

CORRECTED VERSION

RURAL AND REGIONAL COMMITTEE

Inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria

Newhaven — 10 September 2013

Members

Mr D. Drum
Mr G. Howard
Mr A. Katos

Mr I. Trezise
Mr P. Weller

Chair: Mr P. Weller
Deputy Chair: Mr G. Howard

Staff

Executive Officer: Ms L. Topic
Research Officer: Mr P. O'Brien

Witness

Ms D. Jones, communications executive, Phillip Island Nature Parks.

The CHAIR — Danene, welcome to the Parliament of Victoria's Rural and Regional Committee inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria. I hereby advise that all evidence taken at this hearing is protected by parliamentary privilege as provided under relevant Australian law. I also advise that any comments made outside the hearing may not be afforded such privilege. For the benefit of Hansard, could you give your name and address?

Ms JONES — Certainly. It is Danene Jones. My address is 64 Bingley Crescent in Ventnor.

The CHAIR — With your presentation would you like questions as we go or at the end?

Ms JONES — I am happy to keep it quite informal, if you are happy with that.

The CHAIR — That would be good. If you could lead off?

Ms JONES — No worries. Firstly, thank you for the opportunity to come along and chat with you today about telecommunicating and e-business and how that relates to the Bass Coast shire but also to Phillip Island Nature Parks. I thought it would probably be best to start with a bit of background about the organisation I work for. We are the largest employer on the island. We employ approximately 190 people throughout the year. Obviously we have seasonal operations, so in summer that can swell a little. We are Crown land managers; we come under the Department of Environment and Primary Industries, but we have a board of management, so we are somewhat independent in that sense.

We have four main attractions, obviously the penguin parade being the most well known, but there are also the Koala Conservation Centre, Churchill Island Heritage Farm and the Nobbies Centre as well. We also have a number of recreational areas that are free to visit that do not have a lot of infrastructure on them, such as visitor centres. In total we manage about 20 per cent of the island on behalf of the Crown.

In terms of what you are discussing today about the internet, it is obviously quite critical to our operations. Our central operations are out at the penguin parade, so that is where most of our admin is located — in fact all of our admin. Our rangers are located out there as well as our education department. Then we have staff who are located at each of the visitor centres across the other three attractions, including food and beverages and ticket sales. Communications between those parks is obviously quite critical, and that is where we really rely on a lot of telecommunications.

The CHAIR — Do you use telecommunications for your advertising to attract people here, and how do you do that?

Ms JONES — Absolutely. We have a website, penguins.org.au, which has about 500 000 unique visitors per year. Obviously we are large attraction for international visitors. In fact approximately 55 per cent of our visitation is from overseas, with 45 per cent being domestic. Obviously the majority of domestic is from Victoria. It is really critical that we get our message out there, and obviously a website is a broad way of doing that both through advertising through the site but also allowing for ticket sales and information about our operations. We are not just a tourism attraction, we are also a conservation organisation. Our website is a critical means of doing that. In fact we went through a redevelopment last year and relaunched the site in about September last year.

The CHAIR — If people are in Japan or somewhere, can they book on the website?

Ms JONES — Correct. Anywhere across the world people can book on that site. It is obviously a .au domain. The server for the website is located in Melbourne, but the server for our operations here on the ground — so storing files and whatnot — is located at the penguin parade. I think it is important to make the distinction there that the website server is located in Melbourne but our operational server is located here at the penguin parade.

The CHAIR — So why is it located in Melbourne?

Ms JONES — I think it probably has to do with reliability and speed. Essentially the connection we are using at the penguin parade is a fibre connection. My understanding is that that was built years ago with the assistance of government, so it is not an ADSL connection; it is a dedicated fibre connection out there. It is quite slow; we are talking about 2 megabytes per second, and unfortunately it is prone to going down. The other sites,

the other attractions, such as the Koala Conservation Centre and Churchill Island, are on ADSL but not ADSL 2. Obviously the speed is faster, but the reliability of that connection does drop out particularly during peak times such as Easter holidays, summer holidays and during the grand prix when there is high usage. That can affect our operations, so we operate on what is called an RMS system, which is a Microsoft-based accounting system that allows us to do our ticket sales but also for our accountants to log in at the back end to look at the accounting side of those sales as well. If that drops out, that means our RMS system can go down and we do not have an immediate record of ticket sales, so we do not have a capacity update immediately, and we may have to wait for the backlog to clear in that line before we get an update.

The result of that is that from the booking office at the penguin parade the staff have to call around and get a manual update of what our capacity on ticket sales is. That can be quite critical at peak times, such as Easter and summer, where we have a limited capacity at the penguin parade of 3800. We also offer a number of premium tours that are limited to 10 people. If we get it wrong, we can get it majorly wrong operating on a manual system, so it is quite critical for that connection to be live and current for us to be able to stay on top of it at the busy peak times.

The CHAIR — So you say 3800 people a day?

Ms JONES — Yes. That is 3800 people just at the penguin parade, obviously spread out across the general viewing sections — our premium tours, five of which have approximately 10 people each, and then we have a separate section which accommodates about 190 people, known as Penguins Plus. Staying on top of those numbers and the capacity of those numbers is quite important. Obviously it is not so much of an issue at times like this when we are not going to sell out, but during Easter it is pretty much guaranteed that we will sell out. From Christmas Day through to about New Year we are pretty much guaranteed again to sell out. Obviously there are other times during the year — for example, most recently we had Ramadan, so we had a lot of visitors from Malaysia and Indonesia coming, which caught us off guard. Obviously it was a holiday period for them, so numbers spiked again. Again, it is critical to stay on top of capacity and ticket sales for that.

Mr TREZISE — Danene, do you use your website as an information site and booking site, or is it a proactive site in that it is used as an education tool?

Ms JONES — Ideally it would be used as an education tool. We have investigated options through a company called Polycom for doing teleconferencing. Right now we have static information up there — some videos, mainly downloadable PDF information. As far as going into teleconferencing where we could have a ranger on site with, say, an iPad or even just in our theatre talking to students, whether it be in Melbourne, overseas — in the US, wherever — unfortunately that capability does not yet exist, because we do not have the internet and the bandwidth speed to be able to do that. We have investigated it. On a 2-megabyte-per-second connection it is just not possible. Even trying to text at the Koala Conservation Centre on Churchill Island, where we have ADSL, unfortunately although that connection might be fast enough, the quality of it just is not good enough. We would have to get two ADSL lines in to do that; there is just too much noise on the connection to make that a quality experience. It is one of the areas that we are missing out on in our business in being able to extend our education opportunities.

Mr TREZISE — If you could extend that, how many more people could Nature Parks employ?

Ms JONES — I could not say for certain, but I would say at least one person in education to be able to deal with the conferencing. The other side of it is that obviously our marketing department is quite large — we have five people employed in that. China is a critical area for us in the marketing side of things. Obviously the growth in the China market has been recognised by Tourism Victoria, so we have two agents on the ground in both Shanghai and Beijing. Currently we have to fly there to meet with them throughout the year, but obviously the ability to teleconference with them would also be greatly improved with better internet connections to be able to do that. I honestly could not say in terms of employment what that would mean for growth of the business, but I will state that we are missing out on opportunities by not having 21st century internet to the centre of our operations.

The CHAIR — If you were to increase the number of people coming to look at the penguins, have any numbers been done on how much extra business that would be for motels or guesthouses here on the island?

Ms JONES — Not that I am aware of. I do not know of any forecasts that have been done, but obviously at present we know from a 2010–11 economic study that the penguin parade alone contributes \$120 million into the Victorian economy per year, and \$64 million just into the Bass Coast region. Obviously by attracting people to this region it is a given that there is a flow-on effect for accommodation, for hospitality and for other attractions as well while people are down here if they choose to extend their stay. It is not just visiting our parks; it is visiting other attractions across the island and staying for longer in the region.

The CHAIR — So if we increased it by 10 per cent, that is another \$12 million.

Ms JONES — Theoretically, yes.

Mr TREZISE — Is there much room for growth?

Ms JONES — Absolutely. I mentioned the capacity at the penguin parade, but we are investigating options for increasing that and our ecotourism offers, and across our other attractions as well. There are events at Churchill Island, which is a heritage farm. There is a lot of space. Most recently in summer we had the Melbourne Symphony Orchestra play down there. We are looking at strategically branching out into that area. There is also the Koala Conservation Centre, so it is not just the penguin parade, which I suppose will always be the bread and butter of Phillip Island Nature Parks, but it is also extending operations across the other parks.

Mr HOWARD — And other use of IT across your workforce?

Ms JONES — There are a couple of things around that. I mentioned that our central operations are out at the penguin parade, which is on the furthest corner of Phillip Island. I am not sure if you are familiar with the history of that area, but the penguin parade is now the only remaining infrastructure on that peninsula following the Summerland buyback scheme, which was completed by the state government in 2010. It was extended over about 30 years, buying the housing estate back in that area. If we are the only operation out there, there is no impetus to increase services out to that area, because there is no longer housing there.

That said, we have our central operations for the penguin parade or for the whole nature parks situated there, including the admin side but also our rangers. With that, obviously we need to have good communication with our other parks. For instance, for our operations manager to be able to do that currently he has to go out to Churchill Island. He is based at the penguin parade, his office is there, including his computer and all his files, but to go out to Churchill Island he would have to spend a day there and take down any notes on a pad and paper, because he could not log on to a computer to access whatever files he needs back at his home office. In terms of IT with that, we are limited.

The other area is the tourism operations that I mentioned before. We struggle to implement new progressive ideas and new technologies. A point in case right now is that we are currently developing a smartphone application for visitors to the penguin parade. We hope it will greatly enhance the visitor experience and give them an insight into areas of our operations that they would not ordinarily see in their 1 or 2-hour visit to the penguin parade. It will give them access to educational information. In doing that, we are relying somewhat on having Wi-Fi at the site, and what we are coming up against is that bandwidth issue. Again we are somewhat limited in implementing progressive and competitive technologies that will really position us well within the tourism market as a great place to visit and as an excellent experience. Nowadays everyone has a smartphone pretty much, and it is almost a given that if you go to a major attraction you are able to download an app and get further information on that. We are somewhat hamstrung in implementing those sorts of technologies because of the internet issues that we have.

The CHAIR — Are other businesses on the island using the internet as much as you are?

Ms JONES — I would say the visitor information centre probably has a higher use, because it gets accommodation bookings and acts as our ticket agent, so that capacity issue again comes into play. For instance, if the connection here goes down or it goes down in Cowes at peak times, such as during the grand prix when obviously there is a higher usage, then we do not know how many tickets they are selling, so we have to be on the phone pretty much ever half an hour, or they have to call us before they sell the ticket and say, 'Are we over capacity yet?'. I imagine they would be a very high internet user. There are some other major attractions, which I do not know whether you are speaking to today — A Maze 'N' Things, and the Phillip Island Chocolate Factory potentially as well — in those sorts of areas.

As I mentioned, we are the largest employer on the island, with approximately 200 people, so I dare say we are probably the largest internet user on the island as well. We do have a local IT company, which is also our IT provider — we contract that out — known as Blue Connections. They have two ADSL lines coming into their business to be able to maintain their operations.

The CHAIR — So you have your own IT company?

Ms JONES — We do. We contract that service out, so we do not have an internal IT department.

The CHAIR — Any more questions, Geoff?

Mr HOWARD — No, I just want to indicate a general appreciation of what you are doing.

The CHAIR — Are there any further pearls of wisdom you would like to leave us with?

Ms JONES — That covers it for me. Thank you very much for your time. I hope that answers some of your questions.

The CHAIR — That is good. Thank you very much for taking time out of your obviously very busy schedule to come and address us here today. In about 14 days time you will get a draft copy of the Hansard transcript, and you will be able to make corrections to obvious areas, but other than that it will remain as it is. Once again, thank you very much for coming along, and all the best.

Ms JONES — It was a pleasure. Thank you.

Witness withdrew.