This option focuses on meeting JANIS conservation targets and reserve design criteria to the extent possible while providing a deliverable annual yield of 35,000 m$^3$ of large, high quality sawlogs for 20 years and at least 35,000 m$^3$ per annum thereafter. Key aspects of the option are outlined below.

- The addition of 210,000ha to the dedicated reserve system and 57,000ha of informal reserve and areas reserved by prescription.
- The establishment of a continuous 350km north-south reserve along the escarpment from the Victorian border to south of Macquarie Pass with four links through hinterland forests to the coastal and near coast parks.
- The reservation of Monga State Forest.
- The reservation of northern Tallaganda State Forest.
- The reservation of Deua Wilderness (identified) and all of the upper catchment of the Deua River.
- The reservation of all of Kioloa State Forest east of the Princes Highway and the establishment of a north-south link with Morton National Park.
- The partial reservation of Bodalla (including Dingams Creek) and Wandella State Forests and the establishment of an east-west link with Wadbilliga National Park; the reservation of core koala habitat in Dignams Creek (Bodalla State Forest).
- The reservation of most of the public land in the catchments of Burrill, Tabourie, Termeil and Meroo Lakes, and the establishment of east-west links to Morton National Park.
- The reservation of most of the catchment of Berrara Creek around Swan Lake in Conjola State Forest; the reservation of the upper catchment of Conjola Creek and the establishment of an east-west link with Morton National Park.
- The reservation of Currambene State Forest and a number of small areas of Crown land around Nowra and on the tablelands.
- The establishment of seven new Crown reserves for conservation management by the National Parks and Wildlife Service which allow for some exploration and potential mining.
- Additional protection of conservation values through the development of prescriptions for application in harvesting operations on State forest through an Integrated Forestry Operations Approval.
- The zoning of selected areas of State forest as informal conservation reserve under the SFNSW Forest Management Zoning system.
- The supply of a deliverable annual yield of 35,000 m$^3$ of large, high quality sawlogs for 20 years and at least 35,000 m$^3$ per annum thereafter.
- A gross value of output for hardwood timber mills of $16.4m-17.6m.
- Direct employment within the hardwood timber industry of between 182 and 190 people.
- A decrease of $2.9m to the region’s economy due to flow-on effects from this level of wood supply.

**IMPLICATIONS**

**Wood supply implications**

The main wood supply implications of this option are:

- the species composition of the large high quality sawlog supply for the important commercial species in the 0-20 year period is 45% Spotted Gum, 6% Brown Barrel, 12% Blackbutt and 5% Yellow Stringybark;
- from 0-20 years, the yield of high quality large sawlog produced from the net harvest area is 0.45 m$^3$/ha/yr, a 24% reduction from the yield produced by the net harvest area in the current State Forest tenure; and
- an area of 13,123 ha (44%) of the silviculturally treated forest on the existing State forest is reserved and excluded from timber production.

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1 This figure includes the estimated changes associated with the direct impacts in the timber industry at this level of wood supply.

2 Silviculturally treated areas of State forest are areas in which significant silvicultural work such as timber stand improvement and forest regeneration treatments (ringbarking, culling, tractor disturbance, sowing, plantation) has been carried out to enhance sawlog productive capacity. The resultant areas are characterised by mature to young stands which are relatively even-aged, have a low level of tree defect and are growing vigorously due to limited competition from larger trees that are not of high sawlog quality. They are stands that carry or have the potential to carry high volumes of high quality sawlog.
Environment and heritage implications

The tables included in the information kit illustrate levels of protection for environment and heritage values in this option. In summary, it:

- meets achievable targets on available public land in dedicated reserves for 66 Forest Ecosystems (67% of the targets) and for 31 old growth forest ecosystems (55% of the targets). Targets for a further four forest ecosystems and a further six old growth forest ecosystems are met in informal reserves and areas reserved by prescription;
- meets achievable targets on available public land in dedicated reserves for 86 priority fauna species (73% of the targets) and for 64 priority flora species (74% of the targets). Targets for one additional priority fauna species and one further priority flora species are met in informal reserves and areas reserved by prescription; and
- reserves 88.5% of NWI>=12 wilderness in the South Coast sub-region. Areas provisionally identified as wilderness will be considered for identification under the NSW Wilderness Act 1987. Identified wilderness may be declared under the Act and added to existing wilderness areas in the region following a separate wilderness consultation process. All areas of provisionally identified wilderness and identified wilderness on public land are reserved.

Key natural national estate outcomes are enhanced reservation of:

- all existing natural national estate places, especially the Mongarlowe and Buckenbowra Rivers National Estate Place through reservation of Buckenbowra State Forest, the reservation of Currambene State Forest, and, in the Murramarang area, Benandarah and Kioloa State Forests;
- national estate values, including successional stages, national estate flora and fauna values, and natural landscape values through the reserve additions such as a number of coastal-escarpment links and a link between Deua and Budawang National Parks and additions in Wandella, Bodalla, Berlang, Conjola, Meryla, Wingello, Yadboro and Tallanganda State Forests and the Upper Deua region of Dampier State Forest; and
- Crown land in the Hawkesbury sandstone region.

Economic and social implications

The annual supply of 35,000m$^3$ of high quality large sawlogs per annum for 20 years would have the following implications for the timber industry and communities in the South Coast sub-region.

- Direct hardwood timber milling employment would decrease in the short term from 164 people in 1998/99 to between 144 and 151. Employment in the harvesting and haulage sector would fall by around four people to a total of 38. This represents a total fall in direct employment of 17-24 people in the hardwood industry.
- The gross value of output for the native hardwood timber industry (including timber processed from private property) would total between $16.4m and $17.6m, a decrease of approximately $0.4m to $1.6m compared to the 1998/99 level.
- At this level of wood supply the viability of one mill would come under pressure. Other mills would operate at below their current production levels. Harvesting and haulage activity would also be below current levels.
- As a result of flow-on effects associated with timber industry activity on the South Coast, employment in the sub-region would decrease by approximately 33 people and the total value of gross output for the sub-region would be $3,329.1m, a decrease of $2.9m compared to 1998/99.
- The social impacts from this supply level would vary with the impact on individual mills as with the 32,000m$^3$ option but to a lesser extent.