The Economic Impacts of the Yass Bypass

Working Paper 7

Prepared for the
NSW Roads and Traffic Authority
R & D Project TEP/93/6
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Preface

In December 1993 Dr Bruno Parolin and Professor Barry Garner, School of Geography, University of New South Wales, contracted to undertake a Research and Development project for the NSW Roads and Traffic Authority over eighteen months to investigate the economic impacts of bypass roads at selected towns along the Hume Highway, NSW (R & D Project TEP/93/6—Evaluation of Bypass Roads). The following publications were completed as part of the Project:

*Working Paper 1*  

*Working Paper 2*  

*Working Paper 3*  
Summary of the Results of a Survey of Businesses at Yass Before the Opening of the Bypass, 1995.

*Working Paper 4*  

*Working Paper 5*  
Travel Behaviour Along the Hume Highway Corridor, 1995.

*Working Paper 6*  

*Working Paper 7*  
The Economic Impacts of the Yass Bypass, 1996.

*Final Report*  

*A Guide to Good Practice*  

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School of Geography,  
University of South Wales
Summary

This report documents the findings of a study undertaken between May 1994 and June 1995 to monitor the impacts of the opening of bypass roads at Yass on local businesses. The principal findings, which are based on a repeated survey of 83 businesses in the town, are:

- The total reduction in gross annual turnover is estimated to have decreased from $61.7 million before the opening of the bypass roads to $51.3 million after the diversion of all through traffic – a reduction of $10-11 million a year directly and indirectly.

- In relative terms, this represents a reduction of about 8.0 per cent of the indicative value of the town’s annual total product, 16.0 per cent of the total value of retail trade recorded in the 1991-92 Census of Retailing, and about 17.0 per cent of the total gross annual turnover reported by the 83 businesses before the bypass roads opened.

- Thirty-two of the 73 businesses providing information had been adversely affected directly or indirectly. Most of these were service stations and food outlets which together accounted for about $9 million (85.0 per cent) of the total. For just over half the businesses, the decrease in gross annual turnover was equal to or more than had been anticipated before the diversion of through traffic from the town centre.

- Ninety-three jobs had been lost from 18 individual businesses during the 12 months after the opening of the Yass bypass itself; 84 workers had been made redundant and 9 positions were not filled after they became vacant.

- The reduction in employment corresponded to only 4.5 per cent of the gainfully employed in the town in 1991, but 14.0 per cent of the total employed by the 83 businesses in May 1994.

- Redundancies have primarily affected those in casual and part-time employment: these accounted for 83.9 per cent of the total jobs lost. Females have been most affected - 62 women lost their jobs, compared to 31 men, corresponding to 17.3 per cent of the total females employed at the 83 businesses in May 1994.

- The largest number of jobs were lost at businesses directly servicing the need of motorists, principally at the service stations and food outlets (86.0 per cent), and to a lesser extent at food stores. The accommodation sector has not been affected in the same way or to the same extent.

- The actual reduction in employment and decrease in gross annual turnover is larger by about a third than the forecasts presented in the EIS for the Yass bypass roads -62 compared to 93 jobs and $7.9 million compared to the $10-10.4 million recorded in this study.

- Several businesses had made compensatory adjustments to their operations following the diversion of through traffic from the town, principally through increased advertising and promotions, diversifying product lines, and renovating premises. There is no evidence to suggest that the opening of the bypass roads directly resulted in the closure of businesses.
The indirect impacts appear to be relatively insignificant, affecting gross annual turnover rather than employment at only a small number of businesses. Those most affected are businesses providing inputs to food outlets in the town (butchers, bakeries, greengrocers, and supermarkets).

There is a widespread belief that the diversion of through traffic from the town has had positive environmental effects as a result of the reduction in noise levels (particularly from heavy traffic) and pollution and dust levels, and that the main street has become safer for pedestrians.

It is expected that these positive effects of the diversion of through traffic will progressively enhance the quality of the town centre as a place for shopping and service provision for local residents as well as making it more attractive as a stopping place for motorists in future.
Chapter 1
Introduction

This paper discusses the effects of the opening of bypass roads on retail and service businesses at the town of Yass. The diversion of through traffic from the town centre occurred in two stages. The Yass bypass itself was opened in July 1994 but this was not connected to the Barton Highway until June 1995 when the Barton Connector was opened. Consequently, for almost a year, Canberra traffic with destinations to the south of Yass continued to pass through the town centre.

Unlike other bypassed communities on the Hume Highway (for example Gundagai and Goulburn), the impact of the diversion of through traffic therefore was not felt immediately but occurred in two distinct stages. Although most of the through traffic was diverted following the opening of the Yass bypass itself in 1994, the full impact of the opening of the Yass bypass was not felt until 12 months later. The findings presented in this paper are based on the cumulative effects of the diversion of traffic: the effects of the two stages of traffic diversion are not discussed separately.

The impact of bypass roads has been studied in Australia and overseas. Most studies have attempted to document impacts retrospectively: relatively few studies have been of a predictive nature (see Parolin 1994). One of the major objectives in all these studies has been to document the effects of the reduction in the contribution of highway-generated trade for local economies resulting from the diversion of through traffic and the implications this has for the economic and social well-being of bypassed communities.

This is the focus of this study too. Emphasis is placed primarily on the direct impact of the bypass roads on gross annual turnover and employment at local businesses (although comments are made about the ways these are affected indirectly), on the ways in which businesses have responded to the reduction in trade originating from the highway, and perceptions of the positive effects of the diversion of through traffic held by the business community.
Chapter 2
Yass as a Service Centre

The township of Yass originally developed as an economic and social focus for pastoral activities—notably fine wool production—in the surrounding part of the Southern Tablelands. Supported by a rich agricultural hinterland, it has developed into an important sub-regional service centre in the Sydney-Canberra Corridor. During the past decade, the town has also become increasingly a part of Canberra’s dormitory zone and service hinterland (SIWG 1994). In 1991, the Urban Locality (the statistical definition of the town used in the Census of Population and Housing) had a population of 4835—54 per cent of the total population of 8920 in Yass Shire—of which a total of 2047 were gainfully employed (ABS 1993).

Of the categories used in the Census of Population and Housing, Wholesale and Retail Trade was the largest in terms of employment. In 1991 it accounted for about 21 per cent of the total number of jobs in the town—437 out of the total of 2047. A further 9 per cent were employed in Recreation, and Personal and Other Services. These two categories are those most directly linked to highway-generated trade. The Transport and Storage category mostly comprises taxi and bus operators, livestock and parcel carriers, and railway workers—jobs that are not likely to be significantly affected by the bypass. Details of employment by industry type for Yass in 1991 are given in Appendix A.

2.1 The importance of highway generated trade

Situated at the junction of the Hume and Barton Highways 280 km south west of Sydney and 60 km north west of Canberra, Yass—together with Goulburn and still to some extent Gundagai—is an important centre servicing the demands of motorists travelling on the Hume Highway. Given its strategic location, Yass has also become one of the most important truck stops on the Hume Highway between Melbourne and Sydney in large part because of the concentration of large service stations at North Yass designed specifically to service the needs of heavy traffic (Cameron McNamara, 1985).

As a result, a proportion of the jobs in the town have been created by the highway (directly or indirectly), and many businesses (especially the cluster of large service stations in North Yass) exist because of, or depend in significant measure on, expenditures made by motorists stopping or staying overnight in the town.

Evidence also suggests that the importance of highway-generated trade at Yass has increased in recent years following the upgrading of the Hume Highway. The reduced travel time that this has brought about means that Yass is now only about a three and a half-hours’ drive away from Sydney. The findings from a recent study, for example, suggest that more drivers—especially those travelling south—now stop at Yass in preference to Goulburn, and that about 21 per cent of those stopping at Yass were doing so for the very first time (McKenzie 1992). Since the opening of the bypass at Goulburn, this trend has become even more apparent (Parolin and Garner 1995c).
Highway-generated trade therefore formed a significant component of the economic base of the town and it made an important contribution to the town’s total economic output. In 1993, before Yass was bypassed, about one-third of the total average daily through traffic on the Hume Highway stopped for services in the town. Then an average of 2395 vehicles of all types stopped at the town each day.

It is estimated that the expenditures derived from these ‘stoppers’ contributed between $21.8-31.3 million annually to the gross annual turnover of businesses in the town – about 52.0-54.0 per cent of which was generated by light vehicles. Those staying overnight are estimated to have contributed an additional $4.7 million annually to the gross annual turnover in the accommodation sector (motels and hotels) and at other businesses in the town. Details are presented in Working Paper 4 (Parolin and Garner 1995b).

The total value of trade generated by travellers stopping and staying overnight in the town is therefore estimated to have been between $26.5-36.0 million a year before the town was bypassed. This corresponded to between a third and just under a half of the total retail turnover in the town recorded by the ABS in 1991-92.

During the past decade, the town has become increasingly a part of Canberra’s dormitory zone and service hinterland. Less than an hour’s drive away, Canberra is now a significant centre of employment for long-time residents of the town as well as for shopping and the provision of higher-order services. An estimated 26 per cent of those living in the town work in the ACT (EEAWP 1994) and as much as 30 per cent of total annual retail expenditure by Yass residents is made in Canberra (SIWG 1994). This leakage of expenditure, estimated to amount to some $7-9 million annually (ABS 1993), has had the effect of increasing the dependence of many Yass businesses on highway-generated trade.

### 2.2 The impact of construction workers

Many businesses in Yass have also benefited during the past 2-4 years as a result of the construction of the bypass and the Barton Connector. In 1991, the number of construction workers enumerated in the town accounted for 9 per cent of the total workforce—a figure that was substantially higher than the average for smaller country towns in New South Wales at the time. Many of those included in this category would have been temporarily resident in the town while working on the construction of the Yass bypass and the Barton Connector—a fact documented by local real estate agents, moteliers, and hoteliers.

Data are not available to enable the total amount of income brought into the town by the construction workforce to be calculated nor to estimate the dollar value of additional expenditure generated by construction workers locally. However, it is reasonable to assume that this amounted to several million dollars annually during the construction period. As a result, expenditures by construction workers had undoubtedly inflated the gross annual turnover of a number of retail businesses, the hotels and motels for some 2-3 years before construction of the bypass roads was finally completed.

As an example, the paving contracts for the Yass bypass itself and the Barton Connector involved about 80 workers for which the wages bill was estimated by the prime contractor (Thiess Pty Ltd) to be of the order of $2 million between January-October 1994. Given that most of the workers engaged on this contract lived in Yass, a substantial part of these wages would have been spent in the town on accommodation, meals, and other goods and services.
From information collected during fieldwork for this study, the hotels and motels in particular reported higher than normal occupancy rates as a result of construction workers and several garages and auto repairers indicated that turnover had increased, and substantially so in the case of some establishments, as a result of the extra work servicing vehicles and equipment associated with construction activities.

The loss of this additional income and expenditure following the departure of workers upon completion of the construction phase has compounded the impact caused by the diversion of traffic following the opening of the bypass roads at Yass. This can be expected to be the case, to some extent, for all communities impacted by the construction of bypass roads. In the case of Yass, however, following the completion of the Yass bypass roads many of the construction workers were subsequently employed in the construction of Jugiong bypass, and several of these continue to live in Yass—and presumably will do so for the duration of that project.

At the time the surveys for this study were undertaken, some effect of construction workers was therefore still being felt in the town although the local economy already had experienced a substantial reduction in construction-related expenditure as a result of the departure of the main body of workers following the opening of the Yass bypass itself in July 1994.
Chapter 3
Methodology

The methodology used in this study differs from previous bypass impact studies, most of which have been retrospective in nature. In these, the nature and extent of the impacts of the diversion of traffic on local communities is established from data collected after the event. In the absence of baseline data against which the observed effects can be measured, these studies have had to rely on a reconstruction of the pre-bypass situation. This is often a difficult task and unless done properly can lead to error in reporting the magnitude of impacts. This more typical approach to bypass impact studies was, for example, adopted in the study of Goulburn completed as part of the RTA R & D Project (Parolin and Garner 1995).

In this study, the impact of the bypass roads at Yass was based on the monitoring of actual impacts based on a systematic comparison of data collected before the opening of the bypass roads with those collected at various times afterwards. Unlike most of the previous studies, therefore, the findings presented in this paper are based on the use of the classic ‘Before and After’ methodology in survey design. The findings from this study are consequently based on repeated surveys of local retail and service businesses in the town and it is believed that this is the first time this has approach been used to assess the impacts of bypass roads in Australia.

Unlike a previous study of the effects of the bypass at Yass undertaken in 1979-80 by the School of Geography, University of New South wales (Holsman et al 1981), this study therefore is not concerned with forecasting impacts. Rather the aim is simply to provide a factual account of the nature and extent of the impact of the bypass roads on businesses in the town. The data collected does, however, provide a benchmark against which forecasting models may be calibrated as well as a basis for evaluating the extent to which it might be possible to make inferences about the impacts of bypass roads on businesses from data collected before the event. This is especially relevant for the preparation of Environmental Impact Statements for future bypasses around smaller settlements– particularly those now on the drawing board in New South Wales.

3.1 The business surveys

Four surveys of local businesses were conducted at Yass during the course of the study. The first was completed during the period May 31st—June 2nd in 1994, about one month immediately before the first stage of the diversion of through traffic resulting from the bypass itself which opened in July. The data collected from this survey provide the pre-bypass profile of retail businesses in the town and constitute the ‘baseline’ against which the subsequent impact of the diversion of traffic on individual business establishments is assessed. The results of this initial baseline survey, which are presented in detail in Working Paper 3 (Parolin and Garner 1995a), are only briefly referred to in this Report.
Three additional surveys were subsequently undertaken to monitor the effects on local businesses attributable to the diversion of traffic from the town centre. The first of these was completed between January 16th-18th 1995, six months following the opening of the bypass. This was followed by a second survey which was completed on June 19th-20th 1995 only a few weeks after the opening of the Barton Connector. Following this it was possible for all through traffic to bypass the town centre.

To allow for the possibility of lag effects in the unfolding of impacts, a third survey was completed in December 1995—some 18 months after the opening of the Yass bypass and 6 months after the Barton Connector opened. As it turned out, however, the results of this final survey revealed that virtually no additional effects had been felt by the businesses surveyed—at least not because of the opening of the bypass roads. The findings presented in this paper therefore are based on the cumulative impacts on businesses in the town from data collected in the first two surveys (January and June1995). Details of the business surveys are presented in Appendix B.

### 3.2 The businesses included

A total of 87 retail and service businesses were included in the original baseline survey. Of the businesses surveyed, 4 were subsequently excluded: a plant hire business, a chemical company and 2 stock and station agents. Consequently, 83 businesses were repeatedly visited during the course of the study. Not all of the businesses surveyed, however, were able to fully complete the questionnaire in the second and third surveys: for example, only 73 businesses were willing to provide information about their gross annual turnover.

The businesses included in the surveys were not restricted to those usually identified as being ‘highway-oriented’ in nature. Many ‘other retail’ business establishments were also included in order to better understand the diverse nature and extent of the impact of the diversion of traffic on the local economy. Another reason for including a wider range of businesses in the surveys was to shed light on those businesses that may be affected indirectly by the bypass.

The businesses are classified by their ANZSIC code in Table 1. For the purposes of the analyses, they have been grouped into eight broad functional categories according to their general nature: motels, hotels, clubs, food stores, automotive, the service stations, eateries (including take-aways, cafes, and restaurants), and ‘other retail’ establishments. These broad categories are used in summarising the findings in this report.

Most of the businesses included in the surveys (58 establishments) are concentrated in the town centre along Comur Street—the Main Street. This is especially the case for the hotels and clubs, most of the businesses in the ‘other retail’ and food categories, and some of the automotive businesses. The remainder are located in North Yass—the Melbourne side, and South Yass—the Sydney side of the town (Figure 1). The 13 businesses located in the northern part include the largest concentration of motels and service stations at Yass. The latter form a separate cluster at what is referred to by the locals as ‘Gasoline Alley’. The ample provision of parking and the convenience of making one stop for refreshments and fuel (two of the service stations have food outlets) there, has made this the most important place for through traffic, especially heavy vehicles, stopping in the town. The 13 businesses on the southern side of town include a relatively pronounced concentration of establishments in the automotive category together with two of the motels and service stations (one of which closed during the period covered by the study).
<table>
<thead>
<tr>
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<td></td>
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<td>Butcher</td>
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<tr>
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<td></td>
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**Note:** Codes 9000-9999 are arbitrary values assigned for this study, not the ANZSIC codes.
Figure 1
The Town of Yass

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Chapter 4
The Direct Impacts

The reduction in the value of highway-generated trade will impact retail, service, and accommodation establishments in the town directly and indirectly. The primary emphasis in the study was to estimate the direct impacts of the diversion of through traffic—the impacts on local businesses that result from the reduction in expenditures by motorists stopping and staying overnight in the town. This component of the total impact is typically the most important in environmental impact assessment.

The immediate effect of the decrease in expenditure by motorists is a reduction in the gross annual turnover of many local businesses. When this is significant enough to affect profitability, adjustments are typically made to the way the affected businesses operate. The most important of these from an economic and social viewpoint is to reduce labour costs either by decreasing the hours worked by staff or by making staff redundant. Subsequently changes may be made to the way business is conducted, for example by shortening opening hours or varying product lines.

The strategy adopted by entrepreneurs to maintain a profitable business will vary between establishments depending on their type and the size of their profit margin. In some cases, the full range of adjustments may be made in logical sequence, while in others they may be made concurrently. In the case of businesses operating close to the margin of profitability, the reduction in gross annual turnover may lead to a decision to sell the business as a going concern or to cease trading altogether.

Forty of the businesses included in the surveys (48.2 per cent) claimed to have been directly affected in some way by the opening of the bypass roads—either through a downturn in sales, or by having to displace workers or reduce the hours worked by staff. As might be expected, virtually all of these were businesses primarily servicing the needs of motorists.

4.1 The effect on gross annual turnover

Following the opening of the bypass roads at Yass, the total number of vehicles stopping in the town is estimated to have decreased by about 50.0 per cent—an average of 1,188 vehicles a day compared to the 2,395 vehicles before the opening of the bypass roads. A small decrease in the number of motorists staying overnight in the town was also observed (Garner and Parolin 1995b).

The downturn in sales resulting from the decrease in expenditures by motorists stopping and staying in the town during the first twelve months after the opening of the bypass roads, for the 73 businesses that provided information, amounted to a reduction of between $10-11 million in gross annual turnover. In relative terms, this represented a reduction of about 16.0 per cent of the total value of retail trade ($65.2 million) recorded by the ABS in 1991-92, about 17.0 per cent of the
gross annual turnover ($61.7 million) reported by the businesses surveyed before the bypass roads opened.

Following the diversion of all through traffic from the town centre, it is estimated that the total value of highway-generated trade represented only 41.0 per cent of the indicative value of the town’s annual total product compared to 49.0 per cent before—a decrease of 8.0 per cent. The indicative value of the town’s product is a crude measure of the total town output as opposed to just its highway-related retail and services output. It is calculated by multiplying the 1994-95 per capita GDP for Australia ($461,664 million/17,593,800) by the town population.

The estimate of the decrease in gross annual turnover is based on figures provided by individual businesses. There is, of course, no way of ascertaining how accurate that information is. It would appear, however, that the figures provided are sufficiently reliable since they compare reasonably well with those obtained from a previous study using a quite different methodology (Parolin and Garner 1995b). In that study it was estimated that the decrease in gross annual turnover from stoppers and stayers in the town following the opening of the bypass roads amounted to between $10.6-14.9 million or just over 40.0 per cent of the pre-bypass figure. Allowing for the fact that only 73 of the 83 businesses surveyed provided information about their gross annual turnover, the ‘true’ figure for all businesses surveyed would almost certainly lie within that band.

In the EIS for the Yass bypass roads, the total reduction in turnover after all through traffic had been diverted was predicted to be of the order of $7.9 million—presumably measured in 1987 dollars (Kinhill 1988). Allowing for inflation, the reduction in gross annual turnover predicted in the EIS would also correspond reasonably well with that recorded in that study and the figures obtained from the survey of businesses undertaken during 1995 in this study.

### 4.1.1 Effects by business category

The net decrease in gross annual turnover for each of the business categories is shown in Table 2.

<table>
<thead>
<tr>
<th>Category</th>
<th>Turnover in 1994 ($millions)</th>
<th>Estimated Decrease ($000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Service Stations</td>
<td>20.13</td>
<td>8,529</td>
</tr>
<tr>
<td>Eateries</td>
<td>2.75</td>
<td>489</td>
</tr>
<tr>
<td>Food</td>
<td>6.39</td>
<td>330</td>
</tr>
<tr>
<td>Motels</td>
<td>2.28</td>
<td>223</td>
</tr>
<tr>
<td>Hotels</td>
<td>3.43</td>
<td>211</td>
</tr>
<tr>
<td>Automotive</td>
<td>12.20</td>
<td>169</td>
</tr>
<tr>
<td>Other Retail</td>
<td>11.76</td>
<td>122</td>
</tr>
<tr>
<td>Clubs</td>
<td>2.80</td>
<td>+60</td>
</tr>
<tr>
<td>TOTAL</td>
<td>61.74</td>
<td>10,073</td>
</tr>
</tbody>
</table>

**Note:** The low and high estimates of the decrease in gross annual turnover result from the fact that businesses were asked to indicate gross annual turnover within specified ranges.
The lion’s share of the decrease in gross annual turnover was accounted for by the service stations and the eateries – approximately $8.5 million and $0.5 million respectively. Virtually all of the service stations and over half of the cafes, restaurants, and take-aways reported a downturn in business—and for some of these the impact was substantial. In addition, a hotel, one of the clubs, a couple of auto businesses and other retail establishments, and some of the motels and food stores reported a decrease in turnover.

In some cases, the decrease most likely resulted from a reduction in dining-room clientele. This may have been due to the loss of patronage from construction workers as much as it was from the reduction in motorists stopping in the town. In addition, for a small number of businesses the impact of the bypass roads was also aggravated by a reduction in holiday makers in the area during the summer of 1995, although it is difficult to quantify these additional effects separately from those resulting directly from the diversion of through traffic from the town.

As might be expected, not all of the businesses providing information were affected by the diversion of through traffic from the town centre. Thirty-three businesses reported that their gross annual turnover had not changed since the opening of the bypass roads, and eight even reported that their gross annual turnover had increased. However, the other 32 businesses (43.8 per cent of the total) reported a decrease in gross annual turnover. The relative magnitude of the reduction in turnover by major business category is shown in Table 3.

### Table 3
Changes in gross annual turnover by business category

<table>
<thead>
<tr>
<th>Decrease in Turnover</th>
<th>Eateries</th>
<th>Service Stations</th>
<th>Food Stores</th>
<th>Auto</th>
<th>Clubs Hotels</th>
<th>Motels</th>
<th>Other Retail</th>
<th>Total No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5%</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>5</td>
<td>15.6</td>
</tr>
<tr>
<td>5—9%</td>
<td>2</td>
<td>-</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>3</td>
<td>1</td>
<td>9</td>
<td>28.1</td>
</tr>
<tr>
<td>10—19%</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>4</td>
<td>12.5</td>
</tr>
<tr>
<td>20—29%</td>
<td>1</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td>7</td>
<td>21.9</td>
</tr>
<tr>
<td>30—39%</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>40—49%</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td>50+ %</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td>Total Affected</td>
<td>9</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>32</td>
<td>100.0</td>
</tr>
</tbody>
</table>

| No Change            | 2        | -                | 2           | 15   | 2           | 1      | 11          | 33       | 45.2 |
| Increase             | -        | 1                | -           | -    | 2           | -      | 5           | 8        | 11.0 |
| Total Businesses     | 11       | 5                | 7           | 19   | 6           | 6      | 19          | 73       | |
| Not Stated           | 3        | (1)              | 2           | -    | -           | 1      | 3           | 10       | 100  |

**Notes:** The figures in italics in the last column indicate the proportion of the total number of businesses in each category. One service station had closed during the survey period.

There is considerable variability in the magnitude of the decrease in gross annual turnover at establishments between the major business categories. Just over half (56.2 per cent) of the affected businesses experienced a reduction of up to 20 per cent, but for most of these the decrease was between 5-9.0 per cent. Fourteen businesses experienced a decrease in gross annual turnover of more than 20.0 per cent and for two of these (1 service stations and 1 eatery) the reduction was over 50.0 per cent.
Generally speaking, most of the service stations experienced a decrease in gross annual turnover of more than 20.0 per cent and most other businesses—particularly those in the automotive and other retailing categories, by less than 20 per cent. It is interesting to note that the impact on autoservices establishments was not as pronounced as might have been expected. Most businesses in this category apparently depend predominantly on local customers rather than on passing trade.

4.1.2 Expected compared to actual decrease in turnover

One of the advantages of employing the ‘Before and After’ approach adopted in this study is that it is possible to obtain from businesses an idea of the impact of the diversion of through traffic on gross annual turnover that may be expected to occur. It is then possible to compare the perception of the likely impact with what actually occurred. The results of this comparison are shown in Table 4.

The actual decrease in gross annual turnover corresponded to that which was expected to occur for very few of the businesses—only 5 of the 35 businesses for which data was available. The actual decrease was less than anticipated for 16 businesses and in some cases by a considerable amount. However for 14 businesses the actual impact of the diversion of through traffic on gross annual turnover was larger than had been anticipated.

Businesses in this group included a supermarket, a butcher, an electrical goods store, a service station, two eateries, a fruit shop, the tourist centre, the caravan park, and three of the motels. The decrease in volume of business at the supermarket, fruit shop and the butcher is believed to have resulted from the reduction in purchases made by other affected businesses in the town and reflect the indirect rather than direct effect of the opening of the bypass roads. The other two businesses in this group included one of the hotels and a car dealer/repairer. For these businesses, the greater than expected decrease in gross annual turnover appears to be related to the departure of construction workers rather than to the direct effect of the diversion of through traffic.

4.1.3 The dependence on passing trade

The perceptions held by businesses of the likely impact of the opening of the bypass roads on gross annual turnover is in part related to the extent to which they depended on passing trade. Businesses expressing the view that they relied on passing trade for a relatively important part of sales could be expected to be the ones that experienced a decrease in gross annual turnover. The hypothesis is that the more a business depended on passing trade, the larger the actual reduction in gross annual turnover.

The association between the extent to which the 73 businesses perceived that they depended on passing trade and whether or not they experienced an actual decrease in gross annual turnover following the opening of the bypass roads is shown in Table 5. The 32 business reporting a decrease in gross annual turnover are compared with the 41 businesses claiming that their gross annual turnover had not been affected.

Generally speaking, two-thirds of the businesses that believed they depended on passing trade for more than 20 per cent of their turnover had been affected by the bypass and almost three-quarters (70.0 per cent) of those relying on passing trade for more than 50 per cent of turnover had been seriously affected. The most seriously affected businesses were the service stations and the eateries—businesses which clearly depended heavily on highway-generated trade to a greater extent than most others were.
### Table 4
Expected compared to actual decrease in gross annual turnover actual decrease in turnover

<table>
<thead>
<tr>
<th>Expected</th>
<th>Below 5%</th>
<th>5-9</th>
<th>10-14</th>
<th>15-19</th>
<th>20-24</th>
<th>25-29</th>
<th>30-34</th>
<th>35-39</th>
<th>40-44</th>
<th>45-49</th>
<th>Over 50%</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 5%</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>5-9</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>10-14</td>
<td>3</td>
<td>2</td>
<td>-</td>
<td></td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>15-19</td>
<td>1</td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>20-24</td>
<td>1</td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>25-29</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>30-34</td>
<td>1</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>35-39</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>40-44</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>45-49</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Over 50%</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6</td>
<td>10</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>35</td>
</tr>
</tbody>
</table>

### Table 5
Businesses affected by the bypass (Y) compared with those not affected (N) by the extent to which they depend on passing trade

<table>
<thead>
<tr>
<th>Dependence on Passing Trade</th>
<th>Eateries</th>
<th>Service Stations</th>
<th>Food Stores</th>
<th>Auto</th>
<th>Clubs</th>
<th>Hotels</th>
<th>Motels</th>
<th>Other Retail</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5%</td>
<td>Y N Y N</td>
<td>Y N Y N Y N Y N</td>
<td>Y N Y N Y N Y N Y N Y N Y N Y N</td>
<td>1 2 - 3</td>
<td>- 4 1 9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5-9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-14%</td>
<td>2 1</td>
<td>1 1</td>
<td>-</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15-19%</td>
<td>1 - 1</td>
<td>1</td>
<td>1 - 1</td>
<td></td>
<td>- 1 3</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-24%</td>
<td>1</td>
<td>1</td>
<td>1 - 1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>25-29%</td>
<td>1 1</td>
<td>1</td>
<td>- 1 1</td>
<td></td>
<td>-</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>30-34%</td>
<td>1 - 1</td>
<td>- 1</td>
<td>1 - 1</td>
<td></td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>35-39%</td>
<td>- 1</td>
<td></td>
<td>1 - 1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>40-44%</td>
<td>1</td>
<td></td>
<td>1 - 1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>45-49%</td>
<td></td>
<td></td>
<td>- 1 1</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50+ %</td>
<td>4 - 4 - 1</td>
<td>- 1 - 2</td>
<td>5 1 1 2 14 6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9 2 4 1 5 4 4 13 1 1 1 3 5 1 3 16 32 41</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Estimates of the dependence on passing trade were given by businesses in the May 1994 survey reported in Garner and Parolin (1995a).


4.2 The effect on employment

Following the diversion of all through traffic from the town, a total of 93 jobs had been lost from 18 individual businesses. This represented 14.0 per cent of the 662 workers employed by the 83 businesses in May 1994. Of the total, 84 workers had been made redundant directly as a result of the reduced volume of traffic stopping in the town, and a further 9 positions that became vacant were subsequently not filled in an attempt to cut costs.

Table 6

The effect of bypass roads on employment at Yass and Goulburn

<table>
<thead>
<tr>
<th>Jobs lost</th>
<th>Yass</th>
<th>Goulburn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>%</td>
</tr>
<tr>
<td>Full time</td>
<td>15</td>
<td>16.1</td>
</tr>
<tr>
<td>Part time</td>
<td>36</td>
<td>38.7</td>
</tr>
<tr>
<td>Casual</td>
<td>42</td>
<td>45.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>93</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Workers in casual and part-time employment were affected most of all: 42 casual employees and 36 part-time employees were made redundant (Table 6). Together, these categories accounted for 83.9 per cent of the total jobs lost. The 78 workers in casual and part-time employment that were made redundant represent just under a quarter (22.2 per cent) of the total employed in these two categories at businesses before the opening of the bypass roads. Only 15 full-time workers (16.1 per cent of the total jobs lost) were made redundant as a result of the diversion of through traffic from the town. This constitutes only a very small proportion (4.8 per cent) of the total number employed full-time at businesses before the opening of the bypass roads.

Females have borne the brunt of the redundancies—62 women lost their jobs compared to only 31 men—an overall reduction of 17.3 per cent of the total females employed at the 83 businesses before the opening of the bypass roads (Table 7). The figure corresponds to a reduction of 29.1 per cent of the female part-time employment and 17.3 per cent of the females in casual employment recorded at businesses before the diversion of through traffic.

The reduction in employment by major business category is shown in Table 7. As might be expected, the majority of the workers made redundant were employed in businesses closely tied to servicing the needs of stoppers and stayers in the town—the eateries, service stations, and to a lesser extent, the motels. Of the 93 jobs lost, 85 (91.4 per cent) were at businesses in these three categories.

Job losses were greatest at the service stations and the eateries (food outlets). Most of the jobs lost were at 4 of the service stations: 56 workers were laid-off and 3 positions were not filled when they became vacant. This corresponds to 45.7 per cent of the total workers employed at the service stations in the town before the opening of the bypass roads. Although more businesses in the eateries category displaced workers, a smaller number of jobs were lost at these than at service stations: a total of 21 jobs were lost from 6 of the 14 eateries (26.3 per cent of those originally employed). At both types of businesses, females bore the brunt of the redundancies—62.7 per cent of the total jobs lost at the service stations and 71.4 of those lost at establishments in the eateries category.


**Table 7**

*Job losses by employment status and business category*

<table>
<thead>
<tr>
<th>Category</th>
<th>Service Stations</th>
<th>Eateries</th>
<th>Motels</th>
<th>Food Stores</th>
<th>Clubs</th>
<th>Auto-Related</th>
<th>Hotels</th>
<th>Other Retail</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of Estabs.</td>
<td>4</td>
<td>6</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>18</td>
</tr>
<tr>
<td>Full-Time</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>5</td>
<td>4</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Female</td>
<td>1</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Part-Time</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Male</td>
<td>9</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>(1)</td>
<td>-</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>Female</td>
<td>18</td>
<td>6</td>
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<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25</td>
</tr>
<tr>
<td>Casual</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>7 (1)</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Female</td>
<td>15 (3)</td>
<td>6</td>
<td>2 (3)</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>32</td>
</tr>
<tr>
<td>Total Loss</td>
<td>59</td>
<td>21</td>
<td>5</td>
<td>6 (3)</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>93</td>
</tr>
<tr>
<td>Total Jobs 1994</td>
<td>129</td>
<td>80</td>
<td>59</td>
<td>103</td>
<td>68</td>
<td>78</td>
<td>36</td>
<td>109</td>
<td>662</td>
</tr>
<tr>
<td>% Loss</td>
<td>45.7</td>
<td>26.3</td>
<td>8.5</td>
<td>5.8</td>
<td>1.5</td>
<td>1.3</td>
<td>-</td>
<td>-</td>
<td>14.0</td>
</tr>
</tbody>
</table>

**Note:** The figures in brackets indicate jobs that were not filled after they became vacant. These are included in the calculation of the row and column totals.

Two employees were made redundant at 1 of the 6 motels, and 3 vacancies were not filled at two other motels (8.5 per cent of the initial employment); 6 workers were laid-off at three food stores (5.8 per cent of those originally employed). The loss of jobs at food stores was partly attributable to the effect of a poor tourist season during the summer of 1995 but this also reflects a reduction in the dollar value of food purchases made by other businesses in the town that were directly affected by the diversion of through traffic from the town.

Almost one-third of the affected businesses (13 out of 40) reduced the hours worked by staff. Eight of these (3 eateries, 4 service stations, and a supermarket) had also put-off staff as well.

It is difficult to estimate the reduction of income in the town that has resulted from the loss of jobs given the incomplete nature of the information collected from the survey. There can be no doubt, however, that some families will have been badly affected given the fact that in a small country town casual and part-time female employment constitutes a significant source of supplementary household income. Given the limited job opportunities for females in Yass, it is unlikely that many of those made redundant as a result of the bypass would easily find alternative employment at other businesses in the town although the proposed new service centre could generate a number of new job opportunities for females.

### 4.2.1 Comparisons with other studies

The direct impact of the bypass roads on employment at Yass has been greater than at Goulburn in both absolute and relative terms (Table 6). It is estimated that the diversion of through traffic at Goulburn, a much larger town (1991 population 21,425) resulted in a loss of 58 jobs (Parolin and Garner 1995). This represents a reduction of only 3.4 per cent of the total employed at businesses surveyed in the town in 1994, and less than one per cent (0.65) of the total employed recorded in the 1991 ABS Census. For the 93 jobs lost at Yass, the comparable figures are a reduction of 14.0
per cent in employment at the businesses surveyed before the opening of the bypass roads and 4.5 per cent of the total employment recorded in the 1991 Census.

It is interesting to compare the direct effect on employment observed at Yass on the basis of the monitoring of the impact of the bypass roads on local businesses with attempts to forecast the direct impact on employment. This was done in the EIS for the Yass traffic relief route prepared in 1987-88, some six years before the Yass bypass itself was opened (Kinhill 1988). In the EIS, it was assumed that at those highway-related businesses used as the basis for the calculations (the number is not given in the EIS), employment would increase from 213 in 1987 (when the forecasts were made) to 295 in 1996 (after the bypass roads had opened), a growth of 82 jobs (Table 8).

Assuming a linear relationship between turnover and employment on average at establishments, it was predicted in the EIS that there would be a loss of 144 jobs at highway-related businesses in the town as a result of the diversion of through traffic—a reduction in employment of 48.8 per cent. The forecasted total reduction in employment, from fewer businesses, was considerably larger than the 93 jobs lost observed (144 compared to 93). Most of the jobs to be lost were predicted to be in the fuel and food sectors: 87 and 40 jobs respectively. The losses observed in this study were a little smaller than this: 59 and 27 jobs respectively. It should be remembered, however, that two service stations closed in the six years 1988-94 and this would partly account for the difference in the figures for the loss of jobs in the fuel sector between the two studies.

**Table 8**

Reduction in employment predicted in the EIS for the Yass Bypass

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Motels</td>
<td>46</td>
<td>56</td>
<td>11</td>
<td>7.6</td>
<td>1</td>
<td>1.6</td>
</tr>
<tr>
<td>Fuel</td>
<td>108</td>
<td>154</td>
<td>87</td>
<td>60.4</td>
<td>41</td>
<td>66.2</td>
</tr>
<tr>
<td>Food</td>
<td>52</td>
<td>74</td>
<td>40</td>
<td>27.8</td>
<td>18</td>
<td>29.0</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>11</td>
<td>6</td>
<td>4.2</td>
<td>2</td>
<td>3.2</td>
</tr>
<tr>
<td>Total</td>
<td>213</td>
<td>295</td>
<td>144</td>
<td>100.0</td>
<td>62</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Source:** Based on Table 6.10, *EIS for the Yass Traffic Relief Route* (Kinhill 1988).

In relative terms, however, the figures are quite close. The loss of jobs in the fuel sector accounted for 60.0 per cent of the total reduction in employment that was predicted in the EIS, compared to the 63.4 per cent at the service stations observed in this study. Similarly, the forecasted loss of jobs in the food sector accounted for 28.0 per cent of the total compared to 29.0 per cent recorded at the eateries in this study..

However, it is doubtful whether the predicted growth in employment at highway-related businesses assumed in the EIS actually took place – at least not to the extent that was anticipated. The effects of the recession would have played a part in this so would the fact that the Yass economy was not expanding. Therefore, if the employment figures for 1987 rather than those assumed for 1995 are used as the basis for predicting the impact of the Yass bypass roads on employment, the forecasts are much closer to what was actually observed (Table 8).

Under that scenario, the total reduction in employment would have been predicted to have been 62 jobs, which is much closer to the actual figure of 93 jobs lost recorded in this study. Although the absolute number of jobs lost in the fuel and food sectors are correspondingly smaller using the then
existing figures, these sectors would still account for the same proportion of the total—66.0 per cent and 29.0 per cent in the fuel and food sectors respectively. Despite the differences in the absolute magnitude of the figures, it is clear from the predictions made in the EIS and the observations made in this study that businesses predominantly servicing the needs of through traffic are the ones that have felt the major impact of the opening of the bypass roads at Yass.

4.2.2 The accommodation sector

The results of this study indicate the need to, and importance of, clearly distinguishing between the effects on the accommodation sector and those on the retail and service sector in assessing the impacts of the opening of bypass roads.

The contribution to the local economy made by the accommodation sector is a relatively important one—about 22.0 per cent of the total gross annual turnover of all businesses included in the survey. From surveys completed as part of a separate study for the RTA R & D Project it was estimated that the average expenditures on accommodation, together with purchases at other businesses, made by motorists staying overnight in the town was $130 per room occupied (Parolin and Garner 199b). Of the total, $94 was spent on accommodation and meals at the place stayed and $36 elsewhere in the town of which the largest component was for fuel and meals. By comparison, the average expenditure by motorists stopping in the town in that study was estimated to be between $19-27 per vehicle. Consequently, any significant reduction in the number of motorists stopping overnight is likely to have a greater impact (on a pro rata basis) on retail and service businesses than the reduction in motorists stopping in the town.

The evidence from the study suggests, however, that accommodation establishments (predominantly the motels) are not affected to the same extent or in the same way by the diversion of traffic as are businesses in the retail and service sector.

Figures available from the ABS indicate that occupancy rates and the number of guest nights did not decline as dramatically as might have been expected on a priori grounds following the opening of the bypass roads (Table 9).

Table 9
Changes in overnight stayers 1993-1996

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Room Nights</th>
<th>% Change</th>
<th>Occupancy Rate</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993-94</td>
<td>36,244</td>
<td>-</td>
<td>51.5</td>
<td>-</td>
</tr>
<tr>
<td>1994-95</td>
<td>34,691</td>
<td>-4.3</td>
<td>47.0</td>
<td>-8.7</td>
</tr>
<tr>
<td>1995-96</td>
<td>35,438</td>
<td>+2.2</td>
<td>48.6</td>
<td>+3.4</td>
</tr>
</tbody>
</table>

Source: ABS, Tourist Accommodation statistics (annual).

In 1993-94 financial year, during which the Yass bypass itself opened, a total of 36,244 room nights and an occupancy rate of 51.1 were recorded. In the following year, during which the Barton Connector was opened and all through traffic was diverted from the town centre, the number of room nights had declined by 4.3 percent and the occupancy rate by 8.7 per cent. The decrease probably resulted as much from the withdrawal of construction-related guests as a decrease in the number of passing motorists staying overnight in the town.
A year later, both the number of room nights and the occupancy rate had increased, by 2.2 and 3.4 per cent respectively. This may reflect the positive effects of the diversion of through traffic, especially the reduction in the level of noise at night from heavy vehicles passing through the town, which has undoubtedly made staying at any of the motels in the town considerably more pleasant.

The reduction in room nights occupied partly explains the initial decrease in gross annual turnover at accommodation establishments. Five of the six motels reported a decrease in gross annual turnover: for most of these it was less than 10.0 per cent, although two motels reported a reduction of 10-29.0 per cent. For these however, the larger decrease reflects in part the effect of increased competition following the construction of a large new motel nearby shortly before the opening of the Yass bypass. During the period covered by this study, this was subsequently enlarged with the addition of conference facilities. The subsequent increase in occupancy rates during the period probably explains why only 2 staff were made redundant at the motels: 3 additional jobs were not filled after they became vacant.

4.3 Adjustments to business operations

Although reducing labour costs (shedding staff and reducing hours worked) has been the most typical response by businesses, several others also changed the way they conduct business in response to the reduction in sales resulting from the opening of the bypass roads at Yass. In addition, several businesses have made adjustments to their operations in response to the more competitive trading environment created as a result of the diversion of through traffic from the town. The way that businesses respond to the changing environment is, however, an evolving one that could be expected to continue beyond the period covered in this study.

Prior to the opening of the bypass roads, very few businesses had actually done anything to change the way business was conducted. In view of the considerable uncertainty about the extent of the impact of the diversion of through traffic, the majority of businesses appeared to have adopted a ‘wait and see’ attitude. However several businesses clearly appreciated that it might be necessary to make changes to business operations and had thought about what might be done to remain profitable after the opening of the bypass roads. The most frequently cited strategies are shown in Table 10.

The main concern of businesses was to try to make up the loss in sales originating from passing trade by relying to a greater extent in future on local patronage – from the town and its hinterland. The most commonly cited ways in which businesses thought that this might be achieved were to advertise more and have promotions, diversify product lines and range of services offered, and make improvements to the premises either to through enlargement or to make them more attractive. A few businesses thought that staying open later during weekdays, becoming more price competitive, and providing better customer service would help. Businesses mentioning these strategies clearly had in mind the idea of capturing some of the leakage in spending by Yass residents working in Canberra. Strategies aimed at lowering operating costs received very little consideration before the opening of the bypass roads.

In the follow up surveys, businesses were asked whether or not they had implemented any of the strategies that had been contemplated beforehand. Relatively few businesses had actually made any of the changes previously contemplated. However, several businesses had made changes to business operations after having experienced the effects of the diversion of through traffic even though they had not planned on doing so before.
The diversification of product lines (often resulting in an expansion of the business), increased promotion and advertising, the renovation of premises, and extending opening hours were the most commonly made adjustments. At some businesses owners and/or managers were working longer hours themselves, particularly at those which had either made staff redundant or reduced hours worked by casual staff. There is some evidence that some businesses adopted strategies aimed at lowering operating costs following the opening of the bypass roads by reducing opening hours, the costs of advertising, and by stocking smaller lines. There is no clear association, however, between the type of business and the kinds of changes made to business operations. In general though, businesses that depended more on highway-generated trade – service stations, eateries, food stores, and some other retail businesses (eg gift shops) were the ones that had been most active in making adjustments.

**Table 10**

*Changes to business operations*

<table>
<thead>
<tr>
<th>Type of Change</th>
<th>Frequency Mentioned Before Bypass</th>
<th>Frequency Mentioned January 1995</th>
<th>Frequency Mentioned June 1995</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase promotion and advertising</td>
<td>12</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Attract more local sales</td>
<td>9</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Diversify product lines</td>
<td>8</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>Improve premises</td>
<td>8</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Extend opening hours</td>
<td>4</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Improve price competitiveness</td>
<td>3</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Stress customer service</td>
<td>2</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Reduce inventory</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Reduce opening hours</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Reduce advertising costs</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Reduce rent/relocate</td>
<td>-</td>
<td>3</td>
<td>-</td>
</tr>
</tbody>
</table>

**Note:** The figures are total number of mentions: some businesses intended to implement more than one change to business operations.

It is difficult to establish a direct link between the sale of businesses or business closures and the opening of the bypass roads. The evidence suggests however, that no businesses closed at Yass, and hence displaced workers, solely as a result of the diversion of through traffic. Except for two service stations at North Yass, which closed in anticipation of the opening of a new Service Centre to the north of the town, there is no evidence suggesting that the closure of the other three businesses was in any way attributable to the diversion of through traffic from the town. Only four businesses had been sold during the period of the study but continued to operate under new management (a greengrocer, a take-away, and two cafes), and two of the town’s hotels changed management. The reduction in passing trade, and the fear that this could worsen, were among the many reasons (for the most part not in any way bypass-related) given for the decision to sell businesses.
Chapter 5
The Indirect Impacts

The indirect impacts (or spin-off effects) of the opening of bypass roads result from the reduction in the dollar value of purchases made by individual businesses from other businesses (wholesale and retail) within and/or outside the local community. These secondary impacts are typically less significant in terms of magnitude although of course they contribute towards the total impact. From the limited data available, the impacts appear to be highly localised and to have affected gross annual turnover (rather than employment) at a relatively small number of businesses.

From the information provided by 65 businesses, the estimated total expenditure—including the wages component, amounted to about $39 million annually. If the 18 businesses that did not provide data are assumed to operate at the median expenditure value ($200,00), the total expenditure by the 83 businesses would amount to at least $42 million a year. Wages and salaries account for the largest component of the total.

Of the total spent on the purchase of goods and services, by far the largest component is made outside Yass although it is not possible to estimate the dollar amount given the way that the data was collected. Canberra and Sydney were the most frequently mentioned locations: other places included Goulburn and Wagga. Much of the indirect effect resulting from the reduction in purchases accompanying the decrease in the gross annual turnover of local businesses most probably has occurred therefore outside of the town itself.

Without access to detailed accounts, which most businesses were not willing to provide, it is neither possible to provide a comprehensive picture of the structure of linkages within the local economy nor a detailed breakdown of the monetary flows involved. From the sparse data available, however, two distinct sets of linkages between retail and service businesses at Yass can be identified.

The most important of these in dollar terms is that based on purchases made by establishments providing meals, particularly the eateries but also the hotels and clubs, the motels operating restaurants, and the service stations with food outlets. The other, which is more weakly developed, comprises the linkages between establishments in the automotive category based on purchases of spare parts and components by garages and workshops. However, given the fact automotive businesses do not appear to have suffered a noticeable decrease in gross annual turnover, it is unlikely that they experienced any significant indirect effects resulting from the diversion of through traffic from the town centre.

In addition to these two clearly identifiable sets of linkages between establishments, virtually all of the businesses surveyed make some purchases from others in the town even though the dollar amounts involved appear to be relatively small. For example, many businesses indicated that they purchase stationary and other items from the local newsagent. The newsagent itself supplies magazines and newspapers for sale at several of the service stations. Fuel is purchased from local service stations, garages and the two petroleum wholesalers. Businesses also rely principally on local retailers and tradespeople and for repairs, installation, and maintenance. This is especially the
case for the motels because repairs and maintenance constitute an important component of ongoing expenditure.

Apart from one of the restaurants, all of the 30 establishments providing meals purchased virtually all of their provisions locally from one distributor (Yass milk) and 8 other retail businesses in the town—two bakeries, three butchers, the fruit and vegetable shop, and the two supermarkets. There are no food or grocery wholesalers as such in the town. These 8 businesses estimated that they depended on passing trade for less than 5.0 per cent of their gross annual turnover (although it was 15.0 per cent in the case of the fruit shop). Therefore the reduction in sales to the businesses providing meals, rather than reduced expenditures by passing motorists, is likely to have been the main cause of the observed decrease in their gross annual turnover.

Purchases of meat and meat products from the local butchers and goods bought from the two supermarkets are significant. Sales by the butchers to businesses providing meals are estimated to be of the order of at least $27-31,000 a month—the lion’s share of this is made by one particular business. Sales by the two supermarkets to businesses providing meals are estimated to have amounted to at least $25,000 a month, most of which was accounted for by the town’s largest establishment.

Given the difficulty in obtaining the required data in sufficient detail, however, it was not possible to quantify the indirect effects on businesses in the town resulting from the opening of the bypass roads by calculating a value of a multiplier as has been done in other studies. For example, in an early study that attempted to predict the impact of the bypass roads at Yass, a Type II Keynesian employment multiplier was used to determine the indirect effects (Holsman et al 1981). The value of the multiplier in that study was calculated to be 1.35: for every job lost directly as a result of the diversion of through traffic, an additional 0.35 jobs would be lost in the short-term through the multiplier effect. Applying this value to the 93 jobs lost directly as a result of the opening of the bypass roads recorded in this study, an additional 33 jobs would be expected to have been lost in the town indirectly and through induced effects.

It should be remembered, however, that the calculation of the multiplier in that earlier study was based on data that would have changed significantly in the fifteen years between the opening of the bypass in 1995 and the time the calculations were made in 1980. This notwithstanding, if it had been possible to calculate an employment multiplier in this study, there is reason to believe that its numerical value would be very small and substantially less than that assumed in the 1981 study.

The limited information obtained during this study indicates that the indirect effects have contributed in only a small way to the overall economic impact of the bypass roads at Yass, and that these have affected gross annual turnover rather than employment. The few businesses that have been affected indirectly would have appeared to be able to absorb the reduction in gross annual turnover resulting from the reduction in purchases from other business in the town without displacing staff, presumably by accepting lower profit margins.
Chapter 6
Effects on the Environment

In the post-bypass surveys at Yass, businesses were asked to rate the relative importance of the following effects on the town centre resulting from the diversion of through traffic: less noisy, a ‘friendlier’ atmosphere, a safer place especially for older people, easier parking, less dust and pollution, and fewer accidents. The responses are shown in Table 11.

<table>
<thead>
<tr>
<th>Effect</th>
<th>Little Importance</th>
<th>Important</th>
<th>Very Important</th>
<th>Total Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Noise</td>
<td>9 (14.3%)</td>
<td>11 (17.5%)</td>
<td>43 (68.2%)</td>
<td>63</td>
</tr>
<tr>
<td>Safer</td>
<td>13 (21.7)</td>
<td>11 (18.3)</td>
<td>36 (60.0)</td>
<td>60</td>
</tr>
<tr>
<td>Less Pollution</td>
<td>13 (22.4)</td>
<td>13 (22.4)</td>
<td>32 (55.2)</td>
<td>58</td>
</tr>
<tr>
<td>Easier Parking</td>
<td>26 (44.8)</td>
<td>11 (19.0)</td>
<td>21 (36.2)</td>
<td>58</td>
</tr>
<tr>
<td>Friendlier</td>
<td>21 (35.6)</td>
<td>17 (28.8)</td>
<td>21 (35.6)</td>
<td>59</td>
</tr>
<tr>
<td>Fewer Accidents</td>
<td>27 (58.7)</td>
<td>11 (23.9)</td>
<td>8 (17.4)</td>
<td>46</td>
</tr>
</tbody>
</table>

The responses from all businesses, and particularly from establishments in the accommodation sector, indicated that the most important positive effect of the diversion of through traffic was the reduction in the level of noise, especially from heavy vehicles. More than half of those providing information also rated the improvement to safety in the main street, especially for older people, as very important as well as the reduction in dust and pollution. Dust generated by vehicular traffic during the summer had been a major problem for retailers in the main street particularly for those businesses that placed goods on the pavement (clothes stores).

The three other effects were rated as very important but less so in relative terms. Just over one-third of those responding believed that parking had become easier in the town centre and that the town was now a ‘friendlier’ place in which to shop and do business. The more relaxed and quieter atmosphere following the diversion of through traffic has made it easier for pedestrians to cross the main street, to stop and talk on the street, and easier for customers to park in the main street. The effect of the diversion of traffic on reducing accidents in the town was the only one regarded as being of relatively little importance.

The beneficial environmental effects resulting from the diversion of through traffic, especially heavy vehicles, from the town centre can be expected to offset to considerable degree the negative impacts on job losses and decrease in gross annual turnover at some of the businesses. The strong perceptions held by locals about the positive environmental and quality of life impacts of bypass roads is indicative of the importance attached to such issues relative to the economic outcomes even though the trade off between the two is difficult to quantify in cost-benefit terms.
Chapter 7
Discussion

The impact of bypass roads on local businesses is measured principally by the reduction in gross annual turnover and the flow-on effects this has on levels of employment. The loss of jobs in communities affected by the opening of bypass roads is considered to be the most important because this has important social and economic implications. The loss of jobs results in a reduction of household income which in turn results in a decrease in expenditure. That part of the decrease in spending previously made locally will further affect the gross annual turnover of local businesses.

The creation of additional employment opportunities as well as increasing levels of expenditure locally are therefore key issues facing all bypassed communities as part of strategies to offset the reduction in the value of highway-generated trade resulting from the diversion of through traffic. The opportunities for creating new jobs are very limited, however, particularly during times of sluggish economic growth. The typically smaller size of most settlements affected by bypass roads is a further limiting factor. An alternative, therefore, is for displaced workers to seek employment elsewhere. The potential for travelling to other places for work, however, depends on facts of geography and is only a feasible option when there are other centres of employment within commuting range of the affected community. In this regard, Yass is more fortunate than many other bypassed communities.

7.1 The proximity to Canberra

Yass has the advantage of being only a short drive from Canberra, where many Yass residents already work. The current difficulties of the Canberra labour market notwithstanding, the opportunity exists for some of the workers displaced as a result of the diversion of through traffic from the town to seek new employment in the ACT. Anecdotal evidence suggests that this has indeed been the case for some of the workers made redundant as a result of the opening of the bypass roads at Yass.

The proximity of Canberra is an advantage from another viewpoint as well. Yass has become, to an increasing extent, an alternative place for Canberra residents to live. In the period 1986-91, during which the population of the town increased by 12.0 per cent, it is estimated that 33.0 per cent of new residents in the town had moved there from the ACT (SIWG 1994). New residential areas are being developed in the town, and these are intended primarily to cater for people currently living and working in Canberra. The population growth that will result from the relocation of Canberra residents in future should bring more money into the town, part of which may be spent locally. It is expected that this will help mitigate, to some extent, the impact of the bypass on the local economy in the longer term.

The advantage of being close to Canberra has a negative side as well. The estimated leakage of some $8 million in retail expenditure by Yass residents to Canberra has certainly been detrimental for many local businesses for some time. It remains to be seen whether or not local businesses will
be able to capture part of the leakage in retail expenditure in future. From information provided from the business surveys, it would appear that several local businesses have already implemented strategies aimed at achieving this, or are intending to do so. The additional expenditure resulting from these initiatives will help compensate the reduction in gross annual turnover of local businesses resulting from the opening of the bypass roads.

### 7.2 A new service centre

The impact of the bypass roads on employment in the town will be offset to some extent as a result of the construction of a new highway Service Centre being built adjacent to the northern interchange on the Yass bypass (the Melbourne side), only a few kilometres from the town centre itself. The concern about the impact of the bypass roads on employment at retail and service businesses in the town had prompted the Shire Council to adopt a strategy in the mid-1980s to explore the feasibility of developing a new Service Centre at North Yass. The feasibility study for this, completed in 1989 (Kinhill 1989), led to a decision to proceed with the project.

Following considerable delay, construction of the Service Centre (a private venture) commenced towards the end of 1995, at the time this study was coming to an end. The first stage opened for business in January 1996. The Service Centre will include a large service station and two fast food outlets—a McDonalds and a KFC. When fully operational, it will create a substantial number of new jobs in the town which are expected to be filled largely by those made redundant as a result of the impact of the bypass roads, particularly those retrenched from service stations in ‘Gasoline Alley’.

This important initiative will play an important role in mitigating the adverse effect of the bypass roads on employment in the town documented in this study. The net loss of jobs is likely to be considerably smaller than otherwise would have been the case. It is unclear, however, what impact the new Service Centre will have on other businesses in the town. The opening of two fast food outlets at the Service Centre will inevitably place additional stress on some of the eateries in the town centre.

The new Service Centre will also act as an intervening opportunity and as such may deter motorists from travelling the short distance into the town centre to stop. If this turns out to be the case, some other retail businesses in the town could be affected to some extent as well. One thing is clear, however: the opening of the new Service Centre will have a serious impact on the three service stations remaining in ‘Gasoline Alley’ and could result in their closure. In that event, an estimated additional 105 workers would lose their jobs which would offset to some extent the net gain in employment provided by the Service Centre.
Chapter 8
Conclusion

The findings from this study indicate that the negative impacts of the bypass roads at Yass on employment and gross annual turnover, although important, have been considerably smaller than might have been expected on a priori grounds and substantially less than predicted in earlier studies. Moreover, the evidence suggests that these occurred relatively quickly—within a little over 12 months after the initial diversion of through traffic from the town in July 1994. By the end of 1995, it was apparent that virtually no additional effects of the bypass roads had been felt by the businesses surveyed. The local economy by that time was being affected by other factors unrelated to the bypass roads.

It is difficult to predict how long it will take for the local economy to recover from the considerable loss of highway-generated trade. In large part this will depend on initiatives taken by individuals, the businesses community, and the Shire Council. There is reason to believe, however, that the immediate effects of the opening of the bypass roads probably will be of short-term duration and this is certainly the view held by many in the business community.

There was considerable optimism in the community that once things ‘settled down’, Yass would become a much better place for shopping and to visit and that the future environment for business would be enhanced. In December 1995, when the third survey of businesses was completed, several businesses reported signs that sales were starting to improve. It was believed that this was due to the fact that more of the town’s residents and those from the hinterland were spending money in the town than before, in itself not unrelated to the positive environmental effects the diversion of through traffic has had on the town centre.

Implementation of the Main Street rehabilitation scheme by the Shire Council, which commenced in mid-1995, will make the town an even more attractive place for shopping and service provision when fully completed. Improvements to the streetscape and the renovation of buildings, many of which have heritage value, will do a lot to restore Yass’ character as an historic country town. This could result in the town becoming more attractive as a tourist centre and a place to visit in the longer term. With effective advertising and sufficient signage on the bypass roads, the town should be able to recapture some part of the expenditure formerly made by motorists stopping—the competition from the new Service Centre notwithstanding, and staying overnight in the town.

In the longer term, it is likely that the positive environmental effects resulting from the diversion of through traffic from the town coupled with local initiatives, particularly those by the Shire Council, the Chamber of Commerce, and individual business persons, will ensure that Yass continues to play a role as an important sub-regional service centre in the Sydney-Canberra corridor.
Afterword

The monitoring of the impacts of the bypass roads at Yass has continued since this report was prepared in March 1996. A year later when the town was last visited (March 1997), the Service Centre was fully operational and very successful, and its effect on local businesses had run its course. The Main Street programme was in the final stage of completion and had already resulted in a marked improvement in the atmosphere and character in the town centre. In addition, some noticeable changes had occurred in the composition of businesses in the town, and the prevailing view in the business community was that the ‘corner had been turned’ and the town was recovering well from the initial impact the bypass roads had on sales.

Just under 200 new jobs had been created by the 3 businesses at the Service Centre which has more than compensated for the loss of the 93 jobs directly attributed to the opening of the bypass roads. Almost all of those employed at the Caltex service station had previously been employed at service stations in the town. The two fast food outlets together employed about 130 workers, the majority of which (80-90.0 per cent) were juniors. It was believed that only a very small part (about 20.0 per cent) of the turnover at these businesses originated from residents of the town itself, the rest represented highway-generated trade. The view was expressed that the new Service Centre had captured sales previously made by motorists stopping at the Marulan and Sutton Forest Service Centres, and it was clear that it had become a major truck stop on the Hume Highway.

The most visible impact of the new Service Centre on the town was in ‘Gasoline Alley’. Two of the remaining three service stations there had closed during the year and the future of the one still open was uncertain: it was currently operating on a short lease. As a result of the reduced competition, the two other service stations in the town reported increased sales to local residents following the demise of ‘Gasoline Alley’. Several other businesses on Comur Street in the town centre had closed during the year, including a coffee shop that had been identified as the most marginal of the eateries operating when the initial survey of businesses was completed in 1994, and two food stores– the small fruit shop and one of the butchers. Other closures included a small health food store, two clothes shops, two antique shops, and the outlet for a local wood craftsman. The information provided by the ones that were included in the business surveys indicates that the gross annual turnover at these was small: many of them were operated on a part time basis.

On the other hand, a number of new businesses had opened in the town centre. These included a gift shop, a craft shop, a small antique dealer, a computer shop, a lawn mowing machine shop, a hairdresser, and the coffee shop that had closed shortly after the initial business survey was open again under new management. Many of the other businesses indicated that sales had improved and that new business had been generated as a result of the additional disposable income generated by jobs at the Service Centre. Since most of these were filled by young people with limited mobility, they were largely spending money locally. The largest supermarket in town, which had moved into a large new building with more car parking space, was operating from larger premises and competing effectively with the large food outlets in the ACT. It had almost certainly captured some of the leakage of food sales to Canberra.
References


Kinhill (1989), Yass Highway Service Centre Feasibility Study. Holt, ACT: Kinhill Engineers Pty Ltd.


SIWG (1994), Settlement and Infrastructure Working Group Report, Sydney-Canberra Corridor Study. Sydney: NSW Department of Business and Regional Development.
## APPENDIX A

**Employment by Industry Category, Yass Urban Locality, 1991.**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Male</th>
<th>Female</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Wholesale-Retail Trade</td>
<td>237</td>
<td>200</td>
<td>437</td>
</tr>
<tr>
<td>Community Services</td>
<td>114</td>
<td>205</td>
<td>319</td>
</tr>
<tr>
<td>Public Administration</td>
<td>116</td>
<td>76</td>
<td>192</td>
</tr>
<tr>
<td>Recreation and Personal Services</td>
<td>77</td>
<td>115</td>
<td>192</td>
</tr>
<tr>
<td>Construction</td>
<td>173</td>
<td>18</td>
<td>191</td>
</tr>
<tr>
<td>Finance</td>
<td>75</td>
<td>114</td>
<td>189</td>
</tr>
<tr>
<td>Transport and Storage</td>
<td>93</td>
<td>27</td>
<td>120</td>
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<tr>
<td>Utilities</td>
<td>99</td>
<td>9</td>
<td>108</td>
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<tr>
<td>Agriculture</td>
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</tr>
<tr>
<td>Manufacturing</td>
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<td>40</td>
</tr>
<tr>
<td>Communications</td>
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<td>9</td>
<td>37</td>
</tr>
<tr>
<td>Not Reported</td>
<td>59</td>
<td>58</td>
<td>117</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1118</td>
<td>858</td>
<td>2047</td>
</tr>
</tbody>
</table>

APPENDIX B
The Business Surveys

The data collected from the three business surveys undertaken as part of this study were obtained from personal interviews with the proprietors of each business using formally structured questionnaires. The businesses were informed about the objectives of the surveys, and the study of the impact of the opening of the bypass roads itself, through press releases that appeared in the Yass Post, and through notices that appeared in the Newsletter of the Yass and District Chamber of Commerce.

Given that the objective of the study was to evaluate the impact of bypass roads, an attempt was made in designing the questionnaires to isolate the effects of this from other influences. For example, the effect of the rural recession was still very much apparent during the period that the data were collected and this was further compounded by the reduction in expenditure following the withdrawal of construction workers. The questionnaires were therefore designed to filter out these compounding effects as far as that was possible. It is believed therefore that the results presented in this report reliably document the nature and extent of the effects on the business community that can be attributed directly and indirectly to the impact of bypass roads.

The businesses excluded from the survey included the banks, personal services (eg laundries, hairdressers, etc), and professional services (eg solicitors, accountants, etc). On a priori grounds these are unlikely to be affected by a reduction in highway generated trade. All except five of the other retail businesses in the town centre were included among the 83 businesses surveyed. Those excluded were the two antique shops and a specialist baby clothes shop, one of the car dealers (which was not willing to participate), and a business selling outdoor power tools and equipment (which was not believed to be pertinent to the study).

The ANZSIC codes, and the classification of businesses based on these into the eight functional categories, are not entirely suited to this kind of study because businesses are identified only by their major activity. Many businesses are multi-functional and provide distinctly different goods and services to customers. This is important given that only part of a particular businesses’ total gross annual turnover may be related to servicing the needs of travellers: that is the part that may be affected by the bypass.

This is a particular problem with respect to a number of the businesses included in the survey.

Service stations which have food outlets are a case in point: the figures for turnover collected for these during the study related to the business as a whole. In many cases it was the food outlet rather than fuel sales that suffered most as a result of the diversion of through traffic. This did not become apparent until the results of the surveys were obtained. In addition, several of the car dealerships have petrol pumps but some do not; they are all included under ANZSIC Code 5311. Although it is highly unlikely that vehicle sales will be made to passing motorists (although that evidently does happen), many do purchase fuel. Hotels are another example; they provide accommodation as well as meals—both of which are important for travellers. One of the motels does not operate a restaurant, hence differs from the others.

As a result, some of the important detail is covered up in the analysis of the data collected from the surveys and in the Tables included in this Working Paper. In any case, most establishments are unable—or unwilling to take the trouble, to provide separate data for the different components of their business. That notwithstanding, from the data collected it has been possible to establish a profile of businesses at Yass and to assess the changes to the local economy brought about as a result of the opening of the bypass roads.
Another unavoidable problem in longitudinal studies of this kind is that it is not always possible to obtain answers to every question during each of the surveys. This is especially a problem when the analysis of the data involves cross-tabulations: in some cases the number of observations on which analyses can be performed is considerably less than the total number of businesses included. By and large, however, the local businesses were willing to fully participate in the surveys throughout the period of data collection. Without their help and cooperation, which is gratefully acknowledged, it would not have been possible to have obtained such a good understanding of the nature and extent the impact of the bypass roads on individual businesses and the town as a whole.