This option focuses on meeting JANIS conservation targets and reserve design criteria to the extent possible while providing a deliverable yield of 65,000 m$^3$ per annum of high quality large sawlogs for 20 years, and at least 45,000 m$^3$ per annum thereafter. Key aspects of the option are outlined below.

- The addition of 127,500ha to the dedicated reserve system and 68,500ha 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 no links through hinterland forests to the coastal parks.
- Limited reservation of Monga State Forest.
- Partial reservation of northern Tallaganda State Forest.
- The reservation of Deua Wilderness (provisionally identified) with partial reservation of the upper catchment of the Deua River.
- Reservation of the immediate environs of Durras Lake in Kioloa State Forest.
- The reservation of most of the public land in the catchments of Burrill, Tabourie, Termeil and Meroo Lakes.
- Partial reservation of Conjola State Forest east of the highway.
- Partial reservation of Wandella State Forest.
- Reservation of 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 and 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.
- A deliverable annual yield of 65,000 m$^3$ of large, high quality sawlogs for 20 years and at least 45,000 m$^3$ per annum thereafter.
- A gross value of output for hardwood timber mills of $25m-$27.6m.
- Direct employment in the hardwood timber industry of 267 people.
- A flow-on to the region’s economy of $11.2m 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 37% Spotted Gum, 15% Brown Barrel, 10% Blackbutt and 5% Yellow Stringybark;
- in the 0-20 year period, the yield of high quality large sawlog produced from the net harvest area is 0.55m$^3$/ha/yr, a 7% reduction from the yield produced by the net harvest area in the current State Forest tenure; and
- an area of 2,711ha (9%) of the silviculturally treated forest on the existing State forest is reserved and excluded from timber production.

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1 This 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 provide detailed information on levels of protection for environment and heritage values in this option. In summary, this option:

- meets the achievable targets on available public land in dedicated reserves for 59 forest ecosystems (60% of the targets) and for 29 old growth forest ecosystems (52% of the targets). Targets for a further six forest ecosystems and a further four old growth forest ecosystems are met in informal reserves and areas reserved by prescription;

- meets the achievable targets on available public land in dedicated reserves for 78 priority fauna species (66% of the targets) and for 54 priority flora species (63% of the targets). Targets for a further four priority fauna species and for a further six priority flora species are met in informal reserves and areas reserved by prescription; and

- reserves 87.2% of NW1>=12 wilderness in the South Coast subregion. 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. Almost all areas of provisionally identified wilderness on public land are reserved.

Key natural national estate outcomes are enhanced reservation of:

- a number of existing natural national estate places; especially the Mongarlowe and Buckenbowra Rivers National Estate Place through reservation of Buckenbowra State Forest;

- national estate values, including national estate flora and fauna values and natural landscape values through the reserve additions such as that linking Deua and Budawang National Parks and additions in Conjola, Meryla, Wingello, Yadboro and Tallaganda State Forests; and

- Crown land in the Hawkesbury sandstone region.

Economic and social implications

The annual supply of 65,000m$^3$ of high quality large sawlogs per annum for a period of twenty years would have the following implications for the timber industry and communities in the South Coast sub-region.

- Direct employment would increase from the 1998/99 level of 164 people in the milling sector to 213 and from 42 people to 55 in the harvesting and haulage sector. This represents a total increase in employment in the hardwood industry of 62 people.

- The gross value of output from the hardwood industry (including timber processed from private property) would total between $25m and $27.6m, an increase of approximately $6.9m-$9.6m.

- All existing mills would remain in operation at levels well above current production. Harvesting and haulage activity would also increase.

- As a result of flow-on effects associated with timber industry activity on the South Coast, employment in the sub-region would increase by approximately 115 people and the total value of gross output for the sub-region would be $3,343.2m, an increase of $11.2m.

- This option would provide both the timber industry and timber-industry dependent communities with increased confidence and help revitalise the communities. Increased employment in the timber industry is likely to create employment opportunities in related industries. The communities of Nowra and Narooma and the surrounding areas are predicted to gain the most new jobs in the hardwood industry, with smaller increases in Ulladulla/Milton and Wandandian. Employment in Batemans Bay is likely to remain at around current levels.