



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Liberals / Nationals
Name of Policy:	Growing the NSW visitor economy
Date of request:	13 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Refer to Attachment A
What is the purpose or intention of the policy?	To grow the visitor economy in NSW and make Sydney the number one destination for major events
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years ² \$'000
Impact on General Government Sector (GGS) net operating result ³		35650	32698	32990	101337	
Impact on GGS capital expenditure ⁴						
If different from above, impact on total State Sector net financial liabilities ⁵						

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

Note: Has the policy been costed by a third party?
If yes, can you provide a copy of this costing and its assumptions?

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	-
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	Refer to Attachment B
Is there a range for the costing or any sensitivity analysis that you have undertaken?	Refer to Attachment B
Are there associated savings, offsets or expenses? If yes, please provide details.	Refer to Attachment B

Administration of policy	
Intended date of implementation:	From 1 July 2015
Intended duration of policy:	Additional funding to occur from 2015-16 to 2018-19
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Destination NSW
Are there any specific administrative arrangements for the policy that need to be taken into account?	Refer to Attachments A&B
Are there transitional arrangements associated with policy implementation?	Refer to Attachments A&B

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	Capped amount
Eligibility criteria or thresholds:	Refer to Attachment A

If the policy is mainly a revenue commitment	
Transaction based or capped:	-
Thresholds and/or exemptions:	-
Collection method:	-
Additional expenditure associated with collection:	-

⁶ Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.

If the policy is mainly a capital costs⁷ commitment	
Type of work, size and capacity:	-
Proposed start and completion date of work:	-
Intended construction schedule/cashflow:	-
Offsetting expenditure savings:	-
Associated asset sell off (if any):	-
On-going maintenance, depreciation and operational expenses:	-
Third party funding involvement:	-

Checklist for key assumptions (please be comprehensive and include all relevant assumptions). Assumptions could include, but are not limited to, questions such as:

- What is the expected community impact?
- How many people will be affected by the policy?
- What is the likely take up or other behavioural response you expect?
- Is there a cap on total spending proposed, a funding formula, resource agreement or other mechanism of this nature associated with the policy?
- Will third parties have a role in funding or delivering the policy (e.g. Commonwealth Government)?
- Will funding/program cost require indexation?
 - If yes, do you have any assumptions about the index that should be applied?
- What assumptions have you made about costs of administering the policy?
 - For example, will additional staff be needed in the agency responsible for the policy?
 - If you have assumptions on this, how many and at what approximate levels?
 - Are there other administrative resources required?
 - Alternatively, are you assuming administrative costs will be absorbed within the agency?

Please note that:

- The costing will be on the basis of information provided in this costing request.
- The PBO is not bound to accept the assumptions provided by the requester. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requester in advance of the costing being completed.
- Where the details of the policy costing request differ from the announced policy, the costing will be on the basis of the information provided in the costing request.
- These guidelines are intended to facilitate requests for costing election policies. Persons preparing such requests who wish further assistance are invited to contact the staff of the Parliamentary Budget Office.

⁷ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance. The capital cost of the asset to be acquired will however be included in net financial liabilities.

2015 Election Policy Costing

Proposal Title: To grow the visitor economy in New South Wales, and make Sydney the number one destination for major events.

Lead Agency: Destination NSW

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. Depreciation)	0	35,650	32,698	32,990	101,337
Depreciation	0	0	0	0	0
Less: Agency Offsets	0	0	0	0	0
Agency Revenue	0	0	0	0	0
Net Operating Result:	0	-35,650	-32,698	-32,990	-101,337
Capital Expenditure	0	0	0	0	0
Capital Offsets	0	0	0	0	0
Net Capital Expenditure:	0	0	0	0	0
Net Lending/Borrowing:	0	-35,650	-32,698	-32,990	-101,337
Net Financial Liabilities:	0	35,650	68,348	101,337	

Notes and costing assumptions used:

The four year total of \$101.34 million is segregated into three categories which are already receiving funding: securing major events and making Sydney the number one destination for major events, growing regional tourism and attracting more overseas visitors to regional locations, and targeting overseas visitors from the target international markets. The total additional funding is \$123.35 million over 4 years to 2018-19.

A re-elected Baird Government will strengthen Sydney as Australia's events capital



The Baird Government is committed to doubling overnight visitor expenditure by the year 2020 to keep Sydney the number one destination for major events.

The NSW Liberals & Nationals have cemented Sydney as the major events capital of Australia.

Since 2011, we have successfully hosted the Major League Baseball Opening Series, friendly matches with football giants Manchester United and Juventus, the British and Irish Lions Rugby Tour, the Sydney International Art Series: Pop to Popism, the first Pop Art exhibition to be showcased in Australia since 1985, and the hugely successful Vivid Sydney.

The Baird Government is committed to doubling overnight visitor expenditure by the year 2020 to make Sydney the number one destination for major events.

To achieve this, we will commit an additional \$123.35 million to secure more major events and boost visitor expenditure by an estimated \$481 million.

More major events will attract more tourists to NSW and provide a boost to the State economy when they stay at local hotels, eat out at local restaurants and take cabs home.

This additional \$123.35 million represents a 25% budget boost and brings our total tourism and major events spend to over \$643 million over four years.

\$22 million of additional funding will be targeted at Western Sydney to ensure the growing region has the opportunity to host events that will provide a big boost to local businesses.

A re-elected Baird Government will:

- ✓ Provide an additional \$73.25 million to make Sydney the number one destination for major events, including \$22 million for more events in Western Sydney
- ✓ Provide an additional \$40.6 million to grow regional tourism
- ✓ Provide an additional \$9.5 million more to target overseas visitors from our priority international markets

Back The Baird Plan and keep NSW working.