



Securing The Future Of Victoria's Event Industry For The Benefit of All Victorians

**Final Recommendations to the Parliamentary Inquiry
Into Support for the Tourism and Events Sectors**

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Executive Summary

Victoria has long been viewed as Australia's event state. Melbourne has traditionally been viewed as a global event capital. Events are integral to Victoria's identity. And, integral to Victoria's brand. But most importantly, events are integral to what makes living in Victoria great.

Victoria's Event Industry is a large, well established industry that organises more than 120,000 events a year that are worth more than \$12 billion in terms of direct spend, and employs over 70,000 people.

Yet our Event Industry is at serious risk. Many businesses have gone broke and a vast number of jobs have been lost. And many more businesses and jobs are now at risk.

To date there has been no real Victorian government support for the Event Industry - be it financial support or practical support.

While some events are now starting to happen again, the progress is slow. Only a very small proportion of events are now happening again. We are now going into the quiet winter period so many event people and businesses will struggle to survive until events pick up again properly later in the year.

Victoria is in the process of losing much of it's Event Industry and it's event capability.

However, this crisis has exposed more fundamental problems. The Victorian government doesn't current recognise the Event Industry as an industry, it does not understand or value the real and very significant contributions that events make to our community, and there is no area within government that really supports the broader Event Industry.

The urgent action needed from the Victorian government is:

- to recognise the Event Industry as an industry in it's own right, and as an important industry to Victoria and to Victoria's future.
- to understand and value the very real and significant contributions that events make in so many ways to our community and to our state.
- to understand and value the unique skills, experience and capabilities of the people and businesses within Victoria's Event Industry.
- to set up a dedicated agency - **Events Victoria** - to properly support, develop and promote Victoria's Event Industry, as well as to be a voice within government for the industry.





- to provide urgent financial support to event companies, event suppliers, as well as freelancers and contractors so they can survive until events pick up properly later in the year.
- to work with the federal government to get in place government underwriting of event cancellation insurance for Covid related risks.
- to work with the Event Industry to finally create and put in place restrictions, guidelines and approval processes that make sense, that will deliver the needed health outcomes, and that can work with the realities of events.

This document outlines a comprehensive plan that will enable Victoria's Event Industry to not only get through the current crisis, but will also set up Victoria's Event Industry to play a key role in Victoria's recovery and prosperity well into the future.

But this is urgent. By the time the Inquiry is due to report on June 30 2021 the majority of the damage will already have happened - so action is needed now. We ask that the Committee does immediately advocate for urgent action to happen.

Events are integral to Victoria's identity. And, integral to Victoria's brand. But most importantly, events are integral to what makes living in Victoria great.

Events, and Victoria's Event Industry, touch the lives of most Victorians on a very regularly basis - so this is about securing the future Of Victoria's Event Industry for the benefit of all Victorians.





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Introduction

Victoria has long been viewed as Australia's event state. Melbourne has traditionally been viewed as a global event capital. Events are integral to Victoria's identity. And, integral to Victoria's brand. But most importantly, events are integral to what makes living in Victoria great.

Victoria's Event Industry is a large, well established industry that organises more than 120,000 events a year that are worth more than \$12 billion in terms of direct spend, and employs over 70,000 people.

Yet our Event Industry is in the middle of an existential crisis.

Over the last year, more than 100,000 events worth well over \$10 billion have been lost. Most Event Industry businesses have lost of the majority of their income. The results from our February survey showed that only 27% who were working full time in the Event Industry at the beginning of this crisis were still working full time. Many businesses have gone broke and a vast number of jobs have been lost.

With JobKeeper having now ended - and 95% of Event Industry companies were on JobKeeper - survey results showed that 40% of Event Industry companies are likely to have to close and a further 43% will need to shed their staff. Furthermore, 69% of the very highly skilled and experienced freelancers/contractors are likely to need to leave the industry completely. In turn resulting in many more people losing their homes and everything they have worked for over decades.

This is a desperate situation.

Victoria has already lost a significant amount of its event capability, and without urgent action will lose a very large amount of its event capability. It will certainly no longer be able to be seen as Australia's event state or Melbourne as a global event capital.

It is shocking that we can be in this situation in Victoria - the event state.

The Problem

Despite events being integral to Victoria in so many ways, to date there has been no targeted financial support at all for the Event Industry. And this is even though the whole industry was shut for eight months and some parts of the industry are still unable to work after more than a year. This is very stark - compared to over \$2 billion in support for the Arts, Tourism and Sport.

But there has also been minimal practical support.

There has been an unwillingness by the government to work in partnership with the industry to put together real workable restrictions, approval processes and guidelines. This has made it - and still does to this day - very difficult to be able to run any events with confidence.

Just getting simple answers on behalf of the Event Industry to questions raised in the government roundtables can take over month, if ever.

It has taken over five months to get simple guidelines for the main types of business events - and even now the guidelines are not very usable.

Approvals for events under the Public Event Framework are often not being given until a week before the event - meaning event organisers are having to take huge financial risks. This alone is stopping a lot of events from happening.

While we accept the need for lockdowns and the like, there needs to be far more clarity about the potential triggers for these measures and the process for when they happen so that people can make educated decisions about holding events and be able to plan ahead.

The serious financial risks from a late cancellation of an event are a key reason why many events are not currently proceeding. Currently, it is not possible to insure against these risks - meaning many organisations are just not able to proceed with events.

Events have been gradually starting again, but it is slow. Now we are going into the quiet winter period so people and businesses need to try to survive until events start to pick up properly later in the year. For many, that means they will not have done a live event for 18 months.

So there is currently no financial support, minimal





practical support and a huge amount of uncertainty. The result being that relatively few events are happening again yet, and many businesses face the prospect closure with even more jobs being lost.

The More Fundamental Problems

The Covid pandemic has exposed some major and more fundamental underlying problems.

The Event Industry is not currently recognised by the government as an industry, and nor is the Event Industry understood by government. Even though we are the event state.

There is minimal understanding within government of what the event industry is, who is in it, what it does, how it works, and hence what it needs to survive. And this is despite nine hard months of us

trying to work with the government, producing a vast numbers of documents and trying to educate them about the Event Industry. And, this is thirteen months after the Event Industry initially closed down.

Events are not valued for their real contributions to the community and to the State of Victoria.

Events are only valued if they are viewed as part of the Arts. Or, if they are bringing tourists to a destination - and even then it is only really for the hotel room nights and side trips to the penguins and not the event itself and its vastly broader benefits.

The government doesn't even do research on the Event Industry - despite having a dedicated Tourism, Events and Visitor Economy Research Unit. The Event Industry accounts for about one third of what is deemed to be the 'visitor economy'.

As the government has not recognised the Event Industry or valued what events actually do, there has not been the engagement or support necessary to help the Event Industry get through this crisis.

Unless these fundamental problems can be dealt with, there will be little chance of being able to deal with the Covid pandemic specific problems.

Hence this Inquiry is desperately needed - so that the Event Industry and the situation in the Event Industry are finally properly understood.

The Opportunity

This Inquiry into support for the Event Industry does provide a huge opportunity.

There is now a once in a generation opportunity to create the much needed, and very significant, change needed to properly set up Victoria's Event Industry for the future.

While Victoria's Event industry has been fairly successful up until the current crisis, much government policy about events is based on 1990s thinking and 1990s models. The Event Industry, and the world generally, have changed dramatically since the 1990s. So there is a huge opportunity to take a much more modern approach to events and to the Event Industry. And to get a leap ahead of other states and countries.

Events, and the Event Industry, can and should be playing a critically important role in helping drive Victoria's recovery and return to prosperity. And, in fact, as it has done in the past, give Victoria a significant competitive advantage.

As we are now coming out of a major pandemic, events can play a really important role in bringing communities back together again, in helping people feel connected again, in helping organisations successfully get through the biggest changes in their histories, in rebuilding confidence, and in restoring Victoria's reputation.

There has never been a time when events have been more needed and can make more of a contribution to our state.





The Event Industry

At over \$12 billion, the Event Industry is in economic terms a larger industry than the whole sporting sector, a few times larger than the performing arts, over seven times larger than the music industry, and is worth well over one third of what is considered to be Victoria's 'visitor economy'. It is a large industry that touches the lives of nearly all Victoria's on a regular basis and in many ways.

The vast majority of the Event Industry receives no government funding and traditionally has had no dealing with government. So it is completely new to most of us in the Event Industry to now be so reliant on government to even be allowed to operate and having to just try to deal with government. Similarly, it also means that the Victorian government didn't know that most of us even existed.

Definition

What is the Event Industry?

Victoria's Event Industry is the people and businesses involved in the professional creation and management of special events in and from Victoria.

Types of Events

The event industry covers many types of events, but some of the main categories include:

- **Business Events** - including business meetings, product launches, conferences, exhibitions, expos, brand activations - for the government, not-for-profit and corporate sectors
- **Public and Community Events** - from the simplest community events up to the likes of St Kilda Festival
- **Charity Events** - such as funding dinners and galas, fundraising walks, etc...



- **Festivals** - such as music festivals, the Fashion Festival or the Flower Show
- **Mass Participation Events** - such as fun runs and triathlons
- **Professional Weddings** - professionally run weddings and similar gatherings

Events range from simple community events with a few dozen people up to major events with tens of thousands of people. From very modest budgets up to multi-million dollar budgets.

While much of the media attention is on the really large public events, it is the 120,000+ other events that have by far the most impact on the lives of Victorians and that provide the vast majority of the economic benefit and employment. **As an example, business events alone are worth well more than \$10 billion.**

Purpose

It is important to understand the real purpose of events:

- Often business events will be about bringing an organisation's stakeholders together to inform them, to build teams, to change the culture of an organisation, to raise moral, or to get engagement on major change. Increasingly they are about embracing innovation and new technologies, business models and approaches. They can also be about promoting their products and services to new or existing clients or markets.
- For a not-for-profit it can be to promote their cause, to educate their members, to raise funds for their work. More many charities, it is their only sources of income.
- For a community event it can be to build the sense of community, to connect people, to enable greater social cohesion, or just to raise the spirits of the community. Events help build the social fabric of the community. Fed Square provides a great example of this.
- Some events are about marketing and tourism. The F1 Grand Prix is an example of an event held in Victoria with the express purpose of marketing Victoria and of bringing people to Victoria.

There has never been a time when events have been more needed or more valuable than now - coming out of a pandemic that has had such a huge impact on the whole community.





Main Roles Within the Event Industry

The Event Industry comprises a vast range of businesses. These include:

- **Organisers:** Event companies, professional conference organisers, experiential agencies, exhibition organisers, etc...
- **Suppliers:** audio-visual, theming, stand builders, expo rental, lighting, audio, rigging, staging, guest management, content creation, presenters, entertainment, amusements, etc....
- **Professional Services:** environment designers, site managers, risk managers, production managers, producers, creative producers, screen content designers, stage managers, show directors, etc.....
- **Venues and Caterers:** Conference centres, caterers, convention centres, hotel convention centres, and so on



The vast majority of the economic activity and employment is by small businesses. These range from highly skilled freelancers and contractors (the professional service providers) up to larger supplier businesses.

As An Export Industry

While the Tourism Industry is solely about bringing people to Victoria, the Event Industry is not.

A large proportion of Event Industry businesses export their events, products and services right around Australia. And while the final event might be held in another state, a lot of the employment and economic benefit will still happen in Victoria.

A lot of the economic benefit happens in the location that the event is organised from as well as in the location where the event is held. So when Victorian event companies hold an event in





another state, it is still bringing very considerable economic, and other, benefit to Victoria. The same with the Victorian event industry businesses that provide their services around Australia and overseas.

Some Event Industry businesses export their services right around the world. Norwest Productions is a great example of this with their work on many Olympic Games around the world (including Tokyo shortly) - as is ShowTech with all their overseas work from the Athens Olympics on.

This export side of the Event Industry is a massive part of the industry but rarely understood and never acknowledged. Whereas would should be very proud of - and being encouraging - Victorian event businesses to be exporting.

Relationship with Other Sectors

The Event Industry does overlap with some other industries and sectors - which is not surprising or unique to the Event Industry. But it is important to understand how the Event Industry is different from other sectors and where it does overlap with other sectors.

Arts and Recreation

Arts and recreation is an archaic term that comes from previous generations. Sadly, it is a term that still gets trotted out - but mainly in the context of local government.

It covers everything from local art galleries through to council swimming pools, from community sport through to amateur theatre.

There is a small amount of overlap with the Event Industry, but arts and recreation is so broad and diverse that it is not helpful for describing much in any meaningful way.





The Arts

The Arts is quite a broad sector that covers everything from visual arts to performing arts. As a sector, the Arts are very definite about who they are, and what is and isn't classified at the Arts.

Most within the Arts view themselves to be very different and separate from the Event Industry. We have certainly found this to be the case during this crisis.

The obvious area of overlap is with public events and festivals which are very much a part of the Event Industry.

The Arts have been given \$1.46 billion in state government support so far. Sadly, none of this financial support seems to have gone to the production suppliers and crew who also work in the Event Industry.

Tourism

Tourism is another broad sector. Governments will often fund some types of events to bring people to a destination.

However, the tourism industry generally just looks at the benefits from events to tourism businesses - e.g. hotel room nights, side trips to tourism attractions, etc... - and not at the many people and businesses that are involved with creating the event itself. These other aspects of events - such as AV and production, creative development and content production, environments and displays, etc.... - are often worth many, many times the 'tourism' aspects in turns of dollars and jobs.

While the tourism industry likes to include all of the business event sector within their numbers when asking governments for funding, the vast majority of business events are unrelated to tourism. **In fact, 80% of attendees at business events are locals.** And again, the purpose and the real benefits of the business are not tourism but the real business benefits they deliver.



So the tourism industry is often a beneficiary of events, while the events themselves are not part of the tourism industry. And, at the moment, with very different needs.

There is a modest amount of overlap between the Event Industry and the Tourism Industry but they are very separate industries with very separate purposes, very different economic models and very different supply chains.

One of the Event Industry's greatest challenges has been to be seen as the industry in its own right that it is - because some in tourism would just like events to be seen as just a part of tourism.

Tourism bodies like VTIC have claimed to represent the Event Industry despite having a tiny number of real Event Industry members, being unknown to the vast majority of the Event Industry, and having precious little knowledge or understanding of the Event Industry. And then dealing with government tourism people who knew even less about the Event Industry. This has been disastrous for the Event Industry and is a key part of why we are here today.

The tourism industry has been given over \$500 million in state government support so far - while the Event Industry remains empty handed.

Sport

Sport is a very large sector in its own right. Obviously it ranges from school and community sport right through to professional sport. Some major sporting events are certainly special events that come within the Event Industry - e.g. the Grand Prix, Australian Open and Cadel Evans Great Ocean Road Race. But the vast majority of sporting activities do not involve people and businesses from the Event Industry.

The sport sector has been given over \$300 million in state government support so far.



The Solution

The starting point has to be getting the foundations right. And then building upon them.

Some things do need to happen extremely quickly as the Event Industry is in crisis - so every week sees the loss of more jobs and more businesses. And in turn, more people losing their homes and everything they have worked for over many decades.

These recommendations are based on our group's nine months of working with a very large number of people and businesses right across Victoria's Event Industry, as well as from the insights of our landmark industry surveys.

Recognising the Event Industry as an Industry

The first step is the Event Industry needs to be properly understood and to be recognised by the state government as an industry in its own right in Victoria. And, as an important industry to Victoria. And, as an industry that is important to Victoria's future.

This is not currently the case. **As recently as mid-November we were told at a major roundtable by a Deputy Secretary that "the event industry hasn't received any funding because the event industry is not an industry". Sadly, this view still seems to be held in parts of government to this day.**

Because the Event Industry hasn't been viewed as an industry it has not been given the time, support, funding, research, or resources needed to help it get through the current crisis.

Recommendations

- That the government recognises the Event Industry as an industry. And, recognises that the Event Industry is an important industry to Victoria and to Victoria's future.
- That the government recognises that while the Event Industry does have some overlap with other sectors such as the Arts, tourism and sport - that it is still a distinct industry in its own right.
- That it understands the Events Industry's different parts, types of events and businesses.

- And that the government recognises the ways that the Event Industry's unique skills, expertise and resources can be used to help other areas - and especially in the response to the Covid pandemic.
- That the role of Minister for Major Events be changed to Minister for Events. There would be sense in this role being paired with Minister for Small Business and Minister for Innovation.

Events Being Valued For What They Really Do



Events need to be valued for what they really do. And valued for the very broad and important contributions that they may make to Victoria and to Victorians in so many different ways.

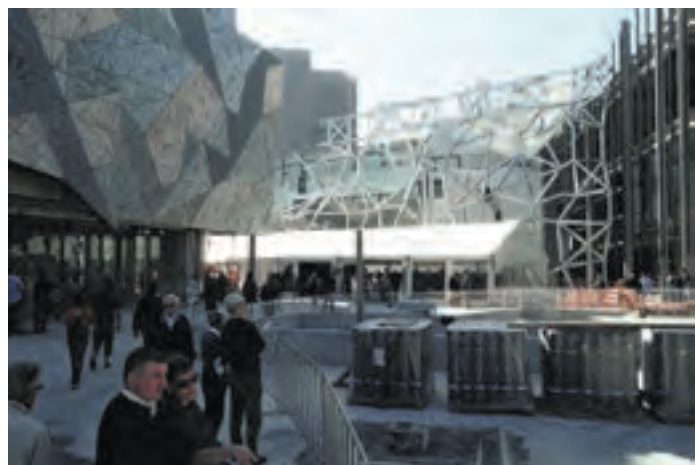
To date in government policy, events have only been valued as either being part of the Arts (a small proportion) or in terms of the tourists they might bring to a destination (a modest proportion). While some events are part of the Arts and some events do bring

some tourists to destinations, the vast majority of events aren't or don't and actually primarily give many other very significant benefits.

Even with events that do bring tourists to a destination, the real benefits of the events go far beyond just hotel room nights and side trips to the penguins. These much larger primary benefits need to be valued.

Similarly, the extraordinary and unique skills and experience of the Event Industry and its many people and businesses needs to be recognised and valued. The Event Industry has an extraordinary amount of capability in complex logistics, project management, site infrastructure and management, contingency planning, risk management, and the like. All things that are very relevant and needed in dealing with the current Covid crisis.

And in times of crisis like now, these skills and this experience should be properly utilised by Victoria to help deal with the crisis.





The value of events can be broken up into a few different areas:

Community

Events play an important role in bringing communities together, in overcoming isolation and loneliness, in building a sense of community, and getting people working together.

Events also play a key role in helping not-for-profits and charities to promote their work, to involve people in their work, and to raise the funds for their operations.

Events help to teach and educate. A huge number of events and conferences are primarily about sharing knowledge and educating people.

Mass participation events - such as fun runs and the like - provide a good example of events that actively contribute to the overall health and wellbeing of the community as well as bringing people together.

Economy

Events in Victoria are responsible for a direct spent of over \$12 billion a year. The Event Industry employs over 70,000 people. The exporting of event services right around Australian, and overseas, brings considerable money back to Victoria - in turn generating more employment and prosperity. This should be all be valued.

Events play a critical role in promoting innovation and the transition to a digital economy.

Business events play a key role in helping organisations to grow, to embrace and go through major changes, to innovate and learn, and support their employees and stakeholders.

They play an essential role in the professional development of people in all kinds of professions and industries. They promote research. They encourage innovation.

More broadly, they play an incredibly important role in building confidence in the economy and in the state.



Positioning and Promoting Victoria

Events play a very key role in how Victoria is viewed around Australia and around the world. This goes far beyond just attracting tourists or the like. They play a key role in showing that Victoria is innovative, in showing that Victoria is a great place to work and live, and in promoting Victoria's industries and businesses.

The thinking needs to go vastly beyond just sport.

The many people and businesses from Victoria's Event Industry that export their products, services and events around Australia, and around the world, play a very practical role in representing and promoting Victoria and what is great about it.

Export

While much focus in the past has been on the role that events play in bringing people to Victoria, a huge part of the event industry is about exporting services, products and events around Australia, and to a lesser degree around the world.

This brings dollars back to Victoria, grows Victorian businesses, creates more employment and prosperity in Victoria, as well as helping to promote Victoria.

Recommendations

- That the government understands the value of events: to the community, to the economy, to the positioning and promotion of Victoria, and in terms of export.
- That the government recognises the extraordinary and unique skills, experience and resources of the Event Industry and its many people and businesses.
- That the government look at the ways that these unique skills, experience and resources can be used for the benefit of Victoria to help deal with the current Covid pandemic.



Event Industry Support

The government needs to commit to work with the Event Industry, and to utilise the vast experience and knowledge of the Event Industry, to develop a plan and policies to help the industry get through the current crisis and to help build a stronger future for the Event Industry.

Structural Support - Events Victoria

Currently, some parts of the Event Industry sort of come under Tourism, some parts sort of come under Creative Industries, and many parts don't come under any part of government at all. So support for the Event Industry overall has been very patchy to non-existent.



Hence it is recommended that there be a dedicate agency - Events Victoria - set up to actively support, develop and promote Victoria's event industry for the benefit of Victoria.

The purpose of this agency would be to work in partnership with the Event Industry to develop, promote and support the whole Event Industry and the people and businesses within it.

Events Victoria's aims would be:

- to work with Victoria's event industry to get it through the current crisis and build it up again
- to ensure that Victoria is a great place to hold events of all kinds
- to advocate on behalf of events and the Event Industry within government
- to provide practical and financial support to the Event Industry
- to work in partnership with the Event Industry develop and grow events and the industry itself
- to promote Victoria's events and Event Industry around Australia and overseas
- to ensure that Victoria is the Australia's leading event state
- to ensure that Melbourne remains a global event capital

In practical terms Events Victoria's role would include:

Industry Development

Events Victoria would take a holistic, industry-wide approach to further developing Victoria's Event Industry and the people and businesses within it.

It would also be about encouraging new events to be created and to happen in Victoria, as well as to encourage the development and growth of existing events. All with the result of growing Victoria's Event Industry and increasing the benefits from events to the community and to the State of Victoria.

The current convention bureau approach - which is widely used - is based on a 1990s model built around traditional conferences, exhibitions and convention centres. And, based on working with and supporting a select group of 'members'. This was appropriate for the time.

Nowadays, this model really only reaches a relatively small proportion of the market, quite narrow types of business events, and supports a narrow range of venues and suppliers.

It is based just on bring events to Victoria from interstate or overseas. It does not acknowledge that a lot of the economic benefit from events happens in the location from which the event is organised (including a lot of the higher margin value adding) - as well as the location where the event happens.

Business events, and events more generally, have changed vastly since this time. There is now a much broader range of types of events, types of locations, types of businesses and suppliers involved. And what is needed to make a destination attractive - or to give event organisers what they need so they will want to bring their event to Victoria - has also changed dramatically.





This approach is very much about looking at how to make Victoria an attractive place for all types of events - as there is now a very broad range of types of business events and events generally.

Similarly there is now a very broad range of benefits from having different types of events come to Victoria.

This would include offering incentives and practical support for organisations to bring a very broad

range of events to Victoria - be they business events, festivals, public events, community, mass participation, or major events.

Importantly, it would also be about helping existing Victorian events to further develop and grow, and be about encouraging new Victorian events to be created.

Finally, it would also promote the exporting of events and event products and services from Victorian companies around Australia and overseas.

So it is a vastly different approach to the traditional convention model.

To Advocate for the Event Industry Within Government

At the moment there is no one of any seniority within government that has a detailed knowledge of the event industry or that advocates for the event industry.

This means that the Event Industry and impacts on the Event Industry are not being considered when policy is being made and when other government decisions are being made.

A very simple example of this is in the choice of venues to be used for some parts of the pandemic response.

The Pullman Hotel in Albert Park is currently a quarantine hotel (though with no one staying there at the moment) and the word is that it will remain a quarantine hotel for quite a while yet. The decisions to use Pullman Albert Park for this will have a big impact on the Event Industry.

The Pullman Albert Park is actually the third largest conference venue in Victoria. It is actually the largest self-contained conference venue with accommodation - i.e. where a conference can effectively own the whole complex for their event.



Importantly, it is a significantly cheaper venue than the other two larger conference venues - i.e. Crown and MCEC. This means that Pullman Albert Park gets a lot of not-for-profit conferences and events that have more limited budgets. These conferences are now struggling to find alternate locations in Melbourne.

Had someone with Event Industry knowledge been involved with the decisions they could have advised to use hotels that do not have large conference facilities.

Similarly, the decision to use the Royal Exhibition Buildings as a vaccination centre - forcing many expos and other events to have to try to find other venues - including some at fairly short notice.

The Royal Exhibition Buildings is the second largest exhibition space in Melbourne. And it is a very cost effective option - because of its look and facilities - for many kinds of exhibitions so is very popular.

As the vaccination centre will be set up for many months, it would have been possible to use many different types of spaces for it. Again, someone with Event Industry knowledge could have advised on the logistics of utilising other types of spaces for the vaccination centre.

Those having to move are finding that the cost of holding their event at MCEC is about three times the cost of having it at Royal Exhibition Buildings. The Melbourne Showgrounds just isn't an option for many kinds of exhibitions as there just aren't the right types of spaces.

Having both Pullman Albert Park and Royal Exhibition Buildings out of action for much of the year will have a significant impact on many events and many in the Event Industry.

Having people within government with a good understanding of the Event Industry would also mean that they could suggest when the unique skills and resources of the Event Industry would be of great value. The whole logistics operations for Hotel Quarantine and for Flemington Towers are pretty simple examples of where the Event Industry was extremely well placed to have been able to play very key roles - as they involved much of what our industry does day to day.





Marketing and Communications

To actively market and promote Victorian events and Victoria's Event Industry around Australia and around the world.

Industry Research

Despite being a \$12+ billion industry in Victoria and a \$40+ billion industry nationally, there is practically no research or data available about the Event Industry.

The Victorian government's Tourism, Events and Visitor Economy Research Unit doesn't currently do any research on events. While they may consider the personal spending of the consumers who come here with an event, no data at all seems to be collected about what the organisers spend - which in the case of many business events is the majority of the spend.

Similarly, they do not look at event organisers or suppliers in the event industry, nor do they consider export income - i.e. the event products and services exported from Victoria.

This is actually shocking when you consider that business events alone are about one third of the dollars attributed to the 'visitor economy'.

A key role of Events Victoria would be to start doing this research and collecting critical data about the Event Industry.

Events Victoria Operating Model

There are a number of potential operating models for Events Victoria, such as:

- a government department like Sport and Recreation Victoria
- a government owned entity like Visit Victoria - that has an industry board
- an industry based organisation like Music Victoria and the Music Industry Development Office

The key thing is that it is a dedicated unit for the Event Industry which employs people with real Event Industry experience, and works with and has real input from the Event Industry.

The best approach - subject to more industry discussion - is like to be a government owned entity with a broad based Event Industry board.



Event Recovery Taskforce

While it would take some time to get Events Victoria up and running, there is an urgent need for immediate action.

It is recommended that an Event Recovery Taskforce be set up immediately with key people from DJPR, DH and the Event Industry to quickly work together to get the urgently needed financial and practical support in place.

This taskforce should report to a minister. Logically this could be the Minister for Small Business - as the vast majority of Event Industry businesses are small businesses and this Minister's responsibilities do already go across existing departments.

The taskforce would be supported by a dedicated Events Unit within DJPR to work with Event Industry.

Again, this taskforce would be an immediate and temporary measure until Events Victoria can be up and running.

Recommendations

- That the government set up a dedicated agency - Events Victoria - to actively support, develop and promote Victorian events and Victoria's Event Industry.
- That the government urgently set up an interim taskforce involving key people from DJPR, DH and the Event Industry - and reporting to a Minister - to urgently get the needed financial and practical support in place.
- That the government urgently set up an event unit within DJPR to support the taskforce and as a practical interim step while Events Victoria is being set up.



Financial Support

Event Industry Support Grants

The government needs to provide some very urgent financial support to try to help many people and businesses within the Event Industry to be able to survive until events start to pick up again later in the year. This is essential and desperately urgent!

The model we have recommended is based on direct grants to event industry businesses - including suppliers - to enable them to survive until events start picking up again, and to enable them to still have the working capital to enable them to start gearing up again.

Freelancers and contractors - who are the professional service providers of the Event Industry - play a critically important role in the industry. Yet the vast majority have not been eligible for any kind of state government support so far. Hence **69% of freelancers and contractors said they would likely need to leave the Event Industry once JobKeeper ends.**

Many of them are structured as either sole traders or Pty Ltd companies that do not employ staff and so have not been eligible for any Victorian government support at all.

We are strongly recommending that they are specifically included in these grants.

The grants would be tiered based on turnover in a normal year. Suggested amounts - subject to further industry discussion are - are:

- Turnover of more than \$1.5 million per annum eligible for a grant of \$100,000.
- Turnover of less than \$1.5 million but more than \$1 million eligible for a grant of \$70,000.
- Turnover of less than \$1 million but more than \$250,000 eligible for a grant of \$40,000.
- Turnover of less than \$250,000 but more than \$50,000 eligible for a grant of \$15,000.

Covid Cancel Insurance for Events

The thing that will most help the event industry to survive and to recover is for events to be happening again.

Currently the single biggest barrier to a lot of events happening again is the financial risk of late cancellation of the event. A late cancellation of an event can be catastrophic for the organiser of the event and many of the other businesses and people involved with the event.





In simple terms, if an event is cancelled very close to the event date - or during the event - the event organiser will be liable for almost all of the costs of the event but not be able to keep any of the event's income.

Event cancellation insurance will not now cover any risks associated with Covid and this is likely to remain the case for a year or more.

The feedback from right across the event sector - from the smallest not-for-profits up to the largest of corporations - is that a lot of them will not currently organise events because they cannot afford the potential financial losses of a cancellation or they are unwilling to bear the financial losses of a last minute cancellation.

Hence there is an urgent need for government backed Covid cancel insurance for live events.

This could be done in a similar way to the way Covid interruption insurance is now done for the film industry - where film productions pay a premium equivalent to 1% of their total production budget to get this coverage. This is done with the two main film industry insurers - SURA and Allianz - adding the Covid coverage to their policies with the federal government underwriting or reinsuring the Covid specific risks.

State government people keep say that this is be a federal issue and federal government people say that its a state issue. The reality is it is both a national and a state issue!

Very few events of any size are completely contained in one state. Most events of any real size involve people and businesses from multiple states. For example, a lot of business events that happen in Melbourne are organised by businesses that are based in Sydney - and vice versa. Similarly, an exhibition will involve stand suppliers from right across Australia. And this true for most kinds of events.

The recent Brisbane lockdown caused Melbourne based suppliers to face considerable losses on events that were happening in Brisbane - some of which were organised by Sydney based companies.

A lot of events will also involve participants from other states. Or talent from other states.

So it makes no sense to suggest that this is an issue just for individual states because their actions would only impact people and businesses in their state. In fact it would easily be argued that the Brisbane outbreak caused vastly more financial impact to the event industries in Victoria and New South Wales than to the event industry in Queensland.

Conversely, it doesn't make sense to suggest that the issue is purely a federal one either, as the cancellation of events has significant economic and other impacts on the state where the events were to happen but also the states in which the businesses involved with the events are based.

So this will need to involve both levels of government to happen. Both levels of government do need skin in the game.

There are many precedents for governments stepping in to the insurance market to cover gaps left by the commercial insurers.

The federal government is already providing Covid interruption insurance for the film industry.

Following 9/11, the federal government set up the now \$14 billion Australian Reinsurance Pool Corporation to underwrite terrorism insurance risks.

The Victorian government is providing insurance coverage for building surveyors - because commercial insurers withdrew from this area.

It would actually be quite logical for the governments to step in to underwrite some Covid risks. Underwriting Covid cancel insurance for live events would make sense as the lack of availability of this insurance is having such a massive - and potentially longer term - impact on this whole, large sector.

Business Interruption Insurance

The Covid risks for the event industry go beyond just events being cancelled. Many Event Industry businesses that export their services around Australia have lost considerable amounts of work because they are unable to get to their projects in other states due to border closures and the like. Again, this is an uninsurable risk.

Just as the State of Victoria has stepped in to provide insurance for Building Surveyors through VMIA when commercial insurers left the market, it is recommended that the Victorian government through VMIA provides Covid business interruption insurance.





Event Attraction Grants

Victoria has been hit harder than any other state due to the number of the length of the lockdown and border closures. This has had a huge impact on people's confidence in holding events in Victoria. And, has seen a lot of events moved interstate.

There needs to be real incentives to attract events back to Victoria. And again, this needs to go beyond just the most traditional forms of business events to include a broad range of events. Most other states are already offering incentives or are planning to.

An example is Queensland's National Business Events Program. **Funding between \$17,500 and \$95,000** (excluding GST) based on \$50 per in-person delegation attending a two-day Event, or \$100 per in-person delegate attending an Event with a minimum duration of three days.

Event Development Grants

Once events are really valued for what they actually contribute to the community and to the State of Victoria, it then makes sense to look at how to further invest in events to encourage them to be developed and continue to grow - as this will increase their contribution. There are many approaches to this.

Some of the support can be through providing expertise and knowledge, and some through marketing or linking the organisers with other relevant parties. But financial support should also be considered.

An example of one approach is Victoria's Significant Sporting Events Program which provides grants of up to \$20,000 for Sporting Event Assistance and for Sporting Event Strategic Planning, and grants of up to \$150,000 (and can be larger) for Sporting Event Development for larger events.

Growing Victoria's Event Industry

The last decade and a half has seen a shift by many larger event companies to Sydney, with Melbourne being reduced to a smaller state office. This has meant that a considerable amount of jobs have effectively moved to Sydney - including many of the higher skilled and higher paid jobs.

The result being that more and more of the events that happen in Victoria - and around Australia - are being organised from New South Wales meaning that a huge amount of the economic benefit including much of the value adding and more highly skilled work is happening in New South Wales.

We need to reverse this trend by looking at ways that Victoria can be a more attractive place for Event Industry businesses to be located.

Recommendations

- That the government very urgent puts in place Event Industry Support Grants for event companies, suppliers and freelancers/contractors.
- That the government very urgently works with the federal government to get in place the underwriting of Covid Cancel Insurance for Events.
- That the government urgently puts in place Business Interruption Insurance for Event Industry businesses through VMIA.
- That the government puts in place an on-going program of grants to help develop events and Victoria's Event Industry including: Event Attraction Grants, Event Development Grants, and grants to encourage businesses to be based in Victoria.





Practical Support

In addition to the financial support, there is a range of practical support needed. This includes:

Workable Restrictions and Guidelines

All events held in Victoria are currently subject to health restrictions. We accept that this is necessary. However, one of the greatest challenges that all involved with events have faced is that the restrictions have not been based on any real understanding of how events work, the settings that events happen in, the real risks and operational models of events.

To date the Department of Health has never met with the Event Industry to discuss restrictions and safe practices for events. This is despite a lot of people in the Event Industry having decades of experience in risk management - including with the most severe and complex risks such as terrorism.

Similarly, the application and approvals processes are quite divorced from the realities of what is needed for a lot of events to be viable. For example, a lot of approvals under the Public Event Framework have not been given until a week before the day of the event. Meaning that event organisers are having to take all the financial risks and incur the majority of the event's costs before knowing whether their event will even be approved and able to happen.

This is causing many people to be not willing to take this risk.

Information about restrictions and what is allowed needs to be in a form that is easily understood. With many business events, for example, the decision about whether to hold an event is taken by the client often before they have even engaged an event company. So the decision is being made by people without detailed knowledge of events. If the information about what is being allowed is not logical and easy to understand, many people will decide not to proceed with their event.

This applies to the Public Event Framework and to the Restricted Activity Directions.

There needs to be a regular working group involving DH, DJPR and the Event Industry to together work through restrictions and approval processes prior to them being released so that the restrictions and approval processes are actually both safe in practice from a health perspective and viable from an Event Industry perspective. And, so that information is in a form that is relevant and understandable.

Recommendations

- That the government as a matter of urgency set up a working group involving DJPR, DH and the Event Industry to proactively work on restrictions, guidelines and approval processes for events.
- That the government as a matter of urgency produces guidelines - with input from the Event Industry - for the main types of events that are in a form that is relevant and easily understood, and will help encourage events to happen.

Information and Advice

At the moment, the only way for Event Industry people to get specific information or advice is by emailing a generic email address or by calling a generic Covid help line. The advice from the Covid help line to date has been very inconsistent as often the people taking the calls do not have an understanding of events or the information and how it would apply to events.

When people are having to make large financial decisions about events, they need to be certain that the information they are getting is actually correct and accurate.

Similarly, they need to be able to call someone to chase up their Public Event Framework applications or to answer queries about their applications. Currently they only have the generic email address and just have to wait.



There needs to be a dedicated information service for events that is staffed by people with real knowledge about events and the restrictions and processes that apply for events. And, a phone number people can call to find out about the progress of their applications and to talk about their applications.



Furthermore, the government needs to proactively engage with the members of the Event Industry. It would be very easy to hold regular sessions organised in partnership with the Event Industry where Events Victoria people could provide updates about restrictions, guidelines, issues, and best practices to the broader event industry. Obviously with the ability for people to ask questions.

Most importantly, this would personalise the whole process as Event Industry people will be able to see there are real people at Events Victoria working on their behalf - rather than just a generic email address.

Recommendations

- That the government sets up a dedicated helpline to give advice about requirements for events and so people can follow up event applications.
- That the government works with the Event Industry to organise regular sessions that are open to the whole Event Industry to give updates about restrictions, guidelines, issues and best practices.

Communication / Marketing

A key to getting events back up and running again is confidence. Organisations need to feel confident that they are doing - and being seen to be doing - the right thing by holding their event. They need to feel confident that they can do the event without ending up in financial strife.

The government can play a key role in helping create this confidence.

The first thing is for the Premier to stand up and say that events are important and that the government is going to support the Event Industry and to work with the Event Industry.

And then a communications campaign to the broader business community and beyond to let people know that it is ok to be holding events, and that events play a really important role in the recovery and return to prosperity.

Many decisions about holding business events, for example, are made by organisations before they have engaged any event professionals - so information does need to be getting out to the broader community in an easily understandable form. And in a positive form.

Recommendation

- That the government as a matter of urgency develops a simple marketing and communications campaign to promote the benefits of holding events, and of holding events in Victoria.

The Government Leading by Example with Events

Another way to help restore confidence is by the government prioritising getting their own events back up and running again - to lead by example.

There is still a lot of nervousness about holding business events again. In part, this is because the media and social media have been very fierce in their criticism of anyone doing anything that could be construed as not safe or opening up too quickly.

This is likely to lead to many organisations waiting to commit to events until they have seen other similar events happen.

One way to help overcome this would be for the state government to hold a showcase event. This could be a briefing for those involved with business events - including businesses, not-for-profits and government bodies that hold business events.

Importantly, it could also include a showcase of Victoria's regional event destinations.

It should be a practical example of the innovative approaches that can make business events work in the current environment (as business events do need to be different to be viable), as well as being a practical example of the guidelines and protocols for staging Covid safe business events.

An event like this would help to give the event industry and the corporate community confidence that it is OK to hold events and that they can be done safely.

An event like this could be produced very quickly.

Another way the Victorian government can lead by example is by continuing to hold the events that it normally does, and to ensure that it is known throughout government that it is actually allowed and beneficial to be holding events.

Recommendation

- That the government as a matter of priority ensures that it is known throughout government that holding government events is both allowed and beneficial.
- That the government holds a showcase event to lead by example and to promote business events in Melbourne and in Victoria's regions.



Covid Event Supplies

There are a lot of additional costs involved with holding events due to the Covid requirements. Particularly for smaller events and not-for-profits the costs of some of the specific Covid items can be a real challenge to the viability of the event.

These are items like physical signage, floor stickers, decals, etc...



One simple practical measure would be for the government to produce a generic range of these items that could be available to smaller events and not-for-profits at or close to cost price. Or even at no cost as a means of supporting worthy events.

Recommendation

- That the government look into producing a generic range of Covid events supplies that can be available at low cost - or as part of support - for smaller events and not-for-profit events.

Mental Health and Wellbeing

There have been a number of studies done about the mental health and wellbeing of people who work in some parts of the event industry as well as in the broader entertainment industry. These are really challenging industries due to the unique environments and pressures, the unusual hours, the uncertain employment, etc....

These studies show levels of mental health illnesses, depression and suicide that are many times that of the rest of the community in normal times. This has been exacerbated by the Covid pandemic and the huge loss of work for so much of the industry, the financial pressures, the isolation.

Organisations such as the Arts Wellbeing Collective, SupportAct and CrewCare are already doing much great work in this area to provide really practical support to people - from emergency financial support through to mental health counselling. Some people within the Event Industry already have access to these services, but many don't currently.

Recommendation

- That the government look into the options for being able to fund and extend the coverage of the work of these organisations to cover more people within the event industry. Or, to fund and support similar services and resources for the event industry.



Summary

This document outlines a comprehensive plan that will enable Victoria's Event Industry to not only get through the current crisis, but will also set up Victoria's Event Industry to play a key role in Victoria's recovery and prosperity well into the future.

Importantly, this document represents the real views of the people and businesses that actually work in Victoria's Event Industry.

The current situation is both desperate and very urgent.

By the time the Inquiry is due to report on June 30 2021 the majority of the damage will already have happened - so action is needed now. We ask that the Committee does immediately advocate for urgent action to happen.

As an industry we remain ready and keen to work with the Victorian government to put these measures into place, and to contribute to Victoria's overall recovery.

Save Victorian Events has given voice to the real people and businesses in Victoria's Event Industry. We have led the discussion about what our industry needs to be able to survive, and also what it needs to be able to continue to play its important role in Victoria's future.

Events are integral to Victoria's identity. And, integral to Victoria's brand. But most importantly, events are integral to what makes living in Victoria great.

Events, and Victoria's Event Industry, touch the lives of most Victorians on a very regular basis. So this is about securing the future of Victoria's Event Industry for the benefit of all Victorians.



About Save Victoria Events Inc

Save Victorian Events was started in July 2020 by nine very long time members of Victoria's Event Industry.

- **Carson White - Director - Leading Voice Speaker Management**

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We were deeply concerned that our industry was already in a dire situation - having been completely closed for four months and with no sign of when it would reopen - and nothing was being done in terms of financial or practical support for our industry. We seemed to have been abandoned by all and sundry. No one was representing the real views people and businesses in Victoria's Event Industry to government.

Save Victorian Events began with the simple purpose of giving a strong voice to the broader Event Industry in Victoria during this time of crisis. And, with a strong emphasis on representing the small businesses, freelancers, and workers who had never had a real voice to government.



We have actively involved close to two thousand members of Victoria's Event Industry - and from right across the Event Industry - in our campaign. We have been the main source of information about what has been going on with government to much of the Event Industry. Similarly, we have been the main source of information from the front line of Victoria's Event Industry back to the government.

Our industry surveys are still the only comprehensive survey's of Victoria's Event Industry - and with 700 responses have given very many key insights.

We can easily claim to be the most representative voice for people and businesses in Victoria's Event Industry. And, have set the agenda for much of the discussion about the Event Industry at both the Victorian and federal level.

This submission is the culmination of this nine months of consultation and very hard work by many Event Industry people.

Save Victorian Events has no funding, no staff, and no ties with any government bodies. It is purely a lot of members of Victoria's Event Industry working together to try to help deal with a crisis that has caused in incredibly amount of pain and hardship to so many of our event colleagues and friends, and to so many great event businesses.

Victoria's Event Industry is the many Victorian people and businesses that create and deliver events in and from Victoria. It is an amazing group of people that we are proud to be a part of.

Victoria's Event Industry has never been more active and nor have we ever been more united in our determination to successfully get through this crisis.

