

INQUIRY INTO A NEW CONVENTION CENTRE FOR CANBERRA

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND
TOURISM

MARCH 2018

REPORT 3

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RESOLUTION OF APPOINTMENT

On 13 December 2016 the ACT Legislative Assembly (the Assembly) agreed by resolution to establish legislative and general purpose standing committees to inquire into and report on matters referred to them by the Assembly or matters that are considered by the committees to be of concern to the community, including:

- (g) a Standing Committee on Economic Development and Tourism to examine matters relating to economic and business development, small business, tourism, market and regulatory reform, public sector management, taxation and revenue, procurement, regional development, international trade, skills development and employment creation, and technology, arts and culture.¹

The Assembly agreed that each committee shall have power to consider and make use of the evidence and records of the relevant standing committees appointed during the previous Assembly.

TERMS OF REFERENCE

On 21 February 2017 the Standing Committee on Economic Development and Tourism agreed to the following terms of reference:

The Standing Committee on Economic Development and Tourism, noting that the proposal to construct a new convention centre for Canberra has attracted tri-partisan support in the Assembly, resolves to inquire into and report on the proposal to construct a new convention centre for Canberra including:

- The level of demand from business and clients for a new centre and the likely economic impact of a new centre on Canberra;
- Whether the “Australia Forum” proposal has the support of stakeholders;
- The amount of work required to take the proposal to an investment ready stage;
- The appropriate source of funding (federal, territory or private sector) for each stage of the project;
- The level of priority that should be given to a new convention centre in relation to other infrastructure projects in the ACT; and
- Other matters arising during the course of the inquiry.

¹ Legislative Assembly for the ACT, Minutes of Proceedings No. 2, 13 December 2016, pp. 13-16, accessible at http://www.parliament.act.gov.au/in-the-assembly/minutes_of_proceedings.

ACRONYMS

AC	Companion of the Order of Australia
AIS	Australian Institute of Sport
ANU	Australian National University
CMTEDD	Chief Minister, Treasury and Economic Development Directorate
EDT	Standing Committee on Economic Development and Tourism
EPIC	Exhibition Park in Canberra
HVAC	Heating, ventilation and air conditioning
LDA	Land Development Agency
NCA	National Capital Authority
NCCC	National Convention Centre Canberra
PPP	Public private partnership
UC	University of Canberra
WNBL	Women's National Basketball League

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RECOMMENDATIONS

RECOMMENDATION 1

The Committee recommends that the stakeholders of a new convention centre in Canberra acknowledge that the Australia Forum is unlikely to be constructed in its proposed form.

RECOMMENDATION 2

The Committee recommends that the ACT Government reserve the City Hill site (CITY: Block 1, Section 116) until a decision is reached on the direction of a future convention centre.

RECOMMENDATION 3

The Committee recommends that the ACT Government continue its engagement with the Federal Government with a particular focus on a possible Commonwealth contribution to heightened security aspects of the project.

RECOMMENDATION 4

The Committee recommends that, to realise the full economic benefits to the community, proponents of a new convention centre for Canberra investigate ways of increasing employment security and career development within their industries.

RECOMMENDATION 5

The Committee recommends that the inclusion of a Centre for Dialogue in plans for a new convention centre be reconsidered.

RECOMMENDATION 6

The Committee recommends that stakeholders create functional requirements and a design brief for a "Capital Region Convention Centre".

RECOMMENDATION 7

The Committee recommends that, once the scope for the Capital Region Convention Centre is agreed, the ACT Government consider a staged approach to the construction and operation of a new convention centre, focussing firstly on function spaces.

RECOMMENDATION 8

The Committee recommends that once the design brief for the Capital Region Convention Centre is ready the ACT Government test the market to assess private sector interest in the project.

RECOMMENDATION 9

The Committee recommends that the ACT Government, in consultation with the private sector, investigate temporary solutions to Canberra's lack of suitable large scale banqueting facilities.

RECOMMENDATION 10

The Committee recommends that the ACT Government maintain the National Convention Centre to ensure that it can continue to operate as a quality venue over the short to medium term.

1 INTRODUCTION

1.1 On 21 February 2017 the Standing Committee on Economic Development and Tourism agreed to the following terms of reference:

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- The level of demand from business and clients for a new centre and the likely economic impact of a new centre on Canberra;
- Whether the “Australia Forum” proposal has the support of stakeholders;
- The amount of work required to take the proposal to an investment ready stage;
- The appropriate source of funding (federal, territory or private sector) for each stage of the project;
- The level of priority that should be given to a new convention centre in relation to other infrastructure projects in the ACT; and
- Other matters arising during the course of the inquiry.

CONDUCT OF THE INQUIRY

1.2 The Committee called for public submissions on 21 March 2017. The Committee issued a media release and the inquiry was announced through the Assembly’s internet and social media channels. The Committee Secretary wrote directly to relevant parties asking them to consider making a submission. The Committee requested submissions by 8 May but accepted submissions received by 12 May 2017. The Committee received 10 submissions and these have been published on the Assembly’s website at <https://www.parliament.act.gov.au/in-committees/standing-committees-current-assembly/standing-committee-on-economic-development-and-tourism/inquiry-into-a-new-convention-centre-for-canberra>.

1.3 The Committee held five public hearings on 30 May, 8 August, 29 August, 28 September and 11 October 2017. At these hearings, the Committee heard evidence from 11 witnesses. Full details of witnesses who appeared are available in Appendix B of this report. Transcripts from the hearings are available at <http://www.hansard.act.gov.au/hansard/2017/comms/default.htm#economic>.

1.4 On 13 June 2017 the Committee conducted a site visit to the National Convention Centre Canberra. The Committee was escorted on its visit by Mr Stephen Wood, General Manager, National Convention Centre Canberra and Mr Michael Matthews, Chief Executive Officer, Canberra Convention Bureau.

STRUCTURE OF THE REPORT

- 1.5 This report draws from research, submissions and evidence given at public hearings to examine the issues around the existing convention centre and the key issues around constructing a new centre. While issues are discussed throughout the report recommendations begin in Chapter 6.
- 1.6 The structure of this report is as follows:
- Chapter 1: Introduction
 - Chapter 2: The National Convention Centre Canberra
 - Chapter 3: The case for a new centre
 - Chapter 4: Proposals
 - Chapter 5: Funding sources
 - Chapter 6: A way forward
 - Chapter 7: Conclusion

ACKNOWLEDGEMENTS

- 1.7 The Committee wishes to thank all the individuals and organisations that made submissions to the Committee or appeared before it at a public hearing. This report draws on the work of many people who have given their time and expertise over the years to examine the case for a new convention centre. Those who worked on the Australia Forum Scoping Study and the KPMG report deserve particular thanks.
- 1.8 The Committee wishes to acknowledge the efforts of Bradley Chenoweth, Director of the Australian Centre for Dialogue at the Australian National University. Mr Chenoweth was willing to meet with the Committee to share his expertise on the concept of Centres for Dialogue but unfortunately efforts to find a mutually convenient time were unsuccessful.

2 THE NATIONAL CONVENTION CENTRE CANBERRA

INTRODUCTION

- 2.1 The National Convention Centre Canberra (NCCC), located at 31 Constitution Avenue, opened in 1989. The NCCC is owned by the ACT Government with ownership being transferred at self-government during the centre's construction. The NCCC is currently managed by the InterContinental Hotels Group (IHG).
- 2.2 The NCCC is the largest, purpose-built conference and event venue in the ACT. It has more than 8200 m² of flexible space and 15 venues over two floors.² The largest space is the 2000m² exhibition space. The NCCC's Royal Theatre can seat 2460 guests and is the largest multi-function tiered-seating theatre in Canberra. Four additional theatrettes are housed in the NCCC with the largest accommodating 300 attendees and the smallest capable of seating 135. The first floor ballroom provides 762m² of pillar-free space. The five gallery rooms can be combined in certain configurations allowing some flexibility while there are also a number of small work rooms.³
- 2.3 The NCCC's website states that their vision is to be "Australia's greatest event venue by creating great experiences guests love". The Centre employs 154 staff.⁴

CONSTRAINTS

- 2.4 The Canberra Business Chamber claims that the ACT has the smallest conference facility in Australia with even the Gold Coast and Cairns having convention centres capable of hosting meetings twice the size of that which Canberra can.⁵
- 2.5 A key issue is that the NCCC is only capable of hosting a single medium-sized (500-1500 person) conference at a time. The Committee was informed that the peak period for conventions is Tuesday through Thursday with Monday and Friday used to set up and dismantle the conference set-up. This means that the NCCC is effectively restricted to a single

² Submission of Canberra Business Chamber, p. 3.

³ Room sizes and capacities taken from <http://www.nccc.com.au>.

⁴ Submission of Canberra Business Chamber, p. 3.

⁵ Submission of Canberra Business Chamber, p. 3.

conference a week.⁶ The exhibition hall is a single non-divisible large room so only one conference can make use of that space whether they have 2500 delegates or 200.⁷

2.6 The Canberra Convention Bureau explained that conference planners:

need to have a meeting of all the delegates, and breakout rooms. They need to have a trade show, and the trade show is critical because that is how they fund. Sponsors and suppliers will come in and pay for the privilege of engaging with their people, and they need to have a chunk of space so that it can happen.

They also need to do a gala dinner or an off-site dinner. Right now we can do two of those three things. We can meet them, have a trade show, and the trade show has to happen where the meeting delegates are, and then we have no room for an off-site dinner. So right now we are constricted, and we have a reputation in the market for not being able to do the gala dinners.⁸

2.7 The NCCC lacks flexibility. Modern convention centres tend to have adaptable spaces that can be configured in different ways for different users and allow multiple events to take place simultaneously but harmoniously. The NCCC's gallery rooms have some flexibility but the larger spaces have more constraints.

2.8 In 2013 the NCCC turned away 89 events due to lack of capacity.⁹ The Canberra Convention Bureau provided a list of domestic conferences and events that the NCCC is unable to host due to size constraints of the current building.¹⁰ It should be noted that it is impossible to determine conclusively why these conferences were not hosted and that while the size of the current facilities may have been a consideration others considerations such as timing and costs could have also been factors.

2.9 The Bureau also noted that there were events that were out-growing the NCCC. They gave the example of a defence conference that started with 900 delegates and grew to 1400 in its second year. It now requires a marquee at the back of the NCCC to increase the available space and there are concerns that continued growth will see it no longer be able to fit into the NCCC. Defence industry events is an area where Canberra should have a competitive advantage.¹¹

⁶ *Transcript of evidence*, 30 May 2017, p. 2.

⁷ *Transcript of evidence*, 30 May 2017, p. 14.

⁸ *Transcript of evidence*, 30 May 2017, p. 2.

⁹ Submission of Canberra Business Chamber, p. 3.

¹⁰ Submission of the Canberra Convention Bureau, pp. 7-8.

¹¹ *Transcript of evidence*, 30 May 2017, p. 3.

- 2.10 The Canberra Convention Bureau has stated that they believe that if the size of convention space in Canberra was increased they could easily double the economic return from national events alone.¹²

GALA DINNER SPACES

- 2.11 The NCCC is currently unable to host both a trade show and a gala dinner. The fees paid by exhibitors to exhibit are a vital income stream for conferences. Exhibitors want to be accessible to conference attendees through the conference and their displays can take considerable time to erect and dismantle so space used for a trade show cannot be used for a gala dinner as well. Conference planners in Canberra must, therefore, look for alternative gala dinner venues. The AIS Arena is a popular alternative space and can seat 900 people. While it requires some work to make it presentable for a gala dinner convention planners see it is a good solution.¹³ The Australian Sports Commission has announced that the arena will continue to function as a multi-purpose venue.¹⁴ The Arena hosts concerts, sporting events and exhibitions and therefore has competing commercial demands on its availability. EPIC is another solution but its location is less convenient and it is frequently unavailable due to exhibitions it is hosting. Both venues require additional expenditure by the organisers to make the venues suitable for a gala dinner.¹⁵

MAINTAINING THE CURRENT CENTRE

- 2.12 The Managing Director of DOMA Group expressed concern that efforts to create a new convention centre had stalled and noted:

This halt in progress concerns me as my view is that the current National Convention Centre is being nursed with shorter term spending in anticipation of a new convention centre being built. Whilst this is occurring, Canberra is being represented only with an ever-aging facility that is competing against newer specialised facilities in other cities. The facility is stuck in a renovation cycle that is looking at the short term only which does not result in optimised facility planning.¹⁶

- 2.13 Since 2007 ACT Property Group has been the custodian of the NCCC. In 2007 the ACT Government funded \$25 million of capital upgrades. In 2015-16 a further \$5.381 million of

¹² *Transcript of evidence*, 30 May 2017, p. 3.

¹³ *Transcript of evidence*, 30 May 2017, p. 4.

¹⁴ "AIS Arena survives radical overhaul to be multi-purpose venue", *The Canberra Times*, 28 June 2017.

¹⁵ *Transcript of evidence*, 30 May 2017, p. 4.

¹⁶ Submission of Doma Group.

capital funding was provided for a “refresh” of the NCCC including new carpets and furniture in the foyer, a refurbishment of the reception area, bathroom upgrades and digital signage.¹⁷

- 2.14 The Bradman Theatre and Royal Theatre have had their seating replaced. The Committee asked Mr Stephen Wood, General Manager of the NCCC, how frequently the Royal Theatre was in use and was informed that during the four peak months the theatre would be in use 20-25 days in the month. The NCC had recently signed a contract with the UC Capitals for the Royal Theatre to be their venue for WNBL games.
- 2.15 Mr Wood noted that the 2015 refurbishment was a stop-gap measure intended to extend the life of the existing centre. Significant costs would occur as the facility aged including a need to replace the Heating, Ventilation and Air-conditioning system around 2020.

STRENGTHS OF THE NCCC

- 2.16 None of the above commentary on the limitations of the NCCC is to suggest that it does not provide a useful service that is appealing to organisers of conferences of a certain size. The NCCC has strong forward bookings and the recent refurbishment will strengthen its marketability. Canberra has advantages as a conference destination and the NCCC will continue to attract events. The NCCC’s marketability is limited, however, by its lack of flexibility and inability to hold multiple events.

¹⁷ Answer to Question Taken on Notice 3, EDT’s Inquiry into Annual and Financial Reports 2015-16, 27 February 2017.

3 THE CASE FOR A NEW CENTRE

- 3.1 The arguments for the benefits to Canberra of a new convention centre were presented to the Committee in submissions, via evidence in public hearings and in documents previously published. The Committee draws on both the Australia Forum Scoping Study and the Australia Forum Strategic and Delivery Options Analysis¹⁸ for some of the material in this chapter.

CENTRES AROUND AUSTRALIA

- 3.2 Canberra is the only Australian capital city not to have a recently built or expanded convention centre. The Melbourne Convention and Exhibition Centre is scheduled to complete its expansion in 2018 bringing it up to 40,000m² of exhibition space, the largest in Australia. Adelaide has recently opened a \$397 million development. The International Convention Centre in Sydney opened in December 2016 and can hold 8000 delegates. Brisbane opened a 5 level expansion to its convention centre in 2012. Outside of capital cities Cairns and the Gold Coast have expanded their convention centres in recent times and across the Tasman Auckland is building a 32,500m² new convention centre.
- 3.3 Proponents of a new centre have pointed to this activity around the country to suggest that the ACT is missing out on opportunities: “Every other state and the Northern Territory cannot be wrong”.¹⁹ Others have suggested that it makes little sense trying to compete against huge facilities such as those in Sydney and Melbourne although proponents note there are reasons why events would come to Canberra (See “Canberra’s comparative advantage” below).

DIRECT ECONOMIC BENEFIT

- 3.4 An EY report commissioned by the Business Events Council of Australia found that “over 37 million people attended more than 412,000 business events across Australia in 2013-14. These business events directly generated:
- \$28.0 billion in direct expenditure;
 - \$13.5 billion in direct value added; and
 - 179,357 direct jobs.²⁰

¹⁸ The origins of these documents are examined in the following chapter.

¹⁹ *Transcript of evidence*, 29 July 2017, p. 47.

²⁰ *The Value of Business Events to Australia*, Business Events Council of Australia, February 2017, p. 1.

3.5 During the period of the above survey the ACT held 4 per cent of business events, compared to 6 per cent in the previous survey. This is considered to have contributed \$724 million to the gross territory product, \$612 million gross value add and 6855 jobs.²¹

3.6 This direct economic return is not concentrated on the venue but is spread to a wide range of businesses including hotels, transport providers, restaurants and cafés, and tourism service providers.

3.7 The Canberra Business Chamber gave evidence that:

With the people who come to an event, 10 per cent of those come back in the next couple of years for leisure. They would not have gone if the event was not there and then they come back. So you get repeat visitation. You then get the accompanying people who come with them, and something like 40 per cent of people attending a conference bring accompanying people who are not attending the event. So you get the economic benefit from them.²²

3.8 The Canberra Convention Bureau said that:

Right now, October 2019 is completely booked and we cannot take any more conventions. Our belief is that if we increased the size of the Convention Centre that is available, we could easily double the economic return from national business alone. There would be examples where, if we built to the specifications of the functional brief that the Australia forum adopted, we could do three of what we can currently do one of during peak periods, and, during regular periods, we could do double.²³

3.9 DOMA Group noted that the non-resolution of a decision on a new convention centre was hindering private sector investment in related facilities. Additional tourism infrastructure may be delayed or sites converted to other uses while the investors have an absence of certainty around convention centre plans.²⁴

3.10 The impact that a new convention centre might have on employment is discussed in Chapter 6 of this report.

NETWORK CREATION AND 'BEYOND TOURISM' BENEFITS

3.11 Conferences can also generate more difficult to measure economic benefits. Bringing together a large group of individuals with expertise and interest in an industry to interact with local business showcases the expertise of Canberra business. The Canberra Convention Bureau

²¹ *Submission 09*, Canberra Business Chamber, p. 5.

²² *Transcript of evidence*, 8 August 2017, p. 34.

²³ *Transcript of evidence*, 30 May 2017, p. 5.

²⁴ *Submission 01*, DOMA Group, p. 2.

highlighted “A Scoping Study of Business Events: Beyond Tourism Benefits” prepared by the University of Technology, Sydney for Business Events Sydney. The study used five Sydney business events as case studies and placed their impact outside of tourism under the following headings:

- Knowledge expansion
- Networking, relationships and collaboration
- Educational outcomes
- Fundraising and future research capacity
- Raising awareness and profiling
- Showcasing and destination reputation²⁵

3.12 The Canberra Business Chamber stated that:

It is about the economic flow-on effect and generating that. That is the difference between this infrastructure and some other infrastructure. This infrastructure has been heavily invested in by other state and city governments, simply because they understand the flow-on effect of the economic benefit.²⁶

3.13 To illustrate the wider economic benefits the Chamber used the example of the biannual international Mint Directors Conference hosted by the Royal Australian Mint in Canberra in 2010. The conference was attended by 350 minting industry representatives from around the world. The traditional tourism benefits delivered by the conference was estimated at \$450,000 to the ACT economy and \$650,000 to the wider Australian economy. Dr Prabir De, Business Development and Technical Director at the Royal Australian Mint, is quoted as saying:

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.²⁷

3.14 The Committee notes that the Mint is an example of a Commonwealth institution and may not be an example of how ACT based industry could benefit.

3.15 The Canberra Convention Bureau noted that these benefits could be difficult to measure:

²⁵ *A Scoping Study of Business Events: Beyond Tourism Benefits*, Business Events Sydney, 2010.

²⁶ *Transcript of evidence*, 8 August 2017, p. 35.

²⁷ *Submission 09*, Canberra Business Chamber, Attachment E, p. 14.

They are really hard to pinpoint when you are an accountant because the benefits occur many years later. What happens when 200 of the world's best lung cancer specialists are in this market? All the undergrads, masters students and PhD students can get early career access. What does that do for their careers and their research, and what does that do for the universities? Universities are peer ranked, and the only way that someone will rank a university highly is if they have engaged with them and have been to see the work they are doing.²⁸

CANBERRA'S COMPARATIVE ADVANTAGE

- 3.16 Witnesses and submissions identified a number of comparative advantages that Canberra holds as a conference destination. For national conferences, Canberra's proximity to Sydney and Melbourne gives it an advantage over more distant centres such as Perth and Darwin. With an easily navigated city centre located near significant national institutions and research centres, conferences can program in visits to relevant sites without detrimentally eating into the conference timetable.²⁹
- 3.17 The Federal Government is a significant attraction for national organisations. The Committee was told that over half of the associations that hold conferences in Canberra attempt to have some sort of event at Parliament House.³⁰ The opportunity to access decision makers at the federal level is a significant pull factor and rotating national conferences are likely to meet more frequently in Canberra than other centres because of this. The research at ANU and UC has relevance to a wide variety of conferences.³¹ Canberra also has particular strengths in the defence and cyber-security industries.
- 3.18 The Committee notes that these types of wider economic development benefits claimed by the convention industry are particularly relevant to some sectors that the ACT Government has recognised as economic development priorities including defence, cyber-security, e-government, renewable energy, space innovation and higher education generally.

THE "DO NOTHING" OPTION

- 3.19 The Committee asked about what would happen if Canberra did nothing, just let the NCCC continue as is with the occasional capital expenditure to keep it running. The Canberra Business Chamber said that research done by Ernst and Young suggested that failure to build improved convention facilities will not simply result in a failure to secure a greater share of a

²⁸ *Transcript of evidence*, 30 May 2017, p. 5.

²⁹ *Transcript of evidence*, 8 August 2017, p. 32.

³⁰ *Transcript of evidence*, 8 August 2017, p. 41.

³¹ *Transcript of evidence*, 8 August 2017, p. 33.

growing market but will result in a decline of the number of conference attendee days in Canberra. Canberra will lose business due to the changing needs of the market.³²

- 3.20 The KPMG report forecasts an annual 3% decline in conference delegate numbers. The report notes that the NCCC's market share declined during a period of reduced competition as the Sydney Convention and Exhibition Centre was closed for redevelopment and the Adelaide Convention Centre was undergoing refurbishment.³³ Other centres increased their business during this period so it suggested that the NCCC may struggle as competition increases.

³² *Transcript of evidence*, 8 August 2017, p. 39.

³³ *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 32.

4 PROPOSALS

- 4.1 There have been proposals for the construction of a new convention centre dating back many years. The Carnell Government received a report in March 2001 stating that without a new convention centre over the next 10 years Canberra would lose \$1.7 billion.³⁴ The Stanhope Government announced its intent to build a new convention centre but, after receiving only two tenders, instead purchased and refurbished the existing centre in 2005.³⁵
- 4.2 Since 2011 the primary proposal under discussion has been the Australia Forum.

THE AUSTRALIA FORUM

SCOPING STUDY

- 4.3 Following several years of research and project development the Canberra Business Council, with the financial support of the ACT Government, commissioned a comprehensive scoping study and business case in March 2010. The Australia Forum Steering Committee (the Steering Committee) of six eminent persons, chaired by Professor Peter Shergold AC was established at the same time to oversee the development of the study. The study was prepared by Ernst & Young and Cox Architects, and overseen by the Steering Committee.
- 4.4 The purpose of the Scoping Study was to:
- **Develop a comprehensive functional brief for Australia Forum;**
 - **Investigate the feasibility of such a new national institution to meet the current and future needs of the National Capital; and**
 - **Prepare a business case that evaluates the benefits and costs of Australia Forum from the point of view of the nation as a whole.**³⁶
- 4.5 The Canberra Business Council set out the vision for the Australia Forum as:
- Australia Forum is to be a world class institution that caters for significant meetings, dialogue, cultural events, and other occasions of national importance appropriately held in Australia's capital.³⁷

³⁴ https://www.crispinhull.com.au/2004/02/02/2004_02_february_brendan-smyth-for-forum/

³⁵ "Govt drops new convention centre plans", ABC news, 9 April 2004, accessed at <http://www.abc.net.au/news/2004-04-09/govt-drops-new-convention-centre-plans/167458?pfm=ms>.

³⁶ *Australia Forum Scoping Study*, April 2011, p. 3.

³⁷ *Australia Forum Scoping Study*, April 2011, p. i.

4.6 The Scoping Study did significant work on the problems with the existing facilities and market analysis of demand for a new centre. The preceding chapter makes reference to this work.

4.7 The Scoping Study reported that in order to perform its role, the Australia Forum would need to “satisfy the following key functional requirements”³⁸:

- An “iconic” design that is at least commensurate 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” (2500m²) to cater for important “meetings in the round” for 180 delegates (e.g. government meetings such as CHOGM and G20 meetings, as well as other specialised forums);
- High quality “exhibition” areas (8000m²) 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; and
- Core facilities required to cater to the needs of the more traditional business events market, including:
 - a plenary hall (3000m²), capable of holding 3000 people that would be divisible into 4, as well as two 250m² theatrettes, together capable of another 500 delegates;
 - a ballroom (1500m²), divisible into 4, together with a banqueting room (1800m²);
 - parking for around 600-1200 cars, depending on the site where Australia Forum is located;
 - a continuous bus transport system connecting delegates at the Australia Forum Lake Front site 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.

SITE SELECTION

4.8 Three potential sites for the Australia Forum were identified by the Scoping Study: Constitution Avenue where the Canberra Olympic Pool is, “City Hill” and “Lakeside”. The lake side development in the West Basin area was favoured by the Steering Committee and 2013

³⁸ *Australia Forum Scoping Study*, April 2011, p. 70.

consultation on the City to the Lake development included the proposal to construct a convention centre in that area.³⁹ The Committee was informed that proponents have “moved off that position now because the government indicated that site was too valuable to unlock for other commercial activity and proposed the site that we have now agreed to.”⁴⁰

- 4.9 Proponents of the Australia Forum have settled on the “City Hill” site. The proposed site [CITY: Block 1, Section 116] is not on the summit of City Hill but is bordered by Vernon Circle/Commonwealth Avenue, Constitution Avenue and London Circuit. The site is currently a surface car park.
- 4.10 The area around the site is likely to be subject to significant development in the near future. Immediately across Constitution Avenue next to the Legislative Assembly building construction has begun on a hotel/commercial office block and government office block. The government has announced that a new Canberra Theatre Centre is a priority, although it is unclear at this point what form that development will take. Light Rail Stage Two is scheduled to pass by the site and significant roadworks are envisaged as the link between London Circuit and Commonwealth Avenue is altered.
- 4.11 The Business Chamber explained that there had been an evolution of thinking globally around convention centres. Initially iconic historic buildings were made into convention centres but it was found that they did not function well as conference facilities. Then purpose built convention centres were built on greenfield sites which led to buildings with the right functionality that were disconnected from the economic activity of the city. The aim now is to get the “right building in the right place”.⁴¹

REFERENCE DESIGN

- 4.12 In February 2015 the winning reference design for the Australia Forum was announced.⁴² The winners were Guida Moseley Brown Architects (GMB), working with Italian firm Fuksas. GMB’s brief was to “design a world-class convention exhibition centre with a centre for dialogue.”⁴³ The GMB design incorporated the “key functional requirements” identified in the Scoping Study as detailed in a comprehensive brief prepared by PG International.⁴⁴ GMB’s design seeks to reference the topography of Canberra and to link into its location as part of the Parliamentary Triangle.

³⁹ Submission of ACT Government, p. 4.

⁴⁰ *Transcript of evidence*, 8 August 2017, p. 44.

⁴¹ *Transcript of evidence*, 8 August 2017, p. 33.

⁴² Submission of ACT Government, p. 4.

⁴³ *Transcript of evidence*, 30 May 2017, p. 17.

⁴⁴ *Transcript of evidence*, 30 May 2017, p. 21.

- 4.13 The design was “open and permeable” with particular effort made to avoid the kind of large “backdoor” service area common in this type of facility.⁴⁵ The aim was to activate the space around the building and make it a viable public space for Canberra.⁴⁶ The intent of the design was to attract people to that part of the city with the concept including the possibility of a bar and/or restaurant open to the public and events on the large steps. The forum would provide a link between the CBD and the City to the Lake development.
- 4.14 GMB emphasised to the Committee that after winning the design competition they undertook an intense five month process of consulting with stakeholders, including the Chamber, the LDA, and the NCA, to refine the brief and produce a reference design that could be properly priced.⁴⁷

CENTRE FOR DIALOGUE

- 4.15 The project brief, and subsequent reference design included a Centre for Dialogue. While there is a conceptual aspect to the idea around the ways in which dialogue can be fostered, in a practical sense it is a facility for meetings held in the round, in a similar format to United Nations Security Council meetings.
- 4.16 The Scoping Study noted that a key trend in the international market for business events was “the development of new centres to promote increased dialogue between government, business, the academic community, and the wider community”.⁴⁸ The Study noted that Centres for Dialogue internationally tended to combine physical infrastructure and human capital to facilitate increased collaboration, joint research and dialogue. Facility management took a central role in programming dialogue events that are held at the centres.⁴⁹
- 4.17 The Scoping Study included in its functional requirements for the Australia Forum a 2,500m² Centre for Dialogue intended to cater for Government meetings such as CHOGM and G20 meetings and for dialogue events between government, business, academia, and the wider community.⁵⁰
- 4.18 GMB commented about the Centre for Dialogue:

That part of the project was the most unique in the brief, in the sense that it is a facility that does not exist in Australia. We developed it according to the brief as a project that connects with the existing building but also can operate as a standalone function. Here,

⁴⁵ *Transcript of evidence*, 30 May 2017, p. 17.

⁴⁶ *Transcript of evidence*, 30 May 2017, p. 24.

⁴⁷ *Transcript of evidence*, 30 May 2017, p. 19.

⁴⁸ *Australia Forum Scoping Study*, April 2011, p. 63.

⁴⁹ *Australia Forum Scoping Study*, April 2011, p. 64.

⁵⁰ *Australia Forum Scoping Study*, April 2011, pp. 69, 73.

on this level, the upper level, you can see a bridge connection which comes across to these foyer spaces. What we designed was the ability to access that from within the building and to have it accessed only from the ground level. For instance, if there was a G8 [sic] summit, that connection at the top might not happen or the entire centre would probably be closed to the public, and you would have secure drop-off in the basement above or through this separate public entry here. We developed that as a separate building, for security requirements, so that they can be locked down and closed off very easily from the rest of the centre.⁵¹

- 4.19 GMB noted that they had designed the Centre for Dialogue to be as flexible as possible. The space was seen as particularly appropriate for academic and governmental meetings but could also be used by business and convention attendees. GMB understood that there were “not a lot of precedents for this specific space as part of a convention centre, as a dedicated space.”⁵²
- 4.20 The Canberra Convention Bureau was asked about how a new convention centre would be different if it was focussed on the national market rather than the international market. They said that the convention centre would be largely the same but that the “one exception is probably the centre for dialogue. That is a different discussion in that proposal which would set it apart from a functional side as well as from a marketing side, in terms of the calibre that you would be going after.”⁵³
- 4.21 The KPMG report made demand projections around a Centre for Dialogue. It noted that it was difficult to quantify demand as it would be a unique offering in Australia. The report concluded that many companies were unlikely to use the facility and that much of the use would be academic or for the purpose of government influence and advocacy.⁵⁴

EVALUATION OF THE AUSTRALIA FORUM

- 4.22 The Business Chamber notes that:

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 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.

⁵¹ *Transcript of evidence*, 30 May 2017, p. 22.

⁵² *Transcript of evidence*, 30 May 2017, p. 23.

⁵³ *Transcript of evidence*, 30 May 2017, p. 7.

⁵⁴ *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 31.

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.⁵⁵

- 4.23 The above quote does not cover possible additional benefits such as accompanying person's expenditure, induced tourism nor additional infrastructure development stimulated by the Australia Forum such as hotel construction. The source for the figures used is the EY Report⁵⁶ commissioned by the Business Chamber and the Canberra Convention Bureau.
- 4.24 The Business Chamber acknowledged the funding and work undertaken by the ACT Government to get the Australia Forum to its current stage. It estimated that a further \$8 million was required to prepare an investment ready proposal to assess private sector interest in a public private partnership (PPP). The Chamber stated that it "believes an investment-ready proposal cannot be developed until the Federal Government formally commits its support to the project."⁵⁷

THE KPMG REPORT AND EXPANSION OF THE NCCC

- 4.25 In March 2016 KPMG produced for CMTEDD a report entitled "Australia Forum. Strategic and Delivery Options Analysis" (referred to as "The KPMG Report"). The purpose of the report was to examine the costs, risks and economic and financial benefits of options for the Australia Forum.⁵⁸ This report was made public as part of the ACT Government's submission to this inquiry and the Committee believes that this was a very useful contribution to the Committee's discussions and deliberations.
- 4.26 The KPMG report shortlisted four project options for a comparative analysis. The options were:
- **Option A:** The Australia Forum (as detailed above);
 - **Option B:** A lower cost option on the same site using the specifications in the reference design;
 - **Option C:** A redevelopment and upgrade of the existing NCCC to meet the specifications in the reference design except for the Centre for Dialogue;

⁵⁵ *Submission 09*, Canberra Business Chamber, p. 6.

⁵⁶ *Australia Forum – and its potential economic benefits*, EY, January 2015.

⁵⁷ *Submission 09*, Canberra Business Chamber, p. 8.

⁵⁸ *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 11.

- **Option D:** A lower cost redevelopment of the NCCC, aimed at addressing existing restrictions on flexibility.
- 4.27 Option A was discussed above. Option B was drawn from the original design competition for the Australia Forum. It is intended to meet the functional brief of Option A at a lower cost. Option B is 30,000m² smaller than Option A. The designers of Option A, GMB, cautioned against comparison with concept designs in the competition as “a comparison between a design which spent five months in development in detail, with all the consultants and brief writers, and a concept design that was undertaken in three weeks that I have not seen any drawings of, does not seem to be a fair comparison in looking objectively at the project.”⁵⁹ GMB particularly questioned the 30,000m² difference between Options A and B.⁶⁰
- 4.28 Option C involved demolition of the existing exhibition space at the NCCC and reconstruction with a second level in order to supply 6000m² of exhibition space. The plenary space would be refurbished while the pre-function and front of house areas would be demolished and rebuilt. A small triangle of parkland to the north of the existing NCCC would be required for this option.⁶¹
- 4.29 Option D was intended as the option with the smallest spend possible to address the most significant existing restrictions of the NCCC. It would involve expanding the exhibition hall while lowering the ceiling in order to accommodate a 3000m² banquet hall on the second level. It would also likely require the acquisition of land adjacent to the NCCC currently owned by Casino Canberra.⁶²
- 4.30 Options C and D in the KPMG report are the only public proposals for attempting to address the deficiencies of the existing NCCC through redevelopment on the existing site.

MARKET AND DEMAND ANALYSIS

- 4.31 Following an overview of the four options (and minor variations to them) the KPMG report presents a market and demand analysis. This section attempts to project demand in terms of the number of events and delegates for each of the options explored. Under this analysis all options provide a significant uplift in demand from the status quo.⁶³ The Committee notes that such projections inevitably involve making educated assumptions about a number of contributing factors and that advocates for different options will differ on how justified they believe particular assumptions to be. This section of the KPMG report also attempts to assess

⁵⁹ *Transcript of evidence*, 30 May 2017, p. 19.

⁶⁰ *Transcript of evidence*, 30 May 2017, p. 20.

⁶¹ *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 19.

⁶² *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 20.

⁶³ *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 33.

the impact of an “iconic development” on visitation.⁶⁴ The Committee’s view on the impact of an iconic design is set out later in this report.

GOVERNANCE AND DELIVERY MODELS

- 4.32 The next section of the KPMG report is an assessment of possible governance and delivery models. For options A and B the report concludes that there are three possible procurement models worth considering. The first two models (Design, Construct, Maintain; and Design, Construct, Maintain, Operate) require government financing while the third (Public Private Partnership with availability payments) involves a cooperative agreement between the public and private sectors. For options D and C possible procurement models include design and construct, a PPP with availability payments and a relationship contracting model (managing contractor or early contractor involvement). These options and their relative merits are set out in detail in the KPMG report and this report will not duplicate them here.

COMPARATIVE ANALYSIS

- 4.33 The KPMG Reports presents a comparative analysis of the four options. The report presents a financial analysis that includes a profitability ratio of each of the options as follows:

	Option A	Option B	Option C	Option D
Project profitability ratio	(0.18)	(0.10)	(0.11)	0.02

- 4.34 The above table shows that for all of the options apart from Option D for every dollar of capital investment an extra amount is required to be spent over the life of the project. Option A would require an additional \$0.18 over the project lifetime for every dollar of initial capital investment.
- 4.35 The economic analysis in the KPMG report provides a benefit cost ratio (BCR) for each of the four options. The KPMG report sets out its methodology and assumptions and interested readers are encouraged to examine the KPMG report directly. The KPMG report’s findings were as follows:

⁶⁴ *Australia Forum. Strategic and Delivery Options Analysis*, KPMG Economic Advisory, March 2016, p. 34.

Cost benefit analysis at net present value – (\$m) (\$FY15)				
	Option A	Option B	Option C	Option D
Net benefit	(59.79)	(164.44)	(216.37)	(32.88)
Benefit cost ratio	0.9038	0.6874	0.3132	0.8157

- 4.36 All the options assessed above have a negative BCR i.e. the cost would be greater than the benefit they earn. Option A, the Australia Forum, provides the greatest net benefit at -\$60m. Much of the benefit for options A and B comes from the increased induced visitation these more “iconic” projects would draw. The KPMG report includes a scenario analysis where no induced visitation from an iconic building is assumed. In that scenario the BCR for options A and B fall below 0.4.

DISRUPTION CAUSED BY WORK ON THE NCCC

- 4.37 Options C and D in the KPMG report require substantial work on the existing facilities. Normal convention business could not be undertaken at the NCCC during this work, although the NCCC does have seasonal “quiet periods” that could assist in limiting disruption. This is in contrast to the City Hill proposals in which the NCCC could continue operating until the new facility was ready or aspects of operations could be moved in a staged approach. The Business Chamber noted that the annual contribution of business events to Canberra is \$800-\$900 million:

If you went to major construction on the existing facility, not only would you have the cost of construction; you would have the cost of lost business. The chances are that it would have to be at least a two-year construction process. That is certainly the experience of other places. Noise and conferencing do not go together. So you essentially turn off supply in a market that does not really have other substantial facilities that could ad-lib during that time, which provides a comparison to what happened in Sydney. Sydney did turn off their supply, but they had other large facilities that could then step up. They invested about \$50 million in developing a temporary facility as well to get through that difficult pain period.⁶⁵

- 4.38 There was no evidence presented to the Committee of any alternative venues or other provision for conference business in Canberra that could be utilised during redevelopment works on the NCCC.
- 4.39 In addition to the disruption caused by construction the Business Chamber told the Committee that when looking at the outcome:

⁶⁵ *Transcript of evidence*, 8 August 2017, p. 31.

You have to look at the other contemporary facilities around the country and the standard, quality, flexibility and functionality they have and ask whether, for all that pain and investment, would we end up with a comparative quality facility? The conclusion that certainly the stakeholders I have dealt with have come to—industry experts globally and nationally—is, no, we would not.⁶⁶

OTHER VENUES AND CO-LOCATION

STADIUM/ARENA

- 4.40 The ACT Government has for a number of years publically indicated that it was looking at the possibility of building a new sports stadium in Civic. The Canberra Olympic Pool and Constitution Avenue Car Park has been identified as the likely site for a new Civic stadium. As this site is directly across the road from the NCCC the Committee asked witnesses whether there were opportunities for linkages between the stadium and new convention development. Such linkages could range from a genuinely multi-use development to the stadium providing a gala dinner venue.
- 4.41 Witnesses suggested that there were a number of problems with such linkages particularly around scheduling. Conferences would frequently book venues three to four years in advance while sporting fixtures were often not known until shortly before the season started. Whether the stadium would be needed for use in a quarter or semi-final might not be known until the week before the game.
- 4.42 The Business Chamber noted that this idea was closely examined a number of years ago. Feedback from conference organisers indicated that any distance between the exhibition space, catering and conference sessions could be fatal in attracting exhibitors. If exhibitors are not confident in securing a flow of delegates they will not invest, which in turn makes the entire event non-viable. Programming was also a key issue. Organisers might accept losing a banquet or cocktail event at Parliament House due to a higher priority event, such as a state visit, taking precedence. They could not accept, however, the loss of conference rooms due to a clash with a sporting event.⁶⁷
- 4.43 The Business Chamber said that a pragmatic approach was taken in examining stadium options with the thinking being if a multi-use facility could deliver 80 per cent of what was required you could look at what could be done to overcome the 20 per cent that could not be achieved in that setting. The conclusion was that a multi-use facility would deliver less than 50 per cent

⁶⁶ *Transcript of evidence*, 8 August 2017, pp. 31-32.

⁶⁷ *Transcript of evidence*, 8 August 2017, pp. 40-41.

of what was required and would have been a significant investment that still might have resulted in declining market share of the conference business.⁶⁸

- 4.44 Dr Marshall noted that the idea of the stadium and new convention centre sharing facilities was put to Charles Landry, the British urban planner, when he was visiting Canberra. Mr Landry was clear that such an approach does not work and will not work. Dr Marshall noted that the facilities might be able to share parking but that combining catering or exhibition space would result in a second class convention facility that would not attract business. Before Darwin built its convention centre they ran exhibitions and conferences in their entertainment centre, and Dr Marshall noted that that co-location of facilities did not work either.⁶⁹
- 4.45 The Chief Minister said that the ACT government was still considering its options around a stadium. The site across the road from the NCCC could house a stadium, an arena or a combined stadium/arena. Some form of arena facility could provide additional convention facilities.

CASINO

- 4.46 After Casino Canberra was acquired by Aquis Entertainment in 2015 they made public a \$330 million proposal for the redevelopment of the casino and its environs. The proposal included the acquisition of the NCCC by Aquis and its expansion by 3300m².⁷⁰ The Chief Minister informed the Committee that upon receipt of the proposal the ACT government sought the views of stakeholders. There were concerns arising from that consultation about how a functioning convention centre would integrate with a casino and there was also a concern about reputational risk with clients unwilling to hold their events in a casino. The government indicated to Aquis that the convention centre aspect of their bid should be removed and the unsolicited bid was revised accordingly. That unsolicited bid remains under consideration by the government.
- 4.47 The Committee asked Dr Marshall whether he was aware of concern in the market about facilities being co-located with a casino. Dr Marshall said that he did “not think it is a huge issue” but that the design would be a factor. Entry to the Alice Springs convention centre is through the gaming floor of the casino and that is not ideal. In contrast the Adelaide centre has a casino next door and that does not appear to have affected their business, although in that case the facilities are not linked and are operated by separate entities.⁷¹

⁶⁸ *Transcript of evidence*, 8 August 2017, p. 42.

⁶⁹ *Transcript of evidence*, 29 July 2017, pp. 49-50.

⁷⁰ “Aquis-unveils-330-million-Casino-Canberra-redevelopment”, 16 September 2015, www.theurbandeveloper.com.

⁷¹ *Transcript of evidence*, 29 July 2017, pp. 55-56.

- 4.48 The Committee notes that, without attributing blame to any of the parties, the convention centre aspect of the Aquis bid was not given much time in the public arena for discussion. As the sole private sector expression of interest in constructing a convention centre to date a lengthier discussion of its pros and cons would have been useful.
- 4.49 The Committee acknowledges the Chief Minister's point that decisions made by government and legislation passed by the Assembly will create the rules under which the Casino redevelopment will operate and that these rules will in turn determine the economic viability of any particular redevelopment.⁷² The Committee believes that once those rules are clarified it would be appropriate for careful consideration to be given to any unsolicited bids from any party that may arise, should this generate new interest.

PARLIAMENT HOUSE

- 4.50 While some Canberra conferences may seek to hold an event at Parliament House, that building is clearly not an option for the regular commercial conferences to be held at a convention centre. The Committee did inquire, however, into whether, as a large secure facility, Parliament House could meet the need for the occasional international inter-governmental conferences.
- 4.51 Dr Marshall noted that there is only one significant space available at Parliament House and it may not have the correct configuration. The Great Hall, which can sit 650 for banquet dining or 1000 for a stand-up cocktail event, cannot be easily configured into a meeting space with facilities for interpreters and presentations. Purpose built conference facilities also tend to have adjoining hotels which can be securely linked to the conference venues which is logistically simpler than entry into Parliament House.⁷³

ICONIC BUILDING

- 4.52 Reference was made in submissions, in reports before the Committee and in evidence given at hearings of the need for any new convention centre to be "iconic". An "iconic" building was seen as necessary to drive visitor numbers and to effectively compete with other convention centres. The Canberra Convention Bureau described some international examples of "iconic" convention centres.⁷⁴
- 4.53 The CEO of the Canberra Business Chamber said:

⁷² *Transcript of evidence*, 28 September 2017, p. 87.

⁷³ *Transcript of evidence*, 29 July 2017, pp. 58-59.

⁷⁴ *Transcript of evidence*, 30 May 2017, pp. 8-9.

In our case, as the national capital, I think we lack a building in the city centre that really demonstrates the sort of city we hope to become: that we are and that we hope to become. Even just from a local economic perspective, we can see that that would raise awareness of this city and it would build on our reputation of an innovative, creative knowledge hub. Equally, in our national capital role—and this is the argument for the federal government—one would imagine that if you are going to hold significant, distinguished meetings, they need to be in a place that inspires the right outcome. We all know that even this committee room is built to be conducive to inspiring the right outcome, the setting is considered; so are convention centres.⁷⁵

4.54 The Committee expresses some scepticism about the need for an “iconic” design. Canberra has a number of iconic buildings and it is difficult to see that a convention centre, however impressively designed, would attract visitors solely based on its appearance. The KPMG report attempts to place a value upon “iconic architecture” by assessing BCR on the options both with and without “iconic visitation”.

4.55 The Committee notes that the strength of the proposed location for a new convention centre is the views it will provide towards Parliament House and the Brindabellas. As the CEO of the Canberra Convention Bureau said:

We are in an amazing setting here, and we should take full advantage of the sun setting on the Brindabellas. That, from a marketing perspective, is gold; we could take that internationally and that would resonate. People would want to be in that space.⁷⁶

4.56 The Committee is of the view that whatever form of convention centre is built it needs to be firstly functional and secondly aesthetically appealing. Aiming for “iconic”, with its attendant costs, would appear to be unnecessary. The Committee notes the view that the National Capital Authority will require “design excellence” in any building on the City Hill site.⁷⁷ The following chapter examines whether federal funding to assist in achieving this requirement is likely to be forthcoming.

⁷⁵ *Transcript of evidence*, 8 August 2017, p. 34.

⁷⁶ *Transcript of evidence*, 30 May 2017, p. 9.

⁷⁷ *Transcript of evidence*, 28 September 2017, p. 91.

5 FUNDING SOURCES

- 5.1 There have been a variety of estimates of the cost of constructing a new convention centre. The Business Chamber stated that the “total cost of the Australia Forum is estimated to be between \$450 and \$700 million, depending on the final design.”⁷⁸ The KPMG Report had a complete project cost for the Australia Forum as at June 2015 as approximately \$680 million. These figures will change over time depending on changes to the market. The Committee notes that the large number of infrastructure projects currently underway in eastern Australia is creating upward pressure on construction costs.

FEDERAL GOVERNMENT

- 5.2 The Canberra Convention Bureau was asked about how the Bureau had put its case to the Federal Government. The Committee was told:

In conjunction with the Business Chamber, we sent two submissions to [Senator] Sinodinos to look at that. The disappointing thing is that there was traction, and, with changes up there, traction was lost. We were made aware at the end of last year that we were starting from scratch again on this project. Awareness was really low. The submission, which you have a copy of, which is in the Business Chamber’s submission, was sent up the hill. It is a difficult landscape up there. You all know that giving money to Canberra is not popular in their electorates.⁷⁹

- 5.3 The Canberra Business Chamber told the Committee:

The Canberra Business Chamber and other stakeholders, including the National Capital Authority, did a significant amount of work in conveying the importance of this sort of development and infrastructure spend. We did get that opportunity. That was positive. What is not positive is that the ACT government, in its response to the federal government, did not necessarily support that investment. The Chief Minister, Andrew Barr, wrote a letter that essentially handed the baton to the federal government and said, “We would support this in the city, of course, but only if you fund it entirely.” So that was disappointing.

What is equally disappointing is that, as we understand, the current government has not included this particular investment in its city deal priority infrastructure. We know it has been on a list of suggested infrastructure in the past when it has come to state

⁷⁸ *Submission 09*, Canberra Business Chamber, p. 7.

⁷⁹ *Transcript of Evidence*, 30 May 2017, p. 12.

and territory priorities. Our understanding is that it is not a high priority in the current city deals.⁸⁰

- 5.4 Dr Marshall believed that federal funding could be particularly focussed on security matters. The Federal Government could make use of a facility that provided a high level of security for national and international delegates.⁸¹
- 5.5 The Chief Minister said that he had raised the issue with Prime Ministers, Treasurers, territory and finance ministers over the years and at “various points I have been given answers that were pretty clear that no, it was not on the commonwealth’s short-term agenda.”⁸² The Chief Minister observed that there is no inclination within the Federal Government, regardless of which party is in power, to spend large amounts of money on infrastructure in Canberra.
- 5.6 The Chief Minister further commented that it was questionable how much the Commonwealth Government would actually make use of a Canberra facility for large events. There are political reasons why high profile national and international events may be held in states with marginal seats, that need an economic boost or have a link to key members of the government.⁸³

ACT GOVERNMENT

- 5.7 The ACT Government has indicated that it is willing to supply the City Hill land and the proceeds from the sale of the existing NCCC as contributions to the construction of a new convention centre. The Chief Minister pointed to the constraints on the amount of debt that the Territory can take on if it is to maintain its AAA credit rating. The loan required to finance the Mr Fluffy loose-fill asbestos remediation project has had a significant impact upon the government’s balance sheet.⁸⁴
- 5.8 Other infrastructure projects will also impact the balance sheet. The Committee notes that the ACT Government has committed to Stages One and Two of Light Rail and has indicated that it will seek to advance the Canberra Theatre Centre redevelopment as a priority. These decisions leave less room to fund a new convention centre.

⁸⁰ *Transcript of Evidence*, 8 August 2017, p. 30.

⁸¹ *Transcript of Evidence*, 29 July 2017, p. 48.

⁸² *Transcript of Evidence*, 28 August 2017, p. 84.

⁸³ *Transcript of Evidence*, 28 August 2017, p. 84.

⁸⁴ *Transcript of Evidence*, 28 August 2017, pp. 85-86.

PRIVATE SECTOR

5.9 The Committee asked witnesses why, given that the majority of benefits of a new convention centre will accrue to private sector interests, the private sector did not fund and build the project.

5.10 The Business Chamber gave an explanation of the economics of convention centres:

It is probably worth answering that question by starting at the beginning point: why are governments in the business of investing in these facilities? It is based on the economic free-rider syndrome whereby the capital cost does not provide a return for that investment to a private sector operator. The only examples where that model changes is when gambling revenue is involved and it is being subsidised by other revenue streams. Las Vegas is a very good example of that; even the Gold Coast to some extent was an example of that.

The daily delegate expenditure for business event tourism is roughly about \$500 a day plus. Of that money, five to 10 per cent goes to the venue where the event is held. All the rest goes to the rest of the activity that that person does while they are in the city. So that is the market value piece. There is a high capital cost and there is relatively low return.

What is true is that most facilities make enough money to, as some would describe, wash their face; they can maintain themselves, they do not need to be propped up on a daily operating basis, they can certainly bank a little bit of profit to keep that maintenance up, and so on. What is not usually possible is for the private sector to put the capital costs up in the first place. Most facilities need a further capital injection from time to time to maintain their relevance in terms of generation facilities.⁸⁵

5.11 The Business Chamber informed the Committee about the approach to private sector involvement used in Melbourne. The precinct approach involved making land available to private sector developers. Developers were required to build a convention centre as detailed in a functional brief and could also build other facilities (hotels, retail, commercial or residential accommodation) to make the precinct economic. This approach was used for the Melbourne convention centre.⁸⁶ The Committee notes that this is broadly the approach being used by the ACT government to develop the Kingston Arts Precinct.

5.12 The second part of the Melbourne model involved the government paying an availability payment for the use of the convention centre over time. In Melbourne's case this involved quarterly payments for 25 years at which time the centre becomes government owned. This is

⁸⁵ *Transcript of Evidence*, 8 August 2017, p. 35.

⁸⁶ *Transcript of Evidence*, 8 August 2017, p. 36.

typical of a PPP model, with the developer taking a share of the initial risk. The Canberra light rail system is using a PPP model.⁸⁷

- 5.13 Dr Marshall strongly advocated for a PPP suggesting that “the government should produce an EOI, submit it out there into the wider public arena, and get out of the way and let the private sector look at it”.⁸⁸ He explained that making land available could be part of the deal:

. . . the government does not have to fork out \$400 million, \$500 million or \$600 million to build a convention centre. It should be a private-public partnership. The commitment the government need to make—and they have already indicated that they would be prepared to look at this—is the land for the facility; the land for perhaps one, two or three hotels; and, as Minister Rattenbury suggested, putting the funds from the sale of this original convention centre, the convention centre we have now, into a fund, which would total, with land and that contribution, about \$160 million.⁸⁹

- 5.14 The Chief Minister commented on the proposals for private sector involvement:

Whilst public-private partnerships can be a very efficient and effective way to deliver major infrastructure projects, the idea that it sits off balance sheet is not how the credit rating agencies look at these things. It is not free money and it does need to be accounted for. In the discussions that I have seen publicly on this issue, “Put it out to a PPP,” the unanswered question there is: who is making the availability payment each year? My assumption has to be that it is the territory government because I cannot see where there is any other source of revenue, because the convention centre itself is not going to generate revenue to meet the availability payment, which would be a combination of repaying the capital as well as interest and other components around operating the facility.

It is fundamentally uneconomic for the private sector. If it were economic for them, they would have done it. If there were a model that existed in this country or anywhere around the world that supported a return on investment that was sufficient, the private sector would be doing it. Common sense says that. In the absence of a direct ACT government budget-funded amount, either through a large capital grant or through a 20- year or 25-year stream of availability payments, the only other option for financing the project is through making available either other land or other development rights that would generate the revenue stream.⁹⁰

⁸⁷ *Transcript of Evidence*, 8 August 2017, p. 36.

⁸⁸ *Transcript of Evidence*, 29 July 2017, p. 49.

⁸⁹ *Transcript of Evidence*, 29 July 2017, p. 47.

⁹⁰ *Transcript of Evidence*, 28 September 2017, p. 86.

6 A WAY FORWARD

- 6.1 The proponents for a new convention centre view its construction as a pressing need for Canberra's economic development. While all parties in the Assembly have, over the years, indicated their support for the project it was not listed as a priority for any party in the most recent election. The only time a political party has made the construction of a convention centre a key election commitment their opponents formed the only majority government in the Territory's history. Public transport and roads, a stadium and/or an indoor arena and a new Canberra Theatre centre are all infrastructure projects that also seek priority.
- 6.2 The ACT Government has been clear about its infrastructure priorities and a new convention centre is, at best, a medium term priority.
- 6.3 The Committee acknowledges that there are competing demands for economic development funds. More than one witness has asked whether there are other projects that would provide more "bang for your buck" in economic development terms. While each government determines its economic development priorities the Committee wishes to make some observations.
- 6.4 Firstly, it should be acknowledged that considerable work has been undertaken by proponents and the ACT Government to look at the economic impact of convention business on the ACT economy. Together with the general agreement by all witnesses that government funding is the only way in which a new facility would be constructed, this produces an unusually clear example of an area where government funding is the only mechanism to lift the cap on the industry's economic contribution. Government economic development assistance can aid a number of industries to prosper in different ways but it can often be difficult to prove that "but for" government funding the industry would not have grown on its own. In this case it would appear that there is a clear constraint that only government can remove.
- 6.5 Secondly, it should be noted that many of the areas that the ACT Government has identified as key economic development priorities are in the knowledge based areas that gain particular benefit from conference activity. Canberra's strong research and academic resources, along with specialised fields such as defence and cyber-security, are an exceptionally good fit with the indirect economic benefits of the conference industry.

INTENT OF THE AUSTRALIA FORUM

- 6.6 The Australia Forum was designed to be much more than a convention centre for the Capital region. It is described by the Business Chamber as:

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.⁹¹

- 6.7 The notion of the Australia Forum being a facility where "world leaders and key dignitaries will gather in safety" must be regarded against the reality of the cost involved in delivering such a venue and the frequency with which this might occur. Australia will likely host the G20 every 20 years. In that time, the government of the day and the political cycle will determine whether the ACT is chosen to host such an event.
- 6.8 This Committee believes that the aspirations for the Australia Forum are unlikely to be achieved. The combination of an iconic design, the Centre for Dialogue and enhanced security have escalated costs beyond what is feasible.
- 6.9 It is possible to imagine an alternative reality in which the Mr Fluffy asbestos response had not impacted the ACT Government's budget so severely and the Federal Government expressed greater interest in the project. In that situation the vision of the Australia Forum would be well on its way to completion. Unfortunately, the ACT Government was significantly impacted by Mr Fluffy remediation, requiring a scaling back of ambition for infrastructure projects, and attempts to gain federal engagement in the Australia Forum proposal have yielded little.
- 6.10 As discussed earlier in this report the Committee does not believe that significant funding from the Commonwealth for a new convention centre is likely to be forthcoming. This does not mean, however, that it is not worth continued engagement with the Federal Government to see whether a contribution is possible. Although the Committee proposes a convention centre less focussed on Federal Government needs it is likely that any new convention centre in Canberra will receive some Federal Government business. The Committee believes that the Federal Government may be interested in making a contribution to improve security for the final building.
- 6.11 In the absence of a strong signal from the Federal Government that they are willing to financially back a new convention centre in Canberra, and mindful of the political reasons why such a signal may never be forthcoming, the Committee believes that the continued pursuit of

⁹¹ Submission of Canberra Business Chamber, pp. 4-5.

the Australia Forum appears to be counterproductive. The Committee acknowledges the significant amount of work that has been put into this project to date but sees continued pursuit of the Australia Forum model in its current state as risking wasting further resources on an unachievable project.

Recommendation 1

The Committee recommends that the stakeholders of a new convention centre in Canberra acknowledge that the Australia Forum is unlikely to be constructed in its proposed form.

- 6.12 At the same time, there was general agreement among submitters that Canberra needed a way forward and that it was important to avoid the process stalling entirely. The Canberra Convention Bureau said that the most suitable outcome for them was “a defined pathway on the road to progress, rather than the status quo, which means spinning our wheels for another five, 10 or 15 years.”⁹²
- 6.13 Based on the evidence heard, the new government office block on London Circuit needs to finish its construction before any work could begin on the convention centre City Hill site. Light Rail stage 2 may necessitate further delays. Clarity on the ACT Government’s intentions around stadium and/or arena construction could also impact timelines. Construction on a new convention centre is unlikely to begin earlier than five years from now. In the short term though there are important steps to be taken in order to avoid the process stalling. The first step is to determine a new scope for the project.

RESCOPING THE PROJECT

- 6.14 If the Australia Forum, with its focus on national and international events associated with the Federal Government, does not proceed the question arises as to what scale of convention centre is appropriate for Canberra.
- 6.15 The Canberra Convention Bureau suggested that in these discussions:
- We keep going back to Canberra, and “let’s build for a city of 400,000 people”, but we cannot avoid the fact that we are not just a city of 400,000 people. We are not a big country town; we are the nation’s capital. I think there is demand for more than what the city population warrants.⁹³
- 6.16 The Canberra Convention Bureau noted the amount of construction and expansion of convention facilities in Australasia:
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⁹² *Transcript of evidence*, 30 May 2017, p. 1.

⁹³ *Transcript of evidence*, 30 May 2017, p. 3.

I noted in the ACT government submission something about whether we should be building if everybody else is building. Frankly, that rubbed me the wrong way. It is a little bit defeatist and does not realise our potential. I think that we would be missing opportunities, and that is just on the national level. It does not even speak to the international.⁹⁴

6.17 The Canberra Business Chamber stated that it:

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.⁹⁵

SITE PRESERVATION

6.18 The Committee believes that the current site selected for the Australia Forum is the correct site for a new convention centre. It is close to public transport, major hotels and the amenities of the CBD. It also could play an important linking role between the CDB and other areas to be developed in the City to Lake project. The Committee notes that the car parking currently provided by the site will take on increasing importance as nearby car parking is removed for recently commenced developments. Work on a new convention centre, in whatever format, will not begin in the short term but the site should be protected from other development at least until a decision is made on the future direction of the convention centre.

Recommendation 2

The Committee recommends that the ACT Government reserve the City Hill site (CITY: Block 1, Section 116) until a decision is reached on the direction of a future convention centre.

⁹⁴ *Transcript of evidence*, 30 May 2017, p. 6.

⁹⁵ Submission of Canberra Business Chamber, p. 5.

Recommendation 3

The Committee recommends that the ACT Government continue its engagement with the Federal Government with a particular focus on a possible Commonwealth contribution to heightened security aspects of the project.

JOBS

6.19 The Canberra Convention Bureau noted that the Australia Forum project was expected to create around 700 jobs, not counting construction. Regarding the types of jobs created the President stated that:

People disparage service jobs unfairly in terms of the value. There are pathways. The people whom I talk to in the HR industry love hiring anyone who has worked in the service industry because they become better managers and they become better employees. If you have worked in a service industry, you simply get it. So we should not discredit those.⁹⁶

6.20 The Business Chamber noted the breadth of demand created. While hotel owners are the obvious beneficiaries, a wide range of small businesses supplying hospitality, transport, tourism and technical services would benefit from increase convention business.⁹⁷

6.21 ACTCOSS noted that much of the benefit from a new convention centre will occur in the hospitality sector, an industry with the highest rate of casual employment (64.5%) in Australia.⁹⁸ While casual employment could suit some people it did not provide the basis for secure life with arranging child care and securing credit particularly difficult with casual employment.⁹⁹ ACTCOSS hold the view that if significant government investment is to be made in job creation it should be in local industries with employment at a living wage.¹⁰⁰

6.22 The Committee believes that there is sufficient evidence before it to conclude that a new convention centre would have a positive impact upon the ACT economy. The Committee acknowledges, however, the concerns from some submitters about the quality of the projected economic activity, particularly in relation to the nature of employment created. The Committee noted that it asked Dr Marshall about the casual nature of employment generated by convention activity. Dr Marshall said:

⁹⁶ *Transcript of evidence*, 30 May 2017, p. 13.

⁹⁷ *Transcript of evidence*, 30 May 2017, p. 37.

⁹⁸ *Submission 02*, ACTCOSS, p. 2.

⁹⁹ *Transcript of evidence*, 30 May 2017, pp. 95-99.

¹⁰⁰ *Transcript of evidence*, 30 May 2017, p. 99.

The more conferences you are able to attract, the more likely you are to have longer term employment. That is certainly one aspect of it. Training is the other aspect. I think that centres are now far more aware of the necessity to put our staff through proper training. Do not forget that they are also in a competitive environment.

Recommendation 4

The Committee recommends that, to realise the full economic benefits to the community, proponents of a new convention centre for Canberra investigate ways of increasing employment security and career development within their industries.

A PROPOSAL FOR PROGRESS

6.23 The table below sets out the steps the Committee recommends be taken to move this project forward.

Time frame	Action
SHORT TERM (approximately 5 years)	Re-scope the project
	Plan staged design
	Market test
	Engage with Aquis Entertainment
	Decision making on stadium/arena
	Temporary facility
MEDIUM TERM (5-10 years)	Construct Stage One (Function/Exhibition space)
	Maintain NCCC
LONG TERM (10 years +)	Construct Stage Two (Stage One plus NCC functionality)
	Sell NCCC

6.24 The ideal solution would be construction of a new convention centre in a single construction but it may be that a staged approach is more feasible and achievable.

6.25 The following paragraphs examine each of these steps in greater detail. For ease of reference the new convention centre will be referred to as the Capital Region Convention Centre.

SHORT TERM

- 6.26 The consensus from work done to date is that there is significant demand for convention centre facilities in Canberra even excluding international opportunities. It would appear that, due to Canberra's proximity to national decision makers, this demand is greater than would be the case if Canberra was just a regional centre and not also the nation's capital. Demand, however, does not translate into a return that can fund the construction of a new centre. The Committee believes that the requirements for a new convention centre need to be re-scoped to strike a balance between potential returns and costs.
- 6.27 The Committee does not believe that the work to date on the Australia Forum is wasted. The scoping study did considerable work on the requirements for a new convention centre but, in this Committee's view, put too much emphasis on possible uses by the Federal Government. Even if the Federal Government were to host international meetings in Canberra the infrequent nature of them means it makes little financial sense for key elements of the convention centre design to be determined by intergovernmental meeting requirements. A revised scope with less focus on the requirements of the Federal Government for inter-governmental meetings is required.
- 6.28 This Committee acknowledges the benefits of a Centre for Dialogue and sees how it would fit in well with efforts to create a forum for dialogue between business, civil society and the Federal government. However if the ACT were to opt for a regional convention centre there is then a question of whether a Centre for Dialogue fits within this configuration and can leverage off Canberra's comparative strengths.

Recommendation 5

The Committee recommends that the inclusion of a Centre for Dialogue in plans for a new convention centre be reconsidered.

- 6.29 Dr Marshall noted that a centre that could host two 1,000 delegate conferences or three 600-700 delegate conferences would be ideal. This kind of scale would work for Canberra and you would not compete with Melbourne and Sydney for the bigger events.¹⁰¹ Building on the work done for the Australia Forum, the functional requirements for a Capital Region Convention Centre need to be defined leading to a revised design brief for release to the market.

¹⁰¹ *Transcript of evidence*, 29 July 2017, p. 53.

Recommendation 6

The Committee recommends that stakeholders create functional requirements and a design brief for a “Capital Region Convention Centre”.

PLANNING AND MARKET TESTING

- 6.30 The Committee noted the evidence regarding Canberra Airport’s staging of its construction works.¹⁰² A staged approach, where the shell of the building is initially constructed and then progressively fitted out and commissioned as budget allows, may be required. Such an approach would reduce the up-front cost. It has been noted by a number of witnesses that a convention centre is basically a “big box”. If that box were to be constructed then the initial fit-out could focus on the function space which is the most obvious deficiency in current arrangements. The Australia Forum design had a ballroom/banqueting room on the top floor to take advantage of views across the lake and towards the Brindabellas. Such a space could be the first to be finished in a staged approach.
- 6.31 This approach would require adequate risk management to ensure that if the private operator contracted to construct the facility were unable to continue, the ACT was not left with a big empty “box”.

Recommendation 7

The Committee recommends that, once the scope for the Capital Region Convention Centre is agreed, the ACT Government consider a staged approach to the construction and operation of a new convention centre, focussing firstly on function spaces.

- 6.32 Witnesses before the Committee suggested that the private sector had appetite for involvement in this project and it was proposed that the ACT Government put the project to market to see what the private sector came back with.¹⁰³ The Chief Minister noted the economic realities of convention centres for the private sector and the absence of unsolicited proposals apart from that submitted by Casino Canberra.¹⁰⁴
- 6.33 The Committee believes that once the scope of the project has been refined it is worth testing what the market is willing to propose. The private sector could come forth with designs that

¹⁰² *Transcript of evidence*, 28 September 2017, pp. 74-76.

¹⁰³ *Transcript of evidence*, 29 July 2017, p. 73.

¹⁰⁴ *Transcript of evidence*, 29 July 2017, p. 82, 86

meet the brief and how they would prefer to proceed. From that position the government can determine which procurement model to move forward with.

Recommendation 8

The Committee recommends that once the design brief for the Capital Region Convention Centre is ready the ACT Government test the market to assess private sector interest in the project.

DECISION MAKING ON STADIUM AND ARENA

6.34 Earlier in this report the Committee summarised evidence given to it regarding possible synergies between the NCCC and the stadium/arena that may be constructed directly across the road from it. Witnesses were clear that there were significant drawbacks to trying to co-locate sporting and convention facilities. While the Committee acknowledges this it would seem that there may be opportunities for some co-use of facilities in the transition period between the NCCC and the CRCC. The Committee will not make any recommendation here given the lack of clarity as to what may be constructed and what priority the government may give that project. The Committee simply notes that greater clarity in this area may impact the new convention centre project.

TEMPORARY BANQUETING FACILITY

- 6.35 The Canberra Convention Bureau informed the Committee that one of its members was organising a proposal for a 2,000m² high-end marquee that could be erected in a variety of locations to act as a temporary banqueting solution.¹⁰⁵ The Chief Minister indicated that the government was open to looking a short-term solutions to the banqueting problem.¹⁰⁶
- 6.36 The Committee notes that the lack of banqueting facilities separate from the NCCC's exhibition space has been repeatedly cited as one of the most significant limitations of the NCCC. The lack of sizeable banqueting facilities in Canberra is not only an issue for business events that make use of the NCCC but also for other public and private organisations that may wish to make use of such a large space. The Committee has no knowledge of the details of the proposal mentioned by the Canberra Convention Bureau but is aware that there are temporary infrastructure options available. This infrastructure may be mobile and could make use of Commonwealth Land for specific occasions.

¹⁰⁵ *Transcript of evidence*, 30 May 2017, pp. 10-11.

¹⁰⁶ *Transcript of evidence*, 30 May 2017, p. 82.

- 6.37 Given the significance of the need for a banqueting space the Committee believes that it would be appropriate for a temporary solution to be investigated to fill the gap until a new convention centre is operational.

Recommendation 9

The Committee recommends that the ACT Government, in consultation with the private sector, investigate temporary solutions to Canberra's lack of suitable large scale banqueting facilities.

MEDIUM TERM

- 6.38 Once the City Hill site becomes available construction could commence, although that remains dependent on the ACT budget being able to support the project. The ACT Government will need to test the market to see what the private sector is willing to offer and then determine the best form of procurement based upon that. If a staged design is chosen priority aspects of the project could be commissioned first. The early commissioning of a banqueting facility would remove the need for continuing support of a temporary solution. The exhibition space is also an area that could be swiftly commissioned while meeting rooms, reception and theatre spaces could continue to be provided at the NCCC site during the initial staging. The Committee is mindful of evidence given to it that separation between exhibition and other spaces is not viable due to the impact on exhibitors. The new space could be an option for those conferences that require a larger space or non-conference events that would like to make use of the space. The existing exhibition space at the NCCC would remain available for use during this period. While staging the development is one way forward the Committee acknowledges that the feasibility of this approach will need to be considered through more detailed planning at the scoping and design and construction phases.
- 6.39 The ACT Government has recently expended funds on a refurbishment of the NCCC to refresh it and maintain its viability as a venue. Further expenditure will be necessary over the timeframe envisaged by the Committee for construction of a new convention centre.

Recommendation 10

The Committee recommends that the ACT Government maintain the National Convention Centre to ensure that it can continue to operate as a quality venue over the short to medium term.

LONG TERM

- 6.40 If a staged approach is taken both the new convention centre and the NCCC will be in operation for some period of time as the new convention centre is finalised. When

commissioning is complete all activities can be consolidated on the new site and the NCC can be sold. The proceeds of the sale will go towards financing the new convention centre.

7 CONCLUSION

The Committee notes the significant amount of work done by many people over a number of years on the Australia Forum proposal and acknowledges that the recommendations contained in this report will not be welcomed by all. The Committee hopes that all parties can work together to move the ACT closer to the opening of expanded convention facilities to serve the ACT and the Capital Region.

Jeremy Hanson MLA

Chair

7 March 2018

Appendix A Submissions

- Submission 01 Doma Group
- Submission 02 ACTCOSS
- Submission 03 Dr David Marshall
- Submission 04 ACT Government
- Submission 05 Professional Conference Organisers Association
- Submission 06 National Capital Authority
- Submission 07 Canberra Convention Bureau
- Submission 08 Guida Moseley Brown Architects
- Submission 09 Canberra Business Chamber
- Submission 10 Canberra Airport

Appendix B Witnesses

30 May 2017

- Mr Michael Matthews, Chief Executive Officer, Canberra Convention Bureau
- Mr John Guida, Partner, Guida Moseley Brown Architects

8 August 2017

- Ms Robyn Hendry, Chief Executive Officer, Canberra Business Chamber

29 August 2017

- Dr David Marshall AM, Chair, Tourism Leaders Forum and Chair, Tourism Industry Advisory Council
- Mr Barry Neame, President, Professional Conferences Organisers Association of Australia Inc.

28 September 2017

- Mr Noel McCann, Director of Planning and Government Relations, Canberra Airport
- Mr Andrew Barr MLA, Minister for Economic Development
- Mr David Nicol, Under Treasurer, CMTEDD
- Ms Kareena Arthy, Deputy Director-General, Enterprise Canberra, CMTEDD
- Mr Malcolm Snow, Chief Executive Officer, City Renewal Authority

11 October 2017

- Ms Susan Helyar, Director, ACT Council of Social Service