The third major problem is that Peruvians are not accustomed to the extensive use of wood in construction of both housing and offices. Development of knowledge on the use of lumber as an effective, safe and economic material would have to take place before a great expansion of the lumber industry can take place. Peru can not hope to develop an industry solely on export potential but must also develop a domestic market which can be relied upon.

## Products

Aside from sawn wood, which is the major forestry product in Peru, the following are also produced:

- where veneer or plywood are produced are Iquitos, and Pucallpa, where plants produce large amounts of finished product. Exotic wood is the glamorous side of the plywood business. Sliced veneer from flitches are usually kept in the sequence they are produced. The effects resulting from "matched" panels from a single flitch can be strikingly beautiful. Less glamorous but nevertheless a potential profitable development is the cutting of rotary face veneers from suitable words (walnut, mahogany,, etc).
- b) Construction plywood: This term is applied to plywood which does not require special faces for appearances as is the case of "triplay enchapado". It is used for interior walls, sub-floors, concrete form stock, boxes, agricultural buildings, etc. Thickness will vary up to one inch.
- c) Decorative plywood (triplay enchapado): This is the term applied to plywood where at least one face is well manufactured, is free of defects desired for appearance. This plywood has extensive use in thin wall panels, in furniture, doors, etc.
- d) Parquets: These, while only marginally produced, represent an excellent export market potential; and,
- e) sleepers/railroad ties: Produced mainly for limited domestic market since cost of transport to foreign markets is prohibitive

## Where profitability lies

In Canada and others countries we depend on highly developed logging, lumbering, plywood and fiberboard operations which have come as a result of high labor costs, by a very knowledgeable and