



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

**PARLIAMENTARY STANDING COMMITTEE ON PUBLIC  
WORKS**

**(Subcommittee)**

Reference: Construction of the Australian Pavilion at the Shanghai World Expo 2010,  
China

**WEDNESDAY, 6 AUGUST 2008**

**CANBERRA**

**BY AUTHORITY OF THE PARLIAMENT**



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**PARLIAMENTARY STANDING  
COMMITTEE ON PUBLIC WORKS**

**Wednesday, 6 August 2008**

**Members:** Mr Butler (*Chair*), Senator Troeth (*Deputy Chair*), Senators Mark Bishop and Forshaw and Mr Champion, Mr Forrest, Mr Hale, Mr Lindsay and Mr Slipper

**Members in attendance:** Senator Forshaw and Senator Troeth

**Terms of reference for the inquiry:**

To inquire into and report on:

Construction of the Australian Pavilion at the Shanghai World Expo 2010, China

**WITNESSES**

**SAMS, Mr Peter, Pavilion Director, Shanghai World Expo 2010, Department of Foreign Affairs and Trade..... 2**

**TESCH, Mr Peter, Executive Director, Shanghai World Expo 2010, Department of Foreign Affairs and Trade..... 2**



**Subcommittee met at 2.18 pm**

**ACTING CHAIR (Senator Troeth)**—I declare open this public hearing of the Parliamentary Standing Committee on Public Works inquiry into the proposed Australian pavilion at the Shanghai Expo 2010. The transcript of today's hearing will be placed on the committee's website. If you would like further details about the hearing or the transcript, please ask one of the committee staff here at the hearing. Before we move onto that hearing, there are two matters that I need to deal with. I propose that the committee receive as evidence and include in its records as an exhibit for the inquiry which we held this morning into the bridging of Kings Avenue over Parkes Way the document received from the National Capital Authority titled *Road safety blackspot program list*. There being no objection, it is so ordered. Secondly, I propose that a confidential submission from the National Capital Authority, confidential submission 1.6, be accepted for the inquiry into the bridging of Kings Avenue over Parkes Way at the Russell roundabout. There being no objection, it is so ordered.

[2.19 pm]

**SAMS, Mr Peter, Pavilion Director, Shanghai World Expo 2010, Department of Foreign Affairs and Trade**

**TESCH, Mr Peter, Executive Director, Shanghai World Expo 2010, Department of Foreign Affairs and Trade**

**ACTING CHAIR**—I call witnesses from the Department of Foreign Affairs and Trade. Do you have anything to add about the capacity in which you appear?

**Mr Tesch**—I am the Commissioner-General for Australia.

**ACTING CHAIR**—Although the committee does not require you to give evidence under oath, I should advise you that these hearings are formal proceedings of the parliament. Consequently, they warrant the same respect as proceedings of the parliament. I remind witnesses that giving false or misleading evidence is a serious matter and may be regarded as contempt of parliament. If you wish, please make some introductory remarks.

**Mr Tesch**—Thank you. I would like to touch on a few points, with your indulgence, to help establish a context for today's hearing. In this digitally connected age, people wonder why world expos still matter. Debate about the pros and cons continues, but world expos in one form or another have been around since the 1851 Crystal Palace exhibition in London and nothing has yet matched their ability to connect people directly, enabling visitors to experience at firsthand a range of cultures in a concentrated, dynamic and stimulating environment. Countries continue to compete vigorously to host an expo, seeing in this an opportunity over a sustained period to showcase the host nation in a very accessible way, to stimulate economic growth in the city that stages the expo and to strengthen political, cultural and economic relationships with participating countries. Similar considerations guide other countries in deciding whether to take part in an expo.

In less than 20 months time, World Expo 2010, with the theme of 'Better city, better life', will open in Shanghai, where it will run for six months from 1 May to 31 October. This will be the first world expo hosted by China and the biggest in history. The organisers expect over 175 participating nations and 70 to 80 million visitors, some 95 per cent of whom will be Chinese. By comparison, Expo 88 in Brisbane hosted 36 country pavilions and around 15 million visitors, while the 2005 Aichi expo in Japan attracted 121 countries and 22 million visitors.

Recognising that the expo will be of major political and economic importance for Shanghai and for China, our largest trading partner, the Australian government is actively engaging in this opportunity to consolidate and expand existing political, commercial and people-to-people links between our countries. With a total project value of \$83 million, this is the biggest Australian investment in a world expo to date. The government is contributing \$61 million towards the cost of a high-impact national pavilion and associated business promotion, cultural and communications programs. It is also seeking an estimated \$22 million in funding through corporate sponsorships and partnerships with the states and territories.

The government has three broad objectives for Australia's involvement in World Expo 2010: to boost trade and investment with China by using the pavilion as a platform for targeted promotional events on site and as part of wider in-country programs; to project a modern image of contemporary Australia as a country which is technologically innovative, which has a diversified and competitive economy, which is culturally diverse and harmonious and which possesses great strengths in the creative arts, education, training and research; and to strengthen bilateral ties by reinforcing existing links and cultivating new areas of cooperation and exchange in a range of fields.

In pursuing these objectives, we are very conscious that overall success depends upon the disciplined management and interplay of all the project elements to produce a positive visitor and stakeholder experience. Our pavilion is conceived as a visually striking structure which will feature innovative exhibitions, high-quality retail, food and beverage outlets and dynamic and entertaining cultural performances and displays. Staffed by friendly, bilingual Australians and aided by a focused and effective communications and public affairs program, the pavilion will showcase modern Australia to the seven million people we expect to visit the pavilion over the six months of the expo.

While this committee's focus is on the pavilion construction, it is important to bear in mind the other key components of the project—namely, the business promotion, cultural and communications programs, each of which is intended to promote the best Australia has to offer and to ensure that the messages that we want to convey about modern Australia reach not only the millions of pavilion visitors but, through careful media management, as wide an audience as possible in China and beyond.

The pavilion features a high-calibre VIP facility in which we will run more than 200 policy and business events, including trade and investment promotions, state and territory governments events, and networking and other activities for corporate sponsors. Collectively, these will highlight Australia's capabilities in key industry sectors ranging from minerals and energy—including clean and renewable energy technologies—to food and agribusiness to services like legal, financial, tourism, education and design and urban planning.

The cultural program serves two purposes: it contributes to a positive pavilion experience and it promotes Australia's cultural diplomacy and exports. Consequently, the broad objectives of the program are to entertain visitors, to contribute to a positive pavilion experience, to increase awareness of the diversity and talent of Australia's creative arts sector, to celebrate the richness of Indigenous art and culture, to help promote Australia's cultural exports, having regard to the role and objectives of the Australia International Cultural Council, and to be a powerful drawcard for positive media coverage of Australia both at the expo and more generally. This is not the first time that the Department of Foreign Affairs and Trade has been involved in an expo and lessons we learned from our participation in the Hanover 2000 and Aichi 2005 world expos have been applied in our approach to Shanghai 2010.

Normally, of course, the architects, engineers and designers would be present as expert witnesses to assist the committee if required. However, the team responsible for the original design intends to bid for the phase two works, the tender for which is in the market, and our probity adviser considered that, in these circumstances, it would not be appropriate for any of them to appear with us today. So, although I note in passing that I am the son of an architect,

neither my colleagues nor I can claim expert knowledge of all the technical construction details. While we will answer your questions to the best of our ability, I may need to crave your indulgence in taking on notice anything of a particularly technical nature that we may not feel confident answering. With that, I would like to thank you for the opportunity to appear and we are happy to take any questions that you may have for us.

**CHAIR**—Good, thank you. How much of the construction will be undertaken by local contractors and how much by Australian firms?

**Mr Tesch**—I might ask Mr Sams to respond to that.

**Mr Sams**—The exact mix of construction between Australian and local is the subject of a tender to the market at the moment. Our expectation is that it will be approximately a 40-60 split—40 in China and 60 in Australia. But I must stress that that is dependent on the outcome of the tender process.

**CHAIR**—Right. You have also mentioned that the site is quite close to the river and that there is some risk of flooding. What is the risk of flooding for the pavilion and how will the planned earthworks mitigate that risk?

**Mr Sams**—The site itself is quite low; it is in a flood plain. The highest point in our area is about three metres above sea level and, we think, about 1.8 metres above the river. The expo bureau is very aware of that and they are very aware of the risk of flooding to the expo site and are providing quite extensive earthworks as a barrier between the river and the expo site itself. The Australian pavilion will have extensive civil works and drainage onsite and the expo bureau, as I understand it, will have some form of pumping capacity in the event of flooding onsite.

**CHAIR**—I know that national pride plays a large role in this, but how do you think the Australian pavilion will compare with other pavilions? Perhaps I should ask you: what particular measures have been taken in the design concept to make this particularly Australian?

**Mr Tesch**—It is very true that this is a highly competitive environment and all of our competitors in the market will be attempting to put their best foot forward. The approach was guided in the first instance by an awareness of the likely very high levels of interest in Australia and, consequently, the need to have a pavilion that would be able to absorb millions of people over the six months.

The other point is that we have quite a substantial plot of land at 14,800 square metres. Most of our neighbours in the precinct are on smaller plots—2,000 to 3,000 square metres—and the only larger plots on the site are 6,000. So we have quite a substantial sized plot and we are maximising our use of that. We have a pavilion design which is very evocative, I think, of the Australian landscape and, indeed, the coastline. It is designed to showcase through the building materials and the design some of the creative abilities of Australian designers, architects and planners. It is a 20-metre-high structure, so it is also going to be very prominent. It is at the maximum allowable height on the site. It is made of corten steel, which is the same material used in the Australian Centre for Contemporary Art in South Melbourne and, indeed, is from the same architect. It will oxidise and then seal and develop that slightly crystalline, ochre patina, which I think will make it a very striking pavilion.

The position is also at the junction of the two elevated skywalks on the expo site which are being built by the organisers to facilitate movement around the site, so we will be very visible and we will be very accessible. Of course, many other pavilion designs are extremely creative, but the balance between creativity and practicality is one that expos invariably test pavilions on very sorely. What we have tried to do here is get that balance and rely on the physical structure, the content and the experience we will convey through the totality of those elements to which I referred in my opening remarks.

**Senator FORSHAW**—Will all of the expo activities be held in the pavilion?

**Mr Tesch**—The overwhelming majority of what we are doing will be, and that was another factor in the design concept partly because the scale of the site—5.3 square kilometres on two sides of the river—and the sheer number of countries participating mean that, the further away you physically get from your national presence, the more cacophonous it is and the more tenuous the link becomes to your national presence. So we will have a performance stage in the public atrium area in the front of the pavilion. We will have the dedicated VIP facility which will also be able to stage smaller scale activities. On designated events such as Australia's national day—as you may know, every country has a designated national day during an expo—we will be staging concerts and other activities at some of the site venues, including one that is not very far from our pavilion. Most of it will be in and around our pavilion, but some will not.

**Senator FORSHAW**—I think I covered most of my other issues in our earlier hearing. How long will it take to get this constructed?

**Mr Tesch**—It depends very much on how quickly we can get to contract signature, but our aiming point for planning purposes has been to have the pavilion structure at the lock-up and dust-free stage by September next year so that we can then move in and do a lot of the audiovisual production and fit-out on site. We are allowing a margin of up to two months to have the pavilion ready before the expo opening day because experience has shown that the largest buffer of time you can have for shaking down and settling in to test everything thoroughly, including all the practicalities such as emergency evacuations and other contingency plans, pays dividends. So that is roughly the time frame that we are working toward.

**Senator FORSHAW**—In your submission and earlier you mentioned other expos that have been held where we have been present. I think it was Hanover and Aichi which did not require formal approval of this committee because they were put through as exemptions. Are you able to make any general comment about things that you learned or picked up from those expos that have assisted in how you go about designing and putting this facility together, bearing in mind that there are always going to be different nuances and themes at each expo?

**Mr Tesch**—Indeed, we have. Mr Sams might like to comment about some of the more specific practical elements, but in general I would say we have learnt that it is important to keep in mind that this type of event is a vehicle to project and address all aspects of a bilateral relationship. It is not just about cultural diplomacy; it is about using that as a platform to advance other objectives, political and economic. It certainly needs the very clear commitment and support of the government to make sure it enjoys a level of political authority. It is important, I think, that we engage early with the potential stakeholders. In this case, that process has been underway for the better part of a year with the states and territories, and we will continue to

ramp this up as we bring more business on board both as potential sponsors and as participants in the business program. Very importantly, from the whole-of-project perspective, we need to allow adequate time to plan and scope the various elements of this—and not, as I think we have found in the past, be compelled to rush into this at very short notice. Hanover was a very good example of that. We had 18 months from the moment we were confronted with it until the moment it opened. It went well, but a lot of lessons were learnt about how you stage something like this, particularly in a greenfield environment overseas.

**Mr Sams**—On a couple of the practical aspects: it is impossible to maintain Australian branding for cultural performances that do not happen in and around the pavilion. We have absolutely learnt over the last couple of expos that we need to have a stage and an appropriate performance venue in our pavilion so that visitors are able to say, ‘That’s an Australian performance and this is the Australian pavilion.’ That is important. A lot of pavilions do not have a team of bilingual people from their own country. It was of enormous benefit to us in Japan to show our bilingual capacity and the capacity of our universities by virtue of the people we had there. Enthusiastic young Australians talking about Australia in the local language is of enormous benefit. Thirdly, we should use the pavilion not only as a public experience but also for those bilateral business programs. You really need to have a good multipurpose venue supported by a proper commercial kitchen with proper commercial chefs producing good quality Australian food for it to be successful.

**ACTING CHAIR**—I think you have covered everything very well. I would like to have a quick look at the pictures.

**Mr Tesch**—I am very happy to show them to you.

Resolved (on motion by **Senator Forshaw**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

**Subcommittee adjourned at 2.38 pm**