



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

**STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND
TOURISM**

(Reference: [Inquiry into a new convention centre for Canberra](#))

Members:

MR J HANSON (Chair)
MR M PETERSSON (Deputy Chair)
MS S ORR
MR M PARTON

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 28 SEPTEMBER 2017

Secretary to the committee:
Mr H Finlay (Ph: 620 50129)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

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Amended 20 May 2013

The committee met at 10.30 am.

McCANN, MR NOEL, Director of Planning and Government Relations, Canberra Airport

THE CHAIR: Good morning, and welcome to the fourth public hearing of the Standing Committee on Economic Development and Tourism, inquiring into a new convention centre for Canberra. On behalf of the committee I would like to thank you for attending today, Mr McCann. Can I draw your attention to the privilege statement that is before you on the table. Have you seen that?

Mr McCann: Yes.

THE CHAIR: Can you confirm that you understand the implications and what that all means?

Mr McCann: Yes.

THE CHAIR: These proceedings are being recorded by Hansard for transcription purposes and they are being webstreamed and broadcast live to the many people who are tuning in this morning to listen to these proceedings. Good morning to anybody listening. Before we turn to any questions, Mr McCann, do you have an opening statement?

Mr McCann: Yes. Thank you for the opportunity to speak to you today on this subject. We submitted a number of pages back on 12 May. I do not wish to speak to those directly but I will answer any questions on them later. Our theme for today, and it has been for some time, is the shaping of our city. We have shown some demonstration of that at the airport over the past 19 years—it is hard to believe that we have been working at it for that long—and our city region. We see the region as being a bit further than just the CBR joint organisation area. We include Mittagong and the Shoalhaven region, and we reach out to the other side of Wagga, in other words, from Orange on the Olympic Way down past Wagga.

Our belief is that our city region is in competition with other cities. Therefore the make-up of a city, the shape of a city and what it offers in infrastructure, including an optimum-size convention centre, are important in how that city can compete with other cities. Our mantra for some time—and more significantly since Singapore started flying here on 21 September last year, having taken five years to get the deal, in partnership with the ACT government—has been about inbound tourism, education, investment and business events. Outbound business is IT and defence services, and the freight of goods and produce. The produce area is bigger than the airport's capture of nearly 900,000 people in terms of passenger capture in our greater region. Our freight that we have been working on is from out the other side of Griffith, for argument's sake.

We have led investment in the private sector of tourism infrastructure, with about \$650 million over the last 11 years when we strengthened and lengthened the runway. We did that ahead of demand. We are saying the same would apply for a convention centre: you do it ahead of demand and you stage it up. We were Boeing 747-ready at the end

of 2006, and we were ready with a shell for international by 2014. We then fitted it out ahead of time for Singapore to start. Of course, we have now had the announcement by Qatar, which gives us another string to the bow of the city and the regions, and we have another bow that we are trying to tie together, which has been a five-year interchange on dedicated freight with Cathay Pacific and others.

We are trying to say that our terminal is no different from what the convention facility should be in Canberra. We built a terminal for eight million passengers, and by the time we got it finished, with the efficiency dividend, we were at under three million. We are back to about 3.3 million, and we have plenty of growth, but we can expand that terminal out to 12 million.

Our research, looking fundamentally at Cairns, Gold Coast and Adelaide, shows that each of these convention centres has grown over time. The Gold Coast has grown probably by 50 per cent in that time. There was an announcement only this month about Cairns having a \$176 million upgrade and expansion for a 100,000 population, if you include Port Douglas and so on in the region. We say, with a city, that it is about having bits in the jigsaw. I hope the hotel at the airport is no different, in a jigsaw sense, in being able to provide infrastructure for a convention centre in the city here, on City Hill.

We have one little bit of conflict because we are developing the car park next door, as you probably all know, after winning a tender with the ACT government to provide a government office building, and we are building an all-suite hotel and an office building in the second building. The convention centre may help the hotel, but we do not think that is a big driver for that hotel.

With the convention centre, we have talked about this probably internally in the ACT for 15 years. I remember when I was president of the Property Council of the ACT and Jon Stanhope was Chief Minister, sometime in the early 2000s, going down to the futsal slab and the Chief Minister at the time had a view about the convention centre being down there and seeding West Basin. The decision has been made here, and we support that decision. We also in our submission suggested that this could be staged, but we need to get on with it, to the optimum size, and let it grow over time.

We know from our experience with international airlines—from years and years of talking—that if we did not have the infrastructure ready to go in six months, when Singapore pressed the button, they would not have come. We know that if you have the infrastructure they may not come—the shell sat there for three years with no demand. Then, all of a sudden, in six months we could fit it out and they could start operations. We do know—just to reinforce that—if you do not have the infrastructure, they will not come.

THE CHAIR: Indeed. Thanks very much for your opening statement. Going to some of the things the airport group have done—the Snow group—some of the concern with the new convention centre is about the funding: where does the money come from? Dr Marshall is in the audience today. We talked, when he appeared before the committee, about private sector involvement and the need perhaps for a tender to be put out and private sector involvement.

You have invested a lot at the airport and you will realise the return on that capital

investment. Is it feasible for the private sector to make this model work, be it through the ability to build other things on a piece of land, such as further hotels around the site or whatever it might be? Can you see a model whereby the private sector could, not necessarily wholly but in large part, fund this capital infrastructure and perhaps run it, if they were then allowed to do other things—build hotels, apartments and so on? Have you looked at that as a concept?

Mr McCann: Our submission talks about a cap of about \$400 million maybe in the first stage, not the \$700 million that has been touted. Our submission also talks about the government maybe providing land in city to the lake as seeding, with a cap of \$100 million. Our submission also talks about a tripartite arrangement with the commonwealth, the private sector and the ACT government working to bring this together, maybe as part of a state deal.

There is an opportunity for us to be surprised if we market test this. If we do not market test it, we will never know. Sitting back and saying, “We haven’t got the money and the private sector won’t do it,” has not worked in the past because the private sector might be slow to get going, but if we do not market test it, we will not know.

THE CHAIR: By market testing it, what would that look like?

Mr McCann: Our belief is that if we were to put this to market, some people will be surprised; others like us will not be surprised. But somebody will get hold of this and work it, and make it work for them and the city.

THE CHAIR: Going to the \$400 million rather than, let us say, \$800 million—

Mr McCann: We were trying to work it out because everybody is baulking at such a big number. We picked a number, thinking that it was important to get the first stage rolling, get the ingredient parts right up-front, and grow it over time. Because of demand, and saying, “We need more of this and more of that,” just like every other convention centre—

THE CHAIR: Do it in stages?

Mr McCann: Yes. As I said we have been working for 19 years to get to where we are at the airport at the moment. The general business community had a view that Terry Snow paid too much for the airport, at \$66 million, and they were absolutely gobsmacked that there has been investment of over \$2 billion over 19 years. The family has put money back in investment rather than paying dividends, as a normal company would do. There are plenty of people in Canberra, let alone outside Canberra, with the expertise to do this job. But how do we know if we do not test it and see what the market testing comes up with? It would be no different from the government selling off the site next door or any other site on Northbourne Avenue, as has happened. Why don’t we test it and see what they want to do? Then we will know. There are plenty of people saying it will never work, but if we are in a competitive city arrangement with other cities, our jigsaw needs an additional piece over time, including the convention centre.

MR PARTON: It almost surprises me that no-one else during this ongoing conversation has spoken in those terms that you have of, “How about a stage 1, with a

view of stage 2 and stage 3 coming along down the track?" It just becomes much more digestible, doesn't it?

Mr McCann: Yes. We are inspired by and take leadership from other jurisdictions. With the Gold Coast, the first part of their convention centre cost \$180 million. That would cost more now, but they have rodeos in there. That is how big one of their auditoriums is. Staging it just seems to be so logical from a private investor's viewpoint. We did not rush building the terminal, for argument's sake. We were still trying to work around it, and we had a very patient, understanding community that knew they had to get to the airport a bit earlier because they were not sure which road was going to be working and which area they were going to park in, let alone how to get into the terminal, as we were working that through over the five years. Towards the end, by 2013, which was six years after we started, people understood. We did one bit, the southern concourse, and then we moved on to the western concourse and the central atrium.

MR PARTON: In terms of that project, you always knew where the end point was, didn't you? What I am saying is that stages 1 to 5, for argument's sake, were always constructed with knowledge of exactly what was to follow. Although you could envisage putting together stage 1 of a new convention centre, you would have to know pretty much where you were going to finish up, wouldn't you?

Mr McCann: I would be surprised if anybody were to come back to the government with a plan and say, "This is stage 1 but we don't know how we're going to expand this building." I would be surprised if they have not got an overall master plan for the site, just like we have a master plan for the airport, and just like our planning authority here, the NCA, have different master plans and so on for different precincts. I would see it being very prudent and commercial about what the essential ingredient is and how you grow that, as demand grows, and people start needing more—when the demand is for more. With the master planning for the site, it is one of the first things that somebody from the private sector would be interested in doing, so they understood the ease of doing things in the second bit or the third bit—whether the first bit costs \$400 million or \$500 million. We had a shot at saying \$400 million would deliver a lot. Our terminal is 60,000 metres and we delivered it for less than that.

We have not sorted out any economics about the car parking because the car parking is a seven-day event at this site. We have not sorted out the economics of that. Of course, we have not spent the time to sort out the feasibility. We have been interested in a site for a convention centre, as I say, for over 10 years. We worked out that the current site is a bugger's muddle to expand, unless you went straight across the road. This site is probably more premium and more open, but a master plan would solve all of that. I am sure a private investor-developer would be looking at trying to make this work in the best way possible.

MR PETTERSSON: You mentioned that you have heard this dialogue for at least 15 years. You saw Jon Stanhope talking about it down near the lakefront. Why do you think nothing has happened in 15 years?

Mr McCann: I will offer a personal view, not an airport view. I think our community is too used to the government providing, and the government has been reluctant to invest. We have grown up a fair bit in the private sector in that 15 years regarding risk

and undertaking risk, what is reasonable risk and what is unacceptable risk. Certainly, there has been a lot more partnering with government in the past 10 years, and probably more so in the past five years, with major infrastructure across the nation, not just in Canberra. The market is more open to dealing with government rather than the government providing, building and owning.

MR PARTON: What makes you so certain that if we did market test this, if we did put it out there, that we would be pleasantly surprised with what came back?

Mr McCann: I was being positive and thinking that you would not be surprised. There are elements that think that this will never work and who want to know what the social benefit is to the community. Jobs is the answer; more jobs and a stronger, robust Canberra is the answer. My view is that I think there is an appetite to do this. I am not saying that the Snow family has a big appetite to do it, but they have a big appetite to try to help. We talk to other people around the city. Ten years ago there was a certain group that had no hotels. Now they have lots of infrastructure and hotels. They are local people. There are two Croatian families, and they include the Doma Group. Hotels were never any good, if you asked the community 10 or 12 years ago.

MS ORR: Just going back to the staging, I know we have spoken a little about that, but I wanted to get a clearer idea of what you would see as being the first stage, given that in your submission you outline what the convention centre should include—

Mr McCann: I am sorry, we have not done that costing. We see a convention bureau and the developer sorting out how much. The big space needs to be done initially. Our view is the big spaces probably need to be done initially.

MS ORR: By “big spaces,” what do you mean?

Mr McCann: The bigger auditoriums.

MS ORR: There is the listing here of all of things you say it should include. I am wondering how in your mind you would break that down into a stage, given that we have heard quite a bit throughout the inquiry that the facilities we have at the moment are not big enough. One of the biggest obstacles is not being able to hold two conventions simultaneously or to bump in and bump out. So the staging idea is very good in the sense of it perhaps being a way forward, but I guess the question I am getting to is this: would we be able to deliver a facility that is staged that still gives us everything we need now?

Mr McCann: I think the simple answer is that what we have got now we need to provide first up in the new facility. It is the one that is going to sort out if we have the demand over time to grow the facility. I am sorry that we did not sit down and pluck and pick and whatever. But we have taken these numbers not only from what has been done for the Australia forum but from what is in Cairns, what is at the Gold Coast and, to a lesser extent, what is in Adelaide, and say, “They are the ones we are competing with and they do not have the seat of government.” They might have a better climate if you want to go somewhere, but that is only for a couple of months of the year.

We did not sit down and do a feasibility. We are just saying that we know we built

60,000 metres of a quality building for a bit under \$400 million—big open spaces and some smaller spaces. We are working through how this could work here. That is where we suggested that we wanted to press the buttons about whether we have to do everything at the one time or whether there is an opportunity of getting to the end game by getting the things right.

For argument's sake, in the terminal we have got hardly any retail. When we have got eight million passengers, there is plenty of space designed there for retail, whether it is food, garments or anything else. I can assure you that there will be plenty of it with eight million passengers and there will be a lot more with six million passengers as we incrementally move up. But we designed the big spaces so that we can do this. It will not congest the concourses. We are saying that the same principles can apply. You build shells for a lot less than fitted out, but you have got to get the shell right.

THE CHAIR: Just on the location, you said that you think it is the right location, but other locations have been discussed along the way. Do you think that they have landed at the right spot, or do you have a different view? Not at the airport, by the way.

Mr McCann: We support the site. We support the site for a number of reasons based on what is going on around the city, including what could happen at the casino. Canberra centre is growing. When we bid for the office site next door in late 2016, we did research of what was already sold and what was underway. There is over \$2 billion worth of build cost underway on Constitution Avenue, Northbourne Avenue up to Dickson, the university precincts and around the city. That has been expanded since.

So we had a view about the concentration and the elevation of the city, this being a significant site and visual site from Canberra Avenue or anywhere else, even south of the lake. Therefore, it is a good site compared to the sites of some of the other convention centres, like Cairns. They are a bit on the side, out of the way, out of the CBD. We think reinforcing the CBD is a good outcome for a structural plan for a city.

THE CHAIR: Any more questions?

MR PETTERSSON: Let us say we get a new, exciting, large convention centre that meets all the needs you have outlined. What else needs to be done to connect the airport and the city? A couple of months ago ACTION buses launched a new bus service between the city and the airport. Is light rail something you would like to see move to the airport?

Mr McCann: Yes. We see over time light rail being one of the options. In fact, Shane Rattenbury at one stage wrote an article in the *Canberra Times* about how it was wonderful when he went to Portland and he walked out the front of the airport terminal of Portland and got on a tram and went downtown. We will not go into who is paying for this. But it is part of an overall city ground transport structure.

Certainly, ACTION buses servicing the terminal have been a terrific influence on passenger demand for Tiger since they started up last December. They have got very good passenger loads. They were flying seven days a week to and from Melbourne. On Friday that is two services and then we have got three or four a week started up this month to Brisbane. All the load factors are terrific. ACTION will tell you, and we can

tell you from our CCTVs, that the bus stop is very busy when that is there. In our 2014 master plan we actually built in an alignment for light rail, just like we built in an alignment for the very fast train.

MR PETTERSSON: I did not know that. One quick supplementary: in terms of growing passenger numbers, I am curious how that affects flight services to Canberra. The very obvious one is if you have got more passengers coming you have got more flights between existing connections, but what is the process for new routes opening up? If we have a convention centre, are we going to be seeing new routes opened up or are we just going to be seeing more services on existing routes?

Mr McCann: Our preference would be the reinstatement of some of the routes that were dropped as the GFC bit. We used to have a service that was Melbourne-Canberra-Darwin. Virgin used to do Townsville-Canberra and Hobart-Canberra. Probably I could give you a Singapore Airlines view. We would rather have 30 new cities to fly to than 30 more flights in frequency to existing cities. That has been our mantra: more planes to more locations.

MR PETTERSSON: Do you think that is possible, with a convention centre, with increased passenger numbers—

Mr McCann: It is a tall pine, but our master plan shows myriad Asian and Pacific nations and Australian cities that we are not yet flying to, including regional areas. People forget that we have got a Newcastle service and a Dubbo service. Part of that is direct and part of that is triangulation.

MR PARTON: Mr McCann, I want to go back to something you said in your opening statement that fascinated me. How could you say that a new convention centre would not be a big driver for business for the forthcoming hotel out here?

Mr McCann: Why do I say it?

MR PARTON: Yes, because I thought building this was about driving that sort of business.

Mr McCann: Last night I went to the Chief Minister's export awards: these companies that are exporting out of Canberra, whether it is nationally or internationally. Convention centres are all about business and local business being able to interact with that business, whether they are doctors or space or defence-related—our core uses—and getting people to come to Canberra. We see two benefits: the interaction with local business and the interaction with the people saying, "This is worth while bringing our family back here as tourists."

We see that there are two parts of that opportunity. There are bound to be more, but we see it pretty simply: more people being aware of Canberra. I can tell you that if you are in Wellington, there is little awareness yet of Canberra being a direct link to Wellington. I have a daughter there and she did not even know until I told her. We have got work to do and so has Singapore Airlines in Wellington. The nation has a view. Internationally, the capital is always more important in people's minds than the fact that this is Canberra and the nation might have a different view.

THE CHAIR: We are going to have to leave it there, sadly. Ms Orr, I will go to you when we get the next witnesses in. Thank you very much for attending today.

Mr McCann: Thank you.

THE CHAIR: It was very interesting and very informative. Also thank you very much for the submission you provided. You will be sent a copy of the draft *Hansard* transcript. Please look at that. Make sure it reflects what you said and that there are no errors in it. If there is anything you wish to follow up on, you can engage with the committee secretary. Once again, thank you very much for your attendance.

Mr McCann: Thank you very much for your time and the opportunity.

BARR, MR ANDREW, Chief Minister, Treasurer, Minister for Economic Development and Minister for Tourism and Major Events

NICOL, MR DAVID, Under Treasurer, Chief Minister, Treasury and Economic Development Directorate

ARTHY, MS KAREENA, Deputy Director-General, Chief Minister, Treasury and Economic Development Directorate.

SNOW, MR MALCOLM, Chief Executive Officer, City Renewal Authority

THE CHAIR: Good morning, and welcome, Chief Minister, and your extensive staff. I appreciate the fact you have brought a large entourage; I take it that that is because you are taking this issue seriously, and I commend you for that. You are obviously aware of the privilege statement.

Mr Barr: Yes.

THE CHAIR: I draw to your attention that these proceedings are being recorded for Hansard and are being webstreamed.

Chief Minister, do you have an opening statement?

Mr Barr: Not a detailed one, chair, but I will refer committee members to the government's submission to the inquiry that outlines in a very straight and factual way the work that has been undertaken to date in relation to the project. We also attached the KPMG Australia forum strategic and delivery options analysis that was prepared for Chief Minister, Treasury and Economic Development Directorate in March 2016. The information has been available to the government and has been shared with the committee in the spirit of openness in relation to the issues before the government with this project. Given the interest of the committee in the project, I thought it would be useful for that report to be available to give the committee insight into the level of analysis that has been undertaken. The KPMG analysis speaks for itself in terms of the various cost-benefit analyses for the four different options that have been considered by government.

In concluding my opening remarks I note that in the context of the government's infrastructure project and forward program, we have made two specific statements in relation to this project. The former Chief Minister Katy Gallagher at the time of the Mr Fluffy project and work indicated—and I concur with this view—that the territory's balance sheet would not allow for a project of this scale whilst we were managing the Mr Fluffy clean-up. Any expectation of a government budget decision or moving ahead with this project in that time frame was removed from consideration at that time. I think it was 2014. I have subsequently reinforced that point as Chief Minister and Treasurer.

However, the various issues that have been raised in the committee hearings process remain pertinent. We are aware of the short, medium and long-term challenges in relation to convention facilities. Whilst the project will not be a part of an ACT government budget in this parliamentary term, there certainly is scope for consideration of the project in various iterations in the 2020s once the totality of the Mr Fluffy issue has been dealt with.

I note—again, this is on the public record—that the infrastructure commitments that we took to the 2016 election will take priority for the government as they were election commitments. But that is not to say that there are not various elements of further work on this project or short and medium-term solutions in relation to existing infrastructure that can be considered in the forward estimates period.

I suspect that a project of this scale, where we would be talking of committing hundreds and hundreds of millions of dollars of territory funds, would require a political party to take it to an election and win a mandate for expenditure on that scale. Given the scale of the territory's infrastructure program, this would be a very large fiscal commitment and one I would not make without it being part of an election platform.

In reality, the Australia forum in its full glory I think would require a commitment as at an election. The next election is in October 2020, so that should give people a sense of the earliest possible time frame for a project of this scale. Of course, it remains open to the alternative government to make a similar commitment in the context of the 2020 election. But I note, speaking frankly, that it was not in the 2016, 2012 or 2008 policy platforms of either party, and I will acknowledge that the last time this was put to the people of Canberra was in 2004 where, I think, a \$600 million or thereabouts convention facility at that time was proposed by the then opposition leader, Mr Smyth.

THE CHAIR: Commissioner Smyth, is it?

Mr Barr: Indeed, the now Commissioner for International Engagement, Mr Smyth. But at that time he made that the centrepiece of his alternative offering for government in 2004. That was not successful, obviously. I think that election achieved the first and only majority government.

THE CHAIR: Maybe there is a lesson there.

Mr Barr: Who knows? But I will conclude my remarks on that.

THE CHAIR: Thank you very much, Chief Minister. Noting all that you have said, whether people agree with the government's priorities or not, they are the priorities, and I think the view of this committee is that we do not want to be in a position in another 15 or 20 years time where nothing has been done but in the interim opportunities have been lost and that in waiting for nirvana to appear we have then not taken other opportunities to grow the convention market incrementally as we proceed.

Mr Barr: Yes.

THE CHAIR: A number of presentations to us have essentially talked about other paths forward if we are not going to build the convention centre. If that is the reality—and it appears to be, certainly in the medium term and perhaps even in the long term—I am looking to see what can be done to meet the needs, albeit not the full desire, to grow the market. There are ideas about putting an option to tender, about staging, about improvements to the existing facility. If your government is of the view that this is not the number one priority but that you want to grow this segment, what is it, in your view, that we can consider and what is your government prepared to commit to? If there is a partnership with the private sector or some other such arrangement, are you prepared to

put land on the table, put a certain amount of capital on the table if someone else bears the bulk of the cost and perhaps the risk?

Mr Barr: I say in response to that that one variation of what you have suggested is countenanced through the KPMG report. That would be option D, which they have described as a lower cost of redevelopment of the existing centre.

THE CHAIR: Is that still on the table, though, with the development of the casino?

Mr Barr: The original unsolicited proposal from the casino talked about the casino taking over operation of the convention facilities. On receipt of that proposal—it was made public at the time—the government sought the views of various stakeholders in relation to that question. The response by and large was that whilst the casino's interest in operating and expanding the centre was welcome in that it was perhaps the first serious unsolicited proposal in relation to expansion of facilities, there were concerns in relation to how a functioning convention centre would integrate with a casino and how, given the proposal that the proponents were putting forward, that would work in practice in terms of competing use for available facilities—business events versus entertainment options and use of the space—under a casino-operated convention facility model. There was another question as to whether there was a reputational risk or potential to deter certain event organisers from wanting to hold their convention effectively in a casino, which might be how it would be perceived.

THE CHAIR: Accepting that that is a compromise—we have established that the perfect, without-compromise model perhaps is maybe not achievable because of other priorities—do you have a view on that particular proposal? Is it worth re-examining?

Mr Barr: Given what has transpired since, I suspect it may be difficult to reopen that particular angle of the unsolicited proposal. Clearly, without the passage of legislation in the Assembly to enable a casino redevelopment, the whole thing is really an academic discussion. In the short term how the Assembly determines to resolve the bill currently before it in the time that remains in this year's sittings would potentially dictate what avenue there was to reopen any discussions in that regard.

Personally, having asked the question previously, I would be surprised if there were a change of opinion from the key stakeholders in the business events community. But if subsequent to this line of questioning today there is a view that that should be revisited then I do not have a closed mind on that. But, clearly, it is very strongly linked to the outcome of the Assembly's deliberations on the bill currently before it.

That said, the casino would not be the only potential private sector partner in either a redevelopment or some further augmentation of the city's capability in the context of the issues that have been identified as weaknesses or structural flaws in the existing infrastructure. The shortcoming that has been identified in relation to, for example, hosting dinners associated with conventions given the available space in the current centre, may be something that can be addressed in the short to medium term by the government working in partnership with the private sector.

In terms of land availability, the site not far from here has been reserved for a new convention facility, and that has been publicly known for quite some time. I will make

the observation that in the context of calls for, “Just issue an expression of interest and see what might happen,” we have had no unsolicited proposals in relation to convention facilities other than the casino option. No-one has come to us with any specific proposals in relation to that site on the other side of Commonwealth Avenue. But if there is this alleged interest from the private sector in undertaking this activity, then that block of land is available for that purpose.

MR PARTON: But you are sceptical?

Mr Barr: I am sceptical that the private sector just with the provision of a block of land, and that block alone, would come forward with a model. All of the analysis shows that there is not a sufficient return on capital. In most instances it is hard to run convention centres even to make an operating profit.

THE CHAIR: I think the private sector would need something else in the provision of land.

Mr Barr: That would be a fair assessment. The question is: what is that something else? And it is not just the rights to build a hotel, although hotels are obviously part of the bigger story for the city. We can pursue additional hotel capacity independent of the convention centre facilities, and we are doing so. I observe that at least one developer has bought two very high profile sites in the past six weeks with a view to adding to the city’s hotel capacity. So that can and will occur independent of decisions on new convention facilities.

I think a reasonable proposition in the short term is to look at the question of the banqueting venue or the large-scale venue for major sit-down lunches, dinners et cetera. That some form of high-end very temporary infrastructure might constitute an opportunity for a more permanent function and events centre that would cater for that particular need is something we are open to considering. There may well be sites that could be described as iconic in relation to, for example, West Basin or other places that might provide that capability.

THE CHAIR: So you see that potentially the banquet facility could be separate from the existing location?

Mr Barr: I think that is worth considering, so long as it was in close proximity. I am not suggesting that you would build a banquet facility in Tuggeranong or Gungahlin.

THE CHAIR: We know a lot of people go to Parliament House and other areas.

Mr Barr: Yes, indeed. I think the issue is the capacity of venues; once you get above a certain number of delegates, or diners, you are restricted in terms of your options. You ask any event organiser in the city who is looking to have a sit-down dinner for more than a thousand people and your options really are the convention centre or Exhibition Park.

THE CHAIR: That would include the current space put aside for the convention centre, I assume. The previous witness was talking about doing a staged aspect where you start with the missing bits, so to speak, the exhibition and banquet space.

Mr Barr: It would be interesting to see how you could work that into a design. But I do not think the reference design—

THE CHAIR: I do not think the reference design is staged in that way.

Mr Barr: But if the committee thinks that option is worth exploring, then please make a recommendation to that effect and we will explore it. I think there are other locations. You could continue to reserve that site and not touch it. The thing I am conscious of is the other development that is occurring between London Circuit and Vernon Circle over the next few years that will disrupt existing parking arrangements, for example. That would mean it probably would not be wise to have concurrent development on all of those sites, noting that outside the Assembly here within a few months major construction will commence on a new government office facility and a private sector building that includes a new hotel. That is going to lead to a degree of disruption in this precinct. I think we will probably need the parking that is on the southern side of Constitution Avenue during that construction phase. I think you would find that people in this precinct would be concerned that they would lose that parking as well in that time frame. But that is something that would need to be considered in the context of what short or medium-term options you might have in that regard.

MS ORR: In the opening statement you mentioned that there could be other works considered this term. Is there any idea what those works would be?

Mr Barr: There is a program of upgrades underway and funded for the existing centre that, when all the works are combined, are around \$6 million, some of which have already been completed. And there is some further work programmed, as I understand, relating to kitchen improvements and the like for the existing centre. I am conscious of the need in the intervening period to ensure that the facilities at the current centre are not run down to the point of making them unattractive to existing users of the facility. And in this process, whilst it is clear that there are constraints in relation to the current facility, I do not want to see a dialogue emerge or a view emerge that the current centre is unusable. It has its constraints but, for those who use it and for events of a certain size, it is a high quality facility.

One of its advantages for users in that sort of medium range of conventions and events is that they do get the facility to themselves; they are not sharing it with multiple other users, as can be the case in some larger centres where individual events can get quite lost in the grandeur of very large centres. It is still an important piece of infrastructure for the city and is obviously generating a significant number of events and economic return for Canberra.

Whilst we are having this discussion and dialogue about the future, let us not either deliberately or inadvertently run down or talk down our existing centre, because we are still out there every day pitching for new events for the city and seeking to hold onto and grow the existing event base. We just need to be careful in that public commentary.

MR PETTERSSON: You mentioned a lack of interest forthcoming and a lack of it from the private sector. Can you maybe expand on whether the commonwealth government has been forthcoming in interest?

Mr Barr: It has been the subject of back and forth discussion with prime ministers, treasurers, territory ministers and finance ministers who have come and gone over the time that I have been in the various roles I have had on the territory side. I have quite bluntly raised it with former treasurers and prime ministers, to the point of saying, “One way or the other, tell me: is there any context in which you would consider this?” At various points I have been given answers that were pretty clear that no, it was not on the commonwealth’s short-term agenda.

Other times there has been interest in undertaking further work, although I do note that the expectation is seemingly always on either the Business Chamber or the ACT government to fund all that. There really has not been a serious buy-in, in my mind, from the commonwealth on both sides off the political equation. This is not a reflection on the Abbott or Turnbull governments. It applies equally to the Rudd and Gillard governments.

To be frank, there is not a massive appetite from the federal government of either persuasion to spend hundreds of millions of dollars on infrastructure in the ACT. Just look at the past 10 or 15 years. I think the biggest commonwealth-funded infrastructure project was the Majura Parkway, which was a fifty-fifty proposition, and that was not quite \$150 million from the commonwealth. So they are just not dropping hundreds of millions of dollars into territory infrastructure.

The other very blunt questions I have asked over the years have been about the extent to which the commonwealth would actually use the facility were it to be built. The political temptation will always be for the Prime Minister of the day to want to stage these major national and international events that Australia might host periodically in either the home city where the Prime Minister comes from or in a state that might have either an economic need for that activity boost or a whole swathe of marginal seats. That is why you have seen various events held in Brisbane over the years that you might think otherwise would be more suited to Canberra or even Sydney but have been moved elsewhere in the country.

I am not naive enough to think that it is just a facility issue. There is a political overlay to this and there always will be. So we should not be naive about that reality. Whilst it is nice and easy to say that, of course, all major events in Australia of national and international importance should be held in the national capital, the reality is that that will not be the case. And that is a fact that we have to take into account.

MR PETTERSSON: Do you see them having any buy-in whatsoever?

Mr Barr: I would not rule it out but it largely reflects a question of what legacy a prime minister may wish to leave in the national capital. And credit to John Howard in his time as Prime Minister, he did leave two major pieces of legacy. He saw through the Keating government commitments around the National Museum of Australia and he also commissioned but did not ultimately open—it was Kevin Rudd who opened it—the National Portrait Gallery. There is an example. Prime Minister Gillard, for Canberra’s centenary, supported the National Arboretum, the Constitution Avenue upgrade project and the lights at Manuka Oval as examples of somewhat smaller scale infrastructure. They were in the tens of millions, those projects combined, but reflected,

I guess, a moment in our city's history.

I will make the observations I have made before that we were granted self-government 30 years ago. Ever since that point there has been an incremental decline in the level of federal government investment and interest in Canberra. It was a pretty clear, delineating moment in our city's history that from that point on we were to take greater responsibility for our own city infrastructure.

That feeds into this debate: in so much as a city of 400,000 growing to 500,000 people would build a convention centre of a certain size and capability, if it is to be a national convention centre then you do need the national government to have an involvement. That, I think, is another consideration that we need to have in the context of what we would proceed with in this project, which, again, really just goes, I suppose, to reinforce your line of questioning, Mr Hanson, on what are we building. If the big, national institution project is not going to happen in the short term, then should our attention focus on what is an appropriate piece of infrastructure for a city of 400,000 people?

THE CHAIR: I think that is the question.

Mr Barr: It is.

THE CHAIR: Because otherwise nothing will happen.

Mr Barr: Yes.

MS ORR: It sounds like the commonwealth government does not have a huge interest, from what you have said, at this point in time.

Mr Barr: I make the observation, to be fair to them too, that they have a budget deficit of \$30 billion and they are not really in a position to be doling out a lot of cash at the moment. Let us be fair to them in that regard too.

MS ORR: A lot of the submissions say, though, that the convention centre or the Australia forum should not go ahead without some commonwealth investment. If we take the commonwealth investment off the table, and noting that you have said no private sector proposal has come forward, even though there is an option for them now—and we have also heard continually throughout the inquiry that it should be put to market—it does seem to leave us with the ACT government. I was interested to know a bit more of the detail you alluded to in your opening statement about some of the pressures that would put on the budget and, if it is up to the ACT government, what is the reality for us in trying to do that.

Mr Barr: Sure. We have a fiscal goal of maintaining a AAA credit rating, and that sets a certain metric on the amount of debt that the territory can take on. There are certain debt to revenue ratios that we need to maintain in order to hold a AAA credit rating. Taking out an \$8 billion loan associated with the Mr Fluffy issue constituted about a third of—I think that is right, is it not, Under Treasurer—all our—

Mr Nicol: At a point in time.

Mr Barr: Yes, at that point in time, about a third of all our debt. Over time, obviously, as we deal with the Mr Fluffy issue and properties are sold back to the market, the expected net cost will be closer to \$300 million, we believe now. To an extent what was on the balance sheet at a billion dollars comes down a little, noting, though, that there are other infrastructure projects that sit on the balance sheet as well.

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.

There is, I guess, a live question as to what extent we have that availability, and then there is an opportunity cost associated with that because that land would then not be available for other purposes or, to a certain extent in the forward estimates and in our land release program, it is accounted for already and is fed into our budget projections for the future.

MR PARTON: We have had a lot of submissions, we have had a lot of conversations. I reckon, though, you could summarise the inquiry in one sentence, and that is: we cannot possibly afford to build a new convention centre but we cannot possibly afford not to. That is pretty much where it is at.

Mr Barr: That is probably a reasonable—

MR PARTON: And we have all spoken about that fact that we are not going to find the perfect solution. We are just not going to find the perfect solution. So many of the people who have spoken have talked about the fact that there is going to have to be some sort of public-private partnership. I understand everything that you have said about the business model for a convention centre per se but I guess what I do not fully understand is that when Aquis very clearly came forward and said, “We have the solution, this is it,” there were those stakeholders who had concerns about a number of areas, notwithstanding that we fought a big political battle about some aspects of it. But I still do not fully understand why, when that was the closest thing to a solution to this, it was dropped so quickly by your government.

Mr Barr: I do not think it was dropped quickly. We did, as I said earlier, go and ask. I am not sure that I would categorise their proposal as necessarily the solution that solves the problems that have been identified. I do not want to speak for other stakeholders but I think one of the factors in their consideration was that the proposal did not necessarily address all the concerns. Whether you would put it into the category of the good being the enemy of the perfect in this context is an interesting discussion and, as I said earlier, maybe some people may think, given an opportunity to reflect further on it, that that was the only option.

But I would reiterate the point I made a few minutes ago: until the Assembly deals with the legislation that is before it in relation to the gaming issues and makes certain determinations on the harm minimisation framework associated with that project, that is obviously linked to the amount of revenue that a casino would generate, which then will be linked to the amount of investment that will flow from that. I think you have made an observation to that effect.

MR PARTON: I thought the minister said the legislation had nothing to do with the Aquis bid.

Mr Barr: I think in the end, after the government's consideration of the unsolicited proposal and the various elements of milestones that will be in our further consideration of that proposal—if the laws that pass the Assembly are such that a \$330 million investment is not economically viable—presumably the proponent will come back with another proposition. But until the Assembly determines an outcome and the proponents know what the rules will be in relation to that matter, it is difficult to speculate on adding to their unsolicited proposal.

But, in the end, I guess this is a matter you are probably best placed to discuss with them. I am not sure whether you have invited them to appear before the committee. You may want to consider that. But I am not going to commit one way or the other today in relation to what the government's position will be on convention centre linkages with the casino. That is something that we would need to consider and assess.

We have had one look at it. We sought the views of stakeholders. It was a pretty clear view that the link was not desired. We considered the stakeholder views, the government's own views as the current owner of the asset and reached the conclusion we did. I am not signalling today that we are going to reopen that position but again, if the facts change depending on what the Assembly does in its wisdom when it considers the legislation and what the proponent then does in response to that, the door is not closed to further dialogue.

But I do not want the reporting out of today to be that the government is inviting that issue to be reopened. I think we would need a lot of convincing to do that. There would be, as I said, other ways forward to achieve an improved outcome for convention facilities in the city.

MR PARTON: Just further to that whole scenario of potentially—I hate to use the term—cobbling together a less-than-perfect end product here to deliver the sort of thing—

Mr Barr: Shall we call it the short to medium-term solution?

MR PARTON: Perhaps. Do you see any role whatsoever in a convention space for the potential new stadium? Do you see any role there or not?

Mr Barr: It depends on what other elements are built into the design of a stadium or arena. There are some obvious issues that need to be considered in terms of multi-purpose and multi-use facilities of that kind. In the context of a stadium, for example, you have got a threshold issue of the playing surface needing to be of a standard that is acceptable to the major users of the facility. That raises the question of indoor versus outdoor, synthetic or natural grass playing surface, and there are a whole range of costs and issues associated with that.

A simpler proposition in terms of the site adjacent to the existing convention facility would be an arena in that it would be a hard surface; it would accommodate the range of existing indoor uses for indoor sports as well as concerts and other activities and would not have the same level of risk around damage to a sporting surface. It would also have the advantage of being able to be comfortably accommodated on the site without the need to radically shift the alignment of the network of roads around it and could meet another need in the city. I think it has been observed by many that we miss out on a large range of live music because we lack an indoor venue with a capacity of more than about 4,000 for a concert. So that is an interesting proposition.

Over the course of the public debate on the stadium issue there have been proposals put forward that combine a stadium and arena by sealing off one end of a stadium and creating a 7½ thousand-seat facility that was indoor but would still allow you to have an outdoor playing field. There are models in the United Kingdom that, I understand, operate in that way. There are a range of innovative solutions. So you would not rule it out. It could provide additional capacity for convention activities whilst also meeting another infrastructure need for the city.

I guess a small experiment in this context is going to take place over the coming WNBL season when the Canberra Capitals will be playing their games in the Royal Theatre. We will get a sense of a sporting option. I think the Capitals have, over the years, attracted crowds of from the hundreds to the thousands for their matches. If it is a great success in the city—and I understand the capacity for the convention centre in the basketball configuration will be 1,500 to 1,700; I could be wrong on that but that was my broad understanding—if that works, then maybe it is the precursor to some further consideration of an arena as opposed to a stadium.

THE CHAIR: Have you identified another site for a stadium? If we were to go ahead with that—I know there are problems with the swimming pool site for a stadium because of orientation—have you had a look around, be it in Civic or Woden or somewhere else; not necessarily Civic but a town centre or somewhere else? Is there another site available? If we were to go with an arena—speculating here—what does that mean, then, for the future of the stadium?

Mr Barr: It would probably mean staying at Bruce and redeveloping at Bruce, subject to acquisition of that site, which is a live discussion with the commonwealth government.

THE CHAIR: Just to clarify that: we did invite the casino to appear, and they chose not to.

Mr Barr: Sure.

MS ORR: Sitting here throughout all the hearings I have not really, from all the evidence that has come forward, been given a sense of what the actual need is for a convention facility. We have got the Australia forum at one end and, yes, everyone agrees that that would be an amazing facility if we could do it. But there does not seem to be this question of if we do not go to that, what is it that we actually need? I want to explore that a little more, particularly around this question: what is a convention centre like for a city of 400,000 people? Is there anything the government would like to put into that discussion?

Mr Barr: Interesting.

Mr Nicol: I think there is scalability here. I do not think there is a perfect one size fits all. I think it depends. There are opportunities for a city of our size to market above our weight a bit and take advantage of the fact that we are the seat of the national government. If the private sector and the commonwealth and the ACT government got together and built a facility like the Australia forum, I suspect we could fill it. The cost of filling it is not the ongoing operational cost, it is the cost of the initial construction that is the biggest barrier.

I think the options that were put in the KPMG report really do cover the field of what I think is reasonable to consider in terms of convention facilities in a city of our size, from the existing very good facility we have and keeping it updated and modern and adapting it to the changing nature of the convention market, as has happened over the years, to potentially expanding it, to potentially building something that is smaller than was envisaged in the Australia forum but more a facility sized to a city of our size rather than a national facility.

I think the decision is an important one because, once you choose, you are locked in for at least the medium term. Certainly if you build a modest-sized facility you are basically ruling out the large facility, I think.

In the meantime, I think you have to, as the Chief Minister said, make sure the facility we have is not under-maintained in the meantime, and I think that is what the government is doing. My conclusion on that is that we can scale to the facility in that range that we end up deciding to build or deciding to operate and maintain.

MS ORR: Is there more of a discussion that needs to be had, then, about if we did not do the Australia forum, what the alternative would be or, given that we have been through KPMG reports and so forth, have we got the answer? Certainly from the evidence I have heard, we have not got the answer for an alternative to the Australia forum.

Mr Nicol: I think that is right. There is a continuing discussion to have. This process is part of that. I think we have done some of the preparatory work to make that choice. I

think it is not only a choice that stands on its own; it also has to be a choice in the context of the government's other infrastructure priorities.

I think there is a timing issue as well, obviously, as the Chief Minister also alluded to. And I think there is a city aspect of it as well, and we have touched on that as well: the stadium, potential theatre space, theatre needs, the actual physical space of the city, how we move people around the city, transport and parking are obviously a big question in this as well, interaction with the airport. All of those sorts of questions have to be answered. It is a very complex set of decisions that have to be made and I think the committee is wise that we are not going to find a perfect solution to every one of those problems and pressures and we have to make essentially the optimal balanced decision in trying to meet multiple objectives ranging from physical infrastructure to life in the community and fiscal pressures.

Ms Arthy: I think one of the things that have struck me in this area since I have been in the ACT government is that we already do have a very strong business events market. If you look, over the past four years the number of visitors that come to Canberra for business events—they are conferences and the like—has grown by over 25 per cent. And now with Singapore Airlines coming in, I think the question for me is: where is the unmet demand?

We are getting growth and, for me, if we are looking at what facilities we need, the question is: where is the evidence on which we can make a good assessment about what our futures needs are? Where is the demand for the conventions and the conferences going to come from in the future, given that many other capital cities have invested very heavily in new facilities? What sort of market are we going after? For example, if we are going to link into South-East Asia, then there are very different needs in terms of how we position a conference facility for an Asian market.

One of the things that I would be looking at is: since all this began, has everything shifted in terms of what our customer base is? We do have a strong events market. What is that next scale in terms of what we do for our convention facilities to target the demand that we are likely to get? That is, I think, an element that would be very helpful in terms of looking—

Mr Barr: I do not want to guide this too much but it might be helpful for the committee to hear from Mr Snow on the work of the CRA as it relates to the plan and the issues that have been raised there.

THE CHAIR: That would be good but before Mr Snow talks I have a question he may be able to answer on this: the KPMG review or report talked about an iconic building. All of a sudden, the benefit-cost ratio triples or something like that if you build an iconic building as opposed to just the functional space. I struggle to see the argument or the evidence. It seems to be a leap of faith and it strikes me that we are a city full of iconic buildings and simply building another building that is iconic—it is difficult to compete with the War Memorial or Parliament House or Old Parliament House or so on, I would contend—all of a sudden in a city of iconic buildings everyone will come to see this. It is difficult for me to see the logic.

Mr Barr: It is an interesting analysis. I find myself in agreement with you. That said,

though, the site that has been identified in the parliamentary triangle—

THE CHAIR: The site itself?

Mr Barr: I think the fact is that we will all be looking at whatever is built there for 50 years or more. How can I put this diplomatically? Convention centres are big, ugly boxes unless they have some other interesting design elements. That is always going to be a challenge architecturally, but I will ask the expert here to talk a little more about the—

THE CHAIR: But there are two things here. One is city planning, and we do not want a big, ugly box. The other one is: does that really make any difference in terms of who visits or not?

Mr Barr: Sure.

Mr Snow: In my experience, I would say that, yes, I understand the word “iconic”, but this is a very competitive marketplace and in those convention centres around Australia that have made significant extensions, reinvestments—I use Adelaide as a great example recently of perhaps a comparable convention centre size—it is ultimately about those who are making decisions about where their conferences are held, about the type of facility they are in.

The Chief Minister is absolutely right. When you unpack the functional brief it is a dark, introverted box but in the competitive world of convention centres you need much more than a black box. You need good architecture. If “iconic” equates to a requirement to get something of great architectural quality, which I think would be the CRA’s view and my board’s view, then I think the functional brief needs to be reinterrogated to ensure that what we do get is not only befitting the national capital but is befitting a site which is at the apex of the national triangle. I would think that the National Capital Authority, which is the planning authority, would demand that kind of design excellence.

Mr Nicol: I could add, perhaps just on the question, that my recollection of the cost-benefit analysis did include an assumption that the iconic element of it would generate additional visitation.

THE CHAIR: I think it had without the iconic status and with iconic status.

Mr Nicol: That is right. So there was and is an assumption.

THE CHAIR: It was an exponential increase.

Mr Nicol: That is right, and it did assume that people essentially would stay extra days or it would attract visitors to the city. You are probably hearing some of my scepticism as well. And this is a subjective judgement because it depends. There are iconic buildings around the world that do this. Whether this one would do it in our context is what people have to assess.

THE CHAIR: It is almost in a sense like gazing across at Parliament House. It is more

the iconic view necessarily than the building perhaps.

Mr Nicol: Yes, it is context specific.

MS ORR: Ms Arthy, the questions you have been asking are actually questions I have had in the back of my mind, too. What are we actually trying to do, what need are we actually trying to meet, what demand? Do you have the answers to those questions or are they all live questions that we need to go out and consider?

Ms Arthy: I am not aware that there are answers. There might be. I have been in the ACT government for only three months. I have not seen it but others may have done the research. But, for me, as I mentioned, it feels like we need more convention space and certainly updated convention space, but on what evidence do we make a decision about what the nature of that is, what the size is, what the scope is.

Mr Barr: Some of the answers to those questions are contained within the scoping study and feasibility work that was undertaken.

Ms Arthy: That is right.

Mr Barr: At the beginning of this decade.

MS ORR: But I think that is the point—some.

Mr Barr: Indeed. And I guess the problem will always be that this is a dynamic market and the assumptions that were made then versus now when circumstances are different here, in that transport connectivity is now better into Canberra than it was then. But other states and territories, other countries in the region have also made further investments in their infrastructure. And then technology has taken a massive leap in terms of how people communicate. There is still obviously a strong need for people to gather physically but the capability now to beam people into conferences and all the rest using digital technology is much greater than it was 10 years ago, certainly 20 years ago. So we have got to be cognisant of some of those changes.

I will make one other observation. This committee is necessarily focused on the convention centre but your mandate also includes economic development. One of the other questions I have been asking is in terms of a return on investment for a government contribution to achieve an economic development outcome. We have also got to assess investment in convention facilities against investment in a range of other forms of economic activity that may, in fact, generate a much larger return to the territory economy. Higher education would be a classic example of that.

I do not want to muddy the waters other than to say that, as Minister for Economic Development, and this committee, as an economic development committee, we need to also consider this question in light of the opportunity costs, not just within the confines of what sort of convention facility we have but where we would get the best bang for our economic development buck.

THE CHAIR: I think that is a point well made. Noting the time, you may wish to take this on notice. We have talked about various priorities, be they social infrastructure,

light rail and various stages of that to come, stadiums, theatres, hospitals and so on. In terms of convention centres—and you talked about opportunity costs in other areas—do you have a bit of a map of what the government's priorities are in terms of infrastructure? I have heard you talk in the Assembly about it but is there actually a document that you can refer to that makes it very clear?

Mr Barr: Yes.

THE CHAIR: So we can see where we sit or where the convention centre as a piece of economic infrastructure sits in that priority?

Mr Barr: Yes, there is an infrastructure plan that we publish and I have asked, in the specific context of the City Renewal Authority's work, the authority to look at sequencing a number of projects within their defined precinct. I would note and draw the committee's attention to the election commitments that we made in relation to this term and that, of the big three pieces of social infrastructure that we have talked about today—convention centre, stadium and theatre complex—we did commit in this term to undertake some further detailed work in relation to the theatre project.

I foreshadow to the committee and to the broader public that that is what we are certainly committed to focusing on in the next few years. It does not exclude further work on the other projects or exclude, if an opportunity emerges, pursuing those other projects, but the one that we are dead set committed to pursuing—and we have provided some funding already to do that—is the theatre.

THE CHAIR: If you have a sense of what comes next—is it stadium or is it something else?—that gives a real sense to that point that we are trying to address, which is: where does this sit in priorities in terms of the Australia forum? If we have got six other bids in front of it, that sends a pretty clear indication, whereas if it is second on the list it is different, yes.

Mr Barr: Yes, indeed. And there is always a need to balance your short, medium and long-term planning with potential strategic opportunities that emerge.

THE CHAIR: Whatever the latest iteration of that, that would be useful. And then, when that work is complete, we will obviously have a look at it. That would be great. We will conclude it there. Chief Minister and everybody, thank you very much for attending today. As always, the draft *Hansard* will be provided. If there are any errors, please get back to the secretariat. Thank you very much for your attendance and your submission.

Mr Barr: Terrific, thank you.

The committee adjourned at 12.02 pm.