

# Burly stumpages for the new crop, say Berl

In 1987 Treasury commissioned BERL (Business & Economic Research Ltd) economist Kel Sanderson to study prices that are likely to be obtained for wood in future sales from State Forests. Originally a confidential document, this study has recently been made public and can be purchased from the Treasury, Private Bag, Wellington for \$40. It is called "Valuation Prices For Wood in New Zealand Exotic Forests".

The report includes an examination of

projections of world demand and supply, the potential for New Zealand radiata to substitute for other quality clearwoods, the prospects for significant reductions in marketing, freight, and processing costs and concludes:

"The real stumpage prices for export, based only on the rise in real world prices for wood in response to the fundamental supply and demand forces, are projected to rise over the period 1987 to 2010 more strongly than the past trend. From 2010

to 2030 real prices are expected to rise at about the long-term trend level. On this basis real prices would be 95% higher than they are in 1987. In 2030 they would be 15% higher than in 2010. In 2030 they would be 125% higher than in 1987."

This is encouraging stuff for forest growers. Personally I was so inspired I went out and bought 20 ha of 10-year-old radiata pine forest near Otaki.

**Hamish Levack**



## Views sought

Sir,

As the recently appointed Forestry Adviser in the Appraisal, Evaluation and Analytical Support Unit of the Development Assistance Division of the Ministry of External Relations and Trade, one of my first tasks will be to undertake an evaluation of the effectiveness of industrial plantation forestry as a means of delivering New Zealand's official development assistance to developing countries, especially in the Pacific. I am aware that there are many journal readers who have in the past been involved in the planning and implementation of New Zealand funded forestry projects, as well as readers with other associations with or interests in New Zealand aid. I would appreciate hearing from any readers with pertinent views on the subject which might usefully add to the evaluation exercise. My address is:

Ministry of Foreign Relations and Trade,  
Private Bag,  
Wellington.

**Ben Everts**

## Preservation v. production

Sir,

I found Murray Hosking's letter (NZ Forestry 33(3) rather intemperate. Arguments for sustained wood-yield management of a small part of the Southland beech forests are as valid as arguments for their preservation.

Unfortunately, in this letter the word "conservation" is used to mean "preservation", which clouds the argument, for there is now no word in New Zealand

meaning "conservation" as foresters have understood it for more than a century; that is, wise use.

In this letter it is claimed that the management of the silver beech forests, practised for nearly 30 years, places "conservation" (i.e. preservation) values at risk "by further pursuit of an uneconomic activity" and that there is no evidence that the Forestry "Corporation could operate profitably in these forests". This claim is, I suppose, related to the long-term policy of successive NZ Governments to ensure very low stumpages, and may have no validity in the long term. Current Japanese or European hardwood stumpages would make the beech operation highly profitable.

It is also claimed that "the public have rejected the notion that natural forests should continue to be the plaything of the forestry profession". This is a gratuitous insult to most of the world's foresters who manage their native forests with care and ecological understanding for multiple use. Apart from that, the public of New Zealand have been denied a full analysis of the preservation v. production case. The preservationists have preempted the media and arguments in favour of sustained-yield multiple-objective forest management (as I know from long personal experience) are not welcome. Successive Governments (whose members have short-term objectives and who are woefully ignorant of anything to do with land use) have of course been conned into believing that the public fully supports preservation.

We now have the very odd position where management for sustained wood production is virtually prohibited in native forests, while the Government

intends to sell off our exotic forests to the highest bidder with no strings attached – "buyer(s) would be free to decide land use" (NZ Herald, Dec. 23, 1988). That is, in our exotic forests we are reverting to a potential "cut out and get out" policy which preservationists have rightly condemned in our native forests.

A weighty question that is ignored in this letter is that management for preservation is not costless. It could be described as an uneconomical unprofitable activity. Already the Department of Conservation has had to cut back, and will never have anywhere near sufficient funds to manage and protect the 30% of New Zealand's land surface and large areas of coastline and adjoining seas. The only likely outcome is that people who want the forests preserved solely for recreation will have to pay for the use (enjoyment) of our native forests.

Maybe, though, like the preservationists in the USA, we shall be happy to leave the natural forests to look after themselves – for example, to allow our native forests to burn down (See "Fire in Yellowstone, Hot Air in D.C.", New York Times, Sept. 11, 1988). After all, wildfires are natural! We could equally ignore insect and disease epidemics, and stop interfering in trying to preserve plants and wildlife. Such intervention is, surely, unnatural.

If people in general are to make wise long-term decisions, they need full, unbiased information on long-term ecological, social and economic aspects of any proposed management (including preservation) of forest areas. These they have never had, and letters such as this do not help to clarify the issues.

**C.G.R. Chavasse**