Dear Sir

When John Purey-Cust expressed the view in August 2008 that the Journal be equation free I am sure that he did not intend that articles be virtually “text free”. In his editorial of that issue then editor Euan Mason disagreed with John’s view, but he has gone on in the November issue to co-author an opinion piece with Hugh Stevenson that largely consists of 8 photographs illustrating the conversion of plantation to pasture on the Canterbury Plains. Euan and Hugh’s opinion is not explicitly expressed but the inference is clear that they disagree with the process. No arguments are presented to support their view. With regard to the Emissions Trading Scheme (ETS) Euan’s editorial in the same issue states “We should vigorously promote wider values of forestry so that no matter what happens to the ETS, the public knows what it is losing if forested area declines further” and goes on to list some of the attributes that plantations provide. I couldn’t agree more, and suggest that Euan and Hugh’s article would have been far more credible had it also described the attributes lost when converting from plantation to pasture, better still, to have quantified and valued the attributes and carried out some sort of cost benefit analysis.

However, based on the figures presented in David Evison’s paper in the same issue the decision by SPBL to convert plantation to pasture makes clear economic sense. While David’s figures for forestry and dairy are national averages, dairying and Canterbury arable farming have IRR’s that are respectively approximately 3 and 2 times, and capital values 4 and 8 times, that for forestry. While they could quote the huge environmental costs of dairying and the significant environmental benefits of forestry our society has shown little inclination to place any realistic financial values on them and I suspect that Euan and Hugh would struggle to show forestry with a higher benefit / cost ratio.

Naturally we can all empathise with Hugh’s position. Regrettably many members have faced similar circumstances, some of us more than once! SPBL are however managing their assets for maximum return to their shareholders. Who amongst us would not take a $5700 asset, spend $6000 on it and thereby turn it into something worth at least $23 000 and possibly $47 000 (based on David’s figures)?

It is no use lamenting the demise of the plantation industry in NZ. Boards and CEO’s are making pragmatic decisions based on information available to them. If society is not fully costing the environmental benefits of forestry then we as an Institute have a role to promote those benefits in a professional manner. Journal articles, whether opinions or refereed articles, can be (will hopefully be) provocative, but they must be based on well reasoned and justified arguments.

Paul Smale
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Euan Mason rebuttal:

As Paul points out, an opinion was not expressed in the article. Had the opinion he puts up as a straw man been expressed then my name would not have been at the top of the page. Deforestation is a feature of our times and is therefore of interest to readers. The pictorial illustrated how it is done, nothing more.