



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party
 Date Referred: 6/03/2015

Proposal No: A306
 Date Published:

Proposal Title: **ADVERTISING - SAVINGS**

Cluster:

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		(11,887)	(12,245)	(12,896)	(37,028)
Depreciation					-
Less: Offsets					-
Revenue					-
Net Operating Result:	-	11,887	12,245	12,896	37,028

Capital Expenditure					-
Capital Offsets					-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	11,887	12,245	12,896	37,028
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Net Financial Liabilities:	-	(11,887)	(24,132)	(37,028)	
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Total State Sector Impacts

Net Financial Liabilities:	-	(11,887)	(24,132)	(37,028)	
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Notes and costing assumptions

The policy specifies a reduction in Government advertising expenditure of 10 per cent from 1 July 2015. NSW Treasury advised that NSW Government spending on 'other advertising and promotion' was \$108 million in 2013-14 and is expected to be \$113 million in 2014-15. The costing assumes, in the absence of policy change, NSW Government advertising expenditure will grow in line with nominal gross state product over the forward estimates.

The policy applies a one-off 10 per cent reduction in advertising expenditure in 2015-16, with spending re-based at this new level for future years. This would result in reduced Government expenditure of \$37 million over the forward estimates.