

**ON FORESTRY...**

***Will the opportunities of the NAFTA for the Canadian forest industry result in the harvesting of more trees than ever?***

*-- The phasing out of tariffs and many non-tariff barriers is expected to lead to an increase in Canadian exports of forest products to Mexico.*

*-- Tariff rates now are the highest on particle board (66 per cent) and on newsprint (32 per cent), so these products could experience the largest proportional increases.*

*-- Particle board is made from residual wood chips. Increased production would not directly increase tree harvesting. Rather, excess wood chips would be used. This reduces environmental problems in Canada associated with the disposal of excess chips, which now are commonly burned.*

*-- Increased exports of newsprint to Mexico would not result in a significant incremental increase in current production levels. Once again, wood residue rather than virgin fibre would provide the raw material for part of the increased production.*

*-- In terms of increased tree harvesting to meet demands for construction lumber, and so on, Canada follows sound conservation practices, including reforestation, and is committed to sustainable development.*