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THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

GOVERNMENT RESPONSE TO THE STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM REPORT NO. 3 – Inquiry into a New Convention Centre for Canberra

Presented by
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Introduction

The government thanks the Standing Committee on Planning and Urban Renewal (the Committee) for the recommendations put forward in Report 3 Inquiry into a New Convention Centre for Canberra.

The government acknowledges the Committee’s broad support for the pursuit of a new convention centre for the ACT and acknowledges the Committee’s recommendations in relation to the maintenance of the existing convention facilities in Canberra in the meantime.

The government agrees with the assessment of the Committee that the proposal for the “Australia Forum” as a new convention centre for Canberra poses cost difficulties, and notes the Committee’s position that plans for the Australia Forum in their current state are unlikely to come to fruition.

The government notes the Committee’s provision of recommended steps to progress the development of a new convention centre. Due to competing priorities, a new convention centre is currently not a priority. Nevertheless, the City Hill site will be reserved in the short to medium term for consideration as a possible location for a new convention centre.

The government commits to revisiting the report and recommendations of the Committee should a decision be made to proceed with the planning and design for a new convention centre.

The Committee makes two recommendations relating to the maintenance of convention facilities in the meantime. The government has invested in the existing convention centre and will continue to work with the management of the centre to ensure the facilities are fit for purpose, within relevant budget constraints.
**Recommendations**

<table>
<thead>
<tr>
<th>No.</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendation 1</td>
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<tr>
<td>Recommendation 2</td>
<td>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.</td>
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<tr>
<td>Recommendation 3</td>
<td>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.</td>
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<tr>
<td>Recommendation 4</td>
<td>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.</td>
</tr>
<tr>
<td>Recommendation 5</td>
<td>The Committee recommends that the inclusion of a Centre for Dialogue in plans for a new convention centre be reconsidered.</td>
</tr>
<tr>
<td>Recommendation 6</td>
<td>The Committee recommends that stakeholders create functional requirements and a design brief for a “Capital Region Convention Centre”.</td>
</tr>
<tr>
<td>Recommendation 7</td>
<td>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.</td>
</tr>
<tr>
<td>Recommendation 8</td>
<td>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.</td>
</tr>
<tr>
<td>Recommendation 9</td>
<td>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.</td>
</tr>
<tr>
<td>Recommendation 10</td>
<td>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.</td>
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</tbody>
</table>
ACT Government Response to the Standing Committee on Economic Development and Tourism Report No. 3 – Inquiry into a New Convention Centre for Canberra

The following summarises the Government response to:

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.

Government Response: AGREED

Rationale:
The ACT Government agrees with the Committee’s concerns regarding the proposal for an Australia Forum, particularly the costs associated with –

- aspiring to achieve an iconic design;
- building a “Centre for Dialogue” capable of hosting events of an international scale; and
- the provision of the level of security necessary to host such international events.

The ACT Government also acknowledges the Committee’s practical observation that the hosting of “world leaders and international dignitaries” at large events would be a rarer occurrence for Canberra than Australia Forum proponents might acknowledge.

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.

Government Response: AGREED

Rationale:
While the development of a new convention centre is not an immediate priority, the ACT Government agrees with the Committee’s view that the present site selected for the development of a convention centre – the City Hill site – is a viable site for the project. The City Renewal Authority will reserve the site as part of its planning.
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.

Government Response: NOTED

Rationale:
The ACT Government notes the Committee’s view that the provision of heightened levels of security to enable the centre’s use by the Commonwealth and its stakeholders could be a particular area of focus in discussions surrounding a Commonwealth financial contribution for a possible new convention centre.

While the development of a new convention centre is not an immediate priority for the ACT Government, should a decision be made to proceed, the ACT Government will discuss possible Commonwealth financial support for the project.

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.

Government Response: AGREED

Rationale:
The ACT Government welcomes the Committee’s emphasis on the importance of realising an economic benefit from the convention centre project. The government further agrees that the existence of secure job opportunities with sound potential for career progression is important to economic benefit realisation. When engaging with industry in relation to the project, the government will encourage proponents to consider job security and career progression in their planning.

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

Government Response: NOTED

Rationale:
The ACT Government notes the Committee’s arguments against the necessity of maintaining a centre purposed for intergovernmental meetings within the design scope and the need to re-scope any proposal to balance potential costs and returns. The Committee’s recommendation will be revisited should a decision be made to proceed with the design and planning of a new convention centre.
6. The Committee recommends that stakeholders create functional requirements and a design brief for a “Capital Region Convention Centre”.

Government Response: NOTED

Rationale:
The development of a new convention centre is not an immediate priority for the ACT Government. Nevertheless, should a decision be made to proceed with the project, the ACT Government agrees that it will be important stakeholders are closely consulted in the design of any new facility.

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.

Government Response: NOTED

Rationale:
Matters of staging of construction and operation of any new convention centre will be addressed during the design and planning phases of the project, should it commence.

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.

Government Response: NOTED

Rationale:
Should a decision be made to proceed with the development of a new convention centre, the government will explore all options for funding the project, including a Public Private Partnership. This will necessarily involve testing the market to assess private sector interest in the project at an appropriate time.
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.

Government Response: AGREED

Rationale:
Venues Canberra, in consultation with the City Renewal Authority and ACT Property Group are investigating possible options for a large scale banqueting facility.

These options will be considered by the Government in the context of the 2019-20 Budget.

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.

Government Response: AGREED

Rationale:
The Government has a sublease agreement with Intercontinental Hotels Group (IHG) to operate the National Convention Centre. Each party has obligations in the agreement to ensure that the centre operates as a quality venue for the term of the agreement that expires 2 July 2023. In the 2015-16 Budget the Government announced funding over two years of $5.381m for the refurbishment of the National Convention Centre. In 2015-16 works were undertaken by ACT Property Group to refurbish the Main Foyer, Exhibition Hall, Reception, Box Office and Star Room. Other works in 2015-16 included the replacement of the foyer furniture and all new Royal Theatre seating.

In 2016-17 works were undertaken to refurbish the Public Bathrooms, install auto blinds in Meeting Rooms, install a new commercial oven, and upgrade the digital signage. In late 2017 works were completed for the new basketball court in the Royal Theatre at a cost of $0.25m. Current works underway includes a kitchen upgrade costing $0.6m. At the same time IHG has invested $0.65m in loose fittings and other upgrades in addition to the $0.4m they spend annually to support the NCC operating as a quality venue.

ACT Property Group and Events ACT will continue to work with IHG to bring forward proposals to Government for investment to maintain the NCC as a quality venue over the short to medium term.