

EVALUATING TOURISM ROADS FOR
THE PURPOSES OF COMMONWEALTH FUNDING

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ABSTRACT: *This paper describes the economic importance of the tourist industry and the significance of tourism roads to the development of that industry. It traces the developments leading up to the recognition, identification, classification and ranking of tourism roads and their acceptance as a separate road classification for consideration under Commonwealth road funding arrangements.*

The paper concludes with a case study which illustrates the methodology adopted in identifying and ranking roads of national tourism significance.

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INTRODUCTION

The theme of this Forum, "Transport Problems! What Problems?" was obviously chosen by someone with a wry sense of humour.

Transport policy-makers will tell you that the seemingly endless number of problems they have are matched only by the seemingly endless number of proposals they receive suggesting ways of eliminating or reducing the effects of these problems.

The tourism industry has always been a very good source of such proposals, and understandably so. Its transport problems cover all modes in just about every region of Australia. But by far the most common transport problem for the industry is inadequate road access to tourist destinations. The Australian Travel Industry Association (ATIA), in its recently released "National Tourism Strategy" identified among the critical issues on which industry seeks action by the Commonwealth Government "the need for a firm national commitment for completing an all-weather sealed road network to link key tourist destination areas in all States".

The road network serving many regions in Australia which are important tourism destinations is in many cases sub-standard; access to many major tourist attractions is available only by unsealed even hazardous roads.

Like most other transport problems, this problem requires the injection of substantial funds if it is to be resolved. But funds are limited and tourist roads are many, and until recently, largely unidentified. It was against this background that the Department of Industry and Commerce (DIAC), the Federal Department with responsibility for tourism matters, undertook in 1980 a research project to identify roads of tourism significance and to develop a priority list of roads of national tourism importance as a basis for the inclusion of tourism roads in special Commonwealth road funding categories.

Two principal sources now exist for Commonwealth funding to the States/Northern Territory for road development. The first being the traditional means of funding, under the provisions of the Roads Grants Act and; second is the Australian Bicentennial Road Development (ABRD) program announced in the 1982-83 Budget.

The Roads Grants Act 1981 provides financial assistance to the States for all road categories ie National, Arterial and Local roads. Within its National Roads category a Developmental Roads classification exists which includes roads to assist in the development of particular industries or energy resources and in facilitating trade, commerce and travel for tourist purposes. To qualify under this classification, roads would need to have "national benefit" characteristics. Thus for a tourism road to be eligible for funding from this classification, it would need to be one of national tourism significance.

The ABRD program will provide additional funds for all Road Grants Act road categories including tourism roads.

This paper sets out why the Department, other tourism authorities and the industry believe there is an urgent need to resolve the problem of tourism roads development and how steps have been taken to achieve an accelerated program of tourism road development.

BACKGROUND

(a) Economic Significance of Tourism

Tourism has been an important factor in Australia's social and economic development. The Bureau of Industry Economics (BIE) estimated that, in 1973-74 tourism contributed approximately 2.6 per cent to Gross Domestic Product and employed over two per cent of the work force.¹

Subsequent studies indicate that tourism is of greater significance to the economy than previously thought. Domestic tourism is by far the major source of revenue for most tourism operators.² More than four out of every five tourists in Australia are resident Australians. In 1980-81 51 million domestic trips were made by Australian residents over the age of 14 years which represents a growth of 7.1 per cent over the previous year. These 51 million trips resulted in around 205 million nights being spent by travellers away from home, a growth of 3.7 per cent over the previous year.³ The BIE has recently estimated that Australian residents spent about \$5.8 billion on overnight trips and a further \$1.1 billion on day trips in Australia during the 12 month period to September 1982;⁴

1. BIE Economic Significance of Tourism in Australia, Research Report 4, pp 70-71
2. ibid pp 39-41
3. Domestic Travel in Australia, Interim Bulletin, September, 1981 derived from Domestic Tourism Monitor (DTM) conducted on behalf of the Australian Standing Committee on Tourism (ASCOT)
4. BIE, Survey of Expenditure on Domestic Travel; Preliminary Results

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In addition approximately 950,000 short term visitors came to Australia in 1981-82¹ and each spent on average in excess of \$1000 during their stay.² This contributed nearly \$1 billion to the Australian economy.

Tourism is heavily promoted and supported by State and Territory Governments as well as by private operators. State/Territory budgetary allocations for tourism in 1981-82 totalled \$48 million.³

(b) Government Tourism Policy - Role of the Public Sector

Three basic objectives for the development of tourism to and in Australia were agreed by Commonwealth and State Tourism Ministers in 1976. They are:

- To encourage the development of a range and quality of tourism opportunities appropriate to the needs of residents and visitors to Australia
- To develop a viable and efficient tourist industry
- To achieve the above with due regard to the natural and social environment of Australia.

States, Territories and regions are primarily concerned with the promotion of travel to and within their respective boundaries and with policies relating to the development of attractions and facilities. The Commonwealth's activities are directed towards the national and international aspects of tourism.

Governments co-ordinate their policies through the Tourist Ministers' Council, a body which comprises State, Territory and Commonwealth Ministers responsible for tourism. This Council is primarily concerned with the review and co-ordination of tourism policy. The Council is serviced by the Australian Standing Committee on Tourism (ASCOT) which is made up of the senior officials concerned with tourism policy in each State and Territory and in the Commonwealth Government.

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1. Australian Bureau of Statistics, Overseas Arrivals and Departures, Australia No. 3401.0
 2. Australian Tourist Commission, Survey of International Visitors 1979-80, p.68
 3. Derived from State/Territory 1981-82 Budgetary Papers

(c) Role of the Commonwealth in Tourism Development

The functions of policy formulation, research, promotion and marketing of tourism are undertaken at the National level by a number of agencies:

- the Department of Industry and Commerce is the body responsible for providing tourism policy advice to the Commonwealth Minister responsible for tourism
- the Bureau of Industry Economics, within the Department of Industry and Commerce undertakes economic research in the manufacturing and commerce sectors, including the tourism sector of Australian industry and publishes research results.
- the Australian Tourist Commission (ATC), a statutory authority within the Ministry of Industry and Commerce, is the Australian Government's tourism promotional arm. Under the provisions of its Act the ATC may promote tourism within as well as to Australia.
- Qantas, the Australian flag carrier, also promotes tourism to Australia and TAA the Government's domestic airline, promotes tourism primarily within Australia.
- the Travel and Tourist Industry Advisory Council of which the Minister for Industry and Commerce is Chairman provides a close consultative link between Government and the Industry. The council membership reflects the interests of the various industry sectors, trade unions and other interested parties, and meets regularly to discuss the overall industry situation.

ESTABLISHING PRIORITIES FOR TOURISM ROADS

(a) Overview - Benefits to the industry from Tourism Road Improvements

Government tourism departments and industry bodies have long realised the importance of improved road access to major tourist destinations : to facilitate traffic movements to popular attractions and to generate tourism to more remote locations to assist development of Australia's tourism resources.

ASCOT studies and industry submissions to various Government reviews throughout the previous decade¹ have highlighted the extent of road deficiencies and the nature of the benefits which could be expected in regional tourism areas if access roads were upgraded.

1. For example the submission by the then Australian National Travel Association (ANTA) to the Commonwealth Bureau of Roads, April 1975 "Motor Tourism in Australia - A Strategy for Determination of Road Improvements throughout Australia that will facilitate Touring by Motorists"

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To the best of our knowledge, there have been no detailed studies undertaken at the regional or local level in Australia to quantify the impact on tourism activity of expenditure devoted to the upgrading of tourism roads. However this paper includes, as a case study, material on the Alpine Way (NSW).

Further, a broad indication of the role that roads play in generating economic benefits to the tourism industry can be gained from some recent research findings.

The Domestic Tourism Monitor indicates that some 86.0 per cent of all tourist trips are made by car or bus/coach and that in 1980-81 trips using private motor vehicles grew by 7.2 per cent compared with 1979-80.¹ There are now over 7 million vehicles registered in Australia² (one vehicle for every two Australians) and purchases of motor vehicles represent a major expenditure item (currently expenditure on cars, trucks and buses is in excess of \$3 billion per year).³ Private bus and coach operators and car rental firms provide additional transport options for holiday travel by road, and are emerging as alternatives or complements to air travel.

The discretionary nature of much tourist travel is worth bearing in mind when considering the benefits to the tourism industry of upgraded tourism roads. This implies an elastic tourism demand curve in respect of such roads. Indeed, this has been illustrated in a 1981 address by the then Commonwealth Minister for Transport:

'One particularly important achievement, from a tourism viewpoint, was the completion in 1976 of the sealing of the "horror stretch" on the Eyre Highway. In the following twelve months, the number of vehicles using the road increased by 50 per cent, the number of commercial vehicles, including buses had almost doubled while the number of caravans increased by about 75 per cent".⁴

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1. D.T.M. Domestic Travel in Australia, op.cit.
 2. ABS, Motor Vehicle Registrations, Australia, October 1982 No. 9303.0
 3. ABS, National Income and Expenditure No. 5206.0
 4. Hon. R.J. Hunt, MP, Minister for Transport. Proceedings of the First National Tourism Outlook Conference, Canberra 1981; p. 221.

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The most visible benefit to tourism as a result of increased numbers of tourists using roads such as the Eyre Highway is in the form of income generated by the local tourism enterprises. Such expenditure generally consists of accommodation, meals, vehicle repairs, fuel and various personal purchases made on route. While such expenditure would generally have increased along the length of the Eyre Highway, it is interesting to note that subsequent trends indicated that certain local enterprises actually lost income due to (i) longer distances able to be travelled each day, and (ii) the shorter transit time for the whole route.

Some restructuring of tourist facilities along a particular route following road upgrading could therefore be expected. Other things being equal, this would not necessarily mean a reduction in overall tourist expenditure. What is saved travelling to a tourist destination probably would be spent at that or subsequent destinations.¹

(b) Road Funding Provisions

The term "tourist" or "tourism" road is not new in the context of road funding. A number of State road authorities include the term in their road classifications and States and local governments provide funding within their own road programs as funds permit. For the purposes of this paper, however a tourism road is defined as any road other than a National highway which is considered by tourism authorities and the tourist industry as being of significance to tourism. National highways which are of course in themselves roads of national tourism significance are excluded from this definition because they receive priority State and Commonwealth funding.

Funding for road development, as for other infrastructure, is provided by all levels of government. There are few examples however of government provision of specific purpose infrastructure for tourism purposes although other economic activities such as mining, manufacturing and energy sectors have received special assistance.

The Roads Grants Act (1980) introduced a new classification of Developmental roads within the National roads category. This classification encompassed any road declared to be of national importance from the standpoint of aiding the development of particular industries or energy resources or assisting interstate or international trade. Tourism was not specifically mentioned in the definition however; the main purpose of this new classification was to provide additional Commonwealth funds for roads required for the development of new mining operations, e.g., coal roads in the Hunter Valley and the Illawarra areas of NSW.

1. W.A. Department of Tourism, Eyre Highway Traveller Survey
1978

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While it was possible to construe the 1980 definition of Developmental roads to include tourism roads, the Department of Transport at the time sought evidence about significant tourism roads which might possibly be included. The Government subsequently agreed to the inclusion of tourism roads in the Developmental roads classification; and this was reflected in the Roads Grants Act 1981. Remote area roads were also specifically mentioned.

(c) Tourism Roads Study

To assist in the identification of tourism roads which might qualify as Developmental roads, a National Tourism Roads Study was undertaken by DIAC during 1980-81. Tourism authorities in all States and the Northern Territory, the Australian Automobile Association (AAA) and ATIA were asked to provide a list of tourism roads in order of priority which they considered suitable for inclusion as Developmental roads. The Northern Territory did not make a submission on the grounds that all of its tourism roads were already classified within the existing categories.

Regardless of the priority rating afforded by the States and/or the industry associations the Department independently evaluated every road submitted for consideration as a Developmental road using the following criteria:

- (i) State/industry rating,
- (ii) extent to which the road is of national importance to tourism,
- (iii) impediments to tourism development caused by the present condition of the road,
- (iv) availability of alternative access roads,
- (v) prospects for the development of tourism should the road be upgraded,
- (vi) other considerations such as safety, weather conditions and usage.

Of the sixty roads which were submitted and evaluated by the Department many were assessed as being of national tourism importance and suitable for consideration for Developmental roads funding.

At that time there were only limited funds available for Developmental roads and these had to be allocated between existing commitments to coal roads and to the newly eligible tourism roads and remote area roads. The only tourism road to be declared a Developmental road therefore has been the Petermann Road in the Northern Territory which, in fact, was not funded by an additional Commonwealth allocation under the classification of Developmental roads but from a 'surplus' in the Commonwealth's 1981-82 National Roads Grant to the Northern Territory.

(d) Australian Bicentennial Road Development (ABRD) Program

In the 1982 Budget the Government announced the establishment of the ABRD program, the principal objectives of which are:

- to complete the national highway system to acceptable standards by 1988,
- to accelerate the current Developmental road projects, including roads of national tourism significance,
- to assist the development of major urban and rural arterial roads,
- to enable upgrading of local roads systems.

Under the ABRD program a substantial proportion of the funds will be directed to the upgrading of the national highway network. It should be noted in this regard that the national highways represent a major infrastructure requirement for tourism in general, so a tourism spin-off will be obtained from this component of the program. In terms of funding for specific tourism roads, we are looking for roads selected from the local and arterial roads categories, as well as the Developmental roads classification of the national roads category.

In order to assist the Department of Transport and Construction in assessing tourism road projects for possible ABRD funding, DIAC undertook a follow-up to its 1981 National Tourism Roads Study. The exercise commenced with a re-examination by State tourism authorities and industry associations of their 1981 submissions in the light of developments since that time.

More explicitly defined criteria were also adopted to provide clear guidelines for respondents. The criteria in question were:

- (i) the tourism importance of the regions served by the road (i.e., nature of attractions served, current levels of visitation by local, interstate or overseas visitors),
- (ii) impediments caused by the present condition of the road (this included considerations such as safety, weather conditions, type of traffic within region),
- (iii) the extent to which the tourist industry is dependent on the road (e.g., the proportion of visitors to the region(s) using the road, availability, frequency and cost of other transport modes),
- (iv) potential for tourism development and other benefits should the road be upgraded.

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The State/Northern Territory tourism authorities subsequently submitted nominations of three priority roads together with comments about the tourism importance of the road in line with the suggested criteria. The Australian Automobile Association (AAA) forwarded nominations from its State constituent members and ATIA nominated roads on a State and national basis.

However, an indication of national priorities was also necessary to assist the Minister for Transport and Construction in his assessment of allocations under the ABRD program. An independent evaluation was therefore made by DIAC to determine the national tourism significance of the roads nominated. This evaluation was confined to those roads nominated by the States/Northern Territory. In addition, data provided by ATIA and AAA on those roads were incorporated into the Departmental evaluation.

METHODOLOGY USED TO DETERMINE TOURISM ROAD PRIORITIES

Tourism roads (other than national highways) submitted for possible funding under the ABRD program fall into two categories:

- (i) the first relates to the priority tourism roads nominated in the States/N.T.
- (ii) the second comprises roads of national tourism importance drawn from the States/N.T. and ranked by DIAC after its independent evaluation

(a) States/N.T. Nominations

The three tourism roads submitted by the tourism authorities in each State and the Northern Territory were used as the basis for rankings. The majority of these roads were also supported by ATIA and State constituents of AAA, although industry organisations registered differing priorities.

(b) National Tourism Significance Criteria

In its evaluation the Department took into account the level of support by both State/N.T. Governments and industry organisations and in addition used the following criteria to identify priority roads of national tourism significance:

- (i) the national tourism attractiveness of the region served by the road
- (ii) the importance of the road to tourism
- (iii) potential social and economic benefits if the road was upgraded

Values for each of these criteria were then incorporated in a ranking system in order to arrive at an overall priority listing. The system accorded points to each road in respect of all the criteria used in both the States/N.T. and national evaluations.

A brief description of how these points were allotted is provided below.

(c) Evaluation

(i) States/Northern Territory Evaluation

Using the comments and priorities provided by State/N.T. organisations as a guide, points were allocated to each of the roads nominated in respect of each of the following six categories:

- .. the 4 tourism criteria on which State organisations commented
- .. level of priority accorded by the State/N.T. tourism authority
- .. level of priority accorded by the State/N.T. Automobile Association (AAA member)

The maximum score was allocated to the road which rated most highly under the criteria concerned, the second highest score was given to the second ranking road and the minimum score to the lowest priority road in each category. These scores of course reflected the State/N.T. priority ranking.

(ii) ATIA Evaluation

The points allocated to ATIA road nominations in each State/N.T. were on the same basis as adopted for State/N.T. nominations.

A zero score was applied where the particular road was not rated by ATIA.

In addition because ATIA had adopted a national overview to arrive at a short list of roads of national tourism significance additional points were allocated to these roads.

(iii) Department of Industry and Commerce Evaluation

A numerical score was allocated to each road under each of the three national criteria adopted by the Department in its independent evaluation so that numerical scores reflected the Department's assessment of each road's national tourism significance.

The aggregate scores based on States/N.T., ATIA and DIAC evaluations provided the ranking for overall national priorities.

CASE STUDY : THE ALPINE WAY

This section briefly discusses the various issues (road characteristics, criteria, rankings, benefits, etc) in the context of a tourism road which is of outstanding tourism significance from both a national and State/regional viewpoint.

The Alpine Way extends for 248 km from Cooma to Kiandra via Jindabyne, Thredbo, Khancoban and Cabramurra. The work proposed would mainly relate to reconstruction of a 37 km section between Dead Horse Gap and Geehi (see Fig. 1).

(a) Priority given by State tourist authority

The NSW's Department of Leisure, Sport and Tourism considers the Alpine Way to be a high priority tourism road.

(b) Tourism importance of the region

The Snowy Region is not only considered an important tourist area of NSW, but many industries in the local area are dependent on tourism for their viability.

In 1980-81 more than 560,000 visits were made to the area by adults. Spending by these visitors was estimated to be in excess of \$50 million, which was sufficient to sustain 2,500 people in full time jobs.¹

The majority (70 per cent) of overnight visitors visit the area for holiday and pleasure purposes and because of this commercial accommodation is the type most frequently used. For example over 50 per cent of all nights spent in the area were spent in hotel/guest house type accommodation.²

The Snowy area also attracts a lot of day visitors from Canberra and the surrounding areas especially during the ski season. By taking account of these visitors as well as children accompanying their parents, it is estimated that the Snowy area attracts in the vicinity of two million visitors annually.³

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1. Submission to the DIAC from the NSW Department of Leisure, Sport and Tourism, October 1982
 2. *ibid*
 3. *ibid*

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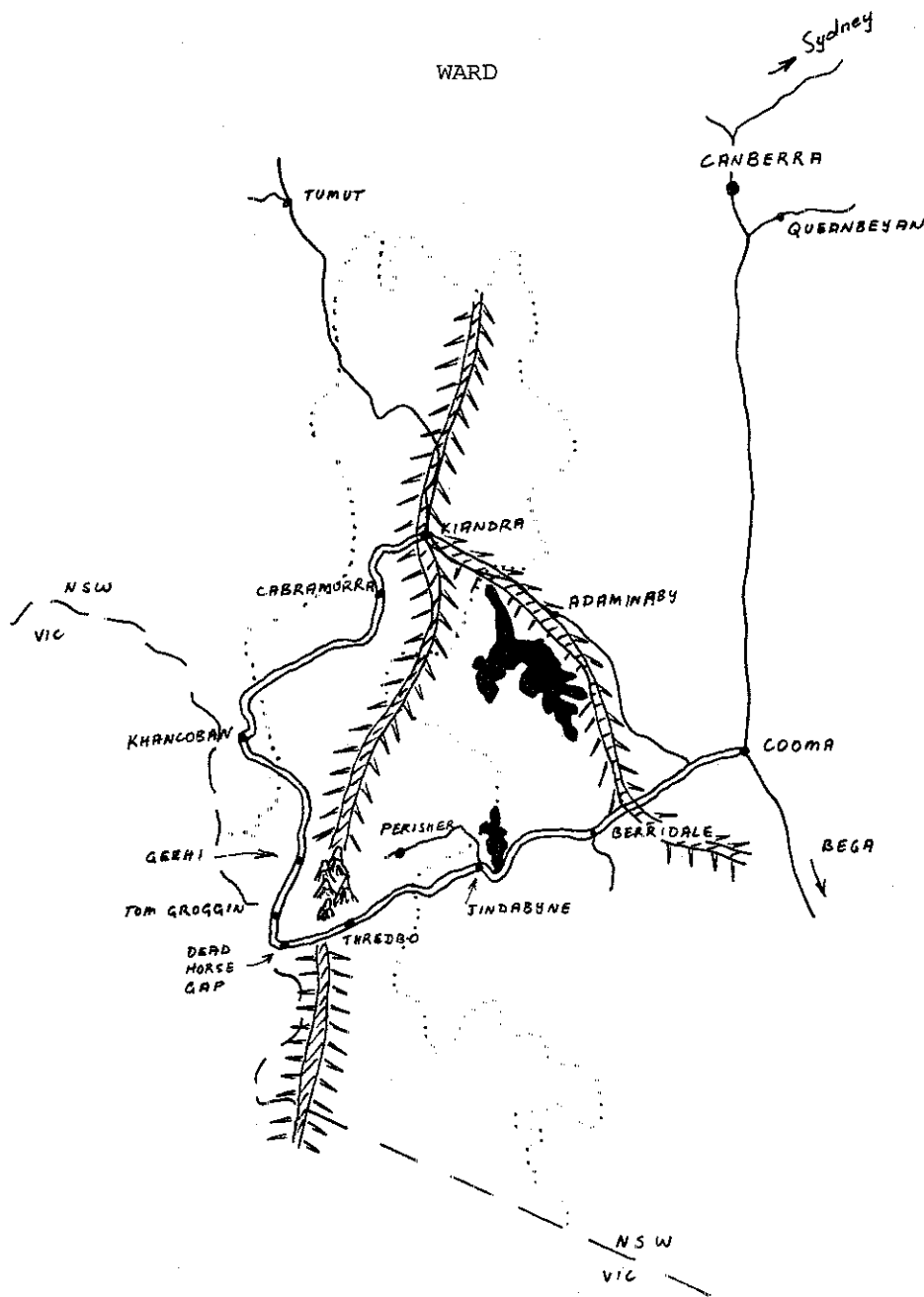


FIGURE 1 - ALPINE WAY

Cooma - Jindabyne - Khancoban - Kiandra

SOURCE : DEPARTMENT
OF INDUSTRY
AND COMMERCE

Alpine Way
Kosciusko National Park
Great Dividing Range

(c) Impediments to tourism caused by present road conditions

At present the road is closed to articulated traffic, including caravans and trailers. In addition the road is barely able to cope with the heavy tourist traffic to the Kosciusko National Park, especially during the ski season, at which times it is often closed to traffic.

The NRMA reports that the unsealed sections of the road are constructed on a particularly poor alignment, and their formation is often narrow on sharp curves with steep unprotected embankments. Another major problem with the road is that large sections of pavement over the route are often too narrow for two way traffic. The shoulders are also a poor feature of the route. They are often non-existent north of the unsealed section of the Alpine Way and where they do exist are in fair to very poor condition. The major impediment caused by the present conditions of the road is that it is a safety hazard, and this in turn is inhibiting the growth of tourism in the area.

The sections requiring immediate work are:

- sealing of the steep decline from Dead Horse Gap towards Tom Groggin to assist in snow-clearing operations during the winter months
- completion of sealing from the snow line down to Tom Groggin
- sealing along the Murray River and the Geehi Valleys between Tom Groggin and the Geehi turnoff
- widening from the Geehi turnoff to Khancoban.

(d) Tourism dependence on the road

The Alpine Way provides access to the Kosciusko National Park, the Snowy Mountain Hydro-Electric Scheme, and to the major tourist accommodations and ski areas east and north of Mt. Kosciusko. The route serves primarily as a tourist road, although the section between Cooma and Jindabyne also serves the townships of Berridale and Jindabyne.

In 1980-81 over 80 per cent of visitors to the Snowy area travelled by car and a further 13.5 per cent travelled by bus or coach.

1. ibid

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As there are no other transport modes available beyond Cooma, all visitors to the area are dependent on the roads for their access to the Kosciusko National Park and the ski fields.

The NSW Department of Main Roads average annual daily traffic data for 1978 (last available figures) for various points along the road are as follows: ¹

| | |
|------------------------------|-------|
| Road from Cooma to Jindabyne | 2,770 |
| Road West of Jindabyne | 1,480 |
| Entrance to the Park | 280 |

All roads in the area are subject to increases in traffic of up to 100 per cent during the ski season.

(e) Potential for tourism development

Upgrading of the nominated sections would lead to improved road safety and increased tourism in the area, by providing a permanent, all weather surface with the capacity to carry two-way traffic, including caravans and other articulated vehicles. It would also open up an alternate access route between Melbourne and Sydney taking in the tourist attractions of the Snowy and Canberra. The resort operators in the area regard the opening up of the Snowy to the southern markets, via the Alpine Way as the most important single requirement to generate extra interstate tourist traffic to the region.

Because of the importance of the motor car for travel to and within the Snowy area, good road access is crucial to further tourism development of the area. While the upgrading of the road alone cannot be expected to realise the growth potential considered possible, it will act as a catalyst for increased utilization of existing facilities with a consequent increase in employment and is expected to encourage additional tourism development and stimulate tourist visits year round especially in the summer months when existing accommodation is under-utilised.

The potential for increased visitors to the Alpine Way has been estimated by the then NSW Department of Tourism², using a base case (where no upgrading would be undertaken), and a best case (where upgrading was undertaken).

1. ibid
2. NSW Department of Tourism: Tourism in the Snow Mountains Area with reference to the Alpine Way (unpublished) June 1980

The base case projection was made by applying the historical growth rate of road usage in the area (6 per cent per year) to the 1978 road usage base (30,000 persons per year). This suggested some 60,000 persons would use the Alpine Way in the year 1990 should the road not be upgraded.¹

In terms of traffic should the Alpine Way be upgraded, a doubling of the usage by tourists in the region was conservatively estimated. The study considered however that the improvement of the Alpine Way would offer Sydney-Canberra-Melbourne traffic a scenically outstanding alternative to other routes. Likely growth of annual person-trips between Sydney, Canberra and Melbourne was forecast to increase from 6.9 million at present to 9.5 million by the year 1990.²

The main difficulty lay in predicting what proportion of this traffic would be diverted via the Alpine Way.

An indication in this regard was given by the Survey of Australian Travel conducted by ASCOT. The survey showed that about one per cent of travellers are susceptible to the idea of touring when travelling between home and a main destination. The authors considered that this proportion could be doubled with the proper use of promoting activity in the major market centres leading to an additional 190,000 annual visitors to the area by the year 1990 if the Alpine Way was upgraded.³

The study went on to suggest that some 25 per cent of these travellers might be expected to spend a night in the Snowy Mountains area thus contributing to the area's economy. It was concluded that if the Alpine Way were upgraded some 310,000 persons would use the route in 1990. If it was not upgraded then the likely annual level of road usage would be 60,000 persons by the year 1990.⁴

(f) National tourism significance

The Alpine Way serves an area of unique national tourism importance. As a major winter resort without equal and a summer resort of growing importance, it attracts visitors from all States and overseas.

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1. ibid p.5
 2. ibid
 3. ibid
 4. ibid

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An upgraded Alpine Way would assist in correcting the imbalance in visitation between the summer and winter months, thus increasing overall resource utilization.

While tourism to the park in the off-ski season is improving, tourism particularly from the southern States would be facilitated by a more accessible road link, particularly with regard to caravan traffic. The importance of increasing off-ski season visitation becomes more vital to the tourist industry in the area following poor ski seasons.

ATIA has, in both the 1981 and 1982 national tourism roads studies, accorded top priority to the Alpine Way as well as to Doyalson-Branxton and the Cook Highway. The regions served by these roads were cited as examples of key tourist areas whose prospects for growth were being constrained by poor roads.

ATIA pointed out in relation to the Alpine way that the benefits of upgrading would be wider than those accruing to the immediate communities it serves. It would open an alternate access route between Sydney and Melbourne taking in the tourist attractions of the Snowy and Canberra and thus facilitate vehicular traffic between key tourism areas. It thus warranted top priority for funding on national tourism grounds.

CONCLUSIONS

The tourist industry is one of Australia's growth industries and should continue to be so into the 1980's and beyond.

Since the early 1970 s the tertiary industry sectors, of which tourism is one, have experienced a steady increase in economic activity both in terms of employment and output (ie. provision of services); this is in contrast to manufacturing industry which particularly in recent years has displayed static growth in output and a general decline in employment.

Improved road access to Australia's main tourism areas must serve to improve the attractiveness of those areas as tourist destinations and could also act as a catalyst to their development and enhance the longer-term viability of this important industry. In the absence of a significant increase in expenditure on tourism road development the growth potential of tourism may not be fully realised. This applies particularly to those tourist destinations and regions without alternative travel modes.

EVALUATING TOURISM ROADS

Expenditure by domestic and international tourists on holiday trips within Australia already makes an important contribution to the national economy. The problem is not whether we can afford to allocate more funds to upgrading tourism roads. Rather can we afford not to?

Because of the magnitude of the task and the limited resources available, little hard economic data is available on the benefits to tourism from tourism road development. It has therefore been necessary to make a number of assertions based partly on fact and partly on judgments derived from the Department's knowledge of the industry. What is generally agreed is that road conditions can play an important role in generating tourism to the areas served by these roads.

Tourism roads have now received recognition as a separate road classification for consideration under Commonwealth road funding provisions. The work undertaken by the Department of Industry and Commerce in consultation with State/Territory tourism authorities and industry organisations is a first ever attempt to bring tourism roads into national focus.

Identification of tourism roads is in itself a relatively simple task. The difficulty arises in classifying such roads in order of funding priority. There are relatively few tourism roads in Australia of outstanding national tourism significance. There are however many more tourism roads which, while they could be classified as important to tourism have more of a regional rather than national significance.

It must be recognised that the work undertaken so far is merely a first attempt and no doubt could be refined and improved given the necessary attention. The Department makes no claims to having perfected a system of identification, evaluation and classification of tourism roads. It does claim however that with limited resources and the co-operation of industry and Government it has been possible to provide a basis for focusing the attention of federal road funding authorities on the importance of tourism road development.