



## RECENT EVENTS



# Environmental administration and NZ Forest Service reorganisation — Part 2

This report updates the report on pages 2 and 3 of volume 31, No. 1.

### (a) Ministry of Forestry

It was noted in the May 1986 issue of NZ Forestry that Cabinet had agreed to keeping the forestry sectoral and regulatory activities of the NZFS together in a single agency, but that the location of the agency was not decided. The major options were a stand-alone agency of attachment to another department such as the Ministry of Agriculture and Fisheries.

Following submissions from Forestry Sector groups and production of an officials' paper, Cabinet agreed on April 15, 1986 to the formation of a stand-alone Ministry of Forestry with the Mission of "promoting the national interest through forestry, including wood-based industries".

Officials of the NZFS were directed by Cabinet to prepare a detailed proposal showing the functions, outline organisation and legislative requirements for the new Ministry and report back by June 30, 1986.

Based on consultations with NZFS staff and input from potential client groups, a Ministry of Forestry Steering Committee, under the leadership of Alan Farnilton, developed a detailed proposal for the new Ministry which was approved by Cabinet on July 15, 1986.

The Ministry will consist of three functional streams each headed by an Assistant Secretary of Forestry:

1. Research: consisting of the existing Forest Research Institute.
2. Policy and Corporate Services: providing advice on policies needed to achieve the greatest national benefit from the forestry sector and to monitor and report on trends, prospects and issues in forestry.
3. Forestry Services: protecting and enhancing the opportunities for the forestry sector to do business through the provision of protective services, information, advice and the fostering and coordination of training on a user-pays basis.

In addition to the three functional streams, the Ministry will have a regional presence of about 160 staff principally located in offices in Auckland, Rotorua, Palmerston North, Nelson, Christchurch and Dunedin. The regional staff will have the responsibility of carrying out the Ministry's statutory and other functions in the region and providing an information link to Wellington.

The Ministry is scheduled to come into operation on April 1, 1987. An establishment unit, under the leadership of Russ

Ballard, has responsibility for setting up the Ministry by this date.

Cabinet decisions on charging users for services provided by Government Departments mean that the Ministry has been set a target of recovering approximately 15% of its costs in 1986/87, rising to about 50% recovery in five years. These revenue generation targets will require the Ministry to adopt a client-oriented, commercial approach to its work.

### (b) Forestry Corporation

The Establishment Board, charged with facilitating and overseeing the introduction of a Forestry Corporation to operate as a successful business enterprise, under the chairmanship of Mr Alan Gibbs, reported to the Government on May 15, 1986.

The report is shortly to be referred, with officials' reports, to the Cabinet Policy Committee for decisions on its various recommendations.

To some degree the report has been overtaken by other wider issues discussed in the "Statement on Government Expenditure

Reform 1986", relating to Government's philosophy on State-owned enterprises generally. Work is presently underway on the enterprises, and it is anticipated this legislation will deal with many of the issues of direct concern to the Establishment Board. Until this draft legislation is available it is uncertain whether other specific legislation will be required for the proposed Corporation.

An establishment unit has meanwhile been formed for the Corporation under the leadership of Peter Berg, and this has responsibility for coordinating the formation of the Corporation, for its proposed commencement on April 1, 1987. The formation of establishment units recognizes amongst other things that while the reorganization is taking place the usual work of the department must also go on.

### Forestry Council

The Government has decided that the Forestry Council will be disbanded, with most of its functions being taken over by the Ministry of Forestry.

## Indigenous Forests on Private Land Workshop

This workshop held in Tauranga between June 16 and 18, 1986 was a consequence of the Commission of the Environment's Paper "Indigenous Forests of New Zealand — Environmental Issues and Options". That it only considered private land (Maori and Pakeha owned) was dictated by the refusal of State Departments to participate except in the presentation of papers. The papers will be published in a set of proceedings in the future. Important points made were:

1. The use of the Town and Country Planning Act or other bureaucratic processes to force private owners to reserve land would be unjust and unacceptable even if it were ostensibly used as a holding mechanism until a piece of land's future could be discussed.
2. Voluntary reservations, donations, covenants have been very effective in preserving pieces of private land. Owners were more likely to be conciliatory in saving native bush if they were approached to preserve on a voluntary basis. Educational programmes to explain the benefits of

reservation were seen as essential in this area.

3. It is unreasonable to assume that all private land owners will give their land to the nation freely. Many will demand and/or require compensation for their contribution to the national heritage. Various avenues were explored.
  - a. The concept of adding a levy to the stumpage charged for native logs was floated. The monies generated would be used to help pay for reservations. If native forest lands were managed under a plan such levies would be partly refundable.
  - b. The concept of Nga Whenua Rahui was put forward by the Maori groups involved. This is a type of cross leasing.
  - c. Relief of rates by local bodies.
4. The high costs associated with reservation by other than exchanges was highlighted. It was noted that the Department of Conservation may not have many areas suitable for reserve exchanges, which will be a disadvantage.
5. Protected Natural Area surveys of