



TO

**THE ACT LEGISLATIVE ASSEMBLY STANDING COMMITTEE ON
ECONOMIC DEVELOPMENT AND TOURISM**

INQUIRY INTO NEW CONVENTION CENTRE FOR CANBERRA

Submitted by

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Introduction

The Standing Committee on Economic Development and Tourism of the ACT Legislative Assembly, noting that the proposal to construct a new convention centre for Canberra has attracted tripartisan support in the Assembly, has resolved 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.

As a stakeholder in the convention, conference and exhibition industry (Business Events sector) in Australia and Zealand the Professional Conference Organiser’s Association (PCOA) has resolved to make a submission to the inquiry.

PCOA is not in a position to comment on all the terms of reference; however those terms of reference appropriate are listed below under the heading of response to terms of reference.

Professional Conference Organisers Association of Australia

The PCOA is the leading body representing the interests of Professional Conference Organisers and Event Managers in Australia and New Zealand with current membership of over 480 practitioners.

The Association aims to increase the standard of professionalism of its members and promote a better understanding of the roles, functions and contributions of Professional Conference Organisers and Event Managers in the conference and event sector.

In 2015 an MOU was signed with the Malaysian Association of Convention and Exhibition Organisers and Suppliers. It is hoped to expand our Asian network in 2017 to give members access to inbound and outbound business opportunities while developing a peer to peer network of meetings industry professionals in the Asia Pacific Region.

Professional Standards

The PCOA Professional Accreditation Scheme is a set of standards known as accreditation of individuals (CEM) and companies (CEC) established by and for the PCOA and its members. It provides clients and industry with an assurance that the Event Manager and or Event Management Business they are dealing with is committed to the highest quality event management business practices, consistency and reliability in the delivery of services, professional standards and dedication to continuous improvement.

Code of Professional Conduct for PCOA members

Members of the Professional Conference Organisers Association are required to operate in accordance with the Association’s Code of Professional Conduct.

Business Events Council of Australia (BECA)

PCOA is an integral member of the BECA, a formalised umbrella structure for the key industry associations operating in the Australian business events sector to develop industry positions on issues of common interest and communicate those views to government and relevant agencies.

BECA also provides a forum for the industry associations to exchange information and cooperate on appropriate matters, with a view to strengthening and growing the business events sector in Australia.

Role of the PCO

The PCOA members are influential in providing advice to their clients or management in relation to destinations that could or should host their conventions, conference, exhibitions and trade shows.

The members provide project management, financial management, strategic and tactical, along with logistical management advice for their client's conferences and exhibitions. Some are contracted by clients while others are part of an internal team.

The members have been surveyed and have commented in relation to the terms of reference of the standing committee and those comments are reflected in the response to the terms of reference headings.

Response to Terms of Reference

The Level of Demand from Business and Clients for a New Centre and the likely Economic Impact of a New Centre on Canberra

Canberra is a city of knowledge, culture and influence and is a destination in demand for Business Events. Accordingly, Canberra requires meetings infrastructure to meet the increased demands of existing business and grow in size and flexibility to capitalise on both national and international business events opportunities. It is well documented that Canberra is challenged by only being able to host one medium sized (500-1500 person) conference each week at the National Convention Centre (NCC) during the year.

Canberra is also challenged with limited tradeshow and exhibition space which is a key determinant of meeting planning and decision makers in our membership and by limitations in dining venue size for large conference and exhibition dinners, of which the NCC is the most suitable in terms of ambiance and infrastructure.

Currently Canberra cannot meet the demand for large or multiple events at the current NCC and potential growth is limited. Current long term "anchor" business clients that the centre currently has contracted run the risk of growing beyond the capacity of the facility and forcing them to look outside of Canberra for venues. The significance of the missed economic and beyond tourism contributions is significant.

Economic Impact of the Business Events Sector

As member of Business Events Council of Australia (BECA) PCOA contributed to the recent research commissioned by BECA and supported by the Australian government and carried out by Ernest & Young.

This research concluded 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

- the value of business events to the Australian Capital Territory local economy was calculated as 16,480 events, 1.8 million visitors, \$840 million in direct expenditure, and
- the growth of the business events sector across Australia and over the same period growth outpaced inflation with a compound annual growth rate of 4.5%.

This research supported the recent expansions of both the Melbourne and Adelaide Convention Centres to ensure that these centres continue to meet the demand of a growing industry.

The business events sector contributes to the economic activity of a destination in numerous ways as noted but not limited to:

- air traffic into Canberra from all over Australia and from overseas
- direct spending on venue hire, audio visual production and food and beverage at venues
- accommodation for delegates at Canberra hotels, motels and other offerings
- transport while in Canberra – taxi, coaches and car hire, and
- delegate spend at Canberra restaurants, cafes and other food and beverage outlets.

Beyond Economic Impact of the Business Events Sector

Consistent with the overall economic objectives for economic development in various business sectors of the ACT Government the business events sector can assist to deliver some of the following key economic development “drivers”:

- skills and knowledge transfer through the interaction with local delegates
- attracting strategically aligned conferences to the ACT Government economic development priorities
- networking and collaboration
- showcasing Canberra research institutions such as ANU, AIS, University of Canberra, University of NSW Canberra
- showcasing the destination to the world
- potential for industry investment once people appreciate the values and infrastructure of the destination

The presence of a larger, flexible, purpose designed meetings venue that enables our members to confidently bid for and host international meetings is an obvious omission in the Canberra infrastructure landscape. Forward thinking and commitment to a modern centre for the next 30 years of business events in Canberra is critical to our cities growth and highly complementary to other visionary projects such as City to Lake, Light Rail and the creation of a heart to the city.

Whether the “Australia Forum” Proposal has the Support of Stakeholders

The Australia Forum proposal or a new larger and more flexible convention centre has wide ranging support from PCOA members.

Indeed, our members have participated in a range of focus group discussions over the past five years or so in order that the business events sector fully support a new convention centre and contribute to the planning and layout of the convention centre.

It should be noted that there was wide ranging support for a new convention centre from the business and educational community including: hotels, national institutions, universities, the hospitality community and general community support for employment growth that this sector offers.

The Level of Priority that should be given to a New Convention Centre in Relation to other Infrastructure Projects in the ACT

The members of the PCOA have indicated that Canberra is missing out on a range of conventions, conferences and exhibitions as a result of demand for large or multiple events at the current National Convention Centre and potential growth is limited. For example ...

- Association of Superannuation Funds of Australia Ltd (ASFA National Conference)
2,000 delegates with trade exhibition of 90 booths
- Australian and New Zealand College of Anaesthetists (ANZCA Annual Scientific Meeting)
1,800 delegates with trade exhibition of 70 booths
- Australian Dental Association (Australian Dental Congress)
4,800 delegates with large trade exhibition
- Australian Diabetes Society (ADS/ADEA Annual Scientific Meeting)
1,500 delegates with trade exhibition of 100 booths
- Australian Human Resources Institute (AHRI National Conference)
1,500 delegates with trade exhibition of 150 booths
- Australian Petroleum Production & Exploration Association (APPEA)
2,500 delegates/300 exhibitors with trade exhibition of 120+ booths
- Australian Physiotherapy Association (APA Conference)
1,500-2,000 delegates with trade exhibition of 100 booths
- Australian Veterinary Association – National Office (AVA National Conference)
1,600 delegates with trade exhibition of 150 booths
- Australian Water Association (Ozwater)
1,100 delegates with trade exhibition of 10,000sqm
- AUSVEG (AUSVEG National Conference)
2,000 delegates with trade exhibition of 250 booths
- Cardiac Society of Australia & New Zealand (CSANZ Annual Scientific Meeting)
2,300 delegates with trade exhibition of 160 booths

It should be noted that other hotel conference facilities are usually fully booked most months of the year.

Therefore, a new convention centre should be a priority infrastructure project for the ACT to ensure that the ACT is maintained on the schedule of national and international conferences particularly, as there has been a major commitment in other states to expand eg the Adelaide and Melbourne Convention Centres, to accommodate increased growth in the sector.

Conclusion and Recommendation

The PCOA supports the development of a new, larger, flexible convention centre for Canberra, the nation's capital.

The PCOA is happy to appear before the committee and explain and expand on this submission.