

Editorial

Green light again for East Coast production/protection forestry

The FARM scheme, the Labour Government's forestry proposal for the East Coast

Readers will recall from the November 1990 issue of *New Zealand Forestry* that just before the last election the then Labour Government had approved a scheme called the FARM (Facilitation for Action on Risk Management) partnership; a programme for change to sustainable land management. \$27.8 million was voted to meet 72% of total programme costs over the period March 1, 1991 to June 30, 1993. Land owners, regional government and Central Government were together to encourage a change toward more economic and sustainable land use in the primary production sector.

A pilot programme was directed at the East Coast of the North Island, from the Esk Valley to East Cape, this region having been identified as having most benefit from a faster rate of land-use change compared to other regions. The Government of the day noted that "market forces alone" were not achieving the necessary changes in the way the land was being used and managed, consistent with protecting the land as a resource for future generations.

This major turn around in post-1984 Government thinking was applauded in the editorial of that same November 1990 issue. It was pointed out that there was nothing wrong with picking winners, so long as you picked the right one, and there were several good reasons to think big with forestry.

The 1990 election and its immediate aftermath

After the new National Government won the 1990 election it cancelled the FARM scheme, deciding that other expenditure deserved priority.

The fact that off-site benefits would result from planting East Coast land was never in question, but the following were matters for debate, and to some extent still are:

(a) What were the off-site benefits worth?

- (b) Who were the principal beneficiaries?
- (c) If those principal beneficiaries were the regional ratepayers and they could not afford to pay for the necessary afforestation subsidies, should the Government pick up the tab?

Strict fiscal discipline

Even in March this year the Minister of Finance was saying that the first rule in the current expenditure round was to hold the line.

She said that she was determined to keep the lid on. If any savings were to be made by reordering priorities, the deficit was to have first call on those savings.

If there was to be any opportunity for new policy as a result of priorities being reordered by individual Ministers, the preferred candidates would be education and trade promotion. She said she was strongly opposed to bending policy to accommodate new public works spending. She contrasted her firm expenditure and debt reduction strategy with that of Labour which she accused of abandoning any semblance of strict fiscal discipline.

East Coast Forestry Grant Scheme announced in Budget 1992

Against this background it was astonishing that Government announced a Crown-funded forestry initiative to plant up 200,000 hectares of protection/production forest on the East Coast at a rate of up to 7000 hectares a year on Budget night, July 2, 1992. The aims were to combat soil erosion, to provide both short- and long-term employment and social benefits, and to provide a significant boost to the regional economy and infrastructure, particularly in the north of the region.

It will be a tendered grant scheme; so it is not clear how much money Government has set aside for it. But say it is between \$500 and \$1000 per hectare on average, then Government's injection of funds will be between \$3.5 million and \$7 million/year or between \$100 million and

\$200 million over the period it takes to establish 200,000 hectares.

The tendered grant is a good idea

The New Zealand Forest Service deserved credit for planting Mangatu and Ruatoria forests, but in retrospect the planting and tending was not done as cost efficiently as it could have been. The operations were unduly expensive because the work was done on wages, much of it under temporary employment schemes such as PEP with inflated public service overheads. The new East Coast forestry project uses private enterprise, will probably all be done on contract, and any necessary subsidy costs should be kept to a minimum by the tendering process.

Fixing carbon

One reason why Government is now looking favourably on the idea of subsidised East Coast afforestation is that the concept aligns well with Government's plans to cut net carbon dioxide emissions by the year 2000.

Environment Minister Rob Storey says that he will use his power under the Resource Management Act to veto new industrial developments which threaten Government's plans to cut net carbon dioxide emissions. In contrast the East Cape forestry planting programme is a low-cost way to help achieve the target. 200,000 hectares of forest managed as a sustainable estate will store about 26 million tonnes of carbon. This represents four times total current annual New Zealand elemental carbon emissions through fossil fuel burning. In addition, the soil which the forest will be protecting is an important sink for carbon.

Is this the thin end of the wedge for forestry development?

The logic behind Government's new subsidised protection/production forestry programme on the East Coast applies equally well to a number of other areas of New Zealand. The first stretch

of land that comes to mind is the Mackenzie Basin. (See Belton in the May 1991 issue of New Zealand Forestry.) The Ministry of Forestry has identified some 350,000 hectares here that is not marginally commercial at present but could provide soil fertility restoration, soil protection against wind erosion, and the potential to create employment and wealth through an export-oriented forestry industry. An added attraction to this area is that radiata pine is not the preferred species because of

the likelihood of snow damage. An extensive plantation of some 350,000 hectares of Douglas fir or Corsican pine would provide the nation with a comforting insurance against radiata pine succumbing to an uncontrollable new disease.

Conclusion

The Forestry Sector can take heart that

both major political parties have now reaffirmed that they will subsidise protection/production forestry on the East Coast. As the economy improves and the national Budget deficit becomes smaller it is reasonable to expect that the substantial environmental and social benefits of forestry in many other parts of the country will be recognised and appropriately subsidised also.

Hamish Levack
Editor

Waiting for Waitangi

The closest thing New Zealand has to a National Day was heralded in the Indonesian tourist publication "What's On" for February 1992 by a presentation on Eating in New Zealand – by courtesy of the New Zealand Embassy. With unconscious irony which may be Freudian it was headed "Waiting Day 6 February". Apart from its references to the virtues of tap water and "freshly fried fish and chips", what struck this reader was the fact that none of the produce mentioned in the article is indigenous to New Zealand. Indeed, in the agricultural economy of New Zealand, there is no commercial activity of any significance which depends on indigenous natural resources.

The essence of the Treaty of Waitangi is that it afforded to the Maori tribes of New Zealand the protection of the British Crown (it is not clear what from but the most likely candidates at the time were the Maori themselves); in return the Maori acknowledged British sovereignty. A clause in the Treaty, which has since proved controversial, guaranteed to the tribes rights of ownership and possession of their traditional lands, forests, and other natural resources. The signing of the Treaty led to significant European settlement of New Zealand and the quite remarkable introduction of animals and plants to a country characterised by a unique flora, no native mammals and birds that cannot fly. Within a very short period, the survival and prosperity of New Zealanders (Maori and European alike) depended on these imports.

Initially without any regard for pests and diseases which might be introduced on imported stocks, immigrants were urged to bring all manner of living things with them. Societies were established to "acclimatise" such introductions and by 1870 more than 130 species of bird, 40 of fish and 50 kinds of mammal had been introduced. The success of sheep and cattle, deer, trout, fruit and vegetables,

and other of the ingredients which furnish the cuisine featured in the tourist magazine is well known. Most of the unsuccessful introductions, however, have been forgotten – including elephants, camels and zebras. And there are others (e.g. possums) we wish we could forget because of the damage they have done to the native forest flora which had no opportunity to develop resistance to browsing; and because of the havoc wrought by feral cats, rats, and other predators on ground-living birds.

Important Role

If it is the pasture grasses that have enabled the development of New Zealand, trees and shrubs have played an important support role. Even before the Treaty of Waitangi was signed, an anonymous advocate of colonisation wrote (in 1830): "Intercourse of mankind may in time make the world one vast garden, in which all the blessings of a bounteous providence shall be naturalised, as far as climate, or the science of man, can render those plants common to all, which were originally the property of a few". We owe much to the prodigious planters of 19th century New Zealand and their search for ecological democracy and diversity.

The latitudinal spread of New Zealand (from 35° to 47° south) opened the way for trees and shrubs from well beyond the range associated with the origins of either the Polynesian or the European settlers. Tropical palms, Albizzia, Desert Agaves, Camphor, Quinchona, and the far northern conifers and heaths were among them. In 1856 in the "Transactions of the New Zealand Institute", Arthur Ludlam published a list of trees planted since 1840 near Wellington; it comprised 84 conifers, seven palms, 17 species of oak (the great Linnaeus him-

self only knew eight), more than 50 camellias and a huge variety of rhododendrons. Another 230 species were added by 1903. It is strange that New Zealand forestry is now known the world over for its obsession with single species plantations and a single silvicultural system (clear felling with replanting); even our globe-trotting consultants know little of Femelschlag, Quartier Bleu, Jardinage, and other natural forest systems.

Another anomaly is that we have virtually turned our backs on our own natural forests. Recent policies of conservation (stemming from single-minded preservationists – another species of exotic introduction to New Zealand) pre-empt the rights of the Maori people to control and utilise these resources which had supposedly been guaranteed under the Treaty of Waitangi. A few years ago the Government acknowledged that it had usurped some of these rights by offering compensation for "lost opportunity" arising from a forest policy that effectively prevented the land holders managing their forests. Moreover, the basis of compensation for the lost opportunity which the Government was prepared to consider was the income which might accrue from the total liquidation of the resource. Since the avowed purpose of the forest policy was to prevent such exploitation the approach is a difficult one to understand.

Effectively, the new policy pre-empts what might be the last opportunity in New Zealand to manage native forests according to both traditional and European principles of sustained yield in perpetuity. Both Maori and non-Maori New Zealanders must continue to wait for Waitangi.

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