



RECENT EVENTS



ENVIRONMENTAL ADMINISTRATION AND NZ FOREST SERVICE REORGANISATION

Where we are at

P. Berg

Almost a year ago Government decided to set up a Ministry for the Environment, appoint a Parliamentary Commissioner for the Environment and to seek further study on a proposal for a department concerned with the environment.

Over the following weeks consultations were held both in Wellington and in the regions, with local authorities, statutory agencies with land use responsibilities, public interest groups, etc.

These consultations in turn culminated in a Cabinet decision on September 16 to separate the State roles in land use. The separation was to take the form of two corporations — farming and forestry — and a department of conservation. The main thrust for the division was clearly economic. Since the change of Government the pressure for economic reform has been strong and departments such as Treasury have been quite influential in reviewing the activities of State-owned enterprises. The need for them to be more businesslike in outlook and management has been stressed, and it was argued that without the clear separation of production and non-production activities, these activities can easily be brought together to blur accountability. Emphasis was therefore on separation and transparency, and the favoured philosophy is that to be fully commercial they should operate in a situation which has neither advantage nor disadvantage relative to a private company.

At its meeting on November 25 the Government announced a number of measures which further clarified the future shape and direction of the administration of State forestry in New Zealand. The decision made by the Government was as follows:

- (a) A fully commercial forestry corporation, administering the State production forests and sawmills and separated from sectoral servicing functions, will be established. Its principal objective will be to operate as a successful business enterprise.
- (b) Sectoral and regulatory services currently provided by the Forest Service

are to be placed in a separate organisation from the Forestry Corporation. (A report on the appropriate organisation and future location of these services was required by December 10, 1985).

- (c) An establishment board comprising up to seven members is to be appointed by the Ministers of Finance and Forestry to oversee the transition of the Forest Service to corporation status and will report to the Cabinet Policy Committee by March 31, 1986 on the appropriate corporation status and appropriate ways of safeguarding the status of the corporation's employees.

Following the receipt of further submissions on forestry sectoral and regulatory services, the Government agreed in December that all such services should be kept together in a single agency, the agency to be concerned with:

- forestry policy advice to the Government;
- administration of relevant forestry statutes and regulations;
- advice and information to the forestry sector;
- research in forestry and forest products;
- forestry quarantine and health services;
- training in forestry;
- representation of the Government's position on New Zealand forestry matters in appropriate forums.

Whether the agency would stand alone or be attached to another department such as the Ministry of Agriculture and Fisheries was not decided, and the State Services Commission and Forest Service have been directed to consult with the client groups and report back early in 1986.

Subsequently consultations have been held between various sector groups and Ministers, with these being completed on March 10. A report to the Cabinet Policy Committee on the placement of the forestry sector agency was required by March 31.

Meanwhile, on February 19, the Minister of Forests announced the member-

ship of the NZ Forestry Corporation Establishment Board, which has an interim membership of five.

The members are:

Mr Alan Gibbs of Auckland, investment banker and chairman of Ceramco and Freightways. Chairman.

Mr John Fernyhough, company director of Auckland. Director of Development Finance Corporation and Lion Corporation. Deputy Chairman.

Mr Peter Travers of Wellington, General Manager (corporate and international) of the Bank of New Zealand.

Mr Brian Gaynor, investment analyst of Auckland, a partner in Jarden and Co. — sharebrokers.

Mr Ian Livingston, senior engineer with the Ministry of Works and Development in Napier.

As noted earlier, the Board is expected to report to Government on the form, financial structure, and employment conditions of the new Corporation.

Announcing the Board, the Minister of Forests, Mr Wetere, said he was very pleased to have a board with such depth of business experience.

"The Forestry Corporation will be required to operate as a successful business in the growing, processing and marketing of forest products and members are well qualified to advise on restructuring to meet this aim," the Minister said.

The Board has been directed to report to the Government before June 30, 1986.

The end point of the whole reorganisation exercise was clarified on March 6, by an announcement by the Minister of State Services, Mr Stan Roger, that

"The commencement date for the new agencies emerging from the Government's restructuring of environment administration, will be January 1, 1987.

"Legislation would be passed in this year's legislative programme for the new Department of Conservation, Department of Survey and Land Information, the Forestry Corporation, the Land Development and Management Corporation, the Ministry for the Environment and the Parliamentary Commissioner . . . The future of the forestry and regulatory services agency, which will

cover the remaining functions of the Forest Service not absorbed by the Department of Conservation and the Forestry Corporation, is still being developed.

"There are options such as a separate stand-alone agency or as a unit within another department.

"A starting date of January 1, 1987 is also probable for this agency."

Decisions yet to be made on the location of the forestry sector agency and the nature of the Forestry Corporation are of considerable significance to New Zealand's forest industry as a whole and are awaited with great interest.

FORESTRY COUNCIL NEWS

Since its establishment under its own Act in 1983, the New Zealand Forestry Council has been closely concerned with all the crucial issues so strongly affecting the forestry sector at present. In particular, forestry taxation, the environmental administration reforms, the function of long-term market research, the support of a researcher in Japan, a mission to Chile, marketing and utilisation of special purpose species, and the enhancement of the National Exotic Forest Description have been dominant and continuing issues.

The Forestry Council is funded by a levy on roundwood processed or exported, the total levy being exactly matched by the State. All ten Councillors, other than the Director-General of Forests, are appointed by the Minister on a corresponding basis of equality between the two components of the forestry sector. Each appointee is chosen not as a representative, but as an independent person of knowledge and experience. There is a small full-time Secretariat of three people.

An abiding theme of Council's work programme is the monitoring and reporting to the Minister on trends, prospects and issues in the forestry sector. Unlike a Government department, it has no role in administering any aspect of forestry policy. The special strength of the New Zealand Forestry Council lies in its ability to co-opt expertise from both State and private organisations, combining their abilities on its committees in the service of a particular objective in forestry research, administration, or practice.

L. A. J. Hunter,
Executive Director,
New Zealand Forestry Council.

Permanent Head for Ministry for the Environment — Dr R. Blakeley

The first permanent head of the newly created Ministry for the Environment is State Coal Mines General Manager Dr Roger Blakeley.

Dr Blakeley has a background in civil engineering. He was a dux of Rongotai College before attending Canterbury University, where he obtained his Ph.D. in engineering. He joined the Ministry of Works as an engineering cadet in 1964. In 1971 he was appointed assistant engineer in the Ministry's head office structural design section.

In 1980 he was awarded a Harkness Fellowship to study executive development at the Massachusetts Institute of Technology School of Management. He returned to the Ministry of Works where he was Wellington district civil

engineer prior to his appointment to State Coal in August 1984.

Dr Blakeley will head a department of about 100 people, with a role of encouraging balanced development of New Zealand's resources taking into account environmental values.

He is quoted as saying that the development of environmental procedures by State Coal was an example for other developers. The procedures include the development of techniques to assess economic benefits balanced against environmental consideration, and incorporate public participation.

Dr Blakeley's father was also a top civil servant. He headed the then New Zealand Electricity Department, and was later Deputy Secretary of the Ministry of Energy, before retiring in 1978.

SCHOOL OF FORESTRY NEWS

New Lecturer

Dr E. M. (Ted) Bilek has been appointed lecturer at the School of Forestry to replace Mr Lachlan Hunter who resigned to become Executive Director of NZ Forestry Council. Dr Bilek has Bachelors and Masters degrees in Business Administration from the University of Wisconsin, majoring in finance and marketing. His Ph.D., in forest economics and policy, is from the University of Minnesota. He is keen to develop an active research programme in close association with the sector, and can be expected to visit companies and conservancies in the near future.

Visiting Fellows

1986 NZ Forest Products Visiting Fellow at the School of Forestry is Mr R. J. Cooper, who is a Lecturer in Industrial Economics and Marketing in the Department of Forestry and Wood Science of the University College of North Wales. He has wide economic and marketing experience, including a short period (1969-71) of employment with NZ Forest Service. Mr Cooper has a heavy teaching load at the School until mid-May, but after that he expects to visit widely in the forestry sector for a month before returning to the UK.

1986 Tasman Visiting Fellow at the

School is to be Mr W. F. (Bill) Fieber. He is regional logging engineer for the California Region of the US Forest Service where he provides technical support for the harvest planning of some eight million cubic metres of roundwood a year. It is expected that he will arrive in mid-May at Rotorua. He will make an input into teaching at School of Forestry courses there, attend a LIRA conference and meet Tasman foresters, before moving to Christchurch where he will spend the remainder of his visit.

Prof. G. B. Sweet,
School of Forestry,
University of Canterbury.

Overseas travel award

Du Pont (New Zealand) have announced a new travel award to enable foresters to study, in particular, forest establishment techniques and weed control. This annual award is worth \$10,000.

Foresters will welcome this award. Weed control problems have increased in recent years and weed control technology is also changing rapidly. A feature of the award is a visit to Du Pont's research facilities in Wilmington, Delaware and field trips in the United States with their personnel.