It would be a pity if you limit your theme to foresters. I believe the original intention was to include only questions of labour, but later it was decided to include all the people directly associated with forestry. I suggest that even this does not go nearly far enough. Foresters, like other specialists, tend to talk and think shop — something that wives of foresters, like wives of other dedicated types, soon get used to. So you must include wives in your theme — which should put me on-side in a few households. But you must also include, if you are to get the true picture, the large and growing number of ordinary citizens who use and enjoy our forests. The policy of all enlightened foresters, government and private, of providing easier access to our forests for the public has led to a rapid increase in the numbers of people using them for recreation.

I believe it has also made people much more aware of the value of our environment, and induced a growing feeling of responsibility for it. Certainly, many of these users, particularly those who have traditionally used forests for hunting, fishing and walking, are often the knowledgeable champions of recreational use of the land and, as we well know, they can be our severest critics. Sometimes they, as well as we, can be one-eyed. But all forest users, good and bad, skilled and unskilled, enthusiasts and tourists, are people in forestry. So, while I am not clear whether your restricted interpretation of your theme is because of the original stress on labour, I believe foresters must do even more to understand the needs, the actions and the appreciation of those other people in forestry, the public. The pressures on forest land for recreation are becoming so much greater and more important that unless you, the acknowledged experts, prove that recreational forestry is within your orbit, then there must be a risk, at least for public forests, that control of the land will be taken from foresters, who will then be relegated to mere forest growers. And before you ignore this as an alarmist viewpoint, I would point out that serious consideration was given by the Cabinet Committee on Environment to replacing the Forest Service representative on the Environmental Council. Happily, this decision was not made, but it shows that, while forestry people control 14% of New Zealand, and are responsible for fire and animal control over a third of the country — over 21 million acres of forested and unalienated Crown land — some people thought foresters need have no say in the body set up to consider the physical environment. But the mere fact that the question was raised at all shows that you ignore at your peril the wider implications of your theme. You must consider all the people in forestry.
The venue you have chosen for your conference should help to remind you of this. You are at the hub of the first tourist park approved for New Zealand. The Wairakei Tourist Park embodies constructive thinking by environmental planners, foresters and the tourist industry. Where better do you have opportunities to demonstrate forestry’s part in recreational use than here, where not only will the forest create the right public image for thousands of people encouraged to visit the park, but also it will be a revenue-earning activity which will pay for much of the park’s development? Near here, also, we have one of the country’s newest forests where, with the co-operation of the Ngati-Tuwharetoa, we are creating Lake Taupo Forest primarily to protect the lake and its surroundings. I hope all of you will become familiar with this forest, because not only is it an excellent example of multiple use in action, but it is on land so desirable for commercial forestry that I understand that some foresters have suggested it could warrant concentrating planting here in preference to any other State planting.

From planting, to growth — and it is significant that both the World Bank and the Monetary and Economic Council see forestry as providing the diversification needed for New Zealand’s continued stable growth in export earnings and labour utilization. Thus, in this period of uncertainty about the future of the agricultural sector of our economy, forestry is suddenly recognized as a big industry with a bigger future.

Rapid forestry growth requires land, and we have that. It needs money, and lending institutions are prepared to meet us on that, which in itself is an assurance of how the industry is regarded. It requires trees, plus technical and administrative expertise, and we certainly have those. And rapid growth requires people who are adequate in numbers, ability and attitudes. I cannot say that this is assured, and this is why your theme is so relevant, because it deals with the least certain of the requirements for growth. Growth implies increasing maturity of attitudes of the people within forestry, whether they are top management or the unions. Maturity brings independence of viewpoint, loss of paternalistic company attitudes, and preparedness to forgo immediate satisfaction to achieve longer-term objectives. And because growth and maturity inevitably force a widening gap between sectors of your industry and its people, I am sure you will be considering ways of reducing this enforced loss of contact.

Rapid growth in the industry is certain, and I shall now spend a few minutes talking of the increased planting and clearfelling, higher production levels and capacity increases to greater export volumes that will pose some of the growth problems we must solve. In all this, we must be continually aware of the role that is being played by all the people in forestry to generate the confidence that is being shown everywhere, and to ensure that targets are met. Undoubtedly the best indication of the industry’s and the country’s confidence in the future of New Zealand forestry is the great increase in both State and private planting during recent years. In 1950, State planting was 5,000 acres; in 1960, 7,000 acres; and
in the ten years to 1970 jumped to 36,000 acres a year. Simi­
lar gains by private enterprise have been more recent, but they have been spectacular and meaningful. In 1966, private en­
terprise in the Rotorua Conservancy alone planted 12,000 acres; in 1970, 20,000 acres; and this winter this should in­
tcrease to more than 25,000 acres. I say this is meaningful be­
bcause it reflects not only confidence, but also the growing maturity of the forest industry in providing for its own con­
tinued industrial growth by adequate wood resources. While I have fought to prevent excessive reductions in money avail­
able for State planting, I have been aware, as has the Minister of Finance, of the increasing preparedness of the private sec­
tor, both forest industry and others, to plant trees. It is the Government's policy to encourage this private planting.

However, the State must still have a major part to play in the afforestation programme, especially in generating new indus­
ty by creating large enough forest estates, and in multiple­
use forestry. One of the ideas foresters have to get rid of is that money spent on planting brings no return for 30 years. While this may be correct where you are starting from scratch, it is certainly wrong in regions like this, with thriving forest industries at Taupo and Kinleith. Obviously, the available annual increment from any planting done in this region can be cut, no matter how young are the trees that actually put on the growth. Nearly all the economic comparisons of farming versus forestry I have seen have been based on de­
velopment from scrub, and have stopped when the forest first reaches clearfelling age. Sustained-yield forestry gives a much better and more accurate argument, and if you can convince the financiers that, like tourism, there is an instant return on investment in planting in those regions that already have a mature forest and a forest industry, I am sure that private planting will increase in those areas even more spectacularly. And this, of course, is just another instance of remembering to include in your calculations all the people in forestry. Meanwhile the Government, through State planting, can foster sound regional development in other areas which cannot yet provide instant financial returns.

The marked increase in forest production in recent years has meant many more people involved in forest utilization. Between 1950 and 1970, volumes of roundwood removal a year increased by 200%, from 90 million cubic feet to 271 million cubic feet. This increased cut marks our passing from the era when all clearfelling derives from the concentrated plant­
ing of the depression times. It would be worth while calculating the multiplier effect the employment of about 3,000 depression era planters has had since in providing employment or income for all the people who depend on forestry in this region. Production figures for the past ten years show the rapid expansion brought by greater supplies of timber and the industry's ability to compete for labour. Percentage increases for the decade were: paper, 171; pulp, 128; panel products, 72; and sawn timber, 10.

You will note that the expansion has been greatest in indus­
tries where there is a high degree of processing, mainly
paper and pulp manufacture, and this augurs well for the future of forest industries in this country, in that much of the value was added in New Zealand by processing. This makes each tree worth more. The forest industries in New Zealand have plans for major expansion this decade and they show productive capacity for paper-making increasing by 62%, and pulp by 118%, between 1970 and 1975. All the major firms plan some form of expansion; a new mechanical pulp mill at Napier to be integrated with a modern sawmill; two chemical mills to be expanded and new paper-making machinery installed; and increases in the panel products field are proposed, including one at Taupo.

Unlike some sectors, forestry's terms of trade are very satisfactory. The dominance of Japan and Australia as our major markets, with their high growth in gross national product, suggests our forestry exports are oriented towards the right markets to take advantage of prospective price and volume increases that will increase export earnings, because both countries are short of softwood supplies. The National Development Conference export targets of 1973 and 1979 are well within reach, and the Forestry sector expects to exceed its 1979 NDC target by as much as 40%. This will more than offset the effects of inflation on import prices to service this industrial expansion.

Large-scale beech utilization in the South Island is not only an exciting possibility, but it also fits admirably into your theme of people in forestry. If the West Coast scheme goes ahead, it will be the biggest forestry development of this decade, and there will be an urgent need to ensure that there are trained people available to start and maintain a sophisticated pulp industry. I hope the Institute will play its proper part. You have criticized yourselves before for missing out on important issues, for being too late with too little, or for simply not being in front when undoubtedly the Institute was an expert body which should have helped to guide public opinion. Already, uninformed and emotional statements are being made about beech projects, and these could jeopardize the projects before they are properly evaluated. You should be to the fore now in your watch-dog and promotion activities, counselling and advising on aspects as widely different as ecological diversity and the analysis of the complexities of industrial development.

I do not want to steal any thunder from your panel on industrial relations, but it is too important a subject not to mention. Manpower planning is one area where many people still plan in terms of the problems of earlier decades, which is not good enough. We would not use out-of-date machinery, and there is something wrong with our thinking if we do not recognize that modern machinery will not make up for outdated labour practices. You are dealing with human lives and human values here, and any time you do not take that into account, you are in trouble. The winter employment scheme has been very helpful to forestry in the past, but the industry is now too good an industrial prospect to be based on labour residues, prisoners and seasonal workers. After
seeing this region, few would question the benefits of using otherwise unemployed people on afforestation to convert a surplus resource — labour — into a capital asset — forests. But this should be a useful bonus, not an integral part of the national planting target. In resolving the industrial relations and wages-cost dilemma, the inter-relationship between full employment, national incomes and active manpower policies is crucial. Active manpower policy must become a permanent part of our national economic life; and closely associated must be an up-dating of the traditional, and in some cases outmoded, system of industrial relations.

In your conference sessions on people in forestry I hope you will retain your sense of proportion. For many years the Timber Workers' Union was quoted as a desirable example of harmony between union and management, and troubles over the past few years have probably, as much as anything, reflected the loss of individual contact. This is part of the price we pay for growth. There are other prices, not least the need for continual reviews and planning. To make full use of the opportunities open to us, we must work for good employment policies, technical aid and finance, stable growth and minimal fluctuations in the labour force. These will not come by chance, or good luck: we will have to plan and work for them. And, perhaps most of all, we must continue to question and discuss the very plans we have made and which, last year, seemed the peak of progress. To do this year by year takes a special kind of thinking that is still too rare in any industry. If anyone in this industry has it, it should be this Institute.