

Mr Jeremy Edwards; Dr Judy Edwards; Mr Martin Whitely; Mrs Cheryl Edwardes; Mr Tony McRae; Mr John Hyde; Mr Paul Omodei

Division 45: Zoological Gardens Board, \$8 189 000 -

Mr Dean, Chairman.

Dr Edwards, Minister for the Environment and Heritage.

Mr B.W. Easton, Chief Executive Officer, Perth Zoo.

Ms M.A. Price, Acting Manager Finance and Business, Perth Zoo.

Mr EDWARDS: I refer to the quantity of customers admitted to the Zoo on page 736. Why are the numbers of visitors for 2001-02 anticipated to be 20 000 lower than last year? Is the quality of visitor satisfaction dropping?

Dr EDWARDS: I shall answer the question and ask the CEO to amplify my response. Essentially, the Zoo must compete with a range of other people who ask visitors and local people to go to their attractions. The Zoo does exceedingly well and on Friday night won another award. I congratulate the Zoo and its staff for winning the Perth environment award presented by the Keep Australia Beautiful Council (WA). I will ask the CEO to go into the detail of the figures.

Mr EASTON: The figure of 550 000 was pitched this year because we believed the previous year that 570 000 was a little ambitious; however, fortunately, we achieved 570 000. Perth Zoo is the most visited zoo per capita in Australia. Increasing competition makes us realistic about maintaining our position. Most of our competitors are following our act as best they can. Although we continue to maintain high visitor numbers, it is more realistic to set a target in the budget of 550 000. Our aim is to exceed that by 20 000.

Dr EDWARDS: In answer to the member's second question about quality, the Zoo is constantly implementing new programs and new ideas, upgrading existing programs and seeking feedback. I know, from talking to people who visit the Zoo, particularly people with children, that they are satisfied with the overall performance of the Zoo. I was there yesterday when I saw the new pushers to help parents. Again, I will ask the CEO to comment on that.

Mr EASTON: Recent market research indicates that the visitor satisfaction level is increasing. It is currently just below 97 per cent. We have had, therefore, outstanding customer satisfaction levels this year, about which we are very pleased. We have everything to be thrilled about in our visitor satisfaction levels. No doubt they can be improved.

Mr WHITELY: I note on page 738 that the Perth Zoo has been provided with capital funding of \$500 000 for 2001-02. Can the minister provide details of the types of infrastructure works that the capital grant will fund?

Dr EDWARDS: I will ask the CEO to comment on the types of work to be undertaken. However, I point out that this is the first time that the Zoo has been provided with additional funding for capital works. In the past it has had to borrow for capital works. As a result of borrowings in past years, it has a significant amount of debt to service. We are turning our attention to trying to reduce the amount of debt to be serviced to free up money to ensure the continuation of the capital works that have been started.

[2.30 pm]

Mr EASTON: The half million dollar capital allocation will be spent on urgent work of a fairly boring nature, such as drainage, the undergrounding of electrical powerlines and maintenance of pathways and roadways. Part of the expenditure will be on risk management; we will endeavour to ensure that the visitor experience is as safe as we can possibly make it. The capital will be spent on urgent maintenance and on asset replacement.

Mrs EDWARDES: I refer the minister to page 734 of the *Budget Statements* and to the outcome that deals with the conservation and presentation of a diverse collection of wildlife. Under the item for total number of species in the animal collection, a reduction of species is planned between 1999-2000 and 2001-02 in line with the animal collection plan. About 43 animals will be removed. Can the minister tell us which species will be removed from the Zoo under the animal collection plan?

Dr EDWARDS: I will make a general comment before providing details of the species involved. The idea is for the Zoo to best present the species it has, in particular the Australian species, and to concentrate on a smaller number of species. The idea is to create a more interesting zoo experience, so that people truly enjoy their time at the Zoo and will come back. I ask the chief executive officer to expand on the details of the species involved in the planned removal.

Mr EASTON: It mostly involves birds. We undertook a serious review of our bird collection and found that many of the species were over-represented, including some of the subspecies. We have also examined the importance of our work in breeding more endangered species and have carried out a review of what we call our LBJs - our little brown jobs. A species will remain if it is an endangered species for which the breeding program

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is valuable. If it is not, and the species has no visitor appeal, that collection will be downsized. It almost exclusively applies to birds.

Mrs EDWARDES: Can I have a list of the species that will be removed, by way of supplementary information? Thank you.

Mr EASTON: We are also conscious that the number of animals bred at the Zoo must often be relocated to other zoos. We are looking to reduce those numbers as part of the animal collection plan review.

Dr EDWARDS: I am happy to provide the list of species that will be affected by way of supplementary information.

Mr McRAE: On page 733 of the *Budget Statements*, policy decisions that will impact on the agency's statement of financial performance following the 2000-01 budget, which was delivered on 11 May 2000, are detailed. Four items are listed under decisions taken since the state election. I congratulate the minister for putting some of this material in the forward estimates. That was a bit thin on the ground in some of the material dealt with prior to this year's budget. Under travel, advertising and consultancy savings, I note that there is an estimated saving of \$11 000 for 2001-02. That saving is carried forward for each year of the forward estimates up to 2004-05. Can the minister outline the impact that this saving from the cut in travel, advertising and consultancy spending will have on the operation of the Zoo?

Dr EDWARDS: The cuts essentially involve travel and consultancy. Advertising is important to the Zoo; it requires constant marketing. The Zoo was not required to cut its spending on advertising, which was required by every other department. Overall, the Zoo's budget is much smaller than that of other entities. The required cut in travel and consultancy spending is \$11 000.

Mr HYDE: On page 740 of the *Budget Statements*, I note that the Zoo projects a significant liability of about \$19.5 million in 2001-02, which is associated with its debt portfolio. Can the minister advise what the Zoo is doing to manage this level of debt?

Dr EDWARDS: I provided some detail of that previously. I will ask the CEO to expand on the information I provided. Mr Easton, what has been done to provide capital money for the future and to help service that debt?

Mr EASTON: The Zoo has carried a large debt for many years and has, through debt, financed its capital program over the past 10 years or more. That debt level reached a point in our budget that was difficult to sustain and pay off. This Government, through this budget, has agreed to maintain an earlier decision to meet the capital and interest repayments. In effect, that will make it a neutral dollar position for us, but we will carry and reduce the debt through assistance from the Government.

Mr HYDE: I assume that this is government debt and not private debt from items such as sponsorship.

Dr EDWARDS: It is government debt.

Mr EDWARDS: I refer to dot point four under major initiatives for 2001-02 on page 737 of the *Budget Statements*. I assume that the "Continued development of the business focus of the Zoo to generate increased revenue" means that more funds have been sought from the business sector. If that is the case, what plans are in place to use those extra funds should they be forthcoming? Can some general comments be provided on these new, but as yet unfunded, initiatives?

Dr EDWARDS: I ask for the Opposition's cooperation in passing the Zoological Parks Authority Bill 2001 through the House. That Bill was begun by the previous Government and has been taken on board by this Government. We are still at the consideration in detail stage. An opposition member has moved a number of amendments. The Government would like to get that Bill through Parliament, because it will free up the Zoo to carry out some of the activities it wishes to undertake.

Mrs EDWARDES: We are happy to do that after the break.

Dr EDWARDS: In addition, the Bill will give the proper head of power for the cooperative research centre and research funding. I ask the CEO to provide further information on the development of the business focus and on some of the programs that are intended for this financial year.

Mr EASTON: A business directorate has been created at the Zoo and a director of business is in charge of that area. The directorate will provide a focus for the Zoo to try to generate more revenue from its various activities, such as concerts, weddings, parties and anything that is held at the Zoo. We are also more conscious of the actual cost involved in staging events and of the returns from our retail shop and catering lease. In becoming more business-minded, and together with our sponsorship input, we have some terrific plans for the Zoo's development. As we have been carrying a large debt for some time, it is in our interest to generate more revenue to develop the Zoo. That is literally starting to pay dividends. We would like to extend the bio-geographical

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zones of the Zoo to introduce some South American forest and, possibly, animals. We are also reviewing our collection plan to make sure that the animals at the Zoo continue to be relevant to the collection. This will give us scope for the possible replacement of some animals with animals that are more relevant to our breeding program and have more visitor appeal. I do not want to give away all our secrets, but some development plans centre on the lake and on the extension of the area around the elephant barn. We are hoping to undertake an extensive development of the elephant area over the next two or three years. We cannot do that without securing additional revenue through our commercial approach.

Mr OMODEI: Is the orang-outang a South American animal?

Mr EASTON: They are Sumatran. That project is under way; tenders have closed.

Mr OMODEI: Was he bred at the Zoo or was he imported?

Mr EASTON: Most of the orang-outangs were bred at Perth Zoo.

[2.40 pm]

Mrs EDWARDES: What is happening with the funding for the gorilla exhibit?

Mr EASTON: It is not going very well. The provision of a gorilla exhibit requires a large monetary commitment. We would like gorillas at the Zoo, but it would cost \$4 million to \$5 million to develop that program. We feel that the redevelopment of the orang-outang enclosure and the subsequent major redevelopment of the elephant area leaves the gorillas running a distant third, especially as the Zoo needs to undertake other redevelopment work over the next few years. We are hoping that a benevolent person will one day come into the Zoo with a chequebook and become a very generous sponsor.

Mrs EDWARDES: Someone who loves gorillas.

Mr OMODEI: We have a few here you can have.

Mrs EDWARDES: Page 733 refers to the parity and wages policy and the priority and assurance dividend. I am happy for this answer to be provided by way of supplementary information. What do the parity and wages policy figures represent in terms of the agreements? What programs and services are likely to be cut to achieve the priority and assurance dividend?

Dr EDWARDS: Mr Easton will answer that question. If the member needs more information, we can take it on notice.

Mr EASTON: I will answer the second question and then ask Melanie Price to answer the first question. The priority and assurance dividend of \$142 000 has been met through three initiatives: first, the closure of our library which, although related to this dividend, is something I have been considering for the past few years. The development of the Internet and facilities available off campus meant we were probably pretending to provide a service, the continuation of which would have required another two or three staff. I thought it was unreasonable to continue that service and, as part of the dividend payment process, we decided to close it. Second, the position of curator of collections at the Zoo has been discontinued and the job description of the director of research revamped to extend his work beyond the native species breeding program into the exotic mammals area. Third, our corporate services area was reviewed as part of the machinery of government exercise and two positions were abolished. One of those has been replaced by a position with a lower classification. That has brought forward savings to allow us to meet the dividend.

Ms PRICE: We were well below the benchmark for the parity amount. As part of the framework agreement, we had to make that parity payment, which equated to three per cent or four per cent across the various awards. Some awards were closer to the mark than others, so a variation occurred, but the average across Zoo staff was three per cent to 3.5 per cent.