

Note: Figures are in US\$ M of 1989
For more details see Table Nr. 35.

The Chilean forestry industry is one of the most dynamic sectors representing approximately 3.1% of Chile's GDP. Its growth in the last years is impressive with a 22% per year since 1974. In 1989, this sector exported US\$ 790 M, representing 9.6% of total Chilean exports. Of the above amount, 90% corresponds to industrial forestry exports. The following table shows exports evolution:

FORESTRY INDUSTRY EXPORTS (US\$ Millions)

	1978	1987	1988	1989
Logs & Chips	2.4	71.0	108.7	75.4
Sawn Wood & Furniture	94.0	152.0	219.0	292.0
Cellulose & Paper	159.0	365.0	417.0	423.0

Source: INFOR (Instituto Forestal)

Between 1974 and 1989, total Chilean exports increased by 280% while forestry exports increased in 522%.

Chile has currently the largest radiata-pine plantations in the world with 1.4 million Has., being 20% and 88% larger, respectively, than New Zealand and Australia. There are also approximately 8 million Has. of commercial native forest, although most of it is only suitable to produce pulp and exportation is highly restricted by the authorities.