

least be capitalized and depreciated over the life of a stand. This is in accordance with Treasury's own philosophy. According to them . . .

"Capital Expenditure is undertaken by taxpayers to earn income in the future. . . . Capital Expenditure is generally capitalized and depreciated over its economic life."¹

All of a forest's non-production benefits come before the tree is cut. Companies receive little or no return for providing these other benefits to New Zealand, yet it isn't until harvest that the direct costs of producing all the forest's benefits may be recovered. The tax system is discriminatory against forestry.

If forestry expenditures are current expenditures, they should be deductible directly against current income. If they are capital expenditures, they should be depreciated.² In either case, this would help ameliorate some of the risk in forestry and it would certainly help recognize that forestry investments produce more than timber.

¹ *Consultative Document on Primary Sector Taxation. 1986. Wellington: Government Printing Office. p.72.*

² *At the extreme, the argument is that forestry investments should be taxed at the capital gains rate, but I realize that while this might be an interesting argument, it is completely unrealistic.*

Reform and devolution

J.C. Halkett

Public servants have long suffered at the hands of so-called humorists. Some of the recent batch of funnies are diametrically opposed to the jokes of yesteryear. There are a couple about the decline in ten trip bus and train ticket sales and the one about the optimistic public servant who took his lunch to work. The comment about recent lay-offs in the Department of Conservation and Ministry of Forestry on page 12 of this issue suggests that working for the Government is now high risk. In this post-crash era it is not only the employees of Judge Corp or Rada that have had to contemplate looking the dole clerk in the eye.

Clearly those in Government's employ who thought that the trauma of change had climaxed on April 1, 1987, with the formation of new forestry and land management agencies, couldn't have been more wrong. It is now apparent that existing functional responsibilities and staff changes might pale by comparison with those waiting in the wings if present modifications to

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resource management legislation and local government organization come to fruition. Changes to resource management statutes, and to local government administration, have the potential to radically transform central government involvement in land use planning and management.

"One of the country's most ambitious law reform exercises" is how the current resource management law reform exercise has been described by Deputy Prime Minister Geoffrey Palmer. The official outline of the exercise embraces all laws covering the management of land, air, water and minerals, and indicates a need for a fundamental "zero-based" review of affected statutes. Under consideration are 20 laws. The Town and Country Planning Act, the Water and Soil Conservation Act and the Mining Act are included on the list of those to be overhauled.

Developers and environmental interests have both, over recent years, acknowledged that existing resource statutes are lengthy, complex and cumbersome. Conflict resolution has been the basic model upon which present laws have been founded and operate. Today,

A.G.M. WAITANGI 1989

Many thanks for all the response to the request for suggestions on what you want in your A.G.M.

We think we get the message! Here's the basic idea for the meeting.

- No single theme.
- As many workshops, field trips and tours as we can organize, on a range of subjects utilizing all that is available at Waitangi and in Taitokerau. These will include Forestry and Maori Land (you couldn't come to Taitokerau and not hear about that!), Kauri management, alternative exotic species, tourism, sewage disposal, marine farming, bargaining.
- Supershort business session (2.5hrs on the Friday morning) . . .
- Hold it over a weekend to minimize time off work.

Dates are Thursday 11th May to Sunday 14th May

The workshop on Forestry and Maori land will take place on the Thursday afternoon and evening and will include a forum session on a marae which will be open ended and could go late. If you come to this one bring a sleeping bag and stay on the marae and travel on to Waitangi on Friday morning (transport will be provided).

Post conference tours on the Monday will be with transport provided or self-drive convoy style. Either way they will be designed to head generally southwards and help ease the travelling pain.

MAKE IT A DATE! WAITANGI AND TAITOKERAU HAVE LOTS TO OFFER IN FORESTRY AND FOR A HOLIDAY. THE WEATHER AND THE FISHING CAN BE AT THEIR BEST IN MAY AND THE CROWDS HAVE LONG GONE.

BRING THE FAMILY - GIVE THEM A MARAE EXPERIENCE - HAVE A HOLIDAY - JOIN IN AND MAKE IT A GREAT MEETING.

We will be sending more information and chasing some sort of commitment soon after Christmas.

Kia ora Ian Page (Chairperson, convening committee)
Tahere Farm, R.D.5. Whangarei. (089) 485108

with clarity of purpose and accountability being in vogue, resource management laws are seen as lacking clear objectives and priorities. Lawyers, planners and interest groups have had a heyday promoting conflicting views and trying to achieve a consensus position. The process has been bureaucratic, slow and costly.

Geoffrey Palmer leads an eight-member Cabinet Committee trying to simplify and co-ordinate the resource management law reform exercise. Although he has on occasions talked about the exercise being "zero-based", meaning it would address fundamental issues – a sort of back to basics consideration of resource management – he has not been averse to dropping strong hints, from time to time, about the direction in which he wants the task to proceed. He has made some pointed comments about his desire to give local government more power over environmental planning issues. "We don't want central Government involved in making decisions under these laws," he told the *National Business Review* on January 28, 1988. He is reported further as having said that Rogernomics might indeed be the panacea that New Zealand seeks and suggests that he and his Cabinet colleagues would be focusing on basic issues such as whether or not environmental planning was needed at all and whether market mechanisms could be used to resolve planning issues.

Whilst Mr Palmer's calls for greater consistency and a reduction in complexity are laudable the reform work to date has failed to demonstrate any adherence to an environmental management ethic that embraces the principles of sustainability and wise use. Interestingly enough in an attempt to convince one and all that he has not been entirely sucked in by the Douglas doctrine, Mr Palmer finally qualified his comments to *National Business Review* with the rejoinder ". . . I have little doubt that we need a planning law of some sort. I can see no escape from it and I think it would be undesirable and wrong to suggest we need no planning laws at all." Nonetheless Mr Palmer has clearly shown his hand and come out in favour of freeing up and devolving resource management decision-making to lower levels of Government and exposing it to the vagaries of the market place.

The linkages between the resource management law reform exercise and the review of local government being conducted concurrently by the Local Government Commission are obvious. For example, the high-profile Local Government Commissioner, Brian Elwood, speaking on national radio's 'Insight' programme, on September 25,

1988 spoke of the relationship between the proposed new local government boundaries and the disposition of resources. New local governments, he said, could deal with conservation issues. Probably indicative of things to come has been the abolition of the National Water and Soil Conservation Authority and the devolution of its powers to Catchment Boards in July. There are strong suggestions that Catchment Boards are about to go the way of the former national body, with their responsibilities being transferred to new Regional Councils.

The essence of the issue relates to whether or not the current reviews will give rise to a system of environmental management that will promote sustainable development and environmental sensitivity. Or will it abdicate central Government's powers to parochial authorities driven, because of their short-term need for funds, by an exploit-

ation ethic? If the latter prevails forestry and other land-use activities that require long-term vision are likely to be relegated down the order. Will regional governments be reliable guardians of environmental values and sustainable land-use or will they not?

With the greatest upheaval in local government since the abolition of the provinces about to descend on the country, and with Geoffrey Palmer set on a course of action to simplify and devolve natural resource management, the future promises more uncertainty and change. The future role of those central government agencies involved in administering existing land use and resource statutes is problematic. There are strong indications that they are likely to be affected in a way that makes the recent turmoil in the Department of Conservation and the Ministry of Forestry look like a ripple before the storm.

RECENT EVENTS

Changes at the School of Forestry

The School of Forestry's Advisory Committee has now met twice. Appointment to the committee was individual, not organizational. Members are: Dr S.D. Richardson (Chairman), Mrs H.R. Hughes, Mr K.C. Johnson, Dr J.M. Valentine and Mr D.G.K. Viles. The Head and the Dean of the School are also members *ex officio*. Having developed the necessary background to the School and the University at its first meeting, the Committee then settled very positively into a more specific advisory role on current School activities, at its second meeting. It plans to continue to meet twice a year.

Significant

Several significant changes are likely to occur in the B.For.Sci. degree. It has been agreed that an introductory forestry course (Forestry and Societies) will be taught in the first year and open to all students on campus. Year three will largely be taught at Lincoln College. This will allow students to take some Lincoln courses as well as making available some forestry courses to agricultural students. Also jointly taught

'Agroforestry' and 'Resource Based Recreation' courses will be offered. In the fourth year there is a proposal to teach a new course called 'Land Resource Policy'. There are other smaller changes.

Practical Courses

The practical courses have been altered. Students will have a basic skills course in their second year and before entering their third and fourth years will have month-long practical courses in February. The first of these will be held next year and is to be run at the Forest Training Centre in Rotorua. Compulsory vocation work experience has been dropped until the School can be sure sufficient employment is available. The students, with the help of Timberlands, have also trained themselves as an emergency fire-fighting team.

A careers video describing the B.For.Sci degree has recently been produced. It is available from the School of Forestry and will be of particular help to those talking to senior secondary school classes or career evenings.

D.J. Mead