

# GRAMPIANS WAY RING ROAD

## SCOPING STUDY

GRAMPIANS TOURISM BOARD | NOVEMBER 2012







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# EXECUTIVE SUMMARY

## BACKGROUND AND RESEARCH

### PROJECT PURPOSE

The purpose of the Grampians Way Ring Road Scoping Study is to analyse options for a tourist route around the Grampians National Park that will:

- Promote increased dispersal of visitation in the region;
- Provide alternative ways to travel around the park, mitigating the impact of closures that have had a considerable impact on the tourism industry;
- Open up new areas and tourism nodes around the National Park to investment; and,
- Provide a new experience: the Grampians Way Ring Road should be considered a tourism product in its own right.

This paper represents the initial phase of the project. It provides background and research into the need for and potential benefits arising from the development of the Grampians Way Ring Road, and then a discussion of the various options identified for the route.

For the purpose of this analysis, the Grampians has been divided into 4 sectors that closely align with the Shires in the study region:

- The North West within the Horsham Rural City Council;
- The South West with the Southern Grampians Shire;
- The South East with the Ararat Rural City Council; and
- The North East with the Northern Grampians Shire.

### METHOD

The consideration of route options for the Grampians Way Ring Road is based on:

- Analysis of tourism market data for the Grampians;

- A review of relevant strategies and plans, produced by State and Local Government as well as government agencies;
- Consultation with the four Councils in the study area, a range of tourism stakeholders and State Government agency representatives; and,
- Travelling and assessing the options for the touring route first hand.

### STRATEGY REVIEW

State and Local Government strategies provide a background to the tourism opportunities in the region that may be facilitated by the development of the Grampians Way Ring Road. In particular, tourism opportunities in locations such as Wartook, Lake Fyans, Lake Lonsdale, Glenisla, Cavendish and Glenthompson would be supported by the increased dispersal of visitors promoted by a touring route.

State Government are proposing to amend the planning scheme and the Farming Zone to facilitate tourism development in rural areas. If or when implemented, these amendments may encourage further tourism investment in the farming areas alongside the Grampians Way.

### TOURING ROUTE CASE STUDIES

The impact of three other Victorian road projects on tourism in their regions indicates that the Grampians Way Ring Road could have a positive and significant impact.

Benefits attributable to the development of touring routes identified in these case studies include:

- Improving road safety and accessibility on a year-round basis;
- Improving driving experience, and in some cases, becoming a tourism experience in itself;

- Increasing visitation levels; case studies indicate that tourists have a preference for loop roads, rather than out and back routes. Furthermore, new routes may encourage repeat visitation;
- Facilitating economic development along the route, including accommodation, retail, interpretive and cultural centres amongst a range of tourism products;
- Encouraging growth in new tourism markets, including cycling tourism. The road developments also supported cycling events and racing competition, another potential tourist draw to the region.

The following three examples provide an indication of the costs and benefits associate with tourist route construction.

#### *EILDON-JAMIESON ROAD*

The sealing of the 14km of road between Eildon and Jamieson will lead to increased visitor traffic in the region. The cost of this project was \$3.4m.

#### *BOGONG HIGH PLAINS ROAD*

The \$10m costs of sealing the Bogong High Plains Road in Victoria have had a major impact on tourism to the region. In particular, off peak visitation is estimated to have increased by 88%, and 5% of visitors have added an extra night to their stay in the region.

#### *SOUTH FACE ROAD, BAW BAW*

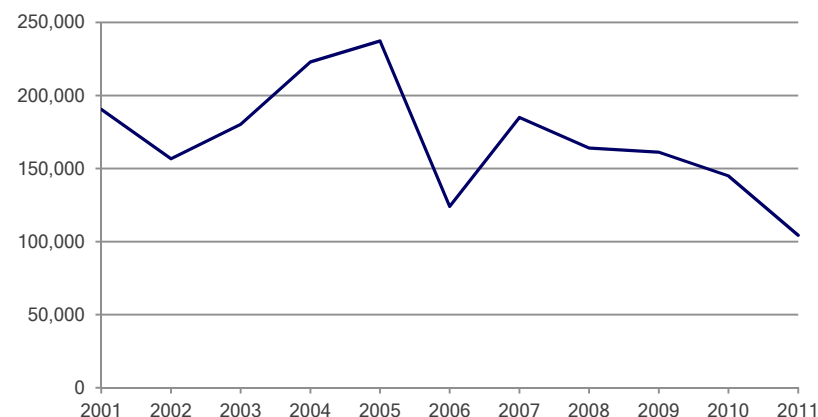
\$500,000 was spent improving a 30km section of South Face Road at Mount Baw Baw. This has led to 28% increase in visitation during off peak season and a 26% increase during peak season. It is also estimated that the dispersal of visitors through the region has increased by 50%.

### GRAMPIANS VISITOR MARKETS

Analysis of Tourism Research Australia data for visitors to the region entering National Parks on their trip highlights the impact of the bushfires in 2006 and floods in 2011 on tourism.

This data provides strong support for the development of the Grampians Way, to provide alternate routes between visitor centres, and also to facilitate the development of a broader range of attractions to increase the possibility that there will be a range of activities available for visitors in the event of further extreme weather events.

**FIGURE 1** GRAMPIANS WAY REGION VISITATION



Source: Tourism Research Australia, National Visitor Survey, International Visitor Survey.

Data for the broader Grampians Campaign Region, which includes the Western Grampians, Wimmera and Central Highlands statistical areas, provides the following for the indications of tourism market trends relevant to this scoping study:

- Visitors to the Grampians Campaign Region are significantly more likely to camp or stay in caravans than visitors to Regional Victoria;
- This preference for low cost accommodation contributes to the lower yield derived from Grampians visitors in comparison to visitors to Regional Victoria;
- Cycling is a growth tourism market, and presents an opportunity for development in the Grampians. Indigenous and adventure tourism may also be successfully developed and promoted in the region;
- Regional Victoria, South Australia and Melbourne are the major source of Grampians visitors;
- Almost half of the visitors to the Grampians use the Western Highway, travelling either from the east or west;

- Mackenzie Falls, Baroka Lookout and Silverband Falls are the most popular locations within the National Park, according to the Grampians Visitor Profile and Satisfaction Project undertaken in 2011 and,
- It is estimated that 97% of Grampians visitors are self-drive tourists.

#### TOURING ROUTE VISITOR PREFERENCES

Research and surveys undertaken to develop an understanding of the touring route visitor market also provides a range of considerations for selecting the route for the Grampians Way Ring Road, including:

- Over half of self-drive tourists have used cars as their main mode of transport.
- Caravans (25%) and motor homes (12%) are also important parts of this market sector, and should be catered for where possible;
- A survey of the market in the Limestone Coast region (South Australia) indicates that long stretches of road with little interests, lack of signage and information regarding the region, poor road quality and lack of accommodation and quality local food as key issues that are detrimental to the touring experience.

## GRAMPIANS WAY OPTIONS ASSESSMENT

### SECTORS AND OPTIONS

The Grampians Way study area has been divided into four sections that align with the regions Councils and also coincide with sections of the route that have no viable alternatives. Three options for the route have been identified in each of the four sectors, as shown on the Grampians Options Map.

### OPTIONS ASSESSMENT

The summary of the options assessment is included in Table 1, on the following page. Each option has been assessed on its likelihood of providing a return on investment and the project objectives.

### FINANCIAL ASSESSMENT METHODOLOGY

The financial assessment of each option is based on the comparison of the additional visitation required to provide a positive return on project cost to increased visitation benchmarks provided by the analysis of touring route case studies.

The benchmark that indicates that the option is likely to provide a return on project cost is whether a visitation increase of less than 3.8% per annum is required for the following 15 years to cover the estimated cost of the option. Options that are *highly likely* to achieve a return on project cost require an annual increase in visitation of less than 1%, between 1% and 3.8% options are *likely* to achieve a return on investment and options that require a greater than 3.8% annual increase are *unlikely* to provide a return on project cost.

### GRAMPIANS WAY OBJECTIVES

Each option has also been assessed against the four project objectives:

- Provide mitigation for the in-park road closures caused by extreme weather events and natural disasters;
- Promote increased dispersal of visitors in and around the Grampians;
- Facilitate new tourism development in the Grampians Region; and,
- Be a tourism product in its own right

## GRAMPIANS OPTIONS MAP

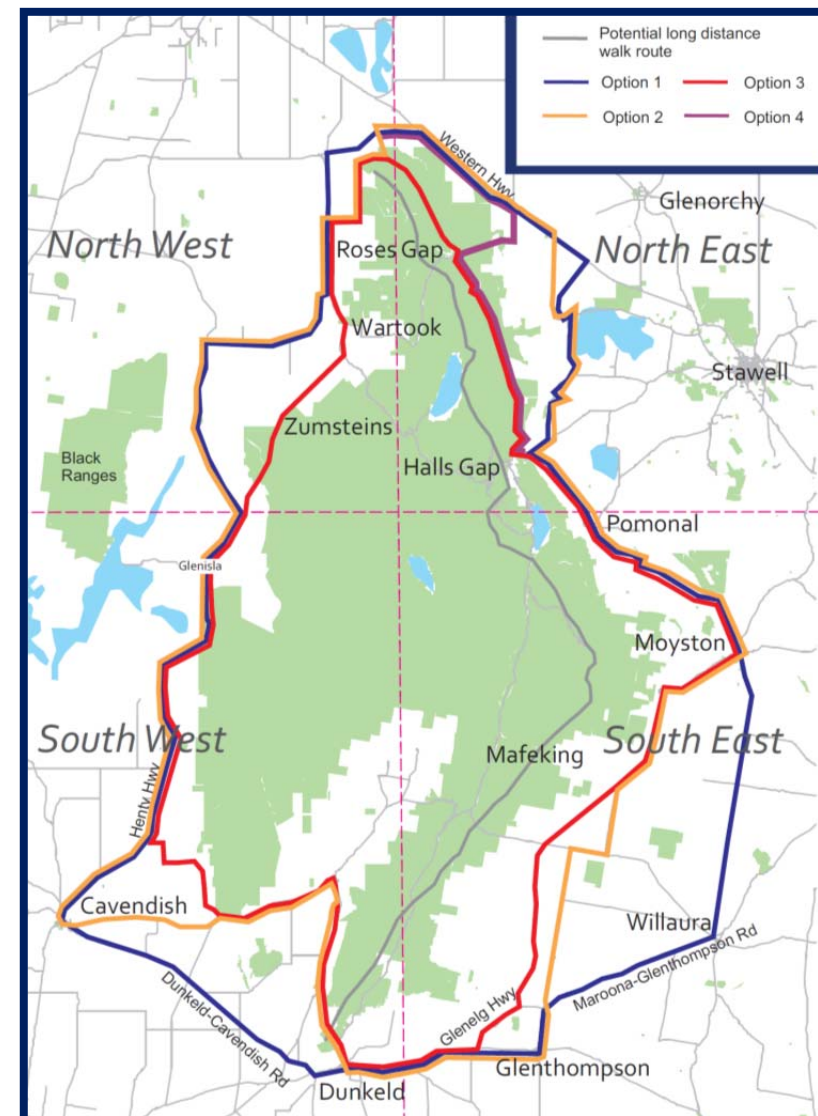




TABLE 1 SUMMARY OF OPTIONS ASSESSMENT

Region	Option	Route Distance (kms)	Estimated Cost of Road Upgrades	Likelihood of Return on Project Cost	Assessment of Objectives
North West	Option 1: Northern Grampians Rd	52	\$0 mil	Highly Likely	Does not facilitate investment and has limited appeal as a tourism product
	Option 2: Winfields Rd	56	\$4.1 mil	Likely	<b>RECOMMENDED</b> Fulfil the Grampian Way objectives and is likely to attain cost neutrality.
	Option 3: Glenisla Crossing Rd	48	\$23 mil	Unlikely	Provides the best outcomes and all objectives except Road Closure Mitigation, but is highly unlikely to achieve cost neutrality
South West	Option 1: Dunkeld Cavendish Rd	70	\$0	Highly Likely	Includes Cavendish and does not require the sealing of any roads.
	Option 2: Mokanger Rd	86	\$0	Highly Likely	<b>RECOMMENDED</b> Provides a better tourism experience than Option 1 without requiring the sealing of any roads.
	Option 3: McCutcheons Rd	72	\$1.6 mil	Likely	Costs more than the other options and bypasses Cavendish.
South East	Option 1: Moyston Willaura Rd	67	\$0 mil	Highly Likely	<b>RECOMMENDED</b> This option meets all objectives and does not require any road upgrades.
	Option 2: Toora Rd	66	\$4 mil	Likely	<b>FUTURE CONSIDERATION</b> Option 2 should be considered as a medium to long term option as it provides a better tourism experience and support for the Grampians Peaks Trail.
	Option 3: Dunkeld Moyston Rd	64	\$14.2 mil	Unlikely	Option 3 is too expensive to be justified and does not offer a substantially different experience or investment facilitation than Option 2.
North East	Option 1: Mt. Drummond Rd	48	\$0 mil	Highly Likely	<b>RECOMMENDED</b> Option 1 meets the objectives and is highly likely to be cost neutral. Road use conflicts on Mt Drummond Rd and the safety of the Western Highway entries need to be monitored
	Option 2: Stawell Ledcourt Rd	47	\$3 mil	Highly Likely	Option 2 provides a similar outcome to Option 1 at greater expense. It should be considered if the issues with road use identified with Option 1 are impacting on tourist use of the Grampians Way
	Option 3: Mount Zero Rd	36	\$21 mil	Unlikely	Option 3 provides an in-Park experience, links to visitor sites and development opportunities under forthcoming legislation, but the financial analysis indicates that it is highly unlikely to achieve cost neutrality.
	Option 4: Mount Zero Rd/Roses Gap Rd	44	\$10 mil	Marginal	<b>FUTURE CONSIDERATION</b> Although the expected return from this option is marginal, further development in the North East and increased demand indicate that this should be reconsidered in the future

## RECOMMENDED GRAMPIANS WAY ROUTE

### RECOMMENDED ROUTE

The recommended route for the Grampians Way is based on the analysis of options' likelihood of providing a return on project cost and the assessment of the options against the project's objectives. Table 2 provides a summary of options and the estimated costs associated with the road development. This includes an estimate of \$2.2m to provide associated infrastructure to support the route's use for tourism purposes.

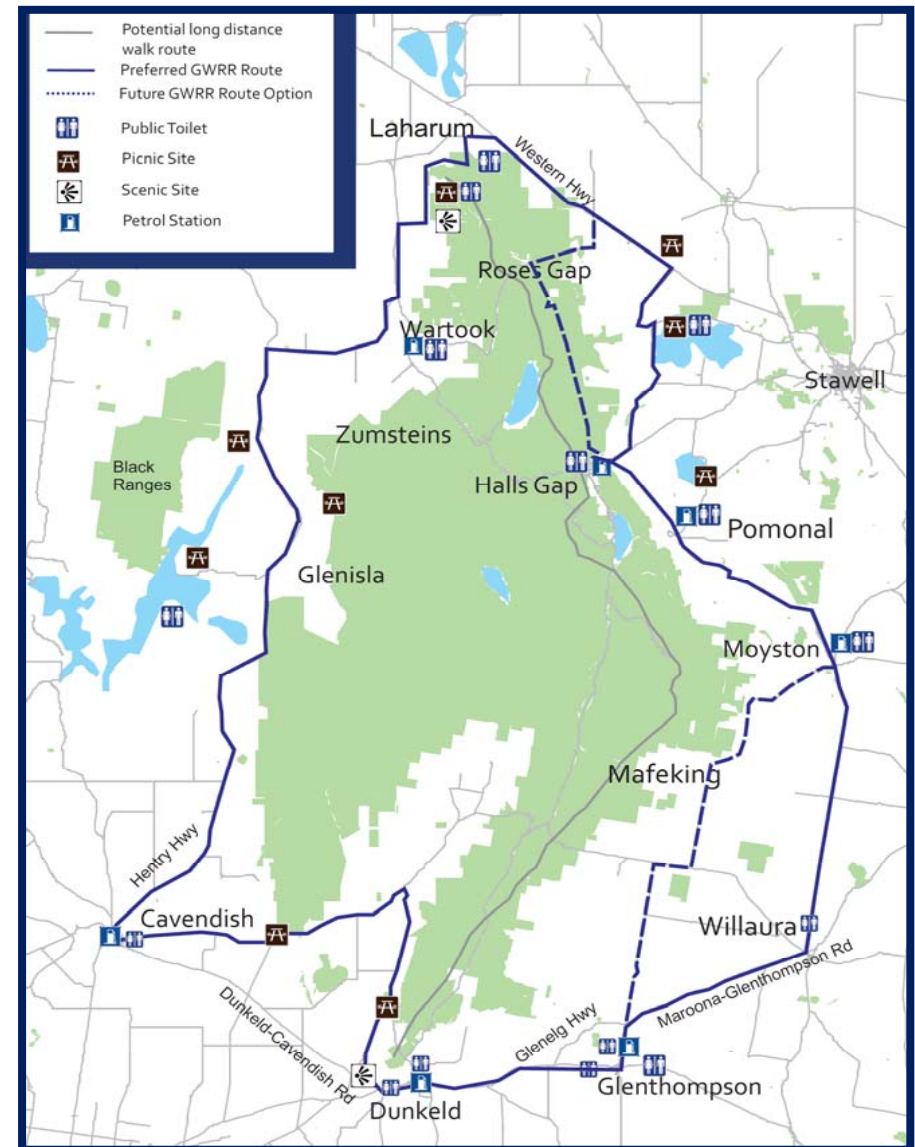
**TABLE 2** SUMMARY OF RECOMMENDED ROUTE

Sector	Option	Cost Estimate
North West	Option 2: Winfields Rd	\$4.1m
South West	Option 1: Dunkeld-Cavendish Rd	\$0
South East	Option 1: Moyston-Willaura Rd	\$0
North East	Option 1: Mt Drummond Rd	\$0
Road Cost Estimate		<b>\$4.1m</b>
Supporting Infrastructure		\$2.2m
Total Development Cost		<b>\$6.3m</b>

### RETURN ON PROJECT COST

The estimated annual increase of visitation to the Grampians required is estimated at 1.2%, which indicates that the project is highly likely to provide a return on the estimated \$6.1m required for implementation

## GRAMPIANS WAY RECOMMENDED ROUTE



This recommended route provides a value for money option for the Grampians Ring Road, as it meets the project's objectives of increasing visitor dispersal, facilitating investment, providing road closure mitigation and being a tourism product in itself while requiring a minimal level of funding for its implementation.

In addition, there are several advantages in opting for a low cost recommendation for the Ring Road:

- Lower funding requirements mean that it has a better chance of being funded
- Lower funding also means that it is more likely to be funded and implemented in the short term;
- Obtaining significant funding for the Grampians Way may reduce the availability of funding to implement the Grampians Peaks Trail in the future. The Grampians Peaks Trail will be a signature experience in the region and provide greater tourism growth than the Ring Road; and,
- By providing a loop around the park on roads that are predominantly already sealed, it will not substantially increase the four Council's road maintenance costs.



# PART 1 : BACKGROUND AND RESEARCH



# 1. INTRODUCTION

## 1.1. PURPOSE

This scoping study will analyse options for and make recommendation on a Grampians Way Ring Road. The road will provide visitor access and link key tourism nodes in and around the Grampians National Park.

The purposes of developing a ring road around the Grampians National Park are to:

- Promote increased dispersal of visitation in the region;
- Provide alternative ways to travel around the park, combating the impact of closures that have had a considerable impact on the tourism industry;
- Open up new areas and tourism nodes around the National Park to investment; and,
- Provide a new experience: the Grampians Way Ring Road should be considered a tourism product in its own right.

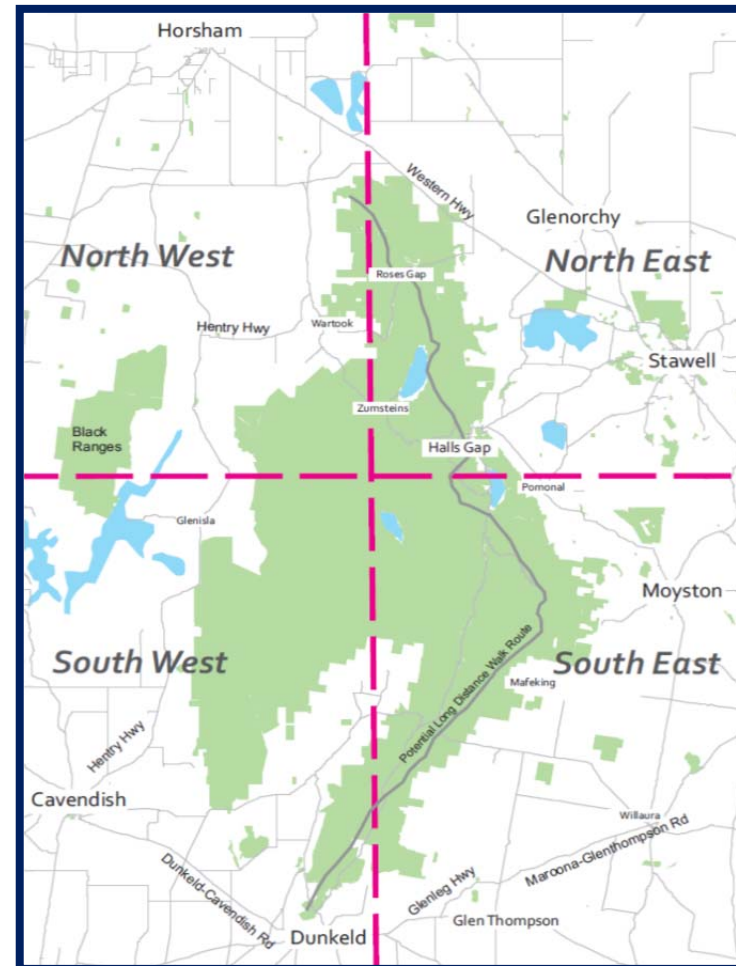
## 1.2. METHOD

The Scoping Study for the Grampians Way Ring Road is based on tourism data analysis, a review of relevant strategies and plans from Local and State Government, consultation, and travelling on the roads suggested for inclusion in the Ring Road.

### 1.2.1. ROAD SECTORS

For the purpose of this scoping study, the region has been divided into four sectors: North East, North West, South East and South West, as shown in Figure 2.

FIGURE 2 GRAMPIANS WAY SECTORS



There are sections of the route for which there are no options that provide logical places to divide the region. These sectors are:

Lake Fyans Rd between Halls Gap and Pomonal, as Halls Gap is the primary tourism node in the Grampians region, and there is no alternative when heading south;

Dunkeld, at the southern most point of the Grampians, and a major tourism destination in the region

The Henty Hwy between Cavendish and Glenisla, as this is the only north-south road running between the Grampians and Rocklands Reservoir.

Mt. Zero at the northern end of the National Park, though there are some options to consider for the Grampians Way in this area.

These logical divisions for the consideration of the route also have the benefit of aligning with the Council boundaries to some degree.

### 1.2.2. TOURISM DATA

The tourism data source used for this Scoping Study is the surveys undertaken by Tourism Research Australia, the National Visitor Survey and the International Visitor Survey. Where applicable, data from the Australian Bureau of Statistics is used to support the analysis.

### NATIONAL VISITOR SURVEY (NVS)

Tourism Research Australia is responsible for conducting the National Visitor Survey. 120,000 Australian residents are interviewed annually about their travel for the NVS, capturing interstate and intrastate visitation. The information NVS provides includes visitor destinations, origins, activities, nights spent, travel methods, activities and expenditure.

Daytrips are only included in the NVS if the respondent travelled more than 50 kms from their residence, and spent more than 4 hours at the destination.

### INTERNATIONAL VISITOR SURVEY (IVS)

Tourism Research Australia also conducts the International Visitor Survey. The IVS is conducted in the departure lounges of 8 international airports in Australia: Sydney, Melbourne, Brisbane, Cairns, Perth, Adelaide, Darwin and the Gold Coast. 40,000 departing tourists are interviewed about their time in Australia.

### 1.2.3. STRATEGIES AND PLANS

Documents outlining tourism development opportunities and strategic directions for the Grampians and surrounding regions have been reviewed. The most important use of this information is the identification of areas that have potential to develop as tourism nodes.

### 1.2.4. CONSULTATION

Meetings with the following organisations and groups have been held to inform the development of this scoping study:

- Northern Grampians Shire Council
- Ararat Rural City Council
- Southern Grampians Shire Council
- Horsham Rural City Council
- Tourism operators in Halls Gap, Dunkeld and the Wartook Valley
- Parks Victoria
- Tourism Victoria
- Regional Development Victoria

### 1.2.5. ROAD INSPECTIONS

Almost all of the options for the Grampians Way Ring Road route were travelled in their entirety to assess their tourism potential and their current state. The only exception to this was the Moyston-Dunkeld Road, where only a small section of the road was inspected due to time constraints, weather conditions and the view that this was not likely to be a feasible option and was therefore not considered a priority.

## 2. THE GRAMPIANS WAY OBJECTIVES

### 2.1. INTRODUCTION

The objectives for this project, as set out in the introduction, are to mitigate the impact of future road closures, facilitating visitor dispersal, development facilitation and the touring route as a tourism product in its own right. This section provides an overview of these objectives and current conditions within the Grampians area.

### 2.2. ROAD CLOSURE MITIGATION

There is a need to provide alternative routes between the major accommodation and attraction nodes for the Grampians: Halls Gap, Dunkeld and the Wartook Valley and Mt Zero area.

Following severe flooding in the Grampians in January 2011, amongst numerous closures, two of the major touring routes through the park were closed for extended periods of time<sup>1</sup>:

- Grampians Road connecting Dunkeld and Halls Gap was closed until August 2011.
- Mt Victory Road, which connects Halls Gap to the Wartook Valley, was closed until November 2011.

The impact on tourism to the Grampians from these closures was significant: visitation in the year to June 2011 was 14% less than the year to June 2010. The closure of the Grampians Road between Dunkeld and Halls Gap reduced the number of visitors from the Great Ocean Road travelling through Dunkeld and into the National Park.

The closure of the Mt Victory had significant implications for the Wartook Valley tourism operators, as there are limited sealed alternatives to cross over the western side of the National Park.

Climate change predictions indicate that extreme weather events and subsequent road closures will increase in frequency over the forthcoming years, increasing the need to provide alternate options for travel between the key Grampians destinations.

### 2.3. VISITOR DISPERSAL

An important consideration for the development of the Grampians Way is to promote visitation to a range of destinations within and around the park and linking it to other tourism regions/routes. It is expected that a greater number of tourism destinations in the Grampians will lead to increased length of stay and expenditure.

Outside of the two main visitation centres, Dunkeld and Halls Gap, the Grampians Way should encourage increased visitation to locations such as:

- The Wartook Valley, which provides a range of activities and accommodation on the western side of the Grampians;
- The olive groves, rock climbing, rock art and walking tracks around Mt Zero and Hollow Mountain at the northern end of the National Park; and
- Rocklands Reserve and the Black Range, located just west of the National Park.

### 2.4. TOURISM DEVELOPMENT FACILITATION

The facilitation of new experiences and development opportunities in the Grampians region will be integral to the economic case for the proposed Grampians Way. Opportunities to connect existing road networks together with nodes and experiences will improve visitation across the National Park; this has the potential to generate some key tourism development opportunities, aligned with investment priorities in the region.

In particular, the proposed Grampians Long Distance Peaks Trail is set to change the dynamics of tourism to the Grampians region, as an international standard tourism experience for Australia. The Grampians Way will play an integral role in supporting the development, through providing access to potential off-park accommodation sites and providing tourists with access in and out of segments of the trail.

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<sup>1</sup> Vicroads Flood Recovery Update.

The Grampians Way should also provide development for new tourism products in the region, including:

- New cycling and trail biking opportunities across the National Park;
- Accommodation and tourism business development opportunities outside of Halls Gap, including high quality boutique accommodation en route.
- Increased accessibility to surrounding tourism experiences, including the Wartook Valley olive plantations.
- Improving access to Aboriginal Art and facilitating development of Indigenous business models, such as at Buandik and Billiwing.

Section 2: Strategy Review will explore strategically cited potential development that could be facilitated through the Grampians Way Ring Road.

## 2.5. GRAMPIANS WAY AS A TOURISM PRODUCT

### 2.5.1. SCENIC ROUTE

The Grampians Way should provide for a continuous sealed road route around the National Park, which itself could be developed as a scenic touring route.

At present, there is considerable demand for a scenic touring route within the Grampians, with over 87% of visitors the region seeking an “opportunity to tour around and explore”.<sup>2</sup> The Grampians region sits strategically along the Western Highway, with the potential to attract existing Adelaide-Melbourne touring visitors.

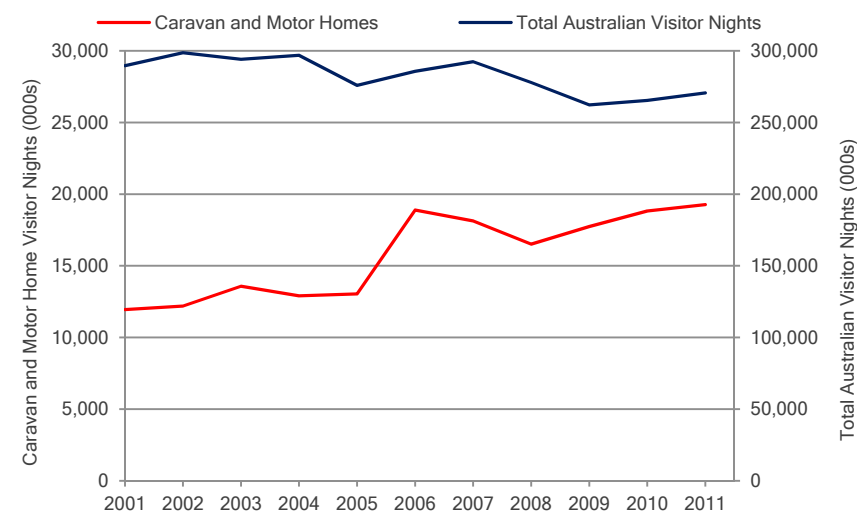
The Grampians has a number of major tourism routes surrounding it, including the Great Ocean Road, Limestone Coast, Goldfields and the Western Highway, the main Adelaide-Melbourne link. Studies have shown that the region is already attracting a number of tourists from these routes; the development of the Grampians Way as a complimentary and nearby tourism experience may further increase visitation from surrounding tourism routes.

<sup>2</sup> Grampians Visitor Profile and Satisfaction Project, 2011.

### 2.5.2. CARAVANS AND MOTOR HOMES

The following figure shows overnight visitation by caravan and motor home self-drive tourists have been increasing since 2001: it is likely that growth will continue into the future as more baby boomers reach retirement age.

FIGURE 3 CARAVAN AND MOTOR HOME VISITOR NIGHTS



Source: NVS, Visitor Nights for Caravans and Motor Homes

The data highlights the increasing prominence of the caravan and motor home market, and as such, it will be important to develop a route that meets the market needs and preferences, this is further explored in Section 4: Touring Road Development Potential. In particular, research indicates that a large proportion of self-drive tourist have a preference to tour in loops, with several overnight stops. The Grampians Way Route must consider for the potential to link existing attraction sites and accommodation clusters

The study will also consider the existing road network for the development of the Grampians Way as a destination tourism product. Research into touring routes within the nearby Limestone Coast region has found the following limitations to consider:



- Long stretches of road with little of interest and dry farmland. Research has indicated that more stopping places with signed walks and information regarding the cultural and historical setting of the area may improve the interests of areas of little attraction.
- Road side facilities that require improvements in more remote areas on major highway routes. As such, it will be important to provide rest stops, bays and amenities along to meet the needs of self-drive tourists.
- Lack of viewing points along the route, despite a beautiful scenic backdrop. As such, it will be important to provide a few more facilities where self-drive tourists could take photos especially with a caravan on.
- In some areas, the roads are quite narrow, making it rather difficult when towing a caravan (generally off the bitumen). The study will seek to highlight potential roads that will require additional investment to increase the level of drive satisfaction.

### 2.5.3. CYCLE TOURISM

The development of the Grampians Way may also strengthen the Grampians as a key cycling destination. Mountain biking is already seen as a strength, with the Grampians offering a number of challenging trails across the region. The provision of a sealed road may support growth in Grampians as a road cycling tourism destination.

The sealing of the Bogong High Plains Road in the Alpine Region has enabled the region to host one of the largest cycling events in regional Victoria, the Three Peaks Challenge. The road has facilitated increased visitation levels through the cycling event, attracting over 6,000 bed nights and \$1 million in total economic impact to the Alpine region<sup>3</sup>.

This indicates that consideration for hosting road cycling tourism will be important for the Grampians Way scoping. Specific issues for consideration include cyclist safety and integration with existing cycling and tourism infrastructure, to enhance appeal for cyclist.

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<sup>3</sup> 2010 Annual Report, Falls Creek Alpine Resort Management Board.

## 3. STRATEGY REVIEW

### 3.1. INTRODUCTION

The following section provides a review of documents relating to the key strategies and tourism development opportunities around the Grampians National Park. These strategies inform both the argument for developing a ring road and the considerations for determining the route of the road.

### 3.2. SUMMARY

The range of strategies and policies reviewed to inform the development and assessment of options for the Grampians Way Ring Road, particularly if it meets the objectives of increasing visitor dispersal and promoting additional investment in the region's tourism industry.

The strategy review has also found a number of initiatives to promote growth in the region's tourism industry. This includes the Grampians Peak Trail, development of cycling tourism and linking the Grampians into existing touring routes such as the Great Southern Touring Route, the Great Ocean Road and the Adelaide to Melbourne driving route.

Specific opportunities that are included within the range of documents reviewed include:

- High end eco-tourism accommodation in Wartook.
- A wild life viewing corridor in Wartook.
- A high quality Restaurant/Winery in Halls Gap and/or Pomonal
- An eco lodge resort at Lake Fyans.
- Holiday homes at Lake Fyans and Lake Lonsdale.
- Retail, accommodation and touring opportunities at Dunkeld.
- Interpretive centre and accommodation development focussed on the significant Aboriginal Rock Art at Billiwing, near Glenisla.
- Accommodation and farm tourism experience at Cavendish.

- Accommodation and food production tours, Glenthompson.
- AFL tourism, Moyston.

In addition, the Wimmera Regional Transport Plan<sup>4</sup> has identified that a potential ring road would enable:

- Business development at locations on and off the ring road, with increased confidence of passing trade.
- Clear access points to places of interests within the Grampians National Park, allowing Parks Victoria to open up access to other tourism attractions; and
- Take pressure off Halls Gap and the Park's internal road network.

The State Government has proposed amendments to the planning scheme, and the Farming Zone in particular, that will facilitate more tourism investment in agricultural areas. This provides greater support for the Grampians Way route travelling through Farming Zones, as greater economic impact may result.

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<sup>4</sup> Prepared by Driscoll Engineering Services in 2005 for the Buloke, Hindmarsh, Horsham, Northern Grampians and West Wimmera Councils.

### 3.3. VICTORIAN GOVERNMENT

#### 3.3.1. TOURISM VICTORIA

##### VICTORIA'S NATURE-BASED TOURISM STRATEGY 2008-2012

Tourism Victoria's Nature-based Tourism Strategy provides long-term coordinating policies and strategies for the sustainable development and marketing of Victoria's nature based tourism sector. The strategy aims to stimulate and grow nature based tourism, including eco-tourism, adventure tourism, extractive tourism, wildlife tourism and nature retreats.

The document highlights a number of strategies for the development tourism products and infrastructure within the Grampians. These include:

- Attracting higher yielding nature-based tourism visitors through such as guided activities, packaging a number of existing products, and accommodation;
- Encouraging private investment into sustainable nature-based tourism accommodation projects;
- Opportunities to link to the Great Southern Touring Route and connecting with other Aboriginal tourism experiences in the south-west of Victoria;
- Establishing a multi-day walk within the national park, with associated opportunities for accommodation;
- Promotion of the Grampians as a mountain biking destination, with opportunities for related accommodation; and
- Identification, improvement and development of Aboriginal tourism products and experience in the natural environment of the Grampians.

The strategy indicates that the Grampians will play an increasingly important role in promoting Victoria as an international tourist destination.

##### VICTORIA'S CYCLE TOURISM ACTION PLAN 2011-2015

Victoria's Cycle Tourism Action Plan, prepared by Tourism Victoria, aims to position Victoria as the leading state for cycle tourism.

The strategy identifies the Grampians as a region with Primary Strength's in mountain bike tourism, with secondary strengths in road cycling and major cycling events.

A number of opportunities have been identified within the Grampians within the strategy. This includes encouraging the development of mountain biking tourism, through supporting demountable bike barn accommodation and facilitate of investment to develop international-standard mountain biking trails in the region. The policy highlights that the Grampians will continue to play a critical role as a major mountain biking destination within Victoria.

##### REGIONAL TOURISM ACTION PLAN 2009-2012

The Regional Tourism Action Plan included the following three projects for development in the Grampians region:

- Tourism infrastructure and product including high quality boutique accommodation, to support the proposed Grampians Long Distance Trail;
- Nature-based and adventure tourism infrastructure and product including walking and bicycle trails to capitalise on the region's natural assets; and,
- Accommodation associated with food and wine product.

The 2011-12 regional marketing and development plan for the Grampians, which is an annual update of the Regional Tourism Action Plan, includes these three priority product development projects for continued development.

#### 3.3.2. RURAL ZONES REVIEW

The State Government is currently reviewing the planning scheme's commercial, residential and rural zones. The proposed amendments to the rural zones are particularly relevant to this scoping study, as the intention is to:

*Facilitate tourism uses by reducing or removing permit limitations relating to tourism uses. For example, a residential hotel would no longer be required to be in conjunction with an agricultural use. This will enable permits to be considered on their merits.<sup>5</sup>*

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<sup>5</sup> DPCD, Reformed Zones for Victoria: Improved Rural Zones

Much of the land surrounding the Grampians National Park is within a Farming Zone; therefore the easing of restrictions on tourism development provides greater opportunities for investment along the Ring Road.

The proposed changes to the Farming Zone that will facilitate tourism investment are:

- Bed and Breakfasts will be able to accommodate up to 10 people without requiring a planning permit, an increase from 6;
- Primary produce sales no longer require a permit, which may encourage farm gate sales along the Grampians Way<sup>6</sup>;
- A rural store of up to 100m<sup>2</sup> is an as-of-right use in conjunction with agriculture;
- Accommodation developments and restaurants will require a planning permit, in the current scheme these uses are prohibited and therefore would require a planning scheme amendment.

The Government is currently seeking comment on the proposed changes to the planning scheme. Any changes to the planning scheme implemented by the State Government may or may not include the detailed changes listed above, but regardless of this, they provide an indication of the government's intention to facilitate tourism investment in Farming Zones.

### 3.3.3. UNLOCKING VICTORIAN TOURISM: AN INQUIRY INTO VICTORIA'S TOURISM INDUSTRY

The Victorian Government have supported two recommendations from the Victorian Competition and Efficiency Commission's report *Unlocking Victorian Tourism: An Inquiry into Victoria's Tourism Industry* that will facilitate private development in the Grampians National Park:

- The Minister responsible for national parks will consider appropriate, environmentally sensitive, private sector tourism investment in national parks; and,

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<sup>6</sup> Primary produce sales must be more than 100m from a dwelling on another property and less than 50m<sup>2</sup> in floor space.

- The Minister responsible will also be able to grant up to 99 year leases in national parks to provide greater certainty for investors to help encourage investments which enhance visitor experience.

The implication for the Grampians Way Ring Road Scoping Study is that routes that travel through the National Park may facilitate investment as well as those surrounded by private land.

### 3.3.4. TOURIST SIGNING GUIDELINES

Tourism Victoria and VicRoads produced guidelines for tourism road signage in 2009. The Grampians Way is most likely to be Local Tourist Drive under this guideline, which provides recommendations for signage as well as criteria for their establishment.

The guidelines provide essential and desirable criteria for the establishment of a Local Tourist Drive for consideration in the Grampians Way Scoping Study.

#### ESSENTIAL:

- The route must have significant tourism and/or scenic appeal, including a reasonable frequency of quality tourist attractions to maintain the interest of the visitor;
- The route must not be based on attractions which are strictly seasonal or are not a permanent feature of the route;
- The route must allow for the safe passage of private passenger vehicles at all times (avoiding hazardous alignments or grades, or single land roads);
- The route must use only suitably maintained roads, preferably sealed, which are also capable of handling the higher volumes of traffic attracted to the route; and,
- Collateral material (e.g map, brochure and website) covering the drive and attractions must be developed and made available through visitor information centres and other outlets on an ongoing basis.

#### DESIRABLE:

- Effective linking of the drive to the major traffic corridor;



- The attractions should be related to a particular theme, providing some basis for visitors to follow the tourist drive;
- The drive should generally take the average tourist between half a day and two days to cover most attractions; and,
- Inclusion of the route's theme and any supplementary interpretive information in wayside tourist information bays.

### 3.4. GRAMPIANS REGION STRATEGIES

#### 3.4.1. GRAMPIANS TOURISM STRATEGIC PLAN 2012-2016

The Grampians Tourism Strategic Plan for 2012 to 2016 includes the Grampians Way as one of its product and infrastructure development priorities. The plan calls for Grampians Tourism to continue working on the development of the Grampians Way with Regional Development Australia's Grampians Committee.

Other product and infrastructure development priorities that are to be considered in the development of the Grampians Way are:

- The Grampians Peak Trail;
- Identify new Indigenous tourism experiences and the steps for development;
- Developing a Cycle Tourism development plan;
- Further development of the region's key heritage experiences; and
- Support initiatives to improve transport access to the region.

#### 3.4.2. WIMMERA REGIONAL TRANSPORT PLAN, 2005

This report provides a strategic framework for maintaining, improving and developing transport routes throughout the region<sup>7</sup>. The report identifies planning actions and key infrastructure projects to facilitate movement in and to support growth in a number of industries.

The region's tourism industry is considered within the report, with a number of road strategies to support growth in visitation to the Wimmera Region. In particular, the report identifies the need for a ring road to allow movements around the Grampians.

The report indicates a ring road development would support the regional tourism industry through:

- Encouraging business development at locations supported by the ring road;
- Creating clear access points to places of interests within the Grampians National Park, allowing Parks Victoria to open up access to other tourism attractions;
- Taking pressure off Halls Gap and internal road network; and
- Forming strategic linkages with other touring routes and major transport corridors, including the Coonawarra region to the West, the Western Highway at the north and the Glenelg Highway at the south.

The strategy does not support the sealing of the Mt. Zero Road, as "there is no demand for the route to be upgraded to a sealed road and no desire from Parks Victoria to improve and seal the road". The resources required to maintain the road would be a "drain on limited resources" and consultation with Parks Victoria reveals an expectation for the "road to reduce in standard over time". On this basis, the transport strategy did not include Mt Zero Rd as a part of its ring road proposal.

Besides this, the report has noted a number of factors that may continue to place limitations on the tourism potential of the Ring Road development including:

- A lack of rail passenger network to compliment the region's tourist services and potential. Services from Melbourne end at Ararat, where visitors are required to change to bus services to access the region's key destinations; and
- A lack of direct linkages to draw tourists from the Coonawarra Wine Region to the Grampians. However, the report has noted that the creation of a link may detract tourist traffic through Horsham, Mt Arapiles and Little Desert.

<sup>7</sup> Prepared by Driscoll Engineering Services for the Buloke, Hindmarsh, Horsham, Northern Grampians and West Wimmera Councils.

### 3.4.3. GRAMPPIANS TOURISM PRODUCT AND INFRASTRUCTURE AUDIT & DEVELOPMENT PLAN

In 2008, Grampians Marketing commissioned Project Delivery to undertake the development of a Product and Infrastructure Audit which would identify the key projects required to improve the region's product offering. This report is not complete and was reviewed as a draft.

The plan includes the development of a Ring Road as a key regional priority and a major infrastructure recommendation. The Ring Road would encourage visitors to travel to part of the Grampians National Park outside Halls Gap and Dunkeld. By providing sealed roads between a range of tourism destinations, more locations could be accessed by hire vehicles. Furthermore, the ring road would take pressure of the internal road network, promoting a dispersal of traffic through alternative routes around the Grampians.

The following is a summary of relevant development opportunities cited within the development plan.

#### *GRAMPPIANS PEAK TRAIL*

The development of a 148 km walk across the Grampians National Park is a development priority for the region. The walk will facilitate a number of off-park accommodation opportunities along the route; which will need to be accessible by feeder tracks and sealed roads to support transport. Potential accommodation sites for camping and 4-5 star cottages opportunities include Mount Zero, Roses Gap, Ledcourt State Forest, Dunkeld, Pomonal and Mafeking.

#### *WILDERNESS LODGE*

A wilderness lodge in the Grampians would significantly increase awareness and visitation to the region. The development is envisioned to be an iconic, internationally recognised accommodation complex, to service the Grampians long-distance walk. Alternative routes to access the Wilderness Lodge will be necessary as a risk mitigation measure; this will be facilitated by a ring road development.

#### *BILLIWING ABORIGINAL ART SITE*

The document highlights the opportunity to draw visitors to Aboriginal art sites located at Buandik/Billiwing, on the western side of the park near Glenisla. The site has potential for

an Indigenous business to operate accommodation and tours; at present the site is a pine plantation with the lease set to expire in 2015.

#### *CYCLE TOURISM*

Cycle tourism is a growing market, leading to increasing demand for cycling tracks and service facilities. Although many of the tourism opportunities identified are focused towards off-road mountain biking, the project identifies a Cycle Touring Route on existing roads around the Grampians as a potential opportunity; the Cycle Touring Route aligns with the Grampians Way Ring Road.

#### *CONFERENCE CENTRE*

A key product gap identified in the draft report is a venue that provides events and conference facilities and accommodation. There are developments of this nature currently proposed within the Wartook Valley, The centre would need to be supported by an accessible seal road and linkages to key tourism destinations.

#### *OTHER OPPORTUNITIES*

Other identified development opportunities that may be supported by a Grampians Way Ring Road include:

- Grampians Wildlife Viewing Corridor, Wartook Valley.
- Farm tourism experience and accommodation, Cavendish.
- Iconic restaurant at a winery, Halls Gap, Pomonal or Great Western.
- Self contained bed & breakfast and food production tours, Glenthompson (sheep dairy).

### 3.4.4. PROPOSED DEVELOPMENT OF A LONG DISTANCE TRAIL IN THE GRAMPPIANS

The report, commissioned by Parks Victoria in 2009, assesses the financial feasibility of the Grampians Long Distance Trail. The Long Distance Trail development has been identified as a key regional development opportunity, with potential to be a high quality, world class long distance walking experience linking to quality accommodation, attractions and service options.

The long distance trail remains as one of the major long term developments within the Grampians Tourism Region and will be a major factor in the future tourism trends of the region.

Provision for multiple feeder tracks (into the trail) and off-park accommodation has been cited as a key development opportunity to meet the projected increases in visitor nights.

As such providing accessibility to these areas will be important in supporting the tourism benefits of the Long Distance Trail. Aligning the Grampians Way Ring Road to the proposed Long Distance Trail and the potential accommodation sites, will support increased visitation.

The report identifies several sites including Mafeking, Wartook Valley, and Dunkeld as possible locations for niche eco-tourism accommodation developments. These developments will be considered in the ring road route options.

### 3.5. LOCAL GOVERNMENT

#### 3.5.1. DRAFT TRIANGLE RURAL ZONE REVIEW

The report, commissioned by Ararat Rural City and Northern Grampians Council in 2012, has identified a number of existing tourism strengths within the Ararat-Stawell-Halls Gap Triangle region including:

- Tourism wine experience. The region currently contains 24 wineries. 22 of which have cellar door operations.
- Fishing and Water-based Recreational Activities. The majority of tourism development has occurred in Lake Fyans, where there is an existing holiday park.
- The Halls Gap Zoo is identified as an important tourism attraction in the area. The zoo has seen increases in revenue by 400% between 2008 and 2012, indicating it is a significant drawcard within the Grampians region.

The following are a number of tourism development opportunities included in the strategy that may be supported by the Grampians Way Ring Road:

- Development of more farm stays in the area, particularly to attract overseas visitors. Accessibility is an issue for farm stays, as many roads throughout the area are unsealed.
- Improved infrastructure and marketing for Lake Lonsdale and Lake Fyans. The report identifies the potential for a self-contained eco lodge resort at the north east corner of Lake Fyans, attracting high yield visitors to the region.
- Potential to increase accommodation development in Pomonal to cater for excess demand from Halls Gap.
- Potential to expand tourism in Moyston through its history as the birthplace of AFL. At present, tourism development is limited in the town, and it does not lie on the major tourist route in to Halls Gap and the Grampians.

#### 3.5.2. SOUTHERN GRAMPIANS SHIRE TOURISM STRATEGIC PLAN

This strategy from 2010 provides a review of tourism activities and products and a guide to the future tourism development potential of the Shire. The following are key findings from the review of the strategic plan:

- Dunkeld continues to be a major regional destination through its position as the southern gateway to the Grampians National Park and the high quality food destination of the Royal Mail Hotel, which continues to draw international and domestic tourists. The strategic plan has identified a number of tourism development opportunities, particularly accommodation. Specific suggestions include 4-5 star cottages in Dunkeld to support the establishment of the Grampians long-distance walk.
- If Cavendish visitation increases through the Grampians Ring Road, the township has the potential to establish a 4 Star accommodation development, such as B&BS in historic houses in the town.
- It is anticipated that there will be a need for self-contained and B&B accommodation and a café in Glenthompson, to service visitors to the Grampians Long Distance Walk.

## 4. ROAD DEVELOPMENT CASE STUDIES

### 4.1. INTRODUCTION

The Grampians Way has the potential to draw and disperse tourists throughout the Grampians region, as well as, develop as a tourism product in itself. This is supported by a review of research and case studies regarding touring routes and the impact of these developments. It is important to note that very few studies of tourism road developments have been undertaken, and in many cases, only anecdotal information is available. The review will provide benchmarks of the potential economic and tourism benefits of the Grampians Way Ring Road.

### 4.2. SUMMARY

The case studies support the development of a ring road due to the transport benefits and significant tourism development within the regions. These include:

- Improving road safety and accessibility on a year-round basis;
- Improving driving experience, and in some cases, becoming a tourism experience in itself;
- Increasing visitation levels; case studies indicate that tourists have a preference for loop roads, rather than out and back routes. Furthermore, new routes may encourage repeat visitation;
- Facilitating economic development along the route, including accommodation, retail, interpretive and cultural centres amongst a range of tourism products;
- Encouraging growth in new tourism markets, including cycling tourism. The road developments also supported cycling events and racing competition, another potential tourist draw to the region.

The review of touring route case studies research, has indicated that the development and promotion of a touring route development has the potential to disperse visitation to surrounding areas of the Grampians; data indicates that visitation to these locations has the potential to increase between 20% and 50%.

Furthermore, the promotion of a touring route has the potential to be established as a tourism product in itself and draw new levels of visitation to the region; the case study review has found that the road development has the potential to increase traffic volume between 12% and 40% and increase visitation up to 30%.

The following table summarizes the quantitative economic benefits of road development case studies:

TABLE 3 TOURIST ROUTE CASE STUDIES

Road Development	Length	Costs	Change in Visitation to the Region	Dispersal of Visitation to Surrounding Townships/Regions	Change in Traffic Volume
Eildon-Jamieson Road (VIC)	14 km	\$3.4 million	data n/a	Increase by 40%	Data n/a
Bogong High Plains Road (VIC)	31 km	\$10 million	Increase by 88% during off peak season, with 5% of visitors extending their length of stay by 1 night	data n/a	12% between 2008 and 2011.
South Face Road (VIC)	30 km	\$0.5 million (remains unsealed)	Increase by 28% during off peak season and 26% during peak season.	Increase by 50%	Data n/a
Mereenie Loop Road (NT)	93 km	\$38 million	data n/a	Increase by 20%	Data n/a
Mansfield-Wangaratta Link (VIC)	31 km	Data n/a	40% between 2001 and 2011.	Increase by 88% during off peak season, with 5% of visitors extending their length of stay by 1 night	40% between 2001 and 2011.



The following is a summary of road developments in Victoria and their impacts on the regional economy and tourism industry:

#### EILDON-JAMIESON ROAD, MANSFIELD SHIRE

The Eildon-Jamieson Road was upgraded from unsealed roads in 2010. The road provides a 14km alternative route for visitors to travel between Eildon and Jamieson. The road upgrade cost was estimated to cost over \$3.4 million.

Studies on the road development indicated that the new route was expected to increase car trips from 50 to 250 per day. Furthermore, the new route was forecast to increase visitation and length of stay in Eildon and Jamieson, providing support for business growth. A conservative estimate for the benefits of sealing of the road is that visitors would make approximately 400 trips per day during peak times<sup>8</sup>.

#### GREAT ALPINE ROAD, MT HOTHAM

The Great Alpine Road was opened in 1998, following a \$6.5 million upgrade which included the sealing of the 20km stretch between Mt. Hotham and Cobungra.<sup>9</sup>

The development enabled the Great Alpine Road to rank with the Great Ocean Road as one of Australia's great scenic roads, supporting opportunities for tourism development in the Victorian High Country region.

Furthermore, the road allowed users to access Mt Hotham via alternative routes, encouraging the dispersal of visitors throughout various regions. Over 58% of drivers access Mt Hotham via Harrietville (the main access way prior to the finished road development), while the remaining 42% through Omeo.<sup>10</sup>

#### BOGONG HIGH PLAINS ROAD, FALLS CREEK

The sealing of the Bogong High Plains Rd in April 2009 has created a unique Alpine loop for car tourers and motorcyclists, as well as providing an alternative route to Falls Creek via Omeo. The road has added road cycling to the existing range of recreational

experience and sports training opportunities within the region, further encouraging visitation during off-peak seasons.

The sealed route has enabled the Resort to expand its offer of summer programs, including the 3 Peaks Challenge cycling event which attracted 1,200 competitors and 3,000 bed nights in 2009<sup>11</sup>. Costing an estimated \$10 million for the 31km of road development, the project contributed to an increase of 88% in summer visitation in 2010. Alpine Shire Council estimates that as a result of the road development over 5% of visitors to the region will extend their stay by additional night. This contributes an economic impact of \$20 million per annum.<sup>12</sup>

Furthermore, the sealing is expected to support infrastructure developments along the new touring route, including opportunities for residential accommodation in East Falls Creek extending along the Bogong High Plains Road.<sup>13</sup>

#### SOUTH FACE ROAD, BAW BAW

Historically, access to Mount Baw Baw Resort has been limited to the Mt Baw Baw Tourist Rd. This road is used heavily by logging trucks and is a VicRoads Blackspot. However, the opening of the South Face Rd in 2008 has improved accessibility to Mt Baw Baw through a safer and faster route.<sup>14</sup>

Since the upgrade from a logging track to an unsealed all vehicle access road, summer visitation to the resort has more than doubled from 16,500 to 47,000 visitors nights in 2009. The road has also supported winter visitation, with increases by 26% in visitor days in 2009.<sup>15</sup> The cost of the road upgrade was approximately \$500,000.<sup>16</sup>

The road also has supported increases in tourist loop visitation, including Walhalla, Erica, Rawson, Moe and the Noojee/Neerim South Food & Wine corridor. In particular, over 50%

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<sup>8</sup> Jamieson-Eildon Road Sealing Business Case (Essential Economics, 2006).

<sup>9</sup> Local Road Funding Gap (Jeff Roorda and Associates, 2010).

<sup>10</sup> Summer Visitation Survey Report (Alpine Resorts Co-ordinating Council, 2008/09)

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<sup>11</sup> Falls Creek 2009 Annual Report.

<sup>12</sup> Jamieson-Eildon Road Sealing Business Case (Essential Economics, 2006).

<sup>13</sup> Section 21.03-4, Objectives - Strategies - Implementation, Alpine Resort Planning Scheme

<sup>14</sup> Mt Baw Baw Annual Report 2010/2011.

<sup>15</sup> Section 21.04 Mt Baw Baw Resort Strategic Statement, Alpine Resorts Planning Scheme

<sup>16</sup> Alpine Resorts 2020 Strategy, Alpine Resorts Co-ordinating Council

of traffic to Walhalla is now from the South Face Road<sup>17</sup>, equating to an increase of approximately 50,000 visitor nights<sup>18</sup>.

Sealing the road is expected to facilitate further increases in visitation and dispersal of tourists throughout the region.

#### MANSFIELD-WANGARATTA LINK, MANSFIELD AND WANGARATTA SHIRE

The sealing and upgrade of the Mansfield-Wangaratta route has supported tourism development opportunities within the King Valley region. In particular, the road development has supported an average of 40% increase in road usage between 2001 and 2011, with some sections of the touring route experiencing a double in traffic over the same period.<sup>19</sup>

The touring route has sustained the development of the King Valley as a premier Victorian food and wine destination and ancillary development in food retail and accommodation; furthermore, the exposure of the region to increased tourism visitation has supported growth through new and niche tourism products including the new King Valley Prosecco Road food and wine trail in 2011.

#### OTHER CASE STUDIES

There are a number of other relevant tourism ring road developments, with the primary purpose of encouraging dispersal and extending length of stay of visitors. These include:

- Rainforest Way, (NSW and Queensland).
- Mereenie Loop Road (Northern Territory).
- Litchfield National Park Loop (Northern Territory).

Few studies have been undertaken to understand the potential or historical tourism impacts of these road developments. These studies on the impact of the developments on regional economies and tourism are generally broad and without detailed impact assessments. Some benefits of the road developments raised by these studies include;

- Increased visitation levels. Anecdotal evidence of the road developments indicate that tourists have a preference for loop roads, rather than out and back routes
- Providing access for caravans, buses and hire cars which are not permitted on unsealed roads.
- Facilitation of business opportunities along the sealed roads, especially for traditional owners (including development Indigenous tourism products and experiences).
- Encouraging growth in tour operating businesses, utilising the attractions, new tourism developments and the route itself as a tourism experience.
- Dispersal of visitation to outlying townships. In the case of the Mereenie Loop development, the touring route has the potential to increase visitation to nearby regions of Alice Springs & MacDonnell by 20% (or 80,000 to 90,000 visitors per year).
- Support park development and environmentally sensitive accommodation facilities by providing year round integrated access to national parks.

<sup>17</sup> 2012-2015 Baw Baw Shire Tourism Strategy, Baw Baw Shire Council

<sup>18</sup> Walhalla attracts over 100,000 visitor nights p.a., Walhalla Board of Management Strategy 2010-2015.

<sup>19</sup> Urban Enterprise utilizing VicRoads Traffic Volume Data for Victoria July 2012

## 5. GRAMPIANS VISITOR MARKETS

### 5.1. INTRODUCTION

The following section analyses Grampians visitation data to understand key trends and expectations of tourists. The data analysis will be critical in understanding the demand and projected impact of a Grampians Way Ring Road in the region.

The analysis is in two parts:

- Analysis of Tourism Research Australia based on a sample defined to provide an indication of visitor trends relating specifically to the National Park and its immediate surrounds; and,
- A review of available material that relates to the Grampians Tourism Region, which includes the Wimmera, Central Highlands and Western Grampians statistical areas. Sources of this information include:
  - The Grampians Visitors Profile and Satisfaction Survey (Department of Resources, Energy and Tourism, 2009); and,
  - Travel to the Grampians - annual analysis of visitor data prepared by Data Insights;

### 5.2. SUMMARY

The analysis of Tourism Research Australia data provides an estimate of visitation to the National Park over the past decade. Although the methodology used creates a small sample size, reducing the level of confidence in the data, the visitation trends align with the experiences of the tourism market provided during consultation, including:

- The 2006 bushfires had a severe impact on visitation to the region; and,
- The closure of many of the Park's roads and attractions following floods in 2011 led to another decline in visitation.

In particular, this decline in visitation due to the floods provides a strong imperative to develop the Grampians Way Ring Road.

This analysis indicates that the total annual visitors to the Grampians National Park have ranged between 100,000 and 250,000 over the past decade, although this estimate may be conservative.

Data collected and analysed for the broader Grampians Campaign Region, which includes the Western Grampians, Wimmera and Central Highlands statistical areas, provides the following for the indications of tourism market trends relevant to this scoping study.

- Visitors to the Grampians Campaign Region are significantly more likely to camp or stay in caravans than visitors to Regional Victoria;
- This preference for low cost accommodation contributes to the lower yield derived from Grampians visitors in comparison to visitors to Regional Victoria;
- Cycling is a growth tourism market, and presents an opportunity for development in the Grampians. Indigenous and adventure tourism may also be successfully developed and promoted in the region;
- Regional Victoria, South Australia and Melbourne are the major sources of Grampians visitors;
- Almost half of the visitors to the Grampians use the Western Highway, travelling either from the east or west;
- Mackenzie Falls, Baroka Lookout and Silverband Falls are the most popular locations within the National Park, according to the Grampians Visitor Profile and Satisfaction Project undertaken in 2011.
- It is estimated that 97% of Grampians visitors are self-drive tourists.

### TOURISM MARKET PREFERENCES

The review of self-drive tourism research provides considerations for the implementation of the Grampians Way Ring Road. These include:

- The majority of self-drive tourists have used cars as their main mode of transport (53%). This is followed by caravans (25%) and motor homes (12%).
- Over 72% of the market has undertaken their tours to an intended destination, with a number overnight stop over the ways, with the majority indicating a preference for a loop type tour.
- On average, the touring holiday markets tends to have longer lengths of stay compared to general visitation to Regional Victoria, with the majority of self-drive tourists travelling between 4 and 7 nights.
- The literature review has also identified a number of key issues that may limit the tourism experience of self-drive tourists. A survey of the market in the Limestone Coast region have indicated long stretches of road with little interests, lack of signage and information regarding the region, poor road quality and lack of accommodation and quality local food as key issues that are detrimental to the holiday experience.

### 5.3. METHODOLOGY

As Tourism Research Australia does not provide data visitation specifically for the Grampians, the average of two methods for approximation has been used. These two methods are:

- Loose Fit region - Central Highlands and Western Grampians;
- Close Fit region - Ararat Region, Stawell, Horsham Region, Southern Grampians and Western Grampians nfd;

The data for the Loose Fit and Close Fit regions are then filtered by visitors who undertook bushwalking or visiting National/State parks activities during their trip. The data sets are then averaged to identify likely levels of visitation to the Grampians region.

#### DATA LIMITATIONS

Aside from the issues with determining the method that provides the most accurate estimation of visitation to the Grampians, Several issues need to be taken into account when assessing the visitation estimate arrived at using the Loose Fit/Close Fit method.

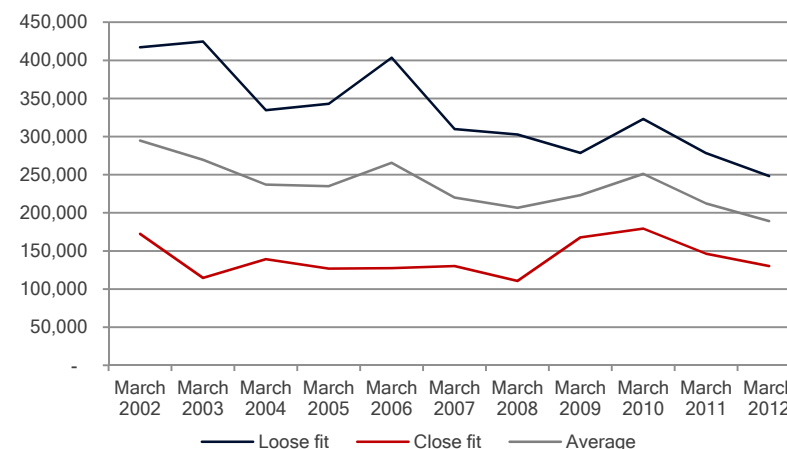
Other nature based tourism destinations in the region will be included in the visitor data, such as Mount Arapiles, Toon State Park, the Little Desert National Park and the Black Range State Park. Although the Grampians would receive significantly more visitors than these other Parks, their inclusion may inflate the visitation statistics.

The definition of a daytrip used by Tourism Research Australia (TRA) for its visitor survey is “those who travel for a round trip distance of at least 50km, are away from home for at least 4 hours and who do not spend a night away from home as part of their travel”. This definition may exclude visitors from the nearby regional centres of Horsham, Stawell, Ararat and Hamilton, which may be expected to provide significant visitation to the Grampians.

#### 5.3.1. ESTIMATED VISITATION

The following figure depicts the Loose Fit, Close Fit and their annual average for visitation to the Grampians, for domestic overnight, international and day trips.

FIGURE 4 VISITATION TO THE GRAMPIANS REGIONS



Source: Tourism Research Australia, NVS and IVS

### 5.3.2. VISITATION BENCHMARKING

Three other sources of visitation to the Grampians provide the opportunity to benchmark the estimated visitation in 5.3.1:

- The visitation and projections used as the basis for a long distance walk in the Grampians in 2009, which was sourced from Tourism Research Australia; and,
- Tourism Victoria data included in Domestic Visitor Estimates to Victoria's Sub-Regions Year Ending 2000-2011.

The resulting data using the Loose Fit/Close Fit methodology results in much lower total visitation than the other estimates of visitors to the Grampians, as shown in the following table. The Tourism Victoria figure is based on a larger region and is not filtered for National Parks or bushwalking and is therefore much higher.

The projected visitation included in the Long Distance Walk Feasibility is much higher than either of the other figures included in the table, but as the report does not provide a method for arriving at this figure other than it was sourced from Tourism Research Australia reasons for this disparity are not clear.

Parks Victoria 2008-09 Visitor Monitoring Project collected car park entry data for 16 sites in the Grampians. This method resulted in an estimate of 1.02 million site visits per year in the Grampians. An assumption of 2 site visits per person provides a visitor estimate of 500,000 for the park in 2008-09. This estimate is more than double the Loose Fit/Close Fit method, which may be due to the average number of site visits is too low, or that there are visitors that are included within the Parks data that are not included in the Loose Fit/Close Fit method, such as day trippers not staying for 4 or more hours or travelling less than 50kms.

How the Grampians is defined is an important aspect of the comparison of data sources. The Grampians tourism region includes a much broader region than the scope of this project, therefore the visitation statistics included in the Data Insights publications on the Grampians Tourism website are significantly higher than the visitation used here. To analyse the visitation to the area immediately impacted on by the Grampians Way, a more closely defined region for visitation analysis is required.

As the Loose Fit/Close Fit method provides a lower estimate than the comparisons, it provides a conservative basis for assessing the viability of the road development. This

ensures that the estimated visitor benefits associated with the Grampians Way proposal are achievable.

TABLE 4 ESTIMATE COMPARISONS

Reports	2009	2010	2011
Long Distance Walk Feasibility <sup>20</sup>	1,074,000	1,076,000	1,085,000
Tourism Victoria: Domestic Visitor Estimates to Victoria's Sub-Regions Year Ending Sept 2000-2011	662,000	493,000	660,000
Grampians National Park Visitor Monitoring Project 2008-2009	500,000	n/a	n/a
Loose Fit/Close Fit	223,178	251,189	212,306

Source: Ernst & Young, 2009, Tourism Victoria (Based on TRA), Parks Victoria 2010, NVS and IVS as per 5.3.1.

### 5.3.3. VALIDATION OF METHODOLOGY

The range of methods used to estimate Grampians visitation have been compared to the Tourism Research Australia visitation for the Western Grampians and Central Highlands region, with business visitors excluded. The Western Grampians and Central Highlands include the four Local Government Areas that cover the Grampians plus the Pyrenees and West Wimmera Council areas.

The Western Grampians and Central Highlands visitation less business visitors provides a basis to assess the market share of the Grampians according to each data source. The results of this analysis are included in Table 5.

The results of this analysis indicate that the Close Fit/Loose Fit provides a more likely estimate of visitation to the study area than the other figures. Close Fit/Loose Fit indicates that between 27% and 42% of non-business visitors to the region included the Grampians on their trip. The other data sources provide results that in most instances are greater than 100% of all of the non-business visitors to the region.

<sup>20</sup> Ernst & Young, 2009.

TABLE 5 DATA VALIDATION

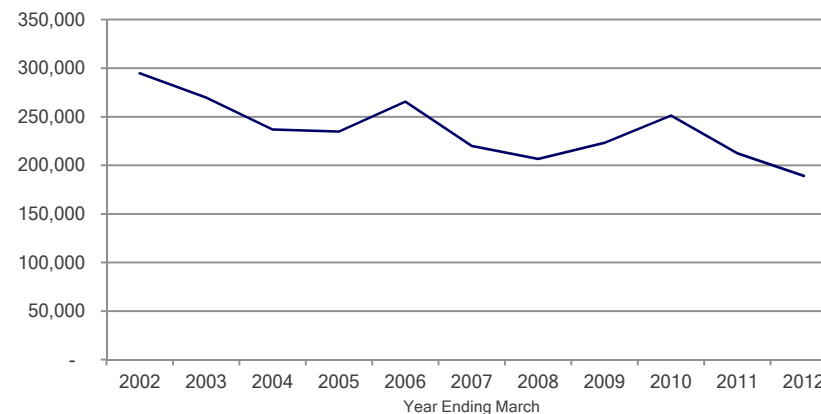
Data Source	2009	2010	2011	2012
Total Central Highlands and Western Grampians (Less Business)	479	624	486	636
Total Loose Fit	248	293	250	224
Total Close Fit	154	164	132	119
Loose/Close Average	201	229	191	172
Long Distance Walk Feasibility	1,074	1,076	1,085	
Domestic Visitor Estimates to Victoria's Sub-Regions	662	493	660	
Grampians National Park Visitor Monitoring Project 2008-2009	500			
% Central Highlands and Western Grampians (Less Business)				
%Loose Fit	52%	47%	51%	35%
%Close Fit	32%	26%	27%	19%
%Loose/Close Average	42%	37%	39%	27%
Long Distance Walk Feasibility	224%	172%	223%	
Domestic Visitor Estimates to Victoria's Sub-Regions	138%	79%	136%	
Grampians National Park Visitor Monitoring Project 2008-2009	104%			

Source: TRA, Other documents as indicated. Visitor numbers in 1,000s.

## 5.4. GRAMPIANS VISITATION

According to the Loose Fit/Close Fit method, annual visitation to the Grampians has not returned to the almost 300,000 visitors of 2002: visitation has not reached levels close to this since then.

FIGURE 5 GRAMPIANS TOTAL VISITATION



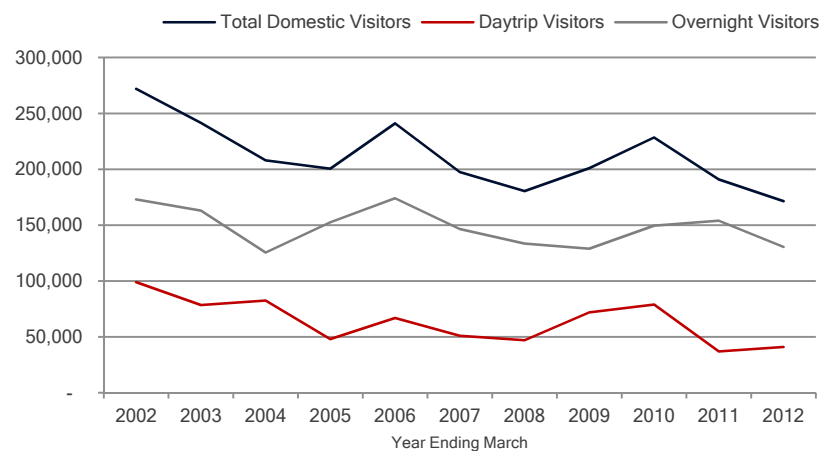
Source: Tourism Research Australia, National Visitor Survey, International Visitor Survey

### 5.4.1. DOMESTIC VISITATION

Visitation to the Grampians has been severely impacted by flooding and bushfires over the past decade. Day and overnight trips both declined significantly in the year ending March 2007, the year major bushfires struck the region. Visitation had not regained pre-bushfire levels when flooding in occurred in 2011, which closed the two main tourist routes through the park as well as some of the main visitor nodes, with the resulting decline in visitation over 2011 and 2012.



**FIGURE 6 GRAMPIANS VISITATION: 2002 – 2012**



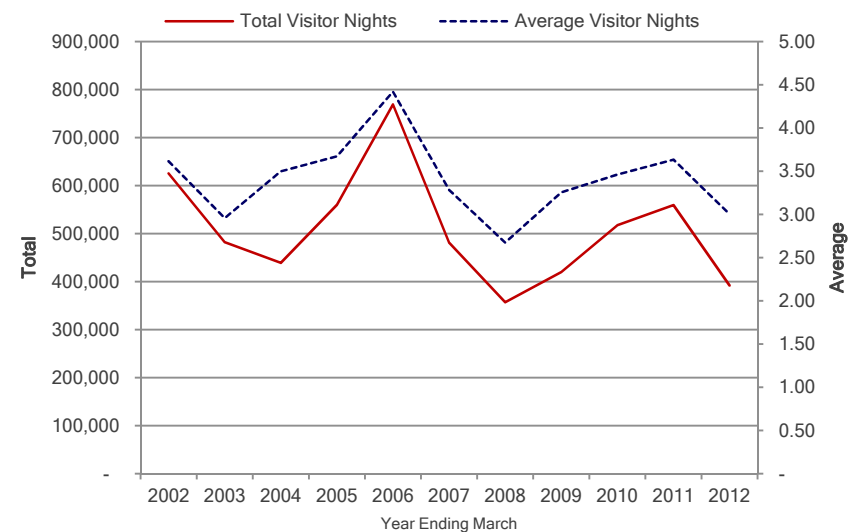
Source: Tourism Research Australia, National Visitor Survey

#### 5.4.2. DOMESTIC VISITOR NIGHTS

The visitation data indicates that there was a significant peak in visitor numbers in the year ending March 2006 and also in the year ending March 2011, as shown in Figure 7. Total visitor nights also declined in the year ending March 2007 and March 2011, for the same reasons included in the discussion on visitation above.

The data indicates that the peak years of March 2006 and March 2011 are a result of an increase in the average nights spent in the region per visitor, as shown in Figure 7. This may be due to workers involved in long term projects being included in the survey, or a special event that attracted people to the region for more nights than usual. As the sample size is quite small for this data set, it is also possible that these peaks are a statistical anomaly.

**FIGURE 7 DOMESTIC VISITOR NIGHTS: 2002–2012**



Source: Tourism Research Australia, visitor nights.

Aside from March 2006 and March 2011, average visitor nights have remained steady, around 3 nights per visitor to the region. This is consistent with the average visitor nights for domestic visitation to Regional Victoria over the same 10 year period<sup>21</sup>.

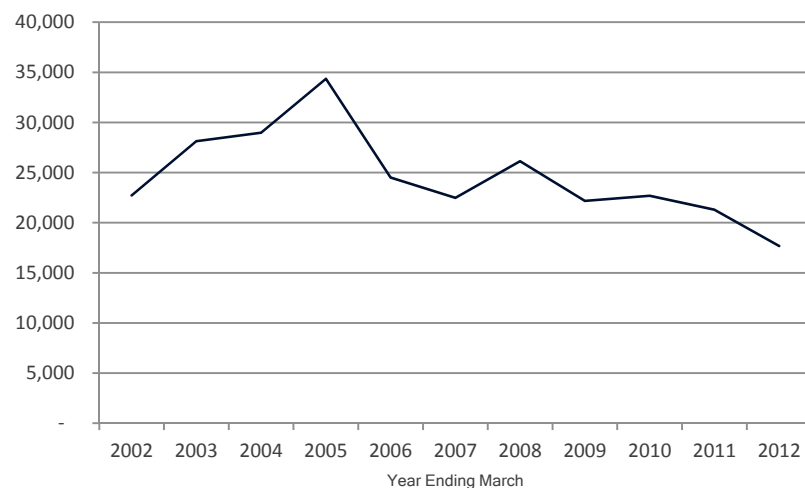
#### 5.4.3. INTERNATIONAL VISITATION

The data for international visitation to the study area follows a similar trend to domestic visitation, as shown in Figure 8. According to the method devised to assess visitation to the study area, international visitors account for between 15% and 20% of the total visitors.

International visitation has been steadily declining since a significant peak in 2004, although the small visitor numbers indicates that there may not be a large degree of certainty in the data.

<sup>21</sup> Based on TRA data.

**FIGURE 8** GRAMPIANS INTERNATIONAL VISITATION



Source: Tourism Research Australia, International Visitor Survey

## 5.5. GRAMPIANS TOURISM MARKETS

Much of the available analysis of visitation covers Grampians Campaign Region, which includes the Western Grampians, Wimmera and Central Highlands statistical areas. This provides a greater sample size than the method employed in the previous section which enables more detailed analysis, but includes many visitors to locations outside of the scope of this project.

### 5.5.1. ACCOMMODATION

Data collected in the Visitor Profile and Satisfaction Project in 2011 indicates a much stronger preference for caravan and camping accommodation in the Grampians Campaign Region.

**TABLE 6** VISITOR ACCOMMODATION TYPE BY REGION

Accommodation Type	Grampians Campaign Region	Regional Victoria
Commercial caravan or camping	29%	13%
Standard hotel/motel	21%	18%
Rented house	21%	9%
Other Caravan or camping	8%	5%
Luxury hotel	6%	5%
Friends or relatives property	5%	40%
Backpackers	4%	0%
Other	6%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source: Tourism Research Australia, 2011 and The Grampians Visitor Profile and Satisfaction Project, 2011.

### 5.5.2. VISITOR EXPENDITURE

Tourism data indicates that visitors to the Grampians Campaign Region spend significant less compared to visitors to Regional Victoria on average.

The average overnight visitor spend in the Grampians is almost half of the Regional Victorian average, as shown in Table 7. Similarly, the average daytrip visitor spend in the Grampians at \$30 is less than half of the Regional Victorian average of \$89.

**TABLE 7** VISITOR EXPENDITURE YIELD BY REGION

Region	Overnight visitor expenditure		Daytrip visitor expenditure
	Per Visitor	Per Visitor Per Night	Per Visitor
Grampians	\$218	\$83	\$30
Regional Victoria	\$402	\$129	\$89

Source: Tourism Research Australia, 2011 and The Grampians Visitor Profile and Satisfaction Project, 2011.

This may be attributable to the accommodation preferences of visitors to the Grampians Campaign Region. As discussed in 5.5.1, there is a greater propensity for visitors to stay in cheaper forms of accommodation in the region, particularly caravans and camping.

### 5.5.3. VISITOR ACTIVITIES

The 2009 Grampians Visitor Profile and Satisfaction Survey Project found that visitors to the Grampians Campaign Region undertake a higher proportion of low expenditure activities compared to Regional Victoria; this included bushwalking, visiting national/state parks, picnics/BBQs and general sightseeing.

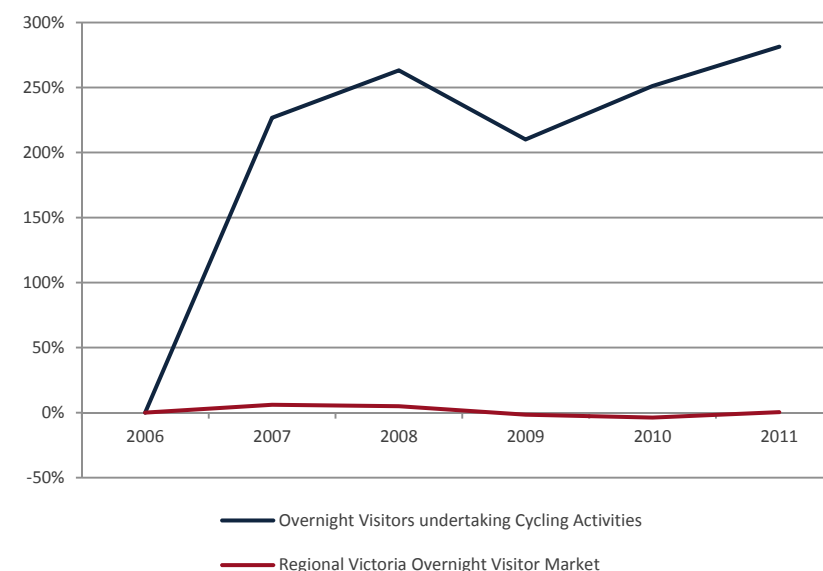
The data also indicates that the Grampians region has a lower percentage of visitors undertaking higher yielding activities such as shopping, eating out and tours. .

However, the Survey has also indicated that visitors to the Grampians region undertake a number of unique tourism experiences, with the potential to increase visitation and yield. This includes cycling and mountain biking, rock climbing and abseiling, and experiencing aboriginal art, craft and cultural displays.

### CYCLING AND MOUNTAIN BIKING

Cycle tourism is a niche market currently undergoing considerable growth, as shown in Figure 9. Tourism Research Australia has shown that despite stagnant domestic tourism trends, cycling related visitation has increased by almost 3 times in the past 5 years.

**FIGURE 9** GROWTH IN VISITATION BY MARKET TYPE



Source: Tourism Research Australia, 2011.

The Tourism Victoria's Cycle Tourism Action Plan 2011-2015 estimates that the total expenditure of cycle tourists in Victoria is approximately \$2.4 billion. With the success of developing cycling tourism destinations through tourism road developments, such as in the Alpine Region, the Grampians stands to gain from developing infrastructure and experiences to attract the market.

## ADVENTURE TOURISM

The Grampians is already recognized as a key destination for adventure tourism; the region offers a natural environment that is ideal for supporting adventure experiences including abseiling, horse riding, rock climbing and trail bike tours.

Tourism Victoria's Nature Based Tourism Strategy has outlined a number of growth opportunities for the Grampians region including expanding offers in horse riding, kayaking; and particularly the Grampians Peak Trail<sup>22</sup>. The Strategy outlines the development of the Grampians Peak Trail as a drawcard that will establish the region as an international drawcard for adventure tourism. Consideration for the supporting these developments will be crucial in the assessment of the Grampians Way Ring Road.

## INDIGENOUS TOURISM

At present, the Grampians is a key region for Indigenous tourism experiences in Victoria, with the Bunjil Shelter and the Brambuk Cultural Centre as the focuses. The region has significant capacity to grow this sector, as the Grampians and Black Ranges are home to over 80% of Victoria's known Aboriginal Rock Art Sites; most of these are currently accessible only by unsealed roads. The development and promotion of these and other complimentary Indigenous tourism products will further solidify the Grampians as a key Indigenous tourism destination in Victoria. It will be important to consider how these opportunities can be facilitated through the development of the Grampians Way Ring Road.

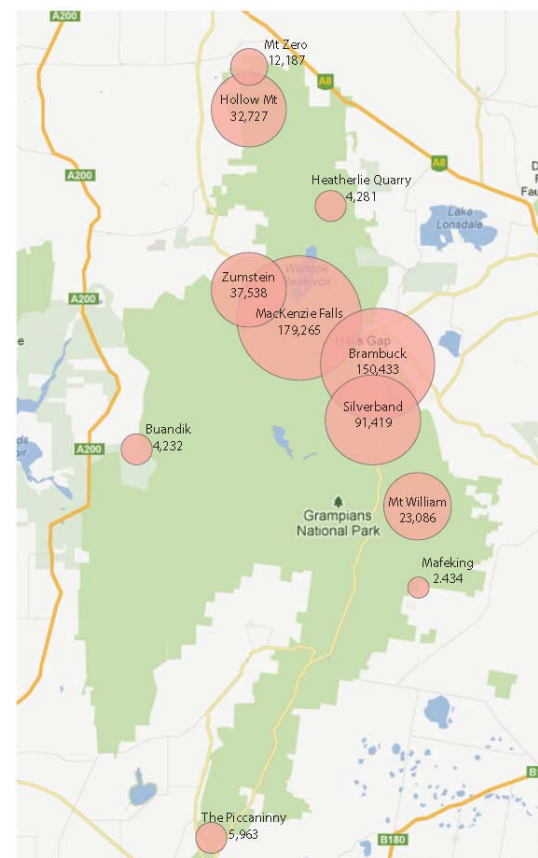
### 5.5.4. VISITOR DISPERSAL

The Grampians National Park Visitor Monitoring Project 2008-09 provides a basis for assessing visitor dispersal. The data, as shown in Figure 10, indicates a high concentration of visitation in the Halls Gap area, with particularly limited visitation to in the south and west of the park.

Although the data does not provide for visitor estimations for Dunkeld, anecdotal data and Place of Enumeration methodology has indicated that the township attracts the second highest level of visitation in the Grampians area.

<sup>22</sup> The Grampians Peak Trail is a more recent name, it is referred to as the Grampians Long Distance Walk in this Tourism Victoria strategy.

FIGURE 10 GRAMPIANS NATIONAL PARK, DISPERSAL OF VISITATION



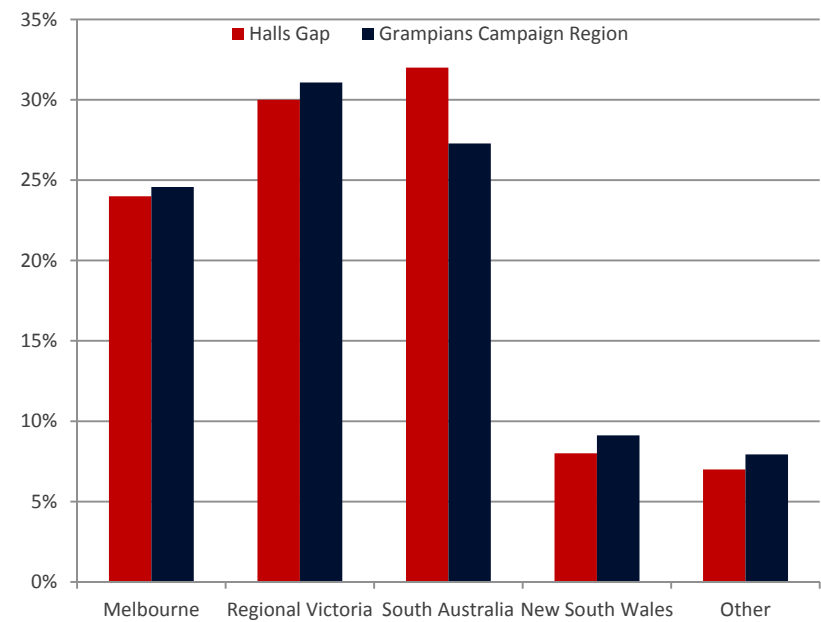
Source: Grampians National Park Visitor Monitoring Project 2008-09

### 5.5.5. VISITOR ORIGIN

Grampians Campaign Region visitation data indicates that the majority of visitors to the area are from regional Victoria, South Australia and Melbourne.

The data also indicates that Halls Gap attracts higher level of visitors from South Australia, representing its largest visitor market, at 32%. This is followed closely by Regional Victoria 30% and Melbourne 24%.

FIGURE 11 VISITOR ORIGINS BY REGION



Source: The Grampians Visitor Profile and Satisfaction Project, 2011.

#### 5.5.6. VISITOR ROUTES AND ENTRY POINTS

The Grampians Visitor Profile and Satisfaction Project provide information on how visitors access the region. Over 27% of visitors travel to the region from Melbourne via the Western Highway. A further 20% of visitors travel from Adelaide via Western Highway, indicating the importance of the South Australian market.

Approximately 13% of visitors to the Grampians are travelling from Warrnambool/Port Fairy; this suggests there may be a spill over effect of visitors from the Great Ocean Road region, indicating strong linkages with the tourism region

A small proportion of visitors are approaching from the Coonawarra and Robe; as discussed in the Strategy Review section, the lack of highway links between the Coonawarra and Grampians is currently hindering the potential for visitor to transfer between these regions.

TABLE 8 ROUTES TO THE GRAMPIANS

Route origin	% of Visitors to Halls Gap
Ballarat/Ararat (via Western Highway)	27%
Warrnambool/Port Fairy (via Penshurst-Warrnambool Rd)	13%
Adelaide (via Western Highway)	20%
Ballarat/Dunkeld (via Glenelg Hwy)	6%
Robe/Coonawarra (via Wimmera Hwy)	3%
Mildura	3%
Mortlake/Geelong Bypass	2%
Other Routes (Including Bendigo and Mt Gambier)	26%

Source: The Grampians Visitor Profile and Satisfaction Project, 2011.

#### 5.5.7. TRANSPORT

The Grampians is predominantly a self-drive destination. Over 97% of visitors to the Grampians are self-drive tourists: 90% use a privately owned vehicle and 7% use a hire vehicle<sup>23</sup>.

The development of a ring road may not only provide greater encouragement for self drive visitors to explore the region more widely, it may attract more tour buses and coaches to service the Grampians. This high level of self-drive visitation may indicate that there is an opportunity to increase tour buses operating in the region.

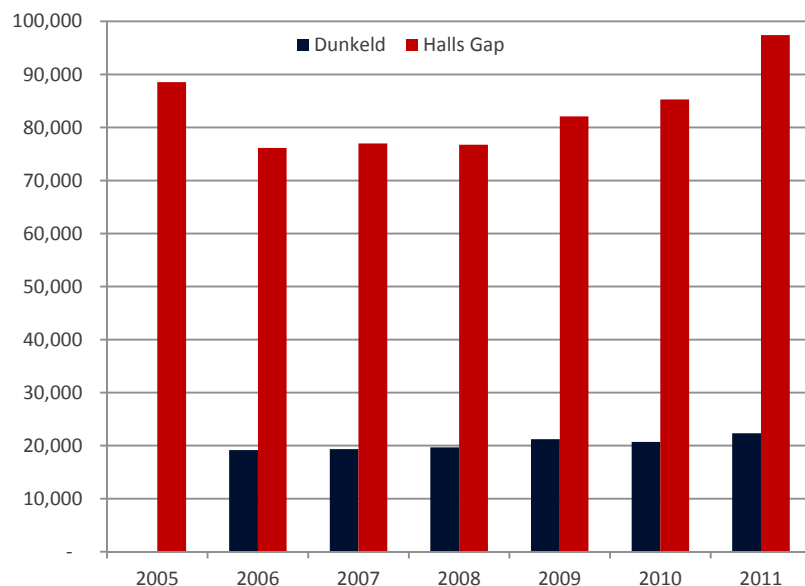
<sup>23</sup> The Grampians Visitor Profile and Satisfaction Project

### 5.5.8. VISITOR INFORMATION CENTRES

Visitor numbers for the Grampian Visitor Information Centres (VICs) provide additional insight into visitation to the region. The data suggests that visitation has seen a steady increase over the same period. Visitors to Halls Gap VIC have grown from 76,000 in 2006 to 97,000 visitors in 2011; this is following the impact of the 2006 Bushfire, which saw a decrease in visitation from 88,500 visitors in 2006.

The Dunkeld VIC, despite recording smaller visitation levels, has seen similar increases of visitation, from 19,000 visitors in 2007 to 22,000 visitors in 2011. It is possible that this increase in 2011 is due to more visitors needing up to date information on road and attraction closures as a result of the flooding that occurred early in 2011.

**FIGURE 12** GRAMPIANS VISITOR INFORMATION CENTRE  
ANNUAL VISITATION



Source: Data Insights, September 2011. Data for Dunkeld VIC 2005 was unavailable.

### 5.6. TOURING ROUTE VISITORS

The following summaries of research into touring route visitor preferences provides some insight into the development of the Grampians Way Ring Road.

#### CHARACTERISTICS OF TOURING HOLIDAY-MAKERS IN AUSTRALIA<sup>24</sup>

This research paper provides an understanding of the tourism behaviours and preferences of touring holiday makers in Australia. The study, based on a survey of Australian self-driving tourist, provides a basis for assumptions regarding the market for the Grampians Way Ring Road. Key points include:

- Cars are the main mode of transport for touring holiday markets (53%), with a quarter towing a caravan. 12% use motor homes, while buses/coaches are used by 31% of the market.
- On average, the touring holiday market tends to have longer lengths of stay compared average visitation to Regional Victoria. The majority of the market travels for 4-7 nights (50%), followed by 1-3 nights (28%), while 17% undertook tours of more than 22 nights. Within Regional Victoria, over 62% of the market undertook travel between 1 -3 nights, with the remaining 38% undertaking tours of more than 4 days.
- Over 72% of the market has undertaken their tours to an intended destination, with a number overnight stop over the ways, with the majority indicating a preference for a loop type tour (57%). The remaining 18% of the market drove straight to their destinations without any overnight stopovers.
- Motels are the most popular type of accommodation (54%), followed by caravan parks (47%), hotels (45%), apartments/self catering accommodation (36%), camping (26%) and B&Bs (26%). It is not clear from the data whether this is constricted by supply or demand.
- Responses indicated that a good touring route should provide clear signposting, well organised themed tours, good infrastructure, interesting activities and affordable accommodation facilities along the route.

<sup>24</sup> John and Sandra Gountas, 2008



## SELF-DRIVE TOURISM – TRAVELLERS TO SOUTH AUSTRALIA'S LIMESTONE COASTS REGION<sup>25</sup>

A similar study the previous paper, this research concentrated on self-drive tourism in the Limestone Coast region of South Australia. The research identifies similar preferences amongst touring visitor markets and provides insights into limitations of the touring experience in the Limestone Coast region, which should be considered for the Grampians Way Ring Road. These include:

- Long stretches of road with little of interest and dry scenery. The study identified the more attractions, signed walks and stopping places were needed along these routes.
- Lack of road signage. A large number of touring holiday makers preferred to alter their touring route along the way; information through road signage would assist in visitors making spur of the moment decisions.
- Lack of information and development around the region's history and culture. Respondents indicated that though the route was in a rich historical setting, there was a notable lack of interpretive centres and information in general.
- Poor road quality, including narrow stretches that made it difficult for towing a caravan. Some cars also acquired damaged from low branches of trees.
- Lack of affordable accommodation. This was highlighted as an issue midway between Melbourne and Adelaide.
- Lack of quality local food. Travellers indicated a strong preference to sample local produce and cuisine and visit cellar doors.

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<sup>25</sup> Gary Howat, Graham Brown and Heather March, 2007



# PART 2: GRAMPIANS WAY ROUTE OPTIONS

# 1. INTRODUCTION

This part of the report provides a discussion of the route options for the 4 sectors of the Grampians Way, North West, South West, South East and North East. Each sector has three options, representing a range of costs. In some cases the high cost option should only be considered as a long term development opportunity.

For some sections of the route there are no options. These sections are either integral to tourism in the Grampians and it would not make sense to exclude them, or there are no other reasonable options for the route to follow.

Note that for consistency, all routes and sectors are discussed in order if touring the region in an anti-clockwise direction.

## 1.1. SECTIONS WITHOUT OPTIONS

### 1.1.1. NORTH WEST

#### BRIMPAEN – LAHARUM RD AND HENTY HIGHWAY

Once the Grampians Way leaves Laharum and enters the Wartook Valley, the Brimpaen Laharum Road and Henty Highway are the only feasible ways to drive through to the South West and Cavendish.

The long term route included in the discussion, which includes Rosebrook and Glenisla Crossing Rds would be prohibitively expensive, and is not likely to be implemented.

### 1.1.2. SOUTH WEST

#### HENTY HIGHWAY

The Henty Highway is the only option for travelling between Glenisla and Cavendish, or the turnoff to McCutcheons Rd depending on the option for this section. The Black Range and Rocklands Reserve provide a barrier to the west of the Henty Hwy that means the next road is a significant distance from the Park.

### 1.1.3. SOUTH EAST

#### DUNKELD AND THE GLENELG HWY

After Halls Gap, Dunkeld is the main tourist destination in the region and is an essential inclusion on the ring road. In addition, its location at the southern tip of the National Park makes it a logical place to pass through.

The main road to the east of Dunkeld is the Glenelg Hwy, and all options incorporate sections of this road before turning to the north.

### 1.1.4. NORTH EAST

#### MOYSTON TO POMONAL AND HALLS GAP

The layout of the road network and the importance of including these three towns on the Grampians Way means that there are no alternatives to the Pomonal-Ararat Rd and then the Fyans Creek Rd for the route from Moyston to Halls Gap.

#### HALLS GAP

Halls Gap is located within the National Park, and has one road coming in from the east making a double back required to continue touring around the Grampians, its importance to tourism in the region means that it is a necessary inclusion on the route. Halls Gap has the most accommodation and tourism businesses in the Grampians Region, and so the touring route must include it as one of its important destinations.

## 2. NORTH WEST

### 2.1. INTRODUCTION

The North West sector is largely within the Horsham Rural City Council, and includes the region north of Cherrypool and west of Mt. Zero and the communities of Brimpaen, Laharum and Wartook. The rural city of Horsham is 30 to 40kms northwest of this sector

At present, the North West region's tourism industry is highly dependent on Mt Victory Rd, which links the region to Halls Gap and tours to major tourism attractions within the Grampians National Park. In particular, tourism stakeholders have indicated that access to Mackenzie Falls is of critical importance, as it is currently the primary drawcard to the North West region. The closure of the Mt Victory Rd and the access to Mackenzie Falls in 2011 severely impacted on businesses in this region.

Wartook and Brimpaen are key destinations for adventure sports, providing a number of experiences, including horse riding, rock climbing, abseiling and quad biking.

TABLE 9 NORTH WEST TOURISM BUSINESSES

Location	Accom	Attractions	Dining	Produce	Wine	Total
Brimpaen	2	3				5
Laharum	4	2	1	4	1	12
Wartook	6	2	1			9
Total	12	7	2	4	1	26

Source; Grampians Tourism

### 2.2. CONSULTATION

#### 2.2.1. HORSHAM RURAL CITY COUNCIL

Representatives from the Horsham Rural City Council identified the following considerations and opportunities in relation to the route for the Grampians Way Ring Road:

- Winfield Road, running south from Mt. Zero, is a priority, as it has a concentration of tourism operations and potential for further development;
- There are plans for the development of an olive oil cellar door and conference/function centre in Laharum.
- Council is already considering the staged sealing of sections of Winfields Road, with long-term plans towards sealing all of road, although it is not currently budgeted for;
- The Brimpaen-Laharum Road is the most logical connection between the Wartook Valley area and the Henty Highway, which runs south to Cavendish;
- The Council is to commence a strategic planning project for the Wartook Valley, which will include facilitating tourism development within its scope;
- A number of off-road tourism opportunities exist around the Roses Gap area including rock climbing and wild flower viewing.

#### 2.2.2. TOURISM STAKEHOLDERS

Consultation with tourism stakeholders provided the following commentary:

- There is significant tourism potential within the North West region particularly with regards to agri-tourism and adventure sports;
- The local operators are strongly in favour of sealing Mt Zero Road, in the North East sector;

- Access to MacKenzie Falls is critical to this region. As a result of the 2006 fire, business visitation dropped from 7 buses a week to 1-2 buses a week;
- The stakeholders indicated 60% of the market in this region is from South Australia;
- Adventure tourism is strong in this area. including rock-climbing, hiking, quad biking and horse riding;
- The olive groves along Winfield Road present further opportunities for tourism development, and would benefit from the road being sealed; and,
- A Grampians Food Trail could be a successful product.

## 2.3. TOURISM NODES

### 1. WARTOOK VALLEY AND BRIMPAEN

#### EXISTING TOURISM PRODUCT

There are a range of adventure products on offer in this region, including horse riding, quad biking and a rock climbing business.

The Wartook Valley also contains one of the few high-end accommodation establishments in the Grampians, Meringa Springs, which will continue to be an important drawcard for the luxury tourist market, providing significant support for the tourism yield of the region.

The tourism businesses within Brimpaen are all located on or close to Schmidts Rd., which is just outside of Wartook, indicating that they should be considered part of the same cluster of tourism businesses.

#### GRAMPIANS DESTINATIONS

The Wartook Valley area is close to two prime Grampians visitor nodes, Zumsteins and Mackenzie Falls. Mackenzie Falls is the one of the most popular attractions in the park, while Zumsteins provides camping and picnicking opportunities to visitors.

Wartook is also at the western edge of the Grampians when driving the Roses Gap Road, which is to be sealed to the Western Highway by the Northern Grampians Shire.

#### DEVELOPMENT OPPORTUNITIES

- **Accommodation.** The region is largely dependent on Hall's Gap to accommodate visitors, which could be reduced through accommodation development. There is potential for the development of cabin-style accommodation to support the starting point of the Grampians Peaks Trail, which would complement the nearby olive grove plantation and Indigenous heritage sites.
- **Grampians Wildlife Viewing Corridor.** Development of a defined driving route will maximise opportunities to see wildlife in an unrestricted environment. This may potentially replace the viewing of kangaroos that previously occurred within the Zumstein area and may be linked to existing major tourist routes of Mt Victory Road as part of the Grampians experience, drawing day trip tourists to the Wartook Valley region.

### 2. LAHARUM AND MT. ZERO

#### EXISTING TOURISM PRODUCT

There are three olive groves along Winfield Rd. in Laharum: Toscana Olives, Laharum Grove Olives and Mount Zero Olives. These olive groves offer a range of tourism products and experiences, such as tastings, cafes, tours and farm gate sales. Winfield Rd. also features a large native flower business.

There is some accommodation provided around Laharum and Mt Zero, including Bracken Lodge Log Cabin, Goonwinnow Homestead, Mountain View Guesthouse and Mt Zero Log Cabins.

#### GRAMPIANS DESTINATIONS

There are two Aboriginal Rock Art sites within the North West Region, Gulgurn Manja and Ngamadjidj.

Mt. Zero and Hollow Mountain, at the northern tip of the Grampians, are popular locations for adventure activities such as rock climbing and hiking. There is also a camp site and visitor amenities at Mt. Staplyton and wildflowers at Hollow Mountain when in season. These Grampians destinations would benefit from the sealing of Flat Rock Rd and Mt. Zero Rd, connecting through to Winfields Rd to provide improved visitor access.

## DEVELOPMENT OPPORTUNITIES

- **Olive Grove Tourism.** Businesses have proposed the expansion of existing olive farming and processing tours, investing in complimentary on-site restaurants, accommodation, cafes and function facilities. However, this is currently hindered by unsealed access to the plantations, which deters bus tours and hire-car visitors from visiting the sites. Council has indicated plans to provide for the sealing of Winfield Rd, supporting significant increases in visitation levels.
- **Conference Centre.** Businesses have indicated plans to develop conference centres within the olive grove plantations, complimented by on-site accommodation, restaurant and cafes and set against the backdrop of the Grampians ranges.
- **Aboriginal Rock Art.** The two rock art sites in the North West, along with Billiwing Plantation and within the Black Range, represent a significant cluster that may provide a strong impetus for increased visitation to the north west region.

At present, there is only unsealed road access to the two aboriginal rock art sites in the north west. The sealing of the Flat Rock Rd and the northern portion of Mount Zero Rd would support increased visitation to the aboriginal rock art sites, particularly for self-drive international tourists.

## 3. HENTY HIGHWAY

The area surrounding the Henty Highway between Brimpaen and Cherrypool has limited tourism product, although it does offer views across to the Grampians, particularly the Asses Ears. There is also access to the Black Range State Park from Cherrypool, which includes rock art sites, orienteering and hiking opportunities, and may become part of a touring route of rock art sites in the north west sector.

Until recently, Cherrypool had the only public toilets on the Henty Highway between Cavendish and the outskirts of Horsham, a distance of approximately 100kms. Horsham Rural City Council have begun lobbying for the reintroduction of these facilities.

This stretch of limited existing tourism product continues to Cavendish, in the south west, and is discussed in that section of the report.



# Grampians North West Route Options

- ..... Unsealed road
- Potential long distance walk route
- Option 1
- Option 2
- Option 3
- Development opportunities
- Key attractions



## 2.4. NORTH WEST OPTIONS ASSESSMENT

	Roads	Pros	Cons
<b>Option 1: Northern Grampians Rd</b> <b>Total Distance: 52 km</b> <b>Length of unsealed section: 0 km</b>	<ul style="list-style-type: none"> <li>• Wonwondah - Dadswells Bridge Rd</li> <li>• Northern Grampians Rd</li> <li>• Brimpaen - Laharum Rd</li> <li>• Henty Highway</li> </ul>	<ul style="list-style-type: none"> <li>• All roads are currently sealed, therefore low cost.</li> <li>• Northern Grampians Rd links directly to the Western Hwy, which improves access for visitors from the West.</li> <li>• May facilitate development along the Northern Grampians Rd</li> </ul>	<ul style="list-style-type: none"> <li>• Does not provide improved access to the Laharum Olive Groves in Winfields Rd.</li> <li>• Does not seal the access to Mt. Zero, Hollow Mountain and Gulgurn Munja Shelter.</li> <li>• Requires travellers to drive pass the proposed mineral sands mine at Drung.</li> <li>• Bypasses Wartook.</li> </ul>
<b>Option 2: Winfields Rd</b> <b>Total Distance: 56 km</b> <b>Length of unsealed section: 12.6 km</b>	<ul style="list-style-type: none"> <li>• Wonwondah - Dadswells Bridge Rd</li> <li>• Flat Rock Rd</li> <li>• Mt Zero Rd</li> <li>• Winfields Rd</li> <li>• Olive Plantation Rd</li> <li>• Northern Grampians Rd</li> <li>• Brimpaen - Laharum Rd</li> <li>• Henty Highway</li> </ul>	<ul style="list-style-type: none"> <li>• Operators have identified the need to seal the road servicing the Mt Zero and Hollow Mountain due to the high traffic levels, and promote adventure activities in the region</li> <li>• Horsham Rural City Council's is intending to progressively seal Winfields Rd.</li> <li>• The sealing of Winfields Rd will support the existing tourism product and facilitate further development.</li> <li>• Winfields Rd forms part of the National Park boundary, and therefore provides a better investment opportunity than Northern Grampians Rd.</li> <li>• Flat Rock Rd and Mt Zero Rd are within the Park, and sealing it would provide improved visitor access to Mt Zero and Hollow Mountain,</li> </ul>	<ul style="list-style-type: none"> <li>• Winfields Rd would need to be sealed;</li> <li>• Winfields Rd is not wide enough for coaches;</li> <li>• Flat Rock Rd also would need to be sealed.</li> <li>• Bypasses Wartook.</li> </ul>
<b>Option 3: Glenisla Crossing Rd</b> <b>Total Distance: 48 km</b> <b>Length of unsealed section: 39 km</b>	<ul style="list-style-type: none"> <li>• Rosebrook Rd</li> <li>• Glenisla Crossing Rd</li> </ul>	<ul style="list-style-type: none"> <li>• This option directs travellers through Wartook.</li> <li>• May facilitate more development near the Asses Ears.</li> </ul>	<ul style="list-style-type: none"> <li>• Very costly due to the length of unsealed road and the need to construct water crossings over the Glenelg River.</li> </ul>

## 3. SOUTH WEST

### 3.1. INTRODUCTION

The South West sector is bounded by Cherrypool in the north and has Dunkeld at its eastern-most point. The sector is entirely within the Southern Grampians Shire. Dunkeld is the main tourism destination in the South West, with Cavendish being the only other township. Hamilton is located to the south west of the study area, and is 30km west of Dunkeld and 25kms south of Cavendish.

Dunkeld sits at the base of Mt. Sturgeon, the southernmost peak within the Grampians National Park, and is also on the Glenelg Highway which links Melbourne and Hamilton.

**FIGURE 13** MT STURGEON AND MT ABRUPT FROM THE DUNKELD-CAVENDISH RD



Cavendish is on the Henty Highway, between Hamilton and Horsham, and provides the only services and visitor amenities in the 130kms between these two rural cities.

Glenisla, approximately 40kms to the north of Cavendish, is the point of access to Hynes camping grounds at Rocklands Reservoir and the rock art sites around Billiwing Plantation.

At present the majority of tourism product is clustered within Dunkeld, particularly around servicing the visitors to the Royal Mail Hotel. The township offers a small range of complimentary luxury tourism experiences including yoga and therapeutic massage, helicopter tours, golf and local art galleries.

**TABLE 10** SOUTH WEST TOURISM BUSINESSES

Location	Accom	Attraction	Dining	Services	Wine	Total
Cavendish	2	2	2			6
Dunkeld	14	6	4	1	1	26
Mirranatwa	2	1				3
Moutajup	1					1
Victoria Valley		1				1
Total	19	10	6	1	1	37

Source: Grampians Tourism

### 3.2. CONSULTATION

#### 3.2.1. SOUTHERN GRAMPIANS SHIRE COUNCIL

Representatives from the Southern Grampians Council have identified the following issues and opportunities for consideration of the Grampians Way route:

- At present, most visitation to the Black Ranges and Rocklands Reservoir areas are school groups and family campers. The Black Ranges has substantial Indigenous rock art sites and is also an orienteering destination;
- Balmoral was suggested as a possible inclusion in the Grampians Way route, although it was considered to be too far from the Grampians National Park;
- The removal of the toilets at Cherrypool has impacted on the appeal of this site as a logical stopping point on the Henty Highway. This area also has some short walks that take in the Glenelg River;
- The Victoria Valley area has wetlands and bird watching sites that are attracting visitors now water has returned to them;
- Council indicated that some daytrip visitors to Dunkeld undertake a small loop to Cavendish. The township has a rich history of settlers, including a Settlers Walk attraction, and a farm stay tourism experience at South Mokanger Homestead. With increased visitation, there may be opportunities to redevelop the Bunyip Hotel.

### 3.2.2. TOURISM STAKEHOLDERS

- Parks Victoria indicated that the richest concentration of aboriginal rock art in Victoria is in the western side of the Grampians and Black Ranges. Furthermore, there is likely to be more undiscovered sites in the Black Ranges;
- Attendees at the consultation session in Dunkeld believe that the region could offer a broader tourism experience, which would provide a reason for visitors to the Royal Mail Hotel to stay for more nights. Dunkeld has a shorter average length of stay of 1.5 nights than the Grampians region as a whole with approximately 3 nights;
- Enhancing the link between Dunkeld and the Great Western wineries may create additional length of stay in the area;
- The Glenelg Hwy provides visitors with views of the Grampians and a sense of arrival;
- The Grampians Way provides an opportunity to link existing tourism product and the proposed entry and exit points for the Grampians Peaks Trail;

- Rocklands Reservoir is an important tourism destination in the region, particularly as the water levels return to pre-drought levels;
- Proposals for development at Dunkeld include nature and wine tours, luxury accommodation and spa facilities.

## 3.3. TOURISM NODES

### 1. DUNKELD

#### EXISTING TOURISM PRODUCT

Dunkeld has the second most number of tourism businesses and accommodation establishments in the Grampians region, behind Halls Gap. The town has a visitor information centre, caravan park, cafes and art galleries amongst other attractions.

The Royal Mail Hotel in Dunkeld is a significant attraction for the region; it was one of 4 restaurants to be awarded 3 chef's hats in the 2012 Age Good Food Guide.

Travellers on the Great Southern Touring Route, which also includes the Great Ocean Rd and the goldfields, pass through and visit Dunkeld.

Currently there are four types of accommodation available within Dunkeld including the high end Royal Mail Hotel, a caravan park, a cluster of cabins along Victoria Valley Road and a number of bed and breakfast establishments.

#### GRAMPIANS DESTINATIONS

Dunkeld is at the southern end of the Grampians Tourist Rd, which runs between the Mt. William and Serra Ranges to Halls Gap. This road is a main tourism route through the Park, and its closure following the 2011 floods had a significant impact on tourism in the region.

There are walks to the peaks just north of Dunkeld, to Mt. Sturgeon, Mt. Abrupt and the Piccaninny.

## DEVELOPMENT OPPORTUNITIES

The proposed Grampians long distance walk is expected to have significant positive impact on the township, especially in attracting high yield 2-3 day hiking tourists. A number of developments been identified to support increases in visitors including:

- **New retail opportunities.** The draft Dunkeld Structure Plan and Draft Grampians Tourism Product Audit both identified the need to broaden the retail offer within the town to service visitors, especially in light of the long distance walk development. This may include the development of a supermarket-type establishment to service hiking visitor needs as well as local residents.
- **High-end cottage/self contained cabin accommodation.** There are currently at least 8 self-contained cottages/houses in the townships. The long distance walk is likely to increase demand for additional 4-5 star cottage/self contained cabin accommodation.
- **Mountain bike hire.** As continued development around the long distance walk and mountain biking trails continues, there is likely to be greater demand for outdoor activity equipment including a sales/hire outlet and mountain biking repair business.
- **Guided tour operator.** There may be opportunities for supporting a walking/4WD tour operator departing from Dunkeld. This would be supported by the establishment of the Long Distance Walk.

## 2. VICTORIA VALLEY

### EXISTING TOURISM PRODUCT

The Victoria Valley is relatively underdeveloped as a tourism region to date, although there are some wetlands and picnic locations in this area. Crombie Garden, which is open by appointment, is the only tourism attraction in the area, although South Mokanger Farm Cottages are between Victoria Valley and Cavendish.

### DEVELOPMENT OPPORTUNITIES

Southern Grampians Shire Council have received a number of proposals for tourism development in the Victoria Valley area, included adventure activities such as paintball,

farm stays, school camps and retreats. The inclusion of this region on the Ring Road may facilitate this development.

## 3. CAVENDISH

### EXISTING TOURISM PRODUCT

Cavendish has been developed as a rural village providing niche tourism experiences around its pastoral heritage and red gum country experiences. It is also one of the few areas in Victoria where gold fossicking is legal. The town celebrates its history with the Settlers Walk, which includes heritage sites along the banks of the Wannon River.

Accommodation is offered at South Mokanger, a heritage listed homestead to the west of Cavendish. The Bunyip Hotel, also included on the Victorian Heritage Register, is located on the southern bank of the Wannon River in Cavendish, alongside the Henty Highway.

FIGURE 14 BUNYIP HOTEL, CAVENDISH



### GRAMPIANS DESTINATIONS

Cavendish is located 15km west of the southern tip of the Grampians' Victoria Range. There is limited tourism product in this section of the National Park.

### DEVELOPMENT OPPORTUNITIES

- **Bunyip Hotel.** There are currently very few food and hospitality businesses within the South West sector, particularly since the closure of the take away food shop in Cavendish. Increased visitation levels to the township may viably support the

redevelopment of the Bunyip Hotel, particularly to take advantage of its unique view of the Wannon River with its open garden stretching to the banks.

- **4 star accommodation.** The Draft Grampians Tourism Product Audit has outlined that increased visitation levels may support the establishment of a 4-Star historic bed and breakfast in Cavendish. This would complement the rustic, pastoral heritage of the area as well as the redevelopment of the Bunyip Hotel as an alternative dining destination to Dunkeld.

### 3. GLENISLA

#### EXISTING TOURISM PRODUCT

Glenisla currently has limited tourism product, but there are opportunities to develop attractions in the region. Existing product consists of:

- Glenisla Homestead offers farm stay accommodation in the 1870s heritage listed building.
- Access to Hynes camping ground at Rocklands Reservoir is from the Henty Highway at Glenisla.

#### GRAMPIANS DESTINATIONS

There are two rock art sites to the west of Glenisla near Billiwing Plantation, Billimina and Manja Shelters. The Buandik camping grounds and picnic area is also accessed from Glenisla.

There are good views of Red Rock on the drive between Glenisla and Cavendish, as shown below.

#### DEVELOPMENT OPPORTUNITIES

- **Billiwing Plantation.** The lease for the operation of this state forest expires in 2015. There is a proposal to create a focus for the extensive Indigenous cultural and rock art sites when the lease expires. This has the potential to provide a major attraction on the western side of the Park, and draw tourists from the traditional destinations of Halls Gap and Dunkeld.

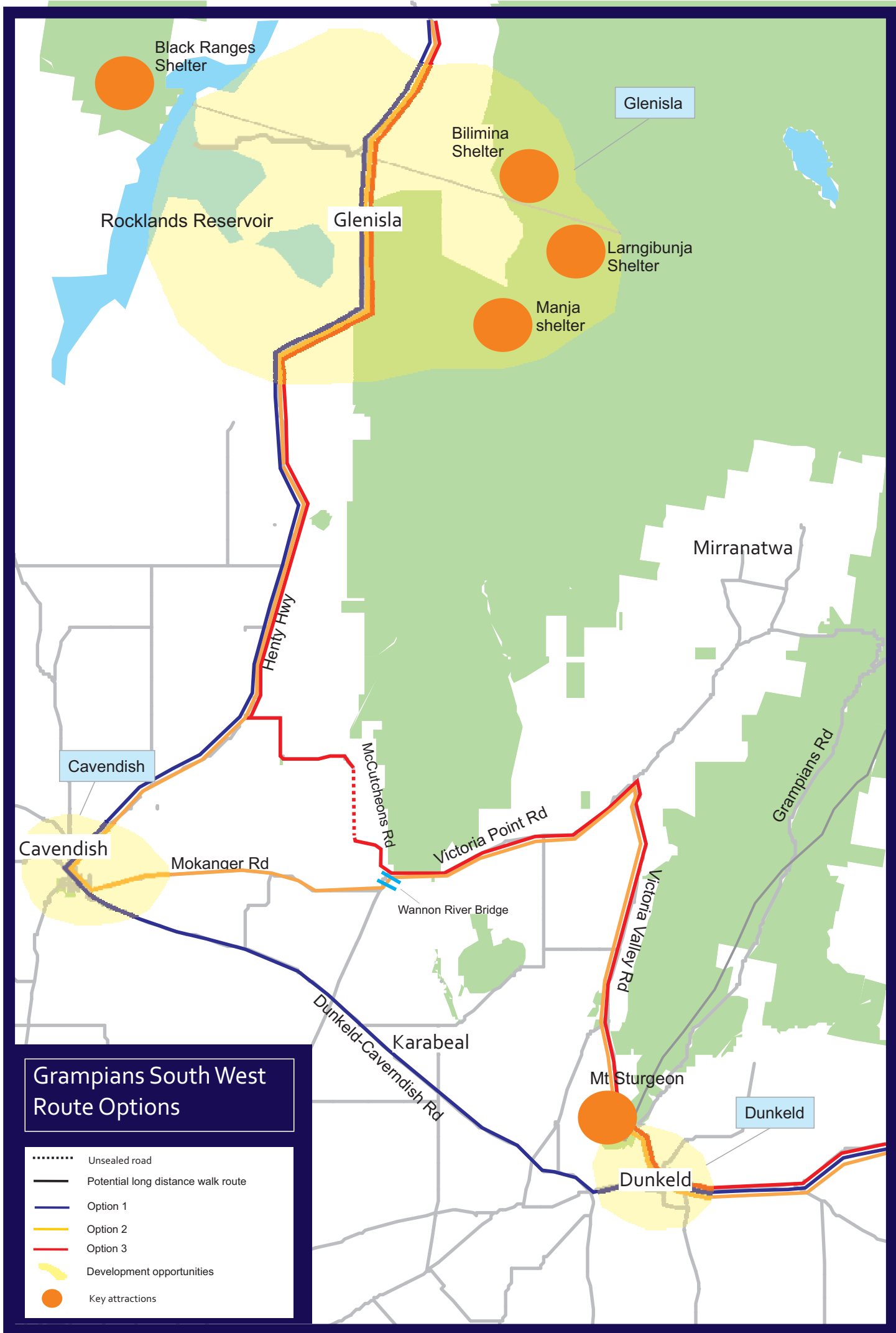
FIGURE 15 VIEW TO RED ROCK FROM THE HENTY HIGHWAY



- **Luxury accommodation and Indigenous tourism experience products.** There is opportunity to develop a high end accommodation establishment around the potential aboriginal tourism experience. This could be in partnership with local Indigenous communities. Studies conducted by Tourism Victoria indicated that a vast majority of Victorians would prefer an Indigenous cultural experience within Victoria. In particular, there is high demand for 4.5 star resorts where traditional culture can be experience, including guided walks, traditional dance and music and traditional cuisine<sup>26</sup>.
- **Expansion of water sports activities.** Discussion with tourism stakeholders indicated there are opportunities for the return of water sports activities in Rocklands Reservoir, pending the return of a reliable water supply. The lake may be suitable for canoeing and kayaking, development of boating facilities and boating events. The water sports activities would support existing caravan/campsite developments at Hynes and Fergusons.

<sup>26</sup> Victoria's Aboriginal Tourism Development Plan 2006-2009, p.11.





### 3.4. SOUTH WEST OPTIONS ASSESSMENT

	Roads	Pros	Cons
<b>Option 1: Dunkeld - Cavendish Rd</b> <b>Total Distance: 70 km</b> <b>Length of unsealed section: 0 km</b>	<ul style="list-style-type: none"> <li>Henty Hwy</li> <li>Dunkeld - Cavendish Rd</li> </ul>	<ul style="list-style-type: none"> <li>Both roads are sealed and of high quality.</li> <li>This option includes Cavendish, and may promote tourism in the town.</li> <li>Provides quality viewing opportunities of Mt Sturgeon and Mt Abrupt, particularly at sunrise.</li> <li>South Grampians Shire recommended this route.</li> </ul>	<ul style="list-style-type: none"> <li>Is further from the park than the other options.</li> <li>Other than a lookout at Karabeal, there is no tourism product on the Dunkeld - Cavendish Rd.</li> </ul>
<b>Option 2: Mokanger Rd</b> <b>Total Distance: 86 km</b> <b>Length of unsealed section: 0 km</b>	<ul style="list-style-type: none"> <li>Henty Hwy</li> <li>Mokanger Rd</li> <li>Victoria Point Rd</li> <li>Victoria Valley Rd</li> </ul>	<ul style="list-style-type: none"> <li>Provides a "Grampians experience", as the drive is surrounded by mountains for much of its length.</li> <li>Supports interest in tourism development in the Victoria Valley</li> <li>Offers bird watching and wildlife viewing at Bryan Swamp.</li> <li>The Victoria Valley Rd passes between Mt Sturgeon and the Piccaninny.</li> <li>There are picnicking opportunities on this route.</li> </ul>	<ul style="list-style-type: none"> <li>A longer route than Option 1</li> </ul>
<b>Option 3: McCutcheons Rd</b> <b>Total Distance: 72</b> <b>Length of unsealed section: 4.9 km</b>	<ul style="list-style-type: none"> <li>Henty Hwy</li> <li>McCutcheons Rd</li> <li>Victoria Point Rd</li> <li>Victoria Valley Rd</li> </ul>	<ul style="list-style-type: none"> <li>The most direct route, and also closely follows the National Park boundaries.</li> <li>Offers wildlife viewing opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>The most expansive option, as McCutcheons Rd would require sealing as well as the Wannon River crossing upgrade.</li> <li>This route bypasses Cavendish.</li> <li>High numbers of kangaroos around McCutcheons Rd may present a hazard to drivers.</li> </ul>

## 4. SOUTH EAST

### 4.1. INTRODUCTION

The South East sector includes the region between Moyston and Dunkeld, and is principally within the Rural City of Ararat Shire. Dunkeld is included in the South West sector as it is within the Southern Grampians Shire.

The towns of Glenthompson and Willaura are within this sector, as well as the Mafeking region, the site of Victoria's last gold rush in the early 20<sup>th</sup> century.

Parks Victoria considers that this region provides some of the best views of the Grampians.

TABLE 11 SOUTH EAST TOURISM BUSINESSES

Location	Accom	Attractions	Dining	Produce	Shopping	Wine	Total
Bellellen	1			1			2
Black Range	1						1
Cathcart	1						1
Glenthompson	4	1	1	1			7
Moyston	3				1	3	7
Willaura			3	1	1		5
Mafeking	2						2
Total	12	1	4	3	2	3	25

Source; Grampians Tourism

FIGURE 16 VIEW OF MAFEKING FROM THE DUNKELD-MOYSTON RD



This sector also has the least developed road network in the Grampians region. The most direct road from Moyston to Dunkeld has an unsealed section of approximately 40kms. The most direct sealed route is via Willaura is only 5 kms longer, but travels up to 17kms further away from the Grampians.

### 4.2. CONSULTATION

#### 4.2.1. ARARAT RURAL CITY

Representatives from the Ararat Rural City Council have identified the following issues and opportunities for consideration of the Grampians Way route:

- The Moyston-Dunkeld Rd is the most direct and closest to the National Park, but includes approximately 40kms of unsealed road, making it an expensive option;
- Ararat Rural City proposed the Moyston-Willaura Rd as an option for the Grampians Way. There are some sections of narrow seal on this road, but upgrading this would be less expensive than upgrading the Moyston-Dunkeld Rd;

- Mafeking and the area around Mt William were identified as areas for future development. There is farm stay style accommodation and a vineyard currently operating in the Mafeking area.
- Fire risk has to be taken into account in development near the Park, such as Mafeking.
- There is a proposal to develop a 30-50 villa resort at Jallukar, between Moyston and Pomonal, and the site has been included in a Special Use Zone in the Ararat Planning Scheme.

#### 4.2.2. OTHER STAKEHOLDERS

- Parks Victoria identified the potential for accommodation in the South East region, particularly around Mafeking, to link with the Grampians Peak Trail. The region has an attractive natural setting that will compliment accommodation development, including unique views of Saw-Tooth Comb unseen in other parts of Grampians.
- A range of consultation attendees believed that the route via Willaura is too far from the Park; the route would be 'too detached from the Grampians experience'.
- It would be advantageous to connect the Grampians Way to the Great Western wine region, and the Moyston cluster of wineries. This would support complimentary development including quality restaurant, spa and wellness facilities and luxury accommodation.

### 4.3. TOURISM NODES

#### 1. MOYSTON

##### EXISTING TOURISM PRODUCT

There is limited existing tourism development within Moyston. The town primarily services the tourism industry through providing amenities and retail services such as a general store and petrol station for tourists. Moyston is the birthplace of Australian Rules Football, with the game being founded by Tom Wills who lived in the area. There is a monument in the town and the football oval pavilion is named after him.

##### GRAMPIANS DESTINATIONS

Moyston is located 10km east of the eastern side of the Mount William Range. Visitor destinations within the Grampians in the Moyston area include Mount William Lookout, Kalymna Falls and the Major Mitchell Plateau.

##### DEVELOPMENT OPPORTUNITIES

- **Holiday homes.** Moyston is expected to experience modest growth in holiday homes, particularly for rural living 'tree changers'. The draft Triangle Rural Zone Review has found that there is sufficient land available to meet medium to long term demand.
- **Museum.** There may also be opportunities to further develop cultural and heritage tourism products in Moyston, focusing on the AFL history and Tom Wills. This will be conditional on increased visitation and traffic through the township.
- **Jallukar Wine Village.** A proposal for the development of a 5-star wine village which will accommodate a 14 hectare vineyard, 100 villas, conference centre, restaurant, tavern, wine sales and retail area, tennis courts, gymnasium, golf driving range and a village common was put forward in the early 2000s. The planning scheme amendment for the site to become a Special Use Zone has been approved, which will permit the use and subdivision of land for the tourism development. Development of the site has not commenced and the length of time since there was any action relating to this proposal indicates that it is unlikely to proceed. However, the SUZ provides the region with a location for a multi-purpose tourism development without having to undertake a costly planning process.

#### 2. MAFEKING / MT WILLIAM

##### EXISTING TOURISM PRODUCT

The Mafeking and Mt William areas are largely undeveloped and have little tourism product. There is currently only one accommodation establishment, a farm stay and a vineyard, operated by Grampians Estate Wineries.

### GRAMPIANS DESTINATIONS

Mafeking is close to Mount William, Jimmy Creek and Wannon Crossing, which all provide visitor amenity and/or attractions. Significantly, Jimmy Creek and Yarram Gap are potential locations for drop in and out points for the Grampians Peak Trail.

### DEVELOPMENT OPPORTUNITIES

- **Mt William Downhill Ride.** Mt William is an area that may attract mountain biking tourists. The development of a downhill cycling circuit has been identified as an opportunity, with an associated tour operator to transport mountain biking enthusiasts up the mountain for their descent.
- **Service node.** Mafeking has been identified as a potential location for development of feeder track to link with the Grampians Peaks Trail. Some service development may be required to support visitors to the trail. This may include a grocery store and accommodation provision.
- **Wilderness Lodge.** The introduction of the Grampians Peak Trail, with the drop in and out point in the Mafeking region, may provide an opportunity to develop a high yield wilderness lodge. This could be similar to the Great Ocean Eco-Lodge, near Cape Otway.
- **Goldfields World Heritage Area.** There is a proposal to include Victoria's gold rush towns in the World Heritage Area. Although there are not any remnants of the Mafeking township, as the last gold rush town in Victoria the implementation of the World Heritage Area may provide support and interest in the development of Mafeking.

### 3. LAKE MUIRHEAD

Lake Muirhead is located at the intersection of Toora and Yarram Gap Rds. The lake is a brolga flocking site, and has other wetland birdlife as well as some nearby wildflower areas. The lake is temporarily classified as a State Game Reserve, which allows for duck shooting during the autumn hunting season. While the lake is being used as a Game Reserve, there may be conflict with other tourism uses during the hunting season.

The lake may not provide development opportunities, but it may be a place to stop between Dunkeld and Moyston. This could include the introduction of a picnic area,

particularly in a location with views to the Grampians, and a bird hide. Although the lake itself is Crown Land, it is surrounded by private land which may impact on visitor access.

**FIGURE 17** VIEW TO GRAMPAINS FROM TOORA RD, NEAR LAKE MUIRHEAD



### 4. WILLAURA

#### EXISTING TOURISM PRODUCT

Willaura has a number of existing tourism businesses, including a hotel, bakery and a bed and breakfast. The town also contains an historical precinct including the Willaura Hotel, Willaura Motors, Willaura Bakery, Willaura Post Office, and the Willaura Railway Station.

#### DEVELOPMENT OPPORTUNITIES

No specific development opportunities have been identified for Willaura, but as the closest town to the proposed drop in and out points around Mafeking, it may have a role in providing for the needs of those undertaking the Grampians Peak Walk.

**FIGURE 18** VIEW TO GRAMPIANS FROM MAROONA-  
GLENTHOMPSON ROAD, OUTSIDE WILLAURA



## 5. GLENTHOMPSON

### EXISTING TOURISM PRODUCT

Glenthompson's main tourism features are the heritage brickworks factory and the Grampians Pure Sheep Dairy. Tours of the solid clay brick production line and the yoghurt/milk production are offered.

### GRAMPIANS DESTINATIONS

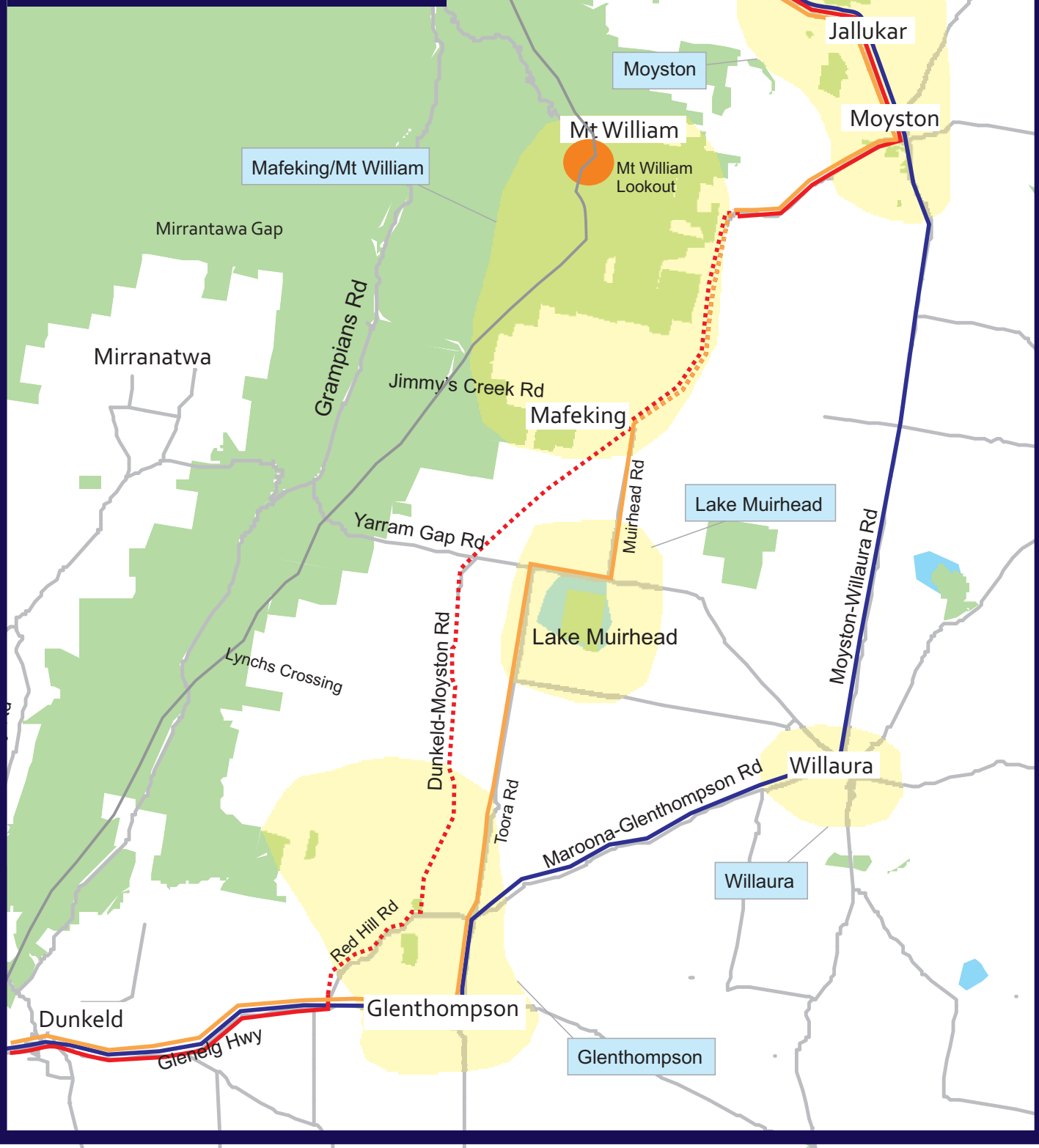
Glenthompson is located 17km east of the south-eastern side of the Mount William Range, and is therefore too far from the park to be considered as a point for accessing attractions.

### DEVELOPMENT OPPORTUNITIES

- **Accommodation and cafe.** It is anticipated that increased visitation from the Peak Trails and the possible opening of an entry point at Lynch's Crossing will support the development of an additional self-contained/B&B accommodation and a café in Glenthompson.

# Grampians South East Route Options

- ..... Unsealed road
- Potential long distance walk route
- Option 1
- Option 2
- Option 3
- Development opportunities
- Key attractions





#### 4.4. SOUTH EAST OPTIONS ASSESSMENT

	Notes	Pros	Cons
<b>Option 1: Moyston Willaura Rd</b> <b>Total Distance: 67 km</b> <b>Length of unsealed section: 0 km</b>	<ul style="list-style-type: none"> <li>Glenelg Hwy</li> <li>Maroona - Glenthompson Rd</li> <li>Moyston - Willaura Rd</li> </ul>	<ul style="list-style-type: none"> <li>All roads are sealed and are of generally high quality, except for a remaining thin section of the Moyston - Willaura Rd.</li> <li>This route may promote tourism visitation to Willaura.</li> <li>Ararat Rural City Council recommended this route.</li> <li>This route takes in Glenthompson, and may promote tourism in this town.</li> </ul>	<ul style="list-style-type: none"> <li>This route is removed from the National Park, and offers only limited views.</li> <li>Given the distance from the park, it is less likely to facilitate investment than the other options.</li> </ul>
<b>Option 2: Toora Rd</b> <b>Total Distance: 66</b> <b>Length of unsealed section: 12 km</b>	<ul style="list-style-type: none"> <li>Glenelg Hwy</li> <li>Maroona - Glenthompson Rd</li> <li>Toora Rd</li> <li>Yarram Gap Rd</li> <li>Muirhead Rd.</li> <li>Dunkeld - Moyston Rd.</li> </ul>	<ul style="list-style-type: none"> <li>Provides access to Jimmy Creek and Lynch's Crossing, proposed drop in points for the Grampians Peak Trail.</li> <li>May promote tourism development in the Mafeking area.</li> <li>Provides a closer route to the National Park, and is significantly cheaper than Option 3.</li> <li>Lake Muirhead may provide a midway point between Dunkeld and Moyston.</li> <li>This route takes in Glenthompson, and may promote tourism in this town.</li> </ul>	<ul style="list-style-type: none"> <li>Requires more than 10kms of road to be sealed, other areas of sealed road are single lane only, and may require upgrades.</li> <li>The intersection of Maroona - Glenthompson and Toora Rds may require realigning or enhanced signage.</li> <li>This route bypasses Willaura.</li> </ul>
<b>Option 3: Dunkeld Moyston Rd</b> <b>Total Distance: 64</b> <b>Length of unsealed section: 44 km</b>	<ul style="list-style-type: none"> <li>Glenelg Hwy</li> <li>Red Hill Rd</li> <li>Dunkeld - Moyston Rd.</li> </ul>	<ul style="list-style-type: none"> <li>Provides the route closest to the Grampians.</li> <li>Provides access to Jimmy Creek and Lynch's Crossing, proposed drop in points for the Grampians Peak Trail.</li> <li>May promote tourism development in the Mafeking area.</li> <li>Includes Heifer Swamp, which has bird watching opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Significantly more expensive than Option 2 due to over 40kms of roads requiring sealing.</li> <li>Bypasses both Glenthompson and Willaura.</li> </ul>

## 5. NORTH EAST

### 5.1. INTRODUCTION

Halls Gap contains the major concentration of tourism product and development in the Grampians. The tourism database notes that the town contains over 130 accommodation establishments, providing nature based tourists a gateway location to the major attractions along Mount Victory Road and the Grampians National Park.

Pomonal, the other town in this sector, is located south west of Halls Gap on the road to Ararat, and is within 2kms of the National Park boundary.

The database indicates that only a few attractions and accommodation provided outside Halls Gap in the North East sector, at Dadswells Bridge, Fyans Creek and Lake Lonsdale.

TABLE 12 NORTH EAST TOURISM BUSINESSES

Location	Accom	Attractions	Dining	Produce	Services	Shopping	Wine	Total
Dadswells Bridge	4	2	1	1				8
Fyans Creek	1							1
Halls Gap	130	10	12		8	5	1	166
Lake Lonsdale	1							1
Pomonal	12	1	2	3	1			19
Total	148	13	15	4	9	5	1	195

Source: Grampians Tourism

### 5.2. CONSULTATION

#### 5.2.1. NORTHERN GRAMPIANS SHIRE COUNCIL

Representatives from the Northern Grampians Shire Council have identified the following issues and opportunities for consideration of the Grampians Way route:

- The Council's preferred route is Fyans Creek Road, Greenhole Road and Mt Drummond Rd, although there is some concern over the use of Mt Drummond Rd by trucks from the quarry on this road. Vicroads have been alerted to the need to upgrade the intersection of the Mt Drummond Rd and the Western Hwy to improve safety.
- If there is a conflict in the use of Mt Drummond Rd for quarry trucks and as a tourism route then Council would prefer the use of Ledcourt Rd, the medium cost option.
- Lake Lonsdale is seen as an important development area, with opportunities to provide holiday homes with views of the lake. Similar development could potentially occur near the Halls Gap Zoo, along the Halls Gap-Ararat Road.
- Northern Grampians Shire Council is currently undertaking the sealing of 3km of Roses Gap Road, linking it to the Western Highway. This will provide tourists with greater access to tourist attractions within the Roses Gap and Wartook Valley areas.

#### 5.2.2. OTHER STAKEHOLDERS

- There is significant community support for the sealing of Mt Zero Road, to provide direct access from Halls Gap to the Mt Zero and Laharum area and as an alternate route to the Wartook Valley. The sealing of this road has been a community priority for an extended period of time, and is a source of frustration within the community.

The tourism operators in the Wartook Valley and Laharum experienced a significant downturn in their businesses during the period that Mt Victory Rd was closed, which was a main factor in their preference for the sealing of the Mt Zero Rd.

- Parks Victoria are responsible for the road, and are currently maintaining Mt Zero Rd as:

Secondary Road - all weather, two lanes formed and gravelled. The road provides for park access, commercial uses, through access to other locations outside the park, or access to private property or utilities.

Parks Victoria do not have any plans to seal this road, and have indicated that any proposals to do so will need to be considered against their current budget priority, the Grampians Peak Trail.

- Tourism operators identified major opportunities for cycling tourism and events, especially along Mt Victory Road. However, the road is not wide enough for recreational cycling and significant development will be required to widen the roads. The Grampians Way may also provide an appealing cycling loop taking in Halls Gap, Wartook Valley, Roses Gap and Fyans Creek Rd.
- Parks Victoria has identified horse riding tourism as a potential opportunity within Ledcourt State Forest. The location is in close proximity to Heatherlie Quarry and the heritage rail and there may be opportunities for linking these tourism products.

## 5.3. TOURISM NODES

### 1. LEDCOURT AND FYANS CREEK ROAD

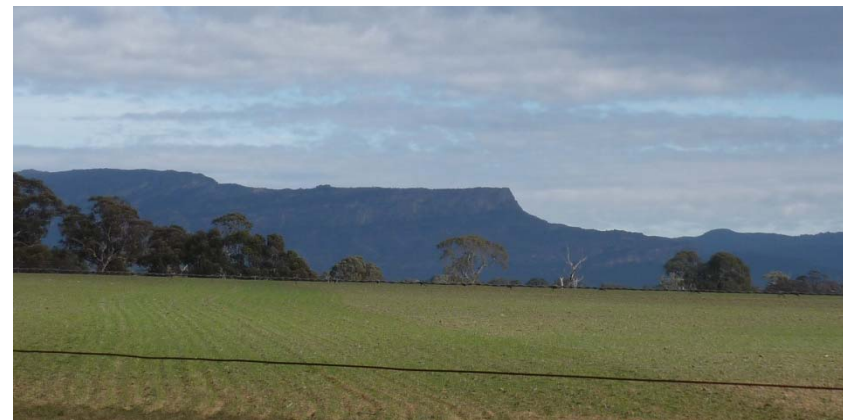
#### EXISTING TOURISM PRODUCT

There were no existing tourism products identified in the Ledcourt area.

#### GRAMPIANS DESTINATIONS

Ledcourt is located at north-west of the eastern side of the Mt Difficult Range. This portion of the National Park contains the Heatherlie Quarry site, a significant historic landmark site and the source of sandstone for many of Melbourne's important heritage buildings, including the Parliament House.

FIGURE 19 VIEW TO THE GRAMPIANS FROM LEDCOURT



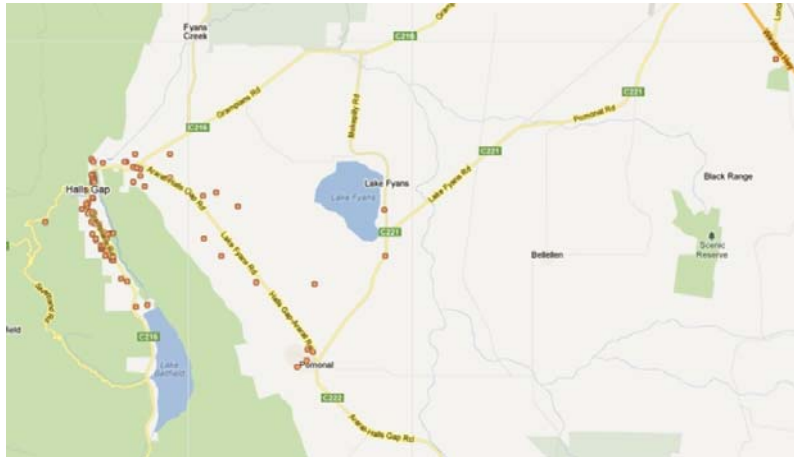
The Pines campsite is also located within the area providing over 30 sites at the foot of Mt Difficult Range. This is located within a State Forest, which may provide an opportunity for development once the current lease expires.

#### DEVELOPMENT OPPORTUNITIES

- **Accommodation.** There is potential for the development of feeder tracks and off-park accommodation to support the Grampians Peaks Trail. Accommodation may include cabin-style establishments to meet the needs of trail walkers.

Although there are no existing tourism products in Ledcourt, historical evidence suggests that increased traffic may trigger the development of accommodation. The limited capacity to provide additional accommodation in Halls Gap may lead to further development along the tourist routes into the town. Most of the previous development has occurred along the Halls Gap-Ararat Rd, as depicted in the figure below, where much of the tourist traffic flows. In the event that tourist traffic is dispersed along Fyans Creek Road, it is likely that similar levels of development could be supported along the route.

FIGURE 20 ACCOMMODATION DISPERSAL



Source: Googlemaps, 2012.

- **Grampians Rail Trail.** At present the rail trail is partially completed from Stawell to Lake Lonsdale and currently attracts cyclists from around the regional area. Full development of the rail trail would begin at Heatherlie Quarry, and run parallel to Mt Dryden road, passing by Lake Lonsdale to Stawell.
- **Horse Riding.** The Ledcourt State Forest provides an opportunity for the development of horse riding experiences, an activity not allowed in the Park itself. This would complement the development of the rail trail to offer tourists a horse-riding heritage experience of the historic Heatherlie Quarry.
- **Ledcourt Homestead.** The heritage listed Ledcourt Homestead could be developed as a farm stay or boutique bed and breakfast, similar to Glenisla Homestead and South Mokanger in the South West sector.
- **Mount Dryden.** The area provides panoramic views of the Mount Difficult Range and Mount William and may attract visitors travelling along the North East section of the Grampians Way Ring Road. Furthermore, the view from Mount Dryden is featured in paintings by Eugene von Guerard and may compliment the visitor experience of the proposed Wildlife Art Museum of Australia.

## 2. POMONAL

### EXISTING TOURISM PRODUCT

Pomonal has a number of accommodation providers, a hotel, service station and some art and craft. Three of the region's luxury accommodation and spa & wellness facilities are located in Pomonal: Didjun, Blaze Rock Retreat and Boroka Downs. These are complimented by the Gap Winery cellar door.

### GRAMPIANS DESTINATIONS

Although Pomonal is located on the edge of the National Park, there are limited visitor sites in this part of the park. However, visitor access to the Grampians is via Halls Gap, only 10 minutes drive away.

### DEVELOPMENT OPPORTUNITIES

- **Accommodation.** It is anticipated that increased visitation from the Peaks Trail and the possible feeder tracks/loops, will support the development of an upgrade of the existing caravan park and an additional self-contained accommodation establishment. There is also the possibility of further holiday home development around Pomonal.
- **Wildlife Arts Museum of Australia.** The Grampians Wildlife Arts Society has recently announced a proposal to develop an art gallery and museum on 15ha of land on the Ararat - Halls Gap Road, near Pomonal. A key aspect of the museum proposal is the partnerships with major art galleries and holders of collections to create a significant attraction for the region.
- **Tavern.** A new tavern development has been cited as a local development opportunity; this will need to be supported by increased visitation levels from the Peaks Trail development and increased traffic levels.
- **Quality restaurant.** Strategic review has found that there exists opportunities for the development of a quality high-end dining experience within Pomonal, to complement the existing luxury tourism products in the area. A possible location is the Gap Winery, which could provide a quality food and wine experience not currently offered in Halls Gap.

### 3. LAKE FYANS

#### EXISTING TOURISM PRODUCT

Lake Fyans provides water sport opportunities, primarily servicing the day trip market of residents from the surrounding region. Activities include swimming, water skiing, fishing and duck hunting. The lake is also a major water storage for the Wimmera Mallee Supply System; the water authority has indicated that the lake is expected to have reliable water levels. Lake Fyans contains two accommodation establishments: the angling club and the Lake Fyans Holiday Park both provide camp sites and cabins.

#### GRAMPIANS DESTINATIONS

Lake Fyans is between the roads into Halls Gap from Stawell and Ararat, and is therefore ideally located for a range of attractions in the National Park. The lake is also close to the Halls Gap Zoo, a major attraction in the region.

#### DEVELOPMENT OPPORTUNITIES

- **Eco lodge resort.** There are opportunities to strengthen water-based tourism within Lake Fyans through the development of an eco-lodge resort. This may also attract high yield visitors. The Draft Triangle Rural Zone Review indicates that the resort may potentially be located at the north eastern corner, which would provide views of the lake across to the Mountains.

More broadly, the Draft Triangle Rural Zone Review recommends that a master plan be developed for Lake Fyans, to enhance its role as water storage, a place for recreation and as a tourism destination.

### 4. LAKE LONSDALE

#### EXISTING TOURISM PRODUCT

Lake Lonsdale is a major site for yabbying and redfin fishing in Western Victoria. Following the return of reliable water levels the local community is undertaking a redevelopment of the jetty area and boat ramp. The lake currently attracts regional Victorians for water skiing and non powered boating. The sandy beaches and shallow water also makes the lake suitable for swimming. The area currently provides campsite accommodation for visitors.

#### GRAMPIANS DESTINATIONS

Lake Lonsdale is approximately 7kms from the edge of the Grampians National Park, and the access road to the popular Plantation campsite is just to the south of the lake. The Heatherlie Quarry is also nearby, and when complete the Grampians Bike Trail between the quarry and Stawell will run to the south of the lake.

#### DEVELOPMENT OPPORTUNITIES

- **Holiday Homes.** At present, the community is undertaking efforts to improve infrastructure to the lake, to support the increased level of tourists and water-based activities. The improved infrastructure and sustained levels of water could support the development of holiday homes around Lake Lonsdale.

### 5. DADSWELLS BRIDGE

#### EXISTING TOURISM PRODUCT

Dadswells Bridge is home to the Giant Koala, which also features a shop and a zoo, which provides an identifiable entry point to the Grampians region. The Grampians Edge Caravan Park is also located in Dadswells Bridge.

#### DEVELOPMENT OPPORTUNITIES

Dadswells Bridge development opportunities are similar to those in the Ledcourt and Mt Dryden areas, which include holiday homes and boutique accommodation. Dadswells Bridge also has the advantage of having a Rural Living Zone in the area around Jackman's Rd, which allows for more tourism related land uses and smaller subdivision areas than the Farming Zone.

### 6. MT ZERO ROAD

#### EXISTING TOURISM PRODUCT/GRAMPIANS DESTINATIONS

This portion of the National Park contains the Heatherlie Quarry site, a significant historic landmark site known for the source of sandstone for Melbourne's important heritage buildings, including Victoria's Parliament House. The Plantation campsite is also located within the area providing over 30 sites at the foot of Mt Difficult Range. At present visitation to this area is restricted as access ways through Mt Zero Road are unsealed.

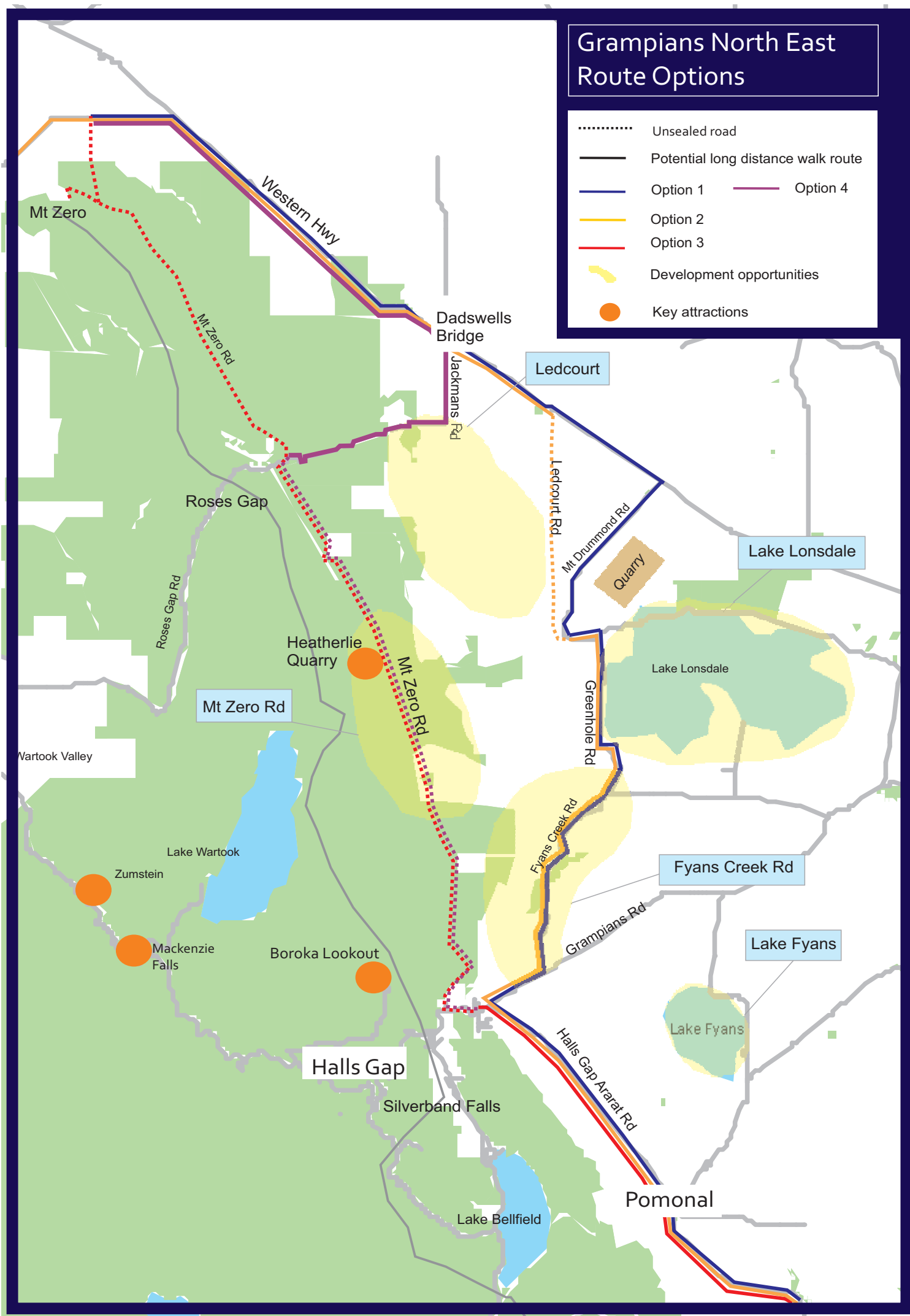
## DEVELOPMENT OPPORTUNITIES

There is limited development opportunity within the Heatherlie Quarry Site as the area is included within a Heritage Overlay. The area is likely to remain as a major tourist attraction to the region.

No development opportunities have been identified for the Plantation campsite area, although opportunities may arise if the lease of the State Forest is not renewed.

# Grampians North East Route Options

- ..... Unsealed road
- Potential long distance walk route
- Option 1
- Option 2
- Option 3
- Option 4
- Development opportunities
- Key attractions





## 5.4. NORTH EAST OPTIONS ASSESSMENT

	Roads	Pros	Cons
<b>Option 1: Mt. Drummond Rd</b> <b>Total Distance: 49.2 km</b> <b>Length of unsealed section: 0 km</b>	<ul style="list-style-type: none"> <li>Fyans Creek Rd.</li> <li>Greenhole Rd.</li> <li>Mt. Drummond Rd.</li> <li>Western Hwy</li> </ul>	<ul style="list-style-type: none"> <li>This option may promote tourism development at Lake Lonsdale, along Fyans Creek Rd and Dadswells Bridge.</li> <li>Tourists could also link on to Roses Gap Rd as well as continuing on to the Western Hwy.</li> <li>This option provides excellent views of the Grampians.</li> <li>There is already a proposal to improve the Glenorchy - Ledcourt Rd and Western Hwy intersection to provide better access for the quarry trucks.</li> </ul>	<ul style="list-style-type: none"> <li>The Lake Lonsdale spillway can cause flooding on Greenhole Rd, indicating that an upgrade may be required.</li> <li>There is a quarry at Mt Drummond so tourists would be sharing this section of the road with trucks.</li> <li>The quarry may deter tourism investment on Mt Drummond Rd, in comparison to Option 2.</li> <li>Requires use of the Western Hwy, a busy truck route</li> <li>Depending on the type of traffic this route attracts, culverts and bridges may need upgrading.</li> <li>There is limited access into the National Park along this route, particularly for Heatherlie Quarry.</li> </ul>
<b>Option 2: Stawell Ledcourt Rd</b> <b>Total Distance: 47.9 km</b> <b>Length of unsealed section: 9 km</b>	<ul style="list-style-type: none"> <li>Fyans Creek Rd.</li> <li>Greenhole Rd.</li> <li>Stawell - Ledcourt Rd.</li> <li>Western Hwy</li> </ul>	<ul style="list-style-type: none"> <li>This option may promote tourism development at Mt. Dryden Lake Lonsdale and along Fyans Creek Rd.</li> <li>The quarry at Mt Drummond is avoided.</li> <li>This option provides excellent views of the Grampians</li> <li>This is the route recommended by Northern Grampians Shire Council.</li> </ul>	<p>Same as for Option 1, plus the following:</p> <ul style="list-style-type: none"> <li>Approximately 9kms of road would require sealing.</li> <li>The Lake Lonsdale spillway can cause flooding on Greenhole Rd, indicating that an upgrade may be required.</li> <li>Some parts of Ledcourt Rd are very narrow, and may require widening.</li> </ul>
<b>Option 3: Mt Zero Rd</b> <b>Total Distance: 36.1</b> <b>Length of unsealed section: 34 km</b>	<ul style="list-style-type: none"> <li>Mt. Zero Road</li> </ul>	<ul style="list-style-type: none"> <li>Does not require use of the Western Hwy, a busy truck route</li> <li>This is the most direct route through the region.</li> <li>This would provide sealed road access to Heatherlie Quarry and Plantation campsite.</li> <li>This provides another tourist route through the park, to complement Mt Victory Rd and the Grampians Tourist Rd.</li> <li>There is strong community support for this option.</li> </ul>	<ul style="list-style-type: none"> <li>The cost of sealing this road has been estimated at over \$20m, and possibly \$30m.</li> <li>There is limited support for sealing this road from Government authorities such as the Northern Grampians Shire, Parks Victoria and VicRoads, indicating that this option is unlikely to be implemented in the short term.</li> <li>As this road is almost entirely surrounded by National Park, it does not promote investment opportunities.</li> <li>A route through the park does not mitigate the risk of road closures as a route outside of the park would.</li> </ul>

	Roads	Pros	Cons
<b>Option 4: Mt Zero - Roses Gap Rd</b>  <b>Total Distance: 44.3 km</b>  <b>Length of unsealed section: 21 km</b>	<ul style="list-style-type: none"> <li>Mt Zero Rd</li> <li>Roses Gap Rd</li> <li>Jackmans Rd</li> <li>Western Hwy</li> </ul>	<ul style="list-style-type: none"> <li>This provides another tourist route through the park, to complement Mt Victory Rd and the Grampians Tourist Rd.</li> <li>This would provide sealed road access to Heatherlie Quarry and Plantation campsite.</li> <li>This option may promote development at Dadswells Bridge.</li> </ul>	<ul style="list-style-type: none"> <li>There is limited support for sealing Mt Zero Rd, as discussed above</li> <li>As this road is almost entirely surrounded by National Park, it does not promote investment opportunities.</li> <li>A route through the park does not mitigate the risk of road closures as a route outside of the park would.</li> </ul>

## 6. OPTIONS ASSESSMENT

### 6.1. INTRODUCTION

The financial analysis of the route options for the Grampians Way employs a method outlined in research undertaken by Austroads in 2003, included in *Benefit of Road Investment to Assist Tourism*. Each of the route options has also been assessed against the objectives of the project discussed in Section 2 of the first part of this document. The outcomes of these two stages of assessment provide the basis for the recommended Grampians Way route.

### 6.2. FINANCIAL ANALYSIS

#### 6.2.1. METHODOLOGY

##### BENEFIT OF ROAD INVESTMENT TO ASSIST TOURISM

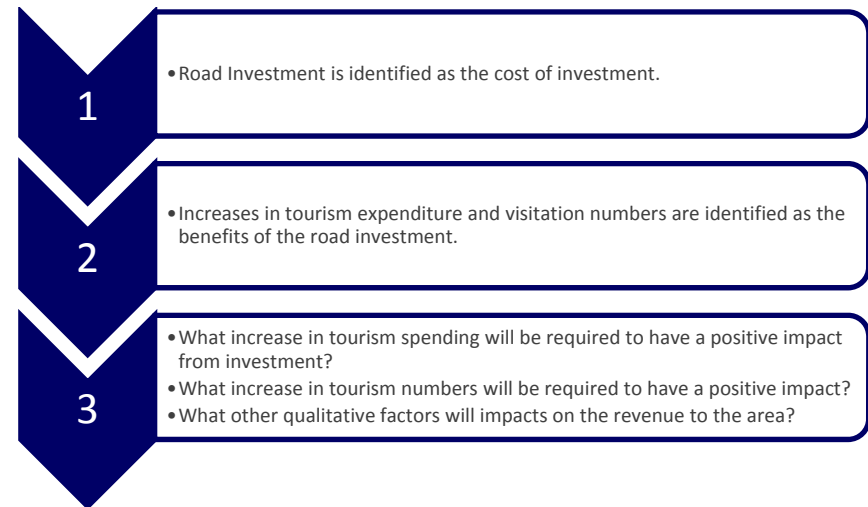
The Benefit of Road Investment to Assist Tourism<sup>27</sup> recommends a model for assessing the economic benefit of road investment on tourism in Australia that has been employed to assess the route options for the Grampians Way.

The model analyses road development options by assessing the reasonability of the required increase in visitor expenditure against the estimated cost of the road development. Increases in total visitor expenditure are based on the projected increases in the number of visitors to the region as a result of the road. Figure 21 summarizes the methodology of the Austroads model.

The cost-benefit assessment is based on a 15 year Net Present Value calculation.

<sup>27</sup> Austroads, 2003

FIGURE 21 AUSTROAD METHODOLOGY



Source: p. 32 Benefits of Road Investment to Assist Tourism (Austroads, 2003)

##### COST ESTIMATES

Costs for each option consist of the sealing and the difference in the cost of maintaining a sealed road compared to an unsealed road. Although road width requirements may vary throughout the region, in undertaking a broad area economic analysis, a road width of 5.5m for unsealed roads and 7.2m for sealed roads has been used.

Sealed roads require routine maintenance such as sheeting costs, pothole patching, shoulder maintenance; guardrail and sign maintenance. Maintenance costs of unsealed roads will involve removal and replacement of cross road drainage culverts, regrading of surface, re-sheeting of surface and routine maintenance of table drains, shoulders,

guideposts and sign maintenance. Costs associated with maintaining roadside vegetation are assumed to be the same for both road surface types.

The following table summarizes the numerical details of the costs assumptions. Basic road sealing works will apply to unsealed roads that require basic road upgrades. Capital-intensive road sealing works will apply to unsealed/gravel roads with requirements for substantial road clearance and widening works; Council engineers and Parks Victoria have identified the Mount Zero Road and the Rosebrook-Glenisla Road to require capital intensive road sealing works and therefore are estimated at a higher cost per km.

**TABLE 13** ROAD COSTS ASSUMPTIONS

Costs	\$per km
Average costs to seal road – basic road sealing works	\$300,000
Average costs to seal road – capital-intensive road sealing works	\$440,000
Average annual maintenance costs of sealed road per km	\$7,414
Average annual maintenance costs of unsealed road per km	\$4,860

Source: Consultation with Grampians Region Council Engineers and Unsealed Road Assessment (Tasmanian Treasury, March 2012).

## ADDITIONAL VISITATION REQUIRED

The additional visitation required to justify the investment is calculated using the average expenditure per visitor in the following table.

**TABLE 14** AVERAGE EXPENDITURE PER VISITOR ASSUMPTIONS

	Domestic Overnight Visitor	Domestic Daytrip Visitor	International Overnight Visitor	Weighted Average Expenditure per Visitor
Average expenditure per visitor	\$218.00	\$30.00	\$218.00	<b>\$158.87</b>
Share of Visitor Market	60%	31%	9%	

Source: Grampians Visitor Profile Satisfaction Survey and TRA.

## POTENTIAL INCREASES IN VISITATION

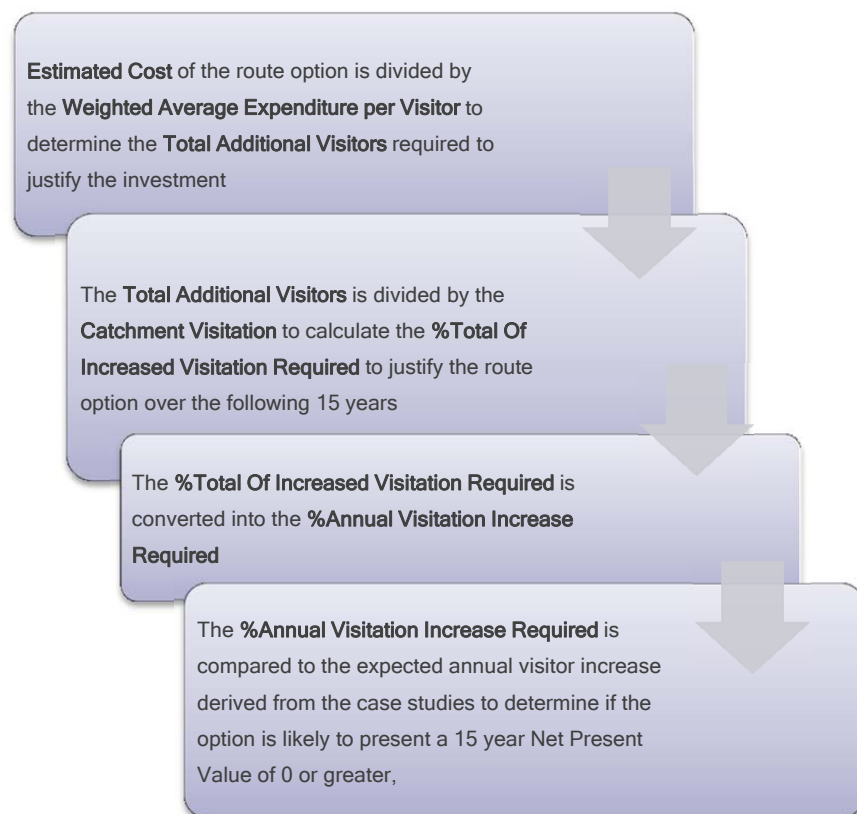
The case studies discussed in Section 4 in the first part of this document provide the basis the assessment of the likelihood of cost neutrality.

The 40% increase in visitation over a 10 year period attributed to the Mansfield - Wangaratta Link is used as the likely increase in visitation from the Grampians Way route options, for the following reasons:

- The Mansfield - Wangaratta Link is accessible all year;
- This road had a larger number of initial users and so provides a better basis to assess visitation increases;
- The case study is based on a long term study of visitor uplift and so will also include the impact of associated tourism development over time, which is an expected outcome of the Grampians Way Ring Road;
- The 40% increase is in the middle of the 20% to 50% range of visitation increases included in the case studies.

Route Options are cost neutral if the annual visitation growth required is 3.8% or less. The smaller the annual growth rate required is for an option, the higher expected return on cost.

FIGURE 22 METHOD SUMMARY



## LIMITATIONS AND CONSTRAINTS

This methodology focuses on identified increases in the number of visitors with fixed visitor expenditure assumptions to analyse the costs of road developments. It is limited by the available case studies available to provide benchmarks for increased visitation.

It should be noted that as the case studies are an assessment of increases in visitation following the development of the touring route, they do include the impact of additional tourism investment facilitated by the new road.

The case studies do not provide any benchmarks for increasing length of stay or expenditure that may be attributed to the development of a tourism road. Therefore, the impact of these increases is not included in the model. By excluding increases in length of stay or increased expenditure the analysis provides a conservative assessment of the increased visitation required to justify road construction and that the recommended route is highly likely to represent a positive return on investment.

### 6.2.2. CATCHMENT VISITATION

#### METHODOLOGY

The method used to model regional dispersal for the estimated Catchment Visitation is based on the number of people away from their usual place of residence recorded in the 2011 Census undertaken by the Australian Bureau of Statistics.

The Place of Enumeration data for SA2s<sup>28</sup> provides the number of people staying away from their usual place of residence on Census night, and forms a basis to allocate the total visitation for the Grampians region. The SA2s that are included within the Grampians Way study region are:

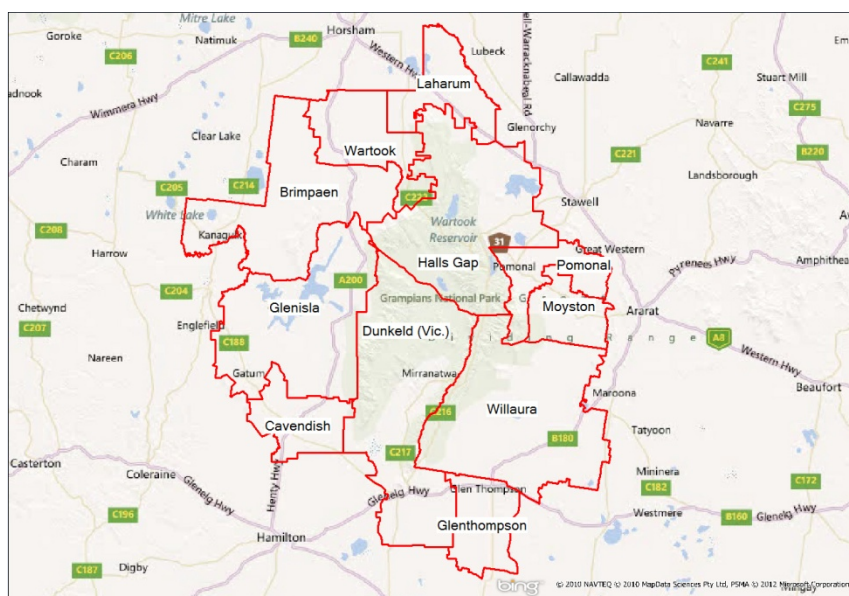
- Pomonal;
- Moyston;
- Willaura;
- Halls Gap;
- Laharum;

<sup>28</sup> SA2: Statistical Area Level 2, ABS geographical region definition.

- Wartook;
- Brimpaen;
- Glenthompson;
- Dunkeld; and
- Glenisla.

The boundaries of these SA2s are shown in Figure 23.

**FIGURE 23** GRAMPIANS SA2 BOUNDARIES



Source: ABS 2011 SA2 boundaries.

The percentage of the total visitation staying in each of these SA2's on Census night is used to allocate the total estimated visitation developed by the Loose Fit/Close Fit method. This provides a model of the regional visitor dispersal that is used for both overnight and day trip visitation.

#### *METHODOLOGY LIMITATIONS*

The following limitations have been identified for this methodology:

- Away from home responses on Tuesday the 9<sup>th</sup> of August 2011<sup>29</sup> may not provide an accurate estimate of the visitor dispersal across the year;
- Due to low sample sizes, the Brimpaen, Wartook and Laharum SA2s are assessed as one region;
- The data will be skewed towards Halls Gap, as that is where most of the accommodation in the region is provided: visitors to other parts of the park will be likely to stay in Halls Gap.
- The assignment of day trips to regions may not correlate to overnight trips, as some areas support high day trip levels and low overnight visitation, such as Mt Zero, Laharum and Wartook. Halls Gap visitation has been included in the assessment of the North West, as anecdotally, this is where most overnight visitors to the sector stay.

<sup>29</sup> 2011 Census night.

## CATCHMENT CALCULATIONS

### DOMESTIC VISITORS

The following table outlines the breakdown of calculations and data assumptions utilised to estimate the number of domestic visitors to the Grampians Region:

- ABS 2011 Place of Enumeration data includes the number of domestic visitors on Census Night, which is used to calculate the proportion of visitors across each of the SA2s..
- These proportions have been applied to the estimated number of total overnight and daytrip visitors to the Grampians Region, as calculated using the Loose Fit/Close Fit methodology, outlined in Section 5.3.1.

**TABLE 15** ESTIMATED DOMESTIC VISITORS, 2010

State Suburb	Domestic Visitors - Census Night	%Domestic Visitors - Census Night	Domestic Overnight Visitors	Visitor Nights	Domestic Daytrip Visitors
Cavendish	10	2%	3,360	11,629	1,775
Dunkeld	120	27%	40,315	139,551	21,303
Glenisla	6	1%	2,016	6,978	1,065
Glenthompson	6	1%	2,016	6,978	1,065
Halls Gap	237	53%	79,621	275,612	42,074
Moyston	9	2%	3,024	10,466	1,598
Pomonal	11	2%	3,696	12,792	1,953
Wartook-Laharum-Brimpaen	23	5%	7,727	26,747	4,083
Willaura	23	5%	7,727	26,747	4,083
<b>Grampians Region</b>	<b>445</b>	<b>100%</b>	<b>149,500</b>	<b>517,500</b>	<b>79,000</b>

Source: ABS, 2011 Census Place of Enumeration, TRA NVS

### INTERNATIONAL VISITORS

ABS 2011 Place of Enumeration data also outlines the number of international visitors on Census Night by State Suburb. The estimated number of international visitors by SA2 in the Grampians Region has been calculated using the same methodology.

**TABLE 16** ESTIMATED INTERNATIONAL VISITORS, 2010

SA2s	Total International Visitors on Census Night	Proportion of International Visitors on Census Night	Estimated Number of International Visitors 2010
Cavendish	6	9%	1,973
Dunkeld	5	7%	1,644
Glenisla	3	4%	986
Glenthompson	0	0%	0
Halls Gap	52	75%	17,099
Moyston	0	0%	0
Pomonal	3	4%	986
Wartook-Laharum-Brimpaen	0	0%	0
Willaura	0	0%	0
<b>Grampians Region</b>	<b>69</b>	<b>100%</b>	<b>22,689</b>

Source: ABS, 2011 Census Place of Enumeration, TRA IVS.

### CATCHMENT ALLOCATIONS

Each sector has been allocated SA2s to form the catchment for their route options.

The South East sector has been assigned varying catchment areas by route options, as Willaura is unlikely to benefit from the development of Option 2 as the route bypasses the town. Similarly, Glenthompson is unlikely to benefit from the development of Option 3 as it is bypassed by this route.



**TABLE 17 CATCHMENT ALLOCATIONS**

SA2	Visitors	North West	South West	South East Option			North East
				1	2	3	
Cavendish	7,108		√				
Dunkeld	63,262		√	√	√	√	
Glenisla	4,067		√				
Glenthompson	3,081			√	√		
Halls Gap	138,794	√					√
Moyston	4,621			√	√	√	
Pomonal	6,635			√	√	√	√
Wartook-Laharum-Brimpaen	11,810	√					√
Willaura	11,810			√			
<b>Catchment Total</b>	<b>251,189</b>	<b>150,604</b>	<b>74,437</b>	<b>89,409</b>	<b>77,599</b>	<b>74,518</b>	<b>157,239</b>

As Halls Gap provides accommodation for visitors to the North East and North West and there is limited accommodation supply in these areas Halls Gap is included in the catchment allocation for each sector. This also aligns with the expectation that more Halls Gap visitors will travel through the North East and North West following the implementation of the Ring Road.

### 6.2.3. BENCHMARK ANALYSIS

#### 2006 AND 2011 CENSUS NON-RESIDENT COMPARISON

The non-residents included in the 2006 and 2011 censuses for the Grampians is relatively consistent, as shown in Table 18, indicating that this data is relatively reliable. The most pronounced variations are in Dunkeld, Pomonal and the Brimpaen-Laharum-Wartook region.

The ABS has undertaken changes to the statistical areas, including amalgamation and realignment of boundaries. Table 18 uses the most appropriate alignment between 2006 and 2011 statistical areas.

**TABLE 18 NON-RESIDENTS BY SA2, 2006 AND 2011**

2011		2006	
SA2	Proportion of Visitors	Proportion of Visitors	SA2
Pomonal	2%	7%	Pomonal
Moyston	2%	4%	Moyston
Willaura	5%	3%	Willaura
Halls Gap	53%	52%	Halls Gap, Bellfield, Fyans Creek
Brimpaen-Laharum-Wartook	5%	2%	Brimpaen-Laharum
Glenthompson	1%	4%	Glenthompson
Dunkeld	27%	23%	Dunkeld, Victoria Valley, Victoria Point
Cavendish, Glenisla	4%	5%	Cavendish

Source: ABS, Place of Enumeration, 2006 and 2011 Censuses.

The most significant changes in the dispersal of visitors are:

- The data reflects the growth of Dunkeld, as shown in the increase in overnight visitation over the time period identified in the Tourism Research Australia data in Part 1 of this report.
- Proportion of visitors to Pomonal and Moyston State Suburbs decreased from 11% in 2006 to 4% in 2011. The data may reflect significant changes to boundaries, as the State Suburbs had previously included Cathcart and part of Ararat.

The main differences in the proportion of visitors to the SA2s between censuses effectively cancel each other out when collated into the four sectors used in this scoping study, as shown in Table 19. The proportion of visitation to each catchment has changed by less than 5% for each sector.

**TABLE 19 CATCHMENT COMPARISON, 2006 TO 2011**

Sector	2011	2006
North West	58%	54%
South West	31%	28%
South East	37%	41%
North East	53%	52%

Source: ABS, Place of Enumeration, 2006 and 2011 Censuses, refer to previous table

2011 is used in the analysis undertaken for this report, as it is more recent and the realigned SA2s provide a more accurate reflection of the study area.

#### GRAMPIANS NATIONAL PARK VISITOR MONITORING PROJECT

The Grampians National Park Visitor Monitoring Project 2008-09 counted entries into key car parks estimate visitor numbers. The results of this project provide an estimate of between 151,000 to 180,000 visitors to Halls Gap, comparable to the 140,000 calculated through Place of Enumeration. The Place of Enumeration methodology estimates for Glenisla and Dunkeld State Suburb aligns closely with the benchmark visitation levels.

However, the data outlines the estimated visitation to Wartook-Laharum-Brimpaen is lower than the Visitor Monitoring Project estimate of between 12,000 and 32,000 visitors to Hollow Mountain and Mt Zero. The small amount of accommodation in Wartook-Laharum-Brimpaen means that the Place of Enumeration method is likely to result in a result lower than actual visitation. As discussed previously, Halls Gap visitation has been included in the analysis of the North West to account for this.

For Dunkeld the results of a survey undertaken that estimates 19% of visitors enter the VIC, which has then been applied to VIC visitor statistics to provide a comparison for the Place of Enumeration method for Dunkeld.

**TABLE 20 DISPERSAL BENCHMARKING**

Reports	2010	Townships/Attractions
<b>Halls Gap</b>		
Grampians National Park Visitor Monitoring Project 2008-09	150,433	Brambuk - National Park and Cultural Centre
	179,265	Mackenzie Falls
Place of Enumeration	138,794	Zumstein, Boroka Lookout, Halls Gap, Brambuk
<b>Glenisla</b>		
Grampians National Park Visitor Monitoring Project 2008-09	4,232	Buandik, Billywing Road
Place of Enumeration	4,067	Glenisla, Billywing, Buandik
<b>Brimpaen-Laharum-Wartook</b>		
Grampians National Park Visitor Monitoring Project 2008-09	12,187	Mt Zero
	32,727	Hollow Mountain
Place of Enumeration	11,810	Laharum, Mt Zero
<b>Dunkeld</b>		
Dunkeld VIC*	71,390	Dunkeld
Place of Enumeration	63,262	Dunkeld, Mirranatwa, Karabeal

Sources: Grampians National Park Visitor Monitoring Project 2008-09 and Ballarat Visitor Information Centre Feasibility Study 2010. \* Estimated visitation to Dunkeld utilising Dunkeld VIC statistics assumes that over 19% of visitors to the region visit the VIC; ratios are sourced from the Victorian surveys undertaken for the Ballarat VIC Feasibility Study, 2010.

#### 6.2.4. RETURN ON PROJECT COST

The following table outlines the financial assessment by the likelihood of a route option achieving cost neutrality. The following route options are considered to be financially viable:

- **North West.** Option 1 and 2 are likely to achieve a return on cost. Option 3 will require 7.3% annual increase in visitation for 15 years to recover the cost of road development, which is significantly greater than the case study benchmark.
- **South West:** All Options are highly likely to achieve a return on cost.

- **South East.** Option 1 and 2 are likely to achieve a return on cost. Option 3 will require a 9.2% annual increase in visitation for 15 years and hence is unlikely to achieve cost neutrality.
- **North East.** Option 1 and 2 are highly likely to achieve a return on cost. Option 4, which is for a 4m width sealed road to reduce costs, is marginally likely to achieve a return on costs .Option 3 requires a 6.3% annual increase in visitation for 15 years to recover the cost of road development and therefore is unlikely to achieve cost neutrality.

**TABLE 21** FINANCIAL ASSESSMENT OF ROUTE OPTIONS: 15 YR NET PRESENT VALUE

Region	Option	Visitor Catchment	Unsealed Road (kms)	Estimated Cost	Total Additional Visitors	%Total Of Increased Visitation Required	%Annual Visitation Increase Required	Likelihood of Cost Neutrality (3.8% benchmark)
North West	Option 1: Northern Grampians Rd	150,604	0	\$0 mil	0	0%	0.0%	Highly Likely
	Option 2: Winfields Rd		12.6	\$4.1 mil	29,294	19%	1.3%	Likely
	Option 3: Glenisla Crossing Rd		39	\$23 mil	165,903	110%	7.3%	Unlikely
South West	Option 1: Dunkeld Cavendish Rd	74,437	0	\$0.0	0	0%	0.0%	Highly Likely
	Option 2: Mokanger Rd		0	\$0.0	0	0%	0.0%	Highly Likely
	Option 3: McCutcheons Rd		5	\$1.6 mil	11,392	15%	1.0%	Likely
South East	Option 1: Moyston Willaura Rd	89,409	0	\$0 mil	0	0%	0.0%	Highly Likely
	Option 2: Toora Rd	77,599	12	\$4 mil	28,000	36%	2.4%	Likely
	Option 3: Dunkeld Moyston Rd	74,518	44	\$14.2 mil	103,000	138%	9.2%	Unlikely
North East	Option 1: Mt. Drummond Rd	157,239	0	\$0 mil	0	0%	0.0%	Highly Likely
	Option 2: Stawell Ledcourt Rd		9	\$3 mil	21,000	13%	0.9%	Highly Likely
	Option 3: Mount Zero Rd		34	\$21 mil	149,200	95%	6.3%	Unlikely
	Option 4: Mount Zero - Roses Gap Road <sup>30</sup>		21	\$10.7 mil	77,275	41%	3.3%	Marginal

<sup>30</sup> Option 4 is included as a cost effective means of including a section of Mt Zero Rd as an option. This 21kms of road to be sealed between Halls Gap and Roses Gap Road for this option is at a width of 4m, reducing the estimated cost of sealing and reducing the ongoing road maintenance costs.

## 6.3. GRAMPIANS WAY OBJECTIVES

### 6.3.1. INTRODUCTION

Section 2 of Part 1 provides a discussion of the objectives for the Grampians Way, which are to:

- Provide mitigation for the in-park road closures caused by extreme weather events and natural disasters;
- Promote increased dispersal of visitors in and around the Grampians;
- Facilitate new tourism development in the Grampians Region; and,
- Be a tourism product in its own right.

Table 23, on the following page, includes the assessment of each of the route options against these objectives and the likelihood of the option providing a return on project costs.

#### NORTH WEST REGION

Option 2: Winfields Rd is the recommended route for the Grampians Way based on the assessment against the objectives. The sealing of Winfields Rd will support further development of the existing businesses along this route, including three olive groves and two native flower farms. The sealing of Winfields Rd and Flat Rock Rd is estimated to cost \$4.1m and is expected to be at least cost neutral over a 15 year period.

Horsham Rural City Council have recognised the need to seal Winfields Rd and are intended to progressively seal the section included in this option. Flat Rock Rd is with the National Park and is therefore managed by Parks Victoria.

Option 1, which does not require any road upgrades, does not support further growth of the businesses located on Winfields Rd and therefore does not meet the Grampians Way Objectives. Option 3 is the only route that travels through Wartook rather than passing its western edge. It also provides a tourist experience on the Glenisla Crossing and Asses Ears Rds, but the financial assessment indicates that it is highly unlikely to be cost neutral.

#### SOUTH WEST REGION

Option 2: Victoria Valley Rd is the preferred option as it meets the objectives of developing a road around the National Park. Also, it does not require any road upgrades and therefore additional visitation to be cost neutral. This option provides development facilitation in the Victoria Valley region and provides a better tourism experience than Option 1.

Option 3 is the only option that requires upgrading of unsealed roads and bypasses Cavendish which diminishes its capacity to facilitate tourism development.

#### SOUTH EAST REGION

Option 1, which includes Glenthompson and Willaura, is the recommended route for the Grampians Way. The Ararat Rural City Council has improved much of the Willaura to Moyston section of this route in recent times; therefore it provides an existing high quality road. This option is also the only one that may lead to the development of tourism businesses in Willaura, as the other options bypass the town. There were some concerns that Option 1 route is too far from the Park in the section around Willaura, but there are some scenic viewing opportunities in this area.

Option 2 may be considered in the longer term as it provides a route aligned with the proposed Grampians Peaks Trail and may service additional development in the Mafeking area. Although, it is important to note that as there is currently sealed road access to the intersection of Mafeking Rd and Muirhead Rd, therefore Option 2 does not provide significantly improved access to Mafeking from Halls Gap, as shown in Table 22.

TABLE 22 HALLS GAP – MAFEKING DISTANCES

Option	Roads	Distance
Option 1 - Current Situation	Grampians Rd Yarram Gap Rd Muirhead Rd	55km
Option 2 - Sealing part of the Dunkeld Moyston Rd	Grampians Rd Ararat - Halls Gap Rd Dunkeld Moyston Rd	53km

Source: Google Earth; Halls Gap to Mafeking/Muirhead Rd Intersection

Mafeking's potential to attract investment, particularly in support of the Grampians Peaks Trail, would be enhanced through implementing Option 2 for the South East, but as the trail has been planned in detail or funded at this point in time, it is prudent to recommend Option 1 in the short term.

Option 3, which requires the sealing of 44kms of road, provides limited additional benefit over Option 2 at substantially greater cost.

#### NORTH EAST REGION

Option 1: Mt Drummond Rd is the recommended route, as it meets the project objectives and is highly likely to be cost neutral. The inclusion of Ledcourt, Mt Dryden Lake Lonsdale and Dadswells Bridge on this route provides opportunities for tourism development due to the views on offer in this region.

Option 2 is similar to Option 1, except that it connects Greenhole Rd to the Western Hwy via Ledcourt Rd rather than Mt Drummond Rd. There is a quarry on Mt Drummond Rd that may conflict with its use as a tourist route. Option 2 requires the sealing of Ledcourt Rd at an estimated cost of \$3mil: this should be considered if quarry trucks and tourists using Mt Drummond Rd is problematic.

There is long term community support for the sealing of Mt Zero Rd, which is Option 3. This would create a touring route experience similar to the Grampians Tourist Road from Dunkeld to Halls Gap and improved access to the northern and north western areas of the park. Although this Option does provide an in Park driving experience and provides improved access to Heatherlie Quarry and The Pines, there are significant reasons why it is not the preferred option:

- It is estimated to cost \$21m to seal Mt Zero Rd, which requires an additional 6.3% of visitors per annum over a 15 year period to make it cost neutral: this is unlikely based on outcomes of similar road developments.

- The additional cost of sealing Mt Zero Rd provides a route that is only 12 or 13kms shorter than the other options: most visitors to the region have already driven over 300kms from Melbourne to reach the Grampians.
- As Mt Zero Rd travels through the National Park it is likely to be subject to closures as regularly as Mt Victory Rd and the Grampians Tourist Rd: it does not offer mitigation for extreme weather events and natural disasters;
- As Mt. Victory Rd provides access to the most popular Grampians visitor destination, Mackenzie Falls, it is likely that it will remain the preferred route for visitors to travel between Halls Gap and the Wartook Valley. Whichever route is implemented for the North East it will be a secondary tourism route, except for access to the Mt Zero and Laharum area; and,
- Although the Victorian Government is introducing legislation to facilitate development on public lands, the opportunities for tourism investment in the areas adjacent to the park in the north east provide a more substantial opportunity.
- Mt Zero Rd is managed by Parks Victoria and therefore any upgrading of this road would be required to go through their consultation and funding processes. Parks Victoria have indicated that their current funding priority in the region is the Grampians Peaks Trail, which also suggests that even if the sealing Mt Zero Rd was included in the recommended route for the Grampians Way it may be some time before it would be implemented.

Option 4 provides a reduced cost version of Option 3, it does not seal the entire 34kms of Mt Zero Rd, and the estimated cost of sealing the road is based on a 4m seal rather than a 7.2m wide seal. This approximately halves the estimated cost of the upgrade and ongoing maintenance of the road. This results in an option that is marginal as to whether it will provide a return on costs, and therefore should be considered for implementation in the future. Also, the provision of both Options 2 and 4 would provide mitigation against road closures, as there is a likelihood that one would remain open at most times.

TABLE 23 OBJECTIVES ASSESSMENT

Region	Option	Return on Costs	Road Closure Mitigation	Visitor Dispersal	Development Facilitation	Tourism Product	Summary
North West	Option 1: Northern Grampians Rd	Likely	Outside of the National Park, low likelihood of closure.	Visitation likely to increase to the area, but tourism nodes in Wartook and Laharum are bypassed.	May support development in Wartook, including Accommodation and Grampians Wildlife Viewing Corridor. However, the route does not provide sufficient accessibility to the Laharum Olive Grove cluster.	Limited tourism appeal as it does not provide views or points of interest. The road has narrow shoulders and as a main road in the region, would not provide a safe cycling experience.	Does not facilitate investment and has limited appeal as a tourism product
	Option 2: Winfields Rd	Likely	On the Park boundary, therefore may be effected by extreme weather and/or bushfires	Visitation likely to increase to Wartook, Laharum and Brimpaen, although the route does not travel through Wartook.	Is likely to support further development of the existing tourism product in Laharum. Links to Mt Victory may facilitate investment in Wartook.	Winfield Rd offers views of olive groves with the backdrop of the Grampians and also forms part of the park boundary in this area.	<b>RECOMMENDED</b> Fulfil the Grampian Way objectives and is likely to attain cost neutrality.
	Option 3: Glenisla Crossing Rd	Unlikely	Is within the park and includes creek and river crossings and so may be closed during extreme weather events and/or bushfires.	Visitation likely to increase to Wartook, Laharum and Brimpaen	Is likely to support development in Laharum and Wartook.	Glenisla Crossing Rd and Asses Ears Rd provide a unique drive with views across to the west and north.	Provides the best outcomes and all objectives except Road Closure Mitigation, but is highly unlikely to achieve cost neutrality.
South West	Option 1: Dunkeld-Cavendish Rd	Likely	Outside of the National Park, low likelihood of closure.	Visitation likely to increase in Cavendish and Glenisla.	Likely to support businesses and investment in Cavendish.	Offers visitors viewing points of Mt Sturgeon and Victoria Range.	Includes Cavendish and uses all sealed roads.
	Option 2: Mokanger Rd	Likely	Includes some culverts and creek crossings so may be somewhat susceptible to closure.	Visitation likely to increase in Cavendish, the Victoria Valley and Glenisla.	Likely to support businesses and investment in Cavendish and the Victoria Valley	Includes wetlands and a closer view of the Grampians from Mirranatwa.	<b>RECOMMENDED</b> Provides a better tourism experience than Option 1 without requiring road upgrades.
	Option 3: McCutcheons Rd	Likely	Includes some culverts, creek crossings and densely wooded areas so may be somewhat susceptible to closure.	Bypasses Cavendish.	As the road bypasses Cavendish, the option is unlikely to support visitation increases to the township.	Includes wetlands, a closer view of the Grampians from Mirranatwa plus a section of the park known for its kangaroos.	Costs more than the other options and bypasses Cavendish.

Region	Option	Return on Costs	Road Closure Mitigation	Visitor Dispersal	Development Facilitation	Tourism Product	Summary
South East	Option 1: Moyston Willaura Rd	Likely	Outside of the National Park, low likelihood of closure.	Road encourages visitation to Moyston, Glenthompson and Willaura.	The road will support tourism development across all townships in the South East region.	May be too far from the Grampians to provide a tourism experience, although there are some longer range viewing opportunities that provide a different experience than other sections of the route.	<b>RECOMMENDED</b> This option meets all objectives and does not require any road upgrades.
	Option 2: Toora Rd	Likely	Outside of the National Park, low likelihood of closure.	This option includes Moyston, Glenthompson and Mafeking.	The road will support tourism development opportunities limited to Glenthompson, Moyston and Pomonal, and the development of the Grampians Peaks Trail.	This option offers views of the Mount William Ranges.	<b>FUTURE CONSIDERATION</b> Option 2 should be considered in the future as it provides a better tourism experience and support for the Grampians Peaks Trail.
	Option 3: Dunkeld Moyston Rd	Unlikely	Outside of the National Park, low likelihood of closure.	Road is likely to support stop over visitation in Moyston, but bypasses Willaura and Glenthompson.	The road will support tourism development opportunities limited to Moyston and Pomonal, and the development of the Grampians Peaks Trail.	Route option offers views of the Mount William Ranges and closely follows the park boundary for much of the distance between Moyston and the Yarram Gap Road.	Option 3 is too expensive to be justified and does not offer a substantially different experience or investment facilitation than Option 2.
North East	Option 1: Mt. Drummond Rd	Likely	Outside of the National Park, but includes the Lake Lonsdale spillway so may be susceptible to flooding.	Will link to the North West to create touring loops to the North from Halls Gap. May encourage visitors to Lake Lonsdale, Ledcourt and Dadswells Bridge.	This Option may support development along Fyans Creek Rd, Mt Dryden and Ledcourt.	Provides excellent viewing opportunities of the north eastern part of the ranges, but there may be conflict between the trucks from the quarry on Mt. Drummond Rd and tourism use. The use of the Western Highway may discourage tourism use.	<b>RECOMMENDED</b> Option 1 meets the objectives and is highly likely to be cost neutral. Road use conflicts on Mt Drummond Rd and the safety of the Western Highway entries need to be monitored.
	Option 2: Stawell Ledcourt Rd	Likely	Outside of the National Park, but includes the Lake Lonsdale spillway so may be susceptible to flooding.	As per Option 1.	This Option may support development along Fyans Creek Rd, Mt Dryden and Ledcourt.	Similar to Option 1, except the quarry in Mt Drummond Rd is avoided on this route. This option also connects to the start of Roses Gap Rd, providing tourists the opportunity to avoid the Western Highway.	Option 2 provides a similar outcome to Option 1 at greater expense. It should be considered if the issues with road use identified with Option 1 are impacting on tourist use of the Grampians Way.



Region	Option	Return on Costs	Road Closure Mitigation	Visitor Dispersal	Development Facilitation	Tourism Product	Summary
	Option 3: Mount Zero Rd	Unlikely	Mt Zero Road is within the Park, therefore cannot be expected to provide mitigation for the closure of the Northern Grampians Rd connecting the Wartook area to Halls Gap.	Option 3 will increase visitation to Mount Zero and Laharum, plus provide improved access to Heatherlie Quarry and the Pines campsite.	Although this option bypasses Lake Lonsdale, Ledcourt and Dadswells Bridge, there may be in Park development opportunities under recent State Government policy announcements. The Pines plantation area may be considered for development following the end of the forestry lease.	Mt. Zero Rd offers an in-Park driving experience similar to the Grampians Tourist Rd and Mt Victory Rd, although it is not as scenic and does not provide access to popular Grampians locations as these other roads do.	Option 3 provides an in-Park experience, links to visitor sites and some development opportunities under forthcoming legislation, but the financial analysis indicates that it is highly unlikely to achieve cost neutrality and does not provide road closure mitigation.
	Option 4: Mount Zero - Roses Gap Rd	Marginal	Mt Zero Road is within the Park, therefore cannot be expected to provide mitigation for the closure of the Northern Grampians Rd connecting the Wartook area to Halls Gap.	Option 4 will increase visitation to Mount Zero and Laharum, plus provide improved access to Dadswells Bridge, Heatherlie Quarry and the Pines campsite.	Although this option bypasses Lake Lonsdale and Ledcourt, there may be in Park development opportunities under recent State Government policy announcements. The Pines plantation area may be considered for development following the end of the forestry lease.	This option provides an in park experience as per Option 3, but the reduced road width of 4m indicates that it may not appeal to cyclists, caravans and coaches.	<b>FUTURE CONSIDERATION</b> Option 4 provides for some sealing of Mt Zero Rd and based on current visitation provides a marginal return on costs. As future developments in the northern part of the Grampians may increase demand for this section of the road, this option should be reconsidered in the future

# PART 3: IMPLEMENTATION



# 1. GRAMPIANS WAY ROUTE

## 1.1. RECOMMENDED ROUTE

The financial analysis and the assessment of options against the project objectives undertaken in the previous part of the document resulted in the recommended route for the Grampians Way shown in Figure 24. The following table outlines the estimated costs of developing the Grampians Way Ring Road.

TABLE 24 SUMMARY OF RECOMMENDED ROUTE

Sector	Option	Cost Estimate	Work Required
North West	Option 2: Winfields Rd	\$4.1m	1. Seal Winfields Rd north of Plantation Road 2. Seal Flat Rock Rd to provide access to Hollow Mountain and Mount Zero
South West	Option 2: Victoria Valley Rd	\$0	-
South East	Option 1: Moyston-Willaura Rd	\$0	-
North East	Option 1: Mt Drummond Rd	\$0	-
Total		\$4.1m	
Supporting Infrastructure		\$2.2m	Establishment of picnic sites, lookout areas, signage, and intersection upgrades specified in Section 1.5.
Total Cost		\$6.3m	

FIGURE 24 RECOMMENDED ROUTE



This recommended route provides a value for money option for the Grampians Ring Road, as it meets the project's objectives of increasing visitor dispersal, facilitating investment, providing road closure mitigation and being a tourism product in itself while requiring minimal funding for a project of this scope for its implementation.

In addition, there are several advantages in opting for a low cost recommendation for the Ring Road:

- Lower funding requirements mean that it has a better chance of being funded
- Lower funding also means that it is more likely to be funded and implemented in the short term;
- Obtaining significant funding for the Grampians Way may reduce the availability of funding to implement the Grampians Peaks Trail in the future. The Grampians Peaks Trail will be a signature experience in the region and provide greater tourism growth than the Ring Road; and,
- By providing a loop around the park on roads that are predominantly already sealed, it will not substantially increase the four Council's road maintenance costs.

## 1.2. GRAMPIANS TOURING NETWORK

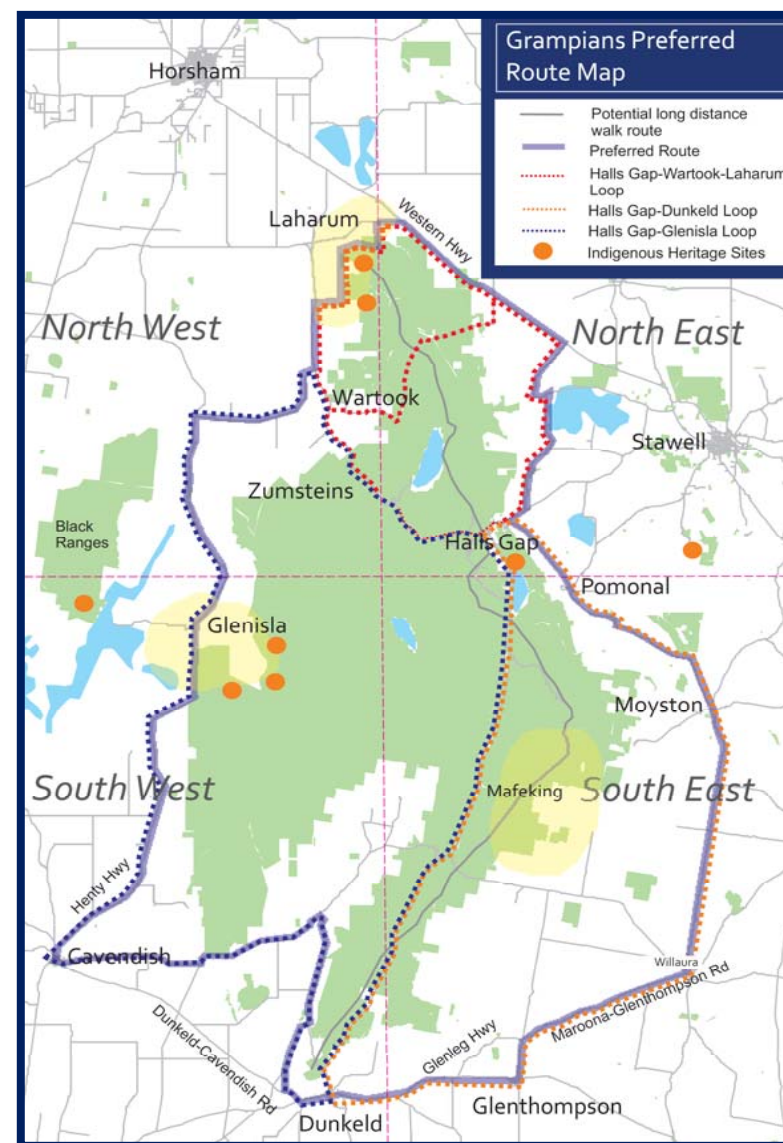
An important outcome of the Grampians Way is that it will link to the existing road network through the park to create touring loop opportunities, as depicted in Figure 25. VicRoads traffic data indicate that there is a significant amount of traffic between Halls Gap and Mackenzie Falls on the Mt Victory Rd and also on the Grampians Tourist Rd between Halls Gap and Dunkeld. Through linking these existing high use roads to other destinations via the Grampians Way, visitor dispersal and the further development of tourism nodes can be facilitated.

As discussed in Section 4 of Part 1, research also indicates that over half of road tourists would prefer a loop trip, indicating that the creation of these touring loops in and around the National Park is an important factor in encouraging visitor dispersal.

### HALLS GAP-WARTOOK-LAHARUM LOOP

The Grampians Way will create a touring loop that will encourage visitors to Mackenzie Falls to journey onwards through Wartook, Laharum and the Ledcourt area. This presents a major opportunity for visitor growth and investment in the northern half of the

FIGURE 25 TOURING LOOP OPPORTUNITIES



study area due to the number of people travelling to Mackenzie Falls from Halls Gap. VicRoads estimate that there are 360 cars per day travelling between Mackenzie Falls and Halls Gap, but only 170 between Mackenzie Falls and Wartook<sup>31</sup>. The connection of this Loop with Roses Gap Rd also provides further options for visitors to tour through and around the region.

#### HALLS GAP-DUNKELD LOOP

It is likely that the majority of visitors between Dunkeld and Halls Gap will continue to predominantly use the Grampians Tourist Road for part of their journey. However, the Halls Gap - Dunkeld Loop option will provide an opportunity to have a different experience, with views that highlight the dramatic rise of the Grampians from the surrounding plains. The loop also provides mitigation for future closure of the Grampians Tourist Road. By encouraging visitors to travel through Pomonal, Moyston, Willaura and Glenthompson tourism development and investment may be facilitated in these towns.

#### HALLS GAP-GLENISLA LOOP

The Halls Gap - Genisla Loop, which also includes Cavendish and Dunkeld, is the least likely of these additional touring opportunities to provide immediate visitor increases, as there is limited product between Wartook and Cavendish. The proposed development at Billiwing to promote the significant Indigenous shelters in the area would provide an important impetus for visitors to travel to this area of the park. These sites at Billiwing, plus those in the Black Range and around Mt Zero may also form the basis of an Indigenous heritage touring loop around the north west of the park.

### 1.3. STATE AND REGIONAL TOURING NETWORKS

In addition to the touring loops created within the National Park, the Grampians Way links to existing touring routes and main entry points to the region.

The Grampians Way intersects with the Western Highway at its northern limit and the Glenelg Highway at the southern end of its recommended Grampians Way alignment. These two roads are the main points of entry to the region from Melbourne and Adelaide, which is important in as the State Government Tourist Signage Guidelines indicate that it

is desirable for touring routes to provide “effective linking of the drive to the major traffic corridor”<sup>32</sup>. Appropriate signage on the Western Highway would also encourage travellers to include the Laharum region and olive groves on their journey.

The Great Southern Touring Route provides three to six day itineraries through western Victoria, taking in the Grampians as well as the Great Ocean Road and the goldfields history at Ballarat. The Great Southern Touring Route intersects with the Grampians Way at Dunkeld and Halls Gap. The Grampians Way may encourage the Great Southern Touring Route tourists to explore more of the region.

Dunkeld is approximately 200kms from the eastern end of the Limestone Coast and the Coonawarra wine region, indicating that there may be opportunities to promote the Grampians touring opportunities in conjunction with this part of South Australia. This may result in a similar self-drive experience to the Great Southern Touring Route, except that it commences in Adelaide rather than Melbourne. The goldfields and Pyrenees wine region to the north east of the Grampians also present opportunities for extended touring.

### 1.4. ROAD CLOSURE MITIGATION

*The Critical Decade*<sup>33</sup> predicts that the Grampians region is expected to see drier conditions over the next two decades, which may contribute to increased bushfire risks.

The report also expects to see an increasing frequency of extreme weather event, including heavy rainfall and flooding, influenced by strong La Nina condition and record warm ocean temperatures. The experience of Grampians has shown that there is potential for widespread damage to residential and rural property.

This expectation of an increasing frequency of natural disasters provides further justification for the Grampians Way, particularly options that do not travel inside the park. Severe declines in visitation and tourism expenditure from the 2011 floods and 2006 bushfires has shown that unless alternate routes around the park are established, the local tourism industry operates under the risk of regular periods of low visitation and visitor expenditure.

<sup>31</sup> VicRoads: Traffic Volume Data for Victoria July 2012. Average Annual Daily Travel.

<sup>32</sup> Tourism Victoria and VicRoads: Tourist Signage Guidelines, 2009.

<sup>33</sup> Climate Commission, 2012

## 1.5. INFRASTRUCTURE REQUIREMENTS

In addition to the road upgrade requirements, additional infrastructure to support visitors on the Grampians Way will be required.

An issue identified in the touring route case studies is the potential for 'long stretches of road with little interest' to detract the self-drive tourism experience<sup>34</sup>. The research provides a number of strategies to mitigate against risks of long and uninteresting drives, including:

- Establishment of stopping places with viewing points, signed walks and information regarding the heritage and historic setting of the location. It will be important to provide sufficient space for caravan parks to access these points of interests.
- Establishment of touring route away from 'dry scenery' areas and farmlands and closer towards the natural landscapes of the Grampians.
- Placement of rest stops and public toilets.
- Frequent placement of road signage, indicating location and distances towards destinations.

Based on this research, sections of the proposed Grampians Way Ring Road would require infrastructure development to enhance the visitor experience. This includes the stretches of road between Cavendish and Cherrypool and Moyston and Willaura as well as intersection upgrades and signage.

### CAVENDISH-CHERRYPOOL

Although there are views of Victoria Range and Red Rock from this section of the Henty Highway they are often obscured by farm hedges and trees, especially north of Mooralla. Also, following the closure of the public toilets at the Glenelg River crossing at Cherrypool, there are no public toilets between Cavendish and Horsham, a distance of over 100 km.

At least one rest stop between Cavendish and Wartook, with public toilets and possibly history boards regarding the settlers and indigenous historical heritage, may support visitation along the route. Additionally, viewing points for Victoria Range and Red Rock

and the development of the proposed Wartook Wildlife Viewing Area may support the driving experience. Additional intersection upgrades may be required at the intersection of Henty Hwy and Brimpaen-Laharum Rd to support loop travel patterns.

### MOYSTON-WILLAURA

As there is concern that the Moyston - Willaura Rd is too far from the Grampians to provide an experience of the park, it is important to provide a scenic lookout at appropriate locations on the stretch of road.

### INTERSECTION UPGRADES

The following intersections may need to be upgraded to provide safe traffic conditions on the route:

- Dadswell Bridge Rd and the Western Hwy near Mt Zero;
- Mt Drummond Rd and Grampians Rd near Dadswells Bridge; and,
- Henty Hwy and Brimpaen Laharum Rd near Brimpaen.

### SIGNAGE

There are 11 towns included on the route, it is assumed that an average of 6 signs will be required in each of the towns for a total of 66 signs. In addition, the estimate includes an allowance for a sign every 5kms on the 280km Grampians Way, to provide reassurance to travellers. This indicates 122 signs will be required, which equates to \$80,520 at an estimated cost of \$660 per sign.

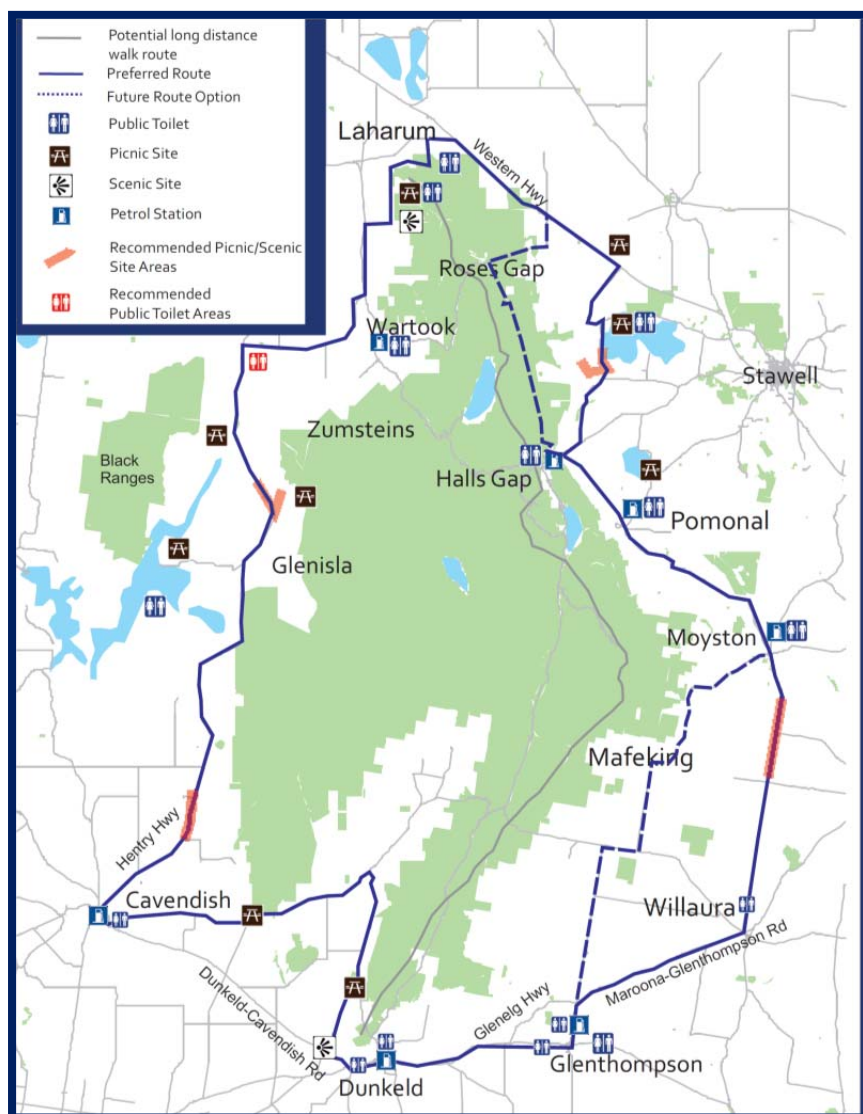
The following figure indicates the location of proposed infrastructure developments to compliment the Grampians Way Ring Road.

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<sup>34</sup> Self Drive Tourism: Travellers to South Australia's Limestone Coast Region, Gary Howat, Graham Brown and Heather March, 2007



FIGURE 26 GRAMPIANS WAY INFRASTRUCTURE



### 1.5.1. ESTIMATED COST OF INFRASTRUCTURE

The following table summarizes the proposed infrastructure requirements for the Grampians Way Ring Road and indicative costs.

TABLE 25 INDICATIVE COSTS OF INFRASTRUCTURE REQUIREMENTS

Location	Infrastructure	Indicative Costs
Cherrypool	Reinstate public toilets	\$50,000 to \$100,000
Red Rock Lookout - Glenisla	Car park, lookout area, signage/information boards, seats	\$95,000 to \$185,000
Victoria Range Lookout - North of Cavendish	Car park, lookout area, signage/information boards, seats	\$95,000 to \$185,000
Mount William Lookout - South of Moyston	Car park, lookout area, signage/information boards, seats	\$95,000 to \$185,000
Tourism Signage across the Grampians Way Ring Road	Assumed 66 tourism signs for 11 townships/major visitor nodes on route.	\$80,520
Dadswell Bridge Rd/Western Hwy, Leducourt Rd/Grampians Rd Henty Hwy/Brimpaen - Laharum Rd Victoria Valley Rd/Victoria Point Rd	Intersection upgrades	\$1,500,000
<b>Total</b>		<b>\$1.8 m to \$2.2m</b>

Source: Urban Enterprise 2012, utilising NSW GCC Road Development Cost Estimates, Rawlinsons Construction Handbook 2012 and Guidelines for Producing Trail Signage SA Tourism Commission.

## 1.6. RETURN ON PROJECT COST

The following table assesses the likelihood of the entire Grampians Way Ring Road achieving a return on cost, based on the method described in Section 6.2.1 of Part 2. This analysis includes both the estimated road upgrade and supporting infrastructure costs.

The analysis has found that the ring road will require an annual increase of 1.7% in visitation over a 15 year period to achieve cost neutrality. This is well within the benchmark increase in visitation and therefore the Grampians Way Ring Road is likely to achieve a return on cost. As such, the route development is recommended.

**TABLE 26** GRAMPIANS WAY FINANCIAL ASSESSMENT

Visitor Catchment	Unsealed Road	Estimated Cost	Total Additional Visitors	%Total Of Increased Visitation Required	%Annual Visitation Increase Required	Return on Project Cost (3.8% benchmark)
251,189	12.6 km	\$6.3 mil	45,311	18%	1.2%	Likely

## 1.7. PRIORITIES AND FURTHER CONSIDERATIONS

The recommended phasing for the implementation of the Grampians Way based on short, medium and long term priorities is based on how the route will service existing businesses and destinations, the need to consider other developments in the region and the likelihood of obtaining funding.

### SHORT TERM

1. Commence implementation of the recommended route through funding submissions and having required works included in Council budgets where possible.
2. Begin sealing or sourcing funding for the sealing of Flat Rock and Winfields Rds in the North West Sector to provide access to the olive groves, Mt Zero and Hollow Mountain.
3. Implement Option 1 for the North East to create touring loops through the northern parts of the Park, as discussed in Section 1.2 of this part of the document, and to facilitate development through this sector.

### MEDIUM TERM

4. Review the impact of the quarry on tourism traffic on Mt Drummond Rd, and determine whether the implementation of Option 2, which involves the sealing of Ledcourt Rd is required.
5. Consider the progress of the Grampians Peaks Trail, and whether the support for development in the Mafeking area indicates that Option 2 in the South East should be implemented.

### LONG TERM

6. Reconsider the development potential, demand and estimated cost of the sealing of Mt Zero Rd to the intersection with Roses Gap Rd



## 2. VISITOR NODE AND PRODUCT DEVELOPMENT

### 2.1. INTRODUCTION

The towns and communities included on the recommended Grampians Way route will benefit from increased visitation and in some cases tourism related investment. This section provides an overview of the creation of new visitor nodes and key investment opportunities that would be facilitated by the Grampians Way implementation and in turn help to promote the use of the touring route by visitors to the region.

### 2.2. WARTOOK AND LAHARUM

Wartook and Laharum currently provide a range of visitor experiences, such as horse and quad bike riding, olive groves, native flowers, rock climbing and Indigenous art sites, but are heavily reliant on Halls Gap to provide visitor accommodation. The major benefit for these communities and tourism businesses would arise from the Halls Gap - Wartook - Laharum Loop, which will encourage people visiting Mackenzie Falls to continue westwards to Wartook and then around the northern boundary of the Park.

This increased visitation should support the continued development of the Olive Groves in the Laharum region and also provide the encouragement for further investment in accommodation in this north west part of the park.

#### OLIVE GROVES, LAHARUM

There are three commercial olive groves on Winfields Rd in Laharum, which offer visitors a food experience nestled on the edge of the park. The proposed sealing of Winfields Rd will provide access to the groves by coaches and for hire cars as well as directing increased traffic past their gates. There are further development proposals currently in train, and opportunities may arise for additional visitor experiences, food and cafes, conference and event centres and accommodation.

#### WARTOOK ACCOMMODATION

The existing tourism product in the Wartook Valley could be supported by increased accommodation provision in the area. The additional visitation generated by the

Grampians Way and the touring loop should raise awareness of the region and attract additional visitor nights.

#### WARTOOK WILDLIFE CORRIDOR

One of the advantages of Wartook is that it is outside of the National Park yet provides a nature based Grampians experience: the horse riding and quad biking businesses are a result of this. The development of a Wildlife Corridor in the Wartook Valley would provide a further attraction for Grampians Visitors and further impetus for visitors to Mackenzie Falls to continue through to Wartook.

### 2.3. CAVENDISH AND GLENISLA

The south west Grampians is the most remote and underdeveloped section of the park, with little tourism product or recognised Park features currently in place to attract visitors. Therefore, if this section of the park and towns such as Cavendish are to grow it is essential to develop an iconic attraction in the region. The development of Billiwing Plantation into a significant Indigenous tourism site may provide the attraction to promote growth of Cavendish and the Glenisla region into more prominent visitor nodes.

#### BILLIWING INDIGENOUS TOURISM DEVELOPMENT

The Billiwing Plantation expires in 2015, with Parks Victoria intending to redevelop the site to promote the three rock art sites nearby. As this site is surrounded by but not included in the National Park it provides a significant opportunity for development.

As Billiwing is located between Halls Gap and Dunkeld via the western section of the recommended Grampians Way route it may attract visitors from both of these key visitor nodes and promote an extended length of stay in the region.

## INDIGENOUS TOURING ROUTE

The north west has a series of significant Indigenous art sites, including Billiwing, the Black Range to the west of Cherrypool and in the area surrounding Mt Zero. The development of Billiwing would provide the centrepiece for this touring route.

## 2.4. GLENTHOMPSON AND WILLAURA

The introduction of an alternative tourist route between Dunkeld and Halls Gap should increase the visitors stopping in Glenthompson and Willaura. There may be opportunities in these towns to develop cafes to service the touring route.

## 2.5. MAFEKING

Although Mafeking is not on the recommended touring route, the Yarram Gap Rd passes through the region and provides a sealed link between Willaura and the Grampians Tourist Rd. Mafeking has an interesting history as the site of the last gold rush in Victoria and may also be a key entry and exit point for the Grampians Peaks Trail.

The proposed Grampians Peaks Trail may provide the increased visitation and expenditure in the region to make Option 2, which takes in Mafeking, the preferred route for Grampians Way.

## GRAMPIANS PEAKS TRAIL ACCOMMODATION, MAFEKING

Mafeking is an ideal location for an eco-lodge development to support walkers on the proposed Grampians Peaks Trail.

## 2.6. LEDCOURT, MOUNT DRYDEN AND DADSWELLS BRIDGE

There has been minimal tourism development in the north east Grampians region. The Grampians Way, in conjunction with Lake Lonsdale, the rail trail to Heatherlie Quarry and the panoramic views from around Mount Dryden present the basis for the introduction of boutique accommodation, cafe and dining offers in this area.

The northern touring loop created as a by product of the Grampians Way includes Halls Gap, Wartook and Laharum as well as these areas in the north east, and could create a substantial increase in visitors travelling through this region.

## ACCOMMODATION, CAFE AND/OR RESTAURANT

There is an opportunity for private tourism investment in the area, particularly in the vicinity of Mount Dryden as it offers views south as far as Mount William through to the northern reaches of the Park. The Significant Landscape Overlay on the mountain is a barrier to the implementation of this opportunity, although sites with similar attributes may be identified if the overlay restricts development.

The Rural Living Zone in place around Dadswells Bridge is less restrictive of tourism development than the Farming Zone which surrounds much of the recommended Grampians Way route. There are also views of the Grampians and opportunities to make use of the State Forests in this area.

## FARMSTAYS AND HOMESTEADS

The views of the Grampians, the easy access from the highway and the nearby Lake Lonsdale may lead to the successful development of boutique accommodation on the farms in the region. This is facilitated by the recent State Government announcements that the provisions of the Farming Zone are to be relaxed to promote tourism investment in agricultural areas.

## 3. BARRIERS TO IMPLEMENTATION

### 3.1. INTRODUCTION

The following section highlights potential barriers to investment for the Grampians Way Ring Road and potential tourism products along the route.

### 3.2. REDUCED FUNDING OPPORTUNITIES

The Victorian Government is experiencing a decline in revenues and at the same time is seeking to maintain budget surpluses. This indicates that there may be limited funding available from the State Government to support this project.

### 3.3. CONFLICTING USES

The use of Mt Drummond Rd, part of the recommended route in the North East, by the trucks servicing the quarry may conflict with the Grampians Way tourism travellers. This may lead to the need to separate the two types of road users and redirect the Grampians Way through Ledcourt Rd with an additional estimated cost of \$3m.

The proposed mineral sands venture in Drung will abut the Dadswells Bridge - Wonwondah Rd near Mount Zero and be visible from sections of the Grampians Way. This may also cause conflict with increased tourism in the area, although a visitor centre is proposed for the site as a point of interest for tourists.

### 3.4. PLANNING SCHEME

Much of the land surrounding the recommended Grampians Way route is in the Farming Zone, which under recently pronounced State Government initiatives will facilitate greater levels of tourism development.

In some areas, planning scheme overlays may prohibit or restrict the type of development possible. The following overlays may pose as a barrier to investment:

#### LAND SUBJECT TO INUNDATION

This overlay predominantly occurs within the Ledcourt and Lake Lonsdale areas. Its purpose is to ensure that development does not restrict temporary water flows, minimises flood damage and is compatible with the flood hazard and local drainage conditions. Developments that occur in areas covered by this overlay may be more expensive due to flood mitigation measures.

#### ENVIRONMENTAL SIGNIFICANCE OVERLAY

The overlay seeks to ensure that development will be compatible with identified environment values. Review of the planning scheme indicates that specific schedules have been applied to environmental significant overlays within the Wartook-Laharum area. Although the Planning Scheme identifies that no permit is required to additions/alterations to existing development, applications will be required for new developments, with measures to retain a level of native vegetation. This overlay will mean additional investment costs related to planning process of approving any development proposals.

#### SIGNIFICANT VEGETATIVE OVERLAY

The overlay seeks to protect areas of significant remnant vegetation through the Grampians municipalities. A permit is required to remove, destroy or lop any native vegetation with demonstration for the restoration measures undertaken on separate sites. The overlay will mean additional investment costs related to vegetation offsets and permit applications. Review of the Planning Schemes indicated these overlays will mainly apply to potential developments within the Mafeking-Yarram Gap area.

#### BUSHFIRE MANAGEMENT OVERLAY

This overlay, an update to the previous Wildfire Management Overlay, will impact on development proposals in close proximity to forested areas. The Planning Scheme outlines the purpose of the Overlay as "to ensure that the location, design and construction of development considers the need to implement bushfire protection

measures and to ensure development does not proceed unless the risk to life and property from bushfire can be reduced to an acceptable level". The overlay will mean additional investment costs related to initial and on-going mitigation measures, potentially affecting the viability of tourism development.

#### SIGNIFICANT LANDSCAPE OVERLAY

The Significant Landscape Overlay is used in areas such as Mount Dryden to protect views to and from the Grampians from development that impacts on the visitor experience. This may limit the scale of development and the development sites that provide high quality views of the National Park.

## 4. IMPLEMENTATION OPTIONS

The majority of the Grampians Way route is on Council managed and maintained roads. The exceptions are the stretches of the Western, Henty and Glenelg Highways managed by VicRoads.

Although it is the intention that funding from State and/or Federal Government would be sought to implement the Grampians Way, financial and in-kind support from Local Government is in many cases a determinant in obtaining funds from these sources. The four Councils covering the Grampians region will need to commit resources to the project to support its implementation.

Of note, Horsham Rural City Council has already indicated their intention to progressively seal Winfields Rd, the only section of the recommended route requiring this level of funding.

In addition to the resources and funding provided by Councils, the following is a summary of potential road funding sources for the Grampians Way Ring Road:

### ROADS TO RECOVERY FUNDING SUPPORT PROGRAM, DEPARTMENT OF INFRASTRUCTURE AND TRANSPORT.

This program will provide \$350m of road funding in 2012-13, including the Strategic Regional Roads Program, which provides funding to upgrade regionally important local roads. Councils and the Grampians tourism board may propose a strategic basis for the sealing and upgrade of the Grampians Way Ring Road as a regionally significant route to Victorian tourism.

### REGIONAL GROWTH FUND, REGIONAL DEVELOPMENT VICTORIA.

The Regional Growth Fund will provide \$1 billion from 2012 to 2020, supporting major strategic infrastructure and community-led local initiatives that improve both the competitiveness and liveability of regional and rural Victoria. In particular, over \$9.7 million of funding will be available for local government infrastructure and asset renewal initiatives, through the Local Government Infrastructure Program.

The RDF may also provide funding through the Better Regional Roads program, with over \$60 million in funding administered by the Department of Transport.

### REGIONAL DEVELOPMENT AUSTRALIA FUND

This Federal government initiative seeks to provide support for infrastructure needs in regional Australia. Over \$1 billion in funding has been allocated to the program for priority identified projects by local communities and municipalities. The third round of funding is expected to be announced in the near future.

### VICROADS

A portion of the Grampians Way Ring Road lies along the Glenelg, Henty and Western Highways, which are managed by VicRoads; therefore there is an opportunity to negotiate funding agreements with Vicroads for the required intersections with these highways. The Northern Grampians Shire Council has recently successfully completed negotiation for the upgrade of the Mount Drummond Rd and Western Hwy intersection, indicating that there is precedence for funding opportunities within the Grampians region.