

## Part I

### THE WORLD'S FORESTS AND FOREST INDUSTRY

Canada's forests make up about 10.0 per cent of the world's forest land and cover an area larger than France, Spain and Portugal combined. These forests and the benefits they provide are critical to the health of the Canadian economy and environment.

### WORLD GROWING STOCK OF NON-TROPICAL SOFTWOODS AND HARDWOODS

Of the non-tropical stock, both softwood (coniferous) and hardwood (deciduous) tree species are found in Canadian forests.

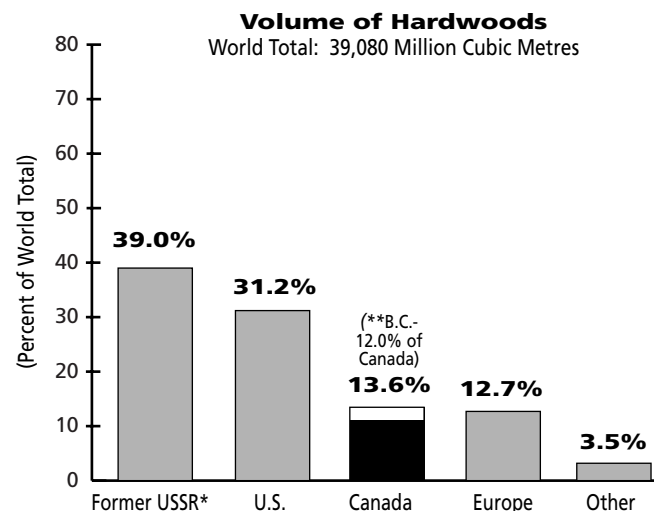
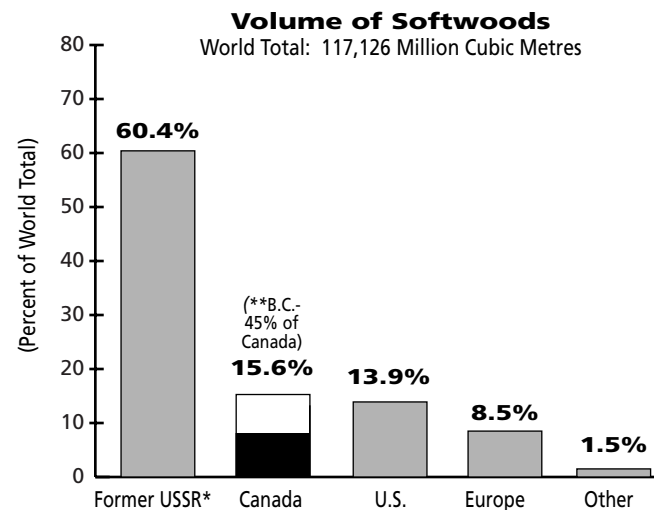
#### SOFTWOOD

Canada's reserve of 17,800 million cubic metres represents over 15 per cent of the non-tropical forest growing stock of softwoods in the world. The forests of British Columbia account for 45 per cent of the total Canadian softwood stock. While the softwood reserve of former USSR exceeds that of Canada, much of that country's softwood grows in remote or inaccessible areas.

#### HARDWOOD

Canada's reserve of 5,300 million cubic metres represents 13.6 per cent of the non-tropical forest growing stock of hardwoods in the world. British Columbia's hardwoods contribute 12.0 per cent of Canada's total hardwood stock.

### WORLD GROWING STOCK OF NON-TROPICAL SOFTWOODS AND HARDWOODS: 1995



Source: U.N. Food and Agriculture Organization

## WORLD ROUNDWOOD HARVEST

In 1996 total world harvest (including hardwood at 2.1 billion cubic metres and softwood at 1.1 billion cubic metres) totalled 3.2 billion cubic metres.

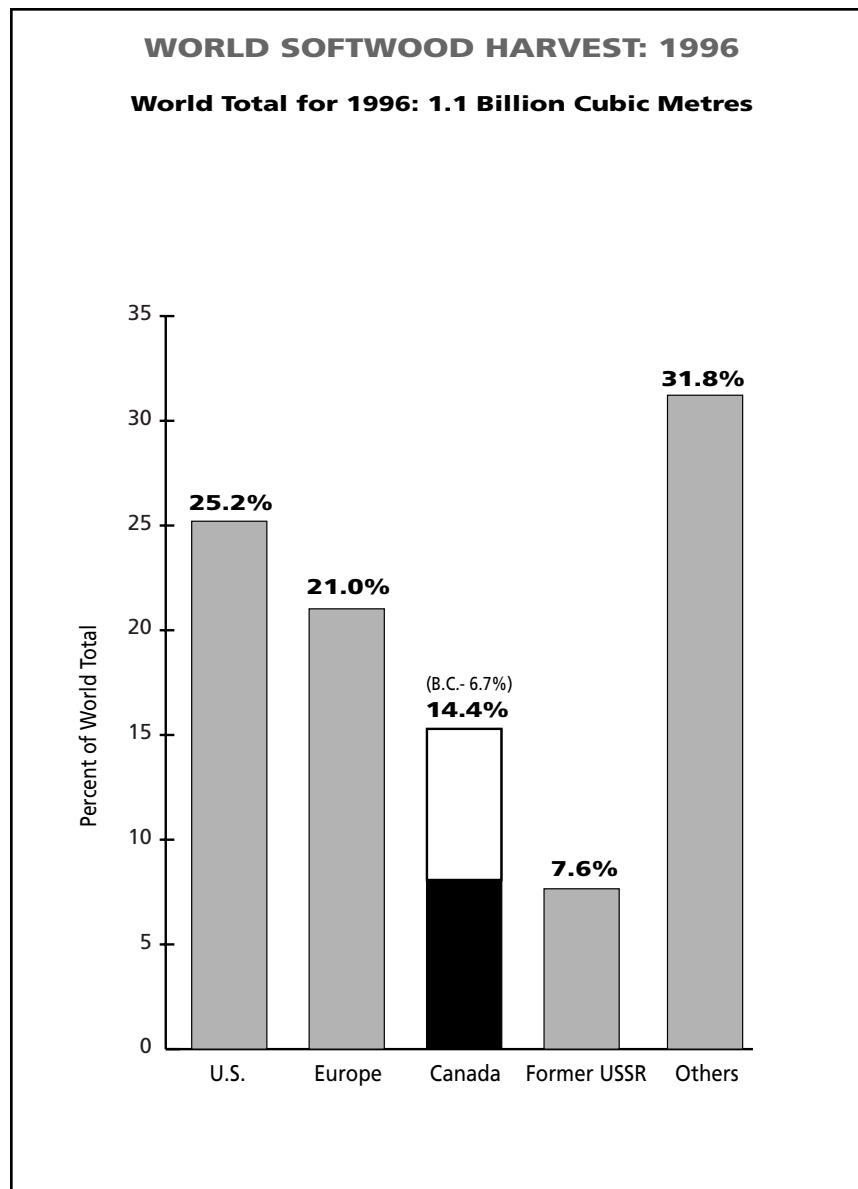
World fuelwood production in 1996 was 1.7 billion cubic metres accounting for 53.1 per cent of total world harvest.

Industrial production of hardwood and softwood in 1996 totalled 1.5 billion cubic metres accounting for 46.9 per cent.

## WORLD SOFTWOOD HARVEST

1996 Canada's annual softwood timber harvest represented 14.4 per cent of the world total and ranked third after the United States and Europe. In 1996 British Columbia's proportion of the world's softwood timber harvest was 6.7 per cent.

British Columbia is a significant contributor to Canada's total softwood timber harvest and accounted for 46 per cent in 1996.



## WORLD CONSUMPTION OF FOREST PRODUCTS

Between 1970 and 1990 there was a steady growth in forest products consumption. During the 90's the consumption of softwood lumber has been steadily declining, while consumption of panelboards, or reconstituted boards, has been steadily increasing.

Between 1970 and 1990, softwood lumber consumption increased by 17 per cent from 312 million cubic metres in 1970 to over 364 million cubic metres in 1990. In 1996, consumption was 304.2 million cubic metres, up 1.7 per cent from 1995, but down significantly from 1990.

Hardwood lumber consumption between 1970 and 1990 increased 32 per cent from 94 million cubic metres to 124 million cubic metres. By 1996 consumption had decreased by 3.6 per cent to 122.0 million cubic metres.

Plywood consumption (hardwood and softwood) between 1970 and 1990, rose 45 per cent from 33 million cubic metres to 48 million cubic metres. From 1995 to 1996, plywood consumption grew from 49.9 million cubic metres to 55.7 million cubic metres, an increase of 11.6 per cent.

Over the past 25 years, panelboard consumption (including veneer sheets, plywood, particleboard and fibre board) has increased almost 100 per cent from 70 million cubic metres in 1970, to 139 million cubic metres in 1995. Between 1995 and 1996, consumption rose a further 39.6 per cent to 194.1 million cubic metres.

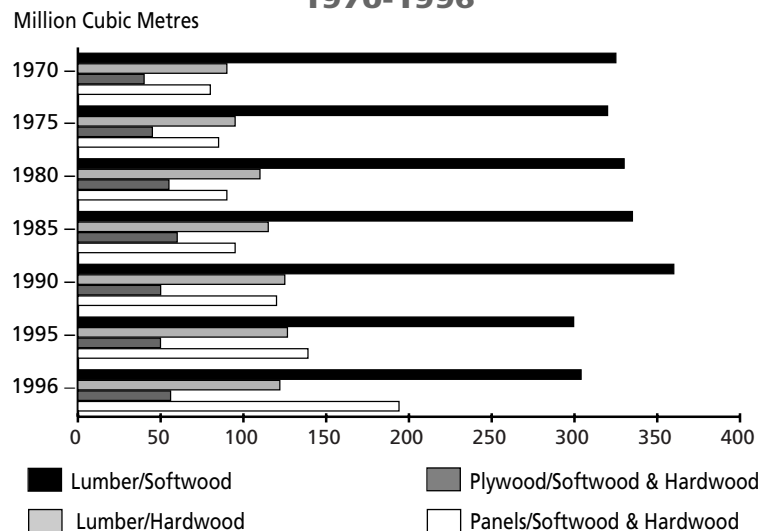
Wood pulp consumption (hardwood and softwood) from 1970 to 1990 increased from 102 million metric tonnes to 155 million metric tonnes, an increase of 52 per cent. And from 1990 to 1995 consumption increased a further 8 per cent to 167.4 million metric tonnes. However, this declined 5.5 per cent to 156.5 million metric tonnes in 1996.

### Per Capita Consumption of Forest Products 1994

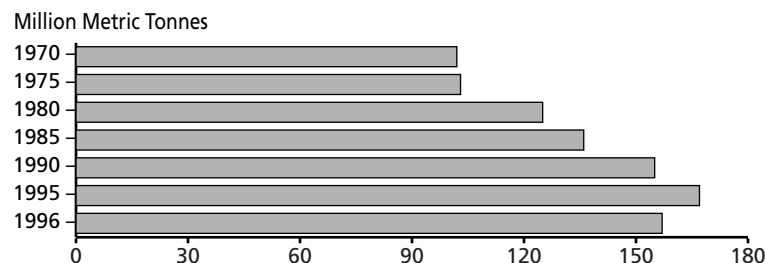
Region	Softwood Lumber m <sup>3</sup> /1000 people	Panelboards m <sup>3</sup> /1000 people	Paper & Paperboard tonnes/1000 people	Population (millions)
Canada	558	134	202	29.5
U.S.	420	135	325	263.2
W. Europe	168	88	170	391.4
Germany	196	142	200	81.6
Japan	255	104	232	125.1

Source: U.N. Food and Agriculture Organization

## WORLD CONSUMPTION OF FOREST PRODUCTS: 1970-1996



## World Wood Pulp/Softwood & Hardwood Consumption



## World Projections of Forest Products Consumption

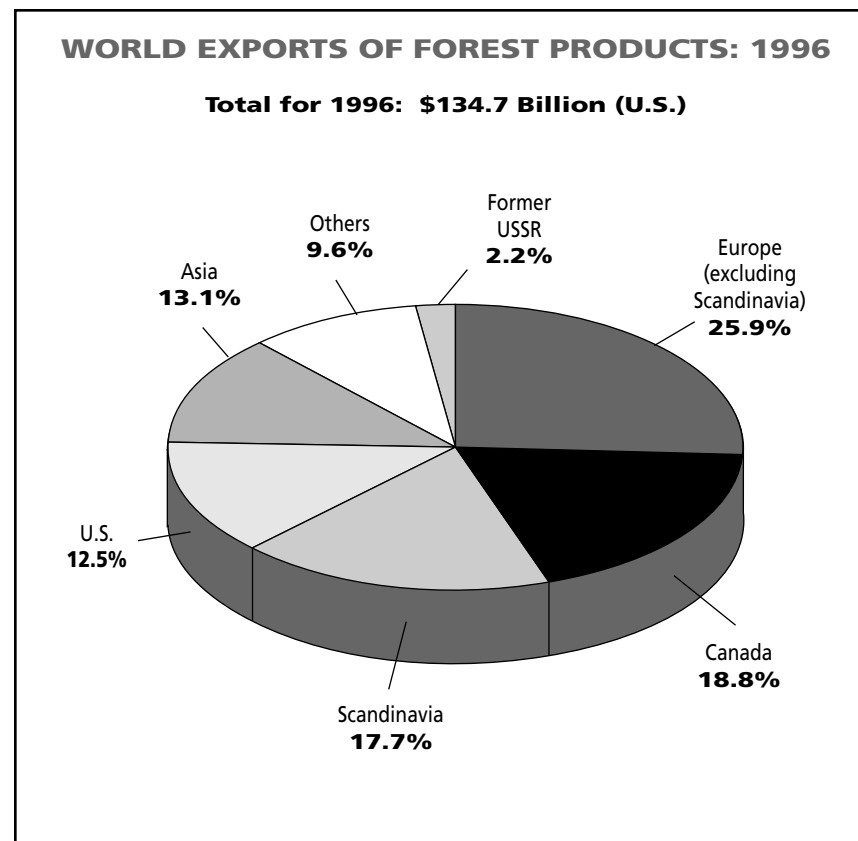
Year	2000	2010	%Chg.
Sawnwood Consumption	439,659	469,338	6.8%
Woodbased Panel Consumption	128,912	143,393	11.2%
Woodpulp Consumption	155,179	154,557	-0.4%

Source: FAO Provisional Outlook

Source: U.N. Food and Agriculture Organization

## WORLD EXPORTS OF FOREST PRODUCTS

Canada exports more manufactured forest products than any other country. In 1996 Canada exported 18.8 per cent of total world exports. All of Europe, including Scandinavia, accounted for 43.6 per cent of exports. Asia represented 13.1 per cent, the U.S. 12.5 per cent, former USSR 2.2 per cent and all other countries 9.6 per cent.



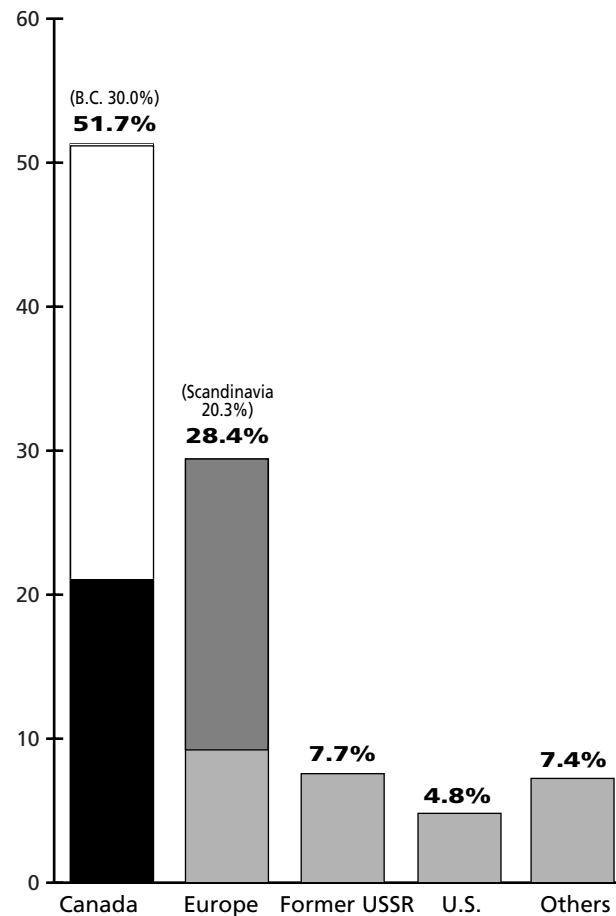
## WORLD EXPORTS OF SOFTWOOD LUMBER

Canada is the world's largest exporter of softwood lumber. In 1996 Canada accounted for 51.7 per cent of the world's total export volume of 95.9 million cubic metres. British Columbia is the largest contributor (57.6%) to Canada's softwood lumber exports representing 30.0 per cent of the world total.

In 1996 Europe exported 28.4 per cent of the world's total export volume, of which Scandinavia accounted for 20.3 per cent. The former USSR exported 7.7 per cent, the U.S. exported 4.8 per cent and the remaining countries represented 7.4 per cent.

### WORLD EXPORTS OF SOFTWOOD LUMBER: 1996

Total for 1996: 95.9 Million Cubic Metres



Source: U.N. Food and Agriculture Organization

## WORLD EXPORTS OF PULP AND NEWSPRINT

In 1996 world exports of wood pulp totalled 33.2 million tonnes, an increase of 1.5 per cent over the 1995 total of 32.7 million tonnes.

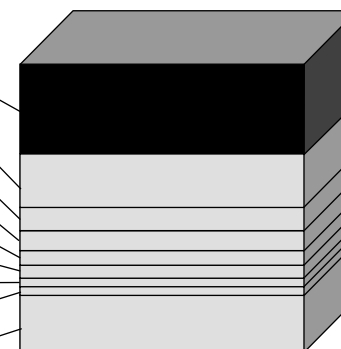
In 1996 world newsprint exports totalled 17.2 million tonnes, down 1.7 per cent from the 1995 total of 17.5 million tonnes.

Canada exports more wood pulp and newsprint than any other country in the world. In 1996 Canadian wood pulp exports amounted to 31.0 per cent of world total. Canadian newsprint exports were 50.0 per cent of the world total in 1996.

### WORLD EXPORTS OF PULP AND NEWSPRINT: 1996

#### Wood Pulp Total for 1996: 33.2 Million Tonnes

Canada	31.0%
U.S.	18.1%
Sweden	8.1%
Brazil	6.9%
Chile	5.1%
Finland	4.5%
Former USSR	3.1%
Portugal	3.0%
Others	20.2%



#### Newsprint Total for 1996: 17.2 Million Tonnes

Canada	50.0%
Sweden	11.4%
Finland	6.1%
U.S.	5.8%
Former USSR	5.0%
Norway	4.2%
Others	17.5%

