



**Canberra
Business
Chamber**

ACT Legislative Assembly Convention Centre: Inquiry

May 2017

Proposal from Canberra Business Chamber



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Canberra Business Chamber

Hamish Finlay
Committee Secretary
Standing Committee on Economic Development and Tourism
ACT Legislative Assembly
GPO Box 1020
CANBERRA ACT 2601

Principal Members

ActewAGL
Canberra International Airport
Canberra Metro
CanPrint Communications
Pty Limited
CARE Super Pty Ltd
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Business Advisors
PricewaterhouseCoopers
Staging Connections (ACT)
Telstra Corporation Limited
The Village Building Co
Toshiba (Australia) Pty Ltd
UNSW Canberra

Dear Mr Finlay,

Thank you for offering Canberra Business Chamber the opportunity to provide input to the Standing Committee on Economic Development and Tourism's inquiry into a new convention centre for Canberra.

Canberra Business Chamber firmly believes the Australia Forum is key to the ACT's future economic diversity and sustainability.

In August 2013, over 50 peak industry bodies, national institutions, research and learning institutions and other key organisations signed a Statement of Support unanimously identifying the Australia Forum convention centre project as the top priority for the ACT. Together these groups represent over half of the employment base in the ACT.

Please find attached an overview of the many benefits the Australia Forum offers the ACT community. Over the past 10 years, Canberra Business Chamber – and its predecessors – has commissioned a collection of comprehensive reports analysing the costs and returns that will be generated by a new convention venue of international standard. These reports are attached.

Canberra Business Chamber would be pleased to expand on the details contained in this submission at the Committee's public hearing in May.

Yours sincerely

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About Canberra Business Chamber

Canberra Business Chamber (CBC) represents private sector businesses in the Canberra Region. We support business growth by connecting, advising and educating our members and by advocating for policy and investment decisions which will facilitate economic development in the Canberra Region. Canberra Business Chamber is the leading voice of business in a growing regional economy with increasing global reach.

Current convention facilities in the ACT

The National Convention Centre Canberra, which opened in 1989, is owned by the ACT Government and managed by the InterContinental Hotels Group (IHG). The Centre employs 154 staff and is a major contributor to the ACT's tourism economy.

The National Convention Centre Canberra, which is currently the largest, purpose-built conference and event venue in the ACT, offers more than 8200 sq metres of flexible space and 15 venues over two floors.

The National Convention Centre has served Canberra well and has benefited from recent and past renewal investment by the ACT Government, but this facility does not have the capacity needed for the future and is not at the standard the international market place now demands in terms of functionality.

The current convention centre is a popular site for local activity and hosts a significant volume of major dinners, events and entertainment attended by Canberra residents.

However, the ACT currently has the smallest conference facility in the country – even the Gold Coast and Cairns have convention centres capable of hosting meetings twice the size of that which Canberra can.

Importantly, most other convention centre facilities can host multiple conferences at the same time, whereas Canberra cannot. This results in an enormous opportunity cost for the ACT and region, as well as an uncompetitive value proposition for potential customers.

While difficult to quantify, anecdotally there is evidence that business event planners who have investigated holding conventions in the ACT have selected other Australian cities with first-class facilities, because they do not consider the National Convention Centre a suitable venue.

The National Convention Centre itself turned away 89 events during 2013 due to lack of capacity.

The proposed Australia Forum

The Australia Forum will be an iconic venue for international, national and regional meetings, conventions, forums and dialogue.

The venue is essential in the Australian Capital Territory to meet the needs of the Federal Parliament, the Australian Government, its national institutions, departments and agencies, and the public and private sectors in the National Capital and surrounding regions - Eden Monaro, Riverina and large parts of Hume. The Australia Forum convention and meeting centre is envisaged as a place that nurtures new relationships between governments, the business community, academia, NGOs, professional associations and the people of Australia.

Meetings of significance will stimulate intergovernmental outcomes, opportunities for industry, innovation and knowledge development across the region, together with mobilising ideas from communities and individuals.

Australia's National Capital, the site of the Federal Parliament, should be a predominant meeting place that supports the Australian Government to perform its national role and increasingly important role in international and regional affairs.

This role includes the activities of a wide range of international organisations of which Australia is a member such as the G20 (which is now the most significant forum for global economic co-operation among the world's major powers), the Australian National Commission for UNESCO, the OECD, the Commonwealth of Nations, the United Nations, and the World Trade Organisation. Global security issues (including counter-terrorism, nuclear non-proliferation, arms control and disarmament, US Security Council financial sanctions and the freezing of terrorist assets), global immigration and human rights issues (such as people smuggling and trafficking) and global environmental issues (such as global warming and biosecurity) all demand a meeting venue commensurate with their strategic importance and international profile.

The Centre for Dialogue will be incorporated into the Australia Forum to facilitate productive dialogue on significant issues or 'wicked' problems faced by governments, communities and businesses. It will engender an environment where all can be equal in an atmosphere of comfort, mutual respect and collaboration.

The Centre, the likes of which are coming into more common use by governments globally, will position the Australian Government as a leader in such dialogue. ANU and University of Canberra are already working collaboratively on models of Deliberative Democracy and Dialogue methodologies and future study will complement the practice supported by the development of this facility.

The Australia Forum will be a place for people to come together to advance business, government and cultural relationships, in celebration, to be inspired, to innovate, to engage in meaningful conversations and to voice their opinions. The Australia Forum will be established on a landmark site and have an iconic design, that matches the quality of the National Capital's other major national institutions.

The Australia Forum will be a building reflecting the status of the national capital. The Forum will also be a reflection of each of the Australian states and the two territories, highlighting their architectural excellence, artistic creativity, industrial prowess and natural beauty interwoven throughout a building that will both inspire and amaze.

It will be a structure that will be the most secure conference and meeting facility in the country, where world leaders and key dignitaries will gather in safety to discuss matters of global significance.

This will be a centre unlike any other in Australia or South East Asia. The Australia Forum will be much more than an iconic national venue. It is to be a people's forum, which in practical and symbolic terms facilitates the demand for a new generation of engagement in national and international dialogue. Australia's best future will be shaped through dialogue and through facilities and technologies that are enabling, democratic and globally connected.

The Forum will be linked to the nation through a multi-hub network, and connected internationally through outstanding multimedia capacity. It will open a new window to the world to capitalise on the potential for innovation and collaboration.

Centres of this nature are also the learning hubs of the future – pivotal to economic development and knowledge transfer from research institutions. They are important elements of national infrastructure as well as the positioning of capitals.

The Forum is to be an important national institution for all generations. All Australians should have the opportunity to access the Forum, and the new opportunities for engagement and dialogue that it will enable.

What the Australia Forum offers the ACT Region community and economy

A study, which estimates the economic contribution the business events industry makes to Australia, demonstrates the ACT does not currently attract a share of this sector commensurate with its status as the national capital.

According to the Business Events Council of Australia (BECA) and EY report 'The Value of Business Events to Australia', over 37 million people attended more than 412,000 business events across the country in 2013-14.

These business events directly generated \$28 billion in expenditure, \$13.5 billion in value added and 179,357 jobs. When these direct benefits are combined with additional flow on effects, it is estimated business events contributed \$23.1 billion to the economy and created over 237,000 jobs.

However, only 4 per cent of events were held in the ACT during this period – dropping from a market share of 6 per cent in the previous study.

For the ACT this translated into a total contribution of \$724 million to the gross state product, \$612 million gross value add and 6,855 jobs.

While this proportion is in line with states and territories of a similar size to the ACT, as the national capital Canberra should be the first location of choice for most major business events.

The Chamber absolutely rejects the view that the ACT will never be large enough or have sufficient accommodation and high-quality meeting facilities to host major national and international meetings. To accept this position is to relegate Canberra to only ever hosting minor satellite and peripheral meetings – a totally unacceptable position for the future of Australia's National Capital. It would also ignore the very significant recent investment in new hotel inventory over the last five years and the pipeline of new accommodation options currently under development.

The visits to Canberra in recent years of the Queen, United States President Barack Obama and Princess Mary of Denmark, show that not only is Canberra the natural host for international dignitaries but the benefits associated with these visits.

For example, it is estimated that the Queen's visit to Canberra generated nearly \$40 million worth of media exposure that reached a total audience of around 247 million.

In addition to the direct economic and employment benefits the Australia Forum would bring to the ACT, the report identifies wider and more enduring benefits associated with holding business events, such as infrastructure development, business relationships, knowledge transfer, enhancing a city's reputation as a tourism and business destination, and industry investment.

Research suggests the Australia Forum would have a benefit cost ratio of 2.4 over 20 years. This is based on a capital cost of approximately \$433 million, which would be the base cost to meet the required functional brief. The high-end Fuksas design was estimated to cost \$650 million. The price range for such a facility is now well-understood and the Chamber does not agree with the \$900 million estimate referred to in recent media by the Chief Minister.

Broad estimates of the benefits that may accrue to the National Capital as a result of the Australia Forum have been developed, based on direct capital costs, excluding profit margins and escalation provisions.

The construction of the Australia Forum could be expected to generate 850 direct jobs over the construction period, with this increasing to 3,000 when the indirect effect of this flowing through the economy is taken into consideration.

The additional delegate expenditure will also be sufficient to support up to an additional 750 direct jobs annually, with this increasing to 1,400 jobs with the inclusion of the indirect effect. This additional delegate expenditure will also generate additional taxation revenue of \$90 million over the forecast period along with the additional GST generated. This is a conservative estimate of the return as it does not incorporate the benefits that will flow through to the broader Capital Region.

The estimation does not include the quantification of a number of additional benefits, such as for accompanying person's expenditure (note that 2011 research by University of Canberra found that almost half of the delegates were accompanied by people not attending the event — which is higher than the Australian average of 26% for international events), the impact of the resulting induced tourism (with studies indicating 10% of visitors for conferences come back for holidays) and of exhibitor spend on setting up stands and the like.

The estimation does not include additional infrastructure development that may occur as a result of the added economic stimulus generated by the Australia Forum. For example, it could be expected that the Australia Forum will generate further accommodation projects in the National Capital and, to a lesser extent, surrounding region; and, Canberra Airport can be expected to grow as an international airport.

International, national and state governments have invested heavily in the construction of these conference and meeting venues for a variety of reasons. Historically, the decision of governments to invest in the construction of business event venues was driven primarily by a desire to stimulate tourism expenditure in their regions by attracting more international and national visitors. However, more recently there has been a growing recognition by governments that the indirect or 'external' benefits generated by business events extend beyond those 'tourism' benefits. It is not accidental that cities highly respected for innovation and knowledge industries have first-class convention facilities.

In particular, governments are recognising that business events play an important role in the process of innovation by fostering information and formal collaboration between government and the academic and business communities, as well as the wider community.

The benefits of business events extend beyond the 'traditionally' recognised benefit of event expenditure. These events also support business activity that can potentially exceed the benefits of the direct expenditure. For example, the 2010 Mint Directors Conference, hosted by the Australian Mint, while estimated to have delivered \$650,000 to the wider Australian economy, lifted the export sales of the Australian Mint from approximately \$2 million annually per annum to over \$12 million per annum, with some of these being multi-year contracts of over 10 years.

A conference centre based in the heart of the Canberra Region can offer similar benefits to businesses and producers from the ACT, Goulburn, Young, Yass, Orange, Wagga and other regional centres.

Clearly, there are advantages to be gained by increasing opportunities for the region by using the National Capital as a business hub and for holding events as a result of the proximity of politicians, government officials, institutions, research bodies and transport capacity.

Overall, the Australia Forum is expected to have the potential to generate significant net benefits for the Capital Region that are closely aligned with national policy objectives.

Funding for the Australia Forum

As stated earlier, the total cost of the Australia Forum is estimated to be between \$450 to \$700 million, depending on the final design. This estimated cost comprises of construction and land already promised for the project on the 'City Hill' site adjacent to the Legislative Assembly, a landmark location that forms part of the National Capital Plan.

The ACT Government has committed support estimated to be valued at around \$130 million to this project. This includes the value of the selected site (\$60m) and the promised proceeds from the existing National Convention Centre site when repurposed for other functions (est \$60m from sale of the land).

Additional funding from the Federal Government is required along with funding from the private sector.

In its Budget submission 2017-18, Canberra Business Chamber called on the Federal Government to lead development of the Australia Forum, which includes committing funds for the project.

A Public Private Partnership approach is proposed to fund the construction of the Australia Forum.

PPP models based around service payments are commonly used to deliver social infrastructure projects such as Southbank TAFE, NSW Schools, Melbourne Convention Centre, and Canberra Metro among many others.

Under this model, the private sector receives a recurring service payment from the procuring agency based on asset availability and performance measures.

Under the PPP model the majority of design, construction, commissioning, operations, maintenance, and financing risks are transferred to the private sector proponent. As a result, the proponents' bids reflect a whole-of-life pricing for delivery of the asset. The asset reverts to the procuring agency at the end of the contractually specified concession period.

Steps to being investment-ready

The ACT Government has funded and undertaken a number of key steps on the path to getting the Australia Forum to investment-ready stage. This has included development of a reference design and other initial work.

It is estimated that financial support of approximately \$8 million is required at this stage to prepare an investment-ready proposal for the Australia Forum.

Canberra Business Chamber believes an investment-ready proposal cannot be developed until the Federal Government formally commits its support to the project.

Conclusion

The Australia Forum is the number one infrastructure priority for the ACT Region. It has the potential to provide significant economic returns to the ACT Region, support Canberra's status as the National Capital and leverage off Canberra's strengths as a research, knowledge and political centre of excellence.

The capital cities of western countries around the world have convention centres befitting of this status. Canberra's convention centre is not currently fit for purpose to host the array of national and international events and forums expected of a country's seat of government. This reflects poorly on Australia and the Federal Government and is a missed opportunity to showcase our national capital and surrounding industries to overseas delegations and heads of government.

Canberra Business Chamber recognises strong support from both the ACT Government and local private sector for the Australia Forum, but a Federal Government commitment to the project is still required.

Attachments

- A. Showcasing Australia and the National Capital Region
- B. Information Kit
- C. Potential Economic Benefits Paper by EY
- D. Australia Forum Report July 2013
- E. Statement of Support for the Australia Forum
- F. Major Australian Convention Comparison Report
- G. Australia Forum Overview
- H. Australia Forum Scoping Study - Full Version



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Australia Forum convention centre: Showcasing Australia and the National Capital Region to the world

December 2016

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Canberra Business Chamber

Australia Forum convention centre: Showcasing Australia and the National Capital Region to the world

“... to fulfil its role as the nation’s capital, Canberra needs a venue of the scale, security, design and character that is appropriate for hosting major meetings of international and national importance

The proposed Australia Forum convention centre is envisaged as a place for people to come together in celebration, to be inspired and entertained, to engage in meaningful conversations and to voice their opinions

It will be a place where meetings of significance will stimulate industry and knowledge development, a place that fosters new relationships between government, the business community, academia and the people of Australia”

(The Australia Forum Scoping Study - April 2011)



This report was prepared with the support of the ACT Government supplying the Australia Forum reference design and data from the Canberra Convention Bureau.

Recommendation:

That the Australian Government agree to lead the procurement, development and construction of the Australia Forum by allocating Budget funding. It will do this by working with the ACT Government with the assistance of the National Capital Authority, by utilising assets estimated to be valued at \$130 million committed by the ACT Government, and by attracting private sector investment through the appropriate financial and commercial arrangements.

The Australia Forum:

2. The Australia Forum will be an iconic venue for international, national and regional meetings, conventions, forums and dialogue. The venue is essential in the Australian Capital Territory to meet the needs of the Federal Parliament, the Australian Government, its national institutions, departments and agencies, and the public and private sectors in the National Capital and surrounding regions - Eden Monaro, Riverina and large parts of Hume.
3. The Australia Forum convention and meeting centre is envisaged as a place that nurtures new relationships between governments, the business community, academia and the people of Australia. Meetings of significance will stimulate intergovernmental outcomes, opportunities for industry, innovation and knowledge development across the region, together with mobilising ideas from communities and individuals.
4. The Centre for Dialogue will be incorporated into the Australia Forum to facilitate productive dialogue on significant issues or 'wicked' problems faced by governments, communities and businesses. It will engender an environment where all can be equal in an atmosphere of comfort, mutual respect and collaboration. The Centre, the likes of which are coming into more common use by governments globally, will position the Australian Government as a leader in such dialogue. ANU and University of Canberra are already working collaboratively on models of Deliberative Democracy and Dialogue methodologies and future study will complement the practice supported by the development of this facility.
5. The Australia Forum will be a place for people to come together to advance business, government and cultural relationships, in celebration, to be inspired, to innovate, to engage in meaningful conversations and to voice their opinions. The Australia Forum will be established on a landmark site and have an iconic design, that matches the quality of the National Capital's other major national institutions.
6. An investment in such a facility would appropriately position the National Capital and surrounding region to live up to its potential and to flourish, as well as supporting the national Parliament and Australia's iconic institutions. The investment has widespread support from the national institutions and many national organisations.
7. Other national and international destinations continue to invest heavily in high quality conference and meeting facilities. These investments are delivering a greater share of the expanding market for business events and inter-government interactions. Importantly, they also are reaping the benefits of heightened place branding, increased jobs, more hotels, associated visitor services, entertainment options and greater tourism expenditure.

8. The total cost of the Australia Forum is estimated to be between \$600 to \$740 million, depending on the final design. This estimated cost comprises of construction and land already promised for the project, a landmark location that form part of the National Capital Plan In addition to the value of the selected site (\$60m) and the promised proceeds from the existing National Convention Centre site (est \$60m) additional funding from the Federal Government is required along with funding from the private sector. A Public Private Partnership approach is proposed to fund the construction of the Australia Forum.

The need:

9. Australia's National Capital, the site of the Federal Parliament, should be a predominant meeting place that supports the Australian Government to perform its national role and increasingly important role in international and regional affairs.

10. This role includes the activities of a wide range of international organisations of which Australia is a member such as the G20 (which is now the most significant forum for global economic co-operation among the world's major powers), the Australian National Commission for UNESCO, the OECD, the Commonwealth of Nations, the United Nations, and the World Trade Organisation. Global security issues (including counter-terrorism, nuclear non-proliferation, arms control and disarmament, US Security Council financial sanctions and the freezing of terrorist assets), global immigration and human rights issues (such as people smuggling and trafficking) and global environmental issues (such as global warming and biosecurity) all demand a meeting venue commensurate with their strategic importance and international profile.

11. There is a growing number of international, national and regional meetings to facilitate increased collaboration between government, the academic and business communities. These are a key goal of both the Australian Government's Innovation Strategy and its Blueprint for the Reform of Australian Government Administration.

12. Government is increasingly searching for the capacity to allow Australians to engage in meaningful dialogue on key issues of national and regional importance. Key government events such as the Howard Government's Constitutional Convention in February 1998 and the Rudd Government's Australia 2020 Summit in April 2008 were somewhat constrained by the lack of a suitably designed venue in the National Capital.

13. On the national front, the Australian Government has been playing an increasingly important role in issues of national importance that to date have mainly been the domain of state and territory governments. Such issues have included infrastructure reform, transport reform, health reform, education reform, and more recently the reform of the taxation of mineral rents.

14. As a result, there is now much greater consultation and collaboration between Australian, state and territory governments through the Council of Australian Governments on major issues. The list of issues is extensive and includes the creation of Ministerial Councils and Inter Governmental Agreements with the State and Territory Governments on matters of national importance such as: Reform of Commonwealth-State Financial Relations; Personal Property Securities; Gene Technology; Surface Transport Security; Research Involving Human Embryos and Prohibition of Human Cloning; Natural Gas Pipelines; and, National Action Plan for Salinity and Water Quality.

15. At a regional level, the National Capital has a vast array of primary, manufacturing and services industries in the surrounding rural and regional areas. Many of these industries have close ties with academia, research bodies, government institutions and, increasingly, the distribution capability that the National Capital hosts. For example, recently it was announced that international flights will service the Capital and surrounding areas. The likely development of a freight hub will further enable the Capital Region to develop its primary and value-added products industries.

16. Clearly, there are advantages to be gained by increasing opportunities for the region by using the National Capital as a business hub and for holding events as a result of the proximity of politicians, government officials, institutions, research bodies and transport capacity.

17. The National Capital currently lacks an appropriate venue to host significant meetings, which require an iconic venue. Parliament House has hosted such meetings, but it is unable to provide facilities that allow for breakout discussions, private conferences and those elements that can foster better and speedier outcomes. This shortcoming is to the detriment of Australia's national identity.

18. There is a critical need for a venue in the National Capital for Australians to engage in meaningful dialogue on issues of national importance. Parliament House provides the forum for dialogue between Australia's elected representatives. However, there is no suitable national forum to foster and host significant dialogue involving the wider community.

19. Hosting such meetings is an integral role of the National Capital – the seat of the Australian Government, home of national institutions, a recognised knowledge and innovation hub, and a vital centre for regional development in Eden Monaro, Riverina and large parts of Hume (taken together with Canberra, referred to as the Capital Region).

20. To fulfil its role as the National Capital, a venue of the scale, security, design and character that is appropriate for hosting major meetings of international, national and regional importance is essential. The Australia Forum has widespread support from the national Institutions and many national organisations. (See [Attachment A](#))

21. The need for this venue of national significance has been recognised for some time. Initial considerations date back to the mid to late 2000's. Since 2011, significant time and resources have been expended in developing the Australia Forum proposal. Outputs of these investments include: a scoping study (300 pages); a Reference Design report from a consortia of Australian and international architects and engineers and Costing Estimates providing significant details as to the design, functionality and cost (400 pages); Value Management assessments and adjustments to the functional requirements; Commercial and Economic Analysis reports; and a Market Sounding report.

Vision:

22. The Australia Forum will be a world class institution that caters for significant meetings, dialogue, cultural events, and other occasions of regional, national and international importance appropriately held in Australia's capital. It will:

- Enhance Australia's capacity to conduct effective international relations through a world class meeting venue;
- Establish a high quality regional conference and meeting venue for the Asia Pacific Region;
- Provide a highly secure venue to meet future international requirements as well as those of Australia's security, defence and intelligence communities;
- Establish a forum where the people of Australia engage in dialogue on issues of national importance;
- Foster the economic and community development of the Capital Region, encompassing Eden Monaro, Riverina and large parts of Hume through an increased range of events and visitation, greater profile of all the Region has to offer, and creation of business connections and opportunities.

Design:

23. To achieve its objectives, the Australia Forum will be sited on a landmark position and must be an iconic building that matches the quality of the National Capital's other major national institutions. See [Attachments B and C](#).

24. The Australia Forum will offer facilities and equipment that provide capacity to host national and international conferences and business events, along with significant performing arts events from time to time, the key elements of which will include:

- An International Affairs meeting venue to host high level international forums to accommodate the highest standards of building security;
- Conference and meeting facilities comprising a Plenary Hall catering for around 2,500 delegates and break-out rooms to support major conferences and business events;
- Exhibition Facilities with flexible design to accommodate large banqueting events;
- Outdoor use of external concourse areas;
- A Ballroom configured to allow for temporary dance floor and/or stage;
- Suitable meeting areas for conference delegates to network and conduct out of session business discussions – an essential element of conferencing culture: and
- A Centre for Dialogue.

Centre for Dialogue

25. The Centre for Dialogue will provide the capability to host dialogue and meetings 'in-the-round'. This element of the Australia Forum will provide a flexible, integrated centre that facilitates productive dialogue on significant issues or 'wicked' problems faced by governments, communities and businesses. Meetings 'in the round' facilitate an environment where all can be equal in an atmosphere of comfort, mutual respect and collaboration.

26. The design of the Forum and architectural treatment of the Centre for Dialogue area within it would provide for a separate sense of arrival, retention of a unique identity for the Centre and a specific intimate space.

27. The layout would be capable of providing no 'sides' evoking the corroboree and the 'round table'. There would be seating for others to observe public dialogue events without impacting on the intimacy of those in dialogue.

28. The Centre, the likes of which are coming into more common use by governments and business enterprises globally, will position the Australian Government as a leader in such dialogue. Examples of similar facilities can be found in the United Kingdom, Canada and the United States. (See [Attachment D](#))

29. The Centre for Dialogue will have a close association with the Australian National University. The Centre for Dialogue would maintain important linkages with the Australian National University in fostering research dialogue that benefits both Australia and the Capital Region.

Cost:

30. The total cost of the Australia Forum is estimated to be \$740 million, comprising of \$680 million for construction and \$60 million for the proposed site. (A detailed breakdown of the costs of the capital costs - \$680 million - is available.)

31. The total cost reflects the location of the Australia Forum on a significant site that forms part of the National Capital Plan. It encompasses approximately 104,000 square metres in respect of Gross Floor Area, with more than one floor. (See diagram at [Attachment B](#))

32. There is no site within proximity of Parliament House that could accommodate a venue of this size on a single floor.

Funding Model:

33. A Public Private Partnership (PPP) model is being considered for the construction and operation of the Australia Forum.

34. PPP models based around service payments are commonly used to deliver social infrastructure projects such as Southbank TAFE, NSW Schools, Melbourne Convention Centre among many others.

35. Under this model, the private sector receives a recurring service payment from the procuring agency based on asset availability and performance measures.

36. Under the PPP model the majority of design, construction, commissioning, operations, maintenance, and financing risks are transferred to the private sector proponent. As a result the proponents' bids reflect a whole-of-life pricing for delivery of the asset. The asset reverts to the procuring agency at the end of the contractually specified concession period.

Wider Benefits:

37. International, national and state governments have invested heavily in the construction of these conference and meeting venues for a variety of reasons. Historically, the decision of governments to invest in the construction of business event venues was driven primarily by a desire to stimulate tourism expenditure in their regions by attracting more international and national visitors. However, more recently there has been a growing recognition by governments that the indirect or 'external' benefits generated by business events extend beyond those 'tourism' benefits.

38. In particular, governments are recognising that business events play an important role in the process of innovation by fostering information and formal collaboration between government and the academic and business communities, as well as the wider community.

39. The benefits of business events extend beyond the 'traditionally' recognised benefit of event expenditure. These events also support business activity that can potentially exceed the benefits of the direct expenditure. For example, the 2010 Mint Directors Conference, hosted by the Australian Mint, while estimated to have delivered \$650,000 to the wider Australian economy, lifted the export sales of the Australian Mint from approximately \$2 million annually per annum to over \$12 million per annum, with some of these being multi-year contracts of over 10 years (See [Attachment E](#)). A conference centre based in the heart of the Canberra Region can offer similar benefits to businesses and producers from the ACT, Goulburn, Young, Yass, Orange, Wagga and other regional centres.

40. Broad estimates of the benefits that may accrue to the National Capital as a result of the Australia Forum have been developed, based on direct capital costs, excluding profit margins and escalation provisions. These are outlined below.

41. The construction of the Australia Forum could be expected to generate 850 direct jobs over the construction period, with this increasing to 3,000 when the indirect effect of this flowing through the economy is taken into consideration.

42. The additional delegate expenditure will also be sufficient to support up to an additional 750 direct jobs annually, with this increasing to 1,400 jobs with the inclusion of the indirect effect. This additional delegate expenditure will also generate additional taxation revenue of \$90 million over the forecast period along with the additional GST generated. This is a conservative estimate of the return as it does not incorporate the benefits that will flow through to the broader Capital Region.

43. The estimation does not include the quantification of a number of additional benefits, such as for accompanying person's expenditure (note that 2011 research by University of Canberra found that almost half of the delegates were accompanied by people not attending the event which is higher than the Australian average of 26% for international events), the impact of the resulting induced tourism (with studies indicating 10% of visitors for conferences come back for holidays) and of exhibitor spend on setting up stands and the like.

44. The estimation does not include additional infrastructure development that may occur as a result of the added economic stimulus generated by the Australia Forum. For example, it could be expected that the Australia Forum will generate further accommodation projects in the National Capital and, to a lesser extent, surrounding region; and, Canberra Airport can be expected to grow as an international airport.

45. Also, industry development opportunities arise through the hosting of additional international and national conferences. (See [Attachment E](#) case study)

46. The landmark building will also be recognised within the family of national and international institutions in the Capital, and will be a significant contributor to the branding of the Capital Region as a destination to visit and work.

47. A high-level indication of the direct and indirect effects that may flow to the Capital Region of \$100 of expenditure on various items includes:

- accommodation, cafes and restaurants will generate \$78 of additional value added;
- food production will generate \$100 of additional value added;
- retail goods and services will generate \$94 of additional value added;
- other services will generate \$1.16 of additional value added;
- transport will generate \$56 of additional value added;
- construction will generate \$66 of additional value added; and,
- machinery and equipment will generate \$100 of additional value added.

48. Similarly, below is an indication of the direct and indirect effects on jobs that may flow to the Capital Region of every \$1,000 of expenditure on:

- accommodation, cafes and restaurants will generate 19 additional jobs;
- food production will generate 13 additional jobs;
- retail goods and services will generate 16 additional jobs;
- other service will generate 14 additional jobs;
- transport will generate 6 additional jobs;
- construction will generate 8 additional jobs; and
- machinery and equipment will generate 13 additional jobs.

49. Overall, the Australia Forum is expected to have the potential to generate significant net benefits for the Capital Region that are closely aligned with national policy objectives.

ATTACHMENT A

Organisations supporting the development of the Australia Forum as a priority

National Institutions

Australian Academy of Science
www.science.org.au

Australian Catholic University
www.acu.edu.au

Australian Institute of Sport www.ausport.gov.au/ais

Australian National University
www.anu.edu.au

Australian National Botanic Gardens
www.anbg.gov.au

Australian War Memorial
www.awm.gov.au

CSIRO
www.csiro.au

Museum of Australian Democracy
www.moadoph.gov.au

National Archives
www.naa.gov.au

National Film and Sound Archive
www.nfsa.gov.au

National Gallery of Australia
www.nga.gov.au

National Library of Australia
www.nla.gov.au

National Museum of Australia
www.nma.gov.au

National Portrait Gallery
www.portrait.gov.au

Questacon - National Science and Technology Centre
www.questacon.edu.au

Royal Australian Mint
www.ramint.gov.au

ACT and National Organisations

ACT Law Society
www.actlawsociety.asn.au

ACTSport
www.actsport.com.au

Australian Computer Society
www.acs.org.au

Australian Information Industry Association
www.aiia.com.au

Australian Hotels Association ACT
www.actaha.org.au

Australian Institute of Architects
www.aiia.com.au

Australian Institute of Company Directors
www.companydirectors.com.au

Australian Institute of Management
www.aim.com.au

Australian Hotels Association ACT
www.actaha.org.au

Australian Institute of Quantity Surveyors (ACT)
www.aiqs.com.au

Australian Medical Council United
www.amc.org.au

Australian Property Institute
www.api.org.au

Canberra Airport
www.canberraairport.com.au

Canberra Business Chamber
www.canberrabusiness.com

Canberra Convention Bureau
www.canberraconvention.com.au

Canberra Institute of Technology
www.cit.edu.au

Chamber of Women in Business
www.cwb.org.au

ClubsACT
www.clubsact.com.au

CollabIT
www.collabitact.com.au

Consult Australia
www.consultaustralia.com.au

Council of the Ageing
www.cota.org.au

Engineers Australia
www.engineersaustralia.org.au

Family Business Australia
www.fambiz.org.au

Institute of Public Accountants
www.publicaccountants.org.au

Master Builders ACT
www.mba.org.au

Medicines Australia
www.medicinesaustralia.com.au

Motor Trades Association ACT
www.mtaact.com.au

National Capital Attractions Association
www.nationalattractions.com.au

National Electrical and Communications Association
www.neca.asn.au

NICTA
www.nicta.com.au

Property Council of Australia
www.propertyoz.com.au

Real Estate Institute of ACT
www.reiact.com.au

Safety Institute of Australia
www.sia.org.au

The Pharmacy Guild of Australia
www.guild.org.au

University of Canberra
www.canberra.edu.au

UNSW Canberra
www.unsw.edu.au

Volunteering ACT
www.volunteeringact.org.au

YWCA
www.ywca.org.au

ATTACHMENT B

Australia Forum Functional Requirements – Overview

Design	An iconic design that is at least commensurate with the quality of the National Capital's other major national institutions
Special requirements	Specialised security arrangements, design features and services required for Australia Forum to host international dignitaries
Centre for Dialogue	A Centre for Dialogue (2,500 m2) to cater for important meetings in the round for 180 delegates
Exhibition space	High quality exhibition areas (6,030 m2) and concourse with multifunctional capacity to service large scale government events, exhibitions, conferences and other functions
Technology	Outstanding multimedia services and other technologies to facilitate enhanced communication not only between delegates, conference organisers and presenters, but also to link Australia Forum with other event centres in Australia overseas
Conference and support facilities	Core facilities to cater for the needs of the more traditional business events market, including: <ul style="list-style-type: none">• 6,030 m2 divisible Exhibition Hall• Large continuous Exhibition Concourse• Plenary hall with flexible seating and capacity to seat 2,500 people• A ballroom (2,182 m2) seating 1,800 people• Ten small divisible meeting rooms• Parking for around 300 cars, depending on the location of the Australia Forum

The iconic design of the Australia Forum is depicted below, for information.

Bird's Eye view of the Australia Forum

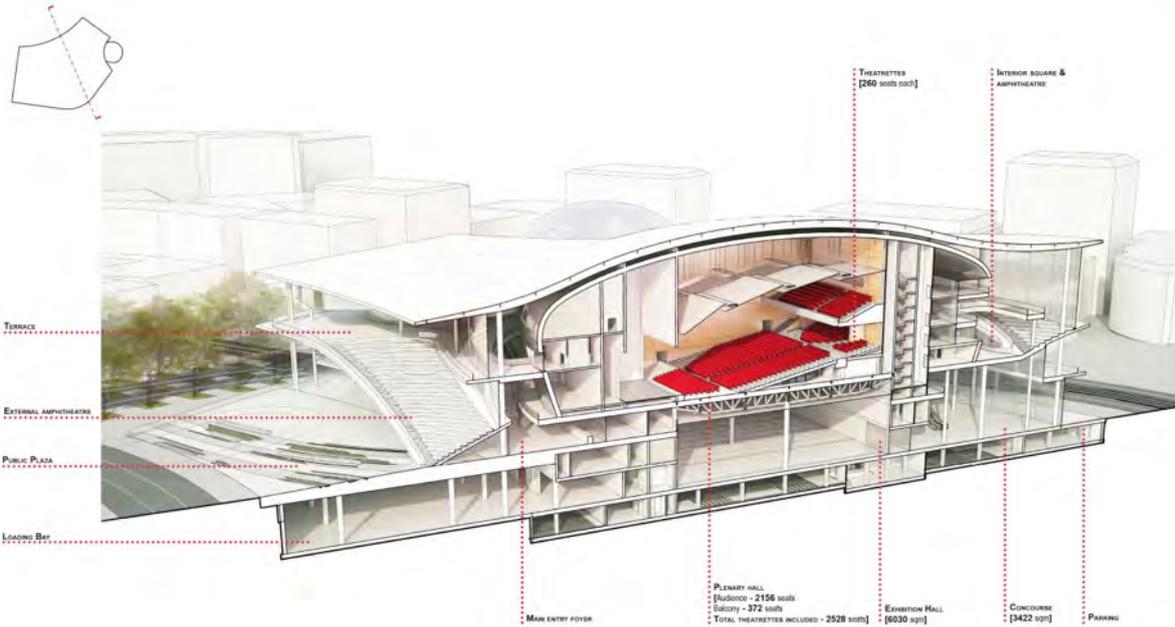


Street view of the Australia Forum



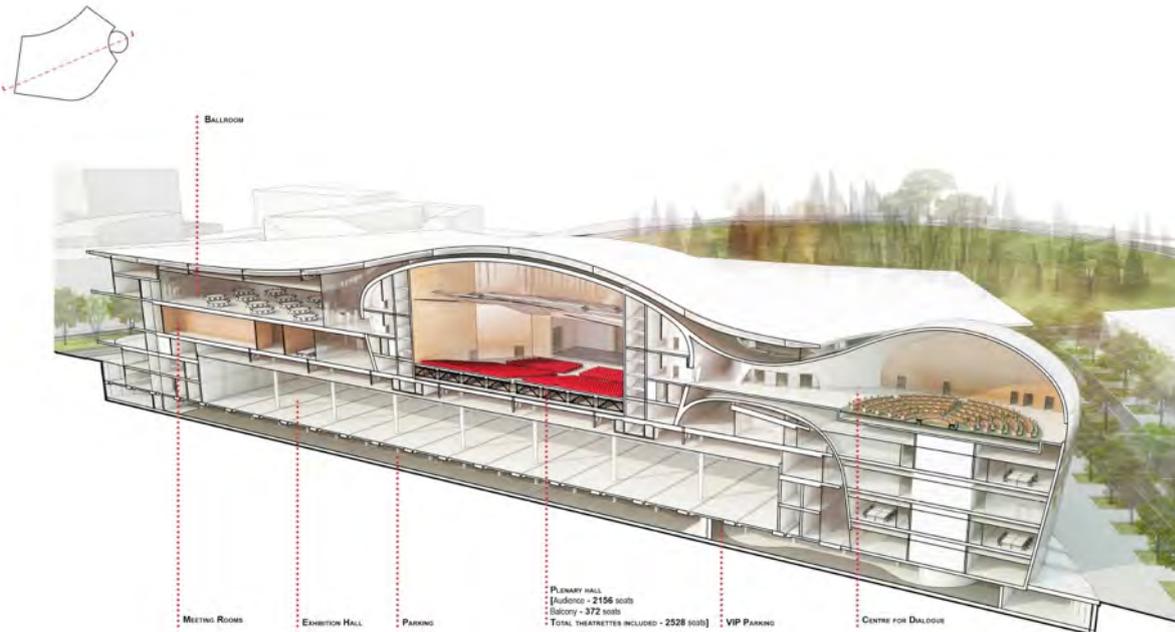
Australia Forum: Transversal Perspective

TRANSVERSAL PERSPECTIVE SECTION



Longitudinal Perspective

LONGITUDINAL PERSPECTIVE SECTION



ATTACHMENT C

Existing Major Iconic Buildings

Since the selection of Canberra as the site of the National Capital, both the Australian and ACT governments have, with the support of the business community, been investing heavily in the planning, funding and provision of the infrastructure that Canberra needs to perform both its roles as the National Capital of Australia and Capital City of the surrounding region.

These major infrastructure investments have included the construction of national government, education, scientific, legal and cultural institutions including the:

- (New) Parliament House;
- Old Parliament House;
- Australian National University;
- Australian Academy of Science;
- National Library of Australia;
- High Court of Australia;
- National Gallery of Australia;
- National Portrait Gallery;
- Questacon; and
- National Museum of Australia; and
- Iconic government offices such as the Treasury Building, John Gorton Building and, most recently, the new ASIO headquarters.

ATTACHMENT D

Centres Pioneering in Promoting Dialogue

Woodrow Wilson International Centre for Scholars in Washington DC, which was established in 1968 by an act of Congress as the nation's official living memorial to President Woodrow Wilson, who felt strongly that the scholar and the policymaker were 'engaged in a common enterprise'.

Aspen Institute in Colorado, which was established in 1950 by Chicago businessman Walter Paepcke, who envisioned transforming the town into a centre for dialogue, thinkers, leaders, artists, and musicians from all over the world to step away from their daily routines and reflect on the underlying values of society and culture.

Ditchley Foundation located in Ditchley in the United Kingdom. This foundation was established by Sir David Wills in 1958 to advance international learning and to bring transatlantic and other experts together to discuss international issues.

Morris J. Wosk Centre for Dialogue in Vancouver, which was established in 2000 on Simon Fraser University's Vancouver campus to foster improved dialogue between heads of state, religious and political leaders, delegations, and private parties on a wide range of international issues.

ATTACHMENT E: A CASE STUDY

2010 Mint Directors Conference – What it delivered to Australia

It is generally understood that Business Events (BEs) are a major economic driver for the Australian economy, but the current approach to valuing these benefits is focused on immediate tourism spending of delegates, event expenditure and venue utilisation. This focus on short term impacts masks the wider and more enduring benefits of BEs associated with support for infrastructure development, business relationships, knowledge transfer and industry investment.

Unfortunately, little evidence-based information exists to validate these longer-term benefits. However, the experience of the 2010 Mint Directors Conference represents a Case Study of the value of the business that is generated beyond these tourism benefits.

In 2010 the Royal Australian Mint (the Mint) hosted the biannual international Mint Directors Conference (MDC) at the in Canberra, with 350 minting industry representatives from around the world attending.

Getting conferences such as the MDC to Australia is a competitive process which requires the submission of competitive tenders. It also requires planning, sponsorship and funding. The Canberra Convention Bureau (CCB) supported the Mint and the Professional Conference Organiser with conference planning. As part of this role, the CCB facilitated the sourcing of support funding from Tourism Australia, funding that enabled the Mint to target specific decision-makers from the Pacific Region – an initiative that has proved invaluable in expanding export sales.

The traditional tourism economic benefits delivered from the MDC is estimated as being \$425,000 to the ACT economy and \$650,000 to the wider Australian economy – a benefit that has been easily exceeded by the identified business benefits to Australia.

Prior to the 2010 MDC the Mint had minimal export sales (being approx. \$2m per annum), but these have since grown exponentially. Most importantly, the growth in these export sales can be directly attributed to the hosting of the 2010 MDC. As part of the conference all attendees were given a tour of the Mint facility and a range of important business connections were established. As noted by the Royal Australian Mint:

“As a result of the Conference, and the exposure of the Royal Australian Mint resulting from this Conference, the Mint has entered into several export contracts resulting in a total revenue value of over \$12 million per annum, with some of these being multi-year contracts of over 10 years.

Hosting the MDC enabled us to bring the decision-makers to where the work is done, in Canberra at the Mint. No other marketing or sales initiative would have had the same immediate and significant impact.”

[Dr Prabir De, Business Development and Technical Director, Royal Australian Mint]

Equally of relevance is that:

- the export and product sales are to a diverse range of countries including many Pacific Island countries – Samoa, Tonga, Solomon islands, Vanuatu, PNG – along with Holland, Germany and the Nordic countries
- due to the long lead time in entering into contracts and providing the product, the benefits of some of the contracts resulting from the MDC exposure are yet to be realised. (For example, a contract signed by four countries (Australia, New Zealand, Britain and Turkey) to produce a series of ‘Gallipoli’ coins will return revenue in 2015 and a contract signed with New Zealand to produce a series of World War I coins will return revenue in 2014-16.)
- the Mint has also entered into a number of associated partnerships and joint ventures which will also further expand sales
- the MDC reaffirmed the Mint’s position as a world class producer of coins for both general circulation and for commemorative occasions
- as a result of this growth in export sales, the Mint won the 2013 and 2014 ACT Chief Minister’s Export Award for Government Services.

Having the MDC in Canberra has also delivered other benefits to the Mint and its staff, including in skills development and by expanding the views of staff of what can be achieved. As noted by Ross MacDiarmid (CEO, Royal Australian Mint):

“these contracts are a great opportunity for staff to further develop their skills as the coins differ in metal and even sometimes shape from the Australian coins, with one of the most interesting being a scalloped coin.”

As is demonstrated by the experience of the MDC, attracting appropriate Business Events represents an excellent pathway for demonstrating Australia’s expertise which, in this instance, is based in Canberra. The majority of attendees would not have otherwise visited Canberra, with the BE presenting an opportunity for the Federal Government to showcase the investment in the refurbishment of the Mint.

Hosting the biannual international Mint Directors Conference in 2010 has clearly created a legacy for the Mint business that benefits all Australians, and that clearly extends beyond the tourism related benefits of having such a conference in Australia.



AUSTRALIA FORUM

CANBERRA, AUSTRALIA

REFERENCE DESIGN INFORMATION KIT | 9 OCTOBER 2015

INTRODUCTION

The Reference Design for the Australia Forum, a new world-class convention centre and meeting place in Canberra, builds on the 2011 Australia Forum Scoping Study*

Australia Forum will cater for major local, national and international events, and in turn enhance visitation, tourism and local industry development in the ACT.

A significant site, adjacent to City Hill is earmarked as the location for Australia Forum. The site of Australia Forum was selected as part of the City to the Lake plan which is now embedded within the City Plan.

The sector shaped site at the junction of Commonwealth and Constitution Avenues ties the Forum into the significant Parliamentary Triangle reflecting an interlinking of its significance to the nation and the city. The building will front onto Vernon Circle establishing a new engagement with this centre city park, and faces Canberra's "main street" London Circuit. At this highly significant location the Forum will be a major presence and will have a significant role in the remaking and development of the city centre, and the change in level from Vernon Circle to London Circuit allows for a "split level" internal plan and enlarged public realm.

The Reference Design has been guided by a functional and operational brief which calls for:

- An 'iconic' design that corresponds with the quality of the National Capital's other major national institutions.
- Specialised security arrangements, design features and services required for Australia Forum to host international dignitaries.
- A 'Centre for Dialogue' to cater for important 'meetings in the round' for 180 delegates (e.g. high level government meetings as well as other specialised forums).
- High quality 'exhibition' areas and concourse with the multifunctional capacity to serve large scale government events, exhibitions, conferences and other functions.
- Outstanding multimedia services and other technologies to facilitate enhanced communication not only between delegates, conference organisers and presenters, but also to link Australia Forum with other event centres in Australia and overseas.

The Reference Design was prepared by Rome-based architect Massimiliano Fuksas in association with local architecture firm Guida Moseley Brown.

The design includes:

- 6030 square metres divisible Exhibition Hall
- Large continuous Exhibition Concourse
- Ten small divisible Meeting Rooms
- Ballroom of 2182 square metres seating 1800
- Plenary Hall with flexible seating and capacity to seat 2500
- The Centre for Dialogue

*managed by the Canberra Business Council and partly sponsored by the ACT Government and the Canberra Business Council.

AUSTRALIA FORUM SITE



DIRECT AND VISUAL CONNECTIONS TO THE CITY WITHIN THE GRIFFIN PLAN





AUSTRALIA FORUM - ARCHITECTURAL CONCEPT

The overall architectural form and concept for the Australia Forum is inspired by the confluence of Canberra's unique topography and the water's edge of Lake Burley Griffin. The sinuous curves of the profiles of the hills that are reflected in the waters of the lake have been a source of inspiration that link the building to place.

The building acts like an abstracted landscape, formed by the floor layers of various functions that are expressively distorted by the sculptural volume of the Plenary hall, and connected to the tower of the Centre of Dialogue in an overall continuity of form and material.

The design team sought a solution that provides a conference centre which through its openness and permeability is able to activate the cultural, social and economic public life of its surroundings. To this end opaque walls and vertical enclosures are minimized, while great emphasis is given to the open foyers, terraces and cantilevered balconies.

The sinuous shape of the roof is the key unifying formal element of the design, followed closely by the sculptural amphitheatre which activates the Forum plaza at Vernon Circle, and engages with the topography and landscape of City Hill.

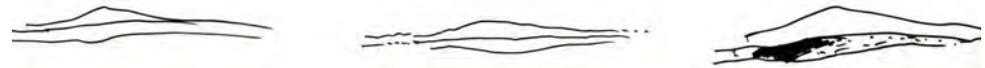
This collective quality of the Forum Plaza and Amphitheatre relates closely to the adjacent City Hill, inviting pedestrians to access the upper terraces, while creating a dynamic public space enjoyed by all and with controlled access into the building.

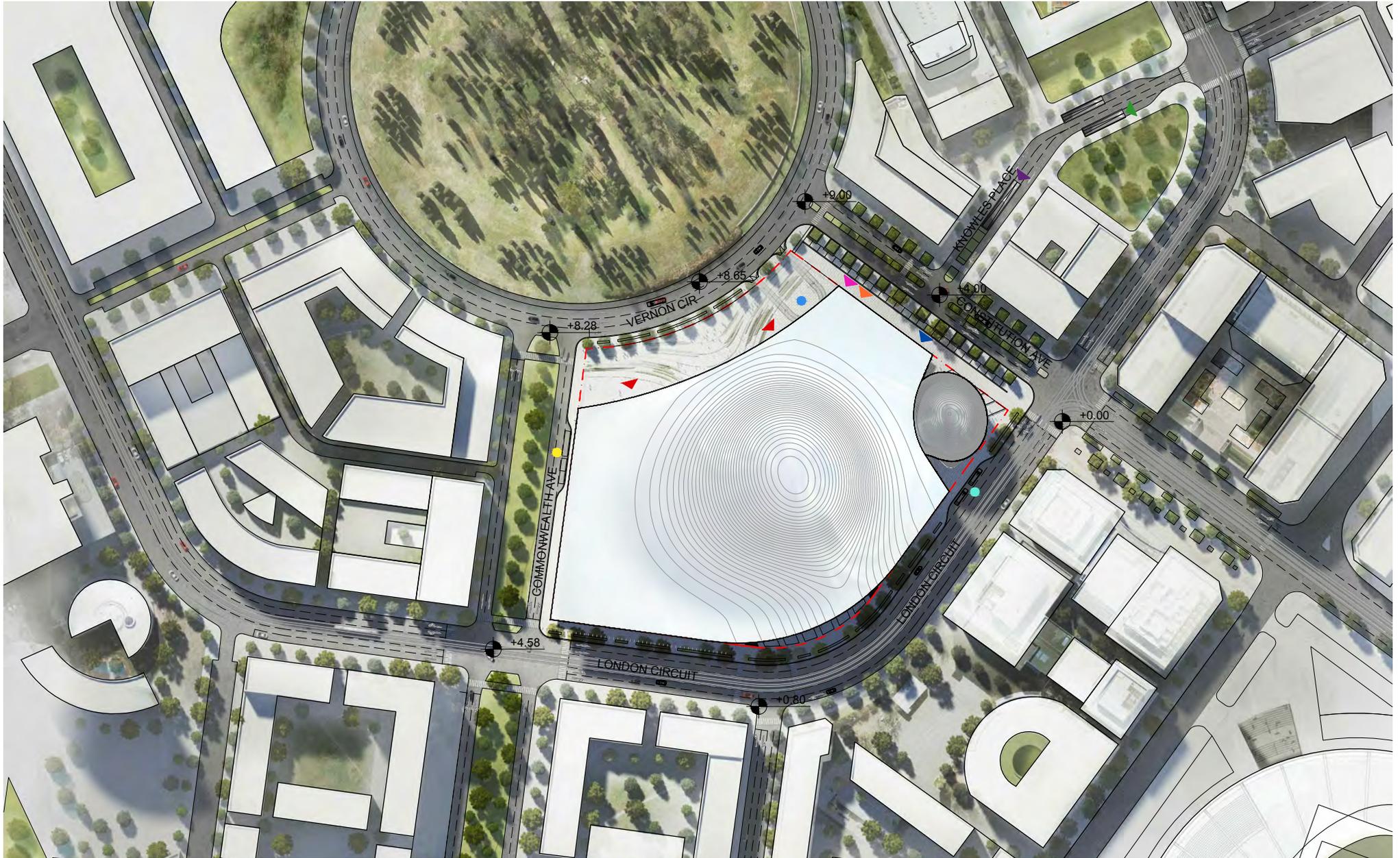
Particular attention has been given to the relationship of the building within the context, both the present sitewide conditions as well as the proposed urban developments, including the light rail, the proposed regrading of London Circuit and the new extension and completion of Constitution Ave. In considering the impact of these infrastructure changes the Australia Forum design responds by seeking to create public spaces that maximise the activation and enjoyment of the public realm, including the changing ground level and terraces above. This urban environment is enhanced by the introduction of carefully designed street furniture, water features, green zones and perimeter trees; arranged to create an open and seamless relationship between interior and exterior, allowing visitors direct access into the building.

Once inside the Main Entry, the visitor has quick access to the centrally located information desks and reception, and a series of grand stairways, elevators and escalators that divide and direct the pedestrian flows according to the building's various functions.

A glazed wall to the east and west wings of the Entry Foyer provides direct views into the Exhibition Hall below, allowing visitors to navigate and position themselves easily within the building. In close connection with the entrance and located a level above is the inner square & amphitheatre space to the Forum, above the Exhibition roof. This space runs from the north to south of the building leading directly to the Plenary foyer, alongside the meeting rooms and allows descent to the Exhibition Concourse facing London Circuit. This interior square also has the potential to be accessed directly from the exterior boulevard along London Circuit.

The inner square is a multipurpose space that can assist in collecting and separating visitor movement flows, or alternatively operate in a manner dedicated for individual events.









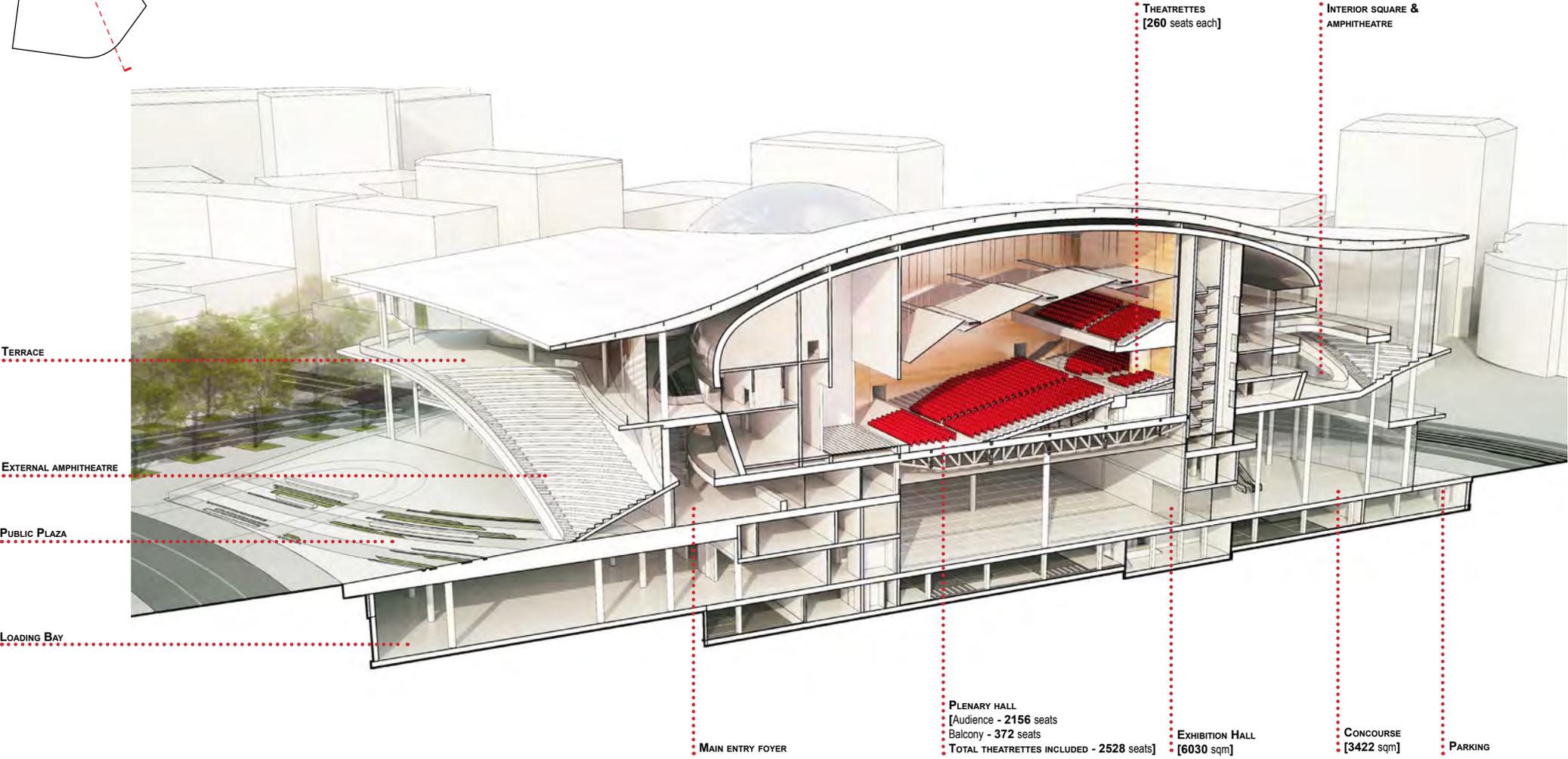
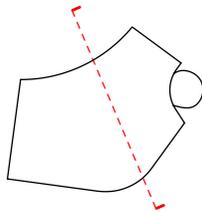
NIGHT TIME BIRD'S EYE VIEW OF VERNON CIRCLE



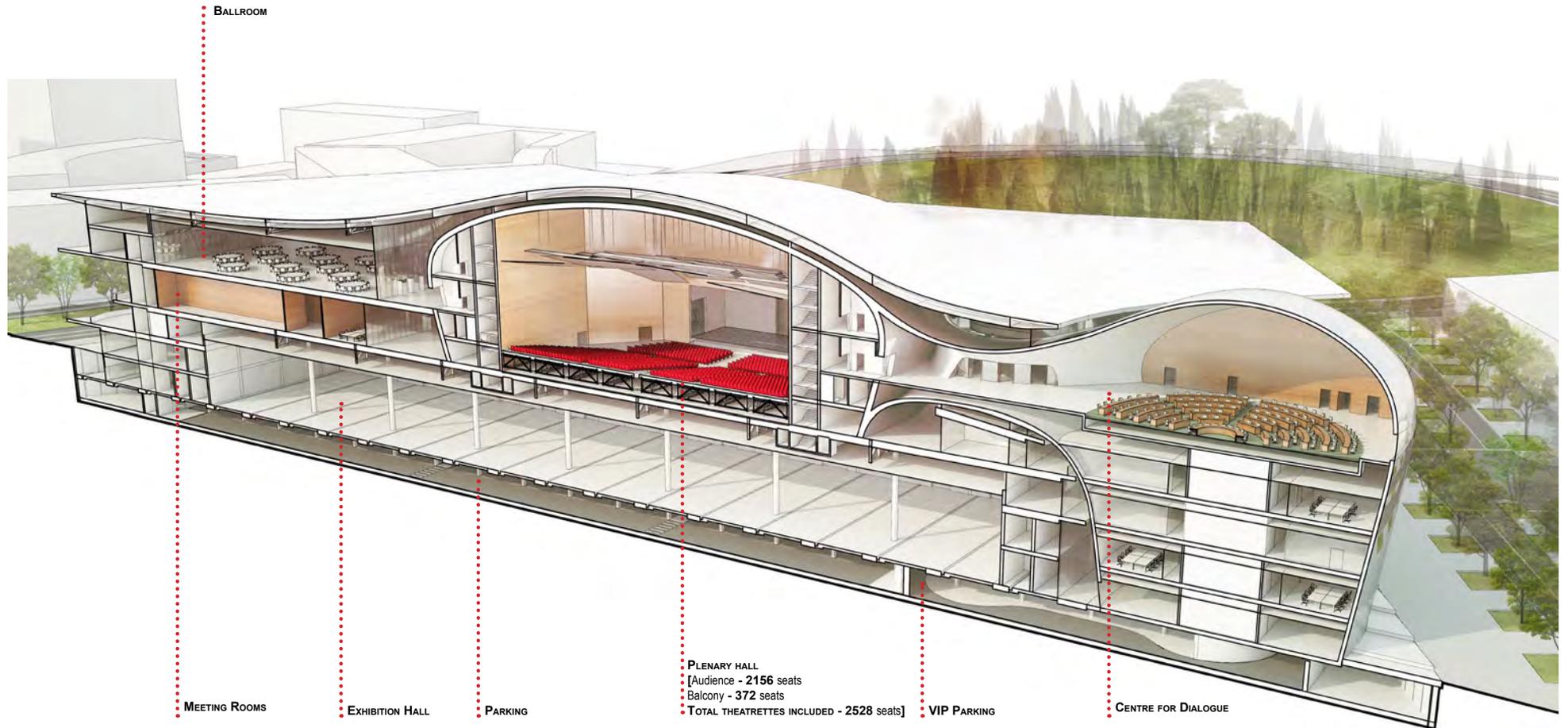
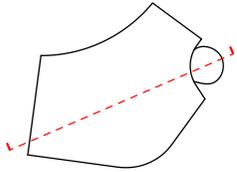




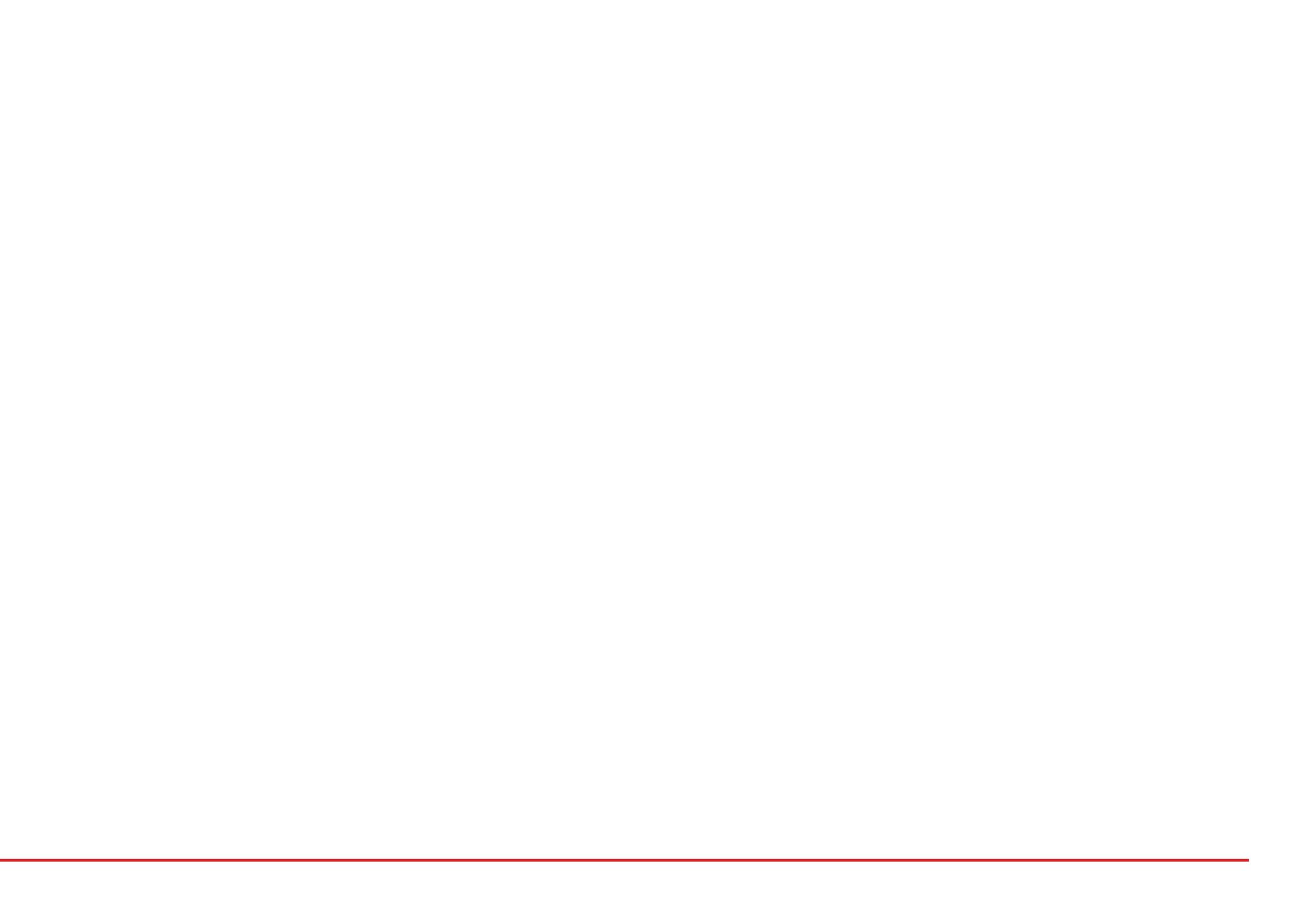
TRANSVERSAL PERSPECTIVE SECTION



LONGITUDINAL PERSPECTIVE SECTION







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Australia Forum - and its potential economic benefits

January 2015



Australia Forum - The case for investment

The Canberra Business Chamber and the Canberra Convention Bureau commissioned EY to review the existing reports on the Australia Forum (as detailed in Attachment 2) and, based on this information, to summarise the potential economic benefits of the Australia Forum to the ACT and Australia. The primary reports used was the 2011 Scoping Study with this then updated where relevant for additional available information including:

- ▶ Facility information from the 2014 Functional Brief
- ▶ Updated base case venue utilization information sourced from a separate report prepared for the existing National Convention Centre Canberra
- ▶ Updated delegate expenditure levels
- ▶ Revision of the proposed capital cost to 2015 dollars.

The resultant outputs represent indicative economic outcomes. A detailed Business Case has not, as yet, been completed for the Australia Forum.

The 2011 Australia Forum Scoping Study identified that, to be successful, the Australia Forum Convention Centre including the Centre for Dialogue (the Australia Forum) should be a world class venue catering for significant meetings, dialogue, cultural events, and other occasions of national importance appropriately held in Canberra, the national capital. It would be a landmark building unlike any other in the country, befitting the role of the National Capital and helping to position Australia's role in the Asia Pacific Region.

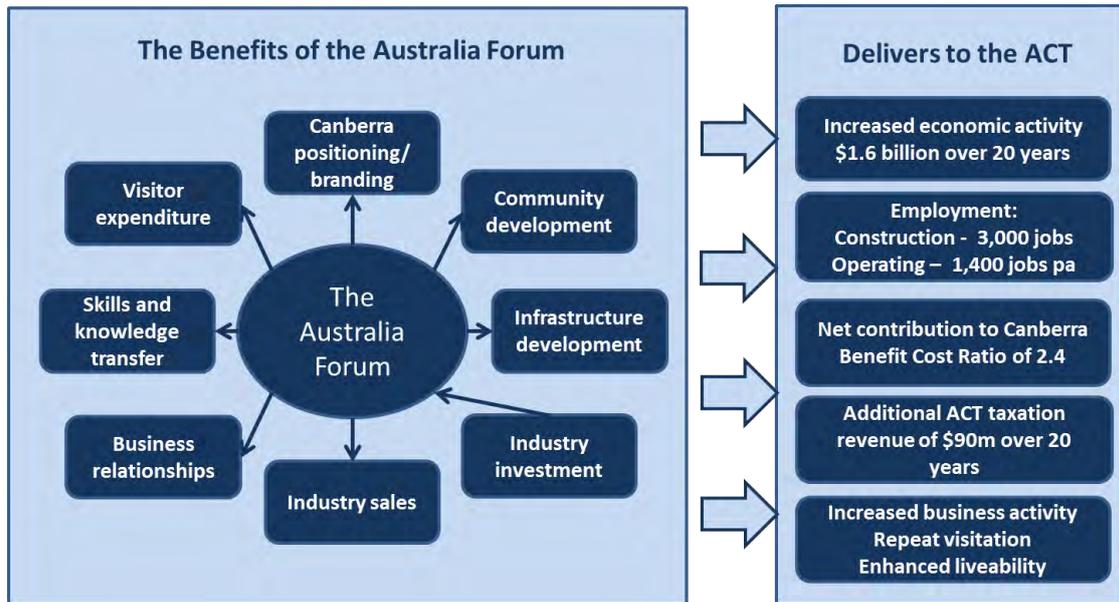
As outlined in the subsequent Functional Brief (2014), it is expected that "the Australia Forum will be unique in design, a signature building with immediate identification with the national capital. It must be modern, inspiring, with leading edge technology to meet and exceed current market expectations and be in a position to respond to a changing global environment" with it incorporating:¹

- ▶ Plenary Hall -with a flexible seating capacity for 3,000
- ▶ Exhibition Halls - 4 halls of 2000sqm each with capacity for 600 to 800 patrons for each hall
- ▶ Ballroom -of 2,250 sq mtrs with capacity to accommodate 1800 guests in banquet mode
- ▶ Meeting rooms - 3,000 patrons in 18 meeting rooms able to accommodate 3000 patrons in total with sizes ranging from 20 to 180 people
- ▶ Theatrettes - to accommodate 500 patrons or 250 each
- ▶ Centre for Dialogue - a National and International Centre for Dialogue with capacity to host meetings "in the round" for high level delegations and other interest groups, consisting of concentric rings of flexible tired seating for up to 180 participants.

As summarised in the diagram following, the development and delivery of the Australia Forum has the potential to deliver significant benefits to the ACT (with these benefits having been estimated based on information and forecasts in previous reports updated for additional available information). Further work is required if the case for the Australia Forum is to continue to be developed. Specifically, there is a need to complete further design work, to prepare a detailed Business Case (including the updating of forecasts and capital costs on which the below estimated economic benefits are based), consider procurement options and possible funding alternatives.

¹ Facility requirements are based on the ACT Government commissioned Functional Brief and Operational Requirements (September 2014) prepared by PG International Consulting Pty Ltd.

Diagram 1: Indicative Benefits of the Australia Forum



It is also important to note that the Australia Forum represents one of a range of infrastructure initiatives required in the ACT, as identified in The City Plan, to support its' continued economic and community growth.²

² The City Plan (2014), ACT Government

The need for the Australia Forum

Realistically, the Canberra region currently lacks an appropriate venue of international standard to host major national and international meetings. Hosting such meetings is an integral part of Canberra's role as the national capital - the seat of the Australian Government, the home of national institutions, and a recognised knowledge and innovation hub.

Underlying the need for the Australia Forum is a concern that Canberra currently lacks an appropriate venue:

- ▶ that is able to respond to the current demand for convention facilities in the ACT, which cannot be satisfied by existing facilities
- ▶ to host the meetings that are required for the Australian Government to perform its increasingly important role in international and national affairs
- ▶ to host international and national meetings to facilitate increased collaboration between government, the academic and business communities, which is a key goal of Australian Government's; and
- ▶ to host meetings that allow Australians to engage in meaningful dialogue on key issues of national importance.³

To fulfil its role as the nation's capital and meet the needs of the ACT community, Canberra needs a venue of the scale, security, design and character that is appropriate for hosting major meetings of international and national importance.

The existing National Convention Centre Canberra (NCCC), initially constructed in 1989, has in the past provided significant economic benefits to the ACT. As the territory's premier facility for events and conferences, it has attracted a large number of visitors to the region which directly and indirectly generate a range of economic activity - but in the longer term will not meet the demands of contemporary meetings and conferences.

The NCCC is not able to meet the conference and exhibition needs of the larger conferences as it is not able to host multiple conferences simultaneously while still providing the required breakout rooms and exhibition facilities. Recent convention facility upgrades and/or redevelopments around Australia have been directed towards satisfied these enhanced requirements.

Between 2008 and 2012 the NCCC experienced an average annual growth rate in revenue of 7.24%. However, in more recent years the growth rate experienced has slowed dramatically. Between 2012 and 2013 it was only 0.6%, and is forecast to decrease in the foreseeable future.⁴ The NCCC is operating in an increasingly competitive environment with new convention facilities coming on line in other Australian capital cities. Importantly, the NCCC will not keep pace with current or future generation facilities of this type.

The presence of a world class, purpose designed international meetings venue with capacity to host major meetings, business events and social events of national and international importance is the venue Canberra lacks. The development of the Australia Forum Convention Centre including the Centre for Dialogue will position Canberra as a pivotal Australasian meetings destination for Australia's growing role in international dialogue as well as playing host to increased participation of multi-faceted national and international conferences, exhibitions, corporate and Government events as well as social, cultural, entertainment and ceremonial events.

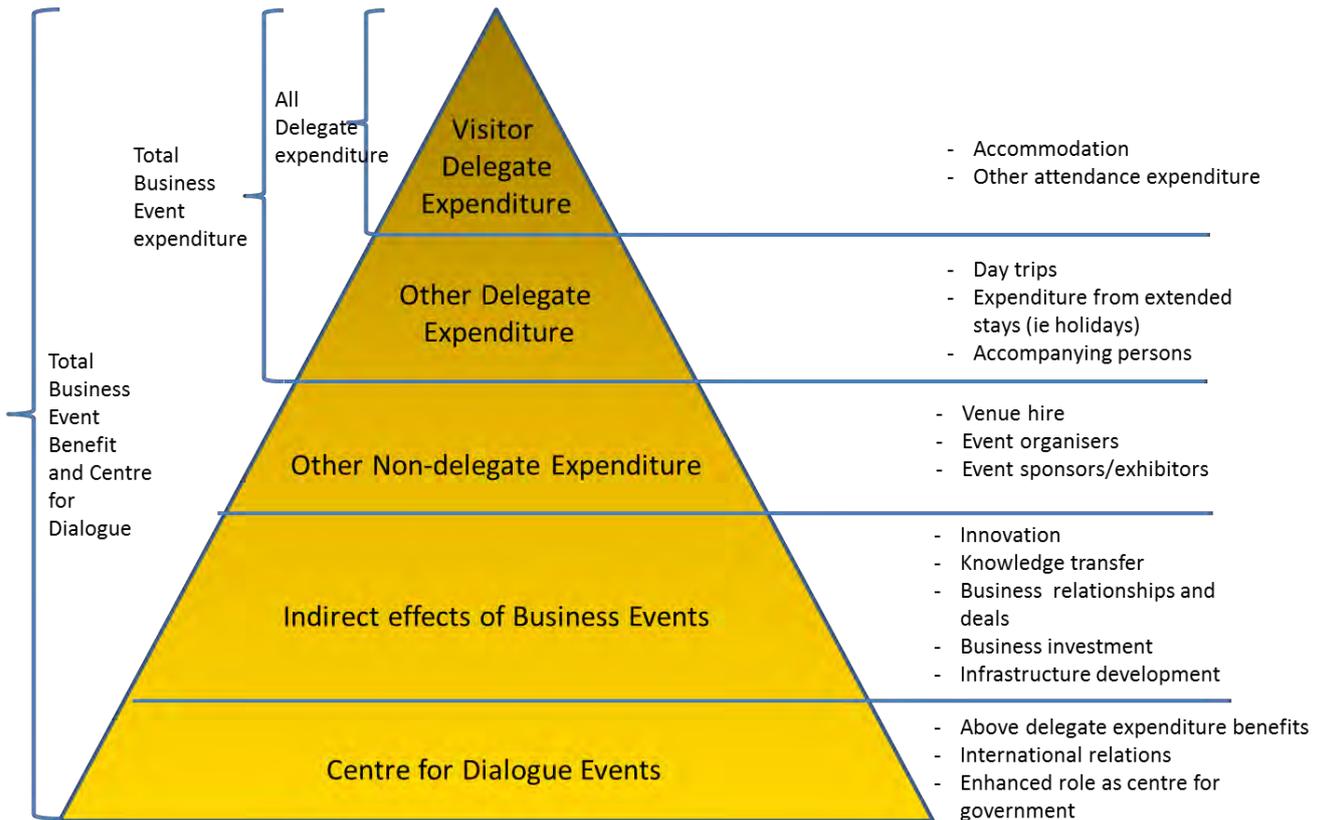
³ While Parliament House provides the forum for dialogue between Australia's elected representatives, there is no suitable national forum to foster and host significant dialogue involving the wider community.

⁴ Data sourced from a confidential EY report with the approval of the report client.

Australia Forum - an economic and social driver of activity

It is widely recognised that substantive Convention centres are an important piece of infrastructure for any developed capital of the world - and this is even truer for national capitals such as Canberra. The range of benefits delivered from convention centres generally are derived from the conduct of the various business events. However, the benefits of the Australia Forum will exceed these with the inclusion of the Centre for Dialogue (as demonstrated in Diagram 2 below).

Diagram 2: Economic benefits of Australia Forum



As reflected in the above diagram, the benefits of business events extends beyond the 'traditionally' recognised benefit of event expenditure - these events also support business activity that can potentially exceed the benefits of the direct expenditure (as demonstrated by the 2010 Mint Directors Conference Case Study in Attachment 1).

The role of the Centre for Dialogue will also be important in developing the international standing of Australia and the local events held at the facility represent a significant community role, with the benefits accruing to both the local community and to all of Australia

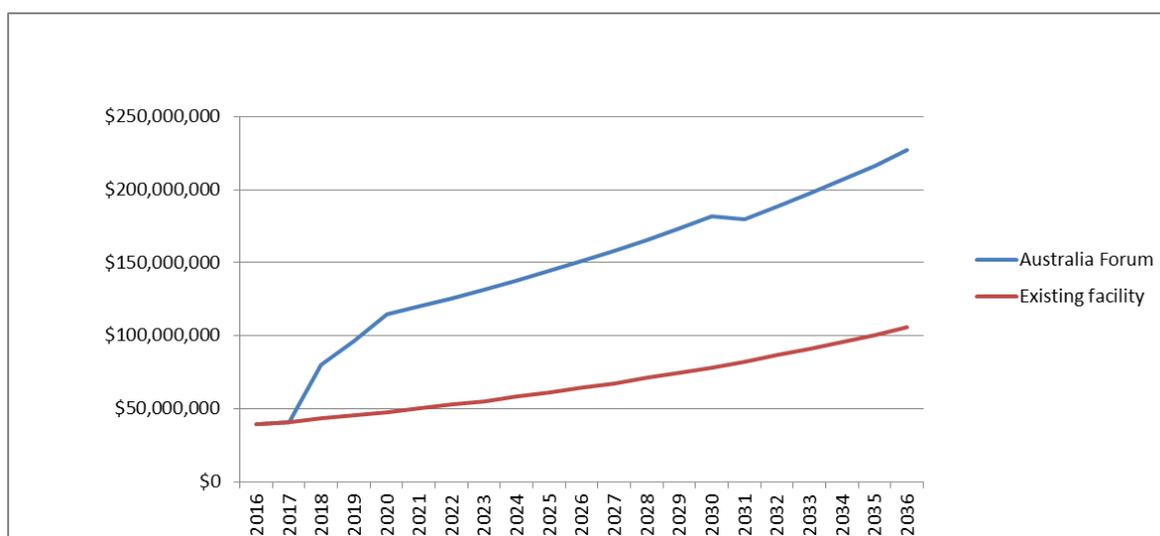
Even the above does not fully reflect the value of the Australia Forum to the ACT as it is expected that the proposed iconic new facility will also have a number of overarching impacts by:

- ▶ reinforcing the primacy of City Hill
- ▶ underpinning more generally the visitor economy
- ▶ delivering a unique cultural arc addressing City Hill
- ▶ significantly contributing to the successful realisation of the City Plan and the City to the Lake project
- ▶ playing an important civic role in the making of Canberra's centre and contributing to the City's life and activity.

The expected potential benefits from delivery of the Australia Forum, including the quantified contribution to the growth of the ACT economy, include:

- ▶ Delegate numbers and expenditure - In the 2013 calendar year, the NCCC hosted 47 conferences attracting over 65,500 delegates.⁵ The Australia Forum will result in this increasing to over 100 conferences attracting in excess of 125,000 delegates. The expenditure of delegates attending Australia Forum events within the ACT will approximate \$3.0 billion over the first 20 years of operations, with \$1.6 billion of this being above that which would have already occurred in the current limited facility (as demonstrated in Figure 1).

Figure 1: Direct economic output of Australia Forum v NCCC (of delegate spends)



- ▶ Based on an estimated capital cost of \$433m, the construction of the Australia Forum will generate 850 direct jobs over the construction period, with this increasing to 3,000 when the indirect effect of this flowing through the economy is taken into consideration. Therefore, if the construction period was to be 2 years, the average direct job generation would be 425 jobs per annum, with the total direct and indirect jobs being 1,500 per annum.⁶
- ▶ The additional delegate expenditure will also be sufficient to support up to an additional 750 direct jobs pa (with many of these jobs providing important student employment, employment they require to enable them to continue studying), with this increasing to 1,400 jobs with the inclusion of the indirect effect.
- ▶ This additional delegate expenditure will also generate additional ACT taxation revenue of \$90 million over the forecast period along with the additional GST generated (which is ultimate distributed back to the ACT).
- ▶ The return to the community - it is estimated that the construction of the Australia Forum will result in a benefit cost ratio of 2.4 over a 20 year operating period - there will be a return to the ACT economy of \$2.40 for every \$1 spend in constructing the Australia Forum. In considering this BCR it is relevant to note that:
 - ▶ The BCR has been determined based on existing information using a 'rapid BCR' approach, including a focus on the benefits of additional delegate expenditure only
 - ▶ The estimation does not, therefore, include the quantification of a number of additional benefits. For example, we have not included the additional benefits of accompanying person's

⁵ Data sourced from a confidential EY report with the approval of the report client.

⁶ Capital cost based on the capital cost for the City Hill site in the 2011 Scoping Study of \$369m inflated at 4.5% per annum for 4 years.

expenditure (noting that 2011 research completed by University of Canberra found that almost half of the delegates were accompanied by people not attending the event, this being higher than the Australian average of 26% for international), the impact of the resulting induced tourism (with studies indicating 10% of visitors for conferences come back), a consideration of retained delegate expenditure from residents or of exhibitor spend

- ▶ While at the high end, the BCR for the Australia Forum sits within the expected range for convention projects in Australia and for economic investments (as compared to social or community investments where a lower BCR is expected)
 - ▶ As is normal with projects such as this, the BCR is highly sensitive to changes in the capital cost and the discount rate used (with a real discount rate of 5% being used in this estimation).
- ▶ Additional infrastructure development - the increased activity resulting from Australia Forum will also provide added stimulus for further economic activity. It is expected that, as a result of the Australia Forum:
- ▶ further accommodation projects will be initiated
 - ▶ there will be further encouragement for the development of the Canberra Airport as an international airport
 - ▶ patronage of the proposed light rail will increase (provided the light rail services the city centre)
 - ▶ the potential for delivery of the total 'City to the Lake' project will be enhanced.
- ▶ Industry development - the hosting of additional international and national conferences will benefit business through encouraging further investment, the development of additional markets and business relationships (including direct sales) and the benefits of knowledge transfer. The correct targeting of convention attraction will also support growth in the identified key industries for the ACT, such as education services.
- ▶ Canberra positioning/branding - The Australia Forum will be a significant contributor to the positioning of Canberra within the Australian and international community as the centre of parliament, as the home of our major national institutions and as a city focussed on knowledge industries. The landmark building will also be recognised within the family of national and international institutions in Canberra, and will be a significant contributor to the branding of Canberra as a destination to visit and work. It will play an important civic role in the making of Canberra's centre and contribute to the City's life and activity.

As noted previously, these indicative benefits having been estimated based on information and forecasts in previous reports along with available additional information. Further work is required if the Australia Forum initiative is to continue to be developed including;

- ▶ need to complete further detailed design work (based on the Functional Brief prepared) and to update the capital costs based on this design work
- ▶ to prepare a detailed Business Case, including the updating of financial and economic forecasts (on which the above estimated economic benefits are based)
- ▶ consider procurement options, noting the comparable facilities across Australia and New Zealand have been procured under a variety of arrangements including PPPs
- ▶ consider possible funding sources and alternatives, including any possible contribution from the sale of the existing facility or from the Commonwealth Government (including potentially under the Asset Recycling Initiative, a key element of the Infrastructure Growth Package).

Australia Forum's role in supporting the implementation of Government Policy

The Australia Forum has a significant role to play in assisting in the delivery of the ACT Government policy objectives across a number of portfolios - including economic development, tourism and community building.

The importance of having a world class convention facility has been recognised in the ACT Government's *2020 Tourism Strategy- Growing the Visitor Economy 2014-2020* ('the regional strategy'). The tourism industry currently contributes \$1.7 billion to the ACT economy and supports an estimated 16,000 jobs.⁷ The region attracts a large number of domestic and international tourists, with recent growth rates in each category outstripping national growth rates.

This regional strategy has outlined a number of key initiatives that will help achieve the forecast benefit of \$2.2 billion by 2020. Of most importance to the convention industry are Pillar 4 - Leveraging major contributors to the visitor economy, Pillar 5 - Encouraging investment and creating the right business environment and Pillar 7 - Industry partnerships. While the NCCC is a significant contributor to achieving this target, the Australia Forum is required if the strategy growth target is to be achieved.

Australia Forum is supported by the Canberra business community

It is noted that the Canberra business community, represented by the Canberra Business Chamber and the Canberra Convention Bureau, have been advocating for the development of the Australia Forum for a number of years and now regard the delivery of this important infrastructure as an urgent core need if Canberra is to continue to grow and develop.

⁷ *2020 Tourism Strategy - Growing the Visitor Economy 2014 - 2020*, ACT Government Economic Development, pg 9

Attachment 1

The 2010 Mint Directors Conference - What it delivered to Australia

It is generally understood that Business Events (BEs) are a major economic driver for the Australian economy, but the current approach to valuing these benefits is focused on immediate tourism spending of delegates, event expenditure and venue utilisation. This focus on short term impacts masks the wider and more enduring benefits of BEs associated with support for infrastructure development, business relationships, knowledge transfer and industry investment.

Unfortunately, little evidence-based information exists to validate these longer-term benefits. However, the experience of the 2010 Mint Directors Conference represents a Case Study of the value of the business that is generated beyond these tourism benefits.

In 2010 the Royal Australian Mint (the Mint) hosted the biannual international Mint Directors Conference (MDC) at the in Canberra, with 350 minting industry representatives from around the world attending.

Getting conferences such as the MDC to Australia is a competitive process which requires the submission of competitive tenders. It also requires planning, sponsorship and funding. The Canberra Convention Bureau (CCB) supported the Mint and the Professional Conference Organiser with conference planning. As part of this role, the CCB facilitated the sourcing of support funding from Tourism Australia, funding that enabled the Mint to target specific decision-makers from the Pacific Region - an initiative that has proved invaluable in expanding export sales.

The traditional tourism economic benefits delivered from the MDC is estimated as being \$425,000 to the ACT economy and \$650,000 to the wider Australian economy - a benefit that has been easily exceeded by the identified business benefits to Australia.

Prior to the 2010 MDC the Mint had minimal export sales (being approx. \$2m per annum), but these have since grown exponentially. Most importantly, the growth in these export sales can be directly attributed to the hosting of the 2010 MDC. As part of the conference all attendees were given a tour of the Mint facility and a range of important business connections were established.

As noted by the Royal Australian Mint:

"As a result of the Conference, and the exposure of the Royal Australian Mint resulting from this Conference, the Mint has entered into several export contracts resulting in a total revenue value of over \$12 million per annum, with some of these being multi-year contracts of over 10 years.

Hosting the MDC enabled us to bring the decision-makers to where the work is done, in Canberra at the Mint. No other marketing or sales initiative would have had the same immediate and significant impact."

Dr Prabir De, Business Development and Technical Director, Royal Australian Mint

Equally of relevance is that:

- ▶ the export and product sales are to a diverse range of countries including many Pacific Island countries - Samoa, Tonga, Solomon islands, Vanuatu, PNG - along with Holland, Germany and the Nordic countries

- ▶ due to the long lead time in entering into contracts and providing the product, the benefits of some of the contracts resulting from the MDC exposure are yet to be realised. (For example, a contract signed by four countries (Australia, New Zealand, Britain and Turkey) to produce a series of 'Gallipoli' coins will return revenue in 2015 and a contract signed with New Zealand to produce a series of World War I coins will return revenue in 2014-16.)
- ▶ the Mint has also entered into a number of associated partnerships and joint ventures which will also further expand sales
- ▶ the MDC reaffirmed the Mint's position as a world class producer of coins for both general circulation and for commemorative occasions
- ▶ as a result of this growth in export sales, the Mint won the 2013 and 2014 ACT Chief Minister's Export Award for Government Services.

Having the MDC in Canberra has also delivered other benefits to the Mint and its staff, including in skills development and by expanding the views of staff of what can be achieved. As noted by Ross MacDiarmid (CEO, Royal Australian Mint):

"these contracts are a great opportunity for staff to further develop their skills as the coins differ in metal and even sometimes shape from the Australian coins, with one of the most interesting being a scalloped coin."

As is demonstrated by the experience of the MDC, attracting appropriate Business Events represents an excellent pathway for demonstrating Australia's expertise which, in this instance, is based in Canberra. The majority of attendees would not have otherwise visited Canberra, with the BE presenting an opportunity for the Federal Government to showcase the investment in the refurbishment of the Mint.

Hosting the biannual international Mint Directors Conference in 2010 has clearly created a legacy for the Mint business that benefits all Australians, and that clearly extends beyond the tourism related benefits of having such a conference in Australia.

Attachment 2

References

2020 Tourism Strategy - Growing the Visitor Economy 2014 - 2020, ACT Government Economic Development

Australia Forum Functional Brief and Operational Requirements (September 2014) prepared by PG International Consulting Pty Ltd and commissioned by ACT Government

Australia Forum Scoping Study (April 2011), Ernst & Young and Cox

Australia's international business events sector: the economic and strategic value proposition (May 2014), by Deloitte for AACB

Business Events: Delivering Economic Prosperity for Australia (2012), AACB

The City Plan (2014), ACT Government

Treasury Budget papers, ACT Government, 2014-15

Attachment 3

Report Scope and Disclaimer

This paper was commissioned by the Canberra Business Chamber and the Canberra Convention Bureau, with the scope being for Ernst & Young to review the existing reports on the Australia Forum and, based on this, to summarise the potential economic benefits of the Australia Forum to the ACT and Australia including calculation of a Benefit Cost Ratio (based on available information).

The results of our work, including the assumptions and qualifications made in preparing the paper, are set out in this paper ("Paper"). You should read the Paper in its entirety including any disclaimers. A reference to the Report includes any part of the Paper. In carrying out our work and preparing this Paper, we have worked solely on your instructions and have not taken into account the interest of any other party. This Paper has been constructed based on information current as of 15th January 2015. Since this date, material events may have occurred which is not reflected in the Paper. No further work has been undertaken by Ernst & Young since the date of the Paper to update it.

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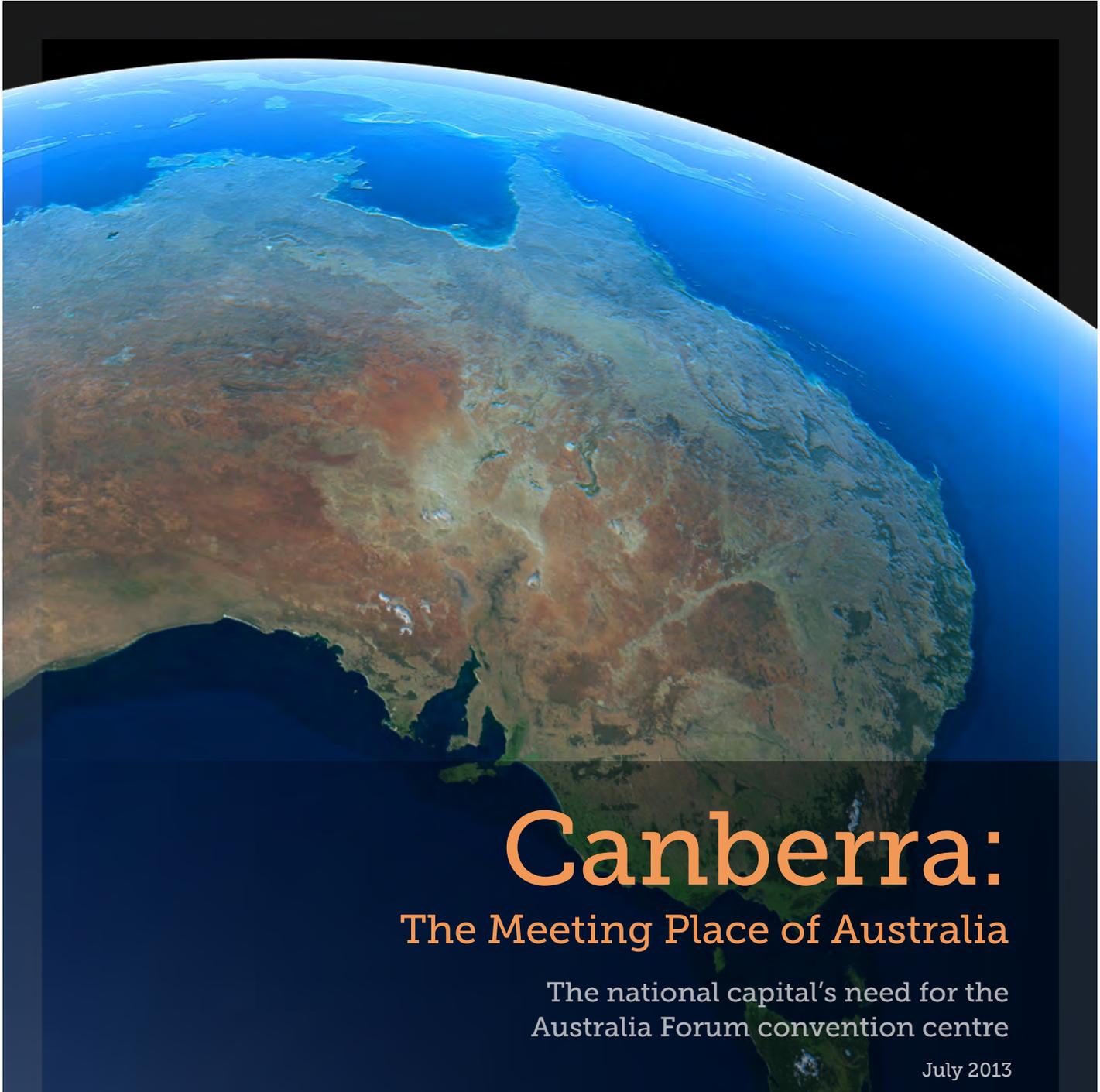
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Canberra:

The Meeting Place of Australia

The national capital's need for the
Australia Forum convention centre

July 2013



THINK KNOWLEDGE
THINK CULTURE
THINK INFLUENCE

THINK
CANBERRA





“In order to fulfil its role as the nation’s capital, Canberra needs a [convention] venue of the scale, security, design and character that is appropriate for hosting major meetings of international and national importance.”

– Australia Forum Scoping Study, April 2011

Additional tourism expenditure from attendees to the Australia Forum convention centre is estimated to generate up to \$762m in Gross State Product for the ACT and 1,066 additional jobs over the economic life of the project.

Australian Forum Scoping Study

Background

The Australia Forum Scoping Study was initiated by Canberra Business Council with financial support of the ACT Government and a wide range of partners and supporters including the Canberra Convention Bureau. After several years of research and project development a comprehensive scoping study and business case was commissioned in March 2010. A group of Foundation Partners also contributed to the cost of the study. Other supporters include national institutions, industry, research, private sector and community organisations.

A Steering Committee of eminent Australians was established in March 2010 to oversee development of the Australian Forum Scoping Study and project vision. The Committee was chaired by Professor Peter Shergold AC and members were General Peter Cosgrave AC MC, Professor Ian Chubb AC, Mr Rupert Myer AM, Dr Dawn Casey and Ms Virginia Haussegger. The goals of the Study are included as Appendix A.

Key Findings

The Australia Forum Scoping Study, released April 2011, provided substantive evidence of the need and opportunity for a new convention centre for Canberra (the Australia Forum). This study included a detailed functional brief of what is required to meet current market demands and, in so doing, to grow the business events market for Canberra.

The study found:

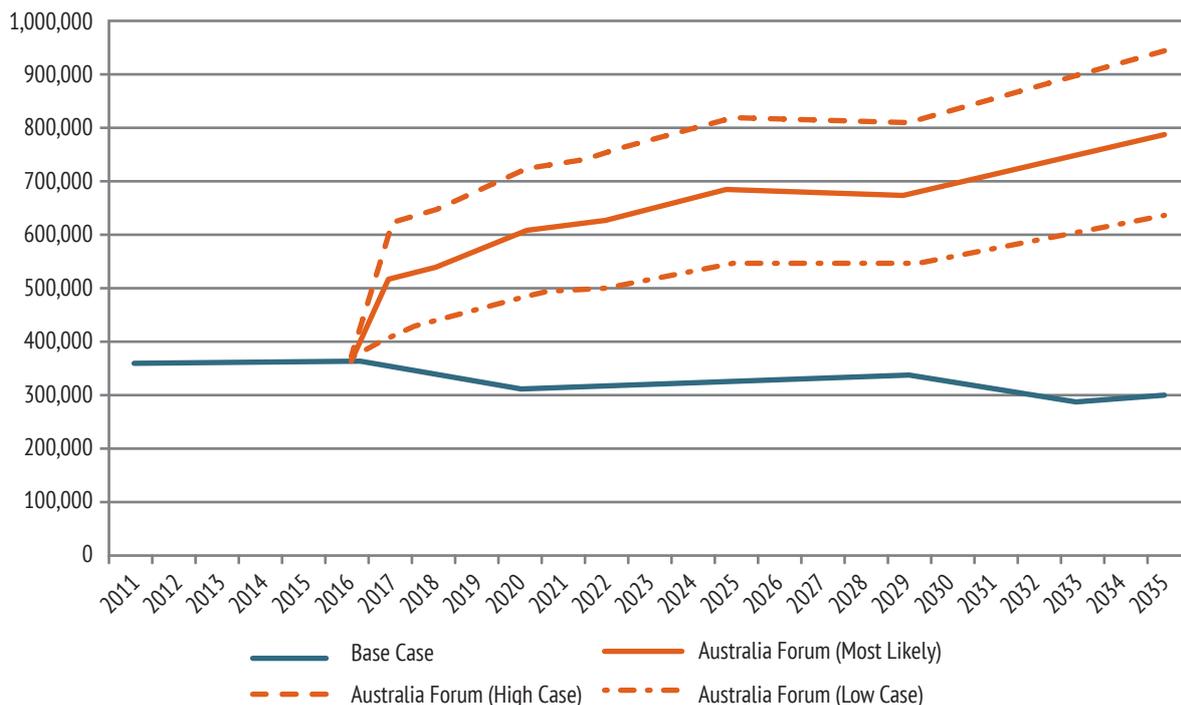
- » Canberra, Australia's national capital, should be recognised as Australia's meeting place. Like other great capital cities, Canberra should be able to host meetings that enable the Australian Government to perform its increasingly important role in international and national affairs in the national capital, and meetings that allow Australians to engage in meaningful dialogue on issues of national importance.
- » Canberra lacks the infrastructure required to host these meetings, but this could be remedied by building the proposed Australia Forum convention centre. Other national and international destinations are investing heavily in conference facilities and they are not only gaining a greater share of the expanding market for business events, but are reaping the benefits of heightened place branding, increased jobs, more hotels, associated visitor services, entertainment options and, importantly, greater tourism expenditure.
- » The proposed Australia Forum convention centre is envisaged as a place for people to come together in celebration, to be inspired and entertained, to engage in meaningful conversations and to voice their opinions. It will be a place where meetings of significance will stimulate industry and knowledge development, a place that fosters new relationships between government, the business community, academia and the people of Australia. An investment in such a facility would enable Canberra to live up to its potential and to flourish.



Architectural impression of the Australia Forum development on the West Basin site.

- » The proposed Australia Forum convention centre will meet the expectations of international visitors as a venue appropriate for Canberra’s national capital status, and provide a highly secure venue to meet future international requirements as well as those of Australia’s security, defence and intelligence communities. A key characteristic of the proposed Australia Forum is the Centre for Dialogue to cater for important meetings ‘in the round’ and other specialised forums. Accommodation requirements and associated retail development were also identified. Refer to Appendix B for full functional brief.
- » The status of the Australian government, and the positioning of Australia and the national capital will be supported by building the Australia Forum convention centre.
- » The Australia Forum Scoping Study analysed the costs and benefits of three potential locations for the new convention centre and identified a lake front site as the preferred option.
- » The existing National Convention Centre in Canberra has served this purpose reasonably well in the past, but no longer meets the needs of contemporary meetings and conferences. Further expansions and renovations of the National Convention Centre would still be inadequate and not keep pace with current or future generation facilities of this type.
- » Figure 1¹ illustrates the projected number of attendee days at Canberra events from 2011 to 2035 if (i) a new convention centre is not built, and (ii) a new convention centre that meets the requirements specified in the Australia Forum Scoping Study is built, including best and worst case scenarios. This provides further evidence of Canberra’s potential if infrastructure limitations were remedied. Investment in The Australia Forum convention centre is necessary to stay in the business event market.

Figure 1. Projected Attendee Days



1 Ernst & Young (2011), *Australia Forum Scoping Study*, p. vii

- » The Australia Forum Scoping Study provides evidence that building the Australia Forum convention centre would provide a significant stimulus to the ACT economy². This stimulus is attributed to:
- \$370m of expenditure on the construction of the Australia Forum;
 - \$133m (in net present value terms) on operation of the Australia Forum; and
 - additional tourism expenditure that Australia Forum is expected to generate.
- » Table 1³ sets out the additional expenditure that is expected to be generated by each international and national attendee who visits the Australia Forum convention centre. Overall it is estimated that this additional tourism expenditure would generate up to \$762m in Gross State Product for the ACT and 1,066 additional jobs over the economic life of the project.



2 See pages viii – x and 171-174

3 Table 1 appears as Table 48 in the *Australia Forum Scoping Study*, p.171

Table 1. Expenditure by International, national and local delegates

Expenditure Item	International		National		Local	
	Expenditure \$	Percentage of total expenditure %	Expenditure \$	Percentage of total expenditure %	Expenditure \$	Percentage of total expenditure %
Package tours	198.00	5.4%	12.99	2.6%	0.27	0.2%
Airline fares						
– Prepaid international airfares	1,432.00	38.9%		0.0%		0.0%
– International airfares bought in Australia	29.00	0.8%		0.0%		0.0%
– Domestic airfares	34.00	0.9%	103.70	21.0%	25.95	15.3%
Organised tours, side trips	20.00	0.5%	3.27	0.7%	0.07	0.0%
Taxis and Car hire costs	63.00	1.7%	30.50	6.2%	7.34	4.3%
Fuel (petrol, diesel)	27.00	0.7%	51.01	10.3%	56.06	33.0%
Vehicle maintenance or repairs	40.00	1.1%	2.45	0.5%	2.22	1.3%
Other long distance transport costs		0.0%	1.59	0.3%	1.10	0.6%
Other local transport costs	107.00	2.9%	1.63	0.3%	1.59	0.9%
Accommodation	1,243.00	33.7%	126.13	25.5%	0.00	0.0%
Takeaway & restaurant meals		0.0%	72.52	14.7%	33.02	19.4%
Groceries etc. for self-catering		0.0%	12.72	2.6%	5.55	3.3%
Alcohol and drinks (not elsewhere included)		0.0%	21.39	4.3%	4.83	2.8%
Shopping, gifts, souvenirs		0.0%	24.57	5.0%	20.69	12.2%
– Items for use in Australia	53.00	1.4%		0.0%		0.0%
– Items to take home	194.00	5.3%		0.0%		0.0%
Entertainment, museums, movies, zoos etc.	26.00	0.7%	4.00	0.8%	1.56	0.9%
Horse racing, gambling, casinos	15.00	0.4%	1.79	0.4%	0.10	0.1%
Conference fees	119.00	3.2%	11.84	2.4%	1.39	0.8%
Education, course fees	43.00	1.2%	2.12	0.4%	1.39	0.8%
Other expenditure on trip	42.00	1.1%	8.61	1.7%	6.91	4.1%
TOTAL	3,685.00	100.0%	494.00	100.0%	170.00	100.0%
TOTAL (excluding expenditure outside Australia, conference expenditure and non-event expenditure by locals)	\$2,134.00		\$482.16		\$106.11	

Source for Table 1: ABS, Australian National Account data (5249.0) adjusted as outlined in the Scoping Study

Statement of Support for the Australia Forum

Canberra - the capital of Australia, its name meaning 'Meeting Place' - lacks an appropriate venue for major national and international meetings. Hosting these meetings is an integral part of Canberra's role as the national capital – seat of the Australian government; home of national institutions; and a recognised knowledge and innovation hub.

The proposed Australia Forum convention centre – an iconic building symbolising Australia's great democracy and unlike any other in Australia or South East Asia, And one that caters for occasions of national and international importance – is the venue Canberra lacks. It is designed to meet Australia's growing role in international dialogue which will benefit Canberra and the nation economically, socially and through innovation and collaboration.

Government investment in such a facility would enable diversification of the ACT economy and attract a greater number of multi-faceted international conferences and exhibitions than is currently the case. This would have an immediate positive impact on the economy through direct visitor expenditure, employment creation, city positioning, and industry and knowledge development – positively impacting every aspect of society.

The Australia Forum must meet and exceed current market expectations and future needs. It must be modern, inspiring and be in a position to respond to a changing global environment.

Canberra is Australia's capital and it takes its role seriously. A 21st century events venue is needed urgently and it is appropriate that such a facility stand alongside the national and international institutions in Canberra.

Organisations supporting the development of the Australia Forum convention centre as a priority - see Appendix C for a comprehensive listing:

National Institutions:



ACT and National Organisations:

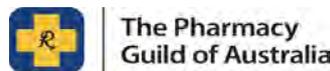


Australian Institute of Architects

AUSTRALIAN INSTITUTE of COMPANY DIRECTORS



Australian Institute of Management



Additional supporting evidence for the ACT

Further evidence to the Australia Forum Scoping Study indicating the value and opportunity of this proposed development for the ACT economy:

- » Globally and nationally, business events is a growth industry and one that has now exceeded pre-GFC levels. The International Congress and Convention Association (ICCA) data for 2012⁴ shows:
 - 10.8% growth in international association meetings globally;
 - 15.5% growth in the Asia-Pacific and Middle East region.
- » Based on Tourism Research Australia (TRA)'s data from both the International Visitor Survey (IVS) and National Visitor Survey (NVS)⁵, when compared to 2010, in 2011 Australia recorded a:
 - 19% increase in total business event spend;
 - 12% increase in total business event visitor nights; and
 - 13% increase in total business event visitors.
- » According to TRA⁶, business event delegate expenditure was worth \$10 billion to the Australian economy in 2011, compared to \$8.5 billion in 2010. Business event visitors have a higher daily spend than other visitors, and more than twice as much as leisure visitors. Taking into account business event-related expenditure as a whole, as depicted in Figure 2, the National Business Events Study (NBES) valued the Australian market at \$17 billion⁷.
- » The NBES study calculated that Canberra hosts about 6% of business events in Australia, indicating a contribution of \$990 million to the ACT economy per annum. If Canberra increases its share by only 1% to 7% of the business event market hosted in Australia this would generate an additional \$200 million for the ACT economy per annum. Canberra's business events mix is primarily Association (46%), government (42%), and corporate (12%), compared to the Australian average business event mix of Association (21%), government (24%) and corporate (54%).⁸



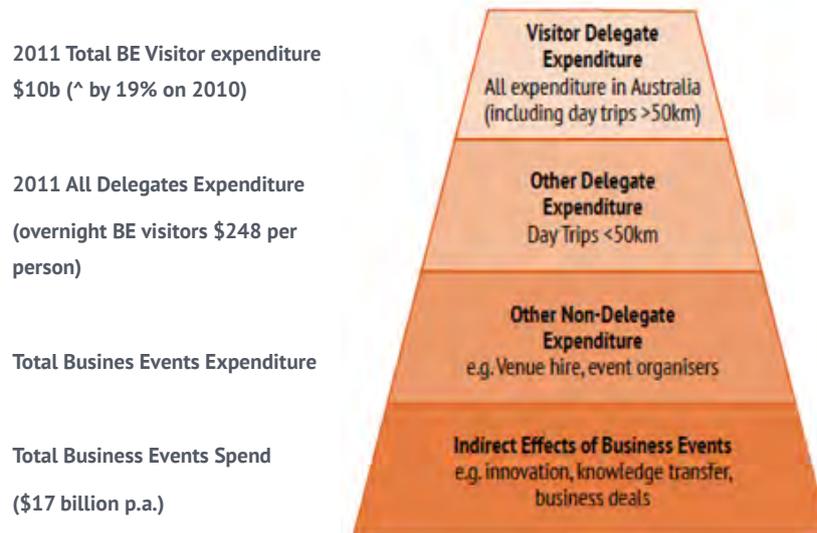
4 ICCA (2013), *Country and City Rankings 2012: International Association Meetings Market*

5 See Deery, M. (2012), *2011 State of the Business Events Industry Report* (p.8)

6 Cited in Deery, M. (2012), *2011 State of the Business Events Industry Report* (p.4)

7 Deery M., Jago, L., Fredline, L. and Dwyer L. (2005), *National Business Events Study: An evaluation of the Australian Business Events Sector*, Sustainable Tourism CRC.

8 Deery M., Jago, L., Fredline, L. and Dwyer L. (2005), *National Business Events Study: Focus on the ACT*, Sustainable Tourism CRC.

Figure 2. The value of business events

Source: 2011 State of the Business Events Industry Report

- » Ernst & Young research indicates that Canberra is underperforming in business events and is not taking advantage of growth opportunities. With the right convention centre infrastructure and by leveraging its national capital assets, Canberra could triple the size of its business events market and reach the same performance levels as Adelaide. As an indication of Canberra's performance, in the ICCA 2012 World Wide City Rankings, Canberra is ranked 264 – well below cities it should be competitive with, such as Washington DC (46), Cairns (134), Adelaide (142) and Ottawa (142).
- » Destinations that have decided to invest in new convention centre facilities, such as Adelaide⁹, Ottawa¹⁰ and Auckland, are reporting increased investment in hotels, international air services and other associated infrastructure, as well as an increase in jobs during and after construction.¹¹ Canberra continues to miss out on these economic benefits.
- » The construction of a new convention centre in Ottawa, Canada, predicted an increase of more than 2,200 new full-time jobs and \$25.5 million in additional revenue in its local hotels, retail outlets, restaurants and bars.¹² Likewise, the construction of Auckland's new national convention centre will boost NZ's economy by more than \$90 million a year, and create 1,000 jobs during construction and

9 Adelaide Convention Bureau (2011), *Adelaide Convention Centre Achieves \$1 Billion* (Media Release) and *Business in Focus Magazine*, October 2012

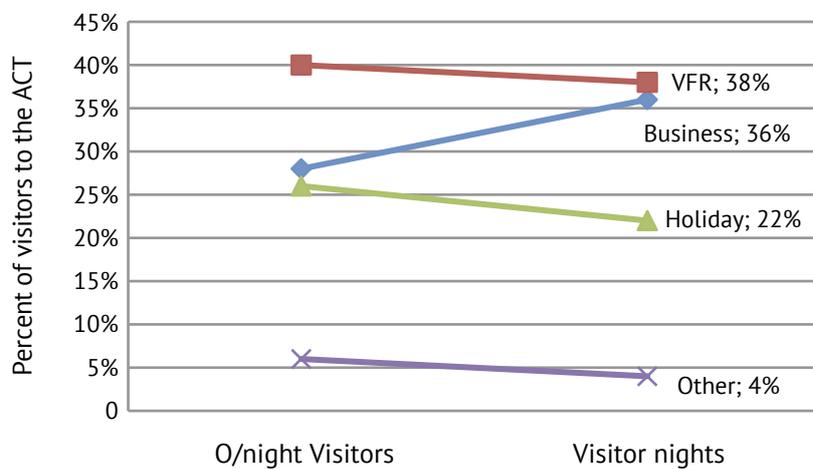
10 "Ottawa Convention Centre will generate \$257 million in economic impact for Ottawa over the next five year", Ottawa Convention Centre Media Release (13 April 2012).

11 "Convention centre and waterfront rejuvenation plans spark developers", *The New Zealand Herald* (18 June 2013)

12 Ottawa Convention Centre, Media Release (18 September 2007)

- » another 800 positions when it is operational, as well as supporting more jobs in the accommodation, catering, transport and retail sectors.¹³
- » According to TRA's most recent figures (Year ending March 2013), Canberra's business tourists (including both business event and general business visitors) represents 28% of all visitors to the ACT, and generates 36% of all visitor nights. This compares favourably to holiday visitors who represent 26% of all visitors, generating 22% of visitor nights. Visiting friends and relatives (VFR) accounts for 40% of the ACT visitor market, generating 38% of visitor nights. Figure 1 illustrates the high value of the business tourism market to the ACT and in particular, the greater number of visitor nights per visitor.

Figure 3. TRA Tourism Data for the ACT (Year ending March 2013)



13 Tourism Industry Association NZ (2013), "Convention Centre will benefit tourism and NZ economy" Media Release

Appendix A – Australia Forum Scoping Study Goals

The Goals:

- » Provide a forum for the people of Australia to meet and discuss the important issues of the day.
- » Enhance the National Capital's capacity to conduct effective international relations through a world class meeting venue.
- » Establish a high quality, secure regional conference and meeting venue for the Asia Pacific Region.
- » Establish a centre of innovation, education and human development where leaders from government, community, business and other fields of endeavour meet for dialogue in a creative environment.
- » Foster the practice of democratic dialogue and citizen engagement.
- » Contribute to the positioning of Australia, and its National Capital, as a centre of creativity and significant international dialogue.
- » Contribute to economic and social development in Australia and the Capital Region through an increased range of events and visitation.



*Australia Forum Scoping Study Steering Committee
chaired by Professor Peter Shergold AC*

For a full copy of the Australia Forum Scoping Study go to www.australiaforum.com.au

Appendix B – Australia Forum Functional Requirements

Table 1. Australia Forum Functional Requirements

Design	An iconic design that is at least commensurate with the quality of the National Capital's other major national institutions
Special requirements	Specialised security arrangements, design features and services required for Australia Forum to host international dignitaries
Centre for Dialogue	A Centre for Dialogue (2,500 m ²) to cater for important meetings in the round for 180 delegates (e.g. government meetings as well as other specialised forums)
Exhibition space	High quality exhibition areas (8,000 m ²) with the multifunctional capacity to service large scale government events, exhibitions, conferences and other functions
Technology	Outstanding multimedia services and other technologies to facilitate enhanced communication not only between delegates, conference organisers and presenters, but also to link Australia Forum with other event centres in Australia overseas
Conference and support facilities	Core facilities to cater for the needs of the more traditional business events market, including: <ul style="list-style-type: none"> » Plenary hall (3,000 m²; capable of holding 3,000 people), that would be divisible into four, as well as two 250 m² theatrettes, together capable of holding another 500 delegates » A ballroom (1,500 m²), divisible into four » Banqueting room (1,800 m²) » Parking for around 600-1200 cars, depending on the location of the Australia Forum » A continuous bus transport system connecting delegates to their hotels and the CBD » On site retail outlets, including restaurants and bars » On site 350-400 bed hotel providing 5 star and 4 star accommodation
Future-proofing	Provision for expansion, including: <ul style="list-style-type: none"> » An additional 4,000 m² of exhibition space » 450 m² of banqueting room » 500 m² of concourse » Additional 600 car parks.

Appendix C – List of Organisations supporting the development of the Australia Forum convention centre as a priority:

National Institutions	ACT and National Organisations	
Australian Academy of Science www.science.org.au	ACT and Region Chamber of Commerce & Industry www.actchamber.com.au	Consult Australia www.consultaustralia.com.au
Australian Catholic University www.acu.edu.au	ACT Law Society www.actlawsociety.asn.au	Council of the Ageing www.cota.org.au
Australian Institute of Sport www.ausport.gov.au/ais	ACTSport www.actsport.com.au	Engineers Australia www.engineersaustralia.org.au
Australian National University www.anu.edu.au	Australian Computer Society www.acs.org.au	Family Business Australia www.fambiz.org.au
Australian National Botanic Gardens www.anbg.gov.au	Australian Information Industry Association www.aiia.com.au	Institute of Public Accountants www.publicaccountants.org.au
Australian War Memorial www.awm.gov.au	Australian Hotels Association (ACT) www.actaha.org.au	Master Builders ACT www.mba.org.au
CSIRO www.csiro.au	Australian Institute of Architects www.aiia.com.au	Medicines Australia www.medicinesaustralia.com.au
Museum of Australian Democracy www.moadoph.gov.au	Australian Institute of Company Directors www.companydirectors.com.au	Motor Trades Association ACT www.mtaact.com.au
National Archives www.naa.gov.au	Australian Institute of Management www.aim.com.au	National Capital Attractions Association www.nationalattractions.com.au
National Film and Sound Archive www.nfsa.gov.au	Australian Institute of Quantity Surveyors (ACT) www.aiqs.com.au	National Electrical and Communications Association www.neca.asn.au
National Gallery of Australia www.nga.gov.au	Australian Medical Council United www.amc.org.au	NICTA www.nicta.com.au
National Library of Australia www.nla.gov.au	Australian Property Institute www.api.org.au	Property Council of Australia www.propertyoz.com.au
National Museum of Australia www.nma.gov.au	Canberra Airport www.canberraairport.com.au	Real Estate Institute of ACT www.reiaact.com.au
National Portrait Gallery www.portrait.gov.au	Canberra Business Council www.canberrabusinesscouncil.com.au	Safety Institute of Australia www.sia.org.au
Questacon - National Science and Technology Centre www.questacon.edu.au	Canberra Convention Bureau www.canberraconvention.com.au	The Pharmacy Guild of Australia www.guild.org.au
Royal Australian Mint www.ramint.gov.au	Canberra Institute of Technology www.cit.edu.au	University of Canberra www.canberra.edu.au
Australian Hotels Association (ACT) www.actaha.org.au	Chamber of Women in Business www.cwb.org.au	UNSW Canberra www.unsw.edu.au
	ClubsACT www.clubsact.com.au	Volunteering ACT www.volunteeringact.org.au
	CollabIT www.collabitact.com.au	YWCA www.ywca.org.au



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Statement of Support for the Australia Forum – July 2013

Canberra - the capital of Australia, its name meaning 'Meeting Place' - lacks an appropriate venue for major national and international meetings. Hosting these meetings is an integral part of Canberra's role as the national capital – seat of the Australian government; home of national institutions; and a recognised knowledge and innovation hub.

The proposed Australia Forum convention centre – an iconic building symbolising Australia's great democracy and unlike any other in Australia or South East Asia, And one that caters for occasions of national and international importance – is the venue Canberra lacks. It is designed to meet Australia's growing role in international dialogue which will benefit Canberra and the nation economically, socially and through innovation and collaboration.

Government investment in such a facility would enable diversification of the ACT economy and attract a greater number of multi-faceted international conferences and exhibitions than is currently the case. This would have an immediate positive impact on the economy through direct visitor expenditure, employment creation, city positioning, and industry and knowledge development – positively impacting every aspect of society.

The Australia Forum must meet and exceed current market expectations and future needs. It must be modern, inspiring and be in a position to respond to a changing global environment.

Canberra is Australia's capital and it takes its role seriously. A 21st century events venue is needed urgently and it is appropriate that such a facility stand alongside the national and international institutions in Canberra.

Organisations supporting the development of the Australia Forum convention centre as a priority - see Appendix C for a comprehensive listing:

National Institutions:



ACT and National Organisations:

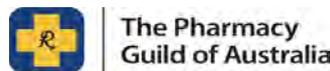


Australian Institute of Architects

AUSTRALIAN INSTITUTE of COMPANY DIRECTORS



Australian Institute of Management





Major Australian Convention Centres COMPARISON REPORT

Canberra Convention Bureau

Introduction

The purpose of this report compiled by the Canberra Convention Bureau is to present a general overview of the major Australian Convention Centres compared to National Convention Centre Canberra in terms of:

- » capacities;
- » historic, current and planned expansions and refurbishments;
- » proximity to accommodation, CBD and airport;
- » ownership and operational models;
- » development, economic impact; and
- » general destination appeal and infrastructure.

Notes:

The following summary tables 1 and 2: outlining convention centres in Australia as at January 2012 is recommended to be read in conjunction with the Australia Forum Scoping Study, April 2011 by Ernst & Young and Cox.

Table 3: General Destination Appeal (excluding the business case for bidding on a specific event) and Infrastructure Comparison of Major Australian Conference Destinations as at 2010 has been included to provide a fuller picture of destination comparisons as convention centres do not operate in isolation and rely heavily on support infrastructure, particularly accommodation and transport (excerpt from Canberra Convention Bureau's 2010 competitor analysis).

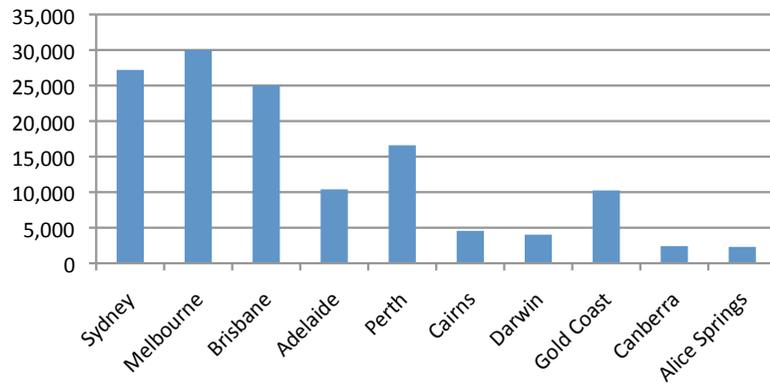
Table 1: Major Australian Convention Centres Data as at January 2012

	Sydney	Melbourne	Brisbane	Adelaide	Perth	Cairns	Darwin	Gold Coast	Canberra	Alice Springs
Year open	1988	2009	1995	1987	2004	1996	2008	2004	1989	2002
Initial cost and historic refurbishments/ Expansion cost (historic \$ value)	\$287m + \$ 57m extension (1999) + \$ 50m 5-year ongoing refurbishments	\$500m	\$170m + \$ 140m addition (opened Jan. 2012)	unknown + \$ 17.5m extension (1990) + \$ 92.4m development (2001)	\$220m	\$50m + \$30m development (1999) + \$11m refurbishment (2004–2005)	\$110m	\$127m + \$40m extension (2009)	unknown + \$30m refurbishment (2008)	\$10.8m + \$ 500k annual refurbishments
Current investment planned (p) or under construction (c) + year finished	\$2–3b (p 2016)	\$242m exhibition extension (p 2014)	n.a.	\$350m (c 2017)	n.a.	\$6.4m refurbishment (c)	n.a.	n.a.	n.a.	n.a.
Exhibition space m ²	27,200	30,000	25,000	10,400	16,600	4,560	4,020	10,246	2,400	2,300
Number of meeting rooms	33	52	44	15	22	22	13	18	15	10
Largest tiered theatre	3,430	5,541	8,000	2,350	2,500	5,000	1,500	6,020	2,460	1,200*

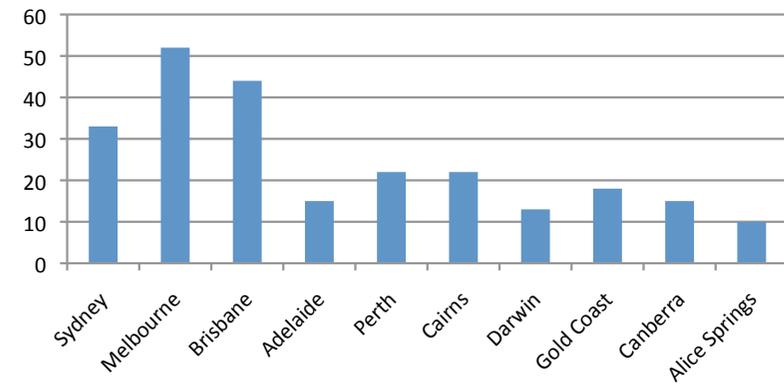
	Sydney	Melbourne	Brisbane	Adelaide	Perth	Cairns	Darwin	Gold Coast	Canberra	Alice Springs
Estimated largest multifaceted conference capacity (total of meeting rooms capacity)	12,000+ (20,450)	12,500+ (13,679)	8,000 (13,068)	2,000+ (10,422)	4,000+ (22,264)	3,500+ (8,200)	4,000 (6,670)	6,000 (8,730)	2,000+ (4,425)	1,200 (1,828)
Parking space	900 on-site, under-cover, charged	1,060 on-site, undercover, charged	1,500 on-site, undercover, charged	1,200 on-site, undercover, charged	1,500 on-site, undercover, charged	239 on-site, undercover, charged	300 on-site, undercover, charged	1,400 on-site, undercover, charged	260 on-site, undercover, charged	400 on-site, free of charge
Proximity to accommodation (3–5 star) (as publicised by convention centres/ bureaux websites)	23 hotels, 5,393 rooms within 1 km	2 hotels (adjacent), 2,001 rooms within 0,25km 40 hotels in CBD within 3km	10 hotels, 1,061 rooms within 1km	38 hotels, 4,500 hotel rooms within 3km	13 hotels, 1,600 rooms within 1 km	13 hotels, 2,183 rooms within 1km	14 hotels, 1,800 rooms within 1 km	8 hotels, 1,800 rooms within 1km 8,028 rooms within 3km	5 hotels, 890 rooms within 1 km	4 hotels, 594 rooms within 1km (65 rooms under development)
Proximity to CBD	0.5km	0.5km	0.7km	1km	0.5km	0.5–1km	0.5–1km	1–2km	0.5–1km	2km
Proximity to airport	14km	21.5km	17km	6.8km	12–17km	7.1km	15km	19.2km	7.2km	11.2km

*Theatre capacity applies to a flat floor space. Venue does not have a tiered theatre.

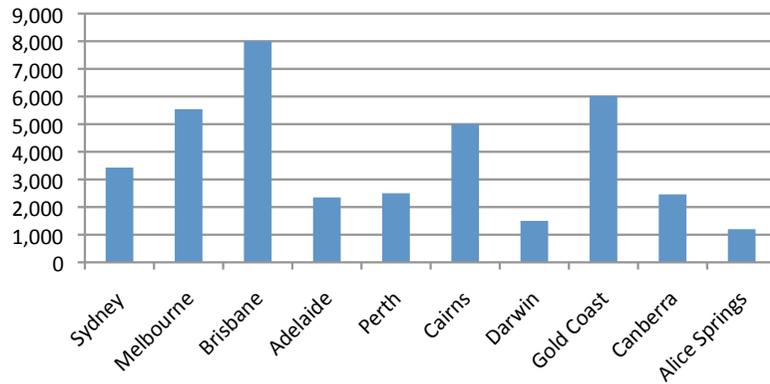
Exhibition space m²



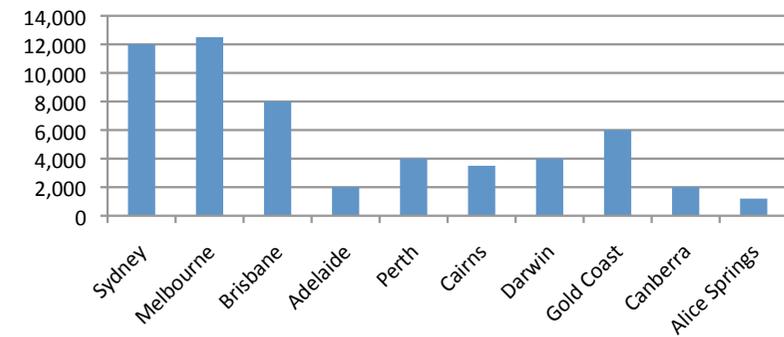
Number of meeting rooms



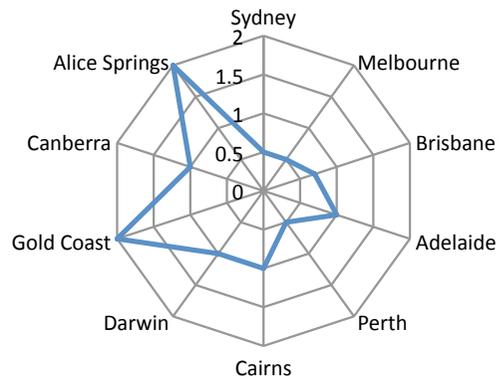
Largest tiered theatre



Estimated largest multifaceted conference capacity



Proximity to CBD (kms)



Proximity to airport (kms)

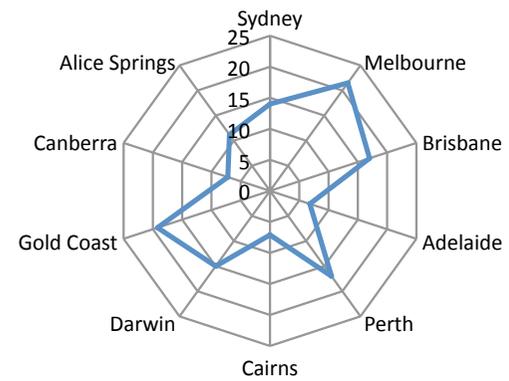


Table 2: Convention Centres Expansion/Refurbishment Projects and Ownership/Development/Economic Impact Data

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Sydney	<p>Sydney Convention and Exhibition Centre opened in 1988.</p> <p>In 1999 the Southern building was built.</p> <p>There are six exhibition halls, 1 – 5 are each 5,000sqm totalling 25,000m². The largest theatre capacity is 3,450pax.</p> <p>Sydney Convention & Exhibition Centre has continuously undergone upgrades and renewal projects.</p> <p>One of Australia's largest digital screen display systems has been installed. More than 150 LCD display screens are now located throughout the Centre.</p> <p>Major new development currently planned and expected to be ready in 2016.</p> <p>Minimum development requirements:</p> <ul style="list-style-type: none"> » 40,000 m² exhibition space; » 10,000 delegate and 12,000 sports and entertainment events capacity; » At least one new high-quality hotel. 	<p>Ownership/operation structures:</p> <p>Sydney Foreshore Authority is responsible for the entire Darling Harbour precinct on behalf of NSW Government. The Convention Centre operation is managed by Darling Harbour Convention and Exhibition (DHCE) Pty Ltd, a company owned by CCM (Convention Centre Management Pty Ltd), which is in turn owned by Accor Asia Pacific (60%) and Compass Group (Australia) (40%). Accor Asia Pacific is wholly owned by its parent company, French-based Accor SA, the world's largest hotel and tourism corporation. Compass Group (Australia) Pty Ltd is a subsidiary of the global Compass PLC food services organisation.</p> <p>Development:</p> <p>Original development was funded as a Bicentennial project by the NSW Government with the assistance of the Australian Government. The NSW Premiers Department was the lead agency, with the NSW Government establishing the Darling Harbour Authority and providing an exemption to the planning Act. The project was dubbed "a national project for Australia". NSW directly invested \$950m with a further \$1.431b in private sector investment. The Bicentennial Authority, enacted by the Australian Government, provided matched funding for state governments to undertake major capital works programs. However, the contribution to the Darling Harbour project is unclear.</p> <p>The NSW Government formed a panel in 2011 to manage the requirement to expand Sydney's convention facilities.</p> <p>Infrastructure NSW (INSW) is managing the delivery of the 12-hectare world class convention, exhibition and entertainment precinct at Darling Harbour on behalf of the NSW Government.</p> <p>Expressions of interest for the \$2–3 billion redevelopment of South Darling Harbour closed 11/11/2011. The procurement timetable indicates that after an interactive process with the shortlisted proponents the selection of the preferred bidder will be made known in October 2012.</p> <p>Three consortiums have made the shortlist, a request for proposals is due to be issued in March 2012:</p> <ol style="list-style-type: none"> 1. Destination Sydney (Lend Lease, AEG Ogden, Spotless, Capella Capital and InfraRed Capital Partners)

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Sydney		<p>2. Key Partners (Laing O'Rourke, John Laing Investments, Macquarie Capital Group, GL Events and Honeywell)</p> <p>3. VeNuSW (Plenary Group, Brookfield Multiplex Services and Suntec International Convention & Exhibition Services)</p> <p>Redevelopment is expected to be finished by the end of 2016.</p> <p>Attached as an appendix is also a PWC report outlining the economic case for development of expanded facilities for Sydney.</p> <p>Economic impact:</p> <p>No current economic impact data is available from The Convention Centre as the operator is under embargo due to the tender process for the proposed new development.</p> <p>The estimated delegate/visitor expenditure in 2009/2010 financial year by market segment for domestic and international business:</p> <ul style="list-style-type: none"> » International Conferences/Congresses \$141 million » Exhibitions \$79 million » Domestic Conferences \$279 million » Other \$2 million » Total \$501.1 million <p>The estimated economic benefit of new development is an additional \$160–270m annually.</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
<p>Melbourne</p>	<p>The Melbourne Exhibition Centre (known as Jeff’s Shed) opened in February 1996 and consisted of 30,000m² of exhibition space at a cost of about \$129m. It was fully integrated with the Melbourne Convention Centre in 2009 and trades as MCEC. The renovation offers 30,000m² of uninterrupted exhibition area and a 5,550 seat, six-star energy rated Convention Centre. The complex also includes:</p> <ul style="list-style-type: none"> » a five star Hilton Hotel with 396 rooms, 26 suites and 32 apartments; » an office and residential tower; » a riverfront promenade of retails shops, including cafes, bookstores and wine merchants; » a premium brand homemaker retail complex; and » an investment in public spaces including a partnership with the National Trust for a revitalised Maritime Museum. <p>Other developments in Melbourne include: the \$128m Melbourne Recital Centre; the \$65m enhancement of Crown Towers which includes new conference facilities for 840 delegates (up to 19 concurrent rooms on one floor).</p> <p>Expansion of the exhibition facilities is planned within the next two years. The new convention centre development agreement provided for ‘land banking’ to enable the expansion of exhibition facilities.</p>	<p>Ownership/operation structures:</p> <p>Replacing the World Congress Centre Melbourne (opened in May 1990.) The new Melbourne Convention and Exhibition Centre was developed using a Public Private Partnership (PPP) agreement, with the Victorian Government owning and funding the convention centre at about \$500m, through the Melbourne Convention and Exhibition Trust (MCET) – a Government owned trust authority which had oversight of the existing and new convention facilities and reports to the Tourism Minister.</p> <p>Development:</p> <p>The development was managed by Major Projects Victoria as part of the Vic Government. An agreement was entered into by Victorian Government to provide finance to MCET to be paid back over 25 years.</p> <p>The consortium who were successful in tendering for the 8ha site were tasked with building the convention centre – integrated with existing exhibition facilities, land banking space for expansion of the exhibition facility and developing a high volume upscale hotel (which is now the Hilton). The developer could propose what they wanted with the remaining 8ha site and the total development was estimated at about \$1.4b. The Government was very clear about what they wanted in the convention centre and a 500 page functional brief was produced for this purpose.</p> <p>The developer took the risk on construction and the Government, through the MCET, began quarterly payments over 25 years once the centre opened.</p> <p>Not all elements of the final retail and commercial product on the site have been financially strong and there have been some issues with consortium partners, unrelated to the convention centre operation.</p> <p>Leigh Harry, formerly CEO of MCET and now CEO of Tourism Victoria, at our request, presented this case study in Canberra during August 2011 to ACT Government and others. Mr Harry has offered to provide further advice in the future to ACT Government.</p> <p>Economic impact:</p> <p>The Convention Centre is expected to stimulate Victoria’s economy by \$197 million each year for 25 years.</p> <p>Almost 1800 jobs were created during the construction period and MCEC will help to generate additional employment of around 2,500 jobs over the operating period.</p> <p>The centre recently released first quarter figures for 2011–12, 15% up on previous high record.</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
<p>Brisbane</p>	<p>Brisbane Convention and Exhibition Centre (BCEC) on Merivale Street commenced construction with the demolition of the old Expo car park site in March 1993. The Exhibition Centre was completed in April 1995 and opened with its first show in May 1995. The Convention Centre was completed in May 1995 and was officially opened on the 6th June 1995.</p> <p>Refurbishment program is currently underway. The program includes refurbishment of the Ballroom and general services and facilities throughout the centre (eg: visitor centre, technology).</p> <p>Expansion BCEC on Grey Street, opened on 25 January 2012. Cost \$140m.</p> <p>The commencement date could probably be taken as January 2007 with the appointment of the architect and an approved design. The Project Manager was also appointed at this time. Due to budget issues, the builder was not appointed until June 2009.</p> <p>The five level, 25,000 square metre expansion is designed specifically for small and medium sized conferences and houses some of Brisbane’s most impressive banquet- ing venues including the Sky Room and Terrace with views of the city skyline.</p> <p>The addition of 20 meeting rooms and event spaces including two tiered auditoria for 400 and 600 in BCEC on Grey Street provides the Centre with the capacity to host a minimum of 300 extra events per year (1000 total).</p> <p>The five levels of boutique meetings and event space, bringing the total meeting and event spaces to 44, including three standalone tiered plenary halls able to accom- modate from 400 – 8,000 people. The new facilities are designed to cater for the average sized conference (400–800pax), which is lacking at the moment with the current facilities.</p> <p>Total development is 24,000m² and will have access to over 800 hotel rooms, retail and restaurant hub and art and cultural precinct.</p> <p>Designed by convention centre specialist architects, Cox Rayner, BCEC on Grey Street has a 5 star green equivalent rating. A sky-lit atrium provides natural light throughout the building, enhanced by the dramatic facade which is 85% glass.</p>	<p>Ownership/operation structures:</p> <p>Both linked centre buildings are owned by South Bank Corporation on behalf of the State of Queensland. South Bank Corporation is the State Government’s develop- ment agency for the South Bank Precinct. South Bank Corporation reports directly to the Premier of Queensland.</p> <p>The operation model is that the Centre is owned by South Bank Corporation and managed by AEG Ogden. AEG Ogden operates all services within BCEC internally.</p> <p>Development:</p> <p>BCEC on Merivale Street was in the majority funded by the sale of a casino licence in Brisbane for approximately \$180 million. The remaining funding was through the state government. BCEC on Grey Street construction has been funded directly by the State of Queensland.</p> <p>Economic impact:</p> <p>Economic impact of the Centre’s operation for the 2012 financial year is expected to be slightly under \$300 million. The economic impact on commencement was around \$150 million and then quickly rose to around \$200 million per year.</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Adelaide	<p>General refurbishment of the Adelaide Convention Centre including new restaurant, new entry and general upgrading has occurred since opening. Exhibition facilities were also substantially expanded.</p> <p>An exhibition hall was added in 1990 at a cost of \$17.5m.</p> <p>Latest building (10 000m² multipurpose flat floor, subdivisible halls plus 3 meeting rooms) was completed in 2001 at a cost of \$92.4m.</p> <p>The new expansion consists of two phases. The first includes the construction of 4300m², subdivisible space and additional meeting rooms. The second proposes the demolition of the original building to be replaced by the construction of a 3000 seat, flexible plenary hall that can be converted to flat floor space and additional meeting rooms.</p> <p>Phase 1 commenced late 2011 is expected to be completed in 2014. Phase 2 commences 2015 to be completed 2017. Both are to be constructed above railway lines contributing significantly to costs.</p> <p>Cost Phase 1: \$242m Cost phase 2: \$108m Total: \$350m</p>	<p>Ownership/operation structures:</p> <p>The centre is wholly owned by the SA Government The Adelaide Convention Centre Corporation was formed as a subsidiary to the Minister of Tourism by regulations issued under the Public Corporations Act 1993. The Chief Executive reports to a Board appointed by the Minister and then on to the Minister.</p> <p>Development:</p> <p>The project is being directly funded by the state government as an equity injection. The centre is expected to run on an operationally viable basis.</p> <p>Economic impact:</p> <p>The independent economic analysis indicates the project will have a significant positive economic benefit for South Australia; and will achieve a direct expenditure benefit-cost ratio of 4.59. Over the next 25 years it is estimated the \$350 million investment will generate \$1.92 billion (\$76 million per annum) in additional economic benefit for the state from delegate spend and associated pre- and post-event tourism. It will also generate around 1,784 additional jobs in South Australia per year (both directly and indirectly) over the same period.</p> <p>See appendix 1 – press release indicating historic economic impact financial data.</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Perth	<p>The Perth Convention and Exhibition Centre (PCEC) was the first building as part of a broad based construction site. Additional rail construction followed to one side of the building. There are also issues with availability of parking and insufficient accommodation room stock generally in Perth due to the mining boom (with consequential high pricing for accommodation). These issues have all limited optimisation of this facility in its early years.</p> <p>There has been no major refurbishment since opening in 2004.</p>	<p>Ownership/operation structures:</p> <p>Perth Convention and Exhibition Centre (PCEC) was built as a PPP and has a publicly quoted development cost of \$220 million (2004). Whilst the project was 20 years in gestation, construction took approximately 2 years from ground-breaking to opening in August 2004.</p> <p>PCEC is now 100% privately owned and operated. A private investment company, Wyllie Group, holds a 35 year head lease over the property; and Spotless holds an operating licence with the initial term expiring in 2014. Spotless holds the option to extend this license in five-year increments throughout the remainder of the life of the head lease.</p> <p>Spotless is responsible for all sales and marketing activities and the provision of venue and catering services. The state holds no direct financial interest and provides no financial support directly to the operation of the facility.</p> <p>The private sector contract arrangements are considered both complex and generally considered by industry to be the least optimal model in Australia for convention centres, resulting in multi layered interests that are not necessarily aligned with WA State or Perth city interests.</p> <p>Since development the WA Government has sought to address the market failure for this ownership model, after much controversy, by providing additional and substantial funding for umbrella marketing to the Perth Convention Bureau.</p> <p>Also, car parking, the financial backbone of most Australian Centres, is separately operated by the Perth City Council and this has created both financial and operational issues for the centre as parking is largely taken up by city office workers, this locks out both revenue and parking availability to the centre.</p> <p>Economic impact: \$63m annually for 35 years</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Cairns	<p>The Cairns Convention Centre has had a two stage development:</p> <ul style="list-style-type: none"> » stage 1 opening in 1996 at a cost of \$50m (1996 dollars) » stage 2 opened in 1999 at a cost of \$30m (1999 dollars) <p>In 2004–05 a \$11m refurbishment of stage 1 took place.</p> <p>Currently \$6.4m is being spent on refurbishments and upgrades:</p> <ul style="list-style-type: none"> » New audio-visual and communication equipment » Upgrade of Wi-Fi » Extension of the Outdoor Plaza » Painting and new carpet – Hall 2 » New signage system » Additional environmental features » Major kitchen upgrade 	<p>State Government owned asset with AEG Ogden contracted to operate.</p> <p>Centre reports generating \$80–\$100m pa in economic impact. In 15 years report \$700m in direct economic expenditure and provided 1.5m room nights (with early years recording a lower economic impact than current annual figures).</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Darwin	<p>Construction of the Darwin Convention Centre started in early 2006 and the centre opened in June 2008.</p> <p>Since 2008 an additional 713 accommodation rooms have been added to the accommodation inventory with the opening of the new Vibe Hotel and Medina Apartments at the Darwin Waterfront precinct. The 'Skywalk' connecting the waterfront precinct's hotels and the Darwin Convention Centre with the city centre has also opened.</p> <p>Future expansion is not scoped or costed.</p> <p>Refurbishment costs are not available as these are factored into the overall uniform (with CPI) availability payments made to the Concession Holder.</p>	<p>Ownership/operation structures:</p> <p>The ownership and operating structure is similar to the current Sydney Darling Harbour Foreshore Authority model.</p> <p>The Convention Centre was part of the \$1.1 billion Darwin Waterfront project (Darwin Cove Consortium). The reported capital cost of the Convention Centre to the NT Government was \$110m (2005 dollars) and was developed under a PPP model. AEG Ogden is the management partner.</p> <p>(NT Government established the Waterfront Precinct Authority which takes responsibility for entire 25-hectare lifestyle precinct site including; wave lagoon, wharf apartments, hotels, al fresco restaurants, retail outlets, wide open parklands, a cruise terminal and beach.)</p> <p>Delivery model: 25 year build, own, operate and transfer (BOOT) arrangement with private sector responsible for finance, design, construction, operation and maintenance. A design and construct contractor was engaged by the Concession Holder to deliver the facility. The Concession Holder has contracted with an Operator and with a Facilities Manager for the 25 year concession period.</p> <p>Economic impact data is not currently collected by the Darwin Convention Centre. However, PWC did original projections in 2003 for the NT Government:</p> <p>Research suggested that based on 12,000 non-local delegates per annum an incremental tourist spend of \$193m (2003 dollars, real discount rate of 6%) with increase in GSP of \$139m would be achieved over 20 years. In its reports the Concession Holder has quoted average expenditure per non local delegate at \$3,468 taken from the NT Tourism June 2009 survey. The estimated economic impact for 2011 based on 11,468 non local delegates is \$39.8m. PWC estimated 161 new jobs in the convention and tourism sector and flow through effects.</p>

	Historic/Announced Expansion and Refurbishment Projects	Ownership/ Development Model/ Economic Impact
Gold Coast	<p>The \$127m Gold Coast Convention and Exhibition Centre officially opened on 29 June 2004, after 5.5 years for planning and construction.</p> <p>The Centre was expanded at a cost of \$40 million, funded by the Queensland Government, and re-opened in January 2009 – adding two extra exhibition halls bringing total exhibition space to 10,000 m², a registration office, three meeting rooms and three new kitchens (bringing the total number of kitchens to 12).</p> <p>There is now capacity to cater for conferences of up to 6,000 delegates including 6,000 seat arena divisible into 3 spaces, 6,000 m² of exhibition space divisible into 4 halls and 18 meeting rooms of varying size and registration offices.</p>	<p>The Gold Coast Convention and Exhibition Centre (GCCEC) is owned by the Queensland State Government, and was built by Jupiters Ltd (part of the TABCORP group), who retain operational management of the centre and have links via a covered walkway to Jupiters casino.</p> <p>Economic impact:</p> <p>Construction of the GCCEC created some 3050 full time jobs during development and a further 50 permanent and 150 casual jobs when the centre opened for business. There was additional employment flow on effect on the Gold Coast:</p> <ul style="list-style-type: none"> » 3000 jobs generated during construction over two years generating \$150 million. » 1560 jobs once operational, an additional \$85m in GSP per year. » 79 local firms have worked on the development and construction of the project worth \$99.41 million. <p>\$34m / 60,000 room nights per year</p>
Canberra	<p>The National Convention Centre Canberra (NCCC) opened in 1989 and the much needed \$30m refurbishment was completed in October 2007 (after being closed for parts of 2006 until October 2007).</p> <p>While the refurbishment has greatly enhanced the quality of the facility the capacities haven't changed. Therefore NCCC lacks enough space to accommodate larger conferences (with medium to larger exhibitions) or more than one multifaceted average size conference (500–600pax) at a time. Capacity constraints result in relatively low economies of scale compared to other Australian conference facilities and therefore the facility is less price competitive. During high demand conference months the facility cannot maximise opportunity resulting in a loss of potential business to the city.</p>	<p>The NCCC is an ACT Government owned asset with IHG contracted to operate. Full financial and market analysis and economic impact data is included in the Australia Forum scoping study by Ernst and Young and Cox.</p>
Alice Springs	<p>The Alice Springs Convention Centre has had no significant upgrades since opening in 2002 and no future expansion being scoped or costed. Ongoing refurbishment costs are \$500k per annum.</p>	<p>Ownership/operation model:</p> <p>The Concession Holder (Ford Dynasty Pty Ltd) is also the operator of the Alice Springs Convention Centre. The capital cost to NT Government was \$10.8m (2001 dollars) with the centre being completed in 18 months in 2002.</p> <p>Delivery model: 20 year BOO (Build/Own/Operate) arrangement with Lasseters owning the facility at the end of the 20 year concession.</p> <p>Economic impact: No information available on visitor spending.</p>

Table 3: General Destination Appeal and other complementary Infrastructure Comparisons, excluding industry expertise, of Major Australian Conference Destinations (excerpt from Canberra Convention Bureau's competitor analysis 2010)

	Average Room Rate (ARR) and Accommodation Capacity*	Transport	Destination Appeal promoted to Business Events Clients
Adelaide	ARR – \$140.36 Properties: 100 Rooms: 6,699 Five Star: 4 Four Star: 39 Three Star: 39 Below Three Star: 13 Ungraded: 5	<ul style="list-style-type: none"> » New \$260m terminal at Adelaide Airport opened in 2005. Domestic and international flights operate regular daily services. International air services operate between Adelaide and London, Kuala Lumpur, Fiji, Bali, Singapore, Los Angeles or Auckland. » Adelaide is the central hub on the Australian National rail system and National Highway one, linking WA with Eastern Australia. » Regular bus, train and tram services operate daily throughout Adelaide. 	<ul style="list-style-type: none"> » Compact city centre with easy access ("20-minute city") and close proximity between meeting venues, accommodation, shopping and dining. » Internationally recognised as a top business travel destination. » Fabulous festivals and events. » "Green" conference destination with electric trams and a solar powered bus. » Well-known and highly regarded wine regions close proximity to Murray River, the ocean and Kangaroo Island.
Alice Springs	ARR – \$110.20 Properties: 18	<ul style="list-style-type: none"> » Direct daily air services operate between Alice Springs and Sydney, Perth, Melbourne, Adelaide, Brisbane, Cairns, Darwin or Uluru (Ayers Rock). » Rail connections to Adelaide, Melbourne, Sydney and Queensland. 	<ul style="list-style-type: none"> » "Outback-capital" in central Australia and gateway to "the Red Centre": Uluru, Kata Tjuta, Kings Canyon. » Outback adventure activities: camel riding, quad biking and hot air ballooning, cattle stations, aboriginal storytelling. Indigenous culture.

	Average Room Rate (ARR) and Accommodation Capacity*	Transport	Destination Appeal promoted to Business Events Clients
Brisbane	ARR – \$159.36 Properties: 191 Rooms: 12,664 Five Star: 8 Four Star: 78 Three Star: 90 Below Three Star: 9 Ungraded: 6	<ul style="list-style-type: none"> » Brisbane Airport offers passengers direct connections to 26 international and 35 domestic destinations operated by 30 airlines. Approximately 3,250 international and domestic flights each week. » Brisbane is easily connected to Sunshine Coast (north) and Gold Coast (south) via highways. » City Train operates throughout Brisbane (and on to Gold Coast) with the two main city stations being located at Sofitel Brisbane Hotel and the Holiday Inn Brisbane. » Buses service nearly every suburb in Brisbane and the free Loop Bus runs every 10 minutes on two routes in the CBD. » Ferries operate throughout the river system. 	<ul style="list-style-type: none"> » Compact vibrant city centre with easy access and close proximity between meeting venues, accommodation, shopping and dining. Located in the cultural riverside South Bank precinct. » Close proximity to Gold and Sunshine Coasts. » Subtropical weather year round.
Cairns	ARR – \$140.32 Properties: 145 Rooms: 10,205	<ul style="list-style-type: none"> » Domestic airport terminal undergoing \$200m renovation. Seven international and five domestic airlines operate out of Cairns International Airport. » Bus shuttle services regularly pick up and set down at most hotels. Many hotels and motels offer private transfer buses. Public bus transport operates to all Cairns city areas, suburbs and beaches. 	<ul style="list-style-type: none"> » Surrounded by world heritage attractions – Great Barrier Reef and tropical rainforest. » Variety of conference and incentive activities including rainforest and reef activities. » Tropical climate.

	Average Room Rate (ARR) and Accommodation Capacity*	Transport	Destination Appeal promoted to Business Events Clients
Canberra	<p>ARR – \$163.35</p> <p>Properties: 56</p> <p>Rooms: 5,100</p> <p>Five Star: 3</p> <p>Four Star: 32</p> <p>Three Star: 17</p> <p>Below Three Star: 3</p> <p>Ungraded: 1</p> <p>*For more recent accommodation data refer to 'Canberra by Comparison' report, November 2011 Canberra Convention Bureau</p>	<ul style="list-style-type: none"> » Four airlines (2 major operators) operate from Canberra. Direct flights go to Adelaide, Albury, Brisbane, Gold Coast, Hobart Melbourne, Newcastle, Perth, Sydney and Townsville. There are a total of 878 flights to and from Canberra each week. » A new terminal and car parking are under construction, stage one is completed, stage two will be in 2012. » Several coach operators provide services to Canberra from all over Australia. » Countrylink operates a regular rail service connecting Canberra with Sydney and other NSW destinations. » There is a lack of public transport to/from the airport operating in Canberra, therefore visitors rely heavily on taxis which has a cost and time impact which has been noted in satisfaction reports. » The taxi service is inadequate for the market & results in low satisfaction levels which are weakening Canberra's competitive position. Another weakness is lack of bus charter services, especially for groups larger than 250 delegates and other groups who have not booked well in advance. 	<ul style="list-style-type: none"> » National Capital, the meeting place of a nation. » Designed landlocked city in attractive natural (bush) setting. » National attractions – cultural. » Home of Federal Government. » Home to many national offices of associations and policy organisations. » Home to many national embassies, national and international diplomatic representative organisations. » Globally recognised national research and learning institutes – RALIG. » 25% increase in number of flights to major destinations since February 2008, with new flights to and from Hobart, Townsville and Darwin. » Fairly new high-end accommodation inventory including Hotel Realm and Diamant Hotel. » Ideal location between main population centres of Sydney and Melbourne. » Gateway to the Australian Alps and proximity to NSW South Coast.
Darwin	<p>ARR – \$172.50</p> <p>Properties: 43</p> <p>Five Star: 2</p> <p>Four Star: 19</p> <p>Three Star: 12</p> <p>Below Three Star: 3</p> <p>Ungraded: 7</p>	<ul style="list-style-type: none"> » International airport with flights from Singapore, Bali, New Zealand and Europe and the recently introduced Kuala Lumpur flights which fly 4 times per week. » Direct daily air services operate between Darwin and Sydney, Perth, Melbourne, Adelaide, Brisbane, Cairns, Alice Springs or Ayers Rock. However these flights are often scheduled at inconvenient times (eg: late at night, early in morning). » Rail connections to Adelaide (The Ghan), Melbourne, Sydney and Queensland. 	<ul style="list-style-type: none"> » Tropical harbour city with associated harbour activities (eg: sailing, fishing) and "tropical expertise". Also energy development and mineral resources. » International airport and proximity to Indonesian destinations. » Indigenous culture and natural outback environment. Gateway to Kakadu for pre and post touring. » Anticipated short season due to climate extreme in wet season with humidity regularly over 70%. » Dry season is ideal for outdoor activities due to the warm dry weather during day and night.

	Average Room Rate (ARR) and Accommodation Capacity*	Transport	Destination Appeal promoted to Business Events Clients
Gold Coast	ARR – \$142.92 Properties: 147 Rooms: 12,753	<ul style="list-style-type: none"> » Over 45 domestic and international flights operate every day between Gold Coast and 14 destinations in Australia, New Zealand and Asia. » Direct flights to and from Townsville, Cairns and Tokyo are the most recent additions to the Gold Coast Airport flight schedule with increased number of flights to existing routes also announced. » Brisbane International and Domestic Airports are one hour from Gold Coast. » Public bus transport operates throughout the Gold Coast. 	<ul style="list-style-type: none"> » Main holiday destination with 70km of beach and rainforest hinterland. » Proximity to Brisbane International Airport. » Wide variety of accommodation, entertainment, restaurant and food & beverage venues. » Wide variety of coastal attractions and activities and theme parks. » 300 Annual sun days.
Melbourne	ARR – \$179.51 Properties: 296 Rooms: 24,470 Five Star: 18 Four Star: 145 Three Star: 114 Below Three Star: 13 Ungraded: 6	<ul style="list-style-type: none"> » There are approximately 23 international and 5 domestic airlines that operate at Melbourne Airport to a variety of international and domestic destinations. » There are approximately 25,200 international flights and 166,800 domestic flights annually to and from major international and domestic destinations. » A \$330m expansion project for Melbourne International Airport began in January 2008 and will consist of a series of projects to be completed in 2013. The project will increase terminal space and capabilities. » A comprehensive public transportation system includes trams, trains and buses. » Free intra-city tram. 	<ul style="list-style-type: none"> » Stylish multicultural sophisticated city with mix of European and Australian culture. » Leading edge facilities including a large, newly built, international-standard convention centre located within the city. » Comprehensive public transportation system. » Extensive accommodation facilities. » Rich arts, music and sports scene. » Extensive shopping facilities, culinary treats and cafe culture. » A market leader in the planning and management of some of the world's most high profile events.

	Average Room Rate (ARR) and Accommodation Capacity*	Transport	Destination Appeal promoted to Business Events Clients
Perth	ARR – \$172.65 Properties: 125 Rooms: 10,858 Five Star: 6 Four Star: 46 Three Star: 53 Below Three Star: 9 Ungraded: 11	<ul style="list-style-type: none"> » Regular daily flights connect Perth to a variety of destinations throughout Australia, Europe, Asia, Middle East, Africa, USA and New Zealand. » Suburban electric rail system operates within Perth and passenger trains operate to areas within WA and the eastern seaboard. » An inexpensive bus transport system operates plus a free CBD bus service. A ferry system links Perth with South Perth. 	<ul style="list-style-type: none"> » Moderate Mediterranean climate. » Wide variety of accommodation and food and beverage venues. » Vibrant business, academic and artistic community. » Energy and resources centre. » Variety of conference activities available based on the natural attractions including Swan River, ocean, forests and wildlife and food and wine. » Reducing 'carbon footprints'. WA was the first state to develop a sustainable strategy in 2003. » As the epicentre of Australia's growth for the past 10 years, WA has the passion for innovation and development that comes with a dynamic, forward-thinking location.
Sydney	ARR – \$173.61 Properties: 292 Rooms: 32,703 Five Star: 27 Four Star: 122 Three Star: 104 Below Three Star: 26 Ungraded: 13	<ul style="list-style-type: none"> » Australia's largest international and domestic airports. 40 international and 9 domestic and regional passenger airlines fly into Sydney International Airport. Sydney Airport handles more than 55,000 international flights per year and over 220,000 domestic and regional flights fly in and out of the airport annually. » Extensive, easy to use public transport system includes harbour ferries, monorail and city and suburban bus and rail networks. » Increased traffic congestion and road tolls. 	<ul style="list-style-type: none"> » Australia's biggest international and domestic airports. » Spectacular natural harbour. » Large variety of international and standard accommodation. » Global tourist icons as Sydney Harbour Bridge, Sydney Opera House, Sydney Harbour and other attractions and leisure activities. » Cosmopolitan culture, temperate climate. » Home to many Asia Pacific regional headquarters. » Excellent value, high quality food with outdoor emphasis. » The commercial and tourist hub of the Southern Pacific region.

*Rooms = Total Rooms Available (includes Hotels, Motels & Serviced Apartments with 15 or more rooms)

Appendix 1 – Press Release Adelaide Convention Centre

Adelaide Convention Centre Achieves \$1 Billion 14 Oct 2011

Adelaide Convention Centre Achieves \$1 Billion 14 Oct 2011

The ACC generated more than \$90 million in economic benefit to South Australia in the past financial year including a record \$30.2 million in income from event and other trading activities.

And it is estimated that following Stage two of the ACC expansion, the Centre will generate an additional \$76 million per annum and an additional 1,784 jobs on average per annum.

ACC Chief Executive Alec Gilbert said the Centre generated \$91.1 million in economic benefits for the State (\$16 million more than its target) through events in the past financial year.

"It's an outstanding result that we're incredibly proud of.

"We've attracted approximately 22,500 visitors to South Australia, who would not otherwise have visited, and generated more than 101,000 hotel bed nights."

Tourism Minister John Rau congratulated the ACC on its milestone and said this year's record-breaking performance highlighted the importance of the convention centre upgrade, due to begin this year.

"The enormous economic benefit brought to South Australia by the ACC underlines the potential that can be unlocked by the \$350 million upgrade," Mr Rau said.

Appendix 2 – PWC study on Sydney proposed development of convention facilities – See attachment

Reference resources

- » Convention Centres and Convention Bureaux websites:
 - » www.scec.com.au
 - » www.mcec.com.au
 - » www.bcec.com.au
 - » www.adelaidecc.com.au
 - » www.pcec.com.au

- » www.cairnsconvention.com.au
- » www.darwinconvention.com.au
- » www.gccec.com.au
- » www.nccc.com.au
- » www.aspcc.com.au
- » Australian Bureau of Statistics website: www.abs.gov.au
- » Association of Australian Convention Bureaux website: www.aacb.org.au
- » Canberra Convention Bureau internal intelligence
- » Meeting Planner Guides & Annual Reports
- » Personal e-mail correspondence CEO Canberra Convention Bureau with:
 - » Angela Collard, Executive Director Industry Development NT Government
 - » Bob O'Keeffe, General Manager Brisbane Convention and Exhibition Centre
 - » Ton van Amerongen, Chief Executive Sydney Convention and Exhibition Centre
 - » Dean M Lee, Chief Executive Officer Perth Convention and Exhibition Centre
 - » Alec Gilbert, Chief Executive Officer Adelaide Convention Centre
 - » Ross Steele, General Manager Cairns Convention Centre
- » Presentation on Melbourne in Canberra by Leigh Harry, Head of Tourism Victoria (previously MCEC)
- » Press Release NSW Government 18 December 2010 *Plan to expand Sydney's convention and exhibition facilities*

Notes:



www.canberraconvention.com.au
enquiry@canberraconvention.com.au
+ 61 2 6247 7500

THINK
CANBERRA
An initiative of the Research
and Learning Institutes Group

Australia Forum



**A centre for significant events, meetings
and dialogue in the nation's capital.**
The home of democratic dialogue.

Australia Forum Steering Committee

Professor Peter Shergold ac (Chair)
Macquarie Group Foundation Professor,
Centre for Social Impact, UNSW
Chancellor University of Western Sydney

Dr Dawn Casey
Director, Powerhouse Museum and formerly
Director, National Museum of Australia

Professor Ian Chubb ac
Former Vice Chancellor, Australian National University

General Peter Cosgrove ac, mc
Chair of the Australia War Memorial Council

Ms Virginia Haussegger
ABC News presenter, journalist and writer

Mr Rupert Myer AM
Chairman of the National Gallery of Australia



The Australian Forum Scoping Study was commissioned by Canberra Business Council, with the support of the ACT Government. Many other partnering organisations provided financial and practical support. The Study was overseen by the Australia Forum Steering Committee, who also commissioned other associated research.

For further information go to
www.australiaforum.com.au



Top: Professor Peter Shergold Chair of the Australia Forum Steering Committee
Above: The initial Australia Forum Steering Committee meeting

Foreword



As we prepare Australians for the dynamic opportunities and challenges ahead new forms of engagement will be needed. Australia's best future will be shaped through dialogue – and through facilities and technologies that are enabling, democratic and globally connected.

Capital cities around the world are embracing the 21st century need for high quality secure venues catering for international dialogue, trade and significant national events. These are important elements of national infrastructure and the positioning of capitals. Centres of this nature are also the learning hubs of the future – pivotal places in terms of economic development and knowledge transfer from research institutions.

Perhaps more importantly our vision is for the Australia Forum to be the home of democratic dialogue, a national institution for all Australians. There will be new ways of giving voice to Australians in metropolitan, regional and remote communities, and fostering national conversation.

Digital communications and other technological advances are rapidly changing the very nature of conversation, dialogue and

meeting practice. And yet, face to face meetings and dialogue will only increase – due, in part, to the new opportunities and relationships enabled by technology. Knowledge exchange is a major driver for social and economic development.

The benefits of this new institution as both a physical and virtual centre are very clear. Our extensive international research has identified how new opportunities for Australia would be created through the design of a multi-hub network. The Forum would reach across the nation, and at the same time become a leading centre in South East Asia.

The time has come – for a truly national forum – one that will meet the future needs of Australia and Australians themselves. It will be the Australia Forum.

Professor Peter Shergold AC
Chair
Australia Forum Steering Committee

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5	Next Steps	10

The Australia Forum is a project initiated by the Canberra Business Council
with the support of the ACT Government



1 Background

The development of an international quality meeting venue has long been recognised as an important need for the National Capital.

Over several years Canberra Business Council, with the support of many partnering organisations advocated the need for a comprehensive scoping study.

In March 2010 a group of eminent Australians were invited to join the Australia Forum Scoping Study to oversight investigations in to the need, benefit and scope of a new world class institution, which was to be *“a forum for significant meetings, dialogue, cultural events, and other occasions of national importance”*.

Following an international procurement process Ernst & Young and Cox Architects were appointed to complete a comprehensive Scoping Study for the Australia Forum. That study is now complete.

In parallel, the Steering Committee conducted extensive international research of its own, developing a deep understanding of current and future directions in democratic dialogue. The Committee has also investigated the impact of technology changes on dialogue, meeting practice and knowledge exchange. Arising from this work there are important opportunities for citizen engagement and how national conversations are conducted, as well as for education and commerce. The Steering Committee has been supported by a project Reference Group and a series of academic and professional advisors.

This overview report presents key findings of the Australia Forum Scoping Study (2011) and the research of the Australia Forum Steering Committee.



“We are drawn together by the desire to create in Canberra a forum for public discourse, a centre of democratic dialogue.”

— Professor Peter Shergold, Chair, Australia Forum Steering Committee

2 Introduction

Vision

Australia Forum

The home of democratic dialogue

The Australia Forum will be a world-class institution that caters for significant meetings, dialogue, cultural events and other occasions of national importance appropriately held in the Capital.

The Australia Forum will also be an unparalleled world class meeting place, the most secure in Australia, featuring a high quality international centre of dialogue, capable of hosting meetings of the people of Australia as well as meetings of world leaders. The Australia Forum will provide an international meeting centre tailored to the needs and character of our nation, and of a standard comparable to those in other international centres.

The Australia Forum will be an asset for the people of Australia. A place to come together to celebrate, be inspired, encouraged or entertained, or to learn and creatively look to the future. A vehicle for important dialogue and Australia's big conversations. The forum will be a special place, both physical and virtual, for Australians to listen, speak and connect with others.

It would also provide a world class centre for significant national and international meetings.

The Forum should become a national institution... in the family of national institutions in the capital.



Kuala Lumpur



Parliament House. Image provided by Australian Capital Tourism

The important role of National Institutions

Canberra's national institutions highlight our achievements and champion our values as a nation. In doing so, they bind the Federation and elevate our national aspirations. Parliament House – and Old Parliament House before it – symbolise Australia's unswerving commitment to participatory democracy.

The collections of our great institutions – including the Australian War Memorial, the National Gallery of Australia, the National Museum of Australia, the National Library, Museum of Australian Democracy, National Archives, Royal Australian Mint, National Film and Sound Archive, Questacon, Australian Institute of Sport, and National Portrait Gallery – conserve and nurture the national memory. In these places, millions of Australians gather each year to commemorate and celebrate our efforts in war and peace. Places of fun, as well as of learning, they reflect the richness of our lives, history and culture. They hold a mirror to Australia. The Australia Forum would complement these institutions.



"The framework for representative government has served Australia well. However it's become ever more apparent that here, as in other modern democracies, levels of civic engagement are falling and trust in politicians is at a low ebb. Democracy is based upon an implicit contract between the state and its citizens: the state offers security and protection, the citizen returns loyalty. Yet there is a growing disconnect between the state and its citizens, driven by a view that in-between the trips to the ballot-box access to governments is dominated by those lobbyists and advocates with the resources or influence to wield political power. We suffer a 'democratic deficit' in which people feel unable to contribute effectively to the active agenda of governments."

*Professor Peter Shergold
Chair, Australia Forum Steering Committee*

As the investigations of the Scoping Study progressed the project vision developed and evolved, particularly in terms of the need to foster democratic dialogue.

Investing in National Dialogue

Australia does need a venue of the scale, security and design that is appropriate for the capital and nation's important role in international affairs.

Equally, Australia needs a forum that provides a focal point for important national conversations – a forum that will foster new forms of democratic dialogue.

As Governments around the world strive to meet the new and emerging challenges – challenges of unprecedented complexity and risk – social media and other new technologies are providing new opportunities for communication. A key challenge, whether for concerned citizens or government, is how to achieve meaningful and enduring citizen engagement in today's world.



Dialogue is a respectful free-flowing but structured conversation among a diverse group of people who bring different life experiences and viewpoints to the table. It is a conversation that involves learning and working together to understand different points of view. Dialogue is not debate – you cannot ‘win’ a dialogue. While dialogue searches for common ground, it does not mean that all differences disappear. However dialogue encourages us to be open to the possibility of learning new ways to think about public issues.

Australian Centre for Dialogue



Embracing New Technologies

The web allows new kinds of citizen input which would have been unthinkable a generation ago. There are already existing techniques, that can be delivered on-line, to enable ‘public conversations’ to inform ‘everyday democracy’. There are innovative forms of deliberative decision-making which can provide policymakers with much better information on public preferences. The application of new technology to public engagement opens up many possibilities.

The Australia Forum will embrace the technological infrastructure that can give greater voice to democratic dialogue. The Australia Forum would have a reach far beyond Canberra, through a state of the art multi-hub network linking all activities within the Forum to key regional locations.

During conferences it will be possible for public meetings to be held across multiple locations by using networked technologies. The Australia Forum, far from being a single venue, would sit at the centre of a network of participation.



3 Scoping Study Outcomes

The Australia Forum Scoping Study has set out a series of important findings and conclusions including the following:

Market Analysis

- ▶ international demand for “face-to-face” meetings and events has continued to increase solidly in the face of various global crises and increasing competition from the electronic media. Between 1999 and 2009, the number of international association meetings held globally increased at a compound annual growth rate of 6.5%. There is a positive industry outlook.
- ▶ substantial unmet demand for national and international meetings exists in Canberra.
- ▶ in response to increasing international and national demand, there has been a continued expansion in the supply of event venues, both overseas and in Australia. There is an increasing trend towards iconic venues with well-designed multifunctional facilities. Such centres can have a significant placemaking role, and very positive impact on a city’s profile.

Assessing Demand

Recent industry-wide international research¹ has identified several factors that will drive the demand for major meetings and events eg venues will need to have the latest technologies to facilitate networking between delegates attending the event and to expand the virtual network with other event venues.

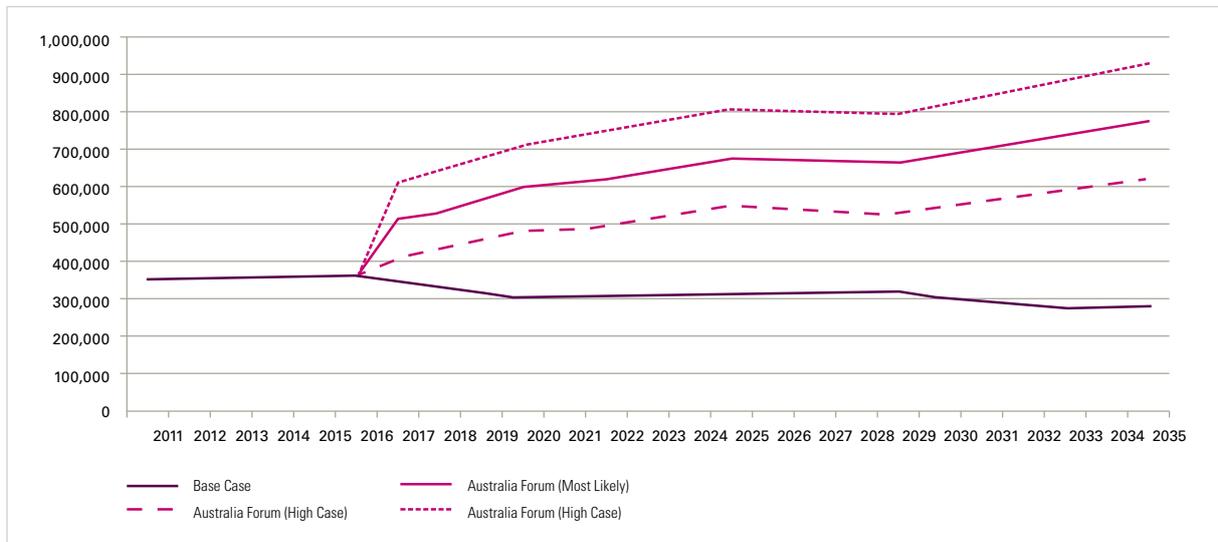
While the potential to increase business tourism is recognised, the focus and the value proposition for meetings and events is increasingly shifting to the key role that they can play in “knowledge exchange” and economic development.

The scoping study surveys have also found that:

- ▶ large meetings of international and national importance, such as CHOGM and the G20 cannot be held in Canberra due to the lack of a sufficiently large, high quality, secure venue that can be locked down without disrupting the city, as well as a lack of sufficient accommodation of a suitably high standard;
- ▶ a range of other identified governmental meetings (in trade, defence and other sectors), could or would be held in Canberra if appropriate facilities were available;
- ▶ many associations and corporates are not currently considering Canberra as a potential destination due to the current lack of an appropriate venue, particularly events attracting more than 250 delegates;
- ▶ most government agencies, associations, and corporates would seek to hold additional events in the National Capital if more suitable facilities were available: ie over 90% of surveyed professional conference organisers (PCOs), and over 70% of associations;
- ▶ there is likely to be a significant increase in the demand for events from both the Federal Government and the corporate sector.

The demand projections for the Australia Forum and a base case (do nothing) option are outlined in the figure below.

¹ “Convention 2020 – the future of meetings, venues and destinations” (2010), for International Conference and Congress Association, IMEX and Fast Future Research



Projected number of attendee days under the Base Case option and Australia Forum option

Policy Benefits

The Australian Forum Scoping Study identifies a range of policy interests and benefits for both the Australian and ACT Governments:

Federal

- › International relations
- › Governmental meetings
- › Innovation and collaboration
- › Trade
- › Education and research
- › National engagement and dialogue

Territory

- › Economic Development
- › City development
- › Business Tourism
- › Community assets

Functional Requirements

Drawing on the demand analysis and international research, the scoping study identified a series of functional requirements for the Forum:

- › An “iconic” design that is at least commensurate with the quality of the Capital’s other major national institutions;
- › Specialised security arrangements, design features and services required for the Australia Forum to host international dignitaries;

- › An ‘International Centre of Dialogue’ (2,500 sqm) to cater for important “meetings in the round” (e.g. government meetings such as CHOGM and G20 meetings, as well as other specialised forums);
- › High quality “exhibition” areas (8,000 sqm minimum with expansion to 12,000 sqm) with the multifunctional capacity to serve large scale government events, exhibitions, conferences and other functions;
- › Outstanding multimedia services and other technologies to facilitate high level communication between delegates, conference organisers and presenters. A multi-hub network will link Australia Forum with other centres in Australia and overseas. An interactive decision theatre would also be included in the Centre for Dialogue. The proposed business model would provide for continuous re-investment in cutting edge technologies to sustain that advantage.
- › Core facilities required to cater to the needs of the more traditional business events market, including:
 - a plenary hall (3,000 sqm), capable of holding 3,000 people and divisible into four; two 250 sqm theatrettes, together capable of another 500 delegates;
 - a ballroom (1,500 sqm), divisible into four, together with a banqueting room (1,800 sqm); numerous break- out rooms;
 - media centre and support services;
 - parking for 600-1200 cars;
 - a continuous bus transport system connecting delegates to their hotels and the CBD;
 - on site retail outlets (e.g. restaurants, bars); and
 - an on-site 350 to 400 bed hotel providing 5 star and 4 star accommodation with a high ratio of suites.



Design Concepts

In order to explore the potential of various sites to satisfy the project's functional requirements, and prepare project costings, a series of design concepts were prepared. These are initial designs only, and may vary from the scheme which is ultimately advanced. Further planning work would be carried out prior to public consultation.

However, the initial designs for the Lake Front site present a potential scheme of high quality, and demonstrate the excellent potential of the site. A range of important public benefits could also be delivered through this solution such as the wide pedestrian promenade, landbridges over Parkes Way, and an attractive lakeside public square.

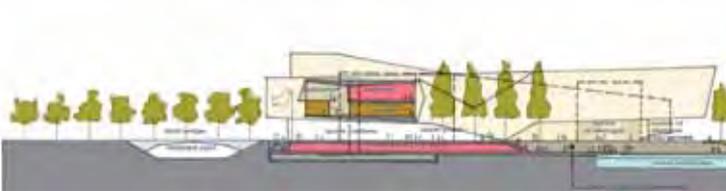
How much would it cost?

The estimated capital cost of the Australia Forum (Lake Front site) is **\$327.6m** in today's dollars, or \$367.9m in 2014/15 dollars. (A lower cost first stage development option of approximately \$250m would also be achievable).

Supporting public infrastructure was costed at \$53.5m.

The Scoping Study has also provided a series of estimated operational budgets and cashflows for the Forum. The Net Present Value cost of the project, taking account of revenue streams, was assessed as being \$240.7m.

The Study identifies a strong business case for investment in the Australia Forum.



5 The Next Steps

In the short term, the next stage of project development would involve further planning work by government for:

- ▶ associated development and infrastructure envisaged in the West Basin precinct
- ▶ design development for the Australia Forum
- ▶ consultations; followed by
- ▶ development of implementation models and governance arrangements

With continued momentum it is anticipated that the Australia Forum project could be 'implementation ready' in approximately two-three years time.

In parallel with these activities the Australia Forum Steering Committee and partnering organisations intend continuing their work in relation to democratic dialogue and the practice of national conversations. A demonstration project will also be carried out.

The Australian and ACT governments are both long term stakeholders in the Australia Forum and it is envisaged that the project would ultimately involve both governments.

For further information go to www.australiaforum.com.au



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