

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 PETTERSSON (Deputy Chair) MS S ORR MR M PARTON

TRANSCRIPT OF EVIDENCE

CANBERRA

TUESDAY, 30 MAY 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 9.33 am.

MATTHEWS, MR MICHAEL, Chief Executive Officer, Canberra Convention Bureau

THE CHAIR: Good morning, and welcome to the first public hearing of the Standing Committee on Economic Development and Tourism's inquiry into a new convention centre for Canberra. On behalf of the committee, thanks very much, Mr Matthews, for attending today and representing the Canberra Convention Bureau. I draw your attention to the privilege statement on the pink card. Have you had a look at that?

Mr Matthews: I have.

THE CHAIR: You are aware of the contents and what that all means?

Mr Matthews: Yes.

THE CHAIR: The proceedings are being recorded and webstreamed live. Do you have an opening statement?

Mr Matthews: I do. Thank you very much for accepting our submission on a new convention centre for Canberra, and for accepting that submission on behalf of the business events industry and our 140 members.

The Canberra Convention Bureau is the peak marketing and sales organisation for business events in this destination. We compete nationally and internationally. We are focused on sales outcomes, supported by sound marketing, and we also advocate for our members, the industry and areas around product development.

I have been in this role for about 18 months and got quickly up to speed on what has been almost a couple of decades of a conversation around a new convention centre for Canberra. I come from different markets with international experience and I have seen what convention centres do for their destinations. I have seen the economic outcomes. Also, something that I am keenly interested in is what those beyond-tourism benefits are. I look forward to talking to you about those today.

For us, there has been a lot of discussion about the Australia forum. Australia forum is a very set project, which is ambitious, aspirational and would be an excellent outcome for Canberra. But that excellent project has, I think, stalled our progress. What I would like to do today is take a look at what the need is, bring it back to what the need is, talk about the risk and talk about the opportunity. Those three things, I believe, make the case for an Australia forum or similar, but I would like to have that discussion about need, risk and opportunity and, of course, answer any questions that you have.

Our submission talks to those three areas. There are many other submissions with different angles. Again let us talk about need. With respect to the outcome from this inquiry, I think it is really positive that we are talking about it, but the outcome that would be most suitable for us is a defined pathway on the road to progress, rather than the status quo, which means spinning our wheels for another five, 10 or 15 years.

THE CHAIR: Thanks very much for both your submission and coming here today. I also note that you have invited us to have a tour of the Convention Centre. We appreciate that, and it is in the diaries for us to do that. We look forward to doing that.

I hear you loud and clear. Back in my army days, we used to say that a bad decision was better than no decision. We have been spinning wheels for almost two decades, talking about the nirvana option of the Australia forum or whatever it might be. What I want to get out of this, as do the other committee members, is a way forward. I think that is important. We do not want another report on top of what has been a series of other reports. We need a way forward.

I am interested to hear your view. What is it that you need in the short term? It seems that, with the Australia forum, the grand vision, money has been taken out of the budget. I do not get a sense at this stage that the federal government is coming to the party. We could have endless conversations about that for the next two decades. That, as you said, is perhaps stalling other decisions that could be made. Are we in a process now where we want to keep stalling, waiting for the Australia forum or something like that, or is it time to say, "No, let's actually do something rather than talk about something"? So it might not be the grand vision. It might be what is doable rather than aspirational. If you are saying that talk about the Australia forum is stalling other activity, at what stage do we say, "Let's put that on ice and actually do something," and what is that?

Mr Matthews: We need to look at the current situation. It is great that you are going to see the existing Convention Centre. The National Convention Centre has served us well, and it works well for meetings of a certain size. What it does not offer us is a current convention centre; so it is not meeting the needs of planners that need certain flexibility built into their meetings. Right now, we can do one meeting a week in that peak period that everyone wants, from Tuesday to Thursday, or it might be on the tail end—load in, load out. We are pretty confined there.

With respect to what we also cannot do, there are three components to a decent sized national association, and we are really talking nationally right now. Canberra does very well nationally. We are the envy of many other jurisdictions around Australia because of who we are—being the capital—and our strengths of knowledge, culture and influence. They want to be here. It is just that some of them cannot be here because they need to have a meeting of all the delegates, and breakout rooms. They need to have a trade show, and the trade show is critical because that is how they fund. Sponsors and suppliers will come in and pay for the privilege of engaging with their people, and they need to have a chunk of space so that it can happen.

They also need to do a gala dinner or an off-site dinner. Right now we can do two of those three things. We can meet them, have a trade show, and the trade show has to happen where the meeting delegates are, and then we have no room for an off-site dinner. So right now we are constricted, and we have a reputation in the market for not being able to do the gala dinners. I have provided a list of meetings that are too large for us. I have not provided a list of the ones that are getting too large. No association wants to remain at the size they are. They are growing their membership, and business that we take for granted is at risk of having to go elsewhere.

There is a really good example. There is a defence one that will be in its third year next year. It started at 900 and the second year it was 1,400. They are already building a marquee off the back of the Convention Centre, and they have some serious concerns about whether they are going to fit. Here is a perfect example of an industry that we want to grow and get recognition for being a leader in Australia—which is defence—and we are going to push that to Sydney, Melbourne, Adelaide or Brisbane.

THE CHAIR: Just to follow up on that point, that is talking about the so-called incremental growth as opposed to going for the big new conventions. If you are talking about incremental growth to sustain current business, and that still grows because those conventions are growing, do you need to go to the full Australia forum model, or are you talking about the need to upgrade existing capacity? I do not know whether you have seen the KPMG model. There are a number of models in there. Option D still costs a lot of money, around \$100 million, but it would meet the needs of that growth you are talking about.

Mr Matthews: If that model gave you the size, for a gala dinner and maybe some flexibility to break up that room, that would work in meeting our current requirements. But that does nothing for us for the future. That is not a terrible solution. It helps us to be effective, but it does nothing for us as a city as we grow to 500,000 people. It does nothing for our place internationally, in terms of, you could argue, taking our more rightful place in this nation and in the region. So I think it is a good outcome. It would certainly delay any future imagination of what we could be. It would be a bit of a disappointment, after 20 years of kicking it around, to settle for it.

I understand what your budgetary pressures are around other projects and competing priorities, but if you look back 20 years, can you imagine if we had had the foresight to squirrel away a certain amount every year at a certain point, with a defined pathway? We would be there now. That is with the benefit of hindsight. There are four solutions in there. I look at other cities. Does anyone here know the population of Washington DC?

THE CHAIR: Not off the top of my head.

Mr Matthews: 680,000 people. They have hotels that are three times bigger than our current Convention Centre and they have a convention centre that is about 12 times larger. We keep going back to Canberra, and "let's build for a city of 400,000 people", but we cannot avoid the fact that we are not just a city of 400,000 people. We are not a big country town; we are the nation's capital. I think there is demand for more than what the city population warrants.

THE CHAIR: DC has a massive suburban belt—

Mr Matthews: They do.

THE CHAIR: in Virginia, though.

Mr Matthews: They do.

THE CHAIR: If you were to count that—

Mr Matthews: Richmond, Virginia, down the road, has 200,000 people; Baltimore is up the road.

THE CHAIR: If you count all that in—

Mr Matthews: Absolutely. But Ottawa has 900,000 people, and their convention centre is probably five times bigger than ours.

MR PETTERSSON: One of the things you mentioned was that the current Convention Centre has the capacity to do two of the three things that are required at any one time: you can have the conference and the trade show, but you cannot then have the gala dinner. Are there any options that solve the gala dinner problem?

Mr Matthews: That reputation that we have is hurting us right now, and it is only going to get worse. AIS is a facility that may be changing direction in terms of access to the arena. That is our largest off-site venue for 900 people. It does need some dressing up to be effective, but it is a good solution and it has a great story to it. That may go away, as of a board decision, I believe, in June. I am not involved in that decision. But that is at risk.

THE CHAIR: Which arena are you talking about? The basketball area?

Mr Matthews: Yes. There is a discussion around it being used for one sport and then taking over that space. The board there will make that decision in June, I believe. The other option is EPIC. EPIC is a good solution but it does not have the location advantages. Again we are asking people who come here, "Have your gala and, while you're at it, spend \$80,000 making it look suitable for your situation." It is a fine solution but it is not always available. We lost 1,800 people from a Rotary convention because of a home show at EPIC: EPIC just was not available. So we are very limited already. There are some ideas floating around about building a temporary events space. We have had an unsolicited proposal come to us which we have been forwarding around. Again that is a stopgap.

THE CHAIR: There has been discussion about a covered stadium adjacent to the current Convention Centre, where the pool is at the moment. That is one of those projects that is a little bit like the new convention centre: it is on ice at the moment pending other decisions. With a covered stadium, are there examples anywhere in the world that would fill the role of either providing a venue for the gala dinner, exhibition space or whatever it might be? If your conventions go from Monday to Thursday—a footy game is traditionally on Friday, Saturday or Sunday—can a covered stadium fill that role?

Mr Matthews: It has been done with mixed success in other places, I am led to believe. I am not an expert in that mixed use. I see a stadium as being complementary to the whole core. If you look at what Adelaide has done, with increased capacity at Adelaide Oval and tripling their convention space, the whole precinct is hugely vibrant and very successful. They have the medical centre as well and a lot of complementary pieces that are all activated at different times.

It is possible, but you run into what the purpose is. With respect to what happened with Rotary, EPIC's focus is on exhibitions. We could not access it, so they could not come. If there is another sport going on when we need it, they still cannot come. So it is about that core purpose. If that is the best we can do then so be it, but I would hope that we can give credibility to what conventions deliver, and focus on attracting them.

It is about more than just the economic bang for the buck. I refer to the KPMG report, and also to the Ernst & Young report. So there are two different reports with two different numbers. One thing I would like to mention is that the KPMG report took numbers from 2015, but not the full year. They also took numbers with business on the books, not the business that eventuated in 2015 and 2016. Both proved to be quite good years. So the number that you see there is probably low, even if you accept that the number in the Ernst & Young report may be a little high. Somewhere in between that number is probably closer to the truth. That, on its own, shows that convention centres pay their way in contribution. That is without even factoring in those beyond-tourism benefits.

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

When we are looking at where we want to be internationally, we really need to consider these beyond-tourism benefits, because we create opportunities for Canberra and the good work that everybody is doing to get on the map. And that is not counted. All we are looking at is the economics. As I said earlier, I think the economics stack up better than the way they are represented. If you refer to page 56 of the KPMG report, they talk very briefly about the beyond-tourism benefits.

MS ORR: You noted in your opening statement that we have had quite a long history of discussing the Convention Centre and that the need has changed over time. Can you give me an update on where you see the need at this point in time? I am not necessarily talking about an international or Australia forum specific one, but if I came to you today without this 20-year history and said, "What's the need for a convention centre?" what would be your reply?

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

MS ORR: You would be looking at drawing that mostly from national business; is

that correct?

Mr Matthews: Yes. We are really fortunate. Associations rotate around the country. They want to go to a destination that is appealing, but they also want to go where there is a critical mass of members, because there are some cost benefits. They also want to access the things that we are really good at: knowledge, culture and influence. So national associations want to be close to the hill. That means we are more heavily on the rotation. Whereas Cairns might see it once every nine or 12 years, we could be every three to five. So we are in a good spot, but we are not offering them a facility that they are accustomed to in other places: Sydney, Melbourne, Adelaide, Cairns and Darwin. Perth's is older but refreshed. Tasmania is going to build one. Wellington, Auckland and another city in New Zealand whose name escapes me are building right now, or planning to.

MS ORR: On that note, given that a lot of places are increasing their convention capabilities and putting in new infrastructure, how does that sit with respect to our demand? Do you think we can still compete? Given that there are a lot more players in the market, are we going to be able to get the business we need to justify what it is you are saying we need?

Mr Matthews: I heard someone say, "Should we just settle for the sort of business that we are good at and take that business of 300 to 600, 700, and that is fine?" That means missing opportunities. With the others growing, my colleagues in Melbourne and Sydney do not focus on the national market at all; they are purely focused on international. They have moved beyond that. They have been in the international markets for 20 years and are reaping those benefits. The other thing that is good for Canberra is that, even though you could argue that during sitting weeks Canberra might be expensive, during certain peak periods we are often anywhere from 30 to 50 per cent cheaper for hotel room rates. So associations want to be here and they simply cannot.

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

MS ORR: The impression I am getting from your answers is that our facilities should be focused on getting more of the national convention market, and not worrying so much about the international at this point in time. Am I right in that understanding?

Mr Matthews: No. What I mean is that, with the national market, we are guaranteed to have success. The international market is a lot harder. We win more than 50 per cent of what we bid on nationally. When we start bidding internationally, we might win one in 30, but those numbers are much larger, their stay is longer and their spend is higher. It is a really lucrative market. So it is worth pursuing economically, and the opportunities for grabbing our place are that much greater. Internationally is a lot harder, but I look at Adelaide and the work that they have done. They are probably five or six years ahead of us in terms of what their airport has done, with the international flights they have coming in, the convention centre work that has been

done and the success that they are seeing internationally.

MS ORR: Can you clarify for me what differences you would need to have with a facility that is aimed at the national market as opposed to a facility aimed at the international market? Is there much of a difference?

Mr Matthews: One of the great things about Canberra is that we have really good hotel stock, but we do not have enough at the higher end. We have a lot of 4½ star and not a lot of suites. If we talk about the Australia forum, with a project like that, the discussion is around land deals and hotels of a calibre that we currently do not have. There are some exceptions, but what we generally do not see will follow that project, and that would be essential for the international.

The Convention Centre would be largely the same because it has so much flexibility built into it. The one exception is probably the centre for dialogue. That is a different discussion in that proposal which would set it apart from a functional side as well as from a marketing side, in terms of the calibre that you would be going after. In terms of the bread-and-butter type meetings, national and international, it would largely be the same. The hotel stock would be the big difference and then, of course, how you get here.

MR PARTON: How tough is it to book a medium to large conference, a 700-person conference, here? I want to know about your forwards. You talked about being fully booked in October 2019. What are the other months around that looking like? What I am trying to ascertain—and it is probably one of the key questions of our discussion with you—is how much business you are actually knocking back.

Mr Matthews: I have included the ones that have contacted us and they have uncovered that they are too big for us—so that is about the size. In reality, any meeting planner who has any experience in the Australian market already knows not to contact us, because they do not fit. So that is about the size.

In terms of the smaller ones, the beauty of the business is that, if we do knock it back, we will pitch for it the next year, the next year and the next year. So we will get it eventually. We never give up on those opportunities. But the demand is there to double during peak periods. If you look at a full year, January and December are soft. We do not really provide a lot of solutions for the market in those months. Outside that, we do well. July has a reputation for being a little bit soft, but outside that, there are nine other months when we can contribute more greatly. As I said if we were to double our space, we would be able to double our contribution.

MR PARTON: I enter this process with an open mind, but if I were pressed on the question of the Australia forum as it has been presented, my personal view probably would have been that if we are the only ones, and there is no federal assistance, I struggle to see how this city could support the building of such a conference centre. But, if we did magically create an Australia forum exactly as it was presented, how much of a magnet would that be in your space? It is a difficult question to answer because we do not know, but how many conference leaders would say, "I have to have it there"?

Mr Matthews: We are a marketing organisation, so that side of me would say all of them. If we were to build a tin shed in Hume, that would be a difficult scenario and not a great improvement on what we have right now. If we were to enhance the space that we have right now, we would be effective in that space to a certain point, without reaching our potential. If we were to build something iconic, it sells itself.

People look at our airport. I was not in this market for the old airport, but if you compare the old airport to the new airport, you are probably drawing a similar comparison between the existing Convention Centre and something aspirational like that. So the interest would be high, but you are also building for the next 30 years. You are making a bold decision now, and you can worry about something else for the next 30 years, because you have a solution.

It is a big number. I agree that it should be nationally focused and I agree that the feds should chip in, but it is a difficult landscape. So we need to find a way. It could be a public-private partnership, but they are not going to jump on it; everybody is waiting to jump, I think. With respect to the ACT government's position, they have been supportive. They have been supportive of the bureau and have given us funds to be effective. They have dedicated some land and the sale of the existing site. These are not small things. But the feds are not going to move unless we show a pathway and support. Private are not going to move if they think there is a risk of change, something whimsical, in the government space. We need to agree, "Here's a project that we can all support; how do we progress it with the feds and with private?" I think that is a good outcome for this inquiry; the need is there, and let us understand how we can get there.

If you are talking about \$900 million, nobody has really heard that number before, but you need to build in every time something changes. The discussion was around \$700 million. I know Stephen Byron at the airport is talking about a figure of \$400 million. There are lots of numbers floating around, and we really do not know where we are at. We have not taken that next step, to say, "Okay, what is it really going to cost us?" The only certainty is that the longer we leave it, the more it is going to cost us.

MS ORR: Picking up on this statement, "iconic piece of architecture", are there any precedents that you know of for convention centres that have gone down this path; going for the wow factor? If there is a precedent for that, what has been the response?

Mr Matthews: My past 20 years were spent in Canada, so I know that space really well. Why don't we start on the west coast? Vancouver built a new convention centre that has picturesque views of the mountains. They overbuilt it. It has a green roof; it is in a beautiful setting right on the harbour. They built it knowing that it was there to attract and fill the hotel rooms, and they were less worried about the economics of it. But it is a big city. It is iconic and hugely successful. As you move across the country, Toronto keeps growing theirs. Theirs has an enormous footprint and they attract 12,000 people from Microsoft. It is a big city.

If you go to Ottawa, there are a lot of similarities. Nobody knows Ottawa is the capital of Canada; they think it is Vancouver or Toronto, just as people think of Sydney or Melbourne here. They re-imagined theirs, and it is a jewel right on the canal, in terms

of the glass and what it looks like. It is beautifully iconic and modern, in a very picturesque, historic-looking space, and very attractive. After some initial teething problems, it is doing really well for that destination.

As you move across, to my little destination, we built a new convention centre, and it was—

MR PARTON: Where?

Mr Matthews: Prince Edward Island. It is very seasonal. The only things going on in Prince Edward Island are fisheries and agriculture, and tourism for about six weeks. We pushed the seasons out. We started seeing business in March, right through to November. That is what conventions did for that destination, and people understood and embraced that project. The last one is Halifax, which is just about to open, and that will completely change a tired part of that city. It is the catalyst to revitalisation in that city, and I encourage you to take a look at the Halifax convention centre.

MS ORR: With your experience on Prince Edward Island, the business case talks about increasing the value of the building and the return, given that it is iconic and it is a statement piece of architecture. With the facility you did at Halifax, was this a statement piece of architecture or was it more about putting it into the facilities that were involved and the pitches you went out to do, as opposed to the building itself?

Mr Matthews: This was the Charlottetown convention centre, and what they did there was appropriate for the setting. They had to reclaim seawater to build it, but the work they did aesthetically was lovely on the outside. It is in a bit of a low-rise setting, so it is different from what we are talking about. It is not a shining light on the top of a hill. But when you are in it, it has four-storey floor-to-ceiling windows overlooking the harbour, and a rural setting. It is very beautiful. With this building, as much as it is iconic to look at, it is functional on the inside. We are in an amazing setting here, and we should take full advantage of the sun setting on the Brindabellas. That, from a marketing perspective, is gold; we could take that internationally and that would resonate. People would want to be in that space.

THE CHAIR: On the issue of hotel rooms, if we were to build the Australia forum model, has someone done an analysis of how many more hotel rooms we would need of that four or five-star standard?

Mr Matthews: I have not. I know there was some work done in the scoping study way back in April 2011, and there is also a really good report that Sydney did in September 2010 for theirs. You can see what has happened in that precinct around Darling Harbour and the hotels that have flowed on from that. I think you would see something similar.

There are 11 hotel projects coming between now and 2020 in Canberra, the likes of Capital Hotel Group, GEOCON, Doma, and possibly a few others. I know that the people who are building those hotels are local entrepreneurs for the most part. Mantra might be an exception, because they are not local, but they are building. They are wondering what sort of infrastructure is going to help to fill—

MR PARTON: Everyone is wondering, though, aren't they?

Mr Matthews: Yes. The nice thing is the work that VisitCanberra is doing; their marketing message about proximity and diversity is working. The government is back in full swing. There is other business happening, and we are weaning off from government, and then there is the contribution that we make. So even with the increase in stock that we saw in 2014, when we increased it by 10 per cent, we are back to normalised levels from that. So there is demand for Canberra, and we will continue to grow.

To answer your question, I have not done the work, but we would probably need another two hotels of a size; the 200 to 300 mark would be ideal. It solves a lot of problems for meeting planners as they are not putting a sprinkling of delegates all around the place. But it still creates that compression where it pushes the business out.

THE CHAIR: If nothing happens for a while—and that has certainly been the history—what could we do in the short term? It may not be building related; it could be in terms of more marketing or whatever that may be, right here and now? If we are talking about the next budget rather than a longer term project, is there anything we can do, beyond dreaming about Australia forum, that we can do right here, right now, that will increase the convention business in Canberra? Is it all about capacity or is there other stuff we can do?

Mr Matthews: There are some bandaid solutions. The casino will be an excellent project that will help revitalise Civic, but if that space was not going ahead, there is that potential to push out the back of the Convention Centre. If you are offering a marquee when they could just go somewhere else and fit, it is not a great solution, but it would help. We really are in desperate need of a gala dinner solution for Canberra. EPIC is good but it is not always available and it needs some work to get dressed up. With our other spaces, once you get above 400 or 500, there is nowhere to go. If AIS goes off the map, we really are cooked.

A company that is a member of ours has put together a proposal which we have forwarded to the NCA—they have had a look at it and I know they are going to forward it on to government—for a 2,000-square-metre temporary solution. It is really like a pop-up event space, but we could do dinners for about 1,200 people in that, and that could see us through. I think it would be a great outcome, if we are on a pathway and have got a shovel in the ground. For the next four years, that would be a good outcome. But if that was our solution for the next 10 years, that would be a bit embarrassing.

THE CHAIR: Where is that facility identified for?

Mr Matthews: I did not bring the proposal with me, but I could forward it to you. This could go anywhere, wherever there is the grade for it. It could go in Commonwealth Park; it could go across the road from the Convention Centre; it could go anywhere where the land is suitable.

THE CHAIR: What sort of structure is it? Is it a tent-type structure?

Mr Matthews: It is probably the fanciest marquee you have ever seen. It is German engineered. The beauty of it is that it can be relocatable. It is an asset that you could move. This would be 2,000 square metres. It could be split into four and repurposed. Apparently—I know this is broad—they have a 20 to 50-year life. So it is a good solution but it is a bandaid. I know the company is really keen to provide that bandaid solution for the destination, but I would only be supporting that if I knew there was a pathway to a better solution.

THE CHAIR: If there is no pathway to a better solution, you would not support that? You would rather have nothing than that?

Mr Matthews: No, I would rather have—

THE CHAIR: You would rather have that regardless of the longer term plan?

Mr Matthews: Yes, you have got me there.

THE CHAIR: I have. I take your point, though. We understand that you want a final solution, and what we are trying to deal with here, I suppose, is—

Mr Matthews: Realities.

THE CHAIR: The realities. If that is not going to happen—and they are decisions that will not be made by this committee, it is fair to say—what is it that we can do, whether it is happening or whether it is not happening?

Mr Matthews: With other solutions, I know the Doma proposal says, "Do nothing or continue to spin the wheels and you will deter investment—privates coming up with their own solutions." The reality is that no-one is going to build something of a size without it being government or a public-private partnership that is a pathway through government. They will build great additions, which really just speaks to the maturity of the market—lots of variety, which you find in other places.

THE CHAIR: One thing that has been put to me is that if a group were to be asked to build a new convention centre but were also given the rights to build the two or three hotels that you are talking about, either on the site or adjacent—if you were given the land to do that and the approvals to build a hotel—would that then become an attractive proposition? Have you had discussions with anyone who has said, "If the government said that we could build two or three hotels on this site, we'd, if not build the convention centre, do a big chunk of it"? Have you had any discussions like that?

Mr Matthews: I have not had those discussions. I know the Business Chamber has. I believe the NCA was involved in part of that discussion. We represent our members, but our focus has to be on the sales and marketing with our existing market. That is our primary focus. We are not experts on PPP, but I am confident that they will not touch us if they think there is uncertainty or we will change our mind again.

THE CHAIR: A lot of it is about risk. I suppose it is about the risk being transferred to the private sector, which in many cases can manage that risk better. We might follow that up with the Business Chamber—

Mr Matthews: Yes, I think it is a good idea.

THE CHAIR: and see if there are any proposals on the table or discussions along that line. I imagine that it is a big chunk of money for the ACT government to absorb, to take all the risk, but if someone else was prepared to do that, it might be a way forward.

MR PETTERSSON: You put forward a very compelling case. What is the compelling case you put to the feds so that they come to the party?

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

Convention centres have a PR problem. The reason they have a PR problem is that people cannot imagine themselves in them. It feels like it is built for somebody else. If you are building a footy stadium, you can imagine sitting there with a scarf on, cheering for the Wallabies, the Socceroos, the Brumbies or the Raiders. But you feel like a convention centre is built for someone else. That is why a stadium was built up north and contributed to, and they have not invested in a convention centre. They invest in roads because people can imagine those roads are for them. It is a tough go up there. We should not give up, though. But why would they support it if they do not think there is local support?

MS ORR: You spoke about the benefits and how the stadium seems to have immediate benefits for the local community. What do you see as the benefits of this convention centre to locals in the ACT?

Mr Matthews: I did not mean to imply that a stadium has a benefit versus a convention centre. It is just that people can imagine themselves in it, and enjoying that space, whereas it is harder with a convention centre. They are all valuable economic contributors and add to the vibrancy of downtown, and they are highly complementary. Light rail will get you to the convention centre and the football game. They are all complementary. We are not opposed to any over another, but a convention centre is year round whereas other things are one-night opportunities.

When we bring somebody in for national, we are talking two to three nights. If it is international, it is four to five. That opportunity is just so much greater because it is not local people. Yes, they do attend and participate, as I alluded to through the universities, but 60 to 80 per cent will be from somewhere else and need to stay, and stay longer, or bring somebody, extend their vacation, eat out in restaurants and add to the vibrancy. That is the economics of it, and then, of course, there is that beyond-tourism thing that I keep banging on about.

I would like to suggest that, after you have seen our existing space, you consider

seeing another convention centre in Australia somewhere. Sydney is probably the easiest to get to. I am not saying we should build another Sydney, but you should see a modern convention centre, how it works and how that flexibility, which is a requirement of current meeting planners, works. Take a look at that and how it works. Also, if you choose Sydney, perhaps talk to my counterpart in Business Events Sydney who has done that work on beyond tourism, and understand the benefits that she has been able to derive during her tenure. She is probably a world leader in that space.

MS ORR: If I am doing my mobile office at Kaleen Plaza shops and someone comes up to me and says, "We're spending all this money on a convention centre. How does that benefit me here in Kaleen?" what would be your response to that person, given that all the things you are largely listing go to things that the average person in Kaleen or some other suburb in Canberra might not necessarily see within their direct sphere?

Mr Matthews: Any big project that government undertakes has an education component. I would suggest that, with that education component, the most immediate one to talk about would be jobs. The discussion is around 700 jobs. That is not counting construction. People disparage service jobs unfairly in terms of the value. There are pathways. The people whom I talk to in the HR industry love hiring anyone who has worked in the service industry because they become better managers and they become better employees. If you have worked in a service industry, you simply get it. So we should not discredit those. I have done that job and it was a pathway for me. So that is the jobs aspect.

The vibrancy for Civic would be incredible. A couple of thousand people would be wandering around and looking for something to do, and leaving a few dollars behind while they are here. That is the immediate thing.

If you were to bring the world's brightest people here, let us choose lung cancer, and say they are here for a week, they are engaging, there is research undertaken on a local level and expertise is developed. It is a bit of a stretch, but what happens when you are in that space or someone you love is in that space and needs that support? I do not want to get too airy-fairy about this, but they are real outcomes. So it is about education for those people. There are lots of projects out there that need help to understand, because it is outside their sphere.

Frankly, there is work that Tourism Australia has done where people do not even understand tourism, so to understand business events is one step beyond that. People do not think of themselves as tourists. They think when they go to the coast they are not being counted as a tourist by that local council. They absolutely are.

MR PETTERSSON: I have a follow-up from my question.

THE CHAIR: We might go to Mr Parton for a last question, if we could.

MR PETTERSSON: It is a very quick one. Suzanne jumped in on me and I was being polite.

MS ORR: I did ask a supplementary on his question.

THE CHAIR: Okay. You might be missing out then, Mark.

Mr Matthews: The problem is that I am not quick in answering. You are quick in questioning.

THE CHAIR: That is the problem. A quick question often gets a long answer. A long question gets a quick answer.

Mr Matthews: I will do my best.

MR PETTERSSON: You have done a very good job in explaining the benefits to Canberrans. I was quite pleased with your answer just then. When I asked about how to convince the feds, you said how hard it was, but you did not give me a good argument for why the feds should come to the party. Why should the federal government be interested in this project?

Mr Matthews: The initial scope around the Australia forum was very much around being able to host CHOGM and G20. As a nation's capital and an important country within this region, those things will happen with a space like that.

THE CHAIR: A good quick answer.

Mr Matthews: That will happen. I can be triply effective with a space like that in real return. But if we are going to go to this trouble of building something, yes, it should meet the security needs; yes, it should meet the needs of our friends up on the hill. Hopefully, there is a project that they can get behind, like John Howard did with the NMA, whereby that is their stick in the sand for what they did in their time. Hopefully, that resonates with someone up there.

THE CHAIR: Mr Parton, do you have a final question?

MR PARTON: If this gets a little technical, I am sure we can sort this out on our site visit. You mentioned in your statement that the current Convention Centre is not up to today's standards. I got the impression that you were talking about technological standards but perhaps also about flexibility standards. Certainly, when you mentioned Sydney, you said that if we go to Sydney we will see how flexibility can play a role. Talk me through what is missing from the current venue in those areas. If you think that requires a longer-than-two-minute answer, maybe we can wait for that site visit.

Mr Matthews: Flexibility is missing because right now, with that Convention Centre, you cannot take two groups at once. It is 2,500 or 200—one and the same. The exhibition hall is one big room that is not divisible. The crush space outside, where people mingle and gather, works but it is a throughway, and there are not enough breakout rooms. So that is it. As I said earlier, we can do two of the three requirements of any normal request from a meeting planner. So we cannot do the dinner or we cannot do the trade show. You will see it.

MR PARTON: I look forward to it.

THE CHAIR: That is a great segue to finish up. Thank you very much for your submission and for coming today, Mr Matthews. It has been very useful for us. We now have other directions to look in. We look forward to the visit. That will be very useful for the committee. If you can provide the proposal you talked about for the interim convention space, the big marquee, that would be useful, if you could flick that through to the committee today. I do not know if you could do that as a matter of urgency.

Mr Matthews: That is fine.

THE CHAIR: We can then incorporate that into our consideration. The committee secretariat will send you a copy of the *Hansard* for you to review and make sure that what has been picked up is actually what you said. Thank you very much, and we will see you when we come for our visit.

Mr Matthews: Thank you for your time.

GUIDA, MR JOHN, Partner, Guida Moseley Brown Architects

THE CHAIR: Mr Guida, thank you very much for coming here today. If you could look at that card, it outlines the privilege that comes with this committee. Could you have a quick perusal of that.

Mr Guida: Thank you.

THE CHAIR: These proceedings are being recorded. They will be live streamed and will be recorded in *Hansard*. Do you understand the privilege implications?

Mr Guida: I understand that, thank you.

THE CHAIR: Thanks very much. Do you have an opening statement or, even better, an opening presentation?

Mr Guida: I do. I will set it up.

A PowerPoint presentation was then made.

Thank you very much for having me today. It is great to be able to talk about the work that we have done. Hopefully, I can provide an answer to some questions you may have. You may or may not know our firm. We designed this building here some time ago, and evolved from Mitchell Giurgola and Thorp, who were the architects for the Parliament of Australia. We have also designed the Canberra Airport, the new international terminal, as well as other buildings around the country and the world.

Just to give you a little bit of history, I will take you through a hopefully brief presentation, to give you a sense of the work that we did, and hopefully expand a little bit on the reference design, and also in relation to some of the findings in the KPMG delivery strategy options analysis report.

A couple of years ago there was an EOI for this project, and we invited Fuksas architects, an internationally acclaimed architect, to join us and submit for this project. We were shortlisted as part of an EOI process, and then we participated in an architectural competition, a very brief three-week competition, and we were awarded the project. It is important to note that Guida Moseley Brown Architects were actually the contracting entity with the LDA, not Fuksas. Fuksas were part of our team. It is something that is worth clarifying, because I did not see that in any of the literature in that report.

I will give you a brief presentation. A lot of this stuff you probably know already, having read the documents. The project, the brief, was really to design a world-class convention exhibition centre with a centre for dialogue. As we have heard from Michael, the existing facility does not have the flexibility to cater to the current demands. As part of that we worked with stakeholders that wrote the brief and worked through with us in a five-month period to develop the design from the competition entry to essentially a very developed concept design that could then be priced accurately. We spent five months working with them and the LDA, the NCA, the

Canberra Business Chamber and other stakeholders in government and industry to develop this design.

The key aspects of the project were that it was an iconic design that responded to the nature of this site, being essentially the corner of the parliamentary triangle that intersects with the city on City Hill. We have 6,000 square metres of exhibition hall, which is three times what is currently available in the existing Convention Centre, a large continuous exhibition concourse which is a giant foyer which can extend into the existing space, adding another 2½ thousand square metres of exhibition space. We have 14 divisible meeting rooms, entirely flexible, a ballroom of 2,200 square metres, seating 1,800, which is a large increase from the current capacity, and a highly flexible plenary hall with seating for up to 2,500, which, again, is a very different proposition from the existing Royal Theatre. This can be switched from a complete flat-floor mode into a plenary hall, so you can have very different types of gatherings. The centre for dialogue, as Michael was saying, gives the ability to have meetings in the round; being able to host those G8, G20 and CHOGM summits in a space that does not currently exist in Australia.

We also looked at specialised security arrangements for the forum. I am not going to go into the details of that, but that was designed in this concept design.

I will talk briefly about some of the urban characteristics of the project that are important. This applies to our reference design but also to any project that would work on this site. This is an opportunity to link the national areas, being the parliamentary triangle, with the city, visually and symbolically, and tying in with Griffin's plan and his legacy. It provides a prominence of purpose appropriate to its area and to its site. It does not just go to retail, commercial or residential; it has a significant public building. It provides, as a building in the round, a series of public spaces that activate and benefit the city: Vernon Circle, Constitution Avenue and London Circuit.

Having worked with PG International, who wrote the brief, we believe that the brief provides a foundation to develop architectural excellence, having tested that brief and developed it over those five months. We believe the brief and the references provide an architectural excellence which seems commensurate with this type of facility, both on a national and local scale.

This diagram shows the parliamentary triangle connecting with the city. I will briefly describe some of the conceptual ideas behind the forum. The idea for this project really came about as a way to reference the unique topography of Canberra and also the lake. It becomes an expression of that confluence of the topography and the lake. You can see that in its form. Unlike the UFO that is often described in the media, it is actually based on Canberra's topography and natural features.

The design which we proposed is open and permeable. Unlike convention centres which you see in a lot of cities, which have a big service back-end, like in Melbourne, with semitrailers parked everywhere, the opportunity here is to create a building that is activated on all sides, does not have a back door and is permeable and open—being able to see in and also people seeing out to the lake beyond. The plaza and amphitheatre, which I will show you in a moment, face north. They provide a very generous public space that activates Vernon Circle. Vernon Circle is soon to be more

pedestrianised. That is happening now with the law court and other projects.

The building also ties in with its context. During this process we looked at the infrastructure that was being proposed and is now underway. Light rail, the regrading of London Circuit, which will form an intersection—all of those elements were designed into this project.

The design maximises glazing to provide views in and out and around the building. Most convention centres just have a front door. So this was a real opportunity to give a gift back to the city—a building that really opens up and is permeable. You can see this amphitheatre coming down to the plaza, and also the views out.

I will take you briefly through some of the drawings that we prepared. This shows a view of the existing context and then the roof plan. This is the plaza that you can see, which has northern sun and faces the City Hill park. The building has an amphitheatre which comes down to the plaza here, and the parti is quite simple. On the lower levels you have a large, flexible exhibition space and above that the main plenary hall. On various other levels adjacent you have meeting rooms and ballrooms. Part of the nature of having this site is that you have a stacked arrangement. The site actually works very well because it means that you can bury the exhibition or the loading into the hill and hide all of those trucks via a service lane.

This cuts through the other way. You can see the meeting rooms, the banquet hall, the plenary hall and also the centre for dialogue, which is that meeting room in the round that I mentioned.

Briefly going through the plans, we have a large exhibition space. This is at the level of London Circuit. It can be divided into four spaces of 1,500 square metres. At ground level above, on Vernon Circle, we have the main piazza and the entry into the foyer and also the entry into the centre for dialogue; that has a separate secure entry for VIPs. In the basement it also has a separate secure zone for VIPs.

Moving up through the building, we have meeting rooms off to the side, the plenary hall in the middle and the centre for dialogue on the side. So while the building appears to be quite expressive and potentially complex, it is actually a very simple arrangement of functions.

Above we have the ballroom which is, again, subdivided, similar to the meeting rooms, the upper levels of the plenary and then the centre for dialogue. We have explored rotatable theatrettes, which are an emerging technology in convention which allow maximised flexibility, so that you can have those as part of the greater plenary or you can use them individually. All of that technology has been built into this scheme.

With the areas at the moment, I will touch more on the areas in relation to the KPMG report and what they allow. We have a project that, above ground—essentially the usable spaces that people inhabit—are 74,000 square metres. Everything between that and 103,000 square metres is car parking, plant rooms and other service spaces.

This is the main piazza space facing north, with a public amphitheatre that takes

people up in a ceremonial entry to the upper levels of the plenary, and also allows access through and then down to the exhibition halls. So we imagine this as really tying in with the aspirations of city to the lake, which is to pedestrianise Vernon Circle and to eventually create a public park that connects through to the forum and the other buildings.

This shows that large north-facing public space, the centre for dialogue, which forms an anchor to Constitution Avenue and then the plenary geometry, which you can see inside. There are roof terraces, restaurants and bars that take advantage of the views out to the lake and city beyond.

This is a view at night showing the permeability of the building, the openness and transparency and also the connection back to parliament and the parliamentary triangle.

This is a view of that piazza looking down, showing how that space might be activated. One of the things that is really important is that in having this many people a little bit away from the city we really start to create activation and movement in this part of the city. It is not something that just has people when there is a function on. We imagine that impromptu events, musical performances et cetera, would happen and become part of the life of the city.

This shows the plenary volume, which is essentially a simple shape within the overall building. The centre for dialogue that you can see here seats a little over 200 people at the moment, with views out and beyond.

I will talk a little bit about some of the processes that we went through. During the five-month period in which we developed this, we were given a budget partway through by the LDA. There was an extensive value management process that we undertook, working with our design consultant team and also the brief writers, to tighten up the project and pare it down to what you have now in this report and the other documents that have been made public. That brought it back down to the budget that was set for us.

I will talk a little bit about the KPMG report and some of the items in there that I thought were worth mentioning and possibly expanding on. While I have read the report, there is obviously a process of analysis that was undertaken which I do not have available, so I have had to make some assumptions. It is interesting to note on page 57 that, after all of the analysis, the current reference design has the highest cost-benefit ratio of the four options. We were pleased to see that.

It seems that throughout the report a lot of the metrics that come out relating to cost, life cycle replacement costs et cetera, as I understand it, relate back to the area and the size of the project and the areas of our reference design in relation to option B, which was one of the other competition schemes. To us, there seems to be a disparity there that we do not quite understand. Without wanting to speak negatively of the report, a comparison between a design which spent five months in development in detail, with all the consultants and brief writers, and a concept design that was undertaken in three weeks that I have not seen any drawings of, does not seem to be a fair comparison in looking objectively at the project.

I say that because I know how much work was done in that five months in developing the scheme, or in any architectural project. It puts into question in my mind the fairness around that comparison: comparing something which is quite developed with something which is not developed. In particular, I refer to the areas. We developed the project according to the areas. There is a disparity in areas of up to 40 per cent between the two schemes, and I do not know where that extra 30,000 square metres comes from because it is not in our circulation spaces that we have shown in the reference design. I am raising that as something that we think is a large, potential disparity in the comparison and something worth future consideration.

The report was done some time ago. International flights are now coming in to Canberra and there is talk now of greater connectivity. The Canberra Airport is now in discussions with Qatar Airways, as I understand it. That needs to be considered in the report and the findings: the greater connectivity that comes about with now having international flights and projected greater international connectivity.

The other potential disparities that we looked at came from risk analysis. One of them, which is interesting to note, is that option A has a different funding model from option B, and to compare the two different designs with two different funding models seems not to be comparing apples with apples, if that makes sense. They are two different funding models, with one being more reliant on federal funding. That is something that, to us, was not highlighted and separately identified in that risk profile.

Again, although the risks and the way the risk analysis work were very much, as we understood, based on those area differences that I mentioned before, and which I think are based on a potential disparity between the two schemes, in comparing option A and option B, it would be interesting to have more evidence of how the areas were combined and those associated costs, and, in turn, the potential risk difference between those. That would be worth exploring further, just so that all things are equal.

Also, there was a response in the KPMG report which talked about complex geometries or curvilinear geometries. Working with Fuksas on this project, we really brought in their international expertise, not only in exhibitions and conventions but also in delivering the design and construction of complex expressive forms. You can see that here with the Rome convention centre, which has just been completed, and also the Milan exhibition and convention centre.

With BIM modelling programs and parametric design, architects now are able to deliver these complex geometries in a way that is optimised and rationalised. It is important to note that, in the sense that those potential perceived costs with more complex expressive shapes can be mitigated and controlled through the use of these new technologies—parametric and BIM modelling software platforms. We have seen that in these projects and also other projects that we have worked on. That is the end of my presentation.

THE CHAIR: Thanks very much. It was very useful for the committee to get a real sense of it. When you were asked to do your design, was it specifically on that piece of ground or were there other options considered? City Hill has been mooted as a potential site previously. Was that part of the planning?

Mr Guida: Yes, it was very much part of the project; from the EOI moving onwards it was never in question. I believe it was on the back of the scoping, the 2011 scoping study that was done, which identified that as a preferred site. Working with international architects, and also being local architects, our experience, from working through that project and some of the advantages I talked about, made it quite clear that the project works very well in this site. It has some of its own challenges, as all sites do, but it works well in the sense that, because of the topography change, you can vary those exhibition spaces which do not need the day lighting and frontage that, for instance, the foyer spaces need. If it was a flat site in the city, it would be more challenging.

THE CHAIR: You showed us a couple of other examples. In developing the plans, has this leant heavily on other convention centres? Is it modelled on Rome, Milan or somewhere else?

Mr Guida: Those were different projects. The Rome project has only just finished. It has been in development for 10 years, just due to politics in Italy. The Milan one has been finished for some time. We very much developed this according to the brief. The brief by PG International was very comprehensive, and it was very prescriptive. By that I mean it had very strict requirements on the size and format of the plenary, the size and format of the exhibition halls and then also the ballroom and the meeting rooms. In the concept stage we were free to move those around within the site, in terms of the functionality and the way those spaces subdivide, and even those rotating theatrettes were something that was suggested in the brief. So we were very much responding to the brief, which was put together to provide maximum—

THE CHAIR: You were given the building blocks, and you put those together—

Mr Guida: That is right. We tested those very heavily. The design changed significantly from the initial concept proposal to what you see here today, working with the brief writers, PG International. They were at all our major stakeholder meetings. That said, there were opportunities to learn from things that were changing during the process. The rotating theatres had only just been tested. I think there is one place in Canada where they had been tested. I do not know whether they have actually been implemented in Australia. So we were still bringing some of the latest technological developments and using them in this project.

We also explored very innovative seating technologies. A lot of what you see now, and what Michael spoke about in terms of flexibility, comes down to how quickly you can change a plenary hall into a flat-floor mode or how you can subdivide a 2,500 plenary into two 1,250s or four 500s. With the gala retractable seating elements, we explored different options for those. I would say, in terms of your comment, what it was based on was really working with the brief but then testing it against state-of-the-art technologies.

THE CHAIR: Is the centre for dialogue an individual space or is that something that is created out of other bits for specific purposes? It seems that that is only going to be used infrequently, at best.

Mr Guida: That is right. That part of the project was the most unique in the brief, in the sense that it is a facility that does not exist in Australia. We developed it according to the brief as a project that connects with the existing building but also can operate as a standalone function. Here, on this level, the upper level, you can see a bridge connection which comes across to these foyer spaces. What we designed was the ability to access that from within the building and to have it accessed only from the ground level. For instance, if there was a G8 summit, that connection at the top might not happen or the entire centre would probably be closed to the public, and you would have secure drop-off in the basement above or through this separate public entry here. We developed that as a separate building, for security requirements, so that they can be locked down and closed off very easily from the rest of the centre.

THE CHAIR: What is its utility outside those times? If you use it for a G8, that is great, but outside that time, what is that building used for?

Mr Guida: The centre for dialogue—I do not know if you know this—is an organisation that exists within the Australian National University. They currently have their headquarters at the ANU College of Law. They are an organisation that facilitates dialogue. To date a lot of that has been academic dialogue or community dialogue. So there are meetings that happen in the round that are political, and that can also focus on federal and local government meetings. We looked at the possibility of holding Indigenous meetings, related to Indigenous affairs, and those types of gatherings. We looked at the types of summits and groups that you might have that would relate back to the ANU, with the ANU being a top academic organisation. So a number of different organisations—cultural, academic, commercial—would use that space. It would also allow businesses and conventioneers to use that space. So it is very flexible. We even talked about it being rented for weddings. That was something that came up in the business plan as well. At the moment there are weddings that happen in the existing Convention Centre. This provides a smaller space for that. It could be a balance of those social, political—

THE CHAIR: And performance arts as well?

Mr Guida: That is right. It is a large space that, as you could see before, is very flexible. It is designed at the moment as a flat-floor mode, but it has the volume to be able to be used as a theatre in the round or for the performing arts.

MR PETTERSSON: How common is a space like that in a convention centre? I am in no way an expert on convention centres. I have been to a couple in my time, but I have never seen a space like that. Is that common?

Mr Guida: As I understand it—I am not a convention centre expert in the same way that our brief writers were—it is unique. There are other convention centres that could make a space like that within their flexible halls and within their plenaries. But my understanding is that it is quite uncommon to have a dedicated space like that. Where you often see spaces like that is in buildings like this. The Hong Kong legislative assembly chamber, which we designed, has a space like that which is more round and it facilitates those meetings in the round. There is the United Nations, those types of spaces that you all know very well, albeit on a larger scale. You often see them more related to government. As I understand it, there are not a lot of precedents for this

specific space as part of a convention centre, as a dedicated space.

MR PETTERSSON: You made a couple of references to the security requirements. I am in no way an expert on security requirements, and I suspect that you are not, either, but you probably know a little bit more than most of us on this. What are the specifications that are needed to host some of these top-tier international gatherings?

Mr Guida: I will just step back a little bit. We looked at security mainly in relation to those gatherings. With the concerns that are coming out now every day, with heightened security in public venues, we were concerned about those. Those are things that could be built into the existing public facility in terms of strategies for locking down the facility, entry protocols and those types of things which we are currently designing or expanding upon at Parliament House. I might add, too, that Guida Moseley Brown are currently undertaking the design of the security upgrades at parliament, which, as we understand it, are the most stringent security requirements in Australia at this stage.

We did not look at this in that much detail. We looked at it more broadly in terms of the broader urban design and spatial allotments to allow that security to happen. For instance, in the basement, we have a separate secure drop-off for VIPs, and that is separate from the car park, all of the plant areas and all of the loadings. So they can come down, never actually be seen in public, go up into the building, into the secure building which the public do not have access to, go back down and then exit through that secure entrance. That would have all the same security protocols that you would have here or that we have at parliament.

That was in a most secure type of scenario. There were other more medium-security scenarios where we would use the separate drop-off that you saw at the corner of Constitution Avenue and London Circuit. That allows for that building to still be used on its own and be locked down. It is a small building that can be very easily separated at the upper levels from the main building. So it was designed with that in mind.

As we understand it, in principle, for this to move forward, if this were to be built now, the design could handle those security requirements. It would be a matter of drilling down in detail on all of those thresholds—all of your X-rays, for instance, all of the facade hardening that we are doing now at parliament. A lot of those are just technical issues that come down to how you specify the materials.

MS ORR: I have a supplementary on that. With inputting all of these security features into the zone, how much does that add to the cost of what you have to do?

Mr Guida: That is something that we have not looked at in detail at this point, given that it was a reference design. That depends on what level of security is taken, given the potential scenarios I discussed. If it is just the centre for dialogue for the G8s, the CHOGMs, G20s et cetera then you are not looking at a huge increase in security because it is a much smaller building. But if you wanted a complete belts and braces for the entire centre, which probably does not exist in any public building in Australia, you would be looking at significant costs.

In terms of the protocols-and I am talking about bullet-proof; if you are going to

make all the facades bullet-proof et cetera—if you are looking at the types of lockdown procedures that we are looking at now, we are doing a project at a university where we are starting to talk about how those procedures might work in a public education building. A lot of those can be managed in a way that does not add too much cost to the building, and that is something that would have to be developed in a detailed security strategy. For instance, the way spaces are partitioned and locked down, the way entries are closed down, can be done in a way that does not add that much cost to the building.

Where you really get into more cost is where you have a parliament type of scenario—I am probably not really allowed to talk about it in detail—a federal government type of scenario where you are looking at that facade hardening of a project. That is something that is not typical of public buildings, but where you have special audiences like government, it might be expected. That can become costly.

MS ORR: You mentioned that the building is meant to be an ode to the landscape of the lake. You did note that some people have taken it to be more of a UFO. I wanted to tease out a bit more its being a piece of statement architecture. The KPMG report used that in justifying the business case and adding value to it. Is there anything that you would adapt within that to get it away from a UFO and back to the original concept?

Mr Guida: One of the things that often happen when projects come out in the media is that they are looked at in a fairly simplistic way. What was perhaps not focused on, which is what most people experience, is the building at ground level. We do not have a lot of high-rise buildings in the city. Not many people are going to be looking down on this. Even so, they will see essentially a nice, undulating roof. The building, as you see it here, is really all about a civic gesture. It is about openness and it is about creating and activating a public space that faces north and becomes a viable public space in Canberra.

It is also about activating the perimeter of the building. Again, one of the reasons why this project was selected by the jury was because of that public and civic nature of the project. We tried to get away from descriptions of state of the art and high technology, even though the building would be made from state-of-the-art technologies, and talk more about the civic aspect of the project. It is about place making. It is about creating a viable place that is active all of the time and not just something that happens when the car shows come on or when there is a rock performance.

Part of that was opening it so that you can see into the building, but also being able to see out and taking advantage of those vistas at that prominent location. Once you get up to the upper levels, you can also start to see out beyond the building and it becomes a destination. If there was anything I wanted you to take away from this, it was really the civic aspect of the project, the communal aspect of the project. It is meant to symbolise as a convention centre and a centre for dialogue the open nature of dialogue in our democratic society—a building that is inviting, not afraid to open up to the public and to be permeable, and not a closed-off commercial facility that you see so often in cities around the world. It is about capturing that civic, open, inviting and transparent quality of our society.

MS ORR: You talk about activating and place making. Can you run me through some of the features within the building that you see as activating that space?

Mr Guida: Sure. The piazza that we have here is something that would be used to access the building at the upper levels, and those foyer spaces. For instance, if you had a big show, it becomes a ceremonial type of stairway, similar to what you might see in other facilities around the world. It also becomes a gathering space. We imagine that as a meeting space. As the other facilities around this area develop—the hotels, the park that is being developed along the waterfront, the residential, as you get more population here—this will become a meeting place for people. People will gather on the steps in the sun, whether it is winter or summer, it does not matter, because it will be warm.

You can start to see here the entries. You will have people moving out of those entries. We have also looked at restaurants, bars and cafes for these upper levels. That will generate activity as people move up to these destination areas and enjoy the views out. You can imagine at night people from the city coming here to a cocktail bar up here, so that they can overlook the city.

We have designed a series of innovative or integrated furniture and landscape, to really try to draw the landscape from City Hill into this space. The idea is that, as you have a pedestrianisation of Vernon Circle, you have a greater connectivity, and City Hill really becomes active. We imagine people using the park and coming back into the building and vice versa.

There are a number of retail opportunities that we explored as part of the brief at ground level that can happen all around the building, other than the main entry—on these corners and also on Commonwealth Avenue. They become an opportunity both for retail and for commercial office. We talked about the potential; it is not in the design but during the process we talked about, similar to how Fed Square has SBS, you might have an SBS building here which becomes an active commercial area in its own right.

Apart from that combination of retail, office and commercial around the periphery, the cafes and restaurants up top, the activated plaza and amphitheatre, the connection across to City Hill, there is the ability to have impromptu performances. During this we discussed the ability to have the School of Music people giving outdoor performances here—ways to create a dialogue between this building but also the other institutions of the city, with the School of Music being an obvious one. This could also work in relation to the Canberra Theatre, depending on how that develops, if it does.

Being able to have outdoor performances, a poet's corner, outdoor musical performances, markets in the plaza—all of those opportunities to program the space constantly. As Michael alluded to, the Convention Centre is very different from a stadium. Stadiums often run quite hot and cold; during the week they might be completely empty. But a building like this, with the flexibility that it has, will have multiple audiences coming in and out of it. You might have one convention which takes over and has things happening in the plenary and the exhibition at the same time, or you might have a rock concert happening in the plenary and then a car show in the

exhibition hall. Through those multiple audiences, you have literally thousands of people moving through here, and the traffic that generates around here will create life in itself beyond the retail landscape and cafe.

There is also an opportunity—it is not shown on this plan—in that the exhibition level is level with London Circuit. So there is an opportunity there; we showed that with its own foyer. It can either be controlled within, from the main gate, or have its own entry at that level, so people from London Circuit can see into the pre-function space, the foyer and the exhibition space from that level. That is really exciting as well, so that you get that visual activation by being able to see in the building all the way around.

MS ORR: I believe the design, the block site, is based on some road realignments and a few other changes to the area around it. If those do not happen, how adaptable is the building design to the block?

Mr Guida: We designed the building according to what was proposed for the city to the lake. In that sense it was built with that in mind—that the city to the lake moves forward. As I understand it, now that Constitution Avenue has been completed, some of that has already been completed and is currently as shown here. This was all designed while Constitution Avenue was being constructed. As far as this element goes—Constitution Avenue and the connection here—that design fits into what exists now.

I believe that there is a small proposed alignment here as part of city to the lake, and the proposed traffic slowing strategy. At the moment it is not that tight. If this road was to stay as it is now, which is a broader turn, the building could still work. That corner can be trimmed back without really affecting what you see here in terms of functions. In London Circuit, it is pretty much as it is. The main change to London Circuit is the regrading of that as it comes up to meet Commonwealth Avenue. Currently, London Circuit passes under, as you know. I do not know off the top of my head, but I understand that, as part of the potential stage 2 light rail, if light rail moves to Russell, and also possibly to the parliamentary triangle, that light rail passes along London Circuit and then turns potentially at Commonwealth Avenue; hence that is part of that regrading.

We worked to accommodate that change. At the same time, if the roads stay as they are, it does not really matter for the scheme; it just means that that corner is below where it currently sits. The one thing we also looked at was a service entry which ties in with what is now being developed as the ACT government office site. That is something that, in principle, can still work, but would need to be looked at a little closer in coordination with that development. But it was designed to be a service entry that could also potentially service a potential expansion to the Canberra Theatre, if that is developed as an arts precinct.

MR PARTON: I have heard enough. I love your building. I hope you build it one day. You have done well. I have nothing further.

THE CHAIR: Thanks very much for coming in. We really appreciate it. If we have any follow-up questions, maybe we can forward them to you, if there are any specifics.

It has been very useful having the pictures, so we really appreciate you taking the time to set that up for us today.

Mr Guida: Sure, no problem at all. I will send that through. If you have any other questions, by all means, just let us know.

THE CHAIR: You will be sent a copy of the draft *Hansard*, just to make sure that it is an accurate representation of what you have told us today. Again, thank you very much. It looks fantastic.

The committee adjourned at 11.15 am.