The development of the Metal industry in Chile has been very different for each of the sub-sectors. Before 1973, the industry was highly protected by tariffs and other barriers. Due to the economic changes implemented during the last 15 years, sectors which used to be relatively important are today reduced significantly. Table No 25 compares the performance of each sub-sector of the Metal industry between 1979 and 1986.

According to the latest industrial census (1979), the metal industry is highly concentrated in medium and large companies, representing 83% of 1979 production. In most of the subsectors, and especially in Basic Metal Industry and non-electrical machinery, a few large companies control over 60% of the market.

When comparing in real values (US$ M of 1989), domestic supply decreased more than 30% in subsectors related to the manufacturing or assembling of machinery (382), electrical machinery (383) and transportation equipment (384). At the same time, the relation value added/domestic supply by each industry also decreased significantly, showing the increased dependability on imported intermediate goods. Table No 26 shows main intermediate imported goods for the last two years.

The metal products sector (381) produces a large variety of intermediate and consumer goods, mainly for the domestic market. However, an interesting export experience developed during the last 10 years by an export consortia of manufacturers of "locksmith's craft", called Ferrex. The leading company is INCHALAM. Important manufacturers of fittings, with small export operations are NIBSA and FAS. These two companies have invested significantly in new technology in order to produce high quality products. The largest manufacturers of metal household products are FANTUZZI and ILKO, which also initiated exports in recent years.

The remaining 50% of the value added of the subsector is produced by structural metal products manufacturers. The most important companies are COMPAC, CINTAC, PRODINSA, AZA and ARMCO.

Within the subsector of non-electrical machinery, the most important domestic production is household appliances, being Compañía Tecno Industrial (CTI) the only manufacturer. In agricultural and forestry equipment, there are several small companies which mainly assemble imported parts and do modifications. Electrical parts are mainly imported.

Table No 27 shows main imported capital goods for the last ten years. Main investments in imported machinery have been done in the Textile and Cellulose industries. Other industries with significant imports in recent years are the Metal, Food and Printing industries.