Conference field trips highlighted the diversity of forestry and farm forestry in the Westland Region. The use of the wet impoverished pakihi sites were a feature of one day. However, we also saw other farm foresters growing shelterbelts and woodlots on more fertile sites. Both site types included a range of tree species. A visit to Wanganui Forest to see helicopter logging and a portable sawmill in operation in podocarp forest was a major highlight. Geoffrey Chavasse gave an excellent after-dinner talk about his time in Westland and this tied in nicely to an indigenous theme. On the last day beech silviculture was covered.

An excellent conference with a lot of fun times and interaction between people.

Next year's conference will be in the Bay of Plenty.

Don Mead

Site preparation of pakihi by V-blading at the West Coast Farm Forestry Conference. Photo: A. Bowker

LETTERS

Influence of site and discount rate on silviculture

Sir,

I am not sure what the Timberlands' regime is referred to by Geoff Fischer, but infer its main characteristics from the data he gives at age five. The age does not help much. It was, and is, better to use top height; I had assumed this was routine.

Quality of Upper Logs

I suppose the regime is a variant of what Dennis Richardson calls the direct sawlog regime. If this is so then, as long as the trunk holds together, the criterion for selection of the final crop is visible at top height of 10 to 12 metres. The criterion was, and is, as uninodal a length as possible above the pruned log. The objective of these wide-spaced, short rotation regimes is brutally simple and I had hoped would be apparent by now. It is clearwood and clear-cuttings, with some returns from animals, etc in the earliest years. The first result from pruning, assuming growth continues, is a clear-cuttings board, the lengths between defects increasing as the outside of the trunk is approached. The longest fully-clear boards will tend to be narrower. The first silvicultural work the Strategic Studies Group at the old FRI did was the cost of finger-jointing, and the clear-cutting lengths were measured in the repeated grade studies. No doubt current research has refined these data.

Higher Stockings

With the drop-off in mortality, it is feasible to hold higher stockings than those proposed (as an interim measure in any case, it was apparent the mensuration base in 1968 was not at all comprehensive) 25 years ago. About four years ago I wrote a letter to The New Zealand Farmer proposing higher stocking with uninodal trees. It should now be possible to ease the restraint of the low early stocking a bit, if the log above the pruned one is UNINODAL. I hope the genetics people have this straight?

Effects of Interest Rate

This again seems to have been misunderstood. I have shown the effect of various interest rates on project ranking in the last of the 10 profitability papers (NZ Journal of Forestry Science 2(3) p 382). If regime B, say, is ahead at a 10 per cent discount rate, it is very likely to be ahead at three per cent. This is because of the characteristic expenditure and return flow in afforestation. I had sent a similar note on this to the Australian Journal some years ago.

Sigmoid Curve

The sigmoid curve for discount rates is an interesting idea and may well be true for all I know. I admit to being a sceptical economist a lot of the time as, whether the change in rates is sigmoidal or not, it is certain that interest rates change, and further, there is no objective way of choosing a rate. There is a Nobel Prize waiting for the solution of this topic. In the meantime, I took pragmatic refuge in the solution given in the paragraph above. I once surprised Treasury by protesting the interest rates they proposed were too low. This initially cheered them as unusual in forestry. But at high enough rates all that is necessary is a modest subsidy at that moment, and everything is covered by the ensuing interest. This is the only fun I have ever got out of that particular problem.

Commercial Thinning

Even if low interest rates apply, the "commercial thinning" remains self-contradictory. As soon as you make money by thinning, you can make a lot more by clearfelling. The crop acquires an additional opportunity cost that soon reduces the rotation. Surely by now the Zero interest doctrinaires can joint the Flat-earth Society?

R. Fenton

Forest valuation

Sir,

Investment in forest is becoming more popular and will become even more so as people look for places to invest their superannuation funds. For this to happen, and for it to reach its full potential, professional foresters must demonstrate their ability to account for the value of their forests.

In the past, accountants have placed the true value of forests in the too hard basket, and while quite prepared to go to extraordinary lengths to account for contents of sheds and cupboards etc, have shied away from treating forests in the same way. Today with computers and sophisticated forest models there are ade-