



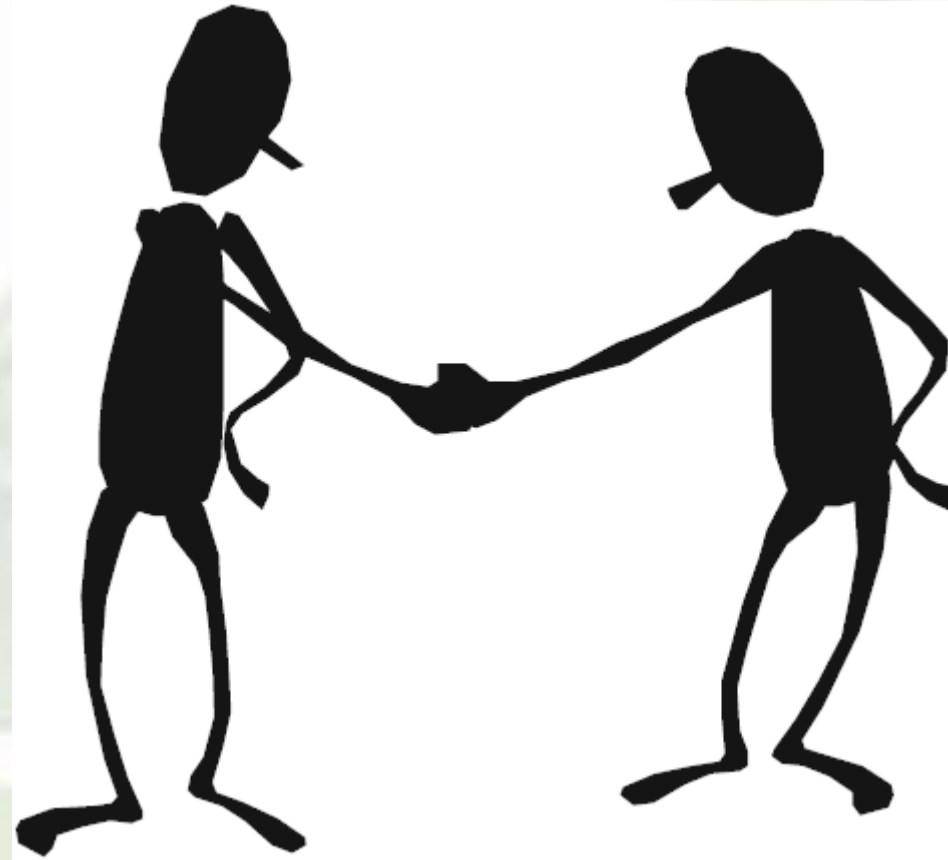
# The Future of New Zealand Forestry

Australian and New Zealand Institutes of Forestry Joint Conference

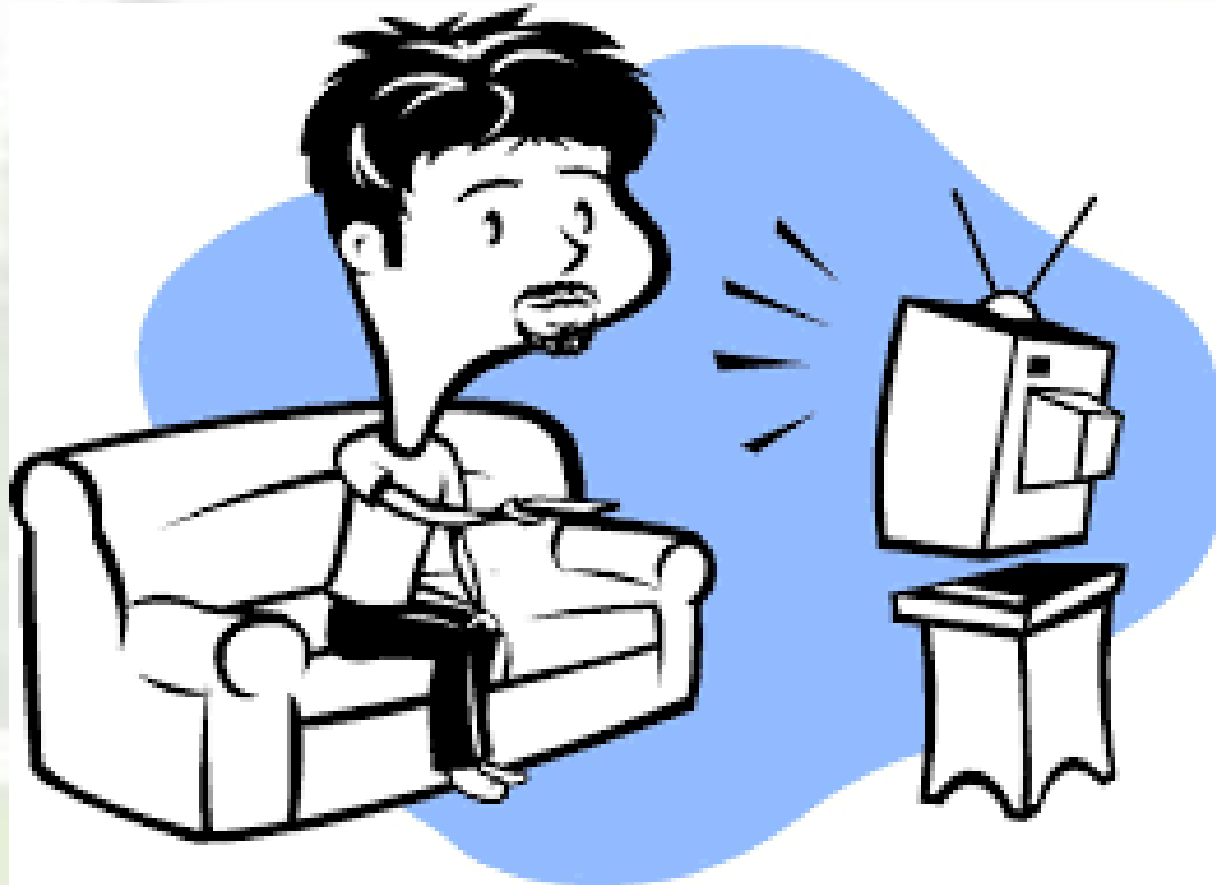
27<sup>th</sup> August 2019

Peter D. Clark

# Make it happen



# Watch it happening



# Wonder what happened



# Climate Change and Declining Freshwater Quality



# Sediment and Debris Flows



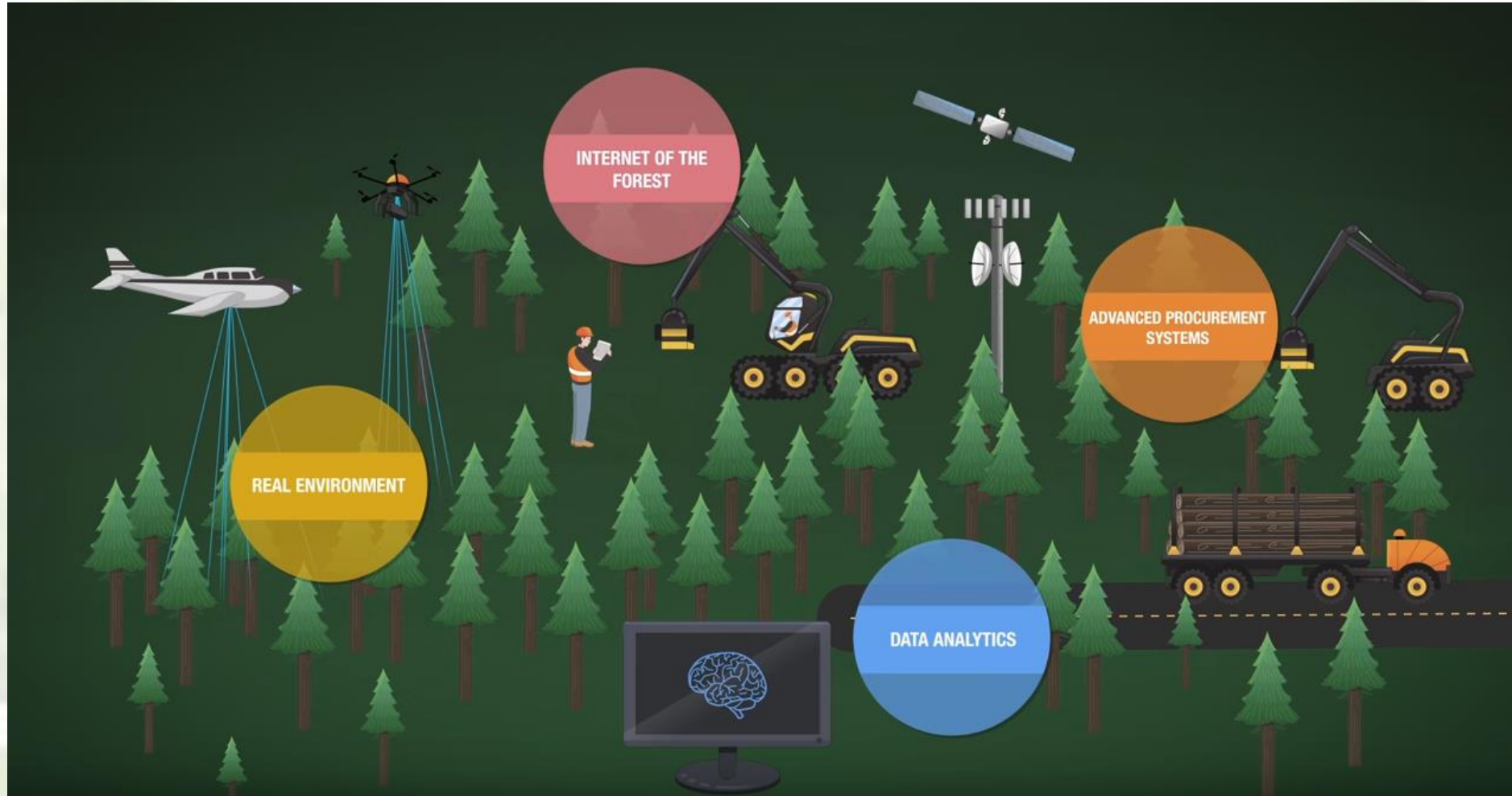
Excellence in forest engineering and water controls is the key

# Pruned Log Demand



Accoya cladding offers a wood solution with stability and durability

# Technology





# Emerging Forest Products



Nelson Airport – Expect to see more of this.

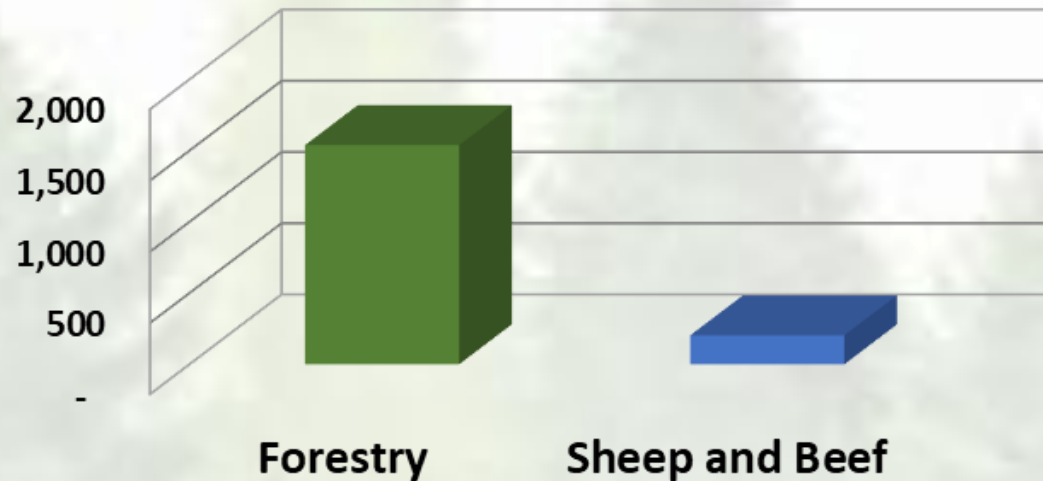
# Domestic Processing

It really matters –  
but how will it happen?

# Profitability

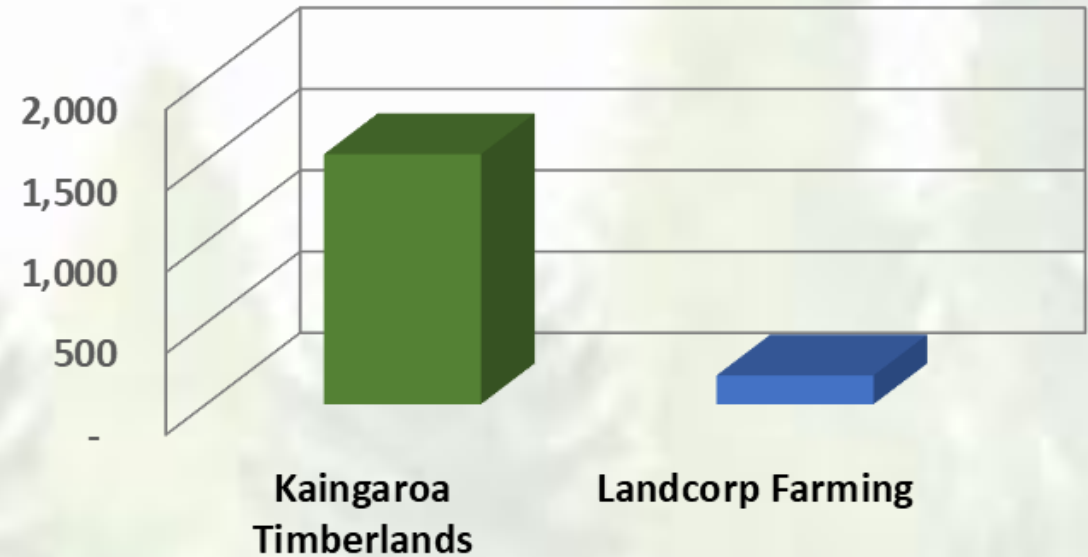
## PROFITABILITY - \$/ha/annum

EBITR (earnings before interest, tax, rent)



## Average last 5 years EBITDAR (\$/ha)

Earnings Before Interest Tax Depreciation Amortisation and Revaluations

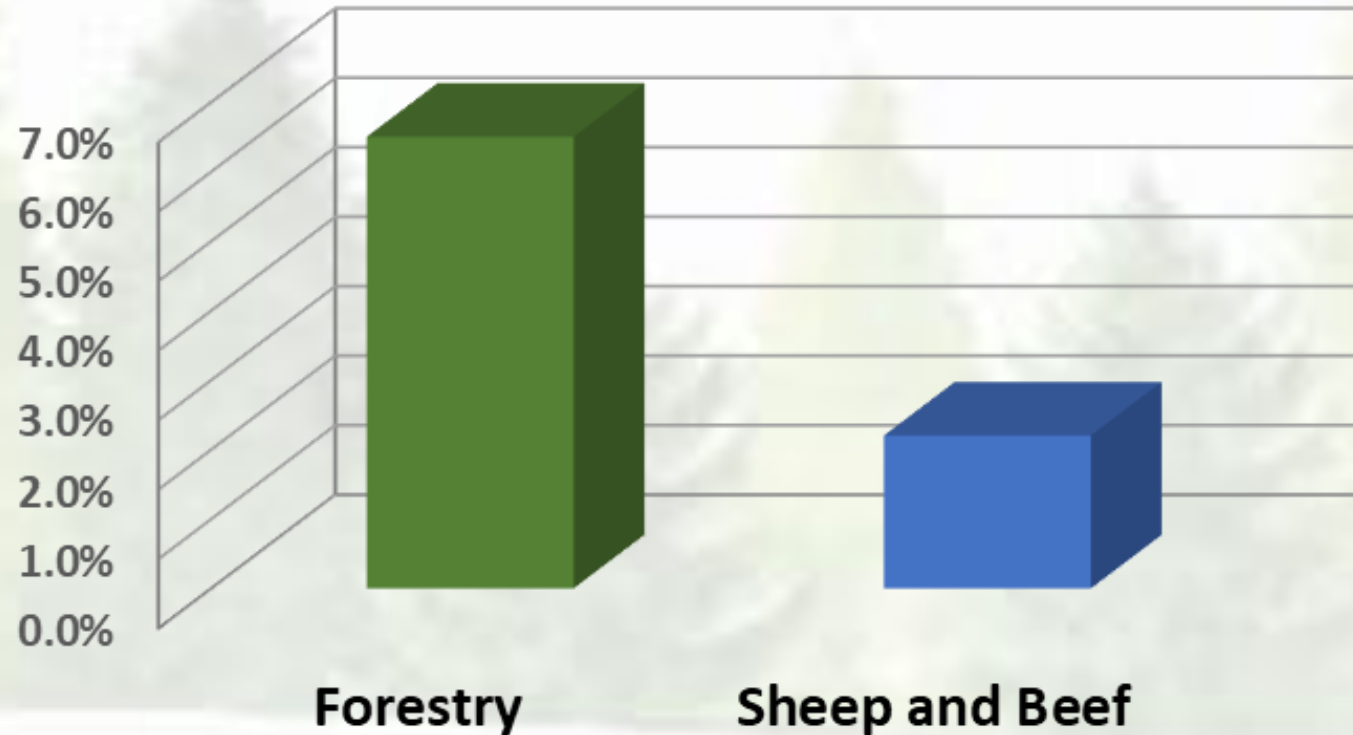


Sources: PDC Solutions recent harvest profit analysis and ANZ 2019 Red Meat Benchmarking Report

Sources: Kaingaroa Timberlands accounts published on NZ Companies Office and Landcorp Farming Annual Reports

# Return on Investment

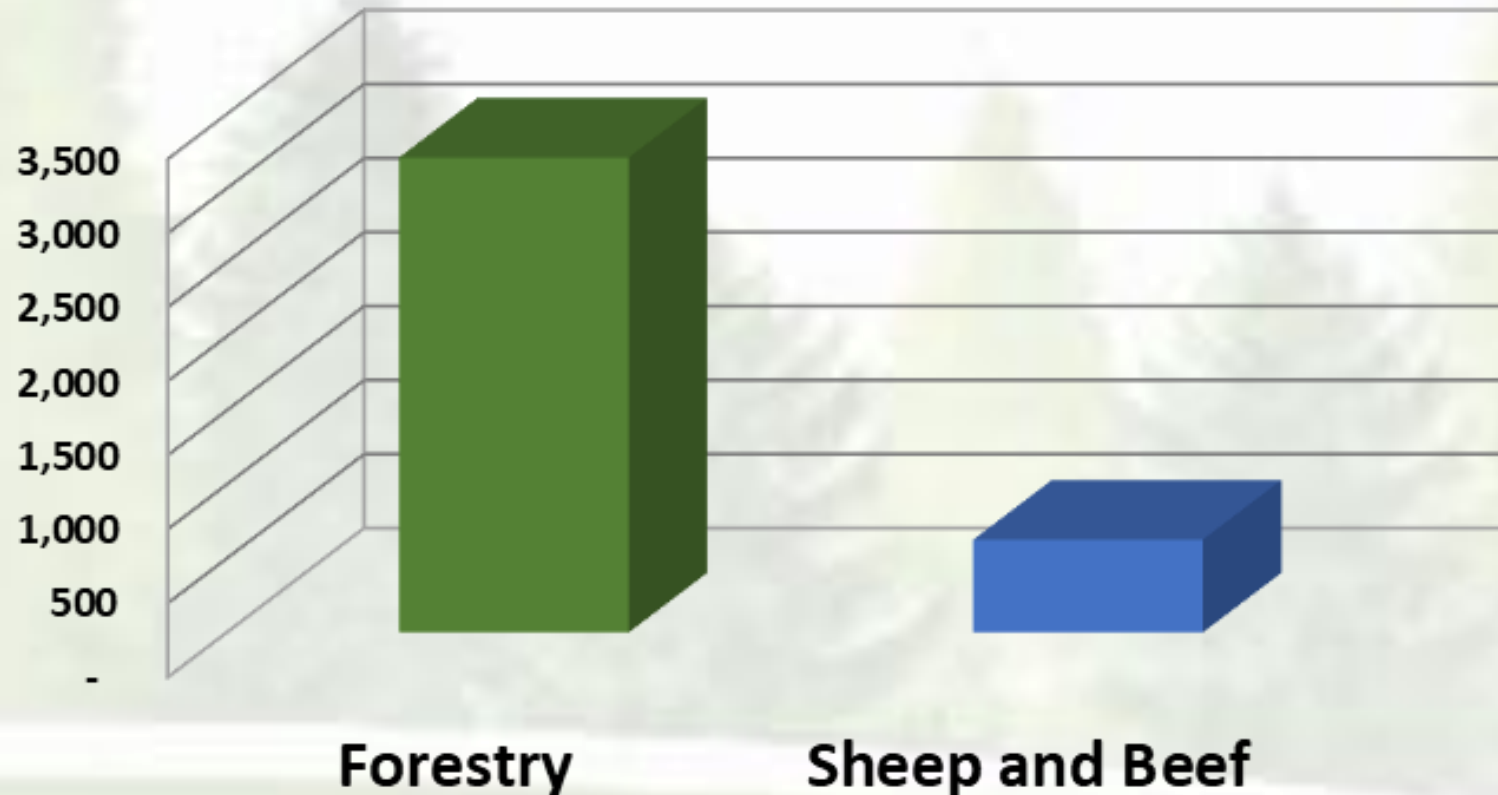
Annual Return on Investment / Assets



Sources: NZIF Valuation Standards Discussion document and ANZ 2019 Red Meat Benchmarking Report

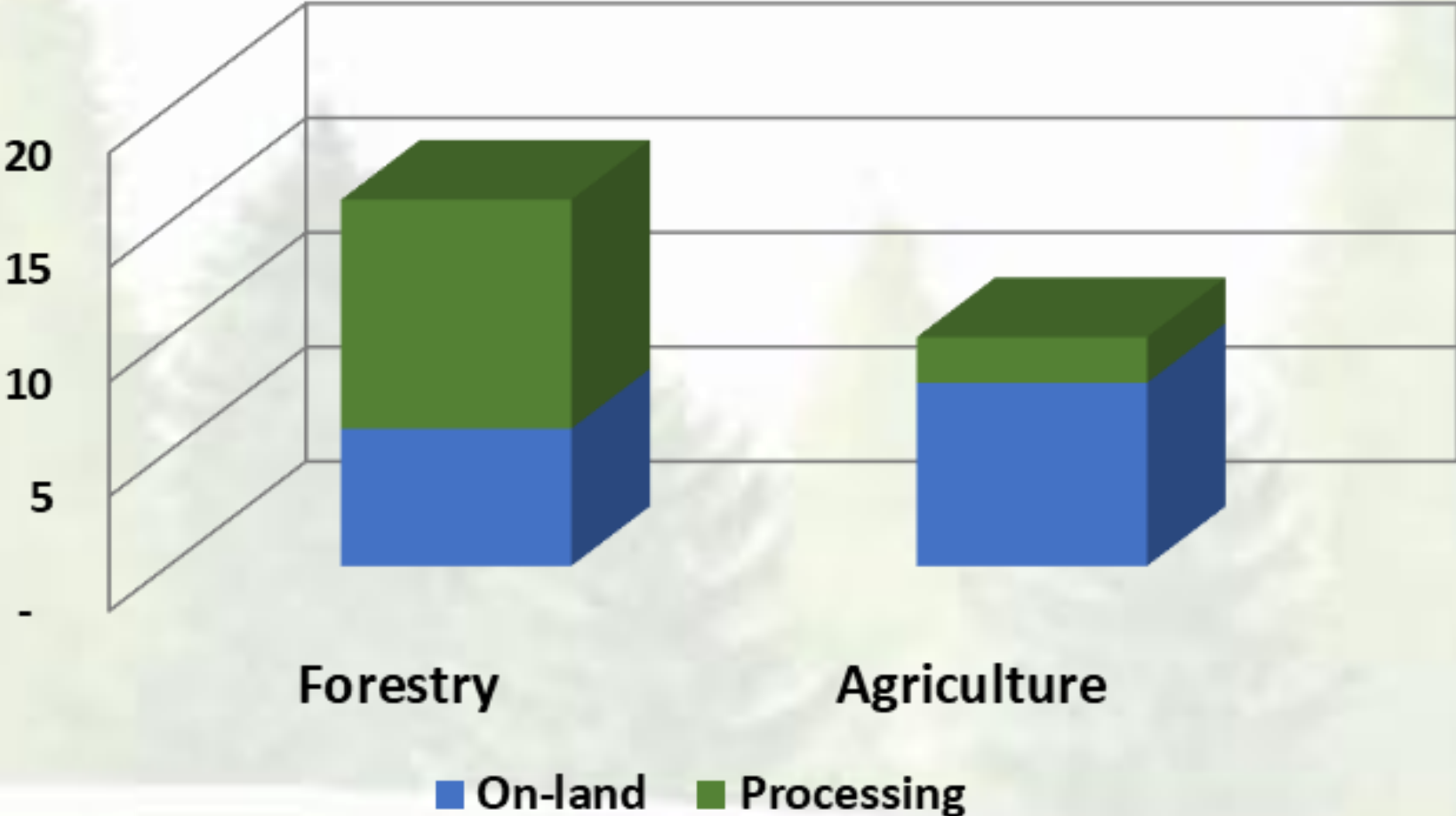
# Contribution to Balance of Payments

## Exports - \$/ha



Sources: Facts and Figures - NZ Forest Owners Association 2016/17,  
Farm Facts 2018 - Beef and Lamb NZ

# Employment per 1,000 ha



Source: A Comparison of the Employment Generated by Forestry and Agriculture in New Zealand, John R. Fairweather, Peter J. Mayell and Simon R. Swaffield, August 2000

# Closing

1. Commercial plantation forestry has a bright future in NZ.
2. Public opinion matters. The media propensity to sell content based on unsubstantiated “alternative facts” will require a significant investment in PR.
3. Embrace new technologies or:

We may just be left wondering what happened?

