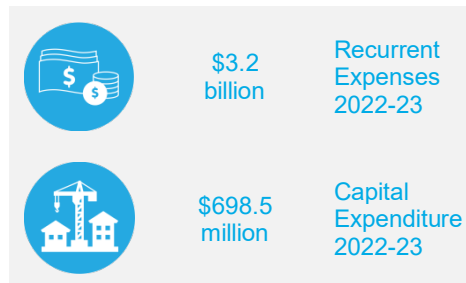


3. ENTERPRISE, INVESTMENT AND TRADE

3.1 Introduction

The newly established Enterprise, Investment and Trade Cluster brings together the State’s key cultural, sports, hospitality, entertainment and tourism agencies, alongside its leading economic development, innovation and investment attraction organisations. The Cluster also supports NSW businesses find new markets and helps drive collaborative partnerships between Government and non-government organisations to fuel economic growth and make Western Sydney an economic powerhouse for the State.



The Cluster will promote the State as an attractive place to do business for domestic and global companies, while creating prosperity and a brighter and bigger future for the 8 million people who call New South Wales home.

State Outcomes to be delivered by the Enterprise, Investment and Trade Cluster

State Outcomes What the Cluster is delivering for people and business	Key Programs underway to support delivery of Outcomes
<p>1. Increased economic development and investment attraction</p> <p>Driving economic opportunities to ensure New South Wales is a prosperous, inclusive and thriving global hub for business, innovation and talent. Facilitating investment to support high-value job creation for future focussed industries, boost exports, lift productivity and activate precinct development opportunities, including within the Western Parkland City.</p> <p><i>2022-23 investment:</i> \$847.7 million in recurrent expenses & \$246.3 million in capital expenditure.</p>	<ul style="list-style-type: none"> • The Global NSW Strategy • The NSW Trade Statement • Bradfield City Centre Enabling Works • Advanced Manufacturing Research Facility • New Education and Training Model • Western Sydney City Deal • 24-Hour Economy Strategy
<p>2. Excellence in arts, sport and tourism</p> <p>Maximising ‘excellence in arts, sports and tourism’ leverages our capabilities to position the State as a world-class centre for performances, events, exhibitions and visitation. This outcome also focuses on developing the State’s cultural assets for future generations. Arts, sports and tourism play a critical role in the State’s economy, from job creation and skills development to attracting tourists.</p> <p><i>2022-23 investment:</i> \$2.2 billion in recurrent expenses & \$452.2 million in capital expenditure.</p>	<ul style="list-style-type: none"> • Office Of Sport Programs • Cultural Infrastructure Pipeline Delivery • Arts and Cultural Funding Program • Art Sector Economic Recovery Programs • Screen Programs (Made in NSW and PDV Rebate) • Growing the NSW Visitor Economy

State Outcomes

What the Cluster is delivering for people and business

3. Vibrant, safe and responsible hospitality and racing

This Outcome supports a New South Wales where people enjoy vibrant and dynamic, as well as safe and responsible, liquor and gaming environments. It allows the operation of a diverse and vibrant industry while ensuring public safety and minimising the risk of harm.

2022-23 investment: \$130.3 million in recurrent expenses.

Key Programs

underway to support delivery of Outcomes

- Safety and harm protection programs
- Refreshed Responsible Conduct of Gaming courses
- 24 Hour Economy Liquor Reforms (including licence incentives for live entertainment venues)
- GambleAware campaign
- Ongoing monitoring of licensed premises to support a safe industry

3.2 Overview of Cluster expenses by State Outcome

A summary of expenses by State Outcome is provided in the charts below.

Chart 3.1: Recurrent expenses by Outcome 2022-23 (dollars and %)

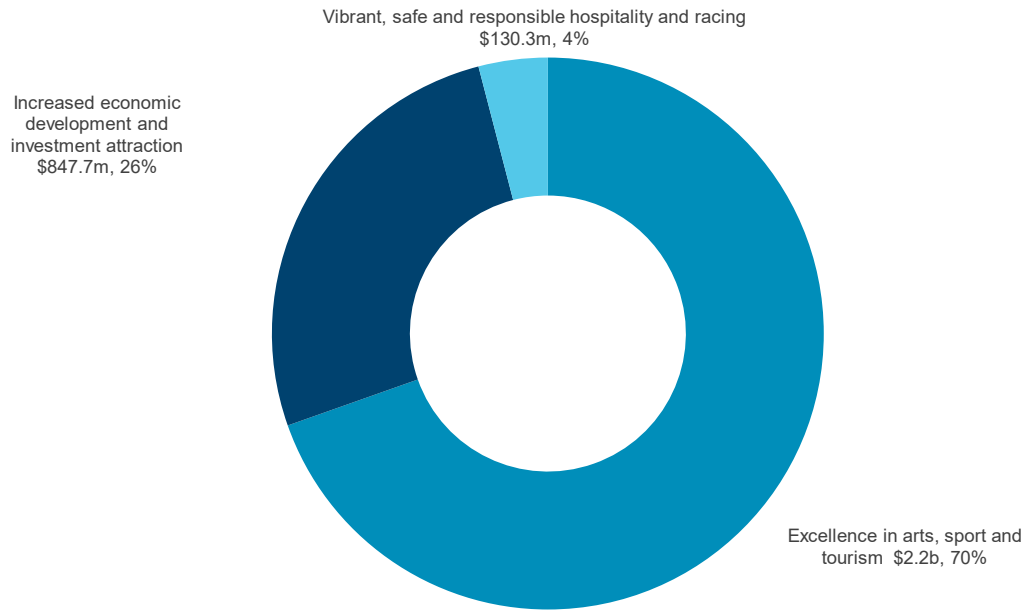
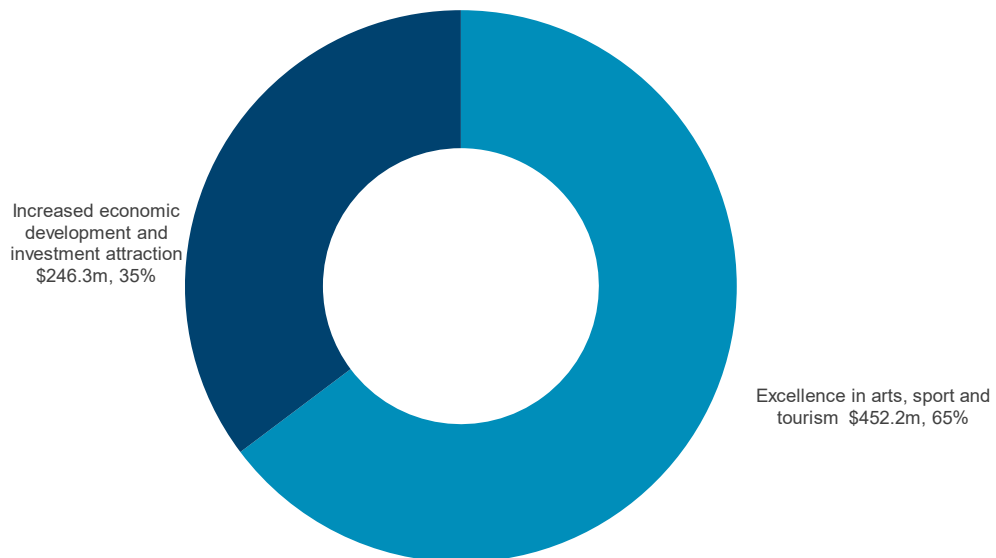


Chart 3.2: Capital expenditure by Outcome 2022-23 (dollars and %)



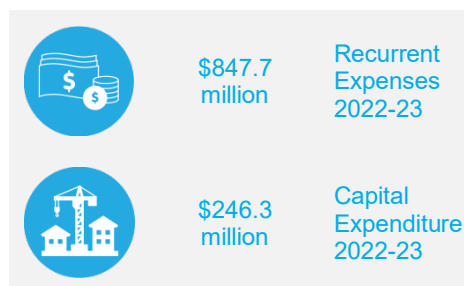
3.3 Outcome 1: Increased economic development and investment attraction

State Outcome overview and 2022-23 investment

New South Wales is Australia's largest economy and a leading destination for Foreign Direct Investment (FDI), accounting for approximately 30 per cent of FDI into Australia in 2020-21.

Enterprise, Investment and Trade, as the State's lead economic development Cluster, secures investment in priority sectors that create high value and future-focused jobs, drive innovation and boost exports to lift productivity and long-term economic growth. The Cluster contributes to the State's broader policy

objectives including supporting the development of priority precincts, such as the Western City Aerotropolis.



2022-23 State Outcome Budget highlights

In 2022-23, the Enterprise, Investment and Trade Cluster will invest \$1.1 billion (\$847.7 million recurrent expenses and \$246.3 million capital expenditure) in this Outcome, including:

- \$252.4 million (\$703.4 million recurrent expenses over four years) for the Future Economy Fund – NSW's first dedicated fund to target the end-to-end stages of business growth; from research and development and commercialisation, through to industry growth, investment attraction and maturity. The Fund will invest:
 - \$142.0 million in recurrent expenses over four years to drive research, development and innovation growth in sectors where New South Wales has a natural competitive advantage, such as quantum computing, by funding the delivery of state-of-the-art research infrastructure, and advancing collaboration with universities, the CSIRO and the private sector
 - \$342.4 million in recurrent expenses over four years to boost support for the commercialisation of products, services and emerging digital technologies in fields that will grow the economy and provide targeted support to research institutions, start-ups, scale-ups and small-to-medium enterprise sectors in New South Wales
 - \$219.0 million in recurrent expenses over four years to accelerate growth and investment in priority industry sectors, such as modern manufacturing, medtech, defence and aerospace, to deliver significant benefits to the economy, including by building local capability, securing high-value jobs and boosting productivity.
- \$12.8 million (\$220.6 million in recurrent expenses and capital expenditure over four years) to deliver the \$261.9 million Advanced Manufacturing Research Facility. The Facility will provide the Bradfield City Centre with a key research facility that will help create hundreds of high-value jobs and unlock billions of dollars of real private sector investment by 2056
- \$12.5 million (\$119.1 million recurrent expenses over 10 years) for RNA (Ribonucleic acid) therapeutics manufacturing, research and development for initiatives to translate RNA therapeutics research into clinical and commercial outcomes and reinforce Government's \$95.8 million investment in the pilot manufacturing facility
- \$9.35 million in recurrent expenses to deliver the 24-Hour Economy Strategy to support businesses by extending the economic vibrancy of the day into the night and increasing NSW's global position as a safe and attractive place to live and do business
- \$500,000 (\$12 million in recurrent expenses and capital expenditure over four years) for the Carla Zampatti Fund, a venture capital fund that will invest in early-stage women-led start-ups. The fund will help address the gender investment gap, partnering with the private sector to provide more women with finance opportunities for their start-ups.

Key performance insights

This section provides analysis and insights on key Outcome Indicators for this State Outcome.

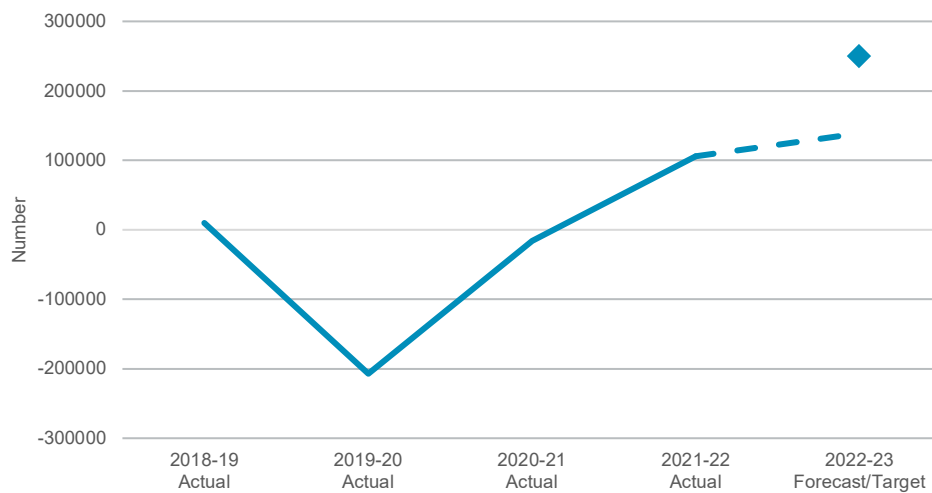
Jobs created in New South Wales since April 2019

Employment growth is a key indicator of economic conditions and the business cycle.

During the COVID-19 pandemic, the State saw a significant drop in employment, falling by 207,100 between April 2019 and April 2020. Over the past two years, the State has bounced back significantly, with an extra 313,000 people employed from April 2020 to April 2022.

The current strength of the NSW economy can also be seen in our unemployment rate, sitting at 3.5 per cent as of April 2022.

Chart 3.3: Jobs created in New South Wales since April 2019



Performance indicators for this Outcome

Outcome Indicators ^(a)	Units	2021-22 Actual ^(a)	2022-23 Forecast
Jobs created in New South Wales since April 2019 (seasonally adjusted)	#	105,800	138,900

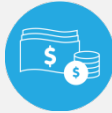

Notes

- (a) Additional indicators are under development following Machinery of Government changes.
 (b) Data is a forecast as financial year is not complete.

3.4 Outcome 2: Excellence in Arts, Sports and Tourism

State Outcome overview and 2022-23 investment

Arts, sports and tourism play a critical role in the State's economy, from skills development and job creation to attracting tourists. Maximising excellence in arts, sports and tourism will leverage New South Wales' current capabilities and further position the State as a world-class centre for performances, events, exhibitions and tourism and business visitation. This Outcome also focuses on the development of new State cultural assets for future generations.

	\$2.2 billion	Recurrent Expenses 2022-23
	\$452.2 million	Capital Expenditure 2022-23

2022-23 State Outcome Budget highlights

In 2022-23, the Enterprise, Investment and Trade Cluster will invest \$2.7 billion (\$2.2 billion recurrent expenses and \$452.2 million capital expenditure) in this Outcome, including:

- \$22.9 million in recurrent expenses to extend the Creative Kids Program to 30 June 2023. The Program eases the cost of living by supporting school-aged children and young people to participate in creative activities, including painting, coding, graphic design, poetry, music and theatre
- \$22.6 million (\$113.0 million recurrent expenses over four years) towards Rugby League Centres of Excellence at the Belmore Sports Ground, Kellyville Memorial Park and the University of Wollongong, to provide training and community sports facilities and support the development of male and female players
- \$21.6 million (\$37.9 million capital expenditure over two years) for the Cultural Institutions Asset Maintenance Fund to maintain the functionality of cultural buildings and deliver the high-quality visitor experiences essential to position Greater Sydney as a leading cultural capital with world-class institutions
- \$21.0 million in additional recurrent expenses for the State's tourism and major events agency, Destination NSW, to secure world class events for New South Wales, continue the development of Sydney and NSW 'Feel New' Visitor Brand, develop activities to support industry sustainability and drive a comeback of visitation following the COVID-19 pandemic
- \$12.0 million in recurrent expenses for the Creative Capital Program to deliver new cultural infrastructure projects across New South Wales
- \$5.0 million in recurrent expenses to Venues NSW to develop a final business case for an operable roof at Stadium Australia
- \$5.0 million (\$25.0 million recurrent expenses over two years) for Community Female Friendly Sport Facilities and Lighting Upgrade Grants. This funding will increase the number of fit for purpose, safe, accessible and inclusive female sports facilities in New South Wales, as part of the *Women's Opportunities Statement*
- \$3.5 million (\$4.5 million recurrent expenses over two years) to develop a detailed business case and Master Plan for the Illawarra Sports and Entertainment Precinct (ISEP) and to support planning activities at Venues NSW precincts, to determine the best approach for the future of ISEP and other Venues NSW precincts
- \$3.5 million in recurrent expenses for Sydney World Pride Villages. As part of Sydney WorldPride 2023, Pride Villages will deliver events, markets and activities in three streets adjoining Oxford Street for ten days from 24 February to 5 March 2023

- \$2.1 million (\$9.4 million over three years) contribution towards a \$21.7 million renewal of the National Arts School. The funding will include commencement of planning for the realisation of a recently completed Masterplan to significantly improve the functional art educational spaces and create an arts education precinct in Darlinghurst. The investment will open the State Heritage Listed site to the community, with new and enhanced spaces for events and programs and supporting the School's vision of becoming the premier visual arts school in the Asia-Pacific region
- \$1.2 million (\$3.6 million in additional recurrent expenses over three years) to support young pre-elite regional athletes in the lead up to the 2032 Brisbane Olympic Games. Funding will be shared among the 11 Regional Academies which support State Sporting Organisations and the NSW Institute of Sport to produce future champions in Regional NSW
- \$500,000 (\$2.0 million recurrent expenses over four years) to continue Defibrillator Sports Club Grants. Funding will ensure prompt access to Automated External Defibrillators (AEDs) at local sporting and recreational facilities and events.

Key performance insights

This section provides analysis and insights on key Outcome Indicators for this State Outcome.

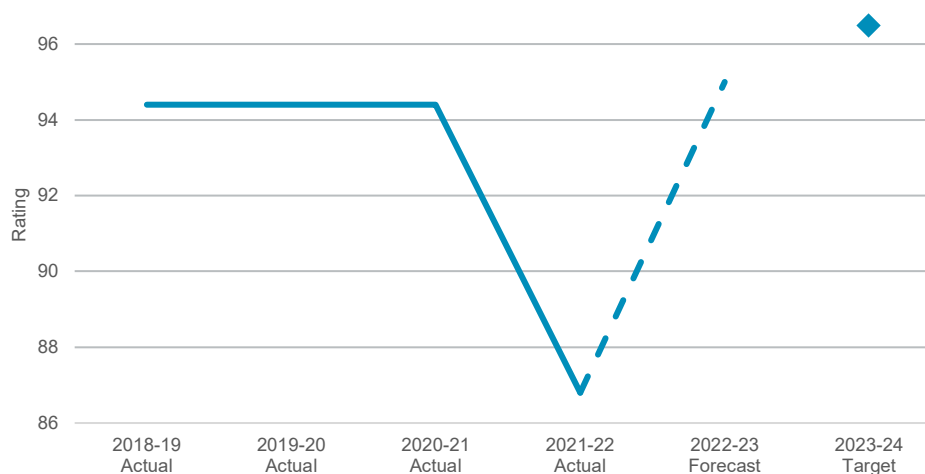
Liveable city rating - culture and environment

Our strong creative and cultural sector defines New South Wales as a distinctive State with vibrant local communities and cultures where people want to live, work, raise a family and do business. New South Wales' arts, screen, culture and sporting sectors also play a critical role in the State's economy.

This indicator tracks Sydney's Liveability rating in the culture and environment category. Performance against this indicator remains challenging as New South Wales continues to be impacted by the COVID-19 pandemic. The impact of the pandemic has been incorporated into overall liveability scores, with the addition of new measures to assess stress and restriction levels for each city. These measures include restrictions on local sporting events, theatre, and music concerts.

To revitalise the arts and culture sector, the NSW Government committed \$210.0 million in 2021-22 to support the performing arts and live music, helping artists, performers, and venues to rebuild visitor numbers reduced by COVID-19. The Government has also invested \$5.0 million into the expansion of the Culture Up Late program across Greater Sydney, following success at our much-loved institutions in inner Sydney. This program has opened up Sydney's major cultural institutions to visitors at night, with special programming and exhibitions, including concerts and subsidised tickets at cultural institutions.

Chart 3.4: Liveable city rating – culture and environment



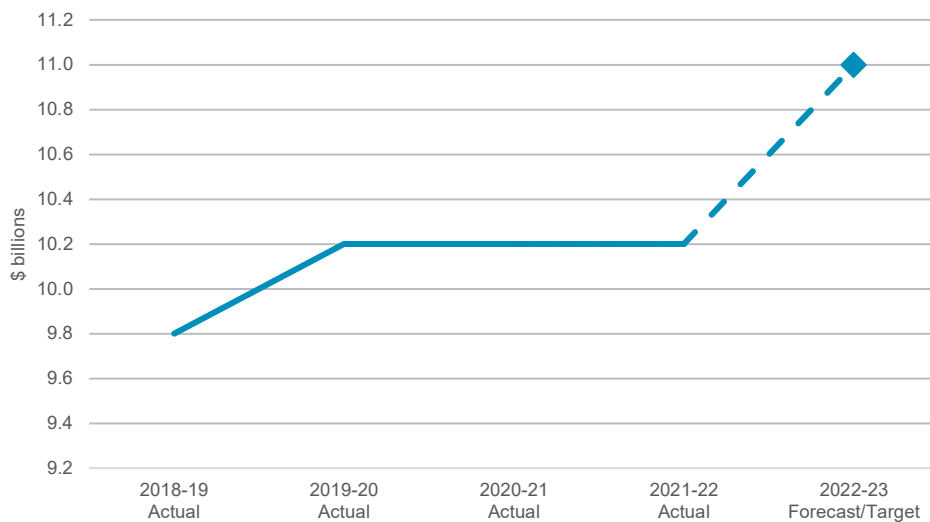
Collect, research, conserve and exhibit New South Wales' cultural and heritage assets

New South Wales' cultural infrastructure and collections play an important role in creating jobs, attracting visitors to Sydney and New South Wales, and preserving cultural and heritage assets for current and future generations. Our State Cultural Institutions' collections and property make a substantial contribution to New South Wales's asset base.

The Government prioritises investment in New South Wales's cultural infrastructure and collections through asset renewal and maintenance, which enables State Cultural Institutions to conserve functionality of buildings, sustain high quality visitor experience and manage their collections.

For New South Wales, cultural infrastructure investment also includes integrating new digital technological methods to enable ongoing and online access to collections and performances.

Chart 3.5: Value of State Cultural Institutions assets' being maintained and protected for current and future generations



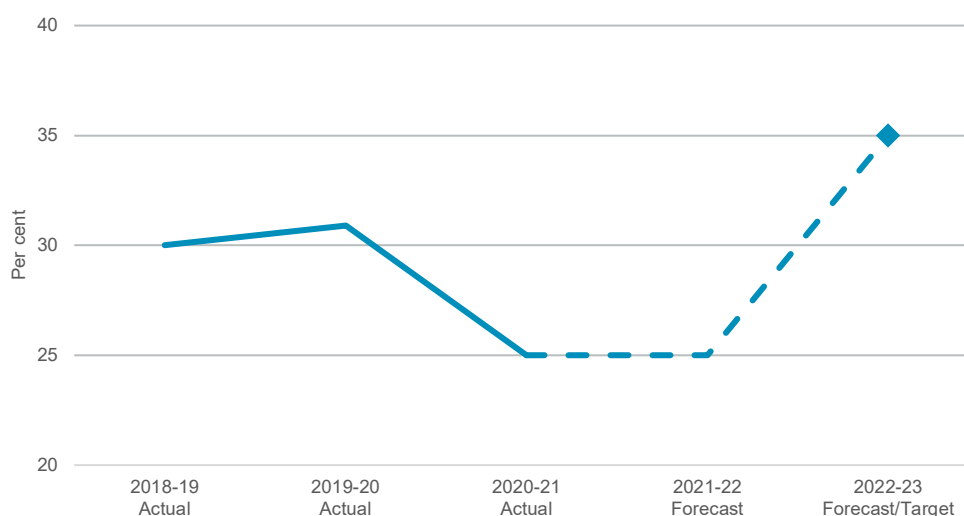
Note: The lack of increase in asset value in 2020-21 and 2021-22 is due primarily to a decrement in value of State Library collection assets due to changes in the valuation methodology, including a change in the valuation technique as a result of the availability and use of new language processing technology which enabled greater accuracy in sampling. This impact was offset by additions to the collections and increases in market value, as well as increased investment in cultural institutions asset maintenance as part of the Government's COVID response. The value of the State's cultural institutions assets is forecast to increase and further material revaluation decrements from valuation methodology changes are not anticipated.

Percentage of children regularly participating in organised physical activities outside school hours for at least 3.2 hours per week on average

The COVID-19 pandemic, including the impacts of community safety measures and the closure of community sport, combined with the 2022 severe weather and flooding, has contributed to the downward trend in the performance of this indicator.

Lower participation rates are reflected in lower Active Kids program voucher creation rates and lower voucher redemption rates. However, evaluation findings indicate that Active Kids vouchers have encouraged one additional day per week of children's participation in physical activity over the life of the program and indicate that 92 per cent of Active Kids participants experienced an increase in physical activity, and with lifted restrictions, this participation rate is expected to rise.

Chart 3.6: *Percentage of children regularly participating in organised physical activities outside school hours for at least 3.2 hours per week on average*



Effective utilisation of sport facilities and infrastructure grants

The COVID-19 pandemic and weather events (rainfall, flooding) have significantly disrupted the planning, development and execution of sport infrastructure projects over the past two years. These events have negatively impacted facility utilisation.

In the 2021-22 financial year, the Office of Sport has awarded \$211.8 million in grants towards 118 projects for sporting facility upgrades and the construction of new sporting facilities. Of these 118 projects, 49 per cent included facility components intended to increase female participation, 64 per cent to improve access for people with disability, and 78 per cent to support participation in multiple sports.

As of 1 June 2022, 29 sporting infrastructure projects (funded since 2018-19) have been completed in the 2021-22 financial year with a contribution of \$87.6 million in grants from the NSW Government.

Performance indicators for this Outcome

Outcome Indicators	Units	2021-22 Actual ^(a)	2022-23 Forecast
Increase annual visits to State Cultural Institutions	millions	- 0.6 ^(b)	4.0
Liveable city rating - culture and environment	rating	86.8	95.0
State Cultural Institutions assets being maintained and protected for current and future generations	\$ billion	10.2	11.0
Effective utilisation of sport facilities and infrastructure grants	%	N/A ^(c)	N/A ^(c)
Percentage of children regularly participating in organised physical activities outside school hours for at least 3.2 hours per week on average	%	Nil ^(d)	35.0

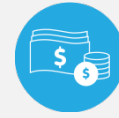
Notes

- (a) Data is a forecast as financial year is not complete.
- (b) Fall is a result of COVID-19 impacts on visitations.
- (c) 2021-22 Actual and 2022/23 Forecast: no data available, updated outcome being developed.
- (d) 2021-22 Actual: data not yet published.

3.5 Outcome 3: Vibrant, Safe and Responsible Hospitality and Racing

State Outcome overview and 2022-23 investment

This State Outcome supports a New South Wales where people enjoy vibrant and dynamic, as well as safe and responsible, liquor and gaming environments. It allows the operation of a diverse and vibrant industry that contributes to social connection and enriches New South Wales cultural and entertainment offering. This Outcome also supports industry integrity and minimises the risk of alcohol-related and gambling harm, so that New South Wales is the best place in the world to live, work, invest, visit, study, grow and play.



\$130.3
million

Recurrent
Expenses
2022-23

2022-23 State Outcome Budget highlights

In 2022-23, the Enterprise, Investment and Trade Cluster will invest \$130.3 million recurrent expenses in this Outcome, including:

- \$5.0 million a year indexed increase in funding for the Responsible Gambling Fund, to address, prevent and minimise gambling related harm associated with online wagering
- \$650,000 for a Hospitality Concierge focussed on outreach and collaboration with industry and Government partners. The program will identify and overcome roadblocks in accessing the benefits of liquor licencing and planning reforms, coordinate Government approvals and oversee strategic communications on the 24-hour economy to ensure clear and coherent messaging about current and upcoming reform in this area.

Key performance insights

The Hospitality and Racing Group in the Department of Enterprise, Investment and Trade is developing Outcome Indicators to track the Government's performance against this State Outcome which will be included in next year's Budget.

