

## Sawnwood

Although currently declining in importance in relation to other sub-sectors, sawmilling has the longest history of any of the forestry sub-sectors in Chile. It remains the largest single consumer of logs and, until recently, consumed 50% of the industry's resource inputs. This share is now down to approximately 40%, with pine logs making up close to 90% of the inputs.

Production of Sawnwood  
by Size of Sawmill

X-Axis Labels	Production (m3)	Number of Mills	Share of Production (%)
Very Large >50 000	908 025	8	31.9
Large 20 001-50 000	480 122	13	10.3
Medium 10 001-20 000	306 058	21	11.3
Small 5 001-10 000	380 504	56	12.5
Very Small <5 000	1 182 818	1127	34
Total	3 217 527	1225	100

Source: INFOR, 1991

The sawnwood sub-sector is characterized by the variety of producers, ranging from small portable sawmills to large, computer driven, fully automated facilities. As of 1994, six large plants represented some 65% of the total export output, while some 1000 very small units constituted only 35%. The leading sawnwood exporters include Forestal Carampangue S.A., Aserraderos Mininco, Forestal Arauco S.A., Aserraderos Cementos Bío Bío S.A. and Aserraderos Unidos (Chile) Ltd. Over 75% of exports are concentrated in these five companies.

On average, one third of sawnwood output is exported and the rest is consumed domestically. This distribution between the domestic and the export market has remained stable since about 1985. Domestic consumption of sawnwood should keep growing as the construction industry expands and the production for export of value-added products, such as clear wood, finger joints and pieces and parts for furniture, also increases.

Over the next 5 years, another 4 to 7 sawmills will be constructed primarily in the Concepcion area to handle increased volumes of Radiata Pine. Most companies will tend to construct larger facilities to compete in world markets.

The technology in the larger sawmills is being improved to compete successfully in export markets with high quality products. New equipment is being added to existing mills and new mills constructed. With the increase of pruned pine and the need for operational flexibility to meet global niche markets, new mills in Chile are installing computer optimization similar or equal to that used in North America.

## Wood Based Panels

The wood based panels sub-sector produces several types of products: fibre board, chipboard, plywood and medium density fibre board. This sub-sector represents a minor source of demand for wood (5%) as compared with other wood processing sub-sectors. Nevertheless, it has been growing 11% annually. Board production has