TIMBER SALES: THE SMALL OWNER'S VIEWPOINT

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The small owner can be defined as one who manages less than 400 hectares of commercially oriented private forest. Traditionally such an owner in New Zealand has been a farm forester, and farm foresters today see an industry fifty years behind the times as far as its setting of a price structure for the sale of timber is concerned.

Farmers have traditionally had a great distrust of large industrial companies, especially those dealing with primary produce; and they are not at all happy about placing themselves in the hands of one or two of the large companies for the disposal of their forest produce. This situation has no doubt arisen from past confrontations with large overseas companies in the meat and dairy industries. The fight there was a bitter one, and it was only by Government intervention that the present splendid and orderly development of producer boards came about. The dairy industry in New Zealand is outstanding in its co-operative manufacture and marketing of a diverse range of products. It is significant that the good work done by the late Jack Stronge on the Stumpages Committee was based on his considerable experience in the dairy industry.

Perhaps, though, it is in the meat industry that the nearest parallel to the marketing of timber should be found. Provinces like Auckland consume some 85% of all prime beef produced, and the local price is set by the price received for the 15% exported. This export price is watched over and adjusted by the Meat Producers Board which, while having a predominant farmer membership, has two Government members sitting in. In cases of confrontation the Government has power to inspect exporters' books, in confidence, on behalf of the Board. While hardly ever exercised, this right has had a very salutary effect on the export companies, and a most spectacular effect on the mid-season dip in prices that always characterised pre-war seasons. It may be of interest to note that in some U.S.A. states the Forest Service has similar powers to inspect books of complaining buyers of their logs. Complaints have been few!

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So, with this background, it is easy enough to understand why farmers see so much that is unsatisfactory in forest produce marketing in this country. They see the big companies wagging the cat, the cat being the N.Z. Forest Service, and they are concerned for this department which they rate highly when compared with others in their orbit.

There are, however, encouraging moves coming from the Forest Service. The publication of stumpages for all State sales of logs over $6000 will help greatly in setting more consistent prices country-wide. When these stumpages are related to mill door prices, private sellers will have some idea of prices to ask. Most probably farm forestry extension officers will assist in making these essential figures available.

Generally farm foresters would like to see the following:

1. A continuance of the export log trade to give a bench mark for the local sales (cf. prime beef export sales).

2. A more even price being paid for State logs in different conservancies. Retail timber prices are similar in all parts of New Zealand: why do log sales prices vary so much?

3. A move to more rationalised prices, variable with log size and quality and based on mill door floor prices. These should be published quarterly as is done by the Queensland Department of Forestry.

4. Some grouping of private with State logs for both export and larger local sales. This has already been done in some districts and is a commendable trend.

5. Some regional planning for the future to establish local corporations to market and utilise logs held by the State, Maori tribal groups, local bodies and private plantations; with a certain percentage of the profits being fed back to the region by way of port and roading improvements, etc. One could consider such districts as the far north based on Kaitaia or Whangarei; and the coastal districts of Wairarapa based on Tinui, where State, large private company and the large catchment board plantings could be sawn, dried and treated before the long road and rail haul to Wellington.

One has great confidence in the place of forestry as a profitable form of land use, on farms where land owners will grow quality pine, selected hardwoods, and quality conifers other than pine. The greatest fillip that private forests could get is a well organised and orderly marketing of their products.