

nose. In the market philosophy forests can be thought of as mines from which it is legitimate to make maximum profit without any other consideration, as if human beings were incapable of foresight. Mining forests is of course one of civilisation's oldest plays.

If we abandon the principle of sustained yield (which is not necessarily trammelled by the concept of the "normal" forest, then we might as well abandon forestry altogether. In other words, if you reduce your forest capital you inevitably reduce the yield, precisely as you reduce your income if you spend some of your capital deposit in a bank.

**Geoff Chavasse**

## Forestry profession and society

Sir,

Your thoughtful editorial in the August issue of NZ Forestry, centred on the unambiguous statements firstly, that "the profession revolves around the two paradigms of sustainable yield and multiple use", and secondly that "foresters are trained to view forests as complex and requiring a long-term view", could be expected to receive a sympathetic hearing and support from the general public.

Unfortunately, of course, few of this audience are likely to see it.

New Zealand has pioneered an extraordinary national policy of separating production, and environmental forestry. Many would see the programme to privatise the State's forests as equally misconceived and against the long-term interests of the nation.

Be that as it may, no one surely can deny that, as A.L. Poole puts it, land use issues involving long-life plantations, and a huge log trade, are national issues. It is entirely appropriate, therefore, that the Institute should be engaged in a serious debate on the merits/demerits of overcutting and of lowering the rotation age as a management policy for the radiata plantation forests.

It is irresponsible that the Government has chosen to distance itself from forestry issues, declining to provide any ground rules, either in the form of legislation or of professional 'guidance' from the Ministry of Forestry.

It is perhaps hardly surprising, then, that private forest owners are looking to optimise early returns in the interests of their shareholders, but it is disappointing that the Forestry Corporation is adopting a similar strategy in respect of the forests still owned by the people of New Zealand on a long-term basis.

Congratulations to A.P. Thomson for

his outspokenness in emphasising the importance of mobilising public opinion, and of educating the Minister of Forestry and the Minister of State Owned Enterprises about the dangers of persistent overcutting.

Peter Casey, in his letter, identifies the emerging message of today as being that planting trees and processing them in New Zealand is a commercially astute decision.

Amen to that! But processing them in New Zealand? Is not A.L. Poole fully justified when he observes that everybody should be told what the country is losing by exporting logs rather than giving employment to local industry and adding value in New Zealand?

The Institute's determination to pursue the issue of cutting strategy and to adopt a policy line will surely serve to enhance the standing of the profession in the eyes of society and the public at large. It is also fully in accord with the tenor of your editorial.

Perhaps, too, a clear stand by the Institute, based on the professional knowledge and support of the majority of its members, will encourage others in society to bring political pressure to bear on the Government, at the very least in respect of the forest estate still publicly owned.

**Eric Bennett**

## Are short rotations a new development?

Sir,

I was interested to hear the debate at the recent Napier Conference about the apparent shortening of rotation lengths for radiata pine. There is some suggestion that what is happening is somehow new and a departure from best practice as determined by past experience.

In light of the debate I decided to look out the Hawkes Bay Cutting Plan and see what was happening. Sure enough the rotation lengths seem very short. Mohaka 21 years, Esk 22 years, Gwavas 23-25 years and Kaweka 24-27 years. Here is the smoking gun!

However check the date of the plan.... 1993? No it was 1978! These rotation lengths were calculated as the economic optimum using the then 10% discount rate applied as the hurdle rate by the Treasury for Government projects.

The products from the forest were not assumed to be the traditional framing timbers of the time. The management of the forests was aimed at achieving pruned sawlogs of 55 to 60 cm dbh for a high-value end-use market where the lower density wood properties would be less of a problem.

So how did we do?

Barry Keating provided us with some limited information for a stand of radiata pine at Mohaka thinned to 200 stems per hectare and pruned to 6 metres which I could compare with the yield tables from the old 1978 cutting plan.

	Mohaka Field Measurements	Cutting Plan Mohaka Crop Type
Age	22	22
Mean dbh	57.4 cm	55 cm
Sawlogs	480 m <sup>3</sup> /ha	480 m <sup>3</sup> /ha
Pulp	120 m <sup>3</sup> /ha	20 m <sup>3</sup> /ha

Apart from the difference in pulpwood volumes this is a pretty good comparison (the cutting plan yield table that I have did not have a breakdown between the pruned and unpruned volumes). In economic returns it is probably the same result.

All this was done without the aid of SILMODS, STANDPAKS, IFS, butts or FOLPIs. Despite the usual "we could do it better today" comments from some of the people on the field trip the result is that there are many foresters in New Zealand who would envy Barry Keating's problem of what to do with his pruned logs and when to cut them.

**Harold Heath**  
Dunedin

## Adding value

Sir,

Bob Edlin stated in the May issue of NZ Forestry that plywood was a low value-added product (pp 6 and 7). I wonder about the basis for this assertion, particularly since the term "value added" means different things to different people. I often see the term used in a manufacturing context, and these days it seems to have found an almost Orwellian popularity amongst those of the "more processing good, less processing bad" and "high price good, low price bad" camps. To me there seems a tendency to confuse either the degree of processing or product price (and sometimes both!) with value added in production.

For economists, value added has a succinct meaning. It measures the difference between the total revenue of a firm and the cost of bought-in raw materials, services, and components. Value added does not necessarily imply anything about either the degree of processing or product price. It instead measures the net return to the labour and capital inputs of production.

The Department of Statistics estimates value added in its 1987 Economy Wide Census of Manufacturing. (Unfortunately more up-to-date data are not available in sufficient detail for the solid wood pro-