



Autumn 2005

### Safety first

### Forest risks ignored in Government access policy

The NZ Forest Owners Association says it is unsafe to have members of the public wandering along riverbanks in most production forests.

This follows the government's proposal to create a statutory right to walk within 5 metres of the coast and the dry margins of rivers and lakes with 'access value'.

NZFOA president Peter Berg says his members have a long history of allowing generous public access privileges to plantation forests.

But this could become very hard to manage if the government's proposed walking access legislation assumes that 'freedom walkers' should have the right to wander along river banks in forest plantations.

"By regulating access as we do now, forest owners can allow hunters to be in one part of a large forest; and rally cars or off-roaders somewhere else. Add in freedom walkers and you have a very dangerous mix."

Berg says the Association will be watching with great interest the decisions made by Cabinet following a report-back by officials

"We will be seeking a blanket prohibition on access to operational areas in plantation forests – either in the legislation or as a standing policy of the proposed Land Access Commission.

"There also needs to be a standard policy applying to non-operational areas of a forest. This could provide for a right of access to approved walkways subject to the consent of the owner, who would have the right to exclude walkers for specified reasons, such as fire risk, forestry operations, or in other highrisk situations.'

He says his biggest fear is that each individual forest owner will have to apply for a walking access exclusion every time there is machinery working on a block, trees or branches 'hung-up' after a storm, or when fire risk is high.

"It would be a costly bureaucratic nightmare."



By controlling access, risks to visitors and

Berg says the proposed process for identifying and establishing walking access routes will make land owners blood run cold.

"Unless there are some well thought out exceptions to the presumption that the public has a right of access, hundreds of forest owners could find themselves in front of the authority and appeal tribunals arguing the same case."

He says walking access along riverbanks in production forests is generally not practical because of dense vegetation. Alternative routes, as envisaged in the government's proposals, will only add to the confusion and therefore the risk.

"Plantation forests are potentially dangerous working environments, where all employees are trained in occupational safety procedures. Having untrained members of the public walking in or near operational areas is unacceptable.

"There will also be an increased bio-security and fire risk."

He says the common law right of private landholders to exclude persons from their properties lies at the heart of the issue.

"We take the strongest possible exception to the assertion in government policy papers that land owners manage their land for the public good. Land owners primarily invest in property so they can control it for their private benefit. This applies as much to a city home owner as it does to a forester or farmer.

"In the case of a forest this is not only a matter of principle. If you were operating machinery or felling within, say, 100 metres of a walkway, you would have to assume walkers were present at all times. Managing this risk will be costly and pose big practical

"Visibility is very limited in forestry situations, which increases the risks for visitors and work-

"Forest operating codes of practice forbid forestry workers approaching within two tree lengths of felling operations, roads are physically closed off where such operations are being undertaken and, if fire danger rises, all operations may cease and access to the forest is totally closed off.

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### In my view

# Government steps up to the plate

The New Zealand forest industry often looks with envy at the favourable way its counterparts in competing countries are treated by their governments. For example, we are only too aware of the very generous financial support provided to forest owners in the European Union.

Even in Australia the forest industry is provided with significant assistance from direct grants, low stumpage prices from government-owned forests, and more simple and far less expensive resource consent processes.

In the latest Australian National Forest and Lumber publication, the headline on page 2 over a photograph of the Australian minister of forestry reads, 'Support Aussie Timber'.

The article goes on to quote the minister as saying 'Australian builders and home handymen are being urged to show their patriotism and insist on only Australian-grown and harvested timber'. And 'You can also buy this fine product in the knowledge that it is sustainably harvested from forests that will continue to supply timber to our nation for centuries to come'.

Other articles in the same magazine outline other ways in which both the federal and state governments actively support the local industry.

The NZ forest industry does not look for direct government subsidies. Also it is prepared

to deal in a totally commercial way with normal commercial challenges and risks.

However, it does expect the government to avoid imposing on the industry additional barriers and costs such as unnecessarily complicated and costly resource consent processes, and overly restrictive and costly industrial and health and safety regulations.

While the New Zealand Government has made a tentative welcome start to developing a wood procurement policy, and acting against the importation of illegally logged timber, much more needs to be done to place the NZ industry on a similar footing to its competitors overseas.

When the industry and the government reached an impasse last year on the contentious policy issues of FIFA, the industry proposed that these should be put to one side, so that discussions about a joint government/industry growth strategy could proceed.

Previous strategy discussions — which acknowledged the many attributes which the industry provides to the economy and society,

such as export earnings, jobs, biodiversity, carbon sinks, regional growth, soil stability, and clean rivers – had been very positive.

The government has now accepted this logic. Also, at a recent meeting of industry representatives, Jim Anderton the new Minister of Forestry reinforced his confidence in the important role of the industry and stated that he would be a strong advocate for it with his Cabinet colleagues.

This has been reinforced by the minister in an interview published in this issue of the *Bulletin* (see opposite page) in which he indicates that he is keen to work with the industry and to show flexibility in the allocation of industry and regional development funds.

Of course, the industry itself will need to substantiate its case for government funding and in some cases will be required to make a significant contribution. But the minister's stated intentions augur well for a new and more positive relationship – a relationship which should benefit not only the industry but the wider community in so many ways.

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"Similarly, during strong winds there are dangers from falling branches and debris. The industry has put a lot of time into establishing safe working conditions for its people and the possibility of a different code applying for other visitors is not tenable."

"If the government seeks to grant the public the right to walk through private property, particularly through a plantation forest, this access right should be negotiated and appropriate compensation paid." Cabinet has yet to decide whether landholders should be compensated for the statutory 'taking' of the access right.

A Cabinet paper points out that privacy and quiet enjoyment are part of the bundle of rights which go with fee simple title in New Zealand. Also, that there is no common law right in New Zealand to cross land, and this has been reinforced by the law of trespass.

But it also observes that compensation is not generally paid for the alteration of property

rights made by legislation – such as under the RMA – when possession of the land is not lost.

The next step in the access policy will be an officials report on the establishment of an access agency. This is to be considered by the Cabinet policy committee on 31 March. There will then be a long time lag as legislation is drafted and put into effect. The government says if the legislation is passed in 2006, the policy won't become operational until 2009.

### New minister; big vision

**By Trevor Walton** 

Jim Anderton did not ask to be made minister of forests in the latest cabinet reshuffle – "it's not something you normally do, ask for a portfolio" – but he's happy to be working with the sector again.



Jim Anderton in Gisborne with mayor Meng Foon
He wants to use the East Coast experience to help develop best-practice standards for wood processing consents under the RMA

After all, there's some unfinished business to be completed.

"When we started in government in 1999, I was made Minister of Economic Development and Minister of Regional Development. New Zealand had gone for nearly 30 years without a coherent economic development policy and the country was paying the price. If we wanted to arrest our decline economically, we had to get a grip on it.

"Taiwan was a good example. In 1969, Taiwan and New Zealand each had a GDP of about \$1 billion. Thirty years later, their GDP was \$120 billion and ours was \$30 billion.

"Taiwan had a strategic plan. We didn't."

Anderton and his officials looked at many industries. But it soon became apparent that forestry was a major player in many regions where economic performance was poor. And when Commerce Ministry chief executive Paul Carpenter set up a task force to look at economic development in two of these regions – North Auckland and Tairawhiti – wood processing was the core of its work.

Anderton says the task force and government worked closely with wood processors and the forest industry, creating what became the national wood processing strategy (WPS).

"We gave moral backing to the industry's anti-drug policies, strengthened the Environmental Court to get rid of the backlog of cases, and tried to attract a number of added value processors to New Zealand – including the Danish furniture maker which has now set up here. We were involved in all that ...

"But the strategy only really took off when the government undertook to do things the industry really needed, like skills development and most importantly, roading.

"When the government decided to pick-up the tab for roading in the new forestry regions, it was a very hard pill for the Treasury and roading authorities to bite on. But if we hadn't done it there wouldn't have been any new roads. The local authorities in those regions are too poor to fund their share using normal roading funding formulas.

"But when we did that, the forest industry sat bolt upright. They could see we meant business."

At that point, things were rolling, and Anderton felt the forest industry and officials could be left to action the strategy. Textiles and other industries needed his attention.

But it didn't happen. The government's decision to ratify Kyoto, and nationalise the forest industry's carbon sinks, stopped the WPS in its tracks.

The proposed Forest Industry Framework Agreement (FIFA) became a framework for disagreement and to use Anderton's words, relations between the industry and government became paralysed.

"With Jim Sutton [the former forestry minister] increasingly tied up in trade issues, the Prime Minister asked me whether I was willing to get involved again in wood processing," Anderton explains.

"In a sense I have been appointed as a change manager. I have the support of Cabinet to break through the impasse.

"The two issues have been separated. I'm about wood processing and industry development. If you want to talk about climate change, you go and talk to Pete Hodgson [the climate change minister]."

#### Budget wish-list

As the new forestry minister, Anderton met forest industry representatives in Wellington on 15 February, where he outlined his goals and the areas of assistance he thought government could give. The list is long, and the specifics depend on getting Cabinet approvals for inclusion in this year's Budget.

Cabinet papers are now being prepared, asking for more funds for market access and development, skills training, the Centre for Excellence in Wood Processing, bio-energy development and the development of technologies which foster the use of radiata as a high quality design-led material.

"All these projects will be assisted by government and industry working closely together, and I think the response of industry representatives was very positive. It's now a

#### Profile

budgetary matter. I will get resources to share in good faith, and for its part, the industry will need to put its money where its mouth is."

Whether that funding comes via a commodity levy, or not, Anderton says he doesn't care.

"If you want a levy, the government will facilitate it for you. Otherwise you can do anything you like."

He says it's the big picture that counts; the need for industry and government to agree, and get on with the Wood Processing Strategy.

"If we see logs on the wharf we have to ask whether it is a reflection of economic success or economic failure. To a large extent, it's a symbol of economic failure.

"Many of the countries which compete with us don't export logs any more. It almost too aspirational for New Zealand, but that would be my dream.

"We need to focus on wood value, rather than wood weight. I know it's not something that can be done overnight; we have far too much wood for our processing resources.

"The bottom line is that forestry is New Zealand's third largest industry, with the potential to be the top. But we won't get there unless we upskill and process more logs here into high-value, less price-sensitive goods."

Anderton also sees a need for better use to be made of wood in commercial construction in New Zealand.

"I'm very keen on this. Technically it can be done, but apart from its use in homes – where Lockwood is a good example – we are making very little use of timber in commercial buildings.

"We need to encourage a design-led approach to replace other construction materials with wood. I hope to make some positive announcements around Budget time."

### RMA issues

Meanwhile Anderton is not sitting on his hands. A few days after meeting industry representatives, he was off to Gisborne to wrestle with the RMA issues which do so much to stifle investment in wood processing.

A couple of years ago the WPS RMA working group had called for industry and councils to agree to codes of practice for making and assessing wood processing consent applications, but Local Government New Zealand and the Ministry for the Environment poured cold water on the proposal.

"I am talking to the councils, forestry companies, the port and local business leaders, to see if the East Coast can be a pilot for the rest of the country. There have been RMA problems up there, and we want to come up with a process showing how the RMA can operate to best effect.

"With their help we can prove it can be done."

Wellington insiders say Anderton is one of a handful of ministers who is known for his ability to get things done. He's valued by the prime minister for his can-do attitude.

But despite these abilities, and the enthusiasm and energy he is putting into forestry, Anderton is not afraid to call the shots when he finds things wanting.

### "The industry has to change its image. In truth, most forestry is high-tech, but that's not the image it has."

Last year he chided forest industry leaders for having such a short-term commodity focus. He still holds the same view and believes it lies at the root of the forest industry's bad image.

"Many forestry companies act like rip, snort and bust outfits. Communities make a commitment to them and there's one bad year and everyone is out [of a job]. When people aren't needed, the company spits them out.

"The industry has to change its image. In truth, most forestry is high-tech, but that's not the image it has. A lot of companies have bad reputations among former forestry workers — and there are a lot of them. Their communities, schools, parents have a jaundiced view.

"I'm willing to help the industry build its image, but it has to learn to treat communities and people with care and respect."

He says the image would improve out of sight if workers knew the trees they were tending or harvesting were being used to create high quality furniture, sold for premium prices to top retailers like Marks & Spencers. That as a result, they were well-paid and part of a stable, less price-sensitive industry.

He also says the industry could do more to promote the highly innovative production systems upon which our forest industry is based.

Criticism aside, Anderton fully appreciates the contribution forestry makes to the economy. He also recognises that with Kyoto, the government has a vested interest in ensuring that the nation's forest assets are safe.

He points to the big increases the government has made in biosecurity funding, but asks the rhetorical question, "how deep is the ocean?". No matter how much the government spends, one foolish individual illegally importing plant or animal material can put a whole industry, or even the economy, at risk.

He says the government will have a resource to help fund urgent needs, or projects which the industry considers important. "It won't be a blank cheque – the industry will have to demonstrate it has a rational case, but if it does this, I will do my best to help."

### Anderton on Kyoto

Forestry minister Jim Anderton won't talk about the stalled Forest Industry Framework Agreement or the future of the 10 per cent deforestation cap. That's Pete Hodgson's business he says.

But he makes it clear the government won't be back-tracking on its decision to nationalise the forest industry's carbon credits.

"The government is accepting responsibility for greenhouse gas assets and liabilities.

"Some forest owners say they should have got all the credits in their forests. They would have got a one-off windfall gain, while other industries and businesses would have lost everything – they would be out of business.

"Government couldn't accede to that. It

has to look at the wider implications in climate change for the whole economy.

"World-wide, governments are having to take responsibility, because only they can carry the risks and liabilities. Otherwise you would have huge winners and losers."

He says forest owners are "quite legitimately" asking what the government's Kyoto policies mean in terms of their ability to change land-use to say, dairying.

"I'd put the issue the other way round. What if we made forestry more attractive than dairying? I'm not talking subsidies. We need to look creatively at this – don't just see it as a straight line.

"We'll be looking at other options with the industry. There's always room for change and discussion."

### Telling customers about FSC

More of New Zealand's export timber may soon carry a label saying it was grown in an environmentally friendly manner.



It comes from a sustainable forest Now it needs to carry the FSC logo and a statement which tells the sustainability story

About 30 per cent of the timber harvested in New Zealand each year comes from plantations which meet the demanding standards of the international Forest Stewardship Council

But less than 14 per cent of the lumber and wood products from these forests carries the FSC logo.

John Schrider of Forme Consulting Group, a forest consultancy business and manager of the SGS Qualifor FSC certification programme in New Zealand, says this represents a lost opportunity. He suggests that firms accredited under the FSC programme should be doing more to promote its FSC status.

Accreditation has cost the industry \$9.5-\$10 million in the last five years. He says attaching FSC labels on eligible products would involve an investment which – relative to the cost of accreditation – was relatively small.

Until recently, FSC 'chain of custody' rules have made it difficult to identify and label wood and wood products from accredited plantations. But new rules have made it easier to use the FSC label and he's encouraging manufacturers to make the most of the opportunity.

"I've spoken about it at FSC accreditation seminars in the South Island in the last week, and most attendees thought it made good sense."

In New Zealand, the promotion of FSC and other certification standards is left to individual certificate holders.

In practice, this has meant that the trademark is normally used only where a customer specifically requests it.

"The challenge is to convince customers who have no understanding of what FSC is about to initially listen, enquire and eventually base their buying on what they understand about FSC," Schrider says.

"One way of influencing this change is to adopt more aggressive 'push' branding."

Schrider is proposing that the NZ forest industry adopt a policy of encouraging the labelling of more FSC-certified lumber.

The recent chain of custody standards review has introduced generic FSC labels that will be applied on a global basis.

He says the challenge for New Zealand manufacturers is to somehow link this with New Zealand pine, particularly on products that are packaged for final consumer use.

"Labelling of partially processed lumber destined for remanufacturing in places like Vietnam and China will also create an awareness in those markets where FSC chain of custody certification is expected to increase significantly."

NZFOA chief executive Rob McLagan says the association will welcome getting a formal proposal from John Schrider.

"Sustainability is a key strength of the NZ plantation forestry industry and one which we want to see promoted as a major point of difference in all markets."

#### Forest Health

### Info and feedback on the web

All papers from the 2005 NZFOA/MAF forest health workshop are now available on the web, says convenor Bill Dyck.

The workshop, held in Rotorua on 28 February and 1 March, attracted about 60 registrations.

The attendees were brought up to date with the risk of an incursion by pitch canker and the best means of dealing with it.

They were also briefed on the latest from a science and control perspective on existing forest diseases and physiological disorders, among them nectria, dothistroma, armillaria, cyclaneusma and UMCY.

The industry's forest health R&D strategy was tabled and discussed, and further input is sought from industry players.

"The government and industry is investing \$19 million over five years into forest health research.

"We now have a draft strategy and draft operating plan which prioritises the use of that money.

"It is now important for forest owners to read this document, and to give us feedback. Our perception of priorities needs to reflect the views of the industry as a whole."

To view the workshop papers and the draft Forest Biosecurity Research Strategy: www.fbrc.org.nz

### Wood poised for comeback

## Wood was once the material of choice for New Zealand homes, schools and commercial buildings.

Since the 1930s, however, reinforced concrete has been the main material used in the construction of commercial buildings. In more recent years, concrete and steel have been used to build a growing number of private homes, apartments and schools.

This trend may soon be coming to an end.

For environmental reasons, the government is keen to encourage greater use of wood in its construction programme. Wood is a less energy intensive material and has a vastly superior greenhouse gas profile than its two main competitors.

But before these benefits can be fully captured, there's quite a bit of water to go under the bridge, much of it technical.

Older wooden homes tend to be poorly insulated, making them uncomfortable in hot and cold weather. Newer wooden homes may be better insulated but they have also had their problems, as the leaky buildings scandal has illustrated.

But poor insulation and leaks can't be blamed on wood. They are the result of inadequate building designs and technologies.

Optimising the 'built environment' is now a major focus of activity at Forest Research, with scientists exploring a host of technical and design challenges.

Meanwhile, as if to endorse FR's research direction, the Building Research Association of New Zealand (BRANZ) has come out with a report which says the lack of design expertise and conservative attitudes are the main factors holding back the greater use of wood in commercial buildings.

BRANZ says wood offers big cost savings in offices and apartments up to six stories. There's also potential to use it in hybrid concrete and wood structures of up to 14 stories.

Forest Research scientist Mike Collins is working on what is known as the Retrofit project. This aims to help people renovate and upgrade older houses, making them warmer, more energy efficient and cheaper to run

He is proposing the use of an integrated system based on solar heaters, stored wa-



Mike Collins

The Retrofit project aims to help people renovate and upgrade older houses, making them warmer, more energy efficient and cheaper to run

ter, heat pumps and radiators to heat and cool wooden houses.

Thermal mass is often touted as a benefit of concrete construction, but Collins points out concrete is inflexible – the side of the house which warms up during the day may not be the side where heat is needed at night.

"Water is four times as efficient as concrete on a weight basis, and it's easier to move around a building," says Collins.

The numbers appear to support his case. Raising or lowering the temperature of a cubic metre of water by 1 deg C involves the use or release of 1.2 kilowatt/hours of energy.

Therefore, raising the temperature of 2 cu metres of water by 30 deg C – which could be readily achieved using solar heating technology – represents 60 kW hours of 'night store' heating.

The FR built environment team is working closely with eco-home projects from Whakatane to Christchurch. They also initiated and continue to be involved with other agencies in what has been dubbed as the NOW home project. The NOW home is now part of the larger Beacon Pathway Ltd consortium, and is to be built in Waitakere City.

"This is the first stage in a series of demonstration homes that will investigate ways in which housing can be designed differently, or enhanced through retrofitting, to meet the changing needs of our society," scientist Russell Burton says.

"The goal is to demonstrate practical solutions that will improve living standards, health and wellbeing for the whole population."

Unit manager Karen Bayne says other FR scientists are working with the Pine Manufacturers' Association and the Timber Design Society to build the confidence of designers and specifiers in timber as a building material.

"Design students want to use wood, but there are very few specialists in wood engineering and design who can train them. So we are using our expertise and working with the universities to provide awareness and teaching material.

Few stones appear to be unturned. Consumers who are averse to the use of synthetic chemicals in wood construction are being catered for by the development of a suite of new biomaterials such as natural resins to replace formaldehyde adhesives, and eco-friendly natural waxes to edge out polyurethanes.

Overlaying it all is attitudinal research to find out what motivates consumers in their choice of house design and whether or not to upgrade or retrofit.

"Private homes soak up a lot of energy, and increasing the proportion of renewable energy is a big feature of New Zealand's energy efficiency strategy – so something has to be done," says Bayne.

Wood is likely to play a larger part in that 'something', both as a construction material and as a solid heating fuel to replace coal and electricity.

Meanwhile, all eyes are on the researchers.

### Forestry's unsung heroes

The real heroes of the Kyoto protocol are the tens of thousands of New Zealanders who over the years have invested in plantation forests and who work in the forestry and wood processing industries.

NZFOA president Peter Berg says that without the commercial forests planted since 1990 — which are recognised by the treaty — New Zealand would not have been in a position to ratify the Kyoto protocol in December 2002. The protocol came into force on 16 February.

"New Zealand's Kyoto forests provide enormous flexibility in meeting the country's obligations under the Kyoto protocol.

"The protocol requires New Zealand to reduce its greenhouse gas emissions to 1990 levels, but emissions have been increasing with economic growth and expanding agricultural output. The economy is being protected from this liability by the country's forests which absorb carbon from the atmosphere.

"Because they generate a carbon surplus of some 50 million tonnes, the government will not have to buy carbon credits on the world market."

Berg warns that a failure to recognise the industry's contribution could severely compromise the country's ability to meet future Kyoto obligations.

"The government congratulates itself for making a strong response to climate change, but its Kyoto policies have so far provided no real advantage for, and may have even disadvantaged the industry that enabled this response to be made," he says.

"The government has kept carbon credits for

itself and owners of forests planted before 1990 face penalties if they decide not to replant forests after harvesting. This is causing considerable uncertainty in the industry.

"It is also in stark contrast to the treatment accorded the agricultural sector. Despite its methane and nitrous oxide emissions, it gets off with making a small contribution to climate change research."

Berg says a potential way forward existed if government and industry manage to agree on joint initiatives to encourage the industry's growth and profitability.

"Increased government investment in the forest and wood processing industry's development makes environmental as well as economic sense. It is very positive for the industry that new forestry minister Jim Anderton recognises this fact.

"In a just released report, *The Cost of US Forest-based Carbon Sequestration* the Pew Centre in Washington found that using forests to remove greenhouse gases and store carbon was as cost-effective as other strategies, including cutting pollution by switching to alternative fuels, or improving energy efficiency."

NZFIC chairman Lees Seymour says reaching a satisfactory industry development agreement with the government is a priority.

"We don't plant trees to feel good. We are in

business and the key to our ongoing investment is demand for our products. Forestry makes a huge social, environmental, and economic contribution to New Zealand.

"We are looking for some recognition and a partnership approach to ensuring the industry's ongoing profitability."

Seymour also points out that New Zealand's wood industries are also climate change heroes. They use renewable materials from carbon sinks, use much less energy than competing industries, and the final products also store carbon.

He highlights the recent report by the Building Research Association of New Zealand (BRANZ) *Timber products in New Government Buildings.* 

It found that timber is more sustainable than concrete and steel because carbon emissions from timber are very low. In some cases they are negative, meaning that the carbon stored in timber is greater than the carbon releases associated with other materials used in the building industry.

#### **Industry**

### New structure supported

The NZFOA is supporting the examination of a new pan-industry organisation, tentatively known as WoodCo.

The role of the new body is likely to be limited to those industry-good functions which benefit all industry sectors.

NZFOA chief executive Rob McLagan says WoodCo has been described as an "association of associations", and is likely to be involved in activities like negotiating improved market access, and the promotion of positive attributes of the industry and of wood.

Each industry association has been asked to nominate representatives to the establishment board. Peter Berg and Philip Langston are the NZFOA nominees.

The chairman of the WoodCo establishment board is Rick Christie, who is expected to convene its first meeting shortly. The objective is to have the new organisation up and running by 1 July



The government's Kyoto policy favours met emitters like farming at the expense of the industry which made the policy possible – forestry

#### **Briefs**

#### Rob McLagan to retire



Rob McLagan

Rob McLagan, chief executive of the New Zealand Forest Owners Association for the best part of a decade, is to retire shortly.

His replacement is expected to be named in late-March.

Peter Berg, president of the Association, says McLagan is highly respected in the forest and farming industries, and has been outstanding in his role with the Association.

"His ability to work effectively with governments and political parties of all colours has been a great asset to the industry."

Mr Berg says McLagan is to be retained by the forest industry as its representative on the FSC's plantation review group. The first meeting was in Stockholm on 9 March.

"In this role, Rob's advocacy skills will continue to benefit the industry."

### Levy in balance

The concept of a commodity levy to fund common-good activities for the forest industry is still being debated.

If such a levy was introduced, there appears to be a growing view that it should be focussed on closely defined issues which impact on all growers, says NZFOA chief executive Rob McLagan.

"These are likely to include forest health surveillance, and production and fire research projects where the findings benefit the whole industry."

### ECAN proposal challenged

A proposal by Environment Canterbury (ECAN) to restrict forest plantings in foothill catchments where rainfall is low has been strongly challenged by the NZFOA.

In a submission on ECAN's Proposed Canterbury Natural Resources Regional Plan (PNRRP), the Association says land use regulation in the headwaters is illogical if the problem is too much irrigation lower down in a catchment.

The Association believes the plan should be redrafted with a far stronger focus on sustainable management as required under the Resource Management Act.

Chief executive Rob McLagan says ECAN did not consult with the association when drafting the plan, even though it sets a disturbing and environmentally indefensible precedent which could creep to other regions of New Zealand.

"Where is the incentive for irrigators to use water responsibly if the cost of maintaining water in the catchment falls on someone else? To the extent that upland forest owners are being used to address problems created by someone else, they are facing a loss not for the common good, but for the private benefit of others.



The government wants the Canterbury high country to revert to unproductive scrub, at the same time as ECAN is trying to discourage productive forestry

"Forest owners are surprised that at the same time ECAN is proposing its controls on plantation forests (tall vegetation) to maximise water yield for irrigation, the Government is proposing to remove large areas of high country tussock grassland from grazing, so it can eventually revert to tall vegetation.

"Separately, central government has recently announced a funding package aimed among other things at increasing the areas of permanent forest in New Zealand as mitigation for this country's emissions of greenhouse gases.

"It would be a bitter irony indeed if land owners were restricted from making economic use of their land because big chunks of the high country were reverting to gorse and broom."

The NZFOA submission argues that while the plan emphasises the 'use' of water by forests, including within riparian zones, little is made of the resulting benefits.

"By contrast, the highly inefficient nature of some types of irrigation (eg border dyke irrigation on light soils) is not so subject to critical science, nor is the use of 500 to 1000 litres of irrigation water per litre of milk.

"The target is apparently plantation forests, and ECAN's research questions appear to have been framed to suit, particularly by removing forests from the wider sustainable land management context relating to the Canterbury region. For instance, transpiration recorded for plantation forests grown on the Canterbury Plains are presented for summer months as high, when research indicates that pasture transpiration is as high or higher during the same period, especially where irrigated."

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