

The \$1b excuse to halt city build

Costly convention centre

JOE SPAGNOLO
Political Editor

The planned redevelopment of the Perth Convention and Exhibition Centre is on life support, with a \$1 billion-plus price tag now putting the project at real risk of being shelved.

The Sunday Times understands initial costings for the redevelopment have come in well over what the Cook Government expected, with the options of shelving or postponing the project now real possibilities.

With the project expected to go before the Government's expenditure review committee for appraisal within days, The Sunday Times has learnt that at the most senior levels of government — including Treasury — there are now grave concerns the State simply can't afford the project on top of funding \$3.4b in election commitments, and with State debt headed past \$40b.

It's understood a renewed focus on damning ambulance ramping figures and pressure to deliver the promised improvements to the emergency departments at Royal Perth, Sir Charles Gairdner and St. John of God Midland hospitals also has people within government jittery over whether the convention centre redevelopment is appropriate or a priority.

Premier Roger Cook unveiled plans for redevelopment and expansion of the convention centre in January last year, saying the current building was the oldest and smallest convention centre in Australia, and was struggling to attract big interstate and overseas events.

"If we are going to attract

prosperous business events to Perth, we need to continue to upgrade the facilities we make available to them," he said.

But the cost of the redevelopment has so far not been made public. The project would be completed with joint leaseholders Brookfield and the Wylie Group and would see the refurbished facility become a major tourism and hospitality hub — with Rio Tinto, for example, encouraged to move into the precinct.

It's understood the Wylie Group is enthusiastic for the redevelopment to take place.

As revealed by The West Australian on Saturday, tourism representatives in the Eastern States are already salivating at the prospect of stealing major conventions from WA should the project not go ahead.

Opposition Leader Basil Zempilas on Saturday said money for an earmarked \$217 million race track and amphitheatre at Burswood should be canned, and the money diverted to "improving our hospitals".

"But if you're asking me would it (\$217m) be better spent on a racetrack or to help upgrade the convention centre, out of those two, it's a no-brainer," he said.

"The racetrack is going to be used once a year. An upgraded PCEC will attract many more high-yield business events year-round which will have a significant impact on the Perth and WA economies and provide a massive boost to tourism and local businesses."

A Government spokesperson said it was "continuing to work with the current leaseholders on the proposal for redevelopment of the PCEC and the surrounding precinct".