FORESTRY PLANNING, TRANSPORT AND REGIONAL INFRASTRUCTURE IN NORTHLAND

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INTRODUCTION

Planning can mean a number of different things to the forestry sector. All the major forestry companies, for example, undertake forward planning of some sort, despite the frequently-heard assertion that forestry is an act of faith. The Forest Service, still the major forestry organisation, itself has a central Planning Division, and prepares local management plans to guide operating policy at the forest level. In addition, all those involved in afforestation and forest management will be aware of the statutory requirements of district planning. Indeed, it is the regulatory aspects of planning, particularly as they are applied in the district schemes prepared by local authorities, which preoccupy many foresters and may fashion their views on the role of planning in the sector.

This paper is not about regulatory planning but about the application of a strategic approach to public sector planning. It also seeks to indicate the appropriate geographical level for strategic planning in a sector marked by a relatively small number of interests, and by a future in which continuing development depends upon coping with changes in an uncertain external environment.

In discussing the application of strategic planning to forestry in the Northland region, I will draw upon the findings and directions suggested by the Central North Island Forestry and Transport Planning Study. Where appropriate, I will seek to apply these lessons to Northland. Emphasis will be placed upon the practical conclusions which might be reached through a process of collaboration leading to agreed directions and goals for forestry in Northland. In the absence of such consultation to date, strategic goals are implied in terms of commercial efficiency, minimising disruptive impacts, fostering expansion of output, furthering national development objectives, and sharing in the benefits of development.

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Like district planning, regional planning is concerned with land use. Unlike district planning, this is not the limit of its domain. Nor is it concerned so much with issues of control as with the promotion of appropriate management of the land resource and its wise use. Regional planning is a form of inter-agency strategic planning which can lead to general agreement about development directions. It provides an opportunity to identify and act upon opportunities and constraints to development at a level sufficiently sensitive to regional interests and realities that they can be accommodated in the course of development.

Effective regional planning will involve bringing together public and private, central and local bodies within a structured, but free-ranging, consultative framework. The main objective is to agree upon policy directions and goals. It should be possible also to identify actions through which various agencies might actively pursue or contribute to those directions from time to time. Along the way the trade-offs involved in alternative courses of action can be identified, evaluated, and debated. These may be between the national and regional interests, for example, between national economic benefits and industry efficiency, and between social and environmental matters.

The Town and Country Planning Act identifies the united council as the agency to convene a forum bringing together parties to discuss development issues within a region. Through participation in such a forum, the forestry sector may in turn inform others of the contribution and role it can make. Through this, forestry interests will be exposed to views and activities outside their sector likely to influence its development. When the infrastructure needs of a sector are considered, these can then be placed in a comprehensive development framework. This may be in the context of a wider works programme when they require public funding, for example. Complementary developments or demands can be identified, and measures taken to ensure that the funding of investment and pursuit of required statutory approvals is undertaken in a rational manner.

The recording of policy agreement in the regional planning scheme is one output of the collaborative process envisaged. The advantage of this formal step of the strategic planning process is the degree of certainty which it can provide to investors in the sector. This follows the guidance to decision-making in the public sector, as well as from the statement of objectives, through the
accommodation of which private investors are likely to encounter a positive public attitude. Policy directions in a regional scheme extend to central government agencies and to the land use planning of local authorities.

While the planning process which can be facilitated through the operation of united councils will be worth while, the question arises as to the relevance of united council boundaries to strategic forestry sector planning. The advantages of dealing with a single united council on substantive matters of policy and investment directions compared with, say, seven counties should be obvious to those in the sector who have already been involved in the statutory planning processes at local authority level. A further advantage is the ability to influence attitudes and through that land use policies outside of the adversary or courtroom situation, which has been all too frequently associated with forestry planning in the past.

At another level, the fact that New Zealand is covered by some 22 united councils may be seen as somewhat daunting. However, from many points of view their boundaries are arbitrary. As an issue or sector is considered within the regional framework the possibility of inter-regional planning must be raised. The Central North Island Planning Study, for example, was an inter-regional sector review. It was initiated by the Minister of National Development and covered seven regions with a common interest in the resource of the Central Plateau and adjoining regions, and in the transport network and outlets needed to service this resource. The Central North Island Study demonstrates the utility of an approach which is consultative, pitched at a meaningful geographic level, and yet which is not confined to arbitrary united council boundaries.

Insofar as there is a role for regional planning to sustain the wise development of the forestry sector in Northland, it is important that Northland United Council seek to collaborate with the Auckland Regional Authority in doing this. The bulk of Auckland’s production forests are located north of the city, in Rodney, and are under the control of the same agencies as those which are currently most active in Northland. Through co-operation in regional planning, then, we may be able to set directions for the entire plantation resource north of the Waikato. This would avoid duplication of investigation and consultation, and could be reflected in some consistency among district schemes from Franklin through to Mangonui. It is also the level of geographic resolution at which supply and demand, as well as in-
structure needs, may be most meaningfully considered by Northland interests.*

A regional planning approach to forestry, as outlined here, need not be preoccupied with matters of detailed policy implementation. Instead, it can focus on key issues, establish general development directions, and place investment decisions in a broad context. This task can also be seen as a cumulative one between regions, so that the lessons learnt in one place may be applied in another. Hopefully, this will reduce the direct costs of planning by eliminating unnecessary replication between regions. Through developing and refining methodology for evaluating options, and the ground rules of planning, this in turn could contribute to sound development directions for the sector as a whole based upon a systematic approach to the sector “on the ground”. The success of CNIPS, then, may be judged in terms of how much it contributes to a streamlined forestry planning process in other parts of New Zealand. At the same time, it is important that through this process of refinement we do not pursue consensus and become increasingly myopic and defensive in our thinking as well as our planning. The building process should be in terms of our skills and understandings, our ability to cope with diversity and change, and not in terms of reinforcing preconceived positions and practices.

CNIPS FINDINGS ON TRANSPORT AND REGIONAL INFRASTRUCTURE

The Central North Island Planning Study investigated various needs and options relating to the utilisation of the forest resource. Among its conclusions was the one that premature investment in infrastructure would impose costs which, under a user pays philosophy, would adversely affect the competitiveness of the sector in the short term, and which could distort its development directions in the long term. If the industry did not accept the resulting costs, they would have to be met by the taxpayer or by other users of those facilities, as higher operating charges were incurred following misplaced or mistimed investment.

The study also revealed capacity in the existing regional infrastructure, settlements, services, and in transport facilities sufficient to meet the sector’s needs for some time to come.2 The

*Already moves have been made to establish a committee for liaison between the Northland United Council and Auckland Regional Authority.
suggestion that the only additional port capacity which might be justified would be at Gisborne after the turn of the century reflected the possibility of reducing internal transport costs, rather than any shortfall in port capacity. In fact, given a reasonable level of processing of the resource prior to export, two ports, Napier and Tauranga, could handle between them the entire output of the central North Island forests, simply on the basis of natural improvements in productivity.¹

The advantage of rail from an economic or resource costing point of view was amplified, particularly as volumes increased, and more particularly between processing point and port or market. This in itself does not mean that railways should be extended to meet the needs of an expanded sector except perhaps in the case of transport from an inland source, such as Tongariro forests, to the port. Certainly where the prospect of coastal barging exists the preliminary analysis undertaken highlighted a considerable advantage from the pursuit of this option rather than road or rail transport.² The availability of an existing railway system will clearly play a role in the location of future capacity for processing the crop, though. Again, this is especially so for inland or non-port locations.

Through the consultation and financial analysis undertaken in CNIPS it was concluded that further roading development need not impose undue costs or constraints on forestry.³ Appropriate location and development of the resource will not only minimise road hauls, but will also enable maximum off-highway haulage and any social benefits this might confer. In addition, the conclusion that there are economic and social benefits from locating additional solid wood processing capacity close to the new forests suggests that, as the second crop radiata matures, so a rationalisation of location and transport patterns can be anticipated.

Considerable debate was revealed in the course of CNIPS about the method of identifying costs and impacts of forestry on existing roads.⁴ I believe that this has been useful for long-term planning purposes, particularly from the public sector point of view, and it may have provided some insights into questions of funding and programming road improvements or construction. In the event, I believe, a process of collaboration means that as damage is imposed so the parties will be able to negotiate the basis for its repair.

The general conclusion from CNIPS must be that, given the time horizon facing forestry development, the relatively predict-
able nature of the crop and subsequent commodity and product flows, strategic regional planning for infrastructure can be undertaken which will minimise national economic costs, enhance the commercial efficiency of the sector, and avoid undue social and environmental disturbance.

SOME IMPLICATIONS FOR NORTHLAND

Within Northland, investigation into forestry infrastructure needs has not considered seriously possible locations for processing plants. While not suggesting that a prescriptive approach be adopted which says where factories should go, it is possible to canvass likely options and to identify the impact of developing at different localities upon infrastructure such as settlements, services, roads, railways and ports. If the CNIPS conclusion that solid wood processing will take place relatively close to the forests holds as a general principle, then the main flows considered by the Northland Forestry Port Study are a reasonable basis for such an analysis as was undertaken. However, the principle objective of the study was to identify the most appropriate port location within Northland. It was able to reach a robust conclusion in these terms, but left a number of related issues unresolved.

In considering sawmilling and similar activities, it may be concluded that there is potential for the smaller townships and communities of Northland to benefit from any primary processing which is undertaken in the region. The economics of large-scale, capital-intensive plants mean that the bulk of residues, on the other hand, are likely to be centralised prior to processing, and we need only look at a small number of localities as potential sites. A cursory exercise identifying constraints of, say, labour force, water or land, should be sufficient to narrow down the options to no more than, perhaps, four localities. These would include Kaikohe, Dargaville, Marsden Point and the Wellsford-Hoteo area. Consideration of such options would cover the flows of small logs and sawmill residues to mill as well as product to port, and the impacts of development upon the natural and social environment in each prospective locality.

FOREST RESOURCE DEVELOPMENT

Having alluded to the relationship between forest and processing industry location, and road, rail and port development, it is pertinent to consider the area in which regional planning has
perhaps the greatest long-term contribution to make, that of resource development. The concern of the Inter-regional Planning Groups in CNIPS, and the relationship between infrastructure planning and forest development, led to the investigation of alternative patterns of forest development.

The resource management issue was framed initially in terms of the location of additional forests, but this question could not be asked independently of questions of grassland and forest management. The conclusion that a shift in the direction of afforestation may be called for to facilitate the flow of private funds into forestry struck a responsive chord amongst some of the regions. Redirection is called for on two counts.

First, the continuing plantation of remote and relatively low producing land, whether for protection purposes or whether simply because of land availability, may be justified economically only by the adoption of lower stocking rate afforestation. This could well reduce harvesting and transport costs and impacts, while facilitating grazing in areas otherwise unproductive until the forest matures. Planting practices which prevail in many areas largely preclude grazing under the trees. The Hawke's Bay Case Study suggests that in some areas these practices give rise to limited forest returns and economics susceptible to small price fluctuations. On the other hand, a form of afforestation which enables unproductive land to be brought in selectively at a lower cost than has been the case in the past, and which may introduce pastoral farming on to this land or improve the existing poor pasture, offers real advantages, in terms of industry competitiveness and in terms of national economic efficiency. It may also enable a more sensitive approach to be taken towards the environmental and soil protection objectives of forestry, neither of which may be very well served by a practice of indiscriminate planting of land at the margins of present production.

The second redirection suggested is the adoption of low tree stocking rate regimes under which pastoral farming can be sustained for a relatively long part of the forestry cycle. Practised with sufficient skill, this offers by far the most efficient form of afforestation and forest management, and is fully consistent with the export objectives of future forest development. Not only do lower stocking rates and intensive silvicultural management offer the prospect of reduced market risks and higher economic returns than those obtaining on the more remote and difficult land favoured for forestry at present, but they also raise the possibility that
a much wider range of people will become involved in forestry. A more dispersed form of afforestation, not necessarily involving changes in land ownership, would clearly require some organisational adjustments to ensure that high quality forestry management applies across discrete land parcels. Already, forestry companies are moving to accommodate this opportunity through undertaking joint ventures with landowners. There is no doubt that the new direction offers farmers themselves the opportunity to become organised collectively, so that they may sustain forests of sufficient scale to justify a high degree of management and to ensure that they are able to exert some marketing pressure at the end of the forest cycle.

It should be emphasised that, while neither of these directions are built upon new silvicultural technology, per se, they do offer the prospect of a fundamental shift in current forest policy, as expressed through the work of the Afforestation Working Party of the 1981 Forestry Conference, for example. Adoption of such a role would clearly raise questions about the relative value of operational and advisory or extension services within the Forest Service. It does offer the prospect of contributing to the strengthening and diversification of the rural sector, though, and suggests that the development of production forests in the future might focus upon towns and ports rather than upon remote backblocks and hills. This would be consistent with the view that the real opportunities to share in the development of the sector lie at the utilisation end, and that resource development should be directed towards enhancing the prospects for processing within New Zealand. In turn, this means that complementary relationships between forestry and urban areas and between forestry and farming should be emphasised. No longer is it sufficient to treat the sector as marginal to the main stream of urban and rural development in New Zealand.

The pursuit of directions which reflect this, which are sensitive to the integration of different land uses by a wider range of private and public sector agencies, could break the current impasse arising from forest planning which depends so heavily on the statutory processes associated with local authority district schemes. Through recognition of the prospects for enhancing pastoral and forest income from low tree stocking rates, and the development of a financing and service infrastructure which enables more current landowners to become involved in the sector in a commercially sensible manner, the current resistance amongst farmers and
counties to forestry could well disappear. This prospect still needs to be addressed in Northland, despite evidence of recent developments which begin to reflect the logic of an orderly pattern of forest development.*

**CONCLUSION**

This paper advances a case for forestry planning at the regional level. The issues which have impeded forestry development in the past, the growing importance and visibility of forestry interests in many parts of the country, and the new role of regions in resource planning, in themselves are compelling reasons for such a case. Much more important may be the opportunities which a strategic regional planning approach offers to the sector. Once some consensus is reached on the goals of a region relative to forestry, and when these goals are incorporated into public policy making, then such things as forest location, silvicultural practices, and infrastructure investments should be readily resolved. To ensure that this process is sensitive to forestry sector needs and conditions, it is important that interests within the sector participate, recognise the value of regional planning, and build upon it in a responsible manner.

In the present context I would recommend that regional forestry planning be undertaken jointly for Auckland and Northland. Regional planning for this wider area can build upon a considerable depth of experience and information already gathered by both public and private agencies in the sector, reduce the demands of duplicated effort and information, and lead to greater consistency and certainty over development directions for an area which can be seen as functionally a single unit.

Before detailed aspects of infrastructure development are debated and policies enunciated, whether at the local or central government level, it is important that some agreement is reached on the directions of the development of the resource, and on the range of possible processing opportunities and localities at which this might take place. Only when information about the realistic options and their impacts is available is it possible to make firm decisions about infrastructure. Once policy directions and guidelines are formulated at the regional level, they can be reflected in

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*For example, recently announced plans by Shell Oil and N.Z. Forest Products Ltd. to establish a substantial forest north of Dargaville and north-west of Whangarei.*
the land use planning of individual local authorities, contributing
to a rational pattern of land use throughout the region.

Although infrastructure emerges as a secondary consideration
in planning for the resource, sufficient information has been as­
sembled to endorse the selection of Marsden Point as a major
regional forestry port for Northland. Otherwise, questions of
road development, the maintenance of the railway, and the fur­
ther development of coastal barging systems and export from
the far north, are essentially secondary and largely local issues,
which can be more readily resolved once general directions are
set at the regional level.

Closer consideration of forest resource options, especially as
these relate to local social and employment needs, may begin
to see a move towards more efficient patterns of forest location
from future planting. This would be directed towards settlements
and integrated with other land uses, and not towards remote
and less productive sites. It would, as a consequence, ensure
that the downstream processing options and infrastructure needs
in the long term are reasonable ones, and can build upon the
services put in place in the meantime.

Finally, forestry can be seen as a positive development tool
in a regional planning framework, as a legitimate and important
activity throughout the region and alongside pastoral farming.
To reach that status the sector needs to ensure that it approaches
development with an open mind, that it embraces opportunities
for collaboration and consultation, and it addresses real resource
issues as they influence the attitudes of other land users, that
management and development decisions made within the sector
are seen to be sound, and that forestry is not treated simply as
the preserve of current participants. It may be only through em­
bracing the regional planning process in this manner that the
sector will achieve its full potential in Northland and elsewhere
in New Zealand.

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