

**WESTERN HIGHWAY
DUPLICATION – SECTION 3:
ARARAT TO STAWELL
EXPERT EVIDENCE STATEMENT OF MARIANNE
STOETTRUP**

Prepared for Planning Panels Victoria

23 March 2013

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Expert Witness Statement of Marianne Støttrup

Engaged by VicRoads, Victoria

For the Public Hearing for Western Highway Duplication – Ararat to Stawell Environment Effects Statement (EES) and Draft Planning Scheme Amendments.

1. Name and address

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2. Qualifications and experience

Master of Science in Economics and Management from Aarhus University, Denmark;
Master of Arts, Economics from Rice University, Houston Texas; and
Completed the degree requirements for a Graduate Diploma in Rural and Regional Planning from Latrobe University Bendigo.
Appendix A contains a statement setting out my qualifications and experience.

3. Area of expertise

My specialist skills are in economic analysis pertaining to land use planning, industry studies and strategic planning.

My experience is in urban economics, predominantly under the Victorian planning framework. I have ten years of experience as a practitioner of urban economics based in Victoria in my current role as Principal of Matters More Consulting, and in previous roles as Principal Economist at Aecom (then Maunsell) and Associate Economist at Essential Economics. My land use planning experience is supplemented with previous experience in economic analysis for Department of Innovation Industry and Regional Development (then Department of State and Regional Development), the Danish Ministry of Foreign Affairs and The Inter-American Development Bank.

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4. Instruction

I have been briefed by Sophie McGuinness of DLA Piper on behalf of VicRoads to prepare an expert witness report and present expert economic evidence. My instructions were provided in a letter by email and courier from Sophie McGuinness, 22 February 2013. My brief is to:

- 1) Review the materials provided in the Brief of Documents
- 2) Prepare an Expert Witness Statement which includes consideration of:
 - Potential economic impacts of the project and alignment alternatives;
 - Potential mitigation measures or procedures to reduce or minimise impact;
 - Recommended modification or alternatives to the project;
 - Appropriate conditions to achieve acceptable environmental outcomes;
 - In particular to address the potential economic impact on businesses including Best's Winery; and
 - Provide a response to submissions that raise economic issues.

I have contributed to the preparation of the Western Highway Project – Section 3: Ararat to Stawell Economic Impact Assessment Report (Report), included as Technical Appendix P in the Environment Effects Statement (EES) exhibition documentation. My role was to assess the potential economic impacts on non-agricultural businesses of the project. The key issue that emerged through the analysis was the potential impacts on businesses in Great Western that rely on passing traffic to generate sales and build a customer base and who are likely to be impacted as the highway bypasses Great Western.

I formally adopt the information, analysis and conclusion contained in the Technical Report and this statement as my Expert Witness Statement for the purposes of the Panel Hearing which has been convened to consider such issues.

5. Process and information sources

5.1. Process

My investigation included:

- 1) An inspection of the route to confirm existing land use patterns and identify changes since the assessment for the Report was completed;
- 2) Scan of relevant policy to identify new strategies or studies that have been prepared since the assessment for the Report was completed;
- 3) An analysis of relevant regional data including data from Australian Bureau of Statistics (ABS), Tourism Research Australia and local Councils;
- 4) Review of submissions that raise economic issues;
- 5) Consultation with Bests Winery and Grampians Estate to clarify the points they have raised in their submissions and to understand what changes have occurred since my previous meetings with them in February 2012 as part of the impact assessment process;

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- 6) Consultation with Northern Grampians Shire to obtain information about developments trends in Great Western and an update on development status of Stawell Park Caravan Park; and
- 7) Consultation with GWM Water for an update on the status of the Great Western sewerage scheme.

5.2. Information sources

The information I relied upon when preparing my Statement were inspections, business and stakeholder interviews (one-on-one or by telephone), the data sources referred to below, as well as online sources regarding tourism attractions, businesses and business environment in the region.

Data sources include, but are not limited to:

- Australian Bureau of Statistics (ABS) Census of Population and Households 2011
- Ararat – Stawell – Halls Gaps Triangle Project, Rural City of Ararat and Northern Grampians Shire Council, 2012
- Grampians Tourism Strategic Plan 2012-2016
- Tourism Victoria (2012) Visitation Statistics – domestic and International available at <http://www.tourism.vic.gov.au>
- Parks Victoria, Ararat Regional Park Visitor Guide (2010) available at www.parkweb.vic.gov.au
- GWM Water – Great Western Sewerage Scheme Questions and Answers (2012) available at <http://www.GWMWater.org.au>

5.3. EES objectives and scoping requirements

The EES evaluation objectives relevant to the economic assessment are:

To provide net economic benefits for the State, having regard to road user benefits, direct costs, and indirect costs with respect to other land uses and economic activities.

The Report discusses the economic features of the study area, the potential impacts from the project on these features, and opportunities for the project to have a positive benefit. More specifically, the EES Scoping Requirements are to:

Identify the potential economic effects of the proposed works and relevant alternatives during construction and operation at the local and regional level in relation to employment, income distribution and existing land uses in the area, (especially key infrastructure or services, agriculture, business and tourism); and

Provide an overall analysis of the costs and benefits of the proposed works and relevant alternatives, including the “no project” scenario.

My role in preparing the Economic Impact Assessment has been to identify the potential economic effects that relate to non-agricultural businesses and tourism at the local and regional level.

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6. Analysis and findings

6.1. Business and tourism policy environment

The business and tourism policy environment is described in the Report in Section 3.2 (pages 9 to 14), and includes an overview of the State and regional level tourism strategies that are relevant for the region. As of March 2013 the tourism plans mentioned in the Report remain the guiding Tourism Victoria strategy documents.

Since completion of the Report, the *Stawell-Ararat-Halls Gap Triangle Rural Zone Review* has been completed. *Stawell-Ararat-Halls Gap Triangle Rural Zone Review* was a joint initiative of Ararat Rural City council and Northern Grampians Shire Council. The review established a vision for the Stawell-Ararat-Halls Gap triangle area, providing direction for the stage of use and development in the area. The review has identified opportunities for the application of Rural Activity Zone to support tourism development at strategic locations. For Great Western, the study reinforces the branding of Great Western as a 'wine village' and promotes the revitalisation of Great Western associated with the Western Highway duplication. The Review recommends that once the Project is confirmed that current and future winery and tourism operations are supported and proposes the establishment of a tourism node at the western gateway to Great Western.

In regard to Great Western, it is noted in the Report that the *Great Western Community Plan 2009-13*, identifies the bypass of the township of Great Western as the highest priority regional issues impacting on the Great Western community. The Plan highlights the recognition by the community that this bypass will go ahead and notes their desire to be involved with ongoing liaison through the project development in order to maximise the potential for the town to prosper as a result. However, for this statement it is important to note that the second highest priority for action is the Sewerage Scheme, which is identified as "*a considerable priority for the development of the town's future prosperity*" (refer page 10 of *Community Plan*). The community is keen to continue to be involved to be part of the development of options available and implementation process.

6.2. Methodology for estimating impacts

The methods for estimating the potential economic impacts are described in Section 4 of the Report.

Business impacts are estimated based on loss of trade as a result of the Project and the impact this may have on employment. One-on-one consultation was scheduled with the businesses in Great Western in February 2012 to ascertain business employment (permanent, part time and casual), and reliance on passing trade for share of revenue and for sales lead generation.

Employment per business is used as an indicator of total business revenue. Percentage of passing trade is used as an estimate of the upper limit of potential loss due to the Project. With appropriate mitigation and management it should be possible to reduce the potential loss of passing trade, but it remains a challenge to induce travellers on a highway to pause and explore small townships if they are not their destination or present as a very convenient and interesting place to stop.

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6.3. Existing conditions

An overview of the economic context of the Study Area and region is provided in section 5 of the Report. Since the Report was completed, employment data from the 2011 Census has become available as well as more recent tourism visitation data which is presented below.

6.3.1. Existing employment

Table 1 provides a breakdown of the latest 2006 and 2011 census information on fields of employment for the population of the regional area by LGA and shows the importance of agriculture as an employment generator throughout the region. It is noted that employment in sheep, cattle and grain farming has declined both in percentage of the workforce and number of people employed in both Northern Grampians and Ararat LGAs from 2006 to 2011.

With this reduction of employment in sheep, cattle and grain farming, it is important that other agricultural sectors e.g. vineyards, and non-agricultural sectors provide employment opportunities. The tourism industry is one of the sectors that the region that ties in the agricultural tradition with manufacturing and service industry, and this industry can grow to provide diversity of employment opportunities.

Table 1: Regional area top industries of employment 2006 and 2011

LGA	Industry	2006		2011	
		Number of People Employed	Proportion of Total LGA Employment	Number of People Employed	Proportion of Total LGA Employment
Northern Grampians	Sheep, Beef Cattle & Grain Farming	580	11.3%	538	10.4%
	Hospitals	255	5.0%	284	5.5%
	School Education	259	5.0%	250	4.8%
	Total LGA Employment	5,149		5,181	
Ararat	Sheep, Beef Cattle & Grain Farming	763	16.2%	631	13.2%
	School Education	252	5.4%	233	4.9%
	Hospitals	244	5.2%	281	5.9%
	Total LGA Employment	4,706		4,783	
Ballarat	Hospitals	2,372	6.3%	2,922	6.9%
	School Education	2,221	5.9%	2,498	5.9%
	Cafes, Restaurants & Takeaway Food Services	1,587	4.2%	1,989	4.7%
	Total LGA Employment	37,537		42,289	
Pyrenees	Sheep, Beef Cattle & Grain Farming	509	20.0%	468	18.0%
	Hospitals	117	4.6%	147	5.7%
	School Education	101	4.0%	104	4.0%
	Total LGA Employment	2,540		2,603	

Source: ABS Census Quickstats, 2006 & 2011

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6.3.2. Tourism industry

An important driver for the upgrade of the Western Highway is to maintain and potentially grow tourism industry in the region. Background on the tourism industry is provided in section 5.4 of the Report. The role of the Grampians region has declined over the 12 year period from 2000, with the region is losing its share of visitation to and within Victoria, down from 3.9% of total visitors in 2000 to 2.6% in 2012. Table 18 and Table 19 in the Report is updated with more recent information and presented below (Table 2 and Table 3).

There is no significant change in visitation trends to this region since the assessment in the Report was undertaken. Daytrip visitation is showing some promising growth on which the 'wine villages' initiative can build on to increase visitation to the region.

Table 2: Number of visitors to Grampians Region ('000)

	Year Ending September*						
	Region	2000	2008	2009	2010	2011	2012
Day trip visitors	Grampians	1,429	622	663	864	688	975
	Victoria	42,317	35,674	38,014	40,764	40,982	45,653
Domestic overnight	Grampians	884	607	676	514	678	668
	Victoria	17,295	17,538	16,341	16,253	17,335	18,156
Inter-national overnight*	Grampians	52.1	39.3	34.3	33.7	29.9	34.4
	Victoria	1,142	1,478	1,536	1,626	1,748	1,815
Total visitors	Grampians	2,365.1	1,268.3	1,373.3	1,411.7	1,395.9	1,677.4
	Victoria	60,754	54,690	55,891	58,643	60,065	65,624

Source: International Visitor Survey, National Visitor Survey, Year ending September 2000, 2007-2012

Note: International visitation to for year ending December instead of September

Table 3: Visitor nights to Grampians Region, 2000 and 2007-2012 ('000)

	Year ending September					
	2000	2008	2009	2010	2011	2012
Domestic visitor nights	2,047	1,470	1,566	1,565	1,638	1,679
Av. Length of stay – nights	2.3	2.4	2.3	3.0	2.4	2.5

Source: National Visitor Survey, Year ending March 2000, 2007-2012

Great Western is the only village along this section of the highway. There is also a caravan park and golf course on the outskirts of Stawell. Details of the tourist facilities and attractions along the project route are provided in the Report in Table 20 (refer page 29 in the Report).

In and around Great Western, tourism operations include three cellar doors (Seppelts Great Western, Bests and Grampians Estate), some accommodation (Great Western Motel, Jenrick House B&B, Rymney Reef Cottage, and Allanvale Homestead and Shearer's Quarters

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approximately 2kms east of town centre) and a gallery. Furthermore there are some businesses that serve both a tourism role and are important service providers to the local residents, namely a general store with post office, a café, and a petrol station/garage.

Interestingly, most of the businesses in Great Western have more than one type of business operating from the premises. The general store, for example incorporates the post office, whereas the petrol station also has a garage, sells trailers and mowers and does some property maintenance (mowing) for residents around Great Western. Jenrick House B&B incorporates a part-time picture framing business, Seppelts has function rooms as well as the cellar door, while a contract harvesting business operates from Best's Winery and Cellar Door.

Owners of several businesses in the township are or have been looking for buyers for their businesses, but finding buyers for a business in a country setting can take a long time. According to Council, the petrol station has new owners since consultation undertaken in February 2012, and according to Council the new owners are keen to maintain/grow the business. This is the only change of ownership of these businesses that I am aware of having occurred since planning for the Project commenced in 2009. It is understood that the uncertainty in terms of location and potential impact of the bypass is a hindrance to sale of businesses.

Interviews with the owners of Best's and Grampians Estate provided important insights into the importance of getting passing traffic/visitors through the cellar door. Grampians Estate remodelled their business in 2011 to fit the wine industry dynamics. As the industry was facing oversupply, combined with a high Australian dollar, the domestic market was flooded with product. Added to this is a change in purchase patterns with an increase in sales from supermarket controlled chains of more wine as a 'commodity', whereas 20 years ago customers would purchase directly from small wineries. These factors have made it more difficult for boutique producers to survive.

Grampians Estate introduced sale of coffee at their cellar door which has increased the number of people through the cellar door by 50%. Although the sales mix has changed slightly towards cheaper brands with lower margin, the increase in traffic means that they have been able to maintain revenue in a difficult market. In February 2012 the business employed 5 part time staff in the cellar door, and this has not changed to March 2013. According to Grampians Estate information, 2012 cellar door visitation was approximately 6000, and has since increased with record visitation in 8 months of last the 12 months. Gross revenue is up 10% from the previous year, showing that the current business model of selling coffee to passing traffic at the cellar door is a healthy business model.



Best's winery operates along a similar model. Best's is an established boutique brand and the cellar door and winery compound is presents well and is visible in parts from the highway. Cellar door visitation is approximately 11,000pa. Cellar door sales provide the highest margin and it is a



key contact point for signing up new cellar club members. While club members are able to purchase wine at a discount to cellar door sales, the margin on club sales remain higher than for sales through bottle shops, supermarkets or in export markets. The cellar door is therefore a very important component of the sales and marketing strategy of Best's Wines.

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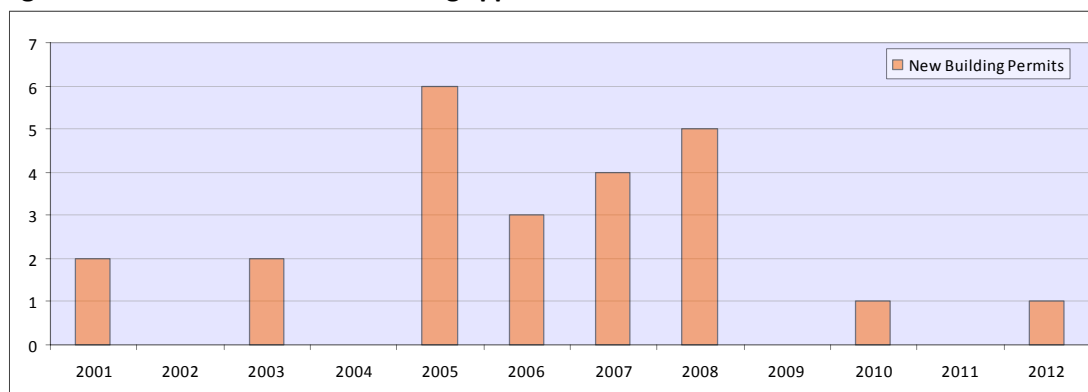
The B&B operator in Great Western are not reliant on visibility to passing traffic. Jenricks, for example, receive all their bookings on-line and in advance. The motel in the main street may have some impromptu guests, but relies more on the activities in Great Western – tourism and otherwise – for its guests. The highway construction project is likely to benefit the motel in particular as surveyors, managers, engineers, construction workers, etc will need a place to stay from time to time pre- and during construction.

Employment in wineries, retail and service businesses along or near the highway at Great Western is estimated at 48 to 55 permanent positions augmented by part time employment in the vineyards during pruning, thinning and harvest. The wineries and vineyards are the major employers in Great Western.

6.3.3. Residential development

Census data published after the completion of the Report shows that Great Western's population has decreased over the 2006 to 2011 period, from 644 in 2006 to 570 in 2011. This population decline is also evident in the low number of permits granted for new buildings. According to Northern Grampians Shire, there were no building permits for new buildings granted in 2011, but one permit for a new dwelling in 2012 as shown in Figure 1 below. No planning permits were granted in 2011 or 2012.

Figure 1: Great Western – new building approvals



Source: Northern Grampians Shire Council, 2013

GWM Water is currently undertaking a sewerage scheme in Great Western, mentioned as a key priority in the *Great Western Community Plan 2009-2013*. Construction has commenced and the scheme is estimated to be ready to accept connecting customers in May 2013. The sewerage scheme means that it will be possible to increase residential development in the township. Council is currently investigating the opportunities and demand for residential development in Great Western and also the potential for planning for development of the township as a 'drawcard' wine village. Heavy traffic through the township on the Western Highway is detrimental to its development as a tourist village, and the bypass provides the township with new potential.

The map in Figure 2 on the following page shows the area that is covered by GWM Water's sewerage scheme. According to Council, the scheme will enable existing blocks with dual road frontage to be subdivided, allowing for greater density within the town centre. GWM Water indicates that there is already some developer interest in Great Western with the aim to subdivide land and/or develop accommodation businesses when the Scheme is completed. The map also shows that there are a number of undeveloped blocks within the area covered by the scheme.

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6.4. Business impact assessment

The impact assessment process is described in Section 6 of the Report, including impacts on agricultural businesses. Impacts on the non-agricultural businesses in Great Western are identified as follows:

- The Project would disrupt access to businesses during construction across the alignment.
- The Project would change or complicate access arrangements to business. This is the case for Grampians Estate which will be accessed via a service road of approximately 0.8kms of length from Great Western west of the bypass route. It is also the case for Allanvale which will have an intersection under AMP-3 conditions but a service road under AMP-1 conditions. It is also the case for Best's where westbound access requires exit via Great Western and for the harvesting contractor that is based at Best's who will not be able to use the highway anymore under AMP-1 conditions. Best's will benefit from ease of access for eastbound traffic.
- The Project would result in reduced exposure to passing trade for businesses in Great Western. This is important for those services that benefit from a component of passing trade such as the petrol station, general store, café, and gallery. Grampians Estate will still have the exposure but due to the more complicated access arrangements via a dedicated out-and-back service road, the number of visitors to Grampians Estate is likely to decline significantly.

A summary of these impacts at the business level for Great Western is presented in Table 4 below.

Table 4: Potential economic impact on business activities in Great Western¹

Business	Employment – Full Time Equivalent	% of Passing Trade	Potential Impact
Wineries & Vineyards (excluding casual work in vineyards). Seppelts & Best's are destinations (located off the highway); Grampians Estate relies on highway visibility and access.	33-35FTE	Up to 25%	3 – 4 FTE
Retail and Accommodation in Main Street of Great Western. Mainly small businesses with mix of local and tourist trade.	13 – 15FTE	Up to 50% for Gallery	7 – 9 FTE
Non-winery/non-Main Street Great Western businesses i.e. Rymney Reef Cottage and Allanvale.	2 – 5 FTE	negligible	No impact
Total	48 – 55 FTE	-	10 – 13 FTE

The impact on businesses is presented in Table 24 in the Report. Impacts include access disruptions and/or change in access arrangements both during and after construction, and loss of passing trade. These aspects are predicted to have minor economic impact, which for the most part can be mitigated as recommended.

¹ Loss in absence of ameliorative measures such as signage strategy, detailed planning and marketing.

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Potential impact on businesses in the main street of Great Western is the most significant. Several of these businesses have been listed for sale; if their turnover decrease significantly the business will have no value. There is a risk of a cumulative effect if several businesses in the town become unviable due to loss of passing trade to the general store, hotel/motel, petrol station and café etc, causing the town to become less liveable, experience further population decline and potential reduced numbers of students at schools and members of sporting clubs. There is a risk that such cumulative impact could result in a demise of town services, but this is not a likely outcome if mitigating measures are implemented.

Delays during the construction phase are included as part of the 'disruption of access during construction'. Note also that the construction phase is likely to generate some increase in activity through purchase of food, accommodation, petrol etc. by workers on the project.

A benefit of the project is that it provides potential for Great Western to develop as a 'draw card' wine village when traffic has been removed from the main street and visitors would enjoy travel time savings upon completion of the project. There is a medium risk (the combination of minor consequences that are almost certain to occur) that the project could detrimentally impact on Great Western, but with mitigation measures such as detailed planning for the town and consideration of a signage strategy to provide more the town with more prominence for travelers on the highway the potential residual impacts are low.

The completion of the sewerage project in Great Western, and subsequent residential development along with its development as a draw card wine village is likely to mitigate most of the effects of lost passing trade and has the potential to attract new businesses to the township. Individual businesses, in particular Grampians Estate, is still likely to experience a significant reduction in trade from the changed access arrangements and 'off highway' location as a result of the project. Early detailed planning for the town is a key ingredient to mitigating potential impacts.

6.5. Mitigation of impacts

Measures to mitigate and manage impacts during construction and operation of the project are described in section 7 in the Report. These management and mitigation measures are very important for the reduction of adverse impacts at the local level.

For businesses in Great Western that rely on passing trade, it is essential that strategies for developing the village as a draw card 'wine village' are progressed and works in support of the strategy are undertaken. It is important that the strategy is in place well before the bypass is constructed as this will serve to generate interest and confidence in the future of Great Western.

Specifically, the Great Western Community Plan should be updated to reflect progress on bypass planning and agreed vision for the future of Great Western. If the project involves demolition of any building that is significant to the Great Western community, an option may be to investigate the potential to relocate such structures to fill any gaps in Great Western's Main Street. In my opinion it is unlikely that any relocation of old buildings is feasible from an economic viewpoint, but it may serve a social/community project function and the building(s) could serve new tourism / community purposes in the main street. Potentially, billboards showing planned streetscape upgrades would assist with generating interest in the development of the village and encourage travellers to return once the bypass has been constructed to view the heralded changes. Some might consider Great Western as a good place to live without highway traffic in the main street.

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Tourism Victoria were consulted regarding mitigation of bypass effects at Great Western, and suggested “better signage at intersections” as well as better marketing of the attractions and destinations in Great Western. Generally, a signage strategy should be developed to ensure travellers on the Western Highway are enticed to stop in Great Western once it has been bypassed. Ideally the strategy would include signage that is captivating with images to attract attention to Great Western.

I have reviewed the VicRoads tourism signage guidelines. Standardised tourism signage along highways uses words e.g. Wineries’ on their Advance Tourist Attraction Signs to indicate the type of attractions at a location. According to VicRoads signage guidelines *“The prime purpose of tourist signing is to give visitors direction or guidance to tourist attractions and accommodation. Although standard tourist signs provide some promotional benefits to tourism businesses, this is not their primary role.”* Gateway Tourist Attraction Signs (with photo and naming the attraction) are only provided for major Tourist Attractions of State Significance. Great Western does not fulfil the guidelines’ criteria as a Major Tourist Attraction of State Significance. Signage that meets the VicRoads guidelines is unlikely to generate the same level of passing trade at cellar doors and main street businesses as before the bypass. It is my understanding that there is discussion between VicRoads and Tourism Victoria to develop more captivating signage for Great Western, however at this point of time I have not been advised of the outcome of these discussions.

Parking and amenities for travellers should also be considered, including parking for coaches, caravans, and vehicles with trailers to make Great Western a welcoming and attractive stop on the Western Highway.

6.6. Submissions

Four submission were received that related to economic impacts. All were reviewed (Nos 1, 11, 12 and 16) to identify issues of concern. Issues and response to issues is presented in Table 5 on the following page.

The following economic issues are raised by the submissions:

- Signage. The issue is that planned signage at town entrances is inadequate. The submitters propose that clear signage which mentions Best’s, Seppelt’s and Grampians Estate cellar doors and Great Western is added on the duplicated highway.
- Tourist access to Best’s Wines and planned exits. According to the submissions, the planned access from the freeway is inadequate – a westbound off-ramp to Bests Road is needed to provide a second option for entering Great Western and visiting the cellar doors.
- Movement of agricultural machinery. According to the submissions, local movement of vineyard and harvesting machinery will be impeded by duplication of highway and upgrade to freeway standard.
- Proximity of new highway to cellar door. Submission by Grampians Estate request that new lanes be no closer to cellar door than is the case at present to reduce amenity impacts.
- Access to Grampians Estate cellar door. Submitter requests that westbound access to cellar door is maintained by keeping a turn-off lane that is similar to what is currently in place.
- Ararat Hills Park. Tourist and recreation access to the Ararat Hills Park needs to be maintained; presently many minor entry points and tracks but no detail how this will be dealt with. Access to the Regional Park can be considered an economic issue as the park also serves

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as a tourist attraction. In my opinion, the tourism aspect is limited and the park's main function is as a recreation area for local residents.

- Effectiveness of mitigating measures is a concern for Northern Grampians Shire; the Shire would like assurance that mitigating measures are implemented and effective in reducing the impact on Great Western.

Table 5: Submissions with economic issues

Issue	Submission No	Response
<p>Tourist access to Best’s Wines and signage. The issue is that planned signage at town entrances is inadequate. It is proposed that clear signage which mentions Best’s, Seppelt’s and Grampians Estate cellar doors and to Great Western is added on the duplicated highway.</p>	<p>No 1 (Best’s Wines) and No 16 (Grampians Estate)</p>	<p>Tourist access to Best’s Wines and signage: Captivating signage for Best’s Wines and Great Western in general is part of the proposed mitigation measures. It is my understanding that discussions are underway between Tourism Victoria and VicRoads in that respect.</p>
<p>Tourist access to Best’s Wines and planned exits. Planned access from the freeway is inadequate – a westbound off-ramp to Best’s road is needed to provide a second option for entering Great Western and visiting the cellar doors.</p>	<p>No 1 (Best’s Wines) and No 16 (Grampians Estate)</p>	<p>To facilitate unplanned visits to Great Western’s cellar doors, the submission suggests that Best’s Road exit should also be provided with an exit ramp for westbound traffic (currently proposed to only have an exit at Best’s Road for eastbound traffic coming from Stawell whereas westbound traffic has to exit on the southern side of Great Western near Grampians Estate). A second exit for westbound traffic would make it easier for travellers who are unfamiliar with the village to exit at short notice, and align with the expectation of visitors to Best’s who would expect a turnoff at Best Road. However, a second exit opportunity needs to be combined with signage and marketing/branding of Great Western and its wineries to entice travellers off the highway.</p> <p>Grampians Estate and Best’s Cellar Door are visible ‘gateway’ markers to Great Western for west and eastbound travellers respectively. However, Grampians Estate is highly reliant on passing trade and this trade will be reduced with the bypass. If Grampians Estate fails in its present location due to loss of passing trade, there is a risk that there will be no ‘wine village’ marker at the eastern entrance. It is noted that Best’s Cellar Door would be visible for both eastbound and westbound traffic at the proposed Best’s Road westbound exit which would act as an additional exit prompt for travellers. Construction would be costly and although with some merit, it is unlikely to generate significant additional trade to warrant construction.</p>
<p>Local movement of vineyard and harvesting</p>	<p>No 1 (Best’s Wines) and</p>	<p>Vineyard and harvest machinery is classified as farm machinery. Farm machinery is permitted on the duplicated highway in the interim period but not permitted on freeways. The local road network at Military Bypass Road</p>

● Expert Witness of Marianne Støttrup

Issue	Submission No	Response
<p>machinery will be impeded by duplication of highway and upgrade to freeway standard.</p>	<p>No 16 (Grampians Estate)</p>	<p>will allow machinery to access customers in the Armstrong area during the interim period. When freeway conditions prevail, a contract harvesting business (grapes & olives) located at Best's Winery, will need to use the local road network to access customer properties or to transport the equipment on a low loader. Due to the number of small blocks in the area and the variation between grapes varieties for ripening, the harvester is likely to be moved daily from one job to the next. Freeway conditions therefore means increased transport costs for the contract harvesting business. Extra travel distance from Best's to Armstrong (one way) is estimated 0.8kms; however the distance from Bests Road to destinations on Kimburra Road, Armstrong is increased significantly.</p>
<p>Proximity of new highway to cellar door. Request that new lanes be no closer to cellar door than is the case at present.</p>	<p>No 16 (Grampians Estate)</p>	<p>According to the Proposed Alignment Ararat to Stawell Sheet 5, the existing highway is at the centerline of the new duplicated highway/freeway. This would indicate that the new westbound carriageways will be closer to the cellar door than is presently the case. The closeness of the new carriageways is likely to have a detrimental effect on the 'tourism precinct' that is Grampians Estate Cellar Door not only during operation of the new highway, but also a significant detrimental effect during construction when the likely noise and dust as well as temporary access arrangements without clear signage will temporarily deter some travellers that are familiar with the Cellar Door and fail to attract those who are not.</p> <p>It would reduce impacts on Grampians Estate if the westbound carriageway was moved north to align with the existing highway where it passes the Cellar Door. However on the northern side there are historical buildings associated with the former St Ethel's Winery and realignment to the north could affect the buildings. The alignment was developed in an effort to minimise impact on both Grampians Estate and the former St Ethel's Winery.</p> <p>It is most important to develop a signage strategy for pre-, during, and post construction phases as well as marketing Great Western and its cellar doors to travelers well in advance of construction commencing.</p>
<p>Westbound access to cellar door – request existing type of turn-off lane is maintained.</p>	<p>No 16 (Grampians Estate)</p>	<p>According to the Proposed Alignment Ararat to Stawell Sheet 5, all access to Grampians Estate Cellar Door will be via a service road that will be constructed as part of the duplication, i.e. in the first phase of this project. There will be no access directly off the Western Highway. Westbound traffic has to exit to Great Western, and double back along the service road that connects to St Ethels Road, a distance of approximately 2kms.</p> <p>Grampians Estate attracts travelers for coffee, currently providing easy access off the Highway and good parking facilities. The change in access arrangements is likely to have a significant impact on this passing trade; coffee is a convenience purchase and ease of access is an important aspect in choosing the venue from which to purchase.</p>

● Expert Witness of Marianne Støttrup

Issue	Submission No	Response
<p>Tourist and recreation access to the Ararat Hills Park – presently many minor entry points and tracks but no detail how this will be dealt with.</p>	<p>No 11 (Ararat Rural City)</p>	<p>Ararat Hills Park is a Regional Park which has some access points from the Western Highway. Mcloughlin Road and Morella Road are the closest entry points on the Highway from Ararat to access Bridal Hill tracks and picnic grounds. These roads will not be affected by the duplication or freeway upgrade. The Project commences further west.</p> <p>It appears that three minor access points will be closed. However, the upgrade of an intersection at Main Divide Road will provide a formal entry point to the regional park to its central road. It is suggested that entry to the track network comprising Main Divide Road, Hude Track and an unnamed track is consolidated and appropriately signed to enable visitors and people unfamiliar with the park to explore this regional park. These actions may increase visitation by tourists to the park and it is unlikely that there will be any reduction in park usage as a result of the Project.</p>
<p>Concerns about the effectiveness of mitigating measures in reducing the impacts on Great Western.</p>	<p>No 12 (Northern Grampians Shire)</p>	<p>The management measures for Great Western are summarised in section 7 of the Report in Table 36. Management measures include</p> <ol style="list-style-type: none"> 1. developing new signage for any business areas affect by the reduction in passing trade subject to signs meeting VicRoads guidelines.; 2. funding and undertaking detailed planning for Great Western in conjunction with the sewerage works; and 3. developing a marketing strategy to ensure Great Western’s role as a wine village is realised and new residents are attracted to settle there. <p>These tasks are identified as VicRoads responsibility, and some progress is underway since the completion of the Report. I understand that a signage strategy is under development between Tourism Victoria and VicRoads (not finalised yet). Furthermore, with the sewerage scheme expected to be completed in May 2013, it would be possible to commence (2) and (3) immediately which is well prior to the construction of the bypass. Early and successful implementation of (1), (2) and (3) is likely to result in Great Western developing as a thriving village and tourist destination with local residents and numerous visitors to support local shops and thereby allay fears of loss of ‘spur-of-the moment’ passing trade.</p>

7. Conclusion

The estimated economic impact due to the bypass of Great Western and upgrade of Western Highway to AMP-3 standard are as follows:

- The project would disrupt access to businesses during construction across the alignment with impacts estimated to be minor;
- The project would change or complicate access arrangements to/for business, e.g. with impacts on Grampians Estate and Best's Cellar Door and some impacts on contract harvesters in the region;
- The project would result in reduced exposure to passing trade for businesses in Great Western.

There is a medium risk that the project could detrimentally impact on Great Western, but with management measures the potential residual impacts are low. These management measures include:

- New signage for any business areas affected by the reduction in passing trade subject to signs meeting VicRoads guidelines (a signage strategy is currently under development between Tourism Victoria and VicRoads and soon to be finalised);
- Funding and undertaking detailed planning for Great Western in conjunction with the sewerage works; and
- Developing a marketing strategy to ensure Great Western's role as a wine village is realised and new residents are attracted to settle there.

These tasks are identified as VicRoads' responsibility as these are the mitigating measures for the project. They require cooperation with responsible authorities, as is currently occurring with the development of a signage strategy between VicRoads and Tourism Victoria. With the completion of the sewerage scheme expected in May 2013, it would also be possible to commence the detailed planning and the development of a marketing strategy which is well prior to the construction of the bypass. Early and successful implementation of these measures is likely to result in Great Western developing as a thriving village and tourist destination with local residents and numerous visitors to support local shops and thereby reduce the reliance on passing highway trade. I consider the impacts acceptable for this type of project and the above measures can effectively mitigate most of these impacts.

8. Declaration

I have made all the inquiries that I believe are desirable and appropriate and that no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.



Marianne Stoettrup
Principal, Economist

Matters More Consulting Pty Ltd

23rd March 2013

- **Expert Witness of Marianne Støttrup**

Appendix A: CV for Marianne Stoettrup



Marianne Stoettrup

Economist, Principal

Career summary

Marianne is an urban economist with over 15 years experience in a wide range of projects within the areas of infrastructure, tourism and recreation, commercial, industrial and residential development in the field of economic development.

In 2008, Marianne established her own business Matters More Consulting Pty Ltd to provide a broader range of economics consultancy services.

Marianne provides input to economic development and strategy plans, structure plans, and master plans and provides development recommendations. Project work undertaken also includes tourism assessments, demand and market assessments, feasibility studies and business case development, asset development and disposal strategies, and economic and community net benefit assessments.

Work is undertaken mainly as part of a team in response to a brief, as outlined in a tender.

Qualifications

*MA in Economics, Rice University
MSc in Economics and
Management, Århus University,
Denmark, 1990*

*Completed the requirements for
graduate diploma in Rural and
Regional Planning at Latrobe
University, Bendigo, 2013*

Professional affiliations

*Member, PIA
Member, VPELA*

Relevant projects

- South Gippsland Small Towns – Development Opportunities, with Tim Nott for South Gippsland Shire (2010)
- Bulla Bypass Regional Economy Assessment – for VicRoads with GHD and Phillips Agriculture (2011 – 2013)
- Western Highway Duplication Beaufort to Ararat - Economic Impacts – for VicRoad with GHD et al (2011–12)
- Brighton Local Area Plan, economic input, with Aurecon and Inspiring Place, for Brighton Shire Council (Tasmania) (2012)
- Narrandera’s Business Centres Strategy – for Narrandera Shire with Scenic Spectrums (2011)
- Ballarat Roads Improvements (Geelong Road & Yankee Flat Road) – input on feasibility and cost benefit, with CPG for City of Ballarat (2009)
- Goodna Bypass EES, Phase I&II Economic Impact Assessment, Maunsell for Queensland Dep. of Main Roads
- Frankston Bypass EES, Stage I and II of Economic Impact Assessment, SEITA – with Tim Nott & Ray Phillips
- Goulburn Region Transport Strategy – input on economic and tourism aspects, Maunsell for the municipalities

Other project examples

Matters More Consulting Pty Ltd, From 2008 – Principal, Economist

- Brighton Local Area Plan, economic input, with Aurecon and Inspiring Place, for Brighton Shire Council (Tasmania) (2012)
- Mornington Marine Sector Feasibility Study, with Tim Nott and GHD for Mornington Shire Council and the Marine Alliance (2012 – current)
- Wangaratta South Urban Renewal Masterplan, input on market assessment and land use feasibility, with Aurecon for Rural City of Wangaratta (2011-12)
- Geelong Children’s Services Infrastructure Plan – economic input, with K2 Planning (2012 – current)
- Victoria Street Community Infrastructure Planning – input on developer contributions and other funding with Capire for City of Yarra (2011)
- Financial Analysis of Community Housing Providers, with Capire for City of Yarra (2011)
- Neighbourhood Houses Funding Model, for City of Yarra with Capire (2011-12)
- Hobsons Bay Early Years Infrastructure Plan– 15 yr capital investment plan & facility disposal strategy with Capire and K2 Planning for City of Hobsons Bay (2010-11)
- Education demand forecasts update for Gippsland and Eastern Metropolitan Regions– for Tim Nott (2010)

- Dandenong Early Years Infrastructure Plan – redevelopment feasibility and disposal strategy, with Capire and K2 Consulting for City of Greater Dandenong (2010)
- Expert Witness Statement, Old Lancefield Road, Woodend, for Brown Consulting Pty Ltd (2012)
- Bulla Bypass Regional Economy Assessment – for VicRoads with GHD and Phillips Agriculture (2011 – 2013)
- Western Highway Duplication Ararat to Stawell - Economic Impacts – for VicRoad with GHD et al (2011–current)
- Global Skills for Provincial Victoria Program – economic impact evaluation of visa program (2011)
- Narrandera’s Business Centres Strategy – for Narrandera Shire with Scenic Spectrums (2011)
- Broadmeadows CAD employment and Investment Strategy, with Tim Nott for Hume City Council and DPCD (2010)
- Eastern Metropolitan Region Plan, for Regional Development Australia (RDA) and RDV – (2010)
- South Gippsland Small Towns – Development Opportunities, with Tim Nott for South Gippsland Shire (2010)
- Yaringa Marina Development Project, Economic Impact Assessment - for private client (2009)
- Benalla Library and Community Hub Feasibility - with CPG (then Coomes) for Rural City of Benalla (2009)
- Gippsland Disability Housing and Support Strategy – for HDG Consulting and DHS Gippsland (2009)
- Ballarat Roads Improvements (Geelong Road & Yankee Flat Road) – input on feasibility and cost benefit, with CPG for City of Ballarat (2009)
- Lara Business Park Feasibility – input to submission to Structure Plan Review (2009)
- Traralgon Station Precinct Masterplan – Residential & Commercial Development Options Feasibility Assessment - with CPG for City of Latrobe (2009)
- Devonport CBD Structure Plan Review – economics and tourism inputs – with Tim Nott for Aurecon (2009)
- Marong Business Park Rezoning – Socio-economic Impact Assessment – with Collaborations for Connell Wagner and Bendigo Council (2008-9)
- Bairnsdale Strategy - Economic Development Plan – with CPG for City of Latrobe (2009)
- Frankston Bypass EES – Economic Impacts Expert Witness Statement at Panel Hearing for Maunsell AECOM and SEITA (2009)
- Review of Port Phillip Bay Ferry Services; Tourism Inputs – for Maunsell and Parks Victoria (2008)
- Sale Golf Development – Property Market Analysis – for Gippsland Links
- Sandringham Golf Links – Market Supply Analysis – for Thomson Perrett
- St Andrews Beach Golf Club – Options Analysis and Business Case – for Thomson Perrett

Maunsell AECOM Pty Ltd

2007 – 2008 Principal Economist

- Cape Bridgewater Golf Development, Economic Impact Assessment, for private client
- Sorrento Steam Tramway Feasibility, Tourism Market Assessment, for private client
- Christchurch Heritage Tram Extension - tourism assessment as input to feasibility analysis, for Maunsell NZ and Christchurch City Council, NZ
- Goodna Bypass EES, Phase I&II Economic Impact Assessment, Maunsell for Queensland Dep. of Main Roads
- Frankston Bypass EES, Stage I and II of Economic Impact Assessment, SEITA – with Tim Nott & Ray Phillips
- Goulburn Region Transport Strategy – input on economic and tourism aspects, Maunsell for the municipalities Shepparton, Moira, Gannawarra, Campaspe, Loddon, Strathbogie
- Whitehorse / Springvale Road Detailed Improvements Study – option analysis and area-wide economic benefits assessment, for City of Whitehorse
- Point Cook Station – Review of Business Case Submission, for DOI
- North – South Rail Link, economic aspects of Shepparton Route Options, for City of Greater Shepparton
- Cardigan Village Structure Plan Update, economic and retail feasibility input, for City of Ballarat
- Childers Retirement Village, Demand Analysis, Feasibility and Design Brief, for private client
- Great South Coast Sustainable Investment and Development Framework, for Councils of Moyne, Warrnambool, Glenelg, Colac Otway, Corangamite and Southern Grampians
- Review of the Major Project Facilitation Framework, for the Great South Coast municipality group
- Analysis of Labour and Skills Shortage, for the Great South Coast municipality group

Essential Economics

2002-2006 – Associate, Economist

Tourism and Recreational Studies

- Point Lonsdale Golf and Residential Estate ESS - Economic and Tourism Impact Assessment for Stockland
- Lonsdale Golf Club Redevelopment EES - Economic and Tourism Impact Assessment, for Lonsdale Golf Club
- The Cliffs Golf Resort, San Remo - Economic Impact Assessment, for private client
- Ex-POW Interpretation Centre, Ballarat - Feasibility Assessment, for City of Ballarat with Scenic Spectrums
- Lake Federation Resort, Economic Assessment of Retail and Commercial Facilities, for private client
- Keast Park Masterplan: Visitation and Commercial Aspects, for Frankston City Council with Site Office
- Cape Schanck Resort, Impact Assessment of Development Options, for Shearwater Resort Management Pty Ltd
- Glamorgan Toorak Campus - Recreation/Retail Assessment, for private client
- Musselroe Golf Resort Development, Tasmania - Economic Impact Assessment, for Connell Wagner
- Falls Festival Tasmania and Falls Festival Lorne - Economic Impact Assessment, for Ashlorien Enterprises
- Apollo Bay Draft Structure Plan - submission on tourism development
- Nagambie Lakes Regatta Centre, Economic Benefit Assessment, for Strathbogie Shire
- Rosebud West Spa and Hotel – Demand Assessment, for private client
- Darebin Festival of Bowls Event - Economic Impact Assessment, for City of Darebin
- The Sands Resort, Cowes, Phillip Island - Economic Impact and Tourism Aspects, for private client
- Cowes Tourist Cabin Eco-Resort - Demand Assessment, for private client
- Mildura Murray River Precinct, Economic and Tourism Aspects, for Rural City of Mildura with Daryl Jackson Architects
- Bacchus Marsh Civic Precinct, Economic Impact Assessment, Moorabool Shire Council
- Clunes Tourism Product Development and Scoping Study, for Hepburn Shire Council
- Economic Aspects of State Transport Museum, Newport, for Boyce Pizzey Strategic)
- Cathedral Ranges Golf Resort - Economic and Tourism Impact Assessment for Golf Club Properties Pty Ltd
- Daylesford Spa and Tourist Accommodation - Demand Assessment, for private client
- Wellington Waters Resort and Residential Development EES, Economic and Tourism Impact Assessment, for private client
- The Cape Golf and Spa Resort, Economic Impact Assessment Update, for Medallist Golf Developments Pty Ltd
- Mornington Tourist Railway – Tourist demand assessment, for Maunsell and Mornington Railway Association
- Apollo Bay Tourist Villas, Economic and Tourism Aspects, private client
- Lardner Park Events - Economic Benefits, for Gippsland Field Days
- View Hill Hotel Development Proposal - Economic Impact Assessment Update, for Connell Wagner
- Hepburn Springs Boutique Hotel Development, Economic & Tourism Impact Assessment, for private client
- Isle of Wight Hotel Development, Economic Impact Assessment, for private client
- Alpine Resorts Strategy, for Department of Natural Resources and Environment
- Yarra Valley Rail Corridor – Methodology for Study of Economic and Tourism Benefits, for Boyce Pizzey Strategic
- Golf Course and Residential Development at Cape Schanck, Economic Benefit Assessment for Medallist Golf Developments Pty Ltd

Urban & Regional Economic Development

- Traralgon Bypass, Economic Impact Assessment Update, for VicRoads
- Officer Economic Development Strategy, for VicUrban
- Kyneton Gaming Machine Impact Analysis, for Macedon Ranges Shire
- Lake Mokoan Decommissioning Land Use Study – economic and tourism aspects, lead by Beca and Arup with Conceptz, etc for Department of Sustainability and Environment. This project won a 2007 award for Planning Excellence in the Rural and Regional Planning category.
- Boral Montrose Quarry Extension EES Economic Impact Assessment – Peer Review

- Shepparton Strategy Plan - Economic Aspects, for City of Greater Shepparton with Coomes Consulting
- Cardinia Shire Key Land Use Review, for Cardinia Shire Council

Residential and Industrial Land Assessments

- Coronet Bay Residential Resort Economic Impact Assessment, for private client
- Cranbourne East Cemetery – Demand Assessment, for private client
- Rosebud West Retirement Village – Demand Assessment, for private client
- Apollo Bay Draft Structure Plan - Submission in regard to residential land supply and demand
- Cape Paterson EcoVillage – Demand Aspects and Economic Impact
- Big Hill Residential Golf Development – Economic Impact Assessment
- Cowes Industrial Land Assessment Update
- Nyora – Residential Land Assessment
- Grantville – Residential Land Assessment
- Sale Golf Club Residential Redevelopment - Demand and Economic Benefits Assessment, for Gippsland Links Pty Ltd
- Venus Bay Urban Design Framework - Submission on residential and tourism development, for private client
- Northpoint Industrial Park - Commercial Feasibility Assessment

Transport, Roads and Regional Development

- Dinner Plain Bus Service Review – economic aspects, with Arup, for Alpine Shire
- Jamieson – Eildon Road – Business Case for Sealing the Road, for Shire of Mansfield (2006)
- South Face Road – Economic Benefits of Sealing the Road, for Shire of Baw Baw
- Bruthen – Nowa Nowa Road Upgrade, Economic Impact Assessment update, for VicRoads
- Moe Freeway Access Options, Economic Impact Assessment, for Latrobe City Council
- Traralgon Bypass, Economic Impact Assessment Update, for VicRoads
- Bendigo – Echuca Passenger Rail Service – Market Assessment, input to Maunsell report for DOI
- Goulburn Valley Freight and Logistics Centre Economic Impact Assessment with Coomes Consulting and witness at Panel Hearing, for City of Greater Shepparton
- Gruyere Road Group Special Charge, Allocation Assessment, for Southcorp

PRIOR EXPERIENCE

Department of State & Regional Development 2000-2001 – Project Leader

- Strategic audit of the Renewable Energy and Environmental Industries in Victoria

Towers Perrin

1997-1999 – Custody Consultant

- Custody consulting for European clients, mainly pension funds on the selection of custodian banks.

Inter-American Development Bank, Washington DC

1996 – Economist

- Review of opportunities for transfer of technology into the agroindustrial industries in Mercosur countries (Bolivia, Paraguay, Argentina, and Uruguay)

Royal Danish Embassy, Washington DC

1992-1996 – Commercial Attaché

- Investment attraction program, commercial advice to exporter, management of the MOU reciprocal defense material procurement agreement

Hafnia Insurance A/S, Copenhagen

1990-1992 – Management Trainee

- Education in procedures, processing and commercial objectives of large scale commercial insurance and risk management