

Wood pulp, paper and cardboard industries are highly concentrated in terms of ownership. Almost 100% of pulp production capacity and more than 90% of paper and cardboard production capacity is in four large firms: CMPC (Chilean), INFORSA (CMPC is mayor stockholder), Celulosa Arauco y Constitución and Forestal Bio-Bio.

B.-Boards:

This industry is dominated by two companies: Cholguan S.A. and MASISA. Currently, production is mainly devoted to the domestic market. Nevertheless, companies have made several investments in new technology in recent years, in order to produce boards with the quality required for international markets. Current plant capacity for particle board, plywood and veneers is almost 90%.

New investments in plants and technology are expected in order to take advantage of increased supply of wood and high export potential.

C.-Sawn Wood:

The Chilean sawn wood industry is very heterogeneous both in the size of sawmills as well as technology used. There are approximately 1.690 sawmills in the industry, although 12 companies account for more than 50% of sawn wood products and more than 70% of industry exports.

Sawmills can be classified in three groups: mechanized, traditional and temporary sawmills. The first type has capacity over 50.000 m³/year and almost all the processes are automated or mechanized. In 1985, there were only 6 sawmills in this category, increasing to 9 in 1989. Committed investments will increase the total number of mechanized sawmills to 15 before 1992. Only these sawmills possess the technology required for export.

Significant investments have been made in drying equipment in order to produce higher quality products. Thus, new technology plus better forest management techniques, have resulted in increasing exports of clear wood, which is used in furniture, and finger-joint wood products. At the same time, it has allowed the growth of the domestic furniture industry, since they depend on the availability of good quality new materials to compete in International markets.

Traditional sawmills have a production capacity between 10.000 and 50.000 m³/year. There are 22 sawmills that can be classified in this category. They have mechanized some of the process and most of them do not have drying facilities.