



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C1654
Date Referred: 13/03/2023 **Date Published:** 20/03/2023
Proposal Title: Great Southern Nights
Cluster: Enterprise, Investment and Trade

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4-year Total \$'000
Expenses (ex. depreciation)	-	5,000	5,000	5,000	15,000
Depreciation					-
Less: Offsets		5,000	5,000	5,000	15,000
Revenue					-
Net Operating Balance:	-	-	-	-	-

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

Net Lending/(Borrowing):	-	-	-	-	-
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Total State Sector Impacts

Net Lending/(Borrowing):	-	-	-	-	-
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Notes and costing assumptions:

The policy proposes to provide capped funding of \$5 million per year across the forward estimates to ensure the continuation of Great Southern Nights from 2022-23 to 2025-26.

The policy would be administered by Destination NSW for the duration of the policy.

The policy assumes that Great Southern Nights is currently funded through an existing \$422 million Destination NSW (DNSW) agency budget and therefore the cost of this policy would be absorbed using existing resources of DNSW.

DNSW have advised there is currently no available budget in the forward estimates budget allocated for Great Southern Nights. The PBO notes that the agency had an expenditure budget of \$422.2 million in 2022-23 and majority of its spending was for promotion and advertising. The agency's main sources of funds are grants from the Department of Premier and Cabinet and the Department of Enterprise, Investment and Trade.

Notes and costing assumptions continued:

Considering the funding sources, the PBO considers it feasible for DNSW to reprioritise programs and events currently scheduled and to absorb the proposed funding under its existing budget and/or obtain additional grants.

Refer to **Table 1** for the estimated expenditure profile.

Table 1 – Expenditure under Great Southern Nights

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	Total
Operating Expenses					
Artists (Tier 1-3)	-	2,340	2,410	2,483	7,233
Venues	-	750	773	796	2,319
Admin Staff & Overheads	-	673	693	714	2,080
Marketing & Communication	-	1,087	1,120	1,153	3,360
Other - Artist Travel and Contingency	-	250	258	265	773
Total	-	5,100	5,254	5,411	15,765

Background

Great Southern Nights is an event that celebrates live music which takes place across NSW. Great Southern Nights is an NSW government initiative delivered by Destination NSW in partnership with the Australian Recording Industry Association (ARIA). The aim of this event is to stimulate the revival of NSW's live music, entertainment, and hospitality sector and in turn NSW visitor economy.

Key Assumptions

- Event is proposed for September each year.
- Nine-month lead time is required to ensure sufficient event planning and delivery. Therefore, first Great Southern Night event is to happen in 2023-24.