

*I guess then you could look at the fact that really the best forests, the forests that everybody advertises in the world, are privately owned. There are very rarely any publicly owned forests that are regarded as being up to the standards of silviculture of privately owned forests, and I think that the evidence therefore is that private sector behaviour, when there is a clear set of rules, is constructive and exemplary. You can look from the southern United States to the north end of Finland and out to the west coast of the United States, down to Chile and even New Zealand, and it is really all much the same thing. That is not a knock on anybody, but I think that is again enlightened self-interest. If you have the land and you know you have it permanently, you are going to develop these forests to the best possible extent. — Adam Zimmerman, Chairman and Chief Executive Officer, Noranda Forests Inc. (Issue 24:5).*

The value of standing timber in Canada's forests varies with the composition of the forests from one region to another, and the quality of the raw materials to be harvested varies as well. According to the 1986 forest inventory,<sup>11</sup> Canada possesses approximately 24 billion cubic metres of standing timber, most of which can be found in British Columbia (38%), Quebec (18%) and Ontario (15%). Of the total wood volume in the inventory, softwoods account for 76% and hardwoods for 24%. The principal softwoods are spruce, pine and fir, while poplar is the dominant hardwood.

There are three distinct industrial sectors, or segments, in Canada's total forest industry: (i) the timber or logging sector, (ii) the wood products sector, and (iii) the pulp and paper industry. Total direct employment is 349,000 according to the 1989 labour force survey of the forest industry by Statistics Canada.<sup>12</sup>

The logging sector of the industry involves mainly companies which harvest timber in the forest, and ship raw materials to mills in the form of logs, pulpwood or chips. This segment of the industry is represented by more than 3,500 companies, employs 69,000 people and pays more than \$1 billion in wages and salaries.

The main business of our wood products sector is lumber production, most of which is exported. In fact, Canada is the world's largest exporter of lumber, and lumber is one of our major forest products, representing more than 20% of total sales in the forestry sector. The wood industries include the manufacture of shingles and shakes, veneer and plywood, particle board and wafer board. These wood manufacturers employed 135,000 people during 1989 in about 1,500 firms and mills.