



## RECENT EVENTS



# Industry must work together – Tradenz

The Trade Development Board (Tradenz) published their strategic overview and corporate plan in September. In it Tradenz set out a series of recommendations for an export strategy with two principal goals:

- to substantially increase the value of exports per head of population;
- to diversify the range of exports.

Tradenz Chief Executive Rick Christie says that most of the work needs to be done not in our overseas markets, but at home, in establishing the infrastructure required for export success. Tradenz have identified a number of priorities.

### Industry Scale

The paper points out that many of our export companies lack scale. Their desire is to see the expansion of existing companies in key industries and related sectors. However, in today's environment the finance required for growth is lacking, and it will take a long time to acquire it. The options suggested include mergers, acquiring new shareholders or seeking overseas investment.

### Strategic Alliances with Industry

Considerable investment is required for export growth and Tradenz suggests strategic alliances with overseas partners as a means of acquiring capital, new skills and technology, and improved access to markets.

The importance of partnerships, both at home and abroad, is stressed throughout the strategy document, reviving the New Zealand Inc. concept. It is interesting to note that this strategy is also promoted by the Forest Industries Council, and has been picked up on by the Ministry of Forestry who use the phrase "flying in formation". New Zealand is a small player in the world economy. One way in which New Zealand can overcome its isolation, its lack of critical mass, and representation in, and familiarity with overseas markets, is for exporters to work together.

### Linkages between Government and Industry

It suggests new linkages between Government and industry, pointing out that old ties based on interventionist policies and the lobbying processes have not yet been replaced in ways more appropriate to the new environment.

### Closer Links between Exporters and Service Industries

The document calls for closer links between sector groups, educational institutions and Crown Research Institutes. They also perceive a need for the formation of more "clusters" of like-minded companies, as has happened within our own forestry industry in Rotorua.

Mr Christie is quoted as saying there is a need for companies within sectors to combine resources, share non-competitive information, and work together on certain aspects of business development, including a specialised infrastructure and generic market development programmes. Radiata pine is an obvious example of a generic product.

Tradenz acknowledges the difficulty in persuading competitors to work together, but says: "In each industry, the

most appropriate balance between competition and cooperation will need to be struck and exporters will need to agree on common objectives."

### Business Development Priorities

The plan outlines a number of business development priorities, including:

- upgrading skills;
- investing in innovation;
- investing in new technology;
- investing in quality systems, and;
- employing more senior management people with marketing or technical backgrounds (yet another acknowledgement that the technocrats should replace the accountants and lawyers as New Zealand's social elite, in line with the more successful economies like Japan and Germany).

Chris Perley

## National Park proposal

The Department of Conservation is investigating a proposal to create a National Park in the north-west of the South Island. The investigation area comprises some 500,000 hectares of land managed by the Department between the Buller River and Farewell Spit. The land under investigation comprises the Northwest Nelson Forest Park, conservation land and a number of reserves.

The investigation area is one of the largest unfragmented and virtually unmodified natural areas remaining in New Zealand.

The area has a diverse geology containing some of the earliest evidence of volcanism and fossil formations in New Zealand. The natural landform has been extensively modified by earthquake activity which has created many lakes and slip scars.

The area is known internationally for its limestone areas and cave systems. These include the deepest (889m) and the longest (36 kilometres) caves in the country, and the spectacular Oparara Arches.

The investigation area has a great diversity of native grasslands and forests. The alpine grasslands are characterised by the red tussock and the

snow tussock (*Chionochloa*) species. The upland forests are dominated by an extensive mosaic of red, silver and mountain beech (*Nothofagus* species) forests. The lowland forests occur mainly in the west of the investigation area and contain a diversity of species. Some areas contain only podocarps and hardwoods and others contain a beech component. The podocarp species include rimu, miro, kahikatea and matai. On the western coast a narrow strip of coastal forest containing nikau palms and karaka, supplejack and kiekie gives this coastline its distinctive character.

The area is an important stronghold for native fish and birds. These include threatened bird species such as the great spotted kiwi; and wide-ranging birds such as the South Island kaka. Farewell Spit is also internationally recognised for its seabirds. Migratory wading birds from the Arctic, such as the godwit, are seasonal visitors to this area.

The area contains some distinctive native invertebrates. Some of the cave-dwelling species have developed specialised features for survival in their habitats. The area is also important for its large population of the endemic carni-