

appointed by them) be used as a selection panel. With the exception of the Balneaves Travel Award (because the NZIF only administers this award on behalf of the Forest Technology Board and is therefore not able to change the terms) and the Thomas Kirk Award (because of its historical significance) they would be responsible for selecting candidates for all the remaining awards and scholarships.

The selection panel may, at its discretion, require interviews, consult with family members associated with the awards, speak with referees and co-opt other NZIF members to assist in the selection process.

Funding

In order to make the financial value of the awards more relevant, and also to enable them to be used as an opportunity to promote the Institute, the basis of funding will have to be modified. Currently the funds set aside for awards are held in a trust account and they are (at least nominally) kept separate. It is proposed that in future no attempt be made to separate the funds allocated to each award but that the Treasurer just keep an awards trust account.

The table below summarises the current financial situation with regard to the base funding and the annual award drawings for both the current position and that proposed. Simplistically if the current balance of \$68,575 was invested at 7.5% interest it would generate approximately \$3500 per year after tax. The additional \$13,100 required to meet the estimated annual cost of running the programme

(including promotion) would need to be made up out of our annual budget. This is however likely to be a very cost-effective mechanism for promoting the Institute to a receptive audience.

Where to now

Constructive comment on this proposal is sought, preferably in writing, by:

Paul Smale
C/- Rayonier New Zealand
P O Box 9283
NEWMARKET
Auckland

Fax: (09) 302 1843
 Work phone: (09) 357 0122
 Home phone: (09) 445 8903
 e.mail: paul.smale@rayonier.com

Please ensure that any comments are sent by the end of January 1998.

In the meantime discussion will occur with a number of interested parties including Maori (for the proposed scholarship) and those who have been involved in setting some of the current awards and, where appropriate, the family members.

The comments received will be discussed by Council early in the new year and a revised proposal put to the next AGM in Wanganui. Changes adopted at that meeting will hopefully be implemented from 1999. The current format will be used for the 1998 awards.

Acknowledgements

This revamp of the awards is based on the

background work of John Novis in 1988 and John Novis and Lisa Langer in 1994.

NZIF Forest Valuation Working Party Update

Submissions on Forest Valuation Standards now due

The Exposure Draft of the Forest Valuation Standards was released in October 1996. In this document, interested parties were invited to provide feedback to assist the Working Party prepare a final set of Forest Valuation Standards. The closing date for submissions was given as September 30, 1997 and feedback has been received from a wide range of organisations, including the Securities Commission and the NZ Institute of Chartered Accountants. However the Working Party has decided to extend the deadline for submissions until January 31, 1998 to ensure that NZIF members and other users have an adequate opportunity to apply and comment on the Exposure Draft.

Members are invited to comment and make suggestions about any aspect of the Exposure Draft. Examples which illustrate forest valuation issues are also welcomed. Submissions should be sent to the

	Award	Type	Current				Proposed		
			Consideration by	Base Funds	Annual Costs	Notes	Consideration by	Annual Costs	Notes
NZIF Awards									
	Thomas Kirk Award (Kirk Horn Flask)	Prize	Selection	\$3,400	\$100	1	Selection	\$100	
	Chavasse Travel Award	Travel Award	Application	\$40,300	\$3,500		Application	\$3,500	
	Schlich Memorial Prize	Prize	Nomination	\$225	\$600	2	Scholarship (by application)	\$2,000	3
	Mary Sutherland Bequest	Prize	Nomination	\$350	\$800	2	Scholarship (by application)	\$2,000	3
	Frank E Hutchinson Memorial Trust Fund	Prize	Nomination	\$4,800	\$100		Scholarship (by application)	\$2,000	
	Curt Gleason Memorial Prize	Prize	Nomination	\$13,100	\$500		Discontinued	-	
	NZ Forest Service Carving	Prize	Nomination	\$6,400			Discontinued	-	
	NZ Forest Service Sports Award	Prize	Nomination	(part of above)	\$300		Discontinued	-	
	NZIF Scholarship for Maori							\$2,000	
	Award promotion and administration							\$5,000	
	Total NZIF Awards			\$68,575	\$5,700			\$16,600	
Awards administered by NZIF									
	Balneaves Travel Award	Travel Award	Application	\$17,100	\$5,000		Application	\$5,000	
Notes 1	Beverage plus medal.								
2	\$100 book voucher plus travel costs to the AGM estimated to average \$500								
3	\$1500 Scholarship plus travel costs to the AGM estimated to average \$500								

Convenor, NZIF Forest Valuation Working Party, NZ Institute of Forestry, PO Box 19-840, Christchurch.

Forest Valuation Seminars

Members of the Working Party have presented seminars on the Forest Valuation Standards in Auckland, Wellington, Nelson, Blenheim and Rotorua. These seminars have been very successful in giving members of the NZIF, NZ Institute of Chartered Accountants, and NZ Institute of Valuers an appreciation of the Forest Valuation Standards and have provided useful feedback to the Working Party.

Further technical seminars are proposed for the future. For example, it is intended to hold a joint seminar with the

NZ Institute of Valuers on forestry land issues.

Reporting crop value

The Working Party has been reviewing how crop value should be reported – in particular how any forestry land-use differential should be reported. The forestry land-use differential represents the difference between the forestry land expectation value (LEV) and the land market value (LMV). It needs to be emphasised that although this differential (LEV-LMV) is derived from a calculation concerning land it is a value that is only developed when the land is planted in trees – it is a value inherent in the crop. However, an issue is under what circumstances the

seller is likely to realise the (LEV-LMV) component when a forest is sold.

A discussion draft on this issue is currently being prepared and will be released to members in the next issue of New Zealand Forestry.

Discount rate

The Working Party has carried out a survey of a range of organisations in the sector to obtain input on the appropriate discount rate for estimating the market value of a forest. Again, the results of this survey will be released to members in the next issue of New Zealand Forestry.

Bruce Manley
Convenor

NZ Institute of Forestry develops a new indigenous forest policy

Introduction

Over recent years there has been a degree of concern within the NZIF membership about the apparent poor health of some indigenous forests, the fragmented and uncoordinated nature of the legislation addressing the management and administration of indigenous forests, the scarcity of funding for research concerned with important indigenous forest issues and the divergent views by different organisations and the public at large about the future management of indigenous forests. Some members of the NZIF also perceive that the forestry profession is in danger of being bypassed on important indigenous forest issues.

These concerns influenced the NZIF to establish an Indigenous Forest Working Group in 1993 to examine the major issues surrounding the management of indigenous forests, review the existing legislation and policies pertaining to indigenous forests and prepare an indigenous forest policy statement. In 1994 and 1995 the Working Party met several times, visited a range of managed indigenous forests in Canterbury, Nelson and Westland and collected together a considerable amount of historical, technical, policy and administrative information about New Zealand's indigenous forests.

Since mid-1995, the Working Party, consisting of Colin O'Loughlin (Convenor), Udo Benecke, Andrew McEwen, Alan Reid, Dave Field and John Holloway, produced several drafts of an indigenous forest policy statement. The latest version, completed in July 1997, incorporates the views of more than 30

NZIF members who have particular interest in and knowledge of indigenous forests. This version will be distributed to all NZIF members for perusal and comment. It is intended then to produce a final statement which will be presented to the 1998 NZIF Annual General Meeting for adoption by the Institute.

Summary of the NZIF Indigenous Forest Policy

The NZIF is of the view that New Zealand's indigenous forests have important ecological, cultural, production and scientific values that contribute to the economic and social well-being of the nation. As such, a full range of indigenous forest types must be maintained (or expanded) in a healthy state for the benefit of present and future generations. To contribute to this overall objective the NZIF indigenous forest policy consists of the following policy statements.

1) The NZIF advocates and supports a forest ecosystem management approach to sustainably manage New Zealand's indigenous forests and, in particular, to sustain forest productivity, health, biodiversity, soil quality, water quality, natural landscapes and the full range of natural forest ecological processes.

2) The NZIF advocates and supports the development of a strategy to promote the non-market values of indigenous forests and enhance their status as a contributor to the New Zealand economy.

3) The NZIF advocates and supports the development and maintenance of a comprehensive national database on the condition, health, location and extent of

major indigenous forest types.

4) The NZIF supports the maintenance and enhancement of the current integrated research effort concerned with the development of new methods to manage and control animal and plant pests.

5) The NZIF advocates and supports the establishment of a comprehensive national indigenous forest health surveillance system to provide full coverage of the national forest estate on a biannual basis, and which incorporates a rigorous system of border control and emergency response.

6) The NZIF advocates that management for timber and other products must be carried out using silvicultural systems which limit the magnitude of the changes to the forest as a result of that management to levels near those that occur naturally in healthy forests.

7) The NZIF advocates and supports the initiation of a research and development programme to document and develop ecologically sustainable silvicultural systems for indigenous forests with sustainable timber production potential.

8) The NZIF advocates and supports the development and use of reliable and consistent systems to monitor the sustainable management of indigenous forests

9) The NZIF advocates the development of a streamlined "National Application and Consent System" for the management of indigenous forests for wood production which would be implemented by the Ministry of Forestry under the Forests Act (1993 Amendment) in cooperation with local Government under the Resource Management Act.