

Tamworth Event Impact Assessment Model

A 3-step process has been established to determine which events are going to bring the optimal level of social and economic impact to the Tamworth region:

1. Event impact calculation

The National Economics Micro Model is used to measure the total economic impact of an event to the region (total economic benefit). This model is developed by the National Institute of Economics and Industrial Research (NIEIR).

1.1 The model considers 5 input factors:

- Type of event (art and heritage, sport and recreation activities, business)
- Level of significance (local, regional, state and above)
- Length of event (number of days)
- Estimated attendance per day
- Average daily spend¹
 - \$151 on Art and Heritage Events
 - \$151 on Sports and recreation Activities
 - \$283 on Business/Conference Events

1.2 Based on the above model, Tamworth Country Music Festival (TCMF) was modelled to determine the economic benefit to the region.

The model output breaks down the total economic impact into 3 types of impact:

- Direct impact - the initial expenditure associate with the industry (e.g. the transaction between a customer and a restaurant)
- Indirect impact – the indirect demand for intermediate goods and services across related industry ('Ripple effect' between businesses)
- Consumption impact – the additional contribution to economy through more wages and salaries are spent in local economy (casual positions required during events or festivals)

Example: Tamworth Country Music Festival

- Type of event: Art and Heritage event
- Significance of event: State and above
- Length of event(days): 10
- Est. attendance per day: 50,000²
- Est. average daily spend: \$151
- Total impact to Tamworth Region equates to \$105,232,277

¹ Source Destination NSW and Tourism Research Australia

² Determined by destination NSW & TRC visitors surveys

Model output:

Event name:	Type of event:	Significance of event:	Start date:
Tamworth Country Music Festi	Arts and Heritage	State	
Length of event (days):	Est. attendance per day:	Est. avg daily spend (\$):	Event total spend:
10	50000	151	\$75,500,000

Event Impact Summary export reset

Tamworth Regional Council - Tamworth Country Music Festival - Modelling the effect of \$75,500,000 from a Arts and Heritage event with State significance

	Output (\$)	Value-added (\$)	Employment (annual FTE)	Resident Jobs (annual FTE)
Direct impact	60,400,000	30,424,434	648.6	--
Industrial impact	35,584,222	14,716,235	125.3	--
Consumption impact	9,248,055	4,195,927	42.3	--
Total impact on Tamworth Regional Council economy	105,232,277	49,336,597	816.2	--

Source: National Institute of Economic and Industry Research (NIEIR) ©2016. Compiled and presented in economy.id by [id](#), the population experts.
 Note: All \$ values are expressed in 2014-15 base year dollar terms.

2. Event hosting fee forecast model

Event hosting cost will be positively correlated to the total economic benefit of the region. The higher the benefit to the region, the higher the hosting cost could be.

The model will also benchmark against hosting fees paid for similar past events and events with similar economic impact.

3. Review from Expert Panel

In addition to the hosting fee determined by the impact assessment model, the expert panel will also take into consideration other factors including seasonal capacity, community impact, social impact etc.

The panel will also refer to relevant state government event approval guideline such as the Destination NSW Event Investment Criteria, Destination NSW Event Approval Guideline.

