

## EDITORIAL COMMENT

### *The Choice: Profitable Forests or Profitable Mills?*

With the expanded planting programme the *export* component of the exotic forest produce we grow will increase more than fivefold in the next 30 to 35 years. In planning the successful marketing of this produce it is clear that a major factor will be price. Unless our product is competitive in price both with other wood products and with wood substitutes it will not be marketable.

A look at our present export marketing should thus be a prerequisite to future planning. The fact that stumpages for radiata A export logs are currently up to almost 10 times the average 1977-8 N.Z. Forest Service stumpage for exotic species sold and processed within New Zealand and then exported leads to certain conclusions. In their simplest form these must indicate that New Zealand can grow logs much more competitively than it can process them.

If to sell processed material competitively on world markets it is necessary to sell wood at stumpages which are well *below* those prevailing in other parts of the world, it is important to consider whether one should be processing at all. R. G. Alexander quotes the classical view in his statement on page 228 of this issue: "The extra value which New Zealand can earn from the sale of processed products is too important to lose, quite apart from the benefits to be gained in our own economy from the employment, servicing and investment opportunities that processing will afford."

There has been no demonstration, however, that there *is* a true level of profitability of processing. The indications are that the major forests which supply New Zealand mills processing wood for export markets are grown at a loss — namely, the valuation at less than replacement cost of private company forests, and the very low stumpages paid to the State by the processing industry. There are also many aspects of processing which at the national level are negative — the requirement for overseas loan money to finance construction of processing plants, the cost of energy and water, hidden subsidies and incentives, pollution, the initiation of industrial problems, the lack of services and employment opportunities in mill towns, and so on.

It appears likely that in the current economic climate we cannot obtain a profit from *both* the forest and the mill. There is need to make a choice, and to date the widespread assumption has been that it should be the mill that pays. There is a convincing argument, however, that New Zealand

might best be served by exporting its wood in the *least* processed form possible, taking its profits from the forests. It is necessary that we fully evaluate this opinion before the event of the large increase in exportable wood volume and before the commitments are made to the expenditure of capital, energy and water necessary to an increased processing option. So far there has been no general acceptance that a viable and more profitable alternative to processing may exist. There needs to be.

### *What's in a Name?*

At the 1979 Annual General Meeting the motion that the name of the Institute be changed to New Zealand Institute of Forestry (Inc.) was passed, but failed narrowly to get the two-thirds majority necessary for a constitutional change.

There were almost as many reasons for wanting the change (or for preservation of the *status quo*) as there were speakers at the debate, but the overriding one hung on the restrictive connotations of the word "forester" — as designating a person with a university degree in forestry. If members do overwhelmingly accept this narrow meaning, it is appropriate that the Institute change its name to Institute of Forestry, particularly as it is semantically correct for it to do so. It is unfortunate, however, that members accept a connotation which is so narrowly restrictive. There is no word other than "forester" to define a person occupationally involved in forestry.

A clear alternative to changing the name of the Institute is to change our acceptance of the meaning of the word "forester". It is an alternative worth considering, particularly as the Forest Service, which created the problem, also uses the word "forestry" selectively. It does this in its Forestry and Forest Management occupational classes, and one wonders whether the proposed name change for the Institute, if it eventuates, will merely perpetuate the existing problem.

### *The Journal — and its Readability*

Section IX of the Constitution of our Institute says, *inter alia*, "The official organ of the Institute shall be the *New Zealand Journal of Forestry*, and the Council shall appoint an Editor who may form an Editorial Committee and make other such arrangements as may be necessary for its publication."

The above gives the Editor no instructions as to the level at which he should pitch the journal. Should it reflect only

the highest professional levels of New Zealand forestry, or should it be at a level where it can be comfortably read by the less technically oriented members of the Institute? Should it reflect world forestry interests and trends? Or should it be narrowly parochial? Who does read it, and would more people read it if its format were different? Who would these people be?

To date the Institute Council has not imposed directives on its Editors, and members have provided only limited feedback. The present Editor has aimed his product at the reader with a degree in forestry and interests based broadly around forest management as it relates to New Zealand. He has made full use of the *Newsletter's* role in publishing "domestic" Institute material to keep the journal content as free of this as possible. He has frequently suggested that material with a high research content might be better placed in the *New Zealand Journal of Forestry Science*.

Recent (and limited) feedback suggests that the journal may have become "too technical" for the majority of its readers. No journal can afford to impose standards which are out of phase with its readership, and thus it may well be appropriate for the Council to canvass the Institute membership and subscribers from outside New Zealand to find out if indeed this is correct. A time when the editorship changes hands is an appropriate time to review such matters.