



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C1480
Date Referred: 28/02/2023 **Date Published:** 20/03/2023
Proposal Title: Labor's Plan to Support Live Music
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)	-	17,500	17,500	17,500	52,500
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	(17,500)	(17,500)	(17,500)	(52,500)

Capital Expenditure	-	10,000	10,000	-	20,000
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	10,000	10,000	-	20,000

Net Lending/(Borrowing):	-	(27,500)	(27,500)	(17,500)	(72,500)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	(27,500)	(27,500)	(17,500)	(72,500)
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Notes and costing assumptions:

The policy proposes to invest \$103 million to support contemporary music across the forward estimates through to 2026-27. Proposals covered under the \$103 million investment include:

- Partnership with Music NSW to create the NSW Premier's Contemporary Music Awards to celebrate NSW artists and NSW's music industry.
- Create a contemporary music office known as Sound NSW to work with the music industry and support ongoing development of contemporary music alongside developing and delivering a 10-year contemporary music strategy.
- Create a music plan that strengthens planning provisions to protect existing venues and produce new venues.
- Harmonise liquor and planning approvals to make it easier to open new venues alongside new incentives.
- Provide funding of up to \$250,000 to develop a business case for permanent outdoor festivals and concert infrastructure within four locations of Central Sydney, Parramatta, Western Sydney and Regional Sydney.

Notes and costing assumptions continued:

- Establish a \$8 million Vivid Venues fund to support soundproofing, ventilation, and video screening technology.

The funding profile proposed in the policy would be \$27.5 million in both 2023-24 and 2024-25, \$17.5 million in 2025-26 with the remainder \$30.5 million in the subsequent year.

The policy would be administered by Create NSW first and then Sound NSW upon establishment.

The policy assumes the establishment of Sound NSW to be an office that sits within Create NSW with staff being redeployed internally to the new branch. Based on information received from Create NSW considering the extent of work proposed in the policy, such would require approximately 11 FTE staff to fulfil the roles and responsibilities. The team structured advised would be:

- One Director (Band 1)
- Two Senior Managers (Grade 11/12)
- Three Managers (Grade 9/10)
- Four Leads (Grade 7/8)
- One Admin (Grade 5/6)

As advised by Create NSW, the base salary for the above proposed roles creating the suggested team structure is shown **Table 1**.

Table 1 – Sound NSW Team Structure Salary Cost

Role	Grade	# Of Staff	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	Total
Director	Band 1	1	270	277	284	291	1,121
Senior Manager	Grade 11/12	2	379	389	399	409	1,576
Manager	Grade 9/10	3	469	481	493	505	1,948
Leads	Grade 7/8	4	551	565	579	594	2,289
Admin	Grade 5/6	1	121	124	127	130	502
Total		11	1,790	1,835	1,882	1,929	7,436

The proposal of harmonising of liquor and planning approvals to increase the ease of opening new venues may require legislative and/or regulatory change. The PBO considers any costs associated with these changes to be absorbed within the normal operating budget of Create NSW.

The policy assumes a capped total of up to \$250,000 grant payment provided for establishing a business case for permanent outdoor festivals and concert infrastructure across four locations: Central Sydney, Parramatta, Western Sydney, and Regional Sydney.

In addition, the policy also proposes to allocate \$8 million to establish a Vivid Venues Fund to aid in soundproofing, ventilation, and video screening technology

Caveat

The PBO assumes the successful harmonising of liquor and planning approvals to require additional funding in response to the regulatory and legislative change that would be required.

Key Assumptions

- Superannuation rates for 2022-23 is 10.5 per cent which will subsequently increase 0.5 per cent year on year up to 2025-26.
- Salaries are not escalated each year.