

Paper Production, 1993-1994

'000s of tonnes

	1993	1994
Newspaper and book paper	233.6	217.8
Other writing and printing paper	489.2	435.4
Sacks, bags and wrapping paper	259.1	226.8
Paper box materials	1,062.9	1,211.1
Cardboard	245.8	280.3
Sanitary and facial paper	446.7	463.6
Special paper	26.2	25.1
Total	2,763.5	2,860.1

Source: Cámara Nacional de las Industrias de la Celulosa y del Papel (CNICP), National Chamber of the Pulp and Paper Industry, CNICP Boletín Ejecutivo, CNICP Executive Bulletin, April 1995, Table 3.

Paper Industry, this gain is explained by the increased demand for packaging materials from exporting industries and from the agricultural sector.

Competition from foreign producers has forced the industry to become more efficient, and there has been a substantial drop in employment as a result. Between 1987 and 1993, about 41,000 jobs were lost. The cuts were particularly large in pulp operations. The modernization efforts resulted in an increase in labour productivity from 10.1 tonnes per employee in 1987 to 11.9 tonnes in 1993.

THE ROLE OF IMPORTS

Imports of forest products into Mexico have increased steadily since the process of trade liberalization began in late 1980s. Import penetration by value has been estimated for 1994 at about 35 percent for paper products and roughly 57 percent for wood products.

Pulp and paper imports rose steadily from US \$821 million in 1989 to almost US \$2.5 billion in 1994. The import market is dominated by the United States, which claimed about 84 percent of it in 1994. Canada's share of the market nearly doubled to US \$124.5 million in 1994 to

reach about 5 percent. About 40 percent of Canada's sales were pulp products and another 14 percent was newsprint.

The sharp devaluation of the peso in December 1994 resulted in an abrupt reversal of the trend towards increased imports. Although official data are not yet available, industry analysts predict that 1995 imports will fall by about half for both wood and paper products.

Mexican Imports From Canada Pulp and Paper Products

US \$

Commodity	1992	1993	1994
Mechanical wood pulp	3,268,727	2,910,818	0
Chemical wood pulp, dissolving	42,013	85,501	235,549
Chemical wood pulp soda or sulphate	8,598,693	15,431,504	20,622,420
Chemical wood pulp sulphite	624,399	72,277	39,583
Semichemical wood pulp	11,245,500	11,361,431	30,471,864
Paper waste and scrap	1,441,020	842,954	28,090
Newsprint	15,711,874	12,754,146	17,072,938
Uncoated paper and paperboard	1,232,579	3,785,370	14,946,366
Toilet or facial tissue stock	102	184	106,317
Uncoated kraft liner	354,632	2,755,565	3,145,490
Other uncoated paper and paperboard	33,818	454,093	143,533
Parchment, tracing paper, etc.	47	0	33,936
Composite paper and paperboard	1	11,932	144,223
Corrugated paper and paperboard	0	15,211	58
Carbon paper	485	8,700	20,584
Coated paper and paperboard	985,988	902,406	3,045,029
Paper wadding and webs	189,161	1,254,084	1,152,062
Filter materials	13	51	154
Cigarette paper	4,136	0	0
Wallpaper	96,171	168,338	429,405
Floor coverings	11,365	0	7,527
Envelopes, postcards	781	1,040	65,527
Toilet paper	1,506,803	1,382,674	1,609,773
Cartons, boxes, bags of paper	5,062,922	8,778,704	27,581,993
Notebooks, writing pads, etc.	301,350	411,750	367,661
Labels	741,207	819,020	1,732,963
Bobbins and spools	13	69,726	5,310
Other articles of paper and paperboard	382,056	297,044	1,489,826
Total	51,835,856	64,574,523	124,498,179

Source: Secretaría de Comercio y Fomento Industrial (SECOFI), Secretariat of Commerce and Industrial Development.