Confidence in second rotation - forestry as a sustainable land use

Many predict 2005 will be another hard year for the forestry sector. With signs of improvement in the export market and a new Minister committed to regional development there are many reasons to have confidence in our industry. The NZIF is now set to play a greater role in the industry. Membership continues to increase, the newsletter is proving to be an excellent forum for information and debate and we have plans to upgrade our website and journal.

Last weekend I had the pleasure of celebrating the harvesting of the Anglican Schools Forestry Trust’s Putinka Forest in the Wairarapa. I’d been the advisor, and subsequently a trustee, from the early 80s into the mid 90s. These church schools began investing in the late 70s and it was with some pride that the current trustees could say “here is a return from this forest after all those years of investment” – the returns from the block were encouraging as the harvesting manager (a soon to become NZIF member) has marketed logs successfully to local mills and achieved returns “better than the current valuation” (prepared by NZIF Registered Forestry Consultant).

Harvesting had started in the thinned compartment of the forest - the gorse covered southern face out the back, ahead of the pruned areas. And this harvesting had effectively paid for the roading through the pruned areas and kept the contributing schools happy by providing an early cashflow.

As a committed first and second rotation forest owner, with a good proportion of my superannuation in the forestry basket in the South Island, I have considerable confidence in the industry. A number of large organisations are looking for long term investments in forestry. Some for fibre but increasingly the companies I work with in the Packaging Accord are looking to own both land and forests to counter their carbon consumption and improve their environmental footprint.

Forestry will ultimately be sustainable (it has to be), it provides carbon credits, increases biodiversity, repairs the land, looks good and people enjoy being part of it. What other landuse allows you to use your head, heart and brawn and can grow until you’re 100? It provides a retreat in the weekends to blow away all those aches and pains from too much sitting, traveling and computing.

Putinka Forest over its 30 year rotation has had only three managers, two chairmen and 20 trustees. And those schools have not only committed to the second rotation but are busy planting their third forest. They are our NZ based investors who, with the many farm foresters, have a long term confidence in forestry.

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