

# 18. Socio-economic impacts

## 18.1 Assessment approach

A socio-economic assessment was undertaken by the RTA in March 2006. This study included an assessment of the likely social and economic impacts of the proposed upgrade, and recommended measures to minimise social impacts and manage social change. Both analytical and participatory approaches were used to predict and assess the likely impacts of the upgrade on the surrounding socio-economic environment. The analytical approach was applied to those impacts that would be identified and measured. The participatory approach was applied through participation and/or involvement of the community in the prediction and evaluation of socio-economic impacts.

The socio-economic assessment also drew upon information obtained during the route selection phase of the project. During this phase, a study on the impacts of route options on agricultural land capability and agricultural activities was conducted (Hassall and Associates 2002).

The outcomes of the assessment are detailed in the unpublished technical report *Upgrading the Pacific Highway Kempsey to Eungai – Socio-Economic Assessment* (NSW Roads and Traffic Authority 2006d) and summarised in this chapter.

The report *Evaluation of the Economic Impacts of the Kempsey to Eungai, Pacific Highway Upgrade on Kempsey and Frederickton Town Centres and Activities at Clybucca and Eungai* (UNSW Consulting 2005) provides a detailed assessment of the potential impacts on businesses in Kempsey and Frederickton as well as other businesses along the existing Pacific Highway. As the report contains confidential information, only a summary of the results of the study has been provided (refer Section 18.3.2).

Impacts relating to urban and residential amenity including traffic (Chapter 14 – *Traffic, transportation and access*), noise (Chapter 16 – *Noise and vibration*), visual amenity (Chapter 19 – *Landscape and visual impacts*) and air quality (Chapter 20 – *Other environmental issues*) are addressed in separate sections of the Environmental Assessment.

Impacts relating to agricultural land use are discussed in detail in Chapter 15 – *Land use and property*. This chapter addresses the social and economic impacts of the proposed upgrade on agricultural businesses.

## 18.2 Existing social and economic environment

### 18.2.1 Regional context

The proposed upgrade is located within the Mid North Coast region of New South Wales, a coastal region extending from Seal Rocks, north to Coffs Harbour.

Port Macquarie, 45 kilometres south of Kempsey, and Coffs Harbour, 112 kilometres north of Kempsey, are the largest centres in terms of population, employment and retail and service provision. Other key centres include Kempsey, Taree, South West Rocks, Nambucca Heads, Macksville and Woolgoolga.

In the 20 year period between 1981 and 2001, the average annual growth rate for the Mid North Coast region was 2.3%. The population of this region is projected to grow to 363,800 in 2031, representing an annual growth rate of 1% over 30 years between 2001-2031 (Department of

Infrastructure, Planning and Natural Resources 2004). This region is expected to experience the biggest gains through internal migration of any region in NSW. The annual growth rate from 2001–2006 is projected to be 1.1%. By 2026–2031, the annual growth rate is expected to have slowed to 0.7% (Department of Infrastructure, Planning and Natural Resources 2004).

### 18.2.2 Local context

The proposed upgrade is located mainly within the Kempsey local government area, and partly within the Nambucca local government area.

The Kempsey township is dissected by the Macleay River and divided into three areas known as South Kempsey, East Kempsey and West Kempsey. Kempsey is the main residential, service and commercial centre of the Kempsey local government area. The Kempsey central business district (CBD) forms the focus of the region in terms of employment, retail and service provision.

The existing highway passes through the centre of South Kempsey, Kempsey, Frederickton and Clybucca, bringing goods and services, visitors and business markets to these centres.

The Kempsey local government area has a multi-skilled and stable workforce that supports a range of industries including manufacturing, retail, agribusiness and tourism. Skills in trades and professional services also support the growing area (Kempsey Shire Council 2006).

The community recognises the economic linkages between those residents dependent on highway traffic for employment and commercial sustainability and other service or supporting sectors, such as schools, medical services and commercial facilities. The community also recognises that highway traffic currently detracts from the town amenity.

#### Population and culture

The total population of the Kempsey local government area was 26,936 (ABS 2002). The total population of the Kempsey local government area is projected to increase to 32,400 by the year 2011 (Kempsey Shire Council 2003b).

The original inhabitants of the Macleay Valley were the Dunghutti and Unkya people. Kempsey local government area has one of the highest Aboriginal populations on the NSW North Coast (Holden 1999). Around 10% of the population is Aboriginal, Torres Strait Islander, or both.

#### Community amenity and lifestyle

The lifestyle of Kempsey can be described as one in which people highly value and enjoy the rural, semi-rural and coastal village amenity and natural landscapes of the area, along with the proximity to local amenities and services provided within Kempsey (NSW Roads and Traffic Authority 2004). The area generally comprises:

- Rural landholders and business owners that have lived in the area for a number of years.
- Newcomers and young families seeking a semi-rural environment close to employment generating services and facilities.
- Retirees seeking a lifestyle away from the city but close to amenities and the coast.

The desirability of rural-residential allotments is evident in the relatively high increase in real estate values in the valley for the period between 2000 and 2004 (NSW Roads and Traffic Authority 2004).

#### Environmental amenity

With the exception of properties located on the existing Pacific Highway at South Kempsey, Frederickton and Barraganyatti/Eungai, most properties affected by the proposed upgrade currently enjoy a quiet rural environment. Residents in South Kempsey and Frederickton are affected by traffic noise and congestion from the existing highway.

There is a long history and strong community awareness of flooding of the Macleay River. The town of Kempsey is one of the most flood-affected towns in NSW (NSW Roads and Traffic Authority 2004). Major flood events that approached the 1-in-100 year flood level occurred in 1949 and 1950. The most recent major flood event to affect the Macleay Valley was in March 2001.

### Employment

In the late 1990s, a number of major employers scaled down or ceased operations resulting in considerable labour losses in the Kempsey local government area. These include the cutting back of the Telstra Business Office, closure of the King Gee clothing factory, closure of the Boral timber mill, relocation of a log transport company and the United Dairies factory closure in Frederickton (Kempsey Shire Council 2000).

However, more recently the economic prosperity of the Kempsey local government area has improved. This has coincided with an improvement in the Australian economy, increased property values and the opening of the Mid North Coast Correctional Centre. The Kempsey local government area had almost twice the percentage rate of unemployment compared to the NSW average (16.5% compared to 7.2%) at the 2001 census. Kempsey Shire Council reported in its Corporate Strategic Plan that the unemployment rate in 2004 was 8.8% (Kempsey Shire Council 2005c).

### Primary industry

The local agricultural industry is diverse with industries such as crayfish, deer, ostrich and emu farming. Traditional agricultural enterprises including timber, beef and dairy cattle, maize and seafood remain strong contributors to the local economy. The 2001 ABS Census indicates that the agricultural production from the Kempsey local government area was of the order of \$24.7 million, up from \$21 million in 1996.

### Tourism and highway trade

Tourism is an important and growing industry, with coastal towns such as South West Rocks and Crescent Head attracting increased tourist numbers to the Macleay Valley and Mid North Coast (Kempsey Shire Council 2000).

A study conducted by UNSW Consulting in 2006 found that those who stay overnight or longer in town contribute some \$10 million to gross annual turnover in Kempsey. It is estimated that the total value of highway-generated trade originating from expenditures made by travellers stopping and staying overnight or longer in the town is in the order of \$16.8 million a year. This represents about 4.3% of the indicative value of the town's annual total product.

## 18.3 Impacts on the social and economic environment

### 18.3.1 State-wide, regional and local benefits

The proposed upgrade would have a number of social and economic benefits for NSW and the region, largely as a result of improved traffic safety and reduced travel times. Key benefits would include:

- Improved road safety, which would result in a reduction in the number of road accidents.
- Reduction in the amount of heavy vehicle traffic through towns.
- Improved state-wide and regional north-south access, which would support tourism, access to markets and regional employment in NSW.



Trucks passing through the Kempsey town centre and residential areas in South Kempsey create noise and traffic impacts



The March 2001 flood in Kempsey severed access along Smith Street in the Kempsey town centre



Motels at South Kempsey rely on highway trade for business



The BP service station at Clybucca provides a rest stop and services for trucks and other motorists

- Reduced highway travel times, and therefore reduction in user costs.
- Positive changes in driver behaviour to facilitate and encourage more frequent breaks.

The proposed upgrade would also provide many social and economic benefits to the towns of Kempsey and Frederickton. These benefits would include:

- A reduction in heavy vehicle and other traffic in Belgrave and Smith Streets, Kempsey and Macleay Street, Frederickton, resulting in a reduction in noise and improvements to vehicle, pedestrian and cyclist safety.
- Improvements to the character and environmental amenity of the towns.
- Opportunities for commercial and industrial development, particularly South Kempsey and Frederickton.

### 18.3.2 Impacts on the local community

#### What is community severance?

If a large or busy road cuts through an area, it can have the effect of driving a wedge through a community by limiting people's ability or desire to move through that area, which in turn can reduce accessibility to key services and damage local social networks and community 'cohesion'.

The cumulative impact of psychological and physical barriers to movement and social participation created by the transport infrastructure is what constitutes 'community severance' (UK Department for Transport 2006).

#### Community severance

At present, the Pacific Highway route through the town centres of Kempsey and Frederickton produces significant community severance impacts. It is anticipated that the rerouting of the highway to the east of Kempsey and Frederickton would result in greater community cohesion in these areas.

Improved community interaction as a result of a safer pedestrian, cyclist and vehicular environment, improved environmental amenity and improved accessibility would be a direct outcome of the removal of a large proportion of the through-town traffic.

The impacts of severance can be both physical and psychological. Although access may be provided between two divided areas of a community, the visual barrier may generate a greater sense of separation on a social level.

The majority of local road overpasses, particularly in East Kempsey, would incorporate pedestrian facilities to maintain pedestrian access within local neighbourhoods. Details of changes to pedestrian access due to the proposed upgrade are provided in Section 6.1 and Section 14.2.

The proposed upgrade would result in severance impacts:

- To the Crescent Head Road community, where the proposed upgrade passes through a residential area.
- To the Inches Road community, where the proposed upgrade cuts under this road, creating a physical barrier through the centre of this area.
- For properties along Seashore Lane and to the east of Kemps Access. A visual separation would also be experienced by some residents in the Collombatti community.
- In the community around Nirvana Way where the area would be divided into two by the proposed upgrade.

#### Environmental amenity

The proposed upgrade has the potential to impact on the environmental amenity enjoyed by residents in close proximity to the proposed upgrade.

Noise and visual impacts would create a change to the current residential amenity of properties located within 200 metres of the proposed upgrade. Those affected have also noted concerns regarding safety and security (NSW Roads and Traffic Authority 2006a).

Changes to flooding characteristics within the Macleay River floodplain would also affect

residential amenity. Measures are proposed to reduce flooding impacts, including construction of a levee at Frederickton, which would protect 28 properties. The levee would have associated visual impacts that would be mitigated through landscaping and other architectural treatments.

A perceived reduction in air quality associated with a highway may impact on some residents. Although the likely pollutant levels would be low, the perception of pollution would influence the amenity of those in close proximity to the proposed upgrade, particularly in East Kempsey and Collombatti areas.

Further details on the impacts relating to flooding (Chapter 10 – *Hydrology and water management*), traffic (Chapter 14 – *Traffic, transportation and access*), noise (Chapter 16 – *Noise and vibration*), visual amenity (Chapter 19 – *Landscape and visual impacts*) and air quality (Chapter 20 – *Air quality*) are provided in separate sections of the Environmental Assessment.

### Property acquisition

As detailed in Section 15.4.2, the design of the proposed upgrade has sought to minimise land acquisition. One hundred and sixteen properties would be affected by property acquisition as a result of the proposed upgrade.

Fourteen properties have been purchased by the RTA as at July 2007. A further 14 properties would probably be fully acquired. The remaining 88 property acquisitions would most likely be partial acquisitions.

Five properties have been purchased by the RTA as at March 2007. A further 21 properties would probably be fully acquired. The remaining 90 property acquisitions would most likely be partial acquisitions.

Partial acquisition allows land owners to maintain their current land uses, minimising the need for relocation or significant changes to operations of agricultural properties. Where partial acquisition would significantly impact on the existing land use, full acquisition would be considered.

Some land owners have reported that they accept acquisition of their land and view it as a positive opportunity to change their lifestyles and contribute to improving the Pacific Highway. Others have reported high levels of stress and are finding it difficult to cope with the thought of relocation. These feelings are exacerbated as time and uncertainty continue.

Social and economic impacts associated with property acquisition on individuals include:

- Relocation and the resulting disruption to social networks, employment and sense of place.
- Physical and mental stress as a result of disruption to people's lives (a feeling that their lives are on hold), loss of ownership and loss of control about decisions regarding their property.
- Stress about partial property acquisition and perceived decreases in property values and residential amenity.
- Stress about partial property acquisition of agricultural land and the resulting economic effects.
- Optimism about partial property acquisition and economic benefit that may accrue.

Consultation will continue with affected landholders and the property acquisition process would be commenced as soon as possible following the decision on the approval, funding and programming of the proposed upgrade to help minimise the stress caused. Land acquisition

would be carried out and compensation determined in accordance with the RTA *Land Acquisition Policy* (Appendix E).

### 18.3.3 Impacts on the local economy

A general assessment of impacts on agribusiness, a detailed study of impacts on highway related businesses, and the Kempsey and Frederickton town centres were undertaken. Details of this study are summarised and are detailed overleaf.

#### **Kempsey and Frederickton town centres and highway-based businesses**

The assessment of the economic impacts of the proposed upgrade on the towns of Kempsey and Frederickton and activities at Clybucca and Eungai found that:

- Loss of trade is likely to occur to the accommodation sector of Kempsey as a result of the proposed upgrade; however, it is likely to be quickly compensated for with additional stayers due to improved environmental and social amenity.
- Assuming a similar level of impact to the Hume Highway bypass of Yass, the proposed upgrade could cause a reduction in annual expenditure by stopping motorists of between \$3.4 and \$4.7 million.
- The loss of stopping trade would financially impact on three businesses that rely on stopping motorists.
- Surveyed business operators perceived potential positive effects are likely to result from the diversion of through traffic, either on the community or on their own businesses.
- The strong perceptions held by respondents about the positive environmental and quality of life impacts of the proposed upgrade is indicative of the importance attached to these issues relative to economic impacts.
- The loss of highway related trade to businesses in the main commercial shopping areas in Kempsey (South Kempsey, Belgrave Street and Smith Street) is likely to be partly offset by the benefits to trade of an improved shopping environment.
- The potential development of a highway service centre located close to Kempsey would create localised employment for around 65-70 full-time equivalent positions, approximately equal to 130 jobs.
- Local businesses are likely to benefit over the course of the construction period.
- On the basis of the estimated decrease in gross annual trade at the 79 businesses surveyed, a total of 176 jobs could potentially be lost at these businesses. This represents 19% of the 919 workers employed by the 79 businesses in 2005, or 7% of employment in Kempsey in 2001.
- The loss of jobs, particularly casual and part-time positions, could result in a marked reduction in job opportunities for females in the area.

The overall potential downturn in gross turnover in the town of Kempsey is likely to impact on the wider community with reduced employment prospects and flow-on economic impacts from highway-generated revenue. To some extent the uncertainty in the job market may be off-set by the inflow of revenue during the construction period and potential development of a highway service centre at South Kempsey.



### Local business impact study

The report Evaluation of the Economic Impacts of the Kempsey to Eungai, Pacific Highway Upgrade on Kempsey and Frederickton Town Centres and Activities at Clybucca and Eungai (UNSW Consulting 2005) assessed the economic impacts of the proposed upgrade on businesses in Kempsey and Frederickton as well as other businesses along the existing Pacific Highway.

The study drew upon previous studies on impacts of highway bypasses, such as the Hume Highway bypass of Yass and results from a survey of 79 businesses in Kempsey, Frederickton and along the highway outside these towns. The businesses surveyed included those related to the servicing of travellers' needs, such as fuel, food, accommodation and retail outlets, including chemists, newsagents and clothes stores. The Yass survey can be considered an applicable example of the impacts of a town bypass as there are certain similarities between the towns of Yass and Kempsey including that both towns are within rural areas and prior to bypass serviced the local community, surrounding rural / agricultural land users and highway users.

The assessment of local business impacts is provided below.

#### Accommodation sector

The accommodation sector is not likely to experience substantial negative consequences after the opening of the proposed upgrade. In previous analysis of other towns that have been bypassed, there is evidence to suggest that the accommodation sector may in fact experience higher activity levels in the immediate post-upgrade period as compared to the pre-upgrade period (Parolin and Garner 1996).

In similar projects, several factors were identified as contributing to a healthier accommodation sector in the post-upgrade period; namely, the improved environmental amenity of the town (reduction in through traffic noise) is appealing to both potential short and long-term stayers, and the increased tourism promotion of the town, is translated into additional short and long-term stayers.

Therefore, whatever loss of trade is likely to occur to the accommodation sector of Kempsey as a result of the proposed upgrade, it is likely to be compensated for with additional stayers.

A majority of surveyed proprietors of accommodation establishments agreed that the reduction in through-traffic and heavy vehicles would enhance the environmental amenity of Kempsey, which would attract more overnight and longer stay travellers.

#### Highway-generated trade

A study undertaken to assess the economic impacts of the Hume Highway bypass of Yass recorded a 50% reduction in stopping trade immediately following opening of the bypass (Parolin and Garner 1996). Assuming a similar level of impact to the Hume Highway bypass of Yass, the proposed upgrade could cause a reduction in expenditure by stopping motorists of between \$3.4 and \$4.7 million.

The key impacts associated with removal of through-traffic from the main townships would be the loss of trade at service stations and eateries. It is estimated that the loss of stopping trade would affect three businesses that rely on stopping motorists. This loss may be balanced by an increase in trade generated by overnight stayers who would utilise local services and purchase goods. Additionally, some motorists may continue to use Kempsey as a fuel stop, given it is located approximately half-way between Brisbane and Sydney.

A survey of businesses identified perceived potential positive effects likely to result from the diversion of through traffic, either on the community or on their own businesses. Table 18-1 outlines the perceived benefits resulting from the proposed upgrade.

**Table 18-1 Perceived benefits resulting from the proposed upgrade**

Effect (out of 79 businesses)	Frequency
Less noise	26
Less traffic	23
Improved local accessibility	18
Safer streets / safer town	16
Improve local shopping	15
Improve local business	12
Improved parking	12
Friendlier main street	10
More local trade	8
Improve quality of life	5

The beneficial environmental effects which are perceived to result from the diversion of through traffic from the town centres, especially heavy vehicles, can be expected to partially offset the negative impacts on job losses and decrease in gross annual turnover at some of the businesses. The strong perceptions held by respondents about the positive environmental and quality of life impacts of the proposed upgrade is indicative of the importance attached to these issues relative to economic impacts. However, it must be noted that the views of the wider community may differ from the surveyed business owners.

#### **Potential highway service centre**

Kempsey has been identified in the Draft Mid North Coast Regional Strategy as a potential location for a highway service centre on the Mid North Coast.

The survey respondents indicated that the development of a highway service centre near Kempsey would create localised employment opportunities further off-setting negative impacts on job losses and gross annual turnover.

If developed, a highway service centre close to Kempsey would be likely to employ 65-70 full-time equivalent positions, approximately equal to 130 jobs, thereby potentially compensating for a large number of jobs that are likely to be lost as a direct result of the proposed upgrade.

Careful consideration of the location of the highway service centre is important, as it could disrupt strategies to attract tourists and stopping motorists to the township. The loss of highway related trade to businesses on the main commercial strip shopping areas (South Kempsey, Belgrave Street and Smith Street) is likely to be partly offset by the benefits to trade of an improved shopping environment. It should be noted that the highway service centre does not form part of the proposed upgrade.

#### **Impact of construction workers**

Previous bypass studies have indicated that many businesses benefit over the course of the construction period. For example, the accommodation sector in Yass reported higher than normal occupancy rates, and higher than normal earnings, as a result of construction workers. A similar situation is likely to occur in Kempsey during the construction period. The loss of this additional income and expenditure following the departure of workers upon completion of the construction phase would have the effect of returning earnings in the accommodation sector to pre-upgrade construction levels – the net effect is likely to be neither positive or negative.

Other highway related businesses such as service stations, garages, auto repairers and eateries in Kempsey should also experience increases in their turnover during construction. The withdrawal of construction-related expenditures in the town will impact these sectors given that turnover will be affected by the loss of stopping traffic at many establishments.

#### **Employment**

On the basis of the estimated decrease in gross annual trade at the 79 businesses surveyed, a total of 176 jobs could be lost at these businesses. This represents 19% of the 919 workers employed by the 79 businesses in 2005, or 7% of employment in Kempsey in 2001.

Table 18-2 provides a summary of the business categories that would most likely experience employment loss as a result of the proposed upgrade.



**Table 18-2 Predicted employment loss**

Business category	Number of businesses in this category	Percentage of total loss of employment (%)
Motels	7	4.0
Food stores	4	2.3
Automotive	1	0.6
Service stations	50	28.4
Eateries	109	61.9
Other retail	5	2.8

Source: UNSW Consulting (2005)

The business category with the largest estimated job losses – with a loss of up to 109 jobs – is the eateries category. Since this category includes a high proportion of females in casual and part-time positions, the impact of the upgrade could result in a marked reduction in job opportunities for females in the area – unless other supplementary measures are adopted to create employment opportunities. The service station sector is the next largest in terms of estimated job losses (50 jobs), with remaining sectors having variable levels of estimated job losses.

### Agribusiness and management

Significant changes to the land area and operations of agricultural businesses have the potential to affect revenue generation and therefore farm profitability.

The proposed upgrade would result in the loss of some agricultural land. The loss of productive land would result in a direct reduction in farm productivity and incomes.

To some extent the loss of productivity would be off-set by acquisition of the land, which would be purchased at an unaffected market value that reflects the current productive potential of the land. Agricultural land values can vary depending on the location of land and topographical features, pasture quality or type of cropping and farm infrastructure.

In the Frogmore and Frederickton area where crop land is used for fodder production to support nearby dairy farms (e.g. maize for silage), gross revenue and gross margins on a per hectare basis are high. The area is an important constituent of the fabric of the dairy industry in the area and its disturbance would have a negative impact on the technical and economic feasibility of nearby dairy farms. The productive value of this land is therefore very high and loss of productive land may have a greater impact.

In some cases, loss of productive land could be off-set by land adjustments where residual portions are subsequently sold to adjoining producers. In most cases, however, it would be difficult to find suitable replacement land in close proximity to properties.

The proposed upgrade would result in the fragmentation of some working agricultural properties and, in some cases, isolation of areas of land from direct access. This would impact on land and stock management on some properties by reducing the land area available for cultivation or pasture or reducing the level of accessibility within and into properties.

The concept design of the proposed upgrade has sought to reinstate existing access arrangements where possible on agricultural properties in order to maintain access to high ground and access for transportation of supplies and produce.

As outlined in Section 15.4.4, the actual management measures to reduce impacts on individual agricultural properties and land uses would be developed in consultation with individual landholders during detailed design and property acquisition negotiations.

Part of a larger property that is impacted by the proposed upgrade contains a paddock subject to quarantine. However, the construction and operation of the proposed upgrade would not affect this paddock.

## 18.4 Management of impacts

The routing and design of the proposed upgrade has carefully considered impacts on the local economy and local businesses in consultation with landholders, business owners and Kempsey Shire Council. The location and configuration of highway interchanges, alignment of the road and provision of both public road access and private property access has sought to minimise socio-economic impacts and maximise opportunities for positive growth in the Macleay Valley.

Key measures proposed to manage the socio-economic impacts of the proposed upgrade are provided below.

### Property acquisition

Loss of productive land would be off-set by acquisition of the affected land, with compensation determined in accordance with the RTA's acquisition policy and the relevant legislation. In some cases, loss of productive land may be able to be off-set by land purchase of using adjoining residual areas of land, if they are available.

The full or partial acquisition of all land would be carried in consultation with the affected landholders in accordance with the *Land Acquisition (Just Terms Compensation) Act 1991*.

### Economic development and town improvement at Kempsey

Kempsey Shire Council and the local community may seek to develop employment and trade opportunities prior to and after the completion of the proposed upgrade.

The implementation of the Kempsey Town Centre Master Plan, proposed industrial rezoning at South Kempsey and a potential highway service centre have already identified the need and opportunity to stimulate local economic development in Kempsey and South Kempsey.

Development at South Kempsey, including the proposed Slim Dusty Centre (a private development) and industrial subdivision may attract employment and trade which could offset some employment loss and loss of trade in town centres as a result of the proposed upgrade. A highway service centre may further improve the town's economy.

Implementation of a suitable streetscape strategy associated with the Kempsey Town Centre Master Plan would help to improve amenity and community use of the main street, to the benefit of tourism and economic growth.

*The Macleay Valley Coast Tourism Strategic Plan 2005-2009* (ATS Group 2005) has defined a vision that is aimed at creating a tourism industry of high productivity and employment. Of significance is the vision to turn townships, such as Kempsey and Frederickton, into tourism attractions in their own right, rather than just service towns.

A 'Town Entrance Statement' is currently under development by the Kempsey Shire Council Economic Development Board. A theme based on the timber industry is currently being considered, which would be located on the Pacific Highway in South Kempsey in the vicinity of the proposed South Kempsey interchange.

Signage at the gateway entrance would tie in with an overall strategic approach and character of Kempsey, with the aim of drawing to the town centre.

The RTA would undertake ongoing consultation with Kempsey Shire Council and the Kempsey community regarding strategies to draw highway users and tourists into Kempsey following the completion of the proposed upgrade. The consultation would be undertaken prior to and during construction of the proposed upgrade and would ensure that the social and economic impacts of the proposed upgrade are minimised as far as possible and consistent with plans and strategies.

### Other measures

Other key measures and features of the proposed upgrade incorporated to minimise economic impacts and maximise development opportunities are provided below.

- South Kempsey interchange – direct access to Kempsey town centre; minimal physical impact on existing highway-based businesses, provision of service roads to east and west, configured to allow B-double access to adjoining service roads; opportunities for the development of land to the east and west of the interchange for commercial/industrial development.
- Frederickton interchange – location of interchange with direct access to Frederickton (northbound and southbound) and improved flood immunity for access to Pacific Highway.
- Stuarts Point Road interchange – location of interchange with direct access to town of Stuarts Point and indirect access to other coastal towns to the south.
- Provision of left-in, left-out access for Eungai Rail.
- Flood protection – provision of levee to protect residences and businesses in Frederickton; provision of bridging on the Macleay River and Collombatti Creek floodplains to maintain flow paths and reduce flood impacts on agricultural businesses.
- Retention of key infrastructure – avoidance of key water supply dams, sheds and other key agricultural infrastructure where possible.
- Signage – proposed to promote Kempsey, Frederickton and other coastal destinations.
- Noise reduction and landscaping – noise treatment and landscaping for residences affected by noise and visual impacts.
- Pedestrian and bicycle access – provision of pedestrian and bicycle access at road bridges to maintain connectivity to other residential and commercial areas.

#### 18.4.1 Summary of management measures

There are no standard or project specific mitigation measures proposed for the management of social and economic impacts. Management measures relating to environmental amenity and property acquisition (Chapter 15 – *Land use and property*) are outlined in the relevant impact chapters.

