

Taronga Zoo – Sky Safari: SSD:46807958 Objection

Kiersten Fishburn
Secretary Department of Planning, Housing and Infrastructure
4 Parramatta Square,
12 Darcy Street Parramatta NSW 2150

21st October 2024

Attention: Anna Nowland, Principal Planner, Key Sites and TOD Assessments

Dear Anna,

Taronga Zoo Sky Safari (SSD 46807958) Objection

Sydney Zoo Pty Ltd wishes to provide this submission on the currently exhibited State Significant Development (SSD) 46807958, lodged by Taronga Conservation Society Australia (Taronga), who operate the Taronga Zoo, located in Mosman.

The SSD-46807958 as exhibited, seeks development consent for, in summary, the development of a new 'Sky Safari' cable car system, providing access from the Taronga Zoo Ferry Wharf to the entry of the Zoo.

Sydney Zoo objects to the proposed Sky Safari on the basis that it will have significant impacts on the ongoing viability of Sydney Zoo that have not been considered as part of this SSD application, leading to significant social and economic impacts. The SSD application has not undertaken a sufficient assessment of the social and economic impacts which would result in the proposed development being inconsistent with Object (b) under Section 1.3 of the *Environmental Planning and Assessment Act 1979*, specifically:

(b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,

One of the stated "intended outcomes" of the project, as highlighted in the executive summary of the EIS, is to:

"Provide unique, affordable, family-focused sightseeing tourism infrastructure that provides comfortable all-season experiences to support year-round growth in visitation to the Zoo. This will assist in securing the financial future of the Zoo to ensure that it can continue to undertake a range of conservation and education projects."

The EIS has not described how the development will increase visitation to Taronga Zoo. When it opened in 2019, Sydney Zoo substantially increased the Greater Sydney zoo attendance. It did this by increasing overall participation, offering a previously unutilised service to the people of Western Sydney, by offering an accessible, high-quality zoo experience closer to the place where a majority of this new audience lived. In contrast, the new Sky Safari will cause significant negative impacts on patronage at Sydney Zoo, reducing the viability of Sydney Zoo, and resulting in significant adverse overall social and economic impacts.

It is clear that the proposed development is designed to improve the competitive advantage of Taronga's overall customer experience (as opposed to improving animal conservation outcomes) in direct competition with Sydney Zoo for patronage. This will cause significant negative impacts on total visitation at Sydney Zoo, reducing its viability and resulting in significant adverse social and economic impacts.

The PAC Determination Report for Sydney Zoo (SSD7228 8 September 2017) clearly identified that a relevant issue in a planning context is the broader social and economic impacts stemming from any economic impact on existing businesses that might arise from increased competition.

The potential social and economic impacts that would be caused by a potential reduction or loss of viability at Sydney Zoo include but are not limited to:

- Reduction or Loss of employment at Sydney Zoo.
- Reduction or Loss of mobile education programs offered by Sydney Zoo.
- Reduction or Loss of on-site education programs at Sydney Zoo.
- Reduction or Loss of vocational training for TAFE and Vet Science students at Sydney Zoo.
- Reduction or Loss of breeding and preservation programs at Sydney Zoo.
- Reduction or Loss of future amenity by reducing Sydney Zoos capacity to implement plans for improved educational and wildlife hospital facilities for the Western Sydney Community

Further, these social and economic impacts have not been assessed in the Environmental Impact Statement (EIS), which means the EIS does not acceptably address economic factors as required under Section 192 of the Environmental Planning and Assessment Regulation 2021 (the Regulation) or the principles of Ecological Sustainable Development as required under Section 193 of the Regulation. The EIS is therefore wholly inadequate.

It is also of significant concern to Sydney Zoo that the competitive advantage being sought by Taronga Zoo to increase patronage is being funded from

public grants. Funding projects which in his case there is, at best, a tenuous relationship to Taronga Zoo's conservation objectives.

This particular development has no obvious conservation outcome. The EIS omits any details of the purported conservation and education benefits and does not provide adequate details as to how it will enhance opportunities for educating the community or improving conservation outcomes. The EIS fails to demonstrate clearly how the installation of this infrastructure will contribute to Taronga's purpose, which is set out in Section 15 of the *Zoological Parks Board Act 1973*, as follows:

- (a) carrying out research and breeding programs for the preservation of endangered species,*
- (b) carrying out research programs for the conservation and management of other species,*
- (c) conducting public education and awareness programs about species conservation and management,*
- (d) displaying animals for educational, cultural and recreational purposes.*

In light of the significant social and economic impacts that are expected to arise as a result of the proposal, it is not reasonable and appropriate for Government to be funding infrastructure via grants that compete against private sector operators who provide substantially similar services without a full review and justification of the social costs, and an assessment of the net economic and social returns to the people of Greater Sydney (not just Mosman).

Given that the purpose of the Sky Safari is to increase patronage, most likely at a loss of patronage to Sydney Zoo, then Sydney Zoo would request that as a measure to ensure there are no inappropriate socio-economic impacts, that the development should comply with NSW government competition policy on Competitive Neutrality, and be required to meet the same market parameters as a private sector project. The proposed Sky Safari needs to be independently commercially viable in order to be able to properly assess the potential socio-economic impacts, and should not be funded from Government grants. Government grants should be specifically limited to capital works that clearly and directly promote the objectives of Taronga Zoo, as listed above at Section 15 (a)-(d) of the *Zoological Parks Board Act 1973*.

Further details of Sydney Zoo's objections, and the potential social and economic impacts, are provided in the following pages. We submit that the potential impacts are significant enough to warrant the proposal in its current form being refused.

Further, we note that the Secretary's Environmental Assessment Requirements (SEARs) issued for the SSD Application are dated 11 August 2022, with the EIS dated 2 September 2024 and the SSD Application Form dated 3 September

2024 – meaning that the EIS and SSD Application were lodged after the expiry of the SEARs. As there is no record of an extension being granted, the SSD Application appears to be invalid.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jake Burgess', written in a cursive style.

Jake Burgess
Managing Director, Sydney Zoo

1. Social Impact Assessment

The Social Impact Assessment, prepared by Urbis (July 2024) states:

TCSA has also committed to incorporation of the following, in addition to improving the physical accessibility of Zoo facilities and the ongoing educational value and community consultation can be enhanced, thereby enhancing the positive social impact of the proposal.

- *Incorporate tactile paving and audio cues for visitors with visual impairments at key navigation points.*
- *Incorporate universal signage in the design to cater to a diverse visitor demographic.*
- *Develop interpretive displays or interactive exhibits at the cableway stations to educate visitors about local wildlife, conservation efforts, and the Zoo's role in biodiversity preservation.*

*With consideration of the proposal's additional enhancement measures that will accommodate accessibility needs and enhance the experience for a broad range of users, the enhanced impact is assessed as **high positive**, given the likely likelihood [sic] and moderate magnitude.*

The social impact has not been assessed appropriately, with the SIA being limited in its consideration to Mosman and not contemplating broader Sydney or the potential impacts on other parts of the region, including Western Sydney. A project of this scale and scope should have a wider geographical assessment.

As part of the Sydney Zoo development application, a full social and economic impact assessment was required against other similar service providers. This included a requirement that Sydney Zoo consult with both Taronga Zoo and Featherdale Wildlife Park as part of its development submission.

Sydney Zoo and the services it provides to the community is not mentioned or considered in any form in the SIA or the EIS.

In terms of the broader social locality of Greater Sydney and beyond, the SIA identifies that potential positive impacts arise from an enhanced Zoo experience, making it clear that the primary purpose of the proposal is a commercial outcome: i.e. to increase revenues by improving the overall customer experience of Taronga Zoo, and by implication improving competitive advantage over Sydney Zoo. As opposed to directly improving animal conservation outcomes as per Section 15 of the Zoological Parks Board Act 1973.

1.1. Public Benefit of Sydney Zoo

Since opening in December 2019, Sydney Zoo has grown the overall market size and audience participation of zoo attendance in Sydney. Sydney Zoo has effectively doubled the audience participation in Greater Sydney by offering a publicly accessible service, primarily for the people of Western Sydney. With 2.3 million residents living within 20 minutes of the site, it offers high levels of public benefit to residents of Western Sydney that previously were required to travel substantial distances to Mosman, in the Lower North Shore.

In addition to accessibility for the residents of Western Sydney, Sydney Zoo provides the following benefits:

- It was designed from the outset with accessibility as key consideration- it is level, has no steps, and been widely recognised for the service it provides, including recognition in Accessible storyteller profiles by Tourism Australia (**Attachment A**).
- breed for release programs – for example participating in the eastern quoll conservation breeding program
- supports the Western Sydney community through a range of actions and charity support activities including hosting community groups
- manages one of the largest integrated First Nations and natural heritage program in Australia and is committed to delivering an education program to local Western Sydney schools for free
- has, as of February 2024, accommodated 155,000 students from Western Sydney through curriculum linked programs developed by qualified teachers
- provides free syllabus linked resources, with over 219,000 students having attended and 43,000 free excursions
- funds three scholarships per year at Western Sydney University for tourism and ecology studies, with 20 TAFE and 20 TVET students each year along with 12 university VET students in work placement
- is a significant local employer, with 178 staff being from Western Sydney

These social benefits generated by Sydney Zoo will potentially be adversely impacted as a result of the proposal, by undermining the viability of Sydney Zoo and its ability to continue supporting the full range of programs.

2. Economic Impact Assessment

The EIS fails to include an economic impact assessment. This is a significant omission and a defect of the EIS. As part of the Sydney Zoo application, a full social and economic impact assessment was required against other similar services providers. This included a requirement that Sydney Zoo consult with both Taronga Zoo and Featherdale Wildlife Park as part of its development submission. This needs to be considered as part of the assessment being carried out.

The impacts of the expected increased visitation on Sydney Zoo and its ability to deliver community services need to be considered as part of the economic impact assessment.

Evidence of competitive behaviour between Taronga and Sydney Zoo is widespread, and numerous occurrences can be cited. Just two for example:

- 1) Taronga Zoo have historically carried out legal action against Sydney Zoo over naming rights,
- 2) Taronga Zoo actively competes with Sydney Zoo in search engine marketing, including historically bidding for Sydney Zoo search terms

This clearly indicates that the two facilities act as commercial competitors in the same market, and as such there should be a requirement for Taronga to consider the impacts that the grant money provided to construct the Sky Safari may have on Sydney Zoo (and other providers) and their ability to continue to provide market services, social good, and community benefits.

Sydney Zoo identifies that the capital cost of the construction of the Sky Safari, as proposed, is substantial (circa \$80m), and it would be expected that an Economic Impact Assessment must be done to demonstrate that there is a net socio- economic benefit to the people of Greater Sydney, not just Mosman

This is a key item that needs to be assessed through a revised application that includes a detailed Economic Impact Assessment where consideration of other service providers is included throughout Greater Sydney and the broader region.

The Economic Impact Assessment should address the funding mechanism and underlying viability of the project as well as a careful consideration of the cost benefit analysis. These issues are discussed further below.

2.1. Funding and Viability

Commentary within the SSDA package would imply that Taronga relies on government funding each year. It runs at an operating deficit without government input. It receives an annuity grant in addition to capital grants. Over the last 4 years (to FY23) since Sydney Zoo commenced operations, Taronga has received over \$252 million government grants.

Taronga is effectively running at a significant operating loss and fails to generate a market-based return. This may have been justifiable when Taronga was a public good monopoly with a focus on conservation, but Taronga now operates in direct competition with Sydney Zoo. The assessment process for projects like the Sky Safari, that are more “commercial” in their nature needs to demonstrate adequate rigour.

It is not appropriate for Taronga Zoo to invest substantial government funding in commercial activities, at the expense of competitors like Sydney Zoo, without generating an appropriate market return.

In order to allow Sydney Zoo an equal opportunity to continue to provide, and indeed grow, its benefits to the community, Taronga should either be a public good asset that is restrained from competing with Sydney Zoo, or it should compete on an even field. Taronga should not be allowed to be a “public good” asset generating sub-optimal returns that also competes in the open market against other facilities within the same market.

2.2. Cost benefit

It is known that all government projects require a Cost Benefit Analysis (CBA) assessment to be carried out. *Prima Facie*, it would appear, based on the financial elements involved, that the CBA for the Sky Safari would only have been approved on the basis of social good and accessibility.

If the Sky Safari is justified on the public good basis, then the effective overall benefit for taxpayers must be factored in, being an improvement in services and must consider the impact on Sydney Zoo's ability to provide its services. The social good aspect must also consider the potential detrimental impacts of its actions. It is apparent that the adverse detrimental impacts have not been considered adequately.

It is clearly stated that the Sky Safari is designed to increase visitation to Taronga Zoo. It will do this by providing Taronga with a significant commercial advantage over Sydney Zoo in terms of attracting visitors that will adversely affect Sydney Zoo visitation and the ability of Sydney Zoo to provide a similar level of public benefit for the people of Western Sydney.

The beneficial impact of the Sky Safari on Taronga finances and ability to pursue its mission should be demonstrated more clearly, and the potential detriment to services provided by other operators in the same space should also be considered.

Attachment A – Tourism Australia Accessible Storytellers Article