

Letter to Steering Group Forestry and Agriculture

Editor's Note: The following letter was sent by the NZIF Council to the Steering Group Forestry and Agriculture:

Thank you for inviting the New Zealand Institute of Forestry to make a submission on the Government's proposal to merge the Ministry of Forestry and Ministry of Agriculture.

Thank you for also providing an extension of time to allow response from our membership.

The New Zealand Institute of Forestry is a voluntary organisation which has represented New Zealand's forestry profession for the past 70 years. Current membership of 805 is drawn from professional foresters, scientists, forest managers, forest administrators, forest industrialists, farm foresters and loggers.

In your letter of March 20 you requested comment under three headings:

- outcomes
- outputs
- organisational arrangements.

Outcomes

The forestry sector is not informed on the outcomes expected to be achieved from the Coalition Agreement and the Public Service Strategic Result Areas. These are not normally the subject of industry involvement and therefore we would appear to be prying into Government business to access these. However, as seen from the MOF Corporate Plan these can be summarised as providing optimal contribution from forestry to New Zealand sustainable development and economic growth.

Thus outcomes are expected to include:

- a) an operating environment both in New Zealand and globally which encourages sustainable growth in the sector;
- b) leads to sustainable overseas earnings increases;
- c) facilitating investment in maximum sustainable growth;
- d) encouraging an environmentally responsible forestry sector with due concern for forest health, community and social concerns.

Outputs

The Ministry has to date met the Government's expectation of things which it wants to do on behalf of the whole community, including industry.

- a) By providing information packages and seminars.
- b) Facilitating the processes of introduc-

tion of investors to the industry, arrange for off-shore groups to meet key personnel after provision of well-researched generic information such as forest costs and market sales (log prices) data.

- c) Providing from the constantly updated store of industry knowledge of the sector, properly constructed advice for a wide range of topics. Recently the pressures to accommodate the demands of other countries and NGOs in New Zealand forest management practice has involved MOF in active participation with, for instance ITTO and the Montreal process with visiting delegations. The need for high-quality government to government contact in these forums has been acknowledged by the calibre of personnel undertaking tasks and the request that New Zealand provide key chair and secretariat capacity seen as independent and informed.
- d) Efficiently managing Crown interests and commitments, particularly on Maori forest leases by utilising skilled private-sector capability while still retaining the Crown's independence from commercial bias.
- e) Protecting New Zealand forests and trees on all tenures, irrespective of species on both rural and urban sites.

Organisational Arrangements

The present Ministry of Forestry regional and output classification distribution of personnel and offices reflects the result of adjusting to the traumatic post-1987 era and identifying niches where a meaningful role complementary to private sector capacity can be established.

Forest health is an area where industry has accepted that the capacity left after disestablishment of the NZ Forest Service was valuable and could not be replaced with private sector skilled Forest Health Observers. The decision to participate in training was taken by some in industry with full appreciation that the major capability should continue to reside with MOF and FRI. This ensures a security of workload and thus demand for staff which has built up to a good capability with high morale.

The Issues

With over 80 years of focused effort in development of forestry and forest industries, New Zealand has built up a strong forestry sector and a forest industry making a significant contribution to the nation's economy. However, a major

challenge over the next few years will be dealing with a doubling of the annual cut and marketing a young utility timber resource. If the industry does not focus on this challenge, then the country will revert back to being like the meat industry – forever sending carcasses (logs) offshore. This effort needs to be focused and facilitated by an effective clearly identifiable government agency.

Forestry is, however, much more than tree farming for production of giant vegetables.

It is true that forestry and agriculture are similar to the extent of sharing sustained use of land. Both are growing "natural" biological crops for a range of products. Both depend on sustaining the productivity of the soil. There is a growing awareness about symbiotic production benefits of growing timber trees alongside and amongst pasture.

But forestry is much more comprehensive than growing crops for production. It is much more holistic. It is concerned with sustainable integrated management of the whole of New Zealand's indigenous and exotic forest estate for water and soil conservation, recreation, science and aesthetics, as well as production of a wide range of forest products such as timber, sphagnum moss, wild animals, etc. The Department of Conservation is learning to its sorrow that indigenous forests cannot simply be locked up for conservation purposes without positive management to sustain forest health. A stronger national forestry agency is needed to coordinate and promote optional management of all the forest estate.

This loss of national focus on the holistic nature of forestry is largely as a result of the Ministry of Forestry being reduced since 1987 to little more than an investment agency which also provides some statistical benefits. Looking at the Ministry critically, it has no forest policy and no clear vision other than "tree farming". The Ministry has performed well in aspects of this "tree farming" role, particularly in the arena of international policies affecting the use of forests, in promoting New Zealand's style of forestry to the global environment and in border control of forest diseases.

An outcome from the dramatic shrinkage of Central Government's forestry agency in 1987 has been loss of the Government's corporate memory. Such corporate memory is particularly important for forests, due to their long growing cycles: 25-60 years for exotics and 80-500 years for indigenous species. Loss of cor-

porate memory leads to future repetition of past mistakes with greater ramifications. There is still a little time available to restore some of the corporate memory which has been lost.

One of those losses has been effective contribution to socio-economic analysis of forestry in the national and local community economies. MAF still holds skills in socio-economic analysis and closer association between MOF and MAF could redress this imbalance.

Implementation of the Biosecurity Act has been promoted as a reason for a MOF/MAF merger. However, there is already effective collaboration, and evidence is not apparent that a merger would improve effectiveness. Action taken on the national threat of the white-spotted tussock moth demonstrated the benefit of a strong coordinated forestry sector approach to dealing with the problem. In the final analysis the agricultural knowledge of dealing with the earlier fruit fly threat provided little practical benefit to dealing with the white-spotted tussock

moth threat.

An important sector of forestry in New Zealand which the Institute has not been able to canvass is Maori forestry. The Ministry of Forestry has an important job in management of around 50,000 hectares of Maori forestry leases. However, Maori forestry covers a much larger area – of the order of 200,000 hectares. It has been predicted that within ten years Maori forestry will cover 500,000 hectares. The Treaty of Waitangi requires the Crown to protect tino rangatiratanga over Maori forests and land.

The big question is whether the needs of forestry which have been described can be met in a merged MOF/MAF.

Two overseas examples can be cited. The Australian Bureau of Agricultural Research and Economics has been set up to cover economic research in both forestry and agriculture, but staff turnover and loss of corporate forestry knowledge has resulted in a diminishing input into forestry. Where a merger might appear to have worked is in the US Department of

Agriculture; however this is only because the US Forest Service effectively functions as an entirely independent department within the Department of Agriculture.

The attempt in New Zealand to merge the disparate central government agencies for fisheries and agriculture failed. There is a similar risk in merging forestry and agriculture. Unless a new corporate identity can be attained, and the public not be confused by an acronym of MAF for Ministry of Agriculture and Forestry, a merger could be detrimental to the national interest. A swamping of 170 MOF staff with 2400 MAF staff spells subjugation of the national forestry interest.

Summary

The New Zealand Institute of Forestry believes that any merits in merging Ministry of Forestry with the Ministry of Agriculture will be far outweighed by loss in national forest policy focus and loss in corporate memory.

New Ministry for Agriculture and Forestry

A new Ministry of Agriculture and Forestry is to be formed by merging the Ministry of Agriculture (MAF) and the Ministry of Forestry (MOF).

"The merger is aimed at tighter coordination of government services to the vitally important agriculture, forestry and horticulture sectors," said Agriculture and Forestry Minister Lockwood Smith.

"Bringing the two ministries together will enable a more integrated policy and service delivery approach to these sectors, which are increasingly interrelated.

"MAF and MOF have similar functions and combining the ministries will enhance the cooperation that already exists between them.

"In the biosecurity area, in particular, it provides the opportunity to share and focus resources for biosecurity risk management for agriculture and forestry," Dr Smith said.

"Pooling MAF and MOF's biosecurity expertise will therefore strengthen the capabilities of the two existing organisations and their support for the Minister for Biosecurity's recently established Biosecurity Council."

The transition to the new Ministry – due to be operational by March 1 next year – will be carefully managed to ensure no disruption to services currently provided by MAF and MOF.

The Minister noted industry concern that a merger could mean that the Gov-

ernment's focus on forestry would be less clear.

"But I can assure foresters that the move does not signal any weakening of the Government's commitment to their sector. Forestry is far too important to the economy for it to take a back seat to agriculture," Dr Smith said.

Costs associated with the merger are expected to be more than offset by savings stemming from cost-effectiveness gains.

Environmental Working Group update

ISO 14000

The finalising of the ISO 14,000 technical report on forestry has been delayed, and will probably not occur now until the first quarter of 1998. The last formal meeting of interested New Zealand parties took place in July, with final editing due to be carried out overseas.

Harvesting and Land Establishment Workshops

The Environmental Working Group has been working with Forme consultants on preparing a series of environmental workshops on land establishment and harvesting operations. The workshops will be held around the country between October 1997 and March 1998 and notice of these workshops will be forwarded to Institute members. For more information contact:

Peter Handford, Forme Consultants, tel: 04-232 7155; fax: 04-232 9472.

Forest Accord and Principles

The Environmental Working Group will be meeting with *NZ Forest Accord* partners to elaborate on some of the concerns raised by Institute members over the *Accord* and the *Principles for Commercial Plantation Forest Management*. The meeting takes place in late August.

Position Statement on Biodiversity

The NZIF draft position statement on biodiversity should appear in the next issue of *NZ Forestry*, along with related articles on biodiversity from various experts in the field. Institute members will be asked to provide comment on the position statement.