

5. That the Working Party further investigate the feasibility and cost of a joint accreditation with IPENZ of the BE(For) degree programme.

6. That Council seek formal involvement via FITEC in the moderation of the National Diploma in Forestry (Forest Management).

7. That Council explore the possibility of establishing an International Accord between the professional forestry institutes of Canada, United States, Great Britain and Australia for the purposes of recognising the accreditation of forestry degrees.

8. That the Working Party explore the

possibility of working in conjunction with IFA to develop and define common competencies and standards related to the accreditation of forestry degree programmes.

9. That NZIF seek formal representation on relevant Advisory Committees maintained by education providers. (eg. School of Forestry Advisory Committee — University of Canterbury; Forestry Advisory Committee — Lincoln University (being established))

10. That the Working Party investigate the administrative resources required to establish and maintain the proposed accreditation scheme.

11. That the Working Party investigate any legal or constitutional requirements involved in NZIF operating an accreditation scheme.

The NZIF Council endorsed these recommendations in principle, but decided to consult with the membership first before proceeding with implementing most of them. Therefore members feedback, views and comments on the recommendations is welcomed by Council.

Peter Hay
Convenor
NZIF Accreditation Working Party



David Norton's Article

Sir,

David Norton, in his article on Indigenous Biodiversity Conservation and Plantation Forestry, criticises the New Zealand forest Accord and the Principles for Commercial Plantation Forest Management derived from the Accord. Norton sees these voluntary agreements between conservation and forestry interests as polarising conservation and production, whereas enlightened managers should be adopting his more integrated approach.

The main purpose of the Accord was to identify those natural areas it would be inappropriate to clear for the establishment of plantations. This may be polarisation, as Norton calls it, but it is also plain common sense that has delivered significant conservation gains. It has been a cost-efficient way of resolving the hugely controversial land use disputes that dogged the pine industry during the native forest clearing era of the 1960s-1980s.

Would Norton have us return to that era or to so-called 'enrichment plantings' of exotics in indigenous forest areas? The Accord and Principles do not see plantations as areas devoid of value for indigenous biodiversity. A key section of the Principles sets out goals for the management of indigenous biodiversity in plantations. The conservation of indigenous flora and fauna is to be provided for where appropriate, with specific undertakings for threatened species, riparian margins, waterways and for the restoration of critically depleted habitats. The Principles also address a key issue of plantation management being ignored by Norton — the

weed and pest threat they pose to natural areas. Invasive weeds can bulk up within a plantation and form a huge seed reservoir that hastens their spread. Grazed farmland presents far less of a threat in this regard.

Plantations can also facilitate the dispersal of animal pests such as deer and goats. They are harder to control under the forest cover provided by the plantation than on open land. Unless there is effective pest control within a plantation, native forest areas may survive better as forest islands amidst pasture than when surrounded by pines inhabited by browsing animal pests.

These issues present new challenges for plantation managers. Norton hasn't convinced me the "old paradigm" should be ditched in favour of his "new paradigm" which looks much like the old multiple use regimes for forestry long promoted by New Zealand's forestry schools and state-funded foresters.

Kevin Smith
Conservation Director

Commentary by Chris Perley

Sir,

Chris Perley (August 1998) argues cogently for the inclusion of uncertainty in decision making, and for reducing the over-emphasis on Discounted Cash Flow Analysis. I agree with nearly all his points, but feel he has over-stated his case, perhaps for the sake of impact.

How would Chris address the following situations? Two business people (Mr Alpha and Ms Beta) approach Chris Perley & Associates for expert forestry advice. To Chris's disgust, they are interested only in maximising their profit, have scant regard for the environment, and have

no time at all for New Age philosophies. Nevertheless, times are hard and Chris is obliged to accept their money.

Situation 1. Mr Alpha has a 28-year old woodlot of radiata pine, which he wishes to sell. He does not need the money now, but wants to maximise the cash in his hand when he retires in three years' time. Should he harvest now, and put the money in a three-year term bank deposit, or should he grow the stand for another three years and fell it then? The latter involves more risk (wind, fire, market prices), although prices can go up as well as down.

I would analyse these options using Marvl, GroMarvl, and the principles of compound interest and taxation. Lastly, I would look at the historical evidence in order to attempt to quantify the various risks. The final decision is, of course, up to Mr Alpha. What would Chris do?

Situation 2. Ms Beta wishes to plant a radiata pine woodlot on bare land as a superannuation scheme, to mature in 30 years' time. She has discovered two properties for sale, virtually identical in every respect except that Block A has a site index of 25 m and a sale value of \$600/ha, while Block B has a site index of 32 m and a sale value of \$1500/ha. Given that all else is equal, which is the better investment?

I would analyse these options using a number of Standpak runs, calibrated for the local conditions. I would use Discounted Cash Flow Analysis to calculate Net Present Value for a number of discount rates. (Bill Studholme was right, if he was referring to NPV rather than IRR: you will inevitably get a range of answers.) If Block B was superior to Block A under all scenarios, I would breathe a sigh of relief and make an unequivocal recommendation. If not, I would say 'it all depends' and interrogate Ms Beta closely to discover how important cash-up-front was to her, compared