

*President's comments***Successful conference at Waitangi**

Our June conference was a great success. It had the kind of "buzz" that I'm sure all conference organisers aspire to. It started with the AGM and continued the next day here an excellent mix of speakers challenged us to "Face up to Change". Thanks to Neil Geerkens and his team, ably assisted by EventMergers, for running this conference. The feedback has been very positive.

**NZ Forester of the Year - Dr Andrew McEwen**

A magnificent Lionel Grant carving was presented to Andrew as Forester of the Year. This award recognises the huge contribution he has made to the Institute and to the forestry profession over his career. The judges commented that over the last 2 years he has, through the weekly electronic newsletters and the Southern North Island section meetings, brought a focus and cohesiveness to the Institute.

**NZIF Submissions**

Over the last 2 months the Institute has made a number of submissions including the Climate Change Response Amendment Bill, the Government's timber procurement policy, the East Coast Forestry Project Review and Registering Planted Indigenous Forest. I've expanded on our climate change submission below.

**Climate Change Policy and forestry**

In June the Institute presented our submission to the Commerce Select Committee on the Climate Change Response Amendment Bill. We were fully supported by the NZ Forest Owners Association, NZ Farm Forestry Association, Tane's Tree Trust and the Commonwealth Forestry Association. It was one of the few occasions where the forest owning groups were united in their concern about the Permanent Forests Sink Initiative. Leadership from the Institute helped to galvanise action.

Before detailing these concerns, we used the opportunity to make general comments about climate change policy and our support for policies in which forestry plays a major part. In previous climate change submissions the Institute has not opposed the retention of forest credits by the Crown on the understanding that the benefits would be returned to our sector and that they were not used to shield our competitors. As this has not eventuated we recommended to government that its Kyoto policy be reviewed. It is a relief to see that following the recent significant readjustment, where New Zealand has moved to a \$500 million deficit in the first commitment period, a major policy review is underway.

The new policy must remove the distortions and uncertainties which are influencing decision making or disadvantaging forestry in comparison with less carbon friendly competing land uses or products. With a buoyant agricultural sector we are seeing increasing conversions

on forest land into agriculture throughout New Zealand. When forest land can be converted to dairying, with a reported reduction in cost of \$10,000 per hectare compared to developed land, we are likely to see more deforestation.

There is a general acceptance that the forest credits need to be used to incentivise new planting. At this stage the mechanisms have not been developed but there must be a way for both the government and the forest owner to share in the benefits, risks and liabilities.

In our submission we stated that the Permanent Forests Sinks Initiative did not share these risks and liabilities, and as a consequence we submitted that the Initiative is unlikely to be attractive to many land or forest growers. We were concerned about the liabilities from the "35 year - no harvest conditions" and the in-perpetuity registration on the land title.

The details of the Permanent Forest Sink Initiative will be set out in regulations and we believe that there must be open consultation at the regulation setting stage.

**Policies to encourage new planting**

We recommended that government pursues new planting with clear objectives covering biodiversity enhancement, soil and water conservation and improved flood protection rather than using climate change to achieve these objectives. Although they are clearly linked we submitted that with a clear forestry policy more afforestation would take place, thus resulting in greater carbon sequestration.

As the government moves into election mode this is an ideal opportunity to promote sensible forest policy. In August the Institute is holding a forum for the forestry spokes person from each political party. We'll make the most of this opportunity to influence their policies.

**Jaquetta (Ket) Bradshaw**