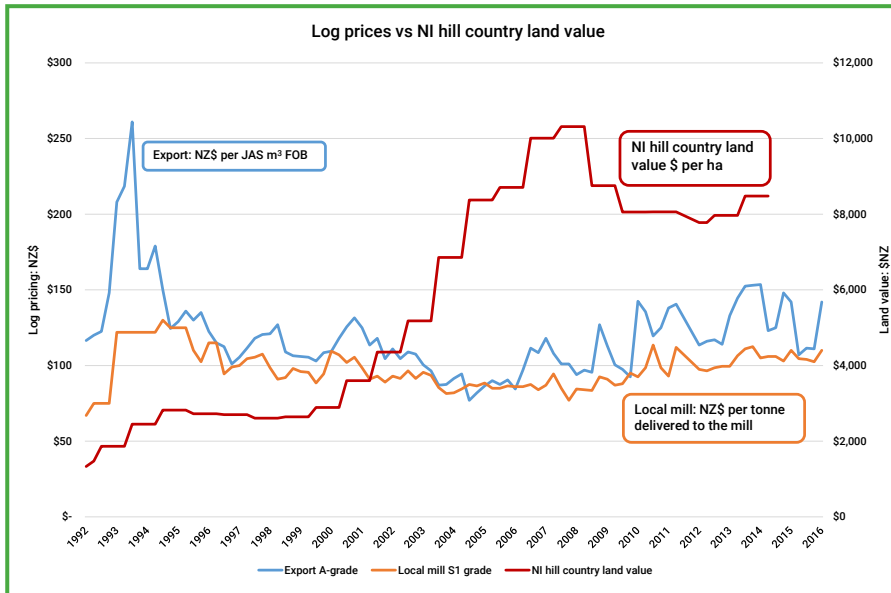


AN EFFECTIVE ETS FOR FORESTRY - IN THIS ISSUE WHY YOU SHOULD CARE



A trebling of hill country land prices in the last two decades is driven by dry stock farmers. This increase is unrelated to the most profitable use of much hill country – forestry.

Sources: Log prices, MPI. NI hill country land values, Beef + Lamb New Zealand

STRONG LOG PRICES ARE BEING WELCOMED BY FOREST OWNERS. BUT EVEN IF THEY ARE SUSTAINED, THEY ARE NOT HIGH ENOUGH TO STIMULATE A SURGE IN NEW FOREST PLANTINGS.

The average A-grade export log price was nudging NZ\$150 a tonne FOB in April. If it reaches NZ\$170 a tonne, export log prices will be at their highest in 20 years (see graph). Unfortunately hill country sheep and cattle farmland has trebled in price in that time, which means converting farmland to forestry remains a marginal proposition if financial returns are the sole motivation.

Forest Owners Association president Peter Clark says some farm foresters are reporting gross margins from their forestry blocks that exceed their dry stock returns, but these are usually farms with good existing infrastructure that are close to a mill or a port.

“For farmland without these attributes, there needs to be an additional, substantial, income stream to get forestry across the line. Carbon credits are the obvious answer ... but first we need to have

an effective emissions trading scheme, in which agriculture plays a part.”

Climate change minister Paula Bennett has been listening. In April she signed the Paris Climate Change Agreement and in the 26 May budget it was confirmed that the 1 for 2 subsidy for emitters was being phased out.

These actions reinforce her previous comments that the NZ Emissions Trading Scheme (NZETS) needed to be beefed up so the price of carbon is high enough to get industry and households to reduce emissions. High enough to incentivise forest planting.

Clark says these signals are very welcome.

Not so welcome is the government decision to leave agriculture off the table in its latest ETS review.

“Omitting agriculture, which is responsible for half of all greenhouse gas

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First FOA communications manager



PAGE 4
Safety is an opportunity – grab it!



PAGE 6
Is this redwood right for you?



emissions, means businesses and households have to do twice as much to reduce their emissions,” he says.

“We don’t accept the argument there is nothing that farmers can do. Adding biochar to the soil alone has been shown to cut nitrous oxide emissions from livestock urine by up to 70%. Most farmers could plant trees to offset farm emissions.

“Forestry generates a higher return on investment and more GDP per hectare than dry stock farming.

“A recent study released by Scion confirms that while dairy returns more surplus cash per ha than forestry the margin would be tiny if costs were put on the environmental impacts of greenhouse gas and freshwater pollutants. The right answer for NZ Inc is complementary mixed land use of trees and pasture to reduce the environmental degradation taking place right now, while giving farmers a diversity of income streams.

“Forestry could also deliver so much more than it currently does. Wood processing is the only major regional industry with the potential to add billions of dollars and thousands of jobs to the economy.”

But for this to happen, wood processors need to be confident that their supply of raw material is assured. This is by no means the case at present, with an increasing area of forests being converted to pasture or left to

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GIVING THE TREES A BIGGER VOICE

THE FOA HAS APPOINTED DON CARSON TO THE NEW POSITION OF COMMUNICATIONS MANAGER.

His appointment is driven by the larger work programme that serves all forest growers, as well as the need for greater accountability, arising from the introduction of the Forest Growers Levy.

For 15 years, FOA communications have been delivered on contract by WHAM PR. While contractors will continue to be used where appropriate, it is important that core communications are embedded in the day-to-day delivery of the FOA's work programme.

Other primary sector groups – dairy, red meat, horticulture and seafood – all have communications teams in-house, often supplemented by communications positions in their sector groups and others in the processing and marketing companies.

Having a communications resource inside the FOA gives our industry a voice alongside those other primary sectors when we all want to send messages to the public at large and the politicians who answer to them.

That doesn't mean a communication competition between forestry and other land and water resource users. We have much more in common with those other sectors than often we realise. Also, most of our forest industry stakeholders produce more than trees on their properties.

Under the 2015 NZ Forest Growers' Science and Innovation Plan, the industry's licence to operate is one of five critical components needed to achieve the Wood Council's strategy of an industry exporting NZ\$5b annually by 2022.

To achieve this goal will require a growing investment in R&D, increased processing in New Zealand and the development and diversification of markets. All this depends on the New Zealand public at large and politicians accepting that we as an industry are safe for both people and the environment.

Our industry has great stories to tell. We are a massive and long-term contributor to the economy – more than three times the



The FOA's first communications manager, Don Carson

export value of the entire New Zealand inshore, deep water and aquaculture seafood industry. We provide employment in the regions where there are few other job opportunities.

Our forests are literally reservoirs of land and water conservation. They are repositories and protectors of natural ecosystems. Recreational users, from hunters to mountain bikers, make good use of them.

The products from our forests are found in every home in New Zealand in a myriad of uses.

Not everyone realises this. Unless the public at large better appreciates the contributions our industry makes to the environment and economy we cannot expect politicians to look after our concerns and needs.

Bad publicity is also a barrier to

investment in our industry, even if that publicity is based on completely bogus claims.

A major role for Carson will be communications within the industry, to ensure our members receive relevant and timely information. There are the challenges of online and social media, against the traditional press statements and industry magazines, all competing for the attention of busy people.

Carson brings a wealth of communications experience in the primary sector, including seafood and wool and most recently as strategic communications manager of Federated Farmers.

He managed communications for Hutt City through a series of high profile urban land erosion issues. In Federated Farmers Carson played a central role in the coordination of communications surrounding the 1080 blackmail contamination threat made against Fonterra last year.

Carson would be well known to many as a radio and television journalist, fronting Rural Report on National Radio and *No8 Wired* on TV3 for many years.

Carson has had a direct stake in the forest industry, with an interest in a block just being harvested in Horowhenua and another reaching maturity in Wairarapa.

NEW FOA PRESIDENT

Peter Clark, chief executive officer of PF Olsen Ltd, has been elected president of the Forest Owners Association (FOA). He replaces retiring president Paul Nicholls. George Asher, chief executive officer of the Lake Taupo Forest Trust, has been elected vice-president.

Clark has 40 years' experience in forest operations and consulting both in New Zealand and internationally and is on the boards of the Wood Council of NZ, the NZ International Business Forum and the NZ China Council.



Peter Clark

Newly elected to the FOA board are Paul Burridge, Summit Forests; Dave Hilliard, Juken New Zealand Ltd and Phil Taylor, Blakely Pacific. They have joined existing board members David Balfour, Timberlands Ltd; Dave Cormack, Wenita Forest Products; Grant

Dodson, City Forests Ltd; Warwick Foran, Crown Forestry; Bill McCallum, Hancock Forest Management Ltd; Paul Nicholls, Rayonier NZ Ltd; and Peter Weir, Ernslaw One Ltd.

NZETS

WHY YOU SHOULD CARE – From page 1

lie fallow after harvest.

Clark says investors look for returns on capital in the order of 6% - 7% a year from new forests.

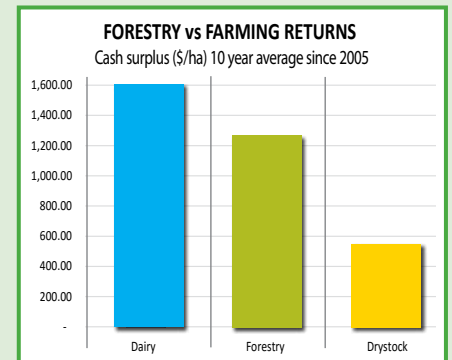
“One of their biggest costs is land, the value of which is determined by dry stock farmers who are willing to tolerate, on average, a return on capital of less than 2%,” he says.

“Getting forestry across the line would be greatly helped by an additional, reasonably assured income stream from carbon. It would also be helped if the government – national, regional and local – treated the environment effects of all

land uses equally.

“If all the costs associated with pollution and the credits for providing benefits were sheeted back to private land owners, the value of pastoral land would adjust so that it better reflects the business income it generates, as well as the environmental costs of generating that income.”

Clark says that if a fair treatment regime became embedded – and fears and uncertainties about unfair treatment were allowed to fade – it is likely that investors in forestry and wood processing would accept a lower hurdle rate for their investment.



Forestry generates a higher return on investment and more GDP per hectare than dry stock farming.

Sources: Identifying complementarities for the dairy and forestry industries in the Central North Island, Scion Nov 2015. Drystock returns for East Coast hill country, Beef + Lamb New Zealand

MAKING IT EASIER TO CAPTURE CO2

ONE OF THE MAIN AIMS OF THE NZ EMISSIONS TRADING SCHEME (NZETS) WAS TO ENCOURAGE THE PLANTING OF FORESTS TO HELP REDUCE NEW ZEALAND'S CARBON EMISSIONS.

So why has the NZETS encouraged some land owners to exit the scheme, others to get out of forestry altogether and some to leave their mature forests unharvested?

Blame it on the government's ETS settings and decision to meet our Kyoto obligations at least cost regardless of whether emissions were actually reduced. Emitters were feather-bedded and the cost of carbon was allowed to fall to the floor, making the whole scheme ineffective.

The result? New Zealand's gross carbon emissions increased by 21% between 1990 and 2013.

Fortunately, the government appears to have seen the light. It is now removing some of that feather-bedding and making emitters pay for their emissions with real carbon credits – NZUs rather than dodgy hot air units from Eastern Europe – although there are still a lot stored under the mattress that need burning.

It needs to go further.

In submissions to the government review of the NZETS, the NZ Wood Council (Woodco) and the Forest Owners Association (FOA) have argued that the rules applying to forestry can be improved. FOA chief executive David Rhodes says we can – and should – have NZETS rules that reward NZ forest owners and wood processing businesses, so long as the end

result is that New Zealand meets its emission reduction targets.

Under the NZETS, forest owners earn NZUs as a forest grows. But, when the forest is harvested, they have to return about 55% of the NZUs they have earned. The balance of 45% – which represents the proportion of carbon that remains in the forest as stumps, roots and branches – they can safely sell. Let's call these 'safe' units.

The 'unsafe' units – the 55% of NZUs that eventually need to be refunded – have no value to forest owners unless they are sold and the money invested. Then, when it comes time to harvest, the investment can be cashed up or borrowed against to buy more NZUs to surrender.

But, what if you sold your NZUs at \$10 and have to replace them at \$80, 15 years later? This risk and the risk of having to repay if your forest is destroyed by fire, pests, disease or storm, is the main reason why only about half the area of eligible post-1989 forest is registered with the NZETS.

One way to get around this is for the government to introduce voluntary averaging. This would allow forest owners to be paid annually for the average number of 'safe' NZUs their forest will generate each year over a rotation. They wouldn't have to repay these units, so long as the forest was replanted. In return, the government would get the use of the 'unsafe' units until harvest.

Averaging will appeal to some forest owners, but a new proposal from the Wood Council – if accepted by the government – may reduce the demand for it.

Under the Paris Agreement, international climate change rules have been improved. Instead of treating the harvest of a forest as an instant emission,

each country can allow for the time it takes for harvested wood products (HWPs) to return their carbon to the atmosphere.

For forest products, like paper and sawn lumber, half-lives have been calculated. Taken across the whole NZ harvest, the average HWP half-life is about 20 years.

The challenge is how to reflect this in the NZETS and to encourage greater use of wood products. If mills have to account for carbon units it will become hellishly complicated. The answer, says the Wood Council, is to devolve the 'oxidising' of the carbon in HWPs back to those growers participating in the ETS, and to provide encouragement to wood processing.

For participating growers, this will reduce the proportion of credits that have to be surrendered at harvest from about 55% to about 35%, greatly reducing risk. The 35% balance represents harvest trash, wood chips and biofuel that are deemed to be instantly oxidised.

Rhodes says the liability for the 20% of credits in HWPs would not be eliminated, only deferred, but it would be offset by credits earned by young trees growing in the replanted forest.

“This is just one of many areas where the NZETS can be modified at no cost to the taxpayer to make it less complicated and less risky for people thinking of planting forests.

“If the government gets this right we will see more forests being planted to the benefit of the economy and the environment. There will be more jobs in the regions where they are needed. It will be a win all round.”

More: The FOA submissions on the NZETS are posted on www.nzfoa.org.nz, the Wood Council submission is posted on www.woodco.org.nz

SAFETY

OPPORTUNITY KNOCKS!

THE HEALTH AND SAFETY AT WORK ACT (HSWA) CAME INTO FORCE ON 4 APRIL, BRINGING A NEW REGIME – AND OPPORTUNITIES – FOR FOREST OWNERS.

The new legislation offers opportunities for forestry companies to add value to their operations, believes Forest Industry Safety Council (FISC) national safety director Fiona Ewing.

“It gives directors who aren’t already engaged in health and safety the chance to undertake health and safety due diligence on their operations, to move away from the old hazard management approach and lift their thinking around risk management.

“What director wouldn’t want to know about the risks to their business and people?” she asks. “Most importantly, it gives people concrete things to do to improve safety for their workers.”

Those concrete things are:

- To identify critical risk areas – those things that can do the most harm
- Discuss and plan work with all workers – those employed directly as well as contractors
- Develop an agreed plan of how the work will be done safely and communicate it to all those involved.

Four key points have been identified in the risk work being done by FISC that are critical for good performance in our forests: planning, communication, separation distances and competent people, plus, if things do go wrong, “how good is your emergency response?”

But the key to success is worker participation, she says. “We need to have dialogue with the guys in the forest and have to be able to implement any improvements in the forest in a practical way.”

The overall concept of a PCBU, defined in the legislation as a ‘person conducting a business or undertaking’, means we’re all in this together, says Ewing. Health and safety legislation is now directing people to the inclusive and engaging process already being used by successful companies rather than the command and control relationship that some still operate.

“The old legislation defined a linear



Associate minister for primary industries Jo Goodhew speaking at the ForestWood conference at which the new industry safety charter was signed. FISC national safety director Fiona Ewing looks on

master/servant relationship between management and workers, with a hazard register to tick off, whereas the new legislation requires much more of a roundtable discussion,” she explains.

A wealth of work is already underway at FISC. Five technical action groups (TAGs) are bringing industry leaders together to focus on the areas of leadership, communication, performance management, competency and health and safety reform.

Improving leadership in health and safety was a key recommendation of the Independent Forestry Safety Review and is a core work stream for FISC. At the council’s first forestry-specific health and safety leadership forum on 20 April in Wellington, forestry leaders were talked through a Business Leaders’ Health & Safety Forum case study of Fulton Hogan’s approach to ‘managing critical risks’, presented by Fulton Hogan chief executive Robert Jones.

It went very well, according to Ewing, who was pleased to see CEOs and managing directors of contracting companies attend as well as forest owner CEOs and managers.

The health and safety reform TAG

involves representatives from industry, WorkSafe and a union and is chaired by the FOA’s Wayne Dempster. FISC has worked with WorkSafe on forestry-specific information that is being released onto the SafeTree™ website – www.safetree.nz – FISC’s main communication channel for the industry.

A video has also been produced in which forest safety advocate Wiremu Edmonds explains the key points for the forest industry.

A lot of other work is also underway in the communication and competency TAG work-streams, including the signing of a new industry charter at the ForestWood conference in March by all Council members and the associate minister for primary industries. Current felling and breaking out certification, used successfully by a number of companies to assess individual workers, is to be extended into the wider industry, while an accreditation/certification scheme for contracting companies is in development.

Ewing is encouraging any other FOA members who would like to be involved in any of the streams to contact her at enquiries@fisc.org.nz, or Tel 04-282 1478. More: www.fisc.org.nz



TRAINING

JUNE START FOR NEW QUALIFICATIONS

New national qualifications in forestry will start rolling out in June, alongside a series of Competenz assessor workshops.

Competenz' national manager forestry



Mark Preece

Mark Preece says the ITO has worked closely with forestry representatives on the development of the qualifications which are now listed with NZQA.

"The core of each qualification is now more focused on essential knowledge, such as health and safety, environmental protection and quality," he explains.



Debs Wand

Strands, or 'options', have been changed or added to some of the qualifications to better reflect task-based

activities. These include a new introduction to machine operations strand at level three (L3), as well as a comprehensive review of the tree felling units at L3 & 4. In addition, a new supervisory qualification has been added at L4.

At the same time, Competenz has reviewed how it delivers training. Preece says, "Starting in May 2015 we consulted with forest owners, contractors and assessors to fully understand the learning and training environment. This work is continuing."

Competenz aims to add value to the industry via two core work-streams. The first focuses on understanding individual business needs, matching them with training solutions and ensuring these are delivered. The second involves a dedicated team fully reviewing, redesigning and re-writing learning resources to deliver quality targeted training for forestry.

Competenz is holding workshops throughout the country in June, to update assessors on the new programmes, use of the new resources and how to register assessment results online.

A new key account manager, Debs Wand, has been appointed to work with forest owners/managers and contractors. She will ensure the information made available through the Competenz portal meets their requirements.

For more information see bit.ly/FOREST_CAREER.

FIRE

PREVENTION MAKEOVER COMING

A REFRESHED NATIONAL FIRE AWARENESS PROGRAMME AND A NEW CODE OF PRACTICE ARE ON THE WAY.

The FOA has agreed to provide the National Rural Fire Authority with \$108,000 for the new National Fire Prevention campaign. The National Rural Fire Authority and Department of Conservation are also major contributors.

FOA fire committee chair Grant Dodson says most forest fires are started by people, not natural triggers like lightning strike. This means it's very important to keep a high level of public awareness of fire risk.

"The National Rural Fire Authority's summer 'Bernie' awareness campaign has performed this role successfully for many years and has a good level of public recognition, but it's due for refreshment," he says.

The new campaign will be developed by a group including new FOA communications manager Don Carson. It will include three new rural fire-related videos and during the fire season it could potentially be integrated with the NZ Wood billboards.

In addition, the FOA fire committee has begun work on new guidelines for

forest fire risk management to replace the current *Operational & Strategic Guidelines for Fire Management*.

The guidelines will incorporate changes resulting from the merger of rural and urban fire services into a new entity, slated for mid-2017. It will also include lessons learned from forest fires such as in Marlborough late last year and more recently in Alberta, Canada.

"The world is our oyster," says Dodson. "We have a unique opportunity to make of it what we can."

The Department of Internal Affairs has done "a bloody good job" on the fire service merger proposal, he comments, adding that the majority of participants are pretty happy with the proposed new body.

"Changes around liability, where a fire is managed with the best of intentions, is a particularly good step forward for our industry."

FOA is now working with insurance companies to ensure the right amount of cover is available for all forest owners regardless of the size and circumstances of their operations.

THE RISK MAY BE GROWING

At a research conference held in Auckland in May, two international speakers provided an interesting perspective on forest investment and risk. Across the globe, forest owners are reporting increasing damage caused by storms, insects and fire.

The single biggest item in the budget of the US Forest Service is now firefighting. France lost 180 million m³ to wind in 1999. In Greece, fires in 2007 cost E5 billion. In Sweden in 2005, 75 million m³ of standing timber was destroyed by wind.

As a result, a European Risk Facility has been proposed to support research, contingency planning, community communication, capacity building and post-event response coordination.



Smoke from the Kaimaumuau fire, Northland, shrouds fire fighters in 2010

RESEARCH

BEYOND RADIATA

Future generations of New Zealanders may live in a patchwork landscape where several different forest species compete on the hills for growing space with the familiar *Pinus radiata*.

Forest Owners Association research and development manager Russell Dale says the Specialty Woods Products Research Partnership will investigate new products and markets for alternative species and build the confidence of forest growers in planting those species that show promise.

“The seven-year programme, which has an annual budget of \$1.97 million, is unique in the forest industry in that it spans the value chain from the end product to the trees themselves, their genetics and how they are grown. Researchers from Marlborough Research Centre, Scion and the University of Canterbury are combining forces for this new partnership.”

The Ministry of Business Innovation is matching an annual \$710,000 contribution from the forest growers’ levy (FGL) and other forest growers and wood processors. The balance of \$550,000 is coming from Scion.

Dale says the species being explored – Douglas-fir, cypresses and a number of eucalypts – have not previously been the subject of a concerted research effort like this.

“We want to provide forest owners with recommendations for growing viable alternatives to radiata pine on particular classes of land,” he says.

“There are three big long-term opportunities: naturally durable and appearance grade timbers, structural products from younger Douglas-fir and the use of eucalypts to enhance the strength of radiata pine engineered wood products.”

Other levy-funded research

Other research programmes supported by the FGL include:

- *Growing confidence in forestry’s future:* This is the biggest single project, with multiple strands. See story opposite.
- Phytophthora diseases
- Needle diseases
- Bio-protection
- Fire
- Pest control in urban environments
- In-forest debarkingy
- Estimating site productivity
- Water quality monitoring
- UAV applications for forestry
- Online calculators & Forecaster enhancements
- Nutrient balance modelling

IS THIS REDWOOD RIGHT FOR YOU?

A FORESTRY PROJECT LOOKING AT WHERE DIFFERENT REDWOODS GROW BEST IN NEW ZEALAND HAS WON FUNDING IN MPI’S LATEST SUSTAINABLE FARMING FUND (SFF) ROUND.



Cuttings from the Kuser trials, now mature redwoods growing in New Zealand forests

The NZ Farm Forestry Association (NZFFA)’s Sequoia Action Group (SAG) was successful in gaining \$24,000 for its *Redwood Stability Across the Environment* project. SAG involves Scion, the NZ Redwood Company and NZ Forestry Ltd.

The scientist in charge of the project, Scion’s Dean Meason, explains the work is the culmination of a trial started in the early 2000s, when cuttings from a variety of redwood clones originating from the US Kuser *Sequoia sempervirens* provenance collection were planted in replicated trials in 11 locations across the country.

“The aim was to determine which redwoods do well growing in different site conditions in New Zealand. We can now analyse the data from these trials to determine the best growth rates and to enable the selection of the best provenances to grow commercially.”

Meason is pleased the funding will help get the information out to the forestry industry. Analysis will start on 1 July and run through to October.

Information should be available for industry use by the end of the year.

Three other forestry research projects, however, were unsuccessful in obtaining funding from the SFF round which saw \$6.9 million awarded to 25 projects. Two were geared for small forest growers and had already received a co-funding agreement from the joint FOA/NZFFA forest research committee.

The first was looking at developing forest inventory measurement systems for small blocks and the other was focused on reconfiguring a low-cost harvesting system for small operations. The third, a Scion project, was related to giant willow aphid.

“Obviously, it’s disappointing that these projects with a small grower focus did not get funding,” says FOA research manager Russell Dale, noting however that forestry did do very well in the 2014 round.

“We’ll get feedback from MPI on the unsuccessful projects and will then make a decision on whether to make a resubmission or gain funding from elsewhere.”

RESEARCH

FLAGSHIP PROJECT YIELDING SECRETS

GROWING CONFIDENCE IN FORESTRY'S FUTURE (GCFF) IS THE FLAGSHIP RESEARCH PROGRAMME SUPPORTED BY THE FOREST GROWERS LEVY TRUST.

This ambitious programme aims to double forest productivity in a sustainable way, so as not to put at risk forestry's reputation as a sustainable land use or its licence to operate.

FOA research manager Russell Dale says long-term productivity and genetics trials established in the 1980s at a range of sites are being intensively assessed under the GCFF for wood yield, wood quality and tree value.

"These valuable trials are now giving us extremely useful information on the interactions between site, genetics, and forest management, on wood quality and the ultimate value of the crop," he says.

"Importantly, this research has shown that productivity gains can be achieved without compromising wood quality. Normally if you breed for vigour you get a reduction in wood quality, but now we know it is possible with some clones or crosses get both improved wood quality and improved vigour."

"We have also learned that final crop stockings are generally too low to maximise site potential. While higher stockings will increase yield and wood quality through smaller branches, less compression wood and the like, a downside is that smaller diameter trees have a higher proportion of core wood. Clearly all these factors will need to be considered in forest management planning."

These long-term trials are also providing valuable information on the impact of nutrients, water, soil and climate on productivity on different sites. Comparing actual productivity from growth plots with predicted productivity has enabled researchers to identify those areas across the country that are not performing to their potential.

Dale says new data from some of these trials is being incorporated into *NuBalm*, a nutrient balance model being developed for forestry. *NuBalm* is intended to replace *Overseer*, the agricultural nutrient management model used by regional councils which is of limited value for forestry.

Rapid developments in remote sensing are improving the potential to identify superior trees in the forest estate, locate these trees on the ground, identify the parent trees from DNA sampling and then reproduce these trees for similar sites in the forest. The aim being to get the best trees on each site.

Dale says, "UAVs equipped with extremely powerful sensors are now providing data at a resolution and cost only dreamed of until a year or two ago. Data provided from this technology will revolutionise the way we measure and assess our forest estates in the future."

More: <https://gcf.nz>



Growing Confidence in Forestry's Future has already told us that final crop stockings are generally too low to maximise site potential

STREAMLINING THE SHOP

The management of forest research will be streamlined by a proposal to move most projects under a single umbrella.

"We are proposing that all Future Forests Research (FFR) and FOA research activity come under a single entity. FFR will be renamed Forests Growers Research Ltd (FGR) to reflect its wider role and to reinforce its connection to all forest growers and the Forest Growers Levy," says FOA research manager Russell Dale.



Russell Dale

"There have also been discussions between the FOA and the directors of the Radiata Pine Breeding Company (RPBC) to explore bringing its breeding and genomics research into an enlarged and more integrated genetic improvement programme within FGR."

Before the Forest Growers Levy was introduced in 2014, most forest research projects were co-funded by voluntary consortiums of large forest owners and agencies like MBIE, MPI or Scion. Many of the projects were managed by FFR.

On 1 April 2014, with most industry-good research now being funded by the levy, a new research management structure was set up: the joint FOA/NZFFA Forest Research Committee (FRC). The two FFR staff, Russell Dale and Veronica Bennett became employees of the FOA, tasked with managing levy-funded projects and existing FFR projects.

In practice this has created some confusion over where FFR managed research ends and levy funded research begins. A simpler structure is needed.

To set this in motion, Dale says some relatively minor changes need to be made to the FFR constitution.

"We are talking about having five board members: three appointed by the FOA, one appointed by the FFA and one independent."

To make the changes, the approval of 75% of the current members of FFR is needed.



WOOD IS GOOD

FIELDAYS SHOUT OUT FOR FORESTRY

A joint NZFFA/FOA stand will promote the forest industry to farmers at this year's National Fielddays at Mystery Creek. The NZFFA has had a stand at the event for many years, but this will be the first time they've been joined by the FOA.

Many smaller forest growers are farmers and they also pay the forest grower levy. So it's the perfect opportunity to connect with them and Federated Farmers, explains FOA technical manager Glen Mackie. He will be part of the on-stand FOA team alongside new communications manager Don Carson.

The two organisations will be joined by NZ Wood which will be using the imagery from the *Love Our Forests* wood promotion to give the stand an eye-catching presence.

Mackie says, "We aim to promote the forest industry and to raise the profile with farm forest owners of the Forest Growers Levy Trust work programme which is managed jointly by NZFFA and FOA. That



NZ Wood's *Love Our Forests* promotion has been well-received by industry and has been extended through to the end of June

work includes research, biosecurity and health and safety."

Visitors to the stand will get the opportunity to learn more about the forest industry, watch a NZ Wood video, harvest trees using a simulator and receive copies of the materials being produced to show where the levy is being spent to help levy payers.

Having three forest partners collaborating on the stand fits perfectly with the theme for this year's Fielddays: *Collaborate to Accelerate Innovation*.

The National Fielddays will take place from 15-18 June at Mystery Creek, Hamilton, www.fieldays.co.nz

BIOSECURITY

EUC BEETLE TESTS GIA

The discovery of the variegated eucalyptus beetle, *Paropsisterna variicollis*, in Hawkes Bay has been the first challenge for the Government Industry Agreement (GIA) signed with the forest industry last November.

The beetle was discovered on 8 March during an FOA Forest Health Surveillance scheme check. Scion entomologists identified the Australian beetle the same day and notified MPI.

FOA and MPI officials recently met in Rotorua to review what happened next.

FOA chief executive David Rhodes says lessons have been learnt.

"The GIA imposes rights and obligations on both parties and these need to be worked through, if the GIA is to live up to its promise. The FOA and MPI are now working together to ensure better communications around any future pest or

Photo: Martin Lagerwey



Australian intruder alert: the variegated eucalyptus beetle disease notifications," he says.

"A speedy response increases the chance of successful eradication. Timely and detailed information needs to be supplied to forest owners as soon as the presence of the pest or disease has been confirmed.

"Of course, we need to be careful. Premature identification of a pest before it became established could jeopardise

market access for export species like radiata pine."

When MPI was notified about the latest incursion, officials immediately investigated, discovering that the beetle had spread beyond the initial detection zone, although probably in small numbers.

Soon after, there were high winds in Hawkes Bay which probably spread the beetle across the region, though this can't be confirmed until spring when the beetles re-emerge from over-wintering underground. If it is now widespread, managing rather than eradicating the pest will be the most likely outcome.

Come spring, the range of the insect, the species it's found on, and its effects on those trees will be studied. *Paropsisterna variicollis* has not been greatly studied in Australia, where natural pests and diseases probably keep it under some control.