

Rayonier intends to build processing plant in Southland

Rayonier New Zealand (RNZ) has stated it intends to build a world-class Medium Density Fibreboard (MDF) facility in Southland to support rapidly growing Pacific Rim export markets.

Charles Margiotta, Managing Director of RNZ, said site selection was underway and discussions were being held with possible joint venture partners. It is expected the facility would produce about 100,000 cubic metres of MDF and cost between \$100-120 million. Start-up is targeted for early to mid-1996, pending necessary permitting and crown approval.

RNZ started operating in New Zealand in 1988, and in 1992 the company purchased 100,000 hectares of crown plantation forests, of which 33,000 hectares are within the Southland/Otago region. The mill will significantly improve utilisation and value of pulpwood from Rayonier's timber estate and that of other forest owners as well. It will also provide local demand for chips being produced by Southland/Otago sawmills.

The plant will be Rayonier's first venture into one of the fastest-growing segments of the engineered-wood business.

Because of its light colour, MDF produced from radiata pine is in high demand throughout the world for furniture, cabinetry and millwork.

Rayonier New Zealand is a wholly-owned subsidiary of Rayonier, a leading international forest products company headquartered in the United States with customers in more than 60 countries.

Consultant recognition

The following have applied for recognition as specialist forestry consultants in New Zealand and overseas:

Robin Trewin Rotorua
Michael Krausse Palmerston North

The following specialist consultants have applied for a review of recognition as general forestry consultants:

Jon Dey Wellington
John Schrider Wellington

Under the NZIF constitution, any members of the Institute may send objections in writing within 40 days of Journal publication to the Registrar, NZIF Consultants Committee, P.O. Box 1340, Rotorua.



An ecological champion questioned

Sir,

Dr Christopher Thies (J'Accuse, *NZ Forestry* 39:1, p 6), like so many environmentalists, seems to be ecologically illiterate. I shall deal with only one solecism.

He states: "This means no clear-cuts, which are unknown in the forest's natural processes." He is unaware that, before the advent of humans, much of the forests of temperate and boreal zones were regenerated by catastrophes. In his thinking humans are not legitimately involved in ecosystems. If they were, by chance, then it would be just as natural for humans to clear-cut forests as for wildfires, gales, floods, volcanic eruptions, insect and fungal epidemics to destroy them. Further, is there any difference between humans planting or seeding previously tree-bearing land, and haphazard and irregular regeneration through the agency of wind or birds?

Is he aware that Finland and Germany were once almost totally denuded of trees, and their present well-forested state is due almost entirely to people replanting the forests?

Moreover, why doesn't Dr Thies, to be consistent, apply his strictures to grain-bearing grasses, vegetables, fruits and nuts? That way we could all become extinct, and cataclysmic climatic and tectonic events could clearfell forests to their hearts' content.

C.G.R. Chavasse

Ure v Richardson

Sir,

I am enjoying the sparring between the above named. Despite clever footwork by Dennis in trying to get out of John's corner I think John is clearly ahead on points. His technical superiority is evident from Dennis having to ask in the May issue "What is SCHLEICHWIRTSCHAFT?" I am assuming that Dennis is not covering up behind an obvious misprint.

Those of us who were nurtured in European forest management with Dr R.S. Troup's standard textbook "Silvicultural Systems" to hand will have little difficulty in recalling the English translation of SCHLEICHWIRTSCHAFT, simply "selection system". I suspect that Dennis

would have had less of a problem had John used the French equivalent JARDINAGE, in as much as there is indeed something garden-like on a grand scale in the Redwood Grove.

Malcolm Conway

Croatian request for employment

The Journal recently received a CV and request for employment from a Croatian forester, currently a New Zealand permanent resident. For those interested in contacting him his details are as follows:

Mr Nevesin Kovacic
7D Hampton Court
182 Federal Street
Auckland
Tel: 09-377 3976

Ed.

Forest valuation

Sir,

J.E. Henry illustrates a problem in forest accounting in his letter in the May 1944 issue. I agree that investors are entitled to annual accounting of their forest values. I would add that the accounting should be done using consistent and recognised accounting procedures. Mr Henry makes a good point. Unfortunately, he uses misleading logic in making his point. He ignores the time value of money.

Mr Henry takes the value of a forest crop harvested at age 25 and adds it to the value of a subsequent forest harvested at age 20. He argues that the resulting sum is less than the value of the first crop, had it been allowed to grow on to age 46. In doing this, all Mr Henry is saying is that the value of a 46-year-old forest is higher than the value of two forests, aged 25 and 20. He is implying that the trees should be allowed to grow older. But he is ignoring the cost of allowing them to do so. He is implicitly assuming that his discount rate is 0 per cent.

If the forest crop is felled at age 25, the proceeds from the sale could probably be invested at a positive rate of return. If nothing else, they could be reinvested in forestry. It is not correct to add money now to money earned 20 years from now, unless you are an accountant using historic cost valuation or you are an investor whose best alternative is to stuff a mattress with the cash. Yet that is what Mr Henry does.

One of the reasons that accountants have been so reluctant to take on forestry